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Do Employees' Perceptions of HR Practices In South African Firms Affect Their Subsequent Turnover Destinations?

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A dissertation submitted to the Faculty of Commerce, Law and Management, University of the Witwatersrand, Johannesburg, in fulfilment of the degree of Master of Commerce.

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ABSTRACT

Employee turnover is an ongoing issue in organisations because it has long been thought to detriment overall organisational efficiency and performance (Lee, Gerhart, Weller & Trevor, 2008; Takeuchi, Chen & Lepak, 2009; Trevor, 2001). Managers are only able to observe and control some aspects or influencers of turnover (Dalton, Todor & Krackhardt, 1982). Placing voluntary turnover drivers in context with human resource (HR) practices might provide a means through which managers can understand the less visible aspects of turnover. HR practices may assist managers to reduce the controllable (evident) and less observable drivers of voluntary turnover.

March and Simon (1958), the seminal employee turnover theorists, suggest that the voluntary turnover decision has two competing aspects – desirability of the current job and desirability of alternatives. The perceived utility an employee garners from the current job might define the desirability of the current job. The more desirable the current job, the greater satisfaction and lower the likelihood of a quit. The potential utility the individual deems available from perceived alternative opportunities might define the desirability of alternatives. If the potential utility of an alternative outweighs the utility garnered by the current job, a quit seems more likely (March & Simon, 1958).

Generally, mainstream voluntary turnover research has placed emphasis on understanding turnover antecedents in the current organisation - the aspects that lower the perceived utility garnered by the current job (Kirschenbaum & Weisberg, 2002). However, considerably less research has focused on the alternative that draws the employee away from their current job (Kirschenbaum & Weisberg, 2002). The alternative to which the individual moves is the turnover destination. The turnover destination contributes towards the withdrawal process because the person perceived the alternative as more desirable than the current job, increasing the likelihood of a quit.

Observing organisational performance may provide an important means through which to examine the effect turnover destinations may have on withdrawal. Strategic human resource management (SHRM) and similar organisational development fields hold a particular view on organisational performance. SHRM theorists have paid particular attention to the implementation of high-performance human resource (HR) practices in organisations. Predominantly, extensive research has been conducted on the effect high-

performance HR practices might have on organisational performance and retention. SHRM theorists suggest that a combination (system) of high-performance HR practices correctly implemented in the firm, and aligned with organisational strategy, should bring about improved organisational performance and employee retention (Arthur, 1994; Carmeli & Schaubroeck, 2005; Combs, Liu, Hall & Ketchen, 2006; Shaw, Gupta & Delery, 2005; Subramony, 2009; Youndt, Snell, Dean & Lepak, 1996; Wood, 1999).

The field of turnover destination research highlights the role of turnover destinations in the voluntary turnover process. Specifically, turnover destination theorists postulate that antecedents present in the current firm affect the quit decision by influencing the intensity of the desire to leave, and the perception of alternative opportunities shapes the choice of turnover destination (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002). Research in the field focuses on the influence turnover destinations might have on turnover intentions, moving away from the traditional focus of internal organisational antecedents and personal factors (Kirschenbaum & Weisberg, 2002).

The relationship between high-performance HR practices and turnover destinations has not been extensively tested empirically, with few known studies in existence (for example: Fields, Dingman, Roman & Blum, 2005). Therefore, there is opportunity for greater research in the field. The developing South African economy is a suitable environment in which to measure whether high-performance HR practices affect turnover destinations at the individual-level, as no known research has been conducted. The South African economy is said to be suffering from the mass emigration of highly skilled individuals, who mostly move to developed countries with less prominent societal issues and less restrictive labour policies, amongst other reasons (Kerr-Phillips & Thomas, 2009; McDonald & Crush, 2002). A key interest for this research is the role experience of high-performance HR practices might play in emigration of South African white-collar workers.

The study explores the relationship between high-performance HR practices and turnover destinations by measuring met expectations and turnover intentions. The objective of the empirical study is to establish whether experience of high-performance HR practices in the current job affect the likelihood of particular turnover destinations.

A quantitative study, using a two-part time-separated survey, was conducted on white-collar workers from three South African provinces, including Gauteng, Kwa-Zulu

Natal and the Western Cape. The first part of the survey measured respondents' perceptions of the levels of actual high-performance HR practice provision in the current organisation. In addition, respondent expectations about the adequate level of the practices (that should retain them in their current jobs) were measured. The second part of the survey measured respondents' intentions to move into a predefined set of turnover destinations.

The final sample of 386 participants was used to analyse the impact of interactions between actual and adequate high-performance HR practices on a variety of turnover destinations, using polynomial regression analysis and response surface methodology.

Overall, the results showed that a system of high-performance HR practices exert a weak to moderate influence on the predefined turnover destinations. Generally, South Africans with lower expectations about high-performance HR practice provision appear less likely to leave a job when the employer places greater emphasis on the practices. However, the likelihood of internal transfer and moving into a different organisation increases for individuals who possess higher expectations about high-performance HR practice provision, and have experienced higher levels of actual provision. The findings also show that, for the most part, the likelihood of emigration increases in employees with lower actual provision of high-performance HR practices, largely contradicting expectations about emigration.

The increase in the likelihood of internal transfers and moves to external organisations, despite higher actual high-performance HR practice provision, might point towards over-provision of the practices, or the possibility of continuance commitment in South African employees. The findings suggest that, rather than higher emphasis of high-performance HR practices providing a means for emigration, broader external societal conditions may be motivating the emigration of skilled South Africans.

As the results showed that a set of high-performance HR practices may exert a weak to moderate influence on turnover destination selection, there are recommendations for managers and future research. Implications for managers include promoting the implementation of a set of high-performance HR practices in the organisation. Researchers in the turnover destinations field should endeavour to measure actual turnover, rather than intentions in future studies.

Keywords: Human resource management, employee turnover intentions, high-performance human resource practices, high performance work systems, organisational performance, turnover destinations, met expectations, skills shortage, South Africa.

DECLARATION

I hereby declare that this dissertation is my own unaided work except where due recognition has been given. It is submitted for the degree of Master of Commerce by dissertation in the University of the Witwatersrand, Johannesburg. It has not been submitted before for any other degree at this or any other university.

Stacy Katherine Bussio

Johannesburg

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DEDICATION

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GLOSSARY, ABBREVIATIONS AND SYMBOLS

χ^2	Chi-square value
$\bar{r}$	Average correlation
$\bar{r}_c$	Average correlation adjusted for measurement error
AIC	Akaike's Information Criterion – structural equation modelling fit statistic
CAIC	Bozdogan Consistent Akaike's Information Criterion – structural equation modelling fit statistic
CFA	Confirmatory factor analysis
CFI	Bentler comparative fit index – structural equation modelling fit statistic
EFA	Exploratory factor analysis
Factor	A latent concept (e.g.: one HR practice) explaining a set of correlated manifest variables
HPHRP	High Performance Human Resource Practice
HR	Human Resource
KSA's	Knowledge, skills and abilities
Latent variable/construct	An unobserved variable measured indirectly by means of this variable's influence on manifest variables
Manifest/observed variable	A directed measured variable
NNFI	Bentler-Bonnet non-normed fit index – structural equation modelling fit statistic
NQF	National Qualifications Framework
R^2	Co-efficient of determination, measures the proportion of variance about the mean described by the predictor variables
RMSEA	Root mean square error approximation – structural equation modelling fit statistic
SBC	Schwarz Bayesian Criterion– structural equation modelling fit statistic
SEM	Structural equation modelling
SRMSR	Standardised root mean square residual – structural equation modelling fit statistic
VIF	Variance inflation factor – statistic measuring multicollinearity
ΔR^2	Change in R^2

CHAPTER 1. INTRODUCTION

Employee turnover is an enduring topic of research in the industrial and organisational psychology fields (Cotton & Tuttle, 1986). Research has found numerous aspects that might influence a voluntary quit decision (Cotton & Tuttle, 1986). The seminal theory of voluntary turnover was postulated by March and Simon (1958). Additional key voluntary turnover models that have contributed to the development of the field are those put forward by Mobley (1977), an extension by Mobley, Griffeth, Hand and Meglino (1979) and Price (1977), amongst others (Cotton & Tuttle, 1986; Hulin, Roznowski & Hachiya, 1985). The mainstream turnover frameworks discussed here mostly focus on the aspects within the current organisation that may motivate turnover – the antecedents. Some aspects of turnover are not necessarily in the control of organisations or managers, and therefore their interest most likely lies in the aspects that are more controllable (Dalton et al., 1982). The motivators that may increase voluntary turnover from the current organisation would therefore be of interest to most managers because they would most likely have more control over those aspects than external elements or employees' personal issues.

Literature suggests that three principal drivers affect the likelihood of a voluntary turnover decision. Firstly, the internal and external labour markets which define the job market structure (or macro-economic environment; Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Mano-Negrin & Tzafrir, 2004). Voluntary turnover literature postulates that perceived opportunities available to an individual in the macro-economic environment may well influence the quit decision (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Mano-Negrin & Tzafrir, 2004; March & Simon, 1958; Mobley et al., 1979). Secondly, the extent to which a person is satisfied in his or her current job and finds the job desirable (lower satisfaction increases desirability of mobility; March & Simon, 1958). The last turnover driver is the ease with which a person believes he or she is able to move into the labour market (ease-of-movement; March & Simon, 1958; Trevor, 2001).

Two aspects of turnover theory are at the core of this research – high-performance human resource (HR) practices, and turnover destinations. Specifically, a) high-performance HR practices and their influence on organisational-level outcomes (Boxall & Macky, 2009;

Wood, 1999), and b) the destinations to which individuals move once they have effected a quit decision, as well as the influence of the chosen destination on the previous quit (Fields et al., 2005; Kirschenbaum & Weisberg, 2002).

This chapter provides an overview of the key concepts in turnover theory, presents the objectives of the research and outlines the contents of each of the remaining chapters in the dissertation.

1.1. Strategic Human Resource Management

Literature suggests that a principal function of a firm's human resource management strategy is to produce a comprehensive, valuable staff compliment that can assist in the realisation of firm goals by enhancing employee productivity and managing related costs (Carmeli & Schaubroeck, 2005; Combs et al., 2006). Theorists in the field have at times questioned the contribution made by the human resource management function in firms (Combs et al., 2006; Wright, Gardner, Moynihan & Allen, 2005). Although this subject spans many disciplines, including organisational behaviour, industrial relations and strategic human resource management (SHRM), amongst others (Boxall & Macky, 2009), several theorists consider the primary research field to be SHRM literature and research. SHRM seeks to show the value of human resource management by illustrating how high-performance HR practices might enhance organisational-level outcomes (Combs et al., 2006).

High performance HR practices (HPHRPs) are a separate, cohesive set of practices which include, for example, selective staffing, training, compensation, performance appraisal, employment security, participation, opportunities for internal mobility and a clear job description (Sun, Aryee & Law, 2007, Takeuchi et al., 2009). A primary objective of SHRM research is to demonstrate how high-performance HR practices might improve individual productivity, and thereby enhance organisational performance (Combs et al., 2006; Sun et al., 2007; Takeuchi et al., 2009; Wright et al., 2005).

High performance HR practices may well enhance organisational performance by:

> **"...increasing KSAs[1], empowering employees to leverage their KSAs for organizational benefit, and motivating them to do so" (Combs et al., 2006:504).**

[1] Knowledge, skills and abilities

Implementing a system of high-performance HR practices provides a means through which a firm can use these three mediators to link employee capabilities with enhanced performance (Combs et al., 2006; Youndt et al., 1996). Selective staffing most likely facilitates the acquisition of capable employees, and various training practices would probably aid development of workers (Combs et al., 2006; Huselid, 1995). Employees might become empowered through particular organisational structures allowing for autonomy through practices such as participation and clarity of work roles (Combs et al., 2006; Huselid, 1995). Individual motivation might arise through aligning worker and firm interests with practices such as compensation schemes, internal mobility and appraisal (Combs et al., 2006; Huselid, 1995). In these ways, employees become more valuable to the firm because of their enhanced ability to reach firm goals, while simultaneously providing a source of competitive advantage in the industry (Wright, Gardner & Moynihan, 2003). Furthermore, high-performance HR practices may well improve retention and assist in the attrition of non-performers (Guthrie, 2001; Huselid, 1995).

There are a few contentious issues in the SHRM field. Research has placed a significant amount of attention on how high-performance HR practices fit with various organisational aspects. Kinds of fit discussed include whether the practices themselves are complementary (internal fit); how the practices fit with other HR systems in the firm (organisational fit); how the practices and business strategy fit (strategic fit) and lastly, how the practices fit with the external firm environment (environmental fit; Wood, 1999). Another ongoing debate is whether one set of practices is universally applicable, or if each environment requires a unique HR practice system contingent upon firm-specific factors (Sun et al., 2007; Wood, 1999; Youndt et al., 1996). A final argument present in SHRM literature questions whether the effects of high-performance HR practices should be represented as a system or individually (Combs et al., 2006; Subramony, 2009). Researchers have tested both measures and the system approach appears favoured (Bae, Chen, Wan, Lawler & Walumbwa, 2003; Combs et al., 2006), although some studies do not support this view (Delery & Doty, 1996).

Researchers in the SHRM field have used various measures as indicators of performance improvement (Wright et al., 2005). Some studies measure change in profitability (Delery & Doty, 1996; Guthrie, 2001; Huselid, 1995), others use increased

productivity (MacDuffie, 1995) or operational performance measures (Youndt et al., 1996). Various theorists have also identified a few shortcomings of high-performance HR practice literature and research. Empirical research has shown to have conceptual and methodological problems (Boxall & Macky, 2009; Godard, 2004; Sun et al., 2007; Wood, 1999; Wright et al., 2005) and most research has taken place in the manufacturing sector (Sun et al., 2007). Researchers who support further examination of high-performance HR practices and performance in the traditionally white-collar service and professional sectors include Guest (1997), who posits that the human factor may be more valuable in the service industry, and Boxall and Macky (2009) who argue that there is growing interest in such research.

1.2. Turnover Destinations

The influence of turnover destinations on a voluntary quit is the second key issue in this research. This concept differs from traditional turnover research because attention is drawn not only to the effect of antecedents present in the current firm, but also to the chosen turnover destination on the quit decision (Kirschenbaum & Weisberg, 2002). March and Simon's (1958) seminal theory of turnover suggests that employees derive satisfaction when their contributions to firm outcomes match their inducements received for effort. Furthermore, when satisfaction is lower, an individual's desirability of the current job reduces, and his or her desirability to move increases.

Mainstream turnover research concentrates on the turnover motivators (antecedents) present in the current organisation, and the aspects associated with desirability of the current job. Turnover destinations theory seeks to highlight the role desirability of alternatives play in the turnover process. Turnover destination theorists posit that turnover antecedents may affect the intensity of an employee's desire to leave, and perceived alternative opportunities shape the choice of turnover destination (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002).

Research on turnover destinations endeavours to establish how destinations affect turnover intentions, shifting focus from antecedents and personal factors (Kirschenbaum & Weisberg, 2002). As the field of study is fairly novel, there are few studies from which to garner previous findings. Some research has measured turnover intentions and analysed their influence on turnover destinations (Kirschenbaum & Weisberg, 2002), whereas others

have studied actual quits and destinations (Fields et al., 2005). Turnover destinations that have been studied include career changes (Fields et al., 2005), internal moves (Spell & Blum, 2000), moves to different organisations (Fields et al., 2005), relocation (Noe & Barber, 1993) and exiting the workforce (Royalty, 1998; Sutherland, 2002; Kirschenbaum & Weisberg, 2002).

Theorists have highlighted some shortcomings of turnover destination research (Morrell, Loan-Clark & Wilkinson, 2001). The first point of interest is the notion that individuals may have a great deal invested in the current organisation in the form of training, which turnover destination theory may underemphasise. Secondly, turnover destination theory suggests that the perception of available opportunities shapes destination choice. However, literature suggests the possibility that individuals may have imperfect awareness of alternatives in the macro-economic labour market, and in this way, their perception may play a significant role in shaping opportunities (Morrell et al., 2001).

1.3. Objectives of the Research

As there are aspects to voluntary turnover that organisations and managers do not have control over, those factors within their power are likely to be of greater interest to them. Examining how employees' experience of high-performance HR practices might affect their turnover decisions may be a manner in which to highlight the antecedents over which firms and managers could possibly control to some extent. Furthermore, studying how the experience of high-performance HR practices might influence employees' choice of turnover destinations may draw attention to how the level of practice experienced could contribute towards retaining key performers.

Therefore, this research aims to establish if employees' perceptions of high-performance HR practices in South African firms affect their subsequent turnover destinations. Using polynomial regression analysis and response surface methodology, this research aims to analyse the impact of interactions between actual and adequate high-performance HR practices on a variety of turnover destinations.

1.4. Chapter Outline

In order to examine the issues discussed in this introductory chapter, the following chapters will be presented in this dissertation.

Chapter Two examines the theoretical basis of each high-performance HR practice included in the research. This chapter endeavours to clarify how each individual high-performance HR practice might contribute towards improving employee performance in the organisation.

Chapter Three examines significant voluntary turnover models and the concept of turnover destinations. The concept of desirability is examined in context with the current job and alternatives, including relevant theoretical perspectives of each notion. This chapter seeks to show how contemporary turnover destination literature contrasts with conventional turnover theory, as well as the unique contribution made by turnover destination research.

Chapter Four examines the manner in which experience of each individual high-performance HR practice might influence a voluntary quit. This chapter also introduces the hypotheses. The formulation of the hypotheses links the high-performance HR practices (depicted as a system) to each turnover destination alternative included in the research.

Chapter Five discusses the methodology of the empirical study. This chapter focuses on research design, population and sampling methods, data collection processes, survey design and measurement instruments, statistical analysis theory and methods and limitations of the methods. The statistical testing approach is polynomial regression and response surface analysis.

Chapter Six reports the results of the empirical study, including a discussion of appropriate variable correlations and the response surface analysis graphs for each turnover destination. The statistical features of each turnover destination graph will be discussed in this chapter.

Chapter Seven discusses the findings of each turnover destination graph, and establishes whether the findings support the research hypotheses outlined in *Chapter Four*.

Chapter Eight gives the conclusion, recommendations for managers and suggested future research directions, the limitations of the study, and concludes the dissertation overall.

CHAPTER 2. HIGH PERFORMANCE HR PRACTICES

High performance human resource practice theory argues that the implementation of a particular set of HR practices at a firm should cause an improvement in firm performance (Farias & Varma, 2002; Guest, 1997; Huselid, 1995; MacDuffie, 1995; Tomer, 2001; Wood, 1999; Wright et al., 2003). Theorists have labelled these practices high-performance human resource practices (HPHRPs). A significant amount of literature and empirical research has allowed for the expansion of this field in recent years (Wood, 1999; Wright et al., 2003), resulting in general, although not unequivocal, support for the notion that HPHRPs can improve firm performance and facilitate a sustainable competitive advantage through an involved workforce (Huselid, 1995).

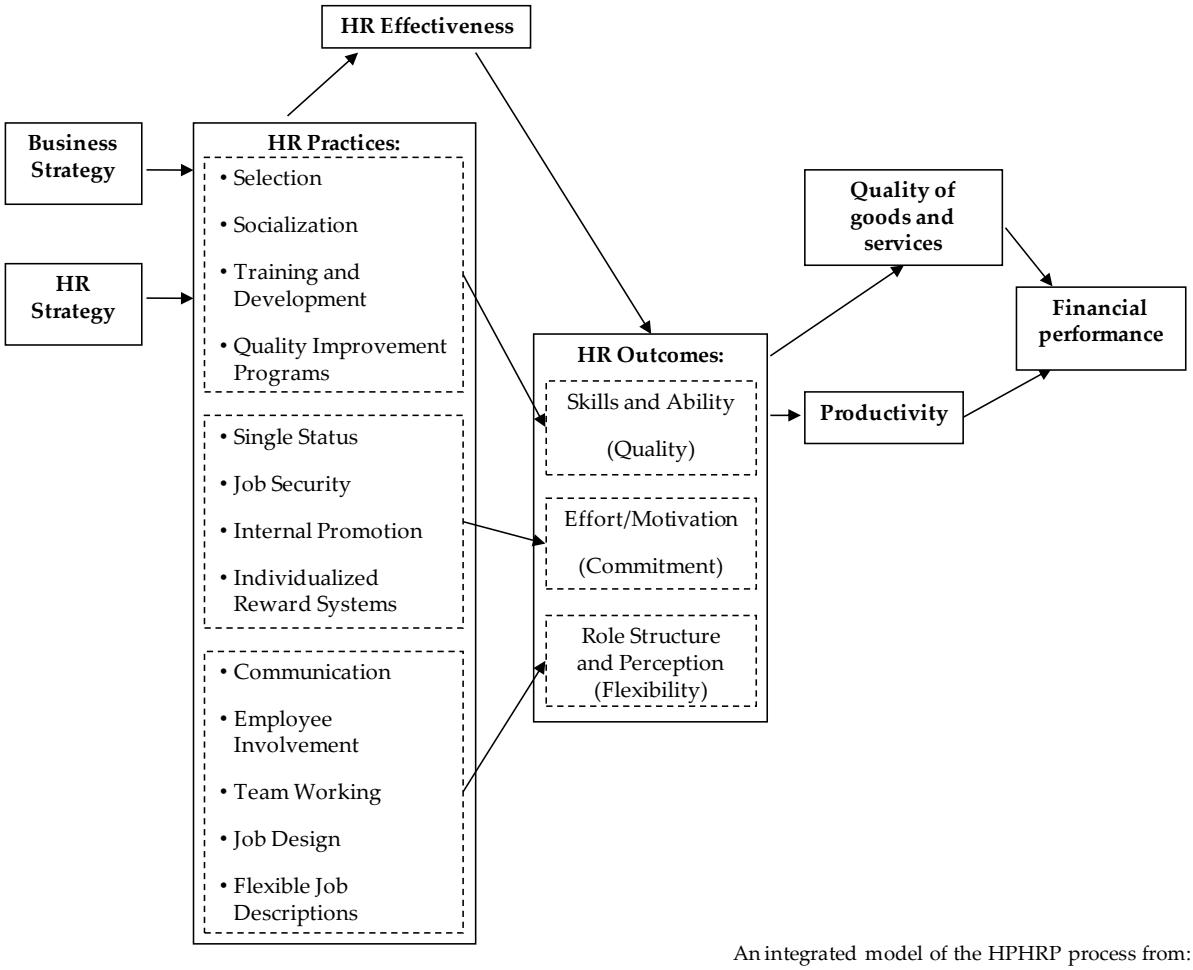
Although definitions and formal labels vary, whether referred to as 'high-performance systems' (Wood, 1999:368), 'high performance work practices' (Huselid, 1995:635), 'high commitment human resource management' (Guest, 1997: 263), or 'innovative human resource practices' (MacDuffie, 1995:197) the underlying concept remains similar. Specifically, the implementation of a system of innovative, interlinked HR practices may well increase organisational performance. Common examples of HR practices which researchers regard as 'high performance' include selective staffing, training and development, high compensation, employment security, performance appraisal, clear job description, employee participation, internal mobility, incentive-reward and appraisal (Combs et al., 2006; Guest, 1997; Huselid, 1995; MacDuffie, 1995; Sun et al., 2007).

Firms might implement different types of HPHRPs in different ways, depending on the needs and goals of the organisation. These needs and goals have led to the development of various bundles or combinations of HPHRPs with a variation in the underlying philosophies, conceptual designs and implementation methods (Boxall & Macky, 2009; MacDuffie, 1995; Wood, 1999). These combinations of HPHRPs explain the alternative labels in literature. To illustrate this concept, consider two firms that wish to implement HPHRPs in the hopes of improving firm performance. The first organisation might implement a high commitment management HPHRP strategy, selecting human resource practices that facilitate the improvement of employee commitment. The second firm may choose to introduce a set of high-performance HR practices that should improve employee

involvement. The kinds of practices this company might select would probably be those recognised in research as effective in improving employee involvement (Boxall & Macky, 2009). Theory of HPHRPs postulates that in essence the types of practices selected might inform the focus of the HPHRP strategy, however, the firm's overall goal of improved firm performance remains the same across firm HR strategies.

Section 2.1 discusses the role of these practices in improving firm performance. Figure 2.1 below describes the overall process of HPHRP implementation and outcomes.

Figure 2.1 An example of the HPHRP process



An integrated model of the HPHRP process from:
Guest, D.E. (1997). Human resource management and performance: a review and research agenda. *The International Journal of Human Resource Management, 8*(3), 263-276., and
Robinson, I. (2006). *Human Resource Management in Organisations.* London: CIPD.

Figure 2.1 exemplifies the process through which high performance HR practices might bring about improved firm performance. At the start of the figure (the far left), the firm's HR and business strategies jointly contribute in the selection of the high performance HR practices for implementation. The practices selected should then lead to improved HR effectiveness through particular outcomes. Each HR outcome emerges through particular

groupings of practices. For example, Guest (1997) suggests that *skills and ability* should be improved by the cohesive practices of *selection, socialisation*, *training and development* and *quality improvement programs*. Robinson (2006) argues that the effects of these improved HR outcomes may be a) an increase in the *quality of goods and services* produced and b) increased overall *productivity*. The model suggests that, ultimately, an organisation should achieve enhanced *financial performance* from the positive effects of the practices.

This chapter commences with an examination of each high-performance HR practice included in the research. Each practice is discussed in terms of its supposed contribution to enhancing firm performance. Developing on the theoretical foundations of each practice, consideration of the practices at the organisation (global) level follows, with a discussion on the best practice debate. In this vein, a brief reflection on organisational strategy and HPHRPs and appropriate meta-analyses concludes the global-level discussion. The next section discusses organisational involvement and commitment, which are thought to be important individual-level characteristics affecting turnover. Relevant research by Huselid (1995) and MacDuffie (1995) is also reviewed in this section. A critique on the managerial issues and limitations of high-performance HR practices concludes the chapter.

2.1. High Performance HR Practice Constructs

This section explores the theoretical foundations of each high performance HR practice in this study. Identifying the origins of the practices should aid in understanding how each construct might influence or facilitate the improvement of individual performance in the firm.

2.1.1. Selective staffing

An organisation that uses selective staffing practices applies, amongst other processes, particular recruitment procedures such as 'structured interviews', and 'cognitive aptitude and ability tests' when hiring employees (Terpstra & Rozell, 1993:30). These types of procedures allow the organisation to select a certain kind of individual from a pool of potential candidates. This type of person possesses key KSAs, which the organisation recognises as potentially useful in achieving firm goals (Schneider, 1987). The construct of selective staffing appears frequently in high performance HR practice literature and research (Combs et al., 2006; Guest, Michie, Conway & Sheehan, 2003; Huselid, 1995; Ichniowski &

Shaw, 1999; MacDuffie, 1995; Sun et al., 2007; Wright et al., 2005;). Moreover, researchers consider selective staffing one of the most common areas in human resources (Youndt et al., 1996).

This section reviews the theory of selective staffing and discusses the function of selective staffing as a high-performance HR practice. Finally, consideration is given to noteworthy empirical research on the practice.

Selective staffing: Theory and framework

This high performance HR practice derives primarily from interactional psychology, the Attraction-Selection-Attrition (ASA) framework (Schneider, 1987; Schneider, Goldstein & Smith, 1995) and Person-Environment fit theory (Kristof-Brown, 2000; Kristof-Brown, Zimmerman & Johnson, 2005).

Interactional psychology

Interactional psychology posits that individuals are inseparable from their environments (Schneider, 1987:439). The theory argues that an interaction most likely occurs between the nature of the person and their specific circumstances, shaping the way in which he or she might experience the environment and thus perhaps influencing their behaviour in that particular environment (Schneider, 1987; Schneider et al., 1995). Given this premise, Schneider's (1987) ASA framework provides an explanation of how interactional psychology corresponds with the high performance HR practice of selective staffing.

The Attraction-Selection-Attrition (ASA) framework

Schneider's (1987) ASA framework comprises a core set of organisational goals. The processes of attraction, selection and attrition facilitate the achievement of these goals.

Attraction to an organisation might come about when a person recognises their interests and personality type in a certain firm (Schneider et al., 1995). Schneider et al. (1995) note that research has shown that individuals select situations similar to their personalities, avoiding those that differ from their personalities. According to Schneider (1987), the founder of the organisation defines the firm's goals, and these goals attract candidates to the firm. The theory further argues that these organisational goals could influence formal and informal firm selection processes. Moreover, firms may well restrict their selection to persons who have common attributes to employees already in the firm, and ideally are in

possession of varied competencies to aid in the effective achievement of firm goals (Schneider, 1987).

Attrition takes place when those who do not feel as though they fit into the firm choose to leave (Schneider, 1987). Kristof-Brown et al. (2005) note that interactional psychology literature argues that individuals' perceptions of environmental fit depend on how they perceive it. If an individual feels as though his or her own values do not align with firm values, they might choose to leave the firm because of a perceived 'poor fit' (De Cooman, et al., 2009). Consequently, remaining staff are probably more similar and the workspace most likely becomes occupied by a set of people who think and behave similarly (Schneider, 1987; De Cooman et al., 2009).

The homogeneity of the workforce might define the kind of organisation that exists (De Cooman et al., 2009). The structure, processes and culture of the firm come about because of the persons who exist in the workforce (Schneider, 1987). The employees' aspirations to achieve organisational goals most likely bring about the particular structure, processes and culture that will facilitate the firm in achieving these goals. Kristof-Brown et al. (2005) have observed that researchers often use the ASA model to explain how an organisation might ensure good person-environment fit. Person-environment theory concerns the various kinds of measurable fit in an organisation and describes how good fit contributes towards selective staffing.

Person-environment fit theory

One definition of person-environment (PE) fit is:

> **"...the compatibility between an individual and a work environment that occurs when their characteristics are well matched" (Kristof-Brown et al., 2005:281).**

There are various types of fit that fall under the term PE fit: Person-job (PJ), person-organisation (PO), person-group (PG), and person-supervisor (PS) fits (Carless, 2005; Kristof-Brown et al., 2005).

Good PO fit occurs when a person's values and personality prove compatible with overall organisational features (Kristof-Brown, 2000; Kristof-Brown et al., 2005; De Cooman et al., 2009). Edwards (as cited in Kristof-Brown, 2000:645) posits two aspects of PJ fit: 'Demands-abilities fit' (where worker KSAs match the requirements of the job) and 'needs-

supplies fit' (the job meets the worker's needs, desires or preferences). Thus a worker might have good PJ fit where there is cohesion between his or her KSAs and the job requirements and/or if the job meets their desires (Carless, 2005; Sekiguchi, 2007).

Research shows that firms have used good PJ and PO fit as key selective staffing practices (Kristof-Brown, 2000; Sekiguchi, 2007).

The purpose of selective staffing as a high performance HR practice

Researchers regard selective staffing as a skill-enhancing practice, with firms focussing on attracting potential workers with the desired KSAs by promoting the prospect of skills acquisition and development in the firm (Youndt et al., 1996; Subramony, 2009). A selective staffing process such as this might indicate to potential candidates that the firm values and cares for its employees (Takeuchi et al., 2009). Often researchers bundle selective recruitment and training practices because both types of practices give rise to improved workforce KSAs (Combs et al., 2006; Hoque, 1999; Subramony, 2009). Planning for the development of workers involves providing opportunities for internal mobility, which allows the firm to retain and better utilise employees who show a greater fit in the organisation (Carmeli & Schaubroeck, 2005).

The firm has a desired outcome from applying selective recruitment. The outcome seems to be to employ a staff compliment in possession of the KSAs and personality characteristics potentially beneficial to the firm through the achievement of goals (Schneider, 1987; Subramony, 2009). The ASA model appears to facilitate firms' understanding of how to achieve this desired staff compliment (Subramony, 2009). The selection process should yield employees with good PO and PJ fits because an individual who fits with the organisation and with his or her job may well develop an attachment to the organisation and job through aligned values (De Cooman et al., 2009). Conversely, a person who feels their values do not align with the organisations would likely decide to withdraw from the firm in search of an employer with similar values to their own.

Through frameworks such as the ASA model and awareness of candidate-firm fit, the purpose of selective staffing as a high-performance HR practice becomes apparent. The contribution selective staffing makes is towards ensuring a competent staff in possession of valued KSAs (Combs et al., 2006; Subramony, 2009). Selecting candidates with high skills

levels should enhance organisational skill levels, which should improve individual and firm performance.

Empirical research of selective staffing practices

A significant proportion of HPHRP researchers consider selective staffing as a performance enhancing practice (Combs et al., 2006), and the practice has been included in several studies observing the relationship between high-performance HR practices and organisational performance (Combs et al, 2006; Guest et al., 2003; Huselid, 1995; MacDuffie, 1995; Sun et al., 2007; Wright et al., 2003). Similarly, empirical evidence supports the existence of a positive relationship between selective staffing and firm financial performance (Combs et al., 2006; Delaney & Huselid, 1996; Terpstra & Rozell, 1993).

A meta-analysis aims to assess what empirical research has established in a particular field of study by condensing the findings of current studies into one large statistical analysis (Cotton & Tuttle, 1986). The field of study of importance is high performance HR practices. Meta-analyses may have different objectives such as establishing support for particular findings across different studies, or ascertaining the direction, statistical significance and importance of certain findings (Cotton & Tuttle, 1986).

Useful values from meta-analyses include:

- The sample size (indicated by 'n')
- The average correlation not adjusted for measurement error (given by '$\bar{r}$')
- The average correlation adjusted for measurement error (given by '$\bar{r}_c$')
- The level of significance, indicated by the p-value (given by 'p')
- The range of the confidence interval indicated by an upper and lower limit, (e.g. upper .16; lower .11). The narrower the range, the more accurate the relationship predicted between the two variables.

Two meta-analyses are of importance to selective staffing. Firstly, the meta-analysis of the elements of person-environment fit conducted by Kristof-Brown et al. (2005) is of relevance because, amongst other findings, the study shows that PO and PJ fit might aid organisations with employee retention. Their study investigated the relationships of PJ, PO, PG and PS fits with various pre- and post-entry aspects (including aspects such as attraction, performance, withdrawal and turnover; Kristof-Brown et al., 2005: 281). As PO and PJ fit

have empirical research links with selective staffing, I discuss only the key findings relating to these fits (Kristof-Brown, 2000; Sekiguchi, 2007).

The analysis yielded findings in support of PO and PJ fit. Testing the interrelationship between PO and PJ fit produced an overall measurement-corrected correlation of $\bar{r_c}$ = .72 (n = 10,239; $\bar{r}$ = .58), and 95% significance (CI[2]: 38 : .78), illustrating a strong and significant relationship between the fits. The researchers also tested PO and PJ fits against various organisational features. A test of PO fit and organisational attraction showed an overall measurement-corrected correlation of $\bar{r_c}$ = .46 (n = 9,001; $\bar{r}$ = .38). This suggests a positive moderately strong and significant relationship (p < .05; CI: .18 : .58). Testing PO fit and organisational commitment yielded a measurement-corrected correlation of $\bar{r_c}$ = .51 (n = 36,093; $\bar{r}$ = .42). A test of PJ fit and organisational attraction also showed a $\bar{r_c}$ = .48, suggesting a moderate relationship (n = 8,131; $\bar{r}$ = .40). Again the relationship was significant (p < .05; CI: .09 : .71). PJ fit proved to have a strong relationship with job satisfaction with $\bar{r_c}$ = .56 (n = 12,960; $\bar{r}$ = .44) and have significance at the 95% level (CI: .20 : .68). Despite these reasonable correlations, the relative predictive accuracy seems only moderate given the wider ranges of all confidence intervals. The overall measurement-adjusted correlations of turnover against PO fit showed $\bar{r_c} = -.14$ (n = 2,157; $\bar{r}$ = -.13). This shows the existence of a weak, negative correlation between turnover and PO fit. PJ fit (n = 1,496) appears to have a slightly weaker negative relationship with turnover, with $\bar{r_c} = .08$ ($\bar{r}$ = -.07).

Kristof-Brown et al. (2005) argue that in attraction and selection, PJ fit should be high although a lower PO fit would not prevent an organisation from hiring a person. Furthermore, the researchers posit that if the ASA model holds true, a person with a low or modest PO fit will eventually leave, indicating that PO fit is a better predictor of eventual turnover (Kristof-Brown et al. (2005).

The second meta-analysis of interest is the analysis conducted by Combs et al. (2006). Amongst other hypotheses, the researchers tested whether high-performance HR practices enhance organisational performance and whether the relationship between organisational performance and a system of HPHRPs is stronger than the relationship between organisational performance and individual HPHRPs. The sample sizes of individual

[2] Confidence interval

HPHRPs and HPHRPs as a system are 11 928 and 8 615 respectively. The relationship with performance was found to be stronger when measures describe a HPHRP system ($\bar{r}$ = .21; $\bar{r_c}$ = .28; p < .01) than individual practices ($\bar{r}$ = .11; $\bar{r_c}$ = .14; p < .01; Combs et al., 2006).

These findings provide support for high-performance HR practices depicted as a system rather than individual practices. In addition the result of a test of robustness showed support for selective staffing as a HPHRP, suggesting a positive and significant relationship between the practice (n = 3,689) and performance enhancement ($\bar{r}$ = .11; $\bar{r_c}$ = .14). The 99% confidence interval range is fairly narrow (.07 : .15), suggesting relative accuracy in the prediction of the relationship (Combs et al., 2006).

Subramony (2009) conducted a meta-analysis on high-performance HR practice bundles and business outcomes. The study also analysed the individual effect of staffing on business outcomes (n = 4,318). The results show that staffing has a weak relationship with business outcomes ($\bar{r}$ = .07; $\bar{r_c}$ = .08). The relatively narrow 95% confidence interval (.04 : .12) suggests a fairly accurate prediction of the relationship.

Empirical evidence supports the view that relationships exist between PJ and PO fit and key aspects of employment (organisational attraction, commitment, satisfaction and turnover; Kristof-Brown et al, 2005) as well as the notion of a relationship between selective staffing and performance (Combs et al., 2006; Delaney & Huselid, 1996; Terpstra & Rozell, 1993). These studies provide support for the argument that selective staffing could contribute towards retaining key employees and improving organisational performance.

2.1.2. Training and development

Signalling theory (Spence, 1973) and human capital theory (Becker, 1962) may well support training and development (T & D) as a high performance HR practice. Firms most likely use T & D to increase workers' KSAs (Combs et al., 2006; Huselid, 1995), which should improve overall organisational productivity (Delaney & Huselid, 1996). Numerous studies on HPHRPs and performance have included T & D in the bundle studied (Arthur, 1994; Combs et al., 2006; Delery & Doty, 1996; Guest et al., 2003; Guthrie, 2001; Huselid, 1995; Ichniowski & Shaw, 1999; MacDuffie, 1995; Sun et al., 2007; Wright et al., 2003; Youndt et al., 1996). This validates the view that T & D could potentially contribute to improving firm performance (Delaney & Huselid, 1996).

This section considers two viewpoints on T & D – that of an individual who possesses T & D when in search of a job and once employed a firm, and that of the organisation in the selection process and thereafter. The following discussion aims to illustrate that a worker's previous education and T & D and current (on-the-job) T & D may possibly benefit both the individual and the firm in the selection process and thereafter.

This section reviews signalling and human capital theories and relevant research. Thereafter, I discuss why firms might consider including T & D in their HPHRP bundles, and why an individual's experience of prior T & D may play a role in a firm's selection practices.

Training and development: Theory and framework

Signalling theory

According to Spence (1973), the key components of signalling theory are the characteristics visible before hiring a worker, labelled signals and indices. Signals are those characteristics that a potential employee has the ability to change (e.g. 'education' and 'training'), whereas indices are largely unalterable (e.g. 'sex' and 'race'; Spence, 1973:357).

Two discussions on signalling theory appear possible. The first is the different value potential employers and individuals place upon signals, and the second is that the values of signals appear to change when one transitions from the selection process to an employee in the organisation. This section considers first the signals associated with the selection process and secondly those apparently valued in a firm.

Signalling theory posits that the better a worker's signals (e.g. the higher his or her education and/or training level), the more productive and capable of obtaining further training he or she is likely to be (Nielson, 2007). A strong signal of considerable education and training may well describe a worker as highly productive to the external labour market. In the recruitment process, a firm might use signals as a selective staffing criterion to decide whether a potential employee has good organisation and job fit (Spence, 1973; Kristof-Brown, 2000; Kristof-Brown et al., 2005). Conversely, Waldman (1984) argues that potential employers might receive an imprecise signal as the worker has only directly revealed his or her abilities to their current employer (causing information asymmetry). Unclear signals to the external market may well reduce the value and/or apparent capabilities of the worker in

the view of a potential employer (Banerjee & Gaston, 2004). In light of the possibility of an imprecise signal, a potential employee's current job might provide another signal of his or her abilities (Waldman, 1984). Therefore, during the selective staffing process a potential employer might use the worker's previous job as an indication of his or her ability levels. Such a firm might interpret high education, training and experience in a previous job type as a strong signal suggesting fit and capability in a specific position in the organisation. This may possibly increase a worker's chances of selection into this position.

A slightly different perspective of signalling exists when a person comes to work in his or her current firm. Employees' signals should indicate their capability in the job, and likely ability to obtain further training in the organisation (Nielson, 2007; Royalty, 1996). The greater training and experience a person receives in his or her current organisation, the more capable and productive they may appear in the current job type (Nielson, 2007). This could possibly strengthen the person's signals to both the internal and external labour markets. Banerjee and Gaston (2004) note that even though only the employing firm has direct knowledge of a worker's capabilities, his or her job is public knowledge and therefore the external market might possibly still receive an (imperfect) signal about their productivity.

Human capital theory

Becker (1962) argues human capital theory suggests that investing, by instilling resources in a worker, should lead to some future economic benefits for both the society in which the individual exists and the person who receives the investment (Royalty, 1996; Sweetland, 1996). Becker's (1962) seminal theory and subsequent discussions by theorists and researchers on the investment in human capital has contributed significantly towards theory and research on T & D (Autor, 2001; Barron, Berger & Black, 1999; Hansson, 2009; Leuven, 2005). Of interest in this section are the arguments on specific and general training as an investment.

According to Becker's (1962) human capital theory, the two types of training - general and specific training - should appear valuable to organisations and individuals. Caveats to Becker's (1962) model of training are a perfectly competitive labour market and information symmetry among parties (Leuven, 2005). General training furnishes a trainee with broad, transferrable skills, giving the employee the potential to apply these skills across organisations (Becker, 1962; Hansson, 2009; Royalty, 1996). Becker (1962) posits that the

majority of the benefits associated with receiving general training will most likely go to the trainee, and therefore the cost of obtaining the skills should fall on the trainee in the form of a reduced salary.

On the contrary, specific training may often only be applicable and thus valuable in the firm that provides it (Becker, 1962). Such training should make employees more productive and valuable in that particular organisation, thus the firm should pay either for the majority or all of the associated costs (Becker, 1962; Royalty, 1996). Employees who possess specific training may well be more valuable to the organisation but of no greater value to the external job market because their skills are not transferrable (Becker, 1962). Largely, a combination of general and specific training occurs in a firm (Autor, 2001; Becker, 1962).

Theorists have subsequently contributed towards Becker's (1962) theory of training in the form of adjustments such as accounting for an imperfect labour market and information asymmetry (Leuven, 2005). Particularly, theorists have raised arguments against Becker's (1962) notion that the cost of general training would most likely fall solely on the trainee. Several theorists argue that firms might have a few reasons to invest in general training. Hansson (2009) reviews some reasons firms might pay for general training:

a) Bargaining power in terms of the employment relationship (by training in general and specific skills, firms give employees a reason to stay and therefore reduce possible turnover when only trained in specific skills).
b) The notion that the firm still benefits from general training for the time that the employee remains in the organisation.
c) The benefits firms could potentially gain from employing skilled persons within compressed wage structures because they are able to extract higher rents from said employees (Barron et al., 1999).

Autor (2001) also opposes Becker's (1962) original thoughts on general training costs, as Autor argues that general training assists in employee self-selection and aids employers in screening candidate abilities (Hansson, 2009). Furthermore, there is also empirical evidence countering Becker's (1962) view of reduced salaries in lieu of general training (Autor, 2001).

Regarding the transferability of specific skills, Hansson (2009) suggests that persons might bear industry specific skills that would enhance their value in that particular industry. Such skills could increase a person's signalling power in the job market of that industry.

The purpose of training and development as a high performance HR practice

Both parties in the employment relationship appear to benefit from a worker's existing education, T & D and current (on-the-job) T & D. From the perspective of the individual, existing education and training might provide for a stronger signal to the external market. This signal may well illustrate a superior aptitude for a certain job (Sweetland, 1996). The firm might presume that one's previous education and training may indicate an increased aptitude for a certain job and for additional training in that career (Nielson, 2007; Royalty, 1996). If a firm chose to use education and training as indicators in its selective staffing process, greater education and training might increase a person's chances of selection.

Firms might invest in their employees through T & D in the hopes of enhancing their KSAs (Youndt et al., 1996; Guest, 1997; Wood, 1999; Combs et al., 2006). On-the-job training may well facilitate this investment, which should help develop a superior set of employees (Shaw et al., 2005). On-the-job training might benefit the organisation because a worker should develop greater capability in their current job, most likely making them more productive and therefore probably more valuable to the firm.

Firm-specific training could also supply employees with specialised skills (Royalty, 1996; Trevor, 2001). Improved employee performance through greater skills could result in greater economic benefits for the firm (Delaney & Huselid, 1996; Sweetland, 1996). On-the-job training might also help the organisation to retain productive employees who wish to benefit in similar ways from possible training in the future.

Combs et al. (2006), and Subramony (2009) argue that T & D enhances the overall skills in the organisation. Therefore, recruiting individuals with greater experience of T & D (and implied capability to assimilate new T & D) into the organisation should enhance firm skills as a whole.

Empirical research of training and development practices

A significant number of empirical studies on HPHRPs and performance include T & D as a high-performance HR practice, supporting the view that T & D may well contribute towards improving performance (Arthur, 1994; Combs et al., 2006; Delery & Doty, 1996; Guest et al., 2003; Guthrie, 2001; Huselid, 1995; Ichniowski & Shaw, 1999; MacDuffie, 1995; Sun et al., 2007). Most studies seem to focus on T & D that endeavours to raise KSA's and assists organisational strategy to match performance requirements (Youndt et al., 1996; Subramony 2009).

In their meta-analysis of HPHRPs and performance, Combs et al. (2006) found training had a significant and positive relationship with performance in a large aggregated sample of organisations using the practice (n = 6,691). The researchers found the overall measurement-corrected correlation of training on performance was $\overline{r_c}$ = .15 ($\bar{r}$ = .12), with a 99% significance. The confidence interval range (.07: .17) also appears quite narrow and therefore quite accurate.

Subramony's (2009) meta-analysis of high-performance HR practices on business outcomes tested the individual effect of training (n = 4,009). The findings suggest that the relationship between training and business outcomes is weak to moderate ($\bar{r}$ = .12; $\overline{r_c}$ = .15). The narrower 95% confidence interval (.11 : .19) suggests a fairly accurate prediction of the relationship.

Royalty (1996) tested the human capital theory notion that the longer one expects to work, the more likely he or she is to invest in training. The study had a large sample from the National Longitudinal Survey of Youth (n = 4201), with a specific focus on gender in training. The researcher measured general and specific/company (off-the-job) training received by participants across jobs. Royalty used 'estimated job turnover probabilities as proxies for the general and firm specific investment horizons of workers' (1996:510).

The results of the study show that men receive more training than women and more highly educated workers received more training than less educated employees. These findings support Royalty's main hypothesis stating that a worker is likely to invest in training if he or she expects to have a long work life (1996).

The findings of the meta-analysis conducted by Combs et al. (2006) support the possibility that training as a HPHRP might have an effect on performance. Similarly,

Royalty's findings support the notion that organisations might select employees who have already shown their ability to assimilate T & D.

2.1.3. Compensation

Theorists suggest that there are many aspects to pay (Heneman & Schwab, 1985). Pay may well represent both direct and indirect forms of compensation including salary and benefits as well as pay processes (Williams, McDaniel & Nguyen, 2006). Employees' overall negative or positive emotions towards their pay might represent their pay satisfaction, which may well influence retention and motivation (Williams et al., 2006).

Owing to the widespread research into the link between performance and compensation levels (Williams et al, 2006), and performance and incentives (Berger & Schwab, 1980), this section shall only focus on why an organisation might choose high compensation and incentive-reward compensation as high performance HR practices.

2.1.3. a. High compensation

Highly compensated employees receive pay that is above the market average (Brown, Sturman & Simmering, 2003: 752). The characteristics of pay appear as pay level, pay structures, benefits and raises (Heneman & Schwab, 1985). Pay level indicates the extent to which the firm's pay leads, matches or lags behind that of competitors (Brown et al., 2003). An employer that compensates staff highly would most likely lead in the external market. Pay structures comprise pay rates, the number of structure levels and pay differentials between levels (Brown et al., 2003:753). Pay structures are either egalitarian (compressed) which might enable employees to progress relatively quickly through pay levels; or hierarchical (widely dispersed) which might slow progress through pay levels (Brown et al., 2003:753).

Theories which support the notion of high compensation as a high performance HR practice include efficiency wage theory (Akerlof, 1984; Brown et al., 2003), agency theory (Eisenhardt, 1989), reciprocity (Gardner, Van Dyne & Pierce, 2004) and Spence's (1973) signalling theory. A discussion on each of these theories follows.

High compensation: Theory and framework

Efficiency wage theory

Efficiency wage theory posits that compensating employees at a pay level greater than the market average should attract, retain and motivate high performers who may well bring about enhanced organisational performance (Brown et al., 2003). Akerlof (1984) suggests that at the root of efficiency wages is partial gift exchange whereby employers compensate employees at a higher rate than market average in return for greater expected effort.

Attraction to the organisation may come about because the firm offers wages higher than the market average. High compensation might enhance retention because employees may struggle to find similar job outside of the firm offering an equivalent pay package. Efficiency wage theory illustrates how offering above-market wages may well permit employers to become more selective in their recruitment, because a larger applicant pool with wider skills gives a firm greater choice of potential candidates and the opportunity to select better performers (Brown et al., 2003). Given the availability of high performers, the firm may well select such individuals. Efficiency wages might encourage employee motivation because, theoretically, employees may possibly work harder in the hopes of receiving higher reward (Brown et al., 2003; Ho, Lee & Wu, 2009).

Furthermore, efficiency wage theory may assist in explaining why involuntary unemployment might exist in an equilibrium scenario (Akerlof, 1984). Firms paying above average wages for some reason (perhaps to assist in selection or encourage better performance) might explain involuntary unemployment in an equilibrium situation (Akerlof, 1984).

Agency theory

When two parties with different interests, goals and opinions of risk engage in a co-operative activity with a labour distribution, an agency problem arises (Eisenhardt, 1989). The two parties are the principal and the agent, where the agent plays a subordinate role by performing work as delegated by the principal (Eisenhardt, 1989). In the context of organisations, the employer would embody the principal and employees the agents. To

resolve the conflict between the two parties, a contract should represent the interests of both parties (Eisenhardt, 1989).

With particular reference to compensation, the most appropriate type of contract for a firm would be one that serves the motivational interests of employees. Eisenhardt (1989) argues that in order for the employer to ensure employees achieve a particular result, linking pay to performance aligns employee self-interests with the organisation's interests. Compensating employees highly in return for better performance should aid an organisation in separating high performers from non-performers and encourage individuals to exert additional effort in order to gain additional reward (Ho et al., 2009).

Reciprocity

The notion of reciprocity stems from reinforcement and expectancy theory whereby the more one provides, the greater one's rewards (Gardner et al., 2004:307). Similar to Akerlof's (1984) efficiency wages notion of partial gift exchange, reciprocity might illustrate that a high performer may well receive higher compensation from the employer in reciprocity for his or her greater productivity.

Signalling

Spence's (1973) theory proposes that the stronger a worker's signals, the more productive he or she is likely to be (Nielson, 2007). Discussed further in section 2.1.2., signalling theory also applies to high compensation. A person's pay level may well signal him or her about the value the organisation attaches to their productivity (Gardner et al., 2004). The worker's pay level may also signal this value to the external market (Banerjee & Gaston, 2004). The greater the level of compensation, the more valuable the worker might appear in the job market. A potential employer would likely presume that the more value bestowed on a worker, the more productive he or she might be (Banerjee & Gaston, 2004).

The purpose of high compensation as a high performance HR practice

The concept of efficiency wages suggests that compensating employees at above-market levels should lead them to exert additional effort and therefore bring about improved organisational performance (Brown et al., 2003). The signalling power of a workers' compensation level theoretically indicates how valuable the person is to their current firm and their value in relation to others in a similar job type in the external labour

market (Applebaum & Mackenzie, 1996). Hypothetically, the higher the compensation the more valued and more productive the worker. Compensation level therefore may well aid employers in selecting valuable, highly productive employees (Banerjee & Gaston, 2004). Offering efficiency wages might also enable firms to use their selective staffing procedures to recruit and retain high performers.

Reciprocity illustrates that in return for superior individual performance, a firm might provide employees with compensation higher than the market average (Gardner et al., 2004). As agency theory hypothesises, linking compensation to employee performance allows the firm to better align employee interests with firm goals (Eisenhardt, 1989). When employee interests mirror firm interests, the two parties should co-operate and function better. This may well result in improved employee performance, which in turn, would most likely improve firm performance.

Higher compensation is argued to serve as an employee motivator in firms (Combs et al., 2006; Subramony, 2009). Offering high compensation may indicate to employees that the extra effort they exert in their jobs is rewarded with higher inducements. Alternatively, higher compensation may encourage employees to exert additional effort because of the superior inducements offered by the firm. Overall, providing employees with high compensation appears as an opportunity for employers to benefit from the improvement of individual performance brought about through the motivation associated with receiving such pay.

Empirical research of high compensation practices

As compensation makes up a significant proportion of organisational costs, extensive research into the value of pay as a performance enhancer exists (Gardner et al., 2004; Shaw, Gupta & Delery, 2002; Williams et al., 2006). Such studies have yielded support for the hypothesis that pay directly influences performance (Gardner et al., 2004), validating the presence of compensation in many high performance HR practice bundles (Arthur, 1994; Combs et al., 2006; Guthrie, 2001; Huselid, 1995; Ichniowski & Shaw, 1999; MacDuffie, 1995; Wright et al., 2005; Youndt et al., 1996).

Owing to the variety of pay components, numerous studies on different aspects exist and some overlap or combine with other aspects. Studies on pay levels appear often in research, varying from pay level dispersion and its effects on organisational performance

(Shaw et al., 2002) to those associated with pay satisfaction (Gardner et al., 2004; Williams et al., 2006). Gardner et al.'s study (2004) found that pay level satisfaction affects employee self esteem, which in turn affects performance.

In their meta-analysis, Combs et al. (2006) found that compensation level as a single HPHRP practice (n = 4,666), had a significant and positive effect on performance at the 99% significance level ($\bar{r}$ = .14; $\overline{r_c}$ = .18). The confidence interval (.06 : .22) proved fairly narrow, suggesting relative accuracy in prediction of the relationship.

The meta-analysis conducted by Subramony (2009) analysed high-performance HR practice bundles against various business outcomes. The study also tested the effect of compensation of business outcomes (n = 9,223). The findings of the analysis suggest compensation has a weak to moderate effect on business outcomes ($\bar{r}$ = .12; $\overline{r_c}$ = .15). The 95% confidence interval was narrow (.12 : .18), suggesting a fairly accurate prediction of the relationship.

2.1.3. b. Incentive compensation

Receiving financial rewards for achieving job or organisational goals set out by the firm might define incentive compensation (Applebaum & Mackenzie, 1996; Delaney & Huselid, 1996; Meterko et al., 2006). Some theorists refer to incentive compensation as performance-based pay, pay-for-performance compensation or performance-contingent incentive compensation (Applebaum & Mackenzie, 1996; Delaney & Huselid, 1996; Meterko et al., 2006). These alternative labels provide an indication of the expected result of implementing such a practice in an organisation – enhanced individual performance. Applebaum and Mackenzie (1996) suggest that incentives may well induce employees to exert extra effort in return for financial rewards above base pay. Rewards brought about through incentives theoretically lead employees to contribute additional effort in the workplace by aiming to align worker and firm interests to aid motivation and improve productivity (Combs et al., 2006; Chuang & Liao, 2010).

Individual and group-based incentive compensation plans seem the most prominent types of incentive plans (Applebaum & Mackenzie, 1996). Individual incentive compensation appears viable under certain conditions: the individual conducting the task controls the output, the task is repetitive and produces a clearly measurable output (Berger & Schwab, 1980; Applebaum & Mackenzie, 1996). Individual orientated incentive rewards

include bonuses, stock opportunities and profit sharing (Applebaum & Mackenzie, 1996). Group-based incentive schemes appear more appropriate in situations where workers might struggle to see the direct link between their effort and rewards, direct supervision and exact measurement of individual outcomes are difficult and teamwork is essential (Applebaum & Mackenzie, 1996). Examples of group-based incentives include bonuses and small group incentive plans (Applebaum & Mackenzie, 1996).

Owing to the desired results associated with introducing incentive compensation into a firm, the principal theory supporting this practice as a possible high performance HR practice is agency theory (Eisenhardt, 1989), and a secondary supporting theory is reciprocity.

Incentive compensation: Theory and framework

Agency theory

This theory[3] demonstrates that aligning a worker's interests with those of the firm might bring about the goals desired by the organisation (Eisenhardt, 1989). In the context of incentive compensation, agency theory illustrates how an organisation might align individual interests with firm goals. Specifically, implementing incentive compensation may well provide a firm with an opportunity to communicate particular objectives to staff and motivate employees to exert additional effort towards achieving the outcomes in return for financial rewards (Applebaum & Mackenzie, 1996).

Met expectations

The concept of met expectations may be defined as the disparity between an individual's expectations about the job, and what he or she experiences in the job. The theoretical basis for met expectations is the motivational model of expectancy. The seminal theorist on expectancy theory is Vroom, whose notion of expectancy is that:

> **"...work behavior is determined by the valences and expectancies associated with items currently of importance in the individual's decision space"**
> **(Behling & Starke, 1973:374).**

[3] Discussed in section 2.1.3.

March and Simon (1958) posit that individuals exert additional effort (make contributions) in order to receive associated rewards or inducements. Similarly, Scholl (1981) suggests that expectancy theory uses a similar concept of exchange. Expectancy theory posits that individuals will behave in a manner they perceive should ultimately bring about rewards they deem valuable (Porter & Steers, 1973; Scholl, 1981). Valences refer to the valued outcomes, and expectancy is the perceived probability that particular actions will result in the desired outcomes (Behling & Starke, 1973; Scholl, 1981). A key aspect for consideration is the notion that the outcomes expected from a particular effort level is secondary to the perceived satisfaction derived from working at that level (Behling & Starke, 1973). When a person's expectations about the job are adequately met, he or she should continue to feel as though it is worthwhile to remain in the organisation (Porter & Steers, 1973).

In this way, expectancy theory is a motivational theory because a person should seek to perform at a level that he or she deems will bring about the objective outcomes required, and derive perceived satisfaction because these outcomes lead to particular expected rewards. Similarly, meeting employee expectations should assist organisations in retaining valuable staff.

For example, attainment of one's personal career goals may represent the valued rewards associated with performing a job at a particular level in order to produce required outcomes (Vroom, 1966). An individual may select a job in a particular firm because he or she perceives the organisation as capable of fulfilling his or her personal career goals. Therefore, the worker may exert effort in order to achieve outcomes desired by the organisation, and derive perceived satisfaction from the notion that performing at the required level should ultimately bring about fulfilment of his or her career goals in the firm (Behling & Starke, 1973; Vroom, 1966).

Expectations are not met when an employee feels his or her actions, or contributions, are perhaps not producing the expected outcomes or rewards. This may decrease employee motivation because the person is exerting effort at a particular level he or she deems acceptable in order to warrant the reward, but not receiving the expected rewards.

Reciprocity

Reciprocity[4] shows that workers might become motivated in their jobs because they receive rewards in return for exerting additional effort to achieve set organisational or job goals. Therefore, reciprocity takes place where extra employee effort assists the firm in completing organisational goals and brings about financial rewards for workers.

The purpose of incentive compensation as a high performance HR practice

A firm that aims to improve employee performance and achieve particular organisational outcomes might introduce incentive compensation as a high performance HR practice because the rewards attached to the achievement of the outcome theoretically motivates individuals. Attaching a reward to a particular outcome expected by the employer should incentivise the worker to attempt to achieve that outcome in return for the reward. The practice of incentive compensation should thus motivate employees and align their interests to those of the organisation.

Wood's (1999) analysis of research into human resource management and performance led him to deduce that incentive compensation schemes played a secondary role in supporting high involvement management rather than directly influencing performance in the workplace. Incentive compensation might facilitate the firm in assigning employees a sense of responsibility for their outputs, thereby aligning worker and organisation interests. Other theorists (Combs et al., 2006, Huselid, 1995; Subramony, 2009) second the notion of incentive compensation serving as a motivational purpose.

As expectancy theory posits, increased employee motivation may well become evident through improved individual productivity, where individuals enhance their effort in order to match the expectation of the employer and ultimately receive the desired reward. The more productive the individual and the better quality outputs, the greater the likelihood of the worker receiving the incentive compensation.

Theorists' views of incentive compensation as a motivational practice appear justified in light of agency theory, met expectations and the notion of reciprocity.

The potential satisfaction to be gained from the desired incentive compensation should motive an employee to exert extra effort to reach the objective outcomes required by

[4] Discussed in section 2.1.3.

the firm. Similarly, a person should derive satisfaction from the notion that personal goals may be met when the objective outcomes are reached. Furthermore, endeavouring to meet worker expectations should aid organisations to retain valued employees.

Empirical research of incentive compensation practices

Ho et al. (2009) note that research has indicated support for the use of incentives to improve employee behaviour and performance. In the meta-analysis conducted by Combs et al. (2006), the researchers found a significant, positive relationship between incentive compensation (n = 8,156) and performance, with $\bar{r}_c$ = .15 ($\bar{r}$ = .11; p < .01). The narrower confidence range of lower .07 to upper .16 suggested an accurate prediction of the relationship.

Jenkins, Mitra, Gupta, and Shaw (1998) conducted a meta-analysis of financial incentives and performance (n = 3124). Their findings suggest that the relationship between financial incentives and performance quality is non-significant ($\bar{r}$ = .08). Although the relationship between financial incentives and performance quantity proved stronger ($\bar{r}$ = .34). Therefore, the researchers concluded that their results validate the notion that financial incentives are related to performance quantity (Jenkins et al., 1998).

2.1.4. Employment security

Providing employees with some type of perceived guarantee in respect to employment denotes employment (job) security in this context. A particular organisational structure and job design facilitate the provision of employment security (Delaney & Huselid, 1996; Combs et al., 2006). Many studies have included employment security when measuring high performance HR practice bundles (Combs et al., 2006; Godard, 2004; Sun et al., 2007). Liu, Guthrie, Flood & Maccurtain (2009) argue that those in favour of high performance HR practices believe employment security may be part of the implicit high performance contract at a firm.

Much of the literature on employment security as a high performance practice suggests researchers view it as a supportive or enhancing practice (Bryson, Forth & Kirby, 2005; Combs et al., 2006). However, some literature suggests that employment security may represent an investment in employees (Sun et al., 2007). Theories central to the development of employment security as a high performing practice are Attachment theory (Bretherton,

1985), Utility theory (Nielson, 2007), motivation and Social Exchange theory (Emerson, 1976). The significance of an employer guaranteeing workers' employment is at issue in the following discussion.

Employment security: Theory and framework

Attachment theory

Bretherton (1985) interprets Bowlby's (as cited in Bretherton, 1985) attachment theory as a control system maintained by goals. She argues that the seminal theorist's notions of attachment are observed as '...grounded in a motivational-behavioral control system that is preferentially responsive to a small number of familiar care-giving figures' (Bretherton, 1985:3). A care-giving figure in reference to attachment theory is an attachment figure (Bretherton, 1985). Bretherton (1985) considers attachment theory a system of control because an individual most likely regulates his or her behaviour in order to maintain a close proximity to the attachment figure. This proximity ensures the individual feels secure, which might represent the goal of his or her behaviour (Bretherton, 1985).

In the context of the employment relationship, the firm would most likely represent the attachment figure and the goal of a worker may well be to regulate his or her behaviour in order to maintain a close proximity to the firm.

Utility theory

Nielson (2007) discusses utility theory as a choice associated with risks, where an individual weighs up the risks and makes a decision based on their utility (emotional satisfaction or happiness). In order to maximise one's utility in an organisation, he or she will probably elect to stay in an organisation that offers employment security.

Motivation

One perspective in literature is that employment security plays an *empowerment-enhancing* role because theorists propose that job security facilitates job processes by assisting in the removal of task barriers and improving employee skills (Combs et al., 2006; Liu, Combs, Ketchen & Ireland, 2007). Therefore, theoretically job security may improve worker motivation (Combs et al., 2006; Huselid, 1995; Sun et al., 2007; Wood & de Menezes, 2008).

Expectancy theory also supports the notion of employment security as a motivational practice (Behling & Starke, 1973; Scholl, 1981; Vroom, 1966). Employment security might represent the inducement provided by the organisation. The contribution made by the individual is in the form of exerting a certain level of effort to reach required organisational outcomes. An employee could perhaps derive perceived satisfaction from the notion that the job is secure.

Social exchange theory

Literature defines social exchange theory as a reciprocal, mutually contingent and rewarding process involving transactions, and takes place under social circumstances (Emerson, 1976:336). Emerson argues that this theory is more a frame of reference and '...a resource will continue to flow only if there is a valued return contingent upon it (1976:359). Employment security may represent something the firm can exchange with employees in return for productivity (Gong & Chang, 2008). Therefore, the resource may well represent employment security offered by the firm and the return might be the employee choosing to stay employed at the organisation and remain productive.

The purpose of employment security as a high performance HR practice

As attachment theory illustrates, employees may have an attachment to their employers and exert effort to remain at the firm in order to maintain their feelings of security and maximise their utility (Bretherton, 1985; Nielson, 2007). Social exchange theory argues that by providing employment security, the employer reciprocates feelings of attachment and value to employees (Emerson, 1976). Gong and Chang argue that employment security signals an organisation's long-term commitment to employees that should induce commitment by employees in reciprocation (2008:37-38). Job security should lead employees to feel motivated which could possibly increase employee attachment (Sun et al., 2007) and commitment to the organisation (Bryson et al., 2005; Combs et al., 2006; Godard, 2004). The increase in organisational commitment should consequently reduce staff turnover (Sun et al., 2007).

Employment security should fulfil employee expectations about job security (Behling & Starke, 1973; Scholl, 1981; Vroom, 1966). The practice might aid employees in maintaining their performance level, because they could perhaps derive perceived satisfaction from

knowing that their job is secure. In this way, employment security may provide the platform from which an employee can perform in their job properly, without the anxiety associated with potential unemployment (Combs et al., 2006).

Empirical research of employment security practices

Studies have linked employment security to improved firm performance (Delaney & Huselid, 1996) and to the prediction of staff turnover (Wood & de Menezes, 2008). Of particular relevance to this study is the research conducted by Fields et al. (2005). In their study of the exploration of predictors of alternative job changes, the findings showed that a lower job security increased the likelihood of an individual leaving their job and moving into the same job type, or a different job type, in a different company (Fields et al., 2005:74).

Combs et al. (2006) tested employment security as an individual practice (n = 1,468) against performance in their meta-analysis of HPHRPs and organisational performance. The researchers found a significant, positive relationship between employment security and performance ($\bar{r}$ = .11; $\overline{r_c}$ = .15; p < .01). This predicted relationship appears fairly accurate given the relatively small confidence interval range (.01 : .22).

2.1.5. Performance appraisal

Literature suggests that performance appraisal is a common human resource practice (Youndt et al., 1996). Appraisals may assess the performance of the individual or of a group (Huselid, 1995; Sun et al., 2007). Some researchers regard performance appraisals as a manner in which the firm can communicate individual performance concerns to employees (Gardner et al., 2004). Agency theory, motivation, social exchange theory and behaviour vs. results based appraisal encompass the theoretical background of this practice. Appraising and rewarding employee outputs accordingly should bring about improved performance in the organisation. The following discussion provides insight into performance appraisal as a high performance HR practice.

Performance appraisal: Theory and framework

Agency theory

This theory[5] implies a need to align employee and shareholder concerns through different means (Eisenhardt, 1989; Huselid, 1995). Rewarding good employee performance should lead the person to feel motivated to continue performing well in order to achieve a good appraisal. Linking performance to rewards through appraisal facilitates the converging of firm and employee goals. If both parties share the same goals, the organisation should run more efficiently and experience greater productivity.

Motivation

As discussed briefly, performance appraisal also aims to improve employee motivation and development (Combs et al., 2006; Takeuchi et al., 2009). This motivation comes about by rewarding good performance (Boxall & Macky, 2009; Chuang & Liao, 2010; Huselid, 1995).

Social exchange theory[6]

In the context of performance appraisal, social exchange theory (Emerson, 1976) may apply again in terms of aligning the interests of employees with those of the firm by rewarding high performance. Theoretically, the exchange occurs between the employer who rewards good performance and employees who most likely perform well in order to receive the rewards.

Behaviour-based vs. results-based appraisal

Literature reveals that performance appraisal may be behaviour-based (the emphasis is on improving individuals' behaviours in respect to their work efficiency) or results-based (where the focus is improving task outcomes; Liu et al., 2007; Delery & Doty, 1996). Behaviour-based appraisal is commitment-oriented (Godard, 2004), with an aim to improve the quality of the firm's human capital (Liu et al., 2007; Youndt et al., 1996) through the acquisition and development of worker skills (Boxall & Macky, 2009;Youndt et al., 1996).

[5] Discussed in section 2.1.3.
[6] Discussed in section 2.1.4.

Results-based appraisal, however, seeks to improve production/administration efficiency (Liu et al., 2007; Sun et al., 2007; Youndt et al., 1996).

The purpose of performance appraisal as a high performance HR practice

Linking employees' good performance to rewards should motivate them and align their interests to those of the firm (Eisenhardt, 1989; Huselid, 1995). Social exchange theory illustrates that the exchange between employer (appraising and rewarding staff based on their performance) and employee (improving performance in order to achieve higher appraisals and greater rewards) should bring about improved overall organisational performance whether appraisal is behaviour or results based (Delery & Doty, 1996; Emerson, 1976; Liu et al., 2007).

Combs et al. (2006), Huselid (1995) and Subramony, (2009) all hold a view in favour of performance appraisal is a motivational practice, linking employee contributions to inducements. Agency theory, reciprocation and social exchange theory all point towards motivation as the underlying goal of performance appraisal.

Empirical research of performance appraisal practices

This study only considers results-oriented appraisal because the reference study for this research (Sun et al., 2007) did not observe behaviour-based appraisal.

By including performance appraisal in their HPHRP sets, many studies (Chuang & Liao, 2010; Collins & Clark 2003; Combs et al, 2006; Delery & Doty, 1996; Guest et al., 2005; Huselid, 1995; Sun et al, 2007; Wright et al. 2005) lend support to the notion of linking appraisal and reward, proving that such practices improve firm performance (Huselid, 1995).

However, some studies have found no significant effect on firm performance (Liu et al., 2007). In their meta-analysis of HPHRPs and performance, Combs et al. (2006) found a non-significant relationship between performance appraisal and performance. The researchers posit that no outlying studies unduly influenced the outcome of a non-significant relationship and thus consider other attributes as the cause (Combs et al., 2006). One influencer is the possibility of variation in the focus of performance appraisal across studies, as put forward by Youndt et al. (1996; as cited in Combs et al., 2006:518). Furthermore, the researchers note that Delery and Shaw (2001) suggest that the effectiveness

of performance appraisal depends upon whether the practice is developmental (as cited in Combs et al., 2006:518).

In a meta-analysis of high-performance HR practice bundles, Subramony analysed the effect of performance appraisal on business outcomes (n = 3,581). The results showed a weak relationship between appraisal and business outcomes ($\bar{r}$ = .10; p < .05). The slightly larger confidence interval (.06 : .14) suggests a moderate prediction of the relationship.

Performance appraisal has been included in many studies, although some analyses have found a weak or non-existent relationship between the practice and performance. I include a critique of appraisal to discuss the possible reasons why this practice is included in studies and high-performance HR bundles, although often no significant relationship with performance is found.

Critique of performance appraisal

The main role of the practice is to assess the extent to which employees are performing at the level necessary for the job to produce the outputs required by the firm (Subramony, 2009; Youndt et al., 1996). Youndt et al. (1996) argue that theorists often show disdain for performance appraisal because the practice often causes managers to emphasise the flaws in the administrative aspects of the job, at the expensive of employee development. Theorists critical of high-performance HR practices suggest performance appraisal is a system of power through which firms objectify employees by using them as objects of knowledge to be managed in certain ways (Townley, 1993,1998, as cited in Maravelias, 2003:558). Similarly, such theorists posit that firms subjectify employees by permitting them to speak and reveal their true selves, which may well elevate trust issues in the organisation (Townley, 1993, 1998, as cited in Maravelias, 2003:558). Appraisal systems and performance-related pay have also been found to negatively affect job-to-home spillover (Godard, 2004).

Dalton et al. (1982) argue that appraisal is a 'soft' measure of performance and firms should rather concentrate on 'hard' measures of quality, such as financial performance and productivity, when appraising performance.

Performance appraisal may also be implemented very differently across firms, and when implementation is inadequate, the practice could have a varied impact on aspects of employee affect and performance (Boxall & Macky, 2009; Combs et al., 2006). Performance appraisal may conflict with other practices, for example, when inconsistent with incentive

compensation practices (Carmeli & Schaubroeck, 2005) This conflict may result in a 'deadly combination' of practices, where practices are found to unintentionally work in opposition with one another rather than enhance performance (Combs et al., 2006). Thus, performance appraisal should be linked to an incentive compensation system that evaluates and rewards good performance in a consistent and timely manner in order to maintain employee motivation in the job (Liao & Chuang, 2004; Subramony, 2009). As performance appraisal can play a key role in employee improvement, the developmental aspects to performance appraisal should not be overlooked (Youndt et al., 1996).

2.1.6. Clear job description

A clear outline of the tasks a worker should complete in his or her job represents a job description in this study. Theories associated with job description are job characteristics theory (Hackman & Oldham, 1976; Hirschfield, Schmitt & Bedeian, 2002), job/role stress (Bedeian & Armenakis, 1981; Schaubroeck, Cotton & Jennings, 1989; Gupta & Beehr, 1979) and attachment theory (Bretherton, 1985). A clear job description should allow a worker to be productive in their everyday tasks. However, when the worker's role and tasks are unclear, he or she may feel dissatisfied and underproductive. A discussion on the issue of clear job description as valuable in high performance HR practices follows.

Clear job description: Theory and framework

Job characteristics theory

This theory posits that individuals are internally motivated when they perceive their jobs as challenging and rewarding (Hackman & Oldham, 1976; Hirschfield et al., 2002). The positive perceptions of their jobs should also bring about job satisfaction (Hirschfield et al., 2002).

Job/role stress

Job stress arises when an employee feels an aspect of his or her job is extremely demanding (Gupta & Beehr, 1979). Research supports the notion that the job stressors of role conflict and role ambiguity might cause a worker to develop feelings of dissatisfaction, tension and lowered organisational commitment, leading them to wish to or actually leave the job (Bedeian & Armenakis, 1981; Gupta & Beehr, 1979; Schaubroeck et al., 1989).

Schaubroeck et al. (1989) argue that role conflict comes about when an employee feels non-agreement exists in his or her perceived role, leading to the perception that they are not performing effectively in the role and thus become dissatisfied. Role ambiguity arises when an individual feels his or her role is unclear and they become unsure about how to proceed with critical tasks (Schaubroeck et al., 1989). Role ambiguity may also cause a person to feel as though they cannot perform tasks well and therefore would probably not receive rewards for effort (Schaubroeck et al., 1989).

Met expectations

Expectancy theory supports the practice of clear job description in a similar manner to that of employment security (Behling & Starke, 1973; Scholl, 1981; Vroom, 1966). An employee may expect his or her job description to be clear in order for him or her to perform correctly in the job. A clear job description should provide an employee perceived satisfaction from knowing that his or her role is clear, and the effort exerted in that role is directed correctly.

Attachment theory[7]

The negative emotions associated with the dissatisfaction brought about through role conflict and ambiguity would most likely prevent the employee from developing an attachment to the job (Bretherton, 1985). A lack of attachment to the job would probably cause the employee to cease particular behaviours that he or she would normally put into effect because they would feel no need to maintain proximity to the job in order to feel secure.

The purpose of clear job description as a high performance HR practice

Given the natures of role conflict and role ambiguity, an unclear job description may well lead both of these job stressors to arise. If a worker feels as though he or she perhaps has a different interpretation of the tasks than others in the firm and that his or her job tasks are unclear, an unfavourable attitude to the job may develop. As job characteristics theory illustrates, motivation should come about from perceiving a job as challenging (Hackman & Oldham, 1976; Hirschfield et al., 2002). Failing to understand or recognise the firm's

[7] Discussed in section 2.1.4.

expectations of one's job tasks may leave the worker feeling unmotivated and perhaps unchallenged. A lack of attachment to the job and feelings of dissatisfaction would probably lead the employee to thoughts of withdrawal and possibly actual turnover (Bedeian & Armenakis, 1981; Schaubroeck et al., 1989).

An unclear job description would also probably lead to incongruence between the individual's expectations about the role (and therefore the tasks associated with the role) and the outputs required by the firm (Behling & Starke, 1973; Porter & Steers, 1973; Scholl, 1981; Vroom, 1966). Failure to understand what is expected of the individual would probably lead to poor performance in the job and reduced motivation.

Subramony (2009) argues that providing a clear job description is a skill-enhancing practice, because such practices enhance the knowledge and skill-levels of employees. This may hold true in the sense that understanding one's job description might contribute towards his or her ability to assimilate new training in the job.

A clear job description benefits the firm by clarifying to the employee the firm's expectations associated with the job. The clear job description thus ensures that minimal role conflict and role ambiguity arises. Minimising job stressors should empower, motivate and enhance the skills of employees. These factors should allow workers to be productive and efficient in the job, develop an attachment to the job, and feel capable to assimilate new training in the job. These mechanisms should all facilitate an increase in job satisfaction, ultimately reducing employee turnover and allowing workers to show their full capabilities in the job.

Empirical research of clear job description practices

Literature and research on high performance HR practices that include job description are works by Delery and Doty (1996), Guest (1997) and Sun et al. (2007).

Gupta and Beehr (1979) analysed aspects of job stress and turnover on 651 workers in the services industry. Their findings revealed intent to leave has a weak, although highly significant relationship with role ambiguity (r = .13; $p < .01$). Voluntary turnover and role ambiguity were found to have a weak, negative relationship (r = - .04).

2.1.7. Participation

The high performance HR practice of encouraging employee participation appears in relevant literature as an enhancing practice, playing a similar role to job description and employment security in terms of its contribution to organisational performance (Combs et al., 2006; Sun et al., 2007). Some specific participation practices include 'quality improvement groups, problem-solving groups, roundtable discussions,' and 'suggestion systems' (Wright et al., 2005:425). Training might also enhance employee involvement practices such as participation (Combs et al., 2006). This practice stems from empowerment theory (Larkin, Cierpial, Stack, Morrison & Griffeth, 2008) and agency theory (Eisenhardt, 1989). An examination of the relevance of participation as an HPHRP follows.

Participation: Theory and framework

Empowerment theory

Theorised by Kanter in 1993 (as cited in Larkin et al., 2008:2), this theory posits that through the provision of resources, developmental and learning opportunities and organisational structures, the firm can foster a sense of employee involvement. Participation empowers workers by facilitating the improvement of worker aptitudes and increasing employee motivation (Combs, et al., 2006; Liu et al., 2007). Further, the notion of empowerment implies the belief that one's work is of value to the organisation, which should bring about organisational commitment and a feeling of accountability for work (Larkin et al., 2008).

Agency theory

In the context of participation, this theory[8] illustrates that aligning employee interests through participation should make workers more accountable for their productivity (Eisenhardt, 1989).

Met expectations

Expectancy theory supports the underlying goals of participation. An individual whose expectations about opportunity for participation have been met by the firm should derive potential satisfaction from the knowledge that his or her concerns and opinions have

[8] Discussed in section 2.1.3.

been recognised in the firm (Behling & Starke, 1973; Scholl, 1981; Vroom, 1966). This provides a platform from which the individual should be able to perform his or her job well because the possible anxiety associated with little opportunity for participation has been reduced. This reduced anxiety may well be the potential satisfaction derived from the practice of participation.

The purpose of participation as a high performance HR practice

Providing an opportunity to participate in organisational decisions may well allow employees to feel a sense of involvement and ownership of the outcomes of the decisions. In turn, this feeling should cause employees to feel somewhat responsible for their productivity and accountable for their actions in the workplace. As agency theory demonstrates, caring for their job-related outcomes should align employees' interests with firm interests, therefore improving workforce productivity.

Ensuring employee expectations about participation have been met by the firm may mitigate the possible anxiety associated with little opportunity for participation (Behling & Starke, 1973; Porter & Steers, 1973; Scholl, 1981; Vroom, 1966). In this way, opportunity for participation should empower employees because the practice provides them with the latitude to act in the job (Combs et al., 2006; Huselid, 1995; Subramony, 2009).

Empirical research of participation practices

Regarded as a main area in human resources (Wright et al., 2005), participation is positively associated with improved firm performance (Delaney & Huselid, 1996). Many studies have included the practice of participation in their examinations of high performance HR practices (Arthur, 1994; Combs et al., 2006; Delery & Doty, 1996; Guthrie, 2001; Sun et al., 2007; Wright et al. 2005).

In their meta-analysis of HPHRPs and organisational performance, Combs et al. (2006) tested performance against participation as an individual practice (n = 3,322). The test yielded an overall measurement-corrected correlation of $\overline{r_c}$ = .13 ($\bar{r}$ = .10; p < .01), suggesting a positive and significant relationship between participation and performance. The narrow confidence interval (.05 : .14) suggests an accurate prediction of the relationship.

Subramony (2009) tested participation in an HRM bundle against business outcomes (n = 2,378). The results show participation business outcomes have a weak relationship with

participation with an adjusted correlation of $\bar{r}_c$ = .11 ($\bar{r}$ = .09; p < .05). The narrow confidence interval (.06 : .16) suggests a reasonably accurate prediction of the relationship.

2.1.8. Internal mobility

Internal mobility refers to the transition within an organisation and the opportunities in place allowing for the upward mobility of persons (Ng, Sorensen, Eby & Feldman, 2007). The objective in making provision for internal mobility options or promotion options is to increase employee motivation (Combs et al., 2006) through greater involvement in the organisation (Wood, 1999). Some mobility practices include providing broad career paths in a firm and promoting from within the firm (Sun et al., 2007). The central theory of relevance to internal mobility is attachment theory[9] (Bretherton, 1985). I now examine internal mobility as a high performance HR practice.

Internal mobility: Theory and framework

Attachment theory

As described by Bretherton (1985), this theory illustrates that the firm would most likely represent the attachment figure and the worker may well work towards regulating his or her behaviour in order to maintain a close proximity to the firm. Such behaviour would probably include upholding a high level of productivity to maintain a strong attachment to the organisation, where the worker apparently feels secure.

The purpose of internal mobility as a high performance HR practice

Given attachment theory, Ng et al. describe the process of internal mobility as the manner in which persons go about 'attaching to and detaching from jobs' (2007:372). The greater an attachment an employee feels to the organisation, the more likely it is that he or she would wish to stay within the organisation in order to feel secure. Experiencing internal mobility in the organisation may well represent a side-effect of the greater productivity a person might exert to maintain their proximity to the firm. The more productive a worker, the more likely he or she is to move up the organisation's hierarchy, or transition across departments in order to gain more experience and become more attached to the firm. Providing internal mobility options for employees may allow them to maintain their

[9] Discussed in section 2.1.4.

attachment to the firm and become more productive, therefore enhancing organisational performance overall.

Empirical research of internal mobility practices

Many researchers have included mobility in their studies of high performance HR practices (Birt, Wallis & Winternitz, 2004; Combs et al., 2006; Delery & Doty, 1996; Guthrie, 2001; Hachen, 1992; Huselid, 1995; Spell & Blum, 2000; Sun et al, 2007).

Combs et al. (2006) tested internal mobility as an individual practice against performance in their meta-analysis of HPHRPs and organisational performance. The test produced an overall measurement-corrected correlation of $\overline{r_c}$ = .15 ($\bar{r}$ = .12), significant at the 99% level. This suggests internal promotion has a positive and significant relationship with performance. The narrow confidence range (.06 : .18) points towards an accurate prediction of this relationship.

2.2. High Performance HR Practices and Performance

Section 2.1 discussed each high performance HR practice included in the research, and how each might contribute towards improving individual performance. This section discusses how these practices may ultimately improve firm performance.

Not every empirical study on HR practices and organisational performance includes the exact combination of practices discussed in section 2.1. This highlights a point of contention in high-performance HR practice literature – the debate around the existence of one set of performance-enhancing HR practices applicable to all firms. Particularly, the debate focuses on whether the relationships between the HR practices enhance performance, or if the context of the practices and the manner in which they are used improve firm performance.

Literature suggests that firms can achieve improved performance despite the use of different HR practices and foci in high performance HR practice strategy (Wood, 1999). High performance HR practice empirical research of both manufacturing and service or professional firms demonstrate that even differently implemented diverse sets of practices can lead to success (Wood, 1999). This raises some queries: a) how do these factors influence the outcomes of high performance HR practices? and b) does one set of practices exist that is

transferrable across industries? This section explores the role of high performance HR practices in improving firm performance at the macro- and micro-level.

2.2.1. Organisation-level analysis of high performance HR practices

The best practice debate

The two main theoretical standpoints on the probability of the universal application of high performance HR practices are universalism and contingency theory (Wood, 1999). Universalism denotes the 'best practice' approach, and proposes the existence of an ideal set of practices capable of enhancing organisational performance across firm contexts (Delery & Doty, 1996; Wood, 1999). Contingency theory argues that high performance HR practices require organisational context for success, noting that different contexts require different practices (Farias & Varma, 2002; Guest 1997; Huselid, 1995; Wood, 1999).

Universalism

Research conducted to prove the viability if universalism has garnered support for the best practice philosophy (Hoque, 1999; Ichniowski & Shaw, 1999; Wood, 1999). The results of Ichniowski and Shaw's (1999) comparison of US and Japanese steel lines appear in support of universalism. The findings showed that the US firms that fully adopted the same set of practices in place in some Japanese firms became as productive as the Japanese firms, and more productive than those US firms which did not adopt the practices or only adopted them in part. The HR practices included in the study conducted by Ichniowski and Shaw (1999:709) are 'incentive pay', 'recruitment', 'teamwork', 'employment security', 'job flexibility', 'training' and 'labour management communication'.

Other findings in support of universalism are those from Hoque's (1999) study of high-performance HR practices and performance in the hotel industry. The study showed that hotels that adopted one set of practices with universal relevance performed the best. The practices were 'terms and conditions', 'recruitment and selection', 'training', 'job design', 'quality issues', 'communication and consultation' and 'pay systems' (Hoque, 1999:425). Hoque (1991) hypothesised that high performance HR practices are more effective when they fit internally and are congruent. Maintaining the perspective held by Ichniowski and Shaw (1999) and Hoque (1999), Huselid and Becker (1996) believe the best practice approach is feasible.

Contingency theory

The contingency approach promotes the need for a holistic view of the organisation when implementing high performance HR practices (Farias & Varma, 2002). The organisation should also take into consideration some conditions when implementing such practices in order to ensure success. Such conditions include the adaptability of practices and allowing enough time to lapse to see results (Farias & Varma, 2002; Tomer, 2001). Further, individuals might experience the practices differently because of implementation variations (Boxall & Macky, 2009; Wood, 1999). Additional conditions include accounting for situations where employees' skills and knowledge outweigh managements', what might motivate such employees, and whether the firm's strategy is dependent on the results of this motivation (Tomer, 2001).

Huselid (1995) argues that organisational context is important for the success of high performance HR practices. Boxall and Macky (2009) concur and include industry and societal contexts as relevant to the process as well. Another contextual element for consideration is the competitive context of the firm, as practices should add value to sustain competitive advantage (Collins & Clark, 2003).

Empirical research findings that contradict the universalistic view include Huselid's (1995) study where he found modest evidence of internal fit, or the need for the practices to be synergistic (Wood & de Menezes, 2008), and little evidence for external fit, thus disproving the notion that the practices are transferrable to other firms.

Configurational perspective

Theorising the existence of a third HPHRP perspective, Delery and Doty (1996:802) propose the 'configurational' perspective, effectively a combination of the universalistic and contingency theories. Strategic HR practices which are internally consistent, maximally effective, fit horizontally in the organisation, and can be adapted to fit vertically within the organisation (Delery & Doty, 1996). Guest (1997) posits the configurational perspective as similar to MacDuffie's (1995) HR bundles. This perspective Delery and Doty's (1996) banking study found support for this perspective (Guest, 1997).

High performance HR practices, organisational strategy and performance

Literature indicates a support for aligning organisational strategy and high performance HR practices to improve performance (Guest, 1997; Huselid, 1995; Huselid & Becker, 1996; Tomer, 2001; Wood, 1999). Researchers deem the fit between the characteristics of 'business strategy, structure and HRM policy and practice' as the manner in which to improve performance (Guest, 1997:264). High performance HR practices should fit with strategy because the workforce possesses skills and thus is developed (Huselid & Becker, 1996). Practices should align with firm goals because theorists posit that HR strategy may well impact upon organisational performance (Huselid & Becker, 1996).

There are however some shortfalls in theorists' notions of aligning high performance HR practices with organisational strategy. The broad scope of core practices ('selection, training and development, rewards and careers') and the limited explanation linking improved firm finances to overall organisational performance enhancement might lead researchers to speculate about the viability of this notion (Guest, 1997:264). These shortfalls appear to describe the process connecting the implementation of high performance HR practices to enhanced firm performance insufficiently (Guest, 1997).

Meta-analyses of HPHRPs and performance

The meta-analysis conducted by Combs et al. (2006) is one analysis of relevance to high performance HR practice. The analysis tested various aspects of high-performance HR practices found in recent research. The first test of interest is was to establish whether high-performance HR practices influence organisational performance. The analysis took into account the performance dimensions of accounting returns, productivity, retention, multidimensional dimensions, growth and market returns. The findings revealed that high-performance HR practices do enhance organisational performance, with an average correlation adjusted for measurement error $\overline{r_c}$ = .20 ($\bar{r}$ = .15; p < .01; Combs et al., 2006:513). The 99% confidence interval as narrow (.12 : .18), suggesting a fairly accurate prediction of the relationship.

Another test in the meta-analysis examined whether high-performance HR practices affect organisational performance stronger when represented as individual practices, or when depicted as a system of practices (Combs et al., 2006). The results showed that

organisational performance had a weaker relationship when the practices were represented individually ($\bar{r}$ = .11; $\bar{r}_c$ = .14) than when the practices were depicted as a system ($\bar{r}$ = 21; $\bar{r}_c$ = .28). These findings suggest that a system of high-performance HR practices may have a stronger influence on organisational performance than individual practices.

Subramony (2009) conducted a meta-analysis on various types of high-performance HR practices and business outcomes. The business outcomes included retention, operating performance, financial performance and overall performance. Two analyses are of particular interest – the first examined the outcomes with respect to bundles, including empowerment enhancing, motivation enhancing and skills enhancing bundles, the second analysis compared the effect of bundles to the effect of HPHRP systems.

The analysis of the HR practice bundles on overall business outcomes showed that each bundle had a reasonable effect. The empowerment enhancing bundle (n = 3,889) had a moderate, significant effect on outcomes ($\bar{r}$ = .20; $\bar{r}_c$ = .26). The somewhat wider 95% confidence interval range (.21 : .30) suggests a moderately accurate prediction of the relationship. The motivation enhancing bundle (n = 5,192) also had a moderate and significant effect ($\bar{r}$ = .27; $\bar{r}_c$ = .19). The confidence interval range is slightly narrower (.21 : .28) suggesting a fairly accurate prediction of the relationship. The skill enhancing bundle (n = 3,181) proved to have the weakest effect of the three bundles ($\bar{r}$ = .13; $\bar{r}_c$ = .17). The confidence interval range is wider (.12 : .21), suggesting a less accurate prediction of the relationship.

Subramony (2009) also compared high-performance HR practices as bundles and as a system against business outcomes. The three bundles (n = 12,281) had a moderate relationship with overall business outcomes ($\bar{r}$ = .18; $\bar{r}_c$ = .23). The three bundles were significant at the 95% level and had a narrow confidence interval (.21 : .25), suggesting a fairly accurate prediction of the relationships.

High-performance HR practices depicted as a system (n = 15,223) had a slightly weaker relationship with overall business outcomes (($\bar{r}$ = .13; $\bar{r}_c$ = .17). The relationship was significant at the 95% level, and the confidence interval is narrow (.15 : .19), pointing towards a fairly accurate prediction of the relationships.

2.2.2. Individual-level analysis of high performance HR practices

The first theorists to promote the value of implementing an interrelated set of HR practices were Walton (1985) and Lawler (as cited in Wood, 1999:370). Walton postulated high-commitment employment practices in 1985 and in 1986 Lawler posited high-involvement work practices (as cited in Boxall & Macky, 2009:8; Guest, 1997:265; Wood, 1999:370; Wood & de Menezes, 2008:639). Much of high performance HR practice literature has developed upon these assertions.

Historically, the intention of introducing such practices was to reverse the effects of Taylorism in manufacturing firms by up-skilling employees, and assisting American manufacturers to improve production to match firms with significantly more efficient production, such as those in Japan (Boxall & Macky, 2009; Ichniowski & Shaw, 1999; MacDuffie, 1995; Wood, 1999). Traditionally, the Taylorist nature of production lines allowed employees to become expert in only one area of production, which gave management a significant degree of control over employees (MacDuffie, 1995; Wood, 1999) with limited skills.

One heuristic of high performance HR practices is the 'assumption that improved performance is achieved through the people in the organization' (Guest 1997:269). Literature reveals that such practices may possibly increase employee performance by facilitating the improvement of workers' KSA's and motivation (Combs et al., 2006; Huselid, 1995; MacDuffie, 1995; Sun et al., 2007; Wood & de Menezes, 2008). This allows the firm to reduce employee turnover and retain performing workers (Combs et al., 2006). Employee performance should also improve due to organisational structure (Huselid, 1995) and the development of the organisational climate (Boxall & Macky, 2009). Obtaining competitive advantage through high performance HR practices may well be a possibility because improving employee performance by implementing unique HR practices should escalate to an improvement of firm financial performance (MacDuffie, 1995). The unique way in which the firm makes use of the practices should lead to a competitive advantage (Huselid, 1995; MacDuffie, 1995; Wood, 1999).

Two studies of HPHRPs referenced extensively in the literature are those conducted by Huselid (1995) and MacDuffie (1995; Boxall & Macky, 2009; Wood, 1999).

Huselid: Observing high performance HR practices across industries

In his research of HPHRPs across industries, Huselid (1995) proposed three hypotheses:

- HPHRPs influence the employee skills pool through selection, training and development of workers,
- HR practices motivate employees to improve performance and
- The organisational structure should encourage employee participation.

In his observations, Huselid selected the HR practices of '...comprehensive employee recruitment and selection procedures, incentive compensation and performance management systems, and extensive employee involvement and training...' (1995: 635). He proposed that the practices relate to performance by improving employee discretionary effort (and thus productivity) and reducing turnover, ultimately leading to increased financial performance (Huselid, 1995). The findings of the study supported both of Huselid's (1995) hypotheses, with various HR practices found to have positively influenced productivity and firm economic performance, and reduced turnover (Farias & Varma, 2002; Tomer, 2001).

MacDuffie: High performance HR practices and flexible production systems

MacDuffie's (1995) study focused on HPHRPs and flexible production systems in the automotive manufacturing industry, and through his research he aimed to establish:

- If observing bundles of HR practices, rather than individual HR practices, could better explain the HR practices – improved performance link, and
- If effectiveness of the bundles depended upon integration with other bundles relating to core business functions and business strategy.

The results of the study strongly supported MacDuffie's (1995) hypotheses.

These two studies are similar in conceptual understanding with both supporting the notion that HPHRPs can improve firm performance through improved individual performance. Both studies also draw attention to the importance of the practices being interrelated, complementary, and integrated into the overall firm strategy.

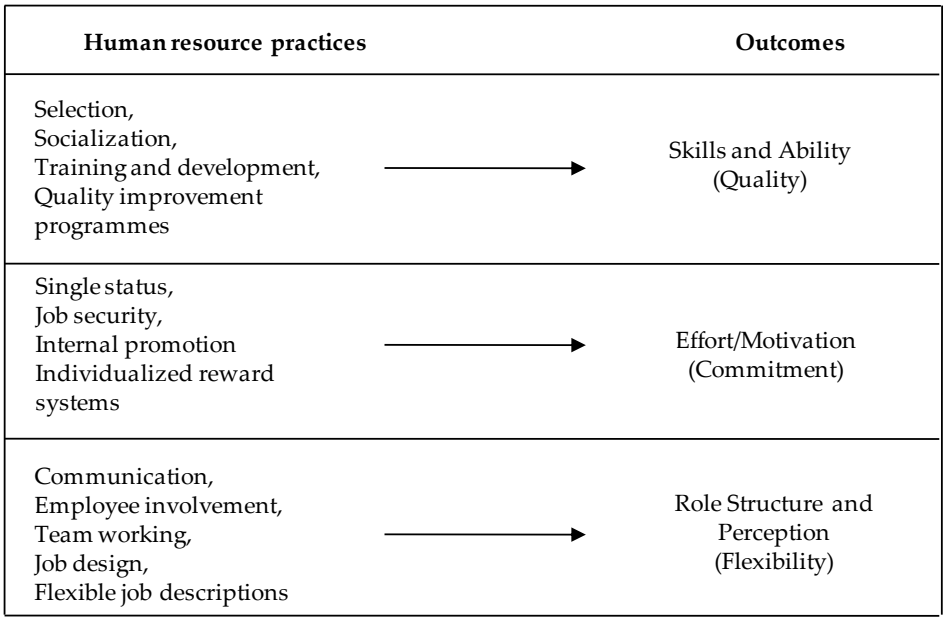
Varying conceptually from Huselid's (1995) and MacDuffie's (1995) studies, Collins and Clark (2003) observed HPHRPs as mediated by top managers' social networks, finding that one-way HR practices improved firm performance through exploitation of the unique employee-based resources present in the firm. The practices selected were associated with features of network strengthening, staffing, compensation and training. The unique circumstances of the firm are apparent, as the HPHRP strategy included network strengthening as a key variable in improving productivity. Although Collins and Clark's (2003) study differs in the viewpoint from which it was conducted (highlighting the role of networking), the core HPHRPs were similar to those used in Huselid's study (1995).

Conversely, other research has found little evidence linking HPHRPs to improved productivity (Guest et al., 2003). Studying UK companies possessing a comprehensive set of HR practices in place (recruitment and selection, training and development, appraisal, financial flexibility, job design, communication, employment security, single status and harmonisation, and quality (through participation)), Guest et al. (2003) found only an association between performance and HPHRPs, but no evidence suggesting HPHRPs lead to improved performance.

Guest (1997) argues that normative models of human resources, such as those of employee commitment and involvement, stem from organisational psychology. Moreover, he posits that particular practices drawn from expectancy theory of motivation bring about commitment and involvement in employees (Guest, 1997). Figure 2.2 shows a model theorised by Guest (1997), which illustrates the link between human resource practices and performance outcomes at the individual level.

In Figure 2.2, Guest (1997) grouped HR practices together based on theorised individual-level outcomes. Many of the more common HPHRPs discussed in section 2.1 fit within Guest's groupings, as the theorised outcomes are supported by other researchers and theorists. Theorists concur with Guest's (1997) argument that 'selection' and 'training and development' increase employees' skills and abilities to improve the quality of the workforce (Sekiguchi, 2007; Wood, 1999). Similarly, there is support for Guest's (1997) notions that 'job [employment] security', 'internal promotion' (mobility) and' individualized reward systems' (performance appraisal) bring about improved effort, motivation and commitment in workers (Combs et al., 2006).

Figure 2.2 Linking HRM practices and HRM outcomes



Guest, D.E. (1997). Human resource management and performance: A review and research agenda. *The International Journal of Human Resource Management, 8*(3):269.

However, some of the common practices reviewed in section 2.1 overlap into other outcomes areas defined by Guest (1997). One example is 'job design', also claimed to improve KSA's and increase commitment (Combs et al., 2006). Another is 'mobility', theorised also to bring about an increase in employee involvement (Wood, 1999).

Employee Commitment and Involvement

Researchers argue that these two individual-level organisational behaviours are significant in the successful implementation of HPHRPs (Farias & Varma, 2002; Ichniowski & Shaw, 1999). Commitment and involvement appear important in the success of HPHRPs because researchers believe empowering workers through employee participation promotes an involved and committed workforce (Ichniowski & Shaw, 1999; Tomer, 2001). Fundamentally, HPHRPs should improve the skills of employees (Wood, 1999). As a result of improved skills, employees' levels of performance and feelings of accountability for the work completed may well improve because of an increased commitment to- and feeling of involvement in the organisation (Wood, 1999). Underlying HPHRPs are Lawler's (1986) and Walton's (1985) studies on employee involvement and employee commitment respectively (as cited in Boxall & Macky, 2009:8; Guest, 1997:265; Wood, 1999:370; Wood & de Menezes, 2008:639). Guest (1997) proposes that these two normative human resource theories both

endorse the best practice perspective. At issue now is how the behaviours of involvement and commitment improve firm performance.

Involvement

In HPHRP literature is a research claim that states that increasing employee involvement leads to improved firm performance (Wood, 1999). High-Involvement Management (HIM) is a particular HPHRP management whereby firms select and implement practices associated with improving employee involvement (Wood, 1999).

One aim of improving employee involvement is to reverse the effects of Taylorism on the workforce (Boxall & Macky, 2009; Wood, 1999), another is understanding how involvement can aid a firm in achieving competitive advantage and a third is to reduce staff turnover (Guthrie, 2001). Primary to this study is the effect involvement has on performance at firm level.

The types of practices employed in HIM are developmental and supportive (Guthrie, 2001), for example increasing skills and changing work structures (Boxall & Macky, 2009; Wood, 1999). These practices appear less behaviour-orientated and more focussed on organisational structures as a means to improve performance. Individuals are central in this type of management, are more responsible for their work, and have greater decision-making power in a HIM firm environment than in the traditional bureaucratic or Taylorist environment (Arthur, 1994; Boxall & Macky, 2009; Guthrie, 2001; Tomer, 2001).

Aspects of an involvement-oriented workforce include autonomy and teamwork (Boxall & Macky, 2009; Guthrie, 2001; Tomer, 2001), which emphasise both responsibility and autonomous decision-making. Of the high performance HR practices discussed in section 2.1., theorists posit that 'training and development' and 'participation' might enhance employee involvement (Combs, 2006; Guest, 1997). Furthermore, practices (such as training) which improve employee KSA's should also lead to increased involvement (Boxall & Macky, 2009). Another label for involvement-focussed HR practices is 'work practices' because of the supportive and developmental nature of the contribution they make to performance (Boxall & Macky, 2009:7).

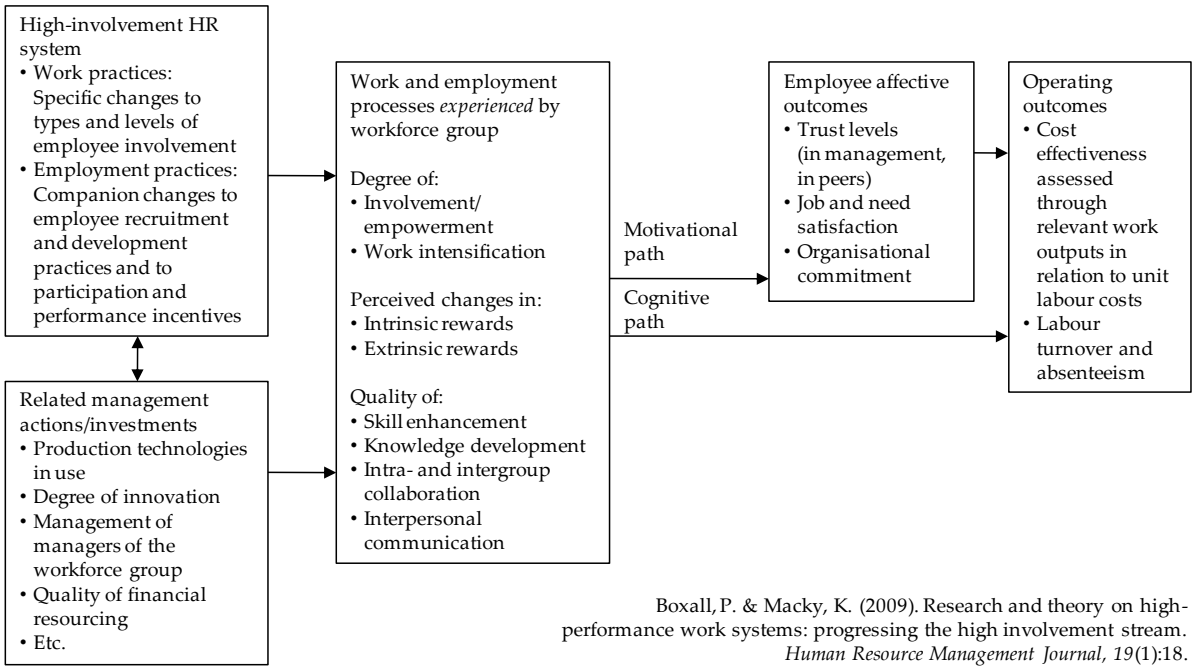
A significant amount of empirical studies in the field of HIM are at the production level, observing blue-collar employees (Boxall & Macky, 2009; Chuang & Liao, 2010; MacDuffie, 1995) with only a few studies at the service (Hoque, 1999) or white-collar level

(Sun et al., 2007). Owing to the nature of the existing empirical work, inference suggests that conceptual differences may exist between the high performance practices selected for the two types of firms. In empirical studies, HIM was found to be positively associated with retention and firm productivity (Guthrie, 2001). In Chuang and Liao's (2010) research on HR practices and employees' concern for customers, the researchers integrated employee involvement as an HR practice, rather than an underlying theoretical argument. The results of the study largely supported their theories, and the practices were positively associated with employee perceptions of employer concern for wellbeing, and improved performance (Chuang & Liao, 2010).

Findings from studies on involvement practices indicate that they are tailored for the work environment undergoing change (Boxall & Macky, 2009), therefore it seems unlikely a general set of involvement practices exists which can be applied universally. This contradicts Guest's (1997) argument. Researchers who emphasise the role of employee involvement high performance HR practices have discovered some practical drawbacks to weighting the influence of involvement so heavily (Farias & Varma, 2002; Tomer, 2001). One shortcoming is the manner in which management and employees interpret 'involvement' (Farias & Varma, 2002), as types of involvement may vary from firm to firm. Figure 2.3 illustrates Boxall and Macky's (2009) framework that incorporates both involvement and commitment practices and outcomes.

Boxall and Macky's (2009) framework in Figure 2.3 provides a good outline of the high performance HR practice process from implementation to outcomes, thus helping to explain how performance improves. This framework illustrates the positioning of practices and outcomes in the overall process. The 'high-involvement HR system' begins at implementation of work and employment practices, alongside actions taken by management. These practices and actions lead the workforce to experience processes and tasks differently. This experience of processes leads to employee motivation, which comes about through changes in employee affect. Simultaneously, increased production outcomes, reduced turnover and absenteeism improve firm performance (Boxall & Macky, 2009).

Figure 2.3 High involvement work systems: an integrative framework



Boxall, P. & Macky, K. (2009). Research and theory on high-performance work systems: progressing the high involvement stream. *Human Resource Management Journal, 19*(1):18.

In Figure 2.3, the theorists regard commitment, as part of a high-involvement system. In this vein, Wood (1999) interchanges the definitions of high-involvement and high-performance. However, researchers have posited that commitment exists in a similar realm to involvement in that it is a theoretical argument underpinning high performance HR practices (Walton, 1985; Guest, 1997; Wright et al., 2003).

Commitment

Theorists argue that employee commitment is valuable to organisations and most likely comes about through managing workers with progressive HR practices (Wright et al., 2003). Researchers note that commitment may also improve firm performance (Ichniowski & Shaw, 1999; Tomer, 2001).

Becker, Billings, Eveleth and Gilbert (1996: 464) define employee commitment as the psychological attachment of workers to their workplaces. The authors also consider employee commitment highly valuable in improving job performance. In their discussion, the researchers propose that employee commitment is a multidimensional feature in relation to performance (Becker et al., 1996). The link between employee commitment and improved performance lies in the aspect upon which the employee bases the commitment, or the 'base' (Becker et al., 1996:465). Bases underlie attachment, and bases showing commitment include

compliance, identification and internalisation. 'Foci' are the people or groups to whom the employee develops an attachment, and may include professions, supervisors and co-workers (Becker et al., 1996:465). Job performance, Becker et al. (1996) argue, is dependent upon the bases of the employee's commitment.

Guest (1997) notes that Walton (1985) posited that the basis for HRM should be a commitment strategy. Walton (1985) suggested that the best way to go about achieving improved performance is to work from the best practices related to commitment (Guest, 1997). 'Employment practices' is one description of the kind of practices which induce employee commitment (Boxall & Macky 2009:8). In Figure 2.3 above, Boxall and Macky (2009) propose such practices aid recruitment, motivation, development and retention of employees and examples of practices are selection, development, participation and incentives. Of the practices commonly included in high-performance HR practice research, as discussed in section 2.1, 'employment security' and 'participation' both feature as probable enhancers of commitment in employees (Bryson et al., 2005; Combs et al., 2006; Godard, 2004; Guest, 1997).

In empirical studies, Arthur (1994:670) attempted to show a direct result of improved performance facilitated by an HR strategy through employee commitment in steel 'minimills'. The study's findings supported Arthur's hypotheses that particular practices associated with commitment led to improved firm performance and reduced turnover.

2.3. Critique

2.3.1. The issue of managerial control

Certain dynamics central to high performance HR practice literature include issues of control, trust and the balance of power in the firm (Grey & Garsten, 2001). Considerable discussions around control appear in high performance HR practice literature (Barker, 1993), designating it as a principal dynamic. The other issues of importance are trust in the employment relationship and the balance of power in the firm. In the managerial sense, control is the extent to which individuals are involved (Bryson et al., 2005) and free or self-managing in their work environment (Godard, 2004; Maravelias, 2003). Intra-organisational trust exists between constituents within an organisation and is the type of trust considered here (Grey & Garsten, 2001). The last issue is the presence of a system of power and the

extent to which the firm possesses this power (Maravelias, 2003). The party in possession of the least power should comply with the stronger party (Grey & Garsten, 2001). This section examines these issues with respect to bureaucracy and post-bureaucracy to highlight critical theorists' views on high performance HR practices.

Bureaucracy appears as the epitome of subtle control in the firm. Literature illustrates that the issues of control, trust and power existed, although in an unstated way (Grey & Garsten, 2001). Weber conceptualised the bureaucratic organisation as one with a defined hierarchy, where workers experienced lifetime employment and a clear boundary existed between individuals' work and non-work matters (as cited in Barker, 1993:408; Grey & Garsten, 2001:230; Maravelias, 2003:548; Pulignano & Stewart, 2006: 91). Bureaucracy and Talyorism appear aligned in literature due to the similar nature of the two management styles and resultant organisational structures. The bureaucratic firm minimised the role of trust in the employment relationship. Owing to their lack of autonomy, workers had limited work tasks and thus the firm did not need to trust that employees would exercise their free will in a way that kept the firm's interests in mind (Grey & Garsten 2006; Maravelias, 2003). Control was notably impersonal in nature (Barker, 1993), and maintained through a Taylorist work environment of rules, employee oppression and control of job tasks (Grey & Garsten, 2001; Maravelias, 2003; Pulignano & Stewart, 2006). The employer possessed the majority of power in a bureaucratic firm because of the subordination of worker tasks and freedom (Grey & Garsten, 2001).

The majority of theorists identify a principal goal of high performance HR practices as to progress a bureaucratic organisation into the realm of a post-bureaucratic one (Boxall & Macky, 2009; Grey & Garsten, 2001; Pulignano & Stewart, 2006). This comes about through reversing the effects of Taylorism and reducing Bureaucratic structures (Boxall & Macky, 2009; Grey & Garsten, 2001; Pulignano & Stewart, 2006). In high performance HR practice literature, two perspectives exist regarding the success of such practices as a manner in which to reverse the effects of Taylorism and bureaucracy in the firm. Both of these perspectives hinge on the issues of trust, control and the power balance in the firm. Maravelias (2003) proposes the two perspectives as the Managerial Theory and the Critical Managerial Theory arguments.

Managerial theory deems post-bureaucratic management more moral than in the bureaucratic firm (Maravelias, 2003). Theorists argue that individuals participate more and are largely self-managed and therefore self-controlled in a post-bureaucratic firm with high performance HR practices (Grey & Garsten, 2001; Godard, 2004; Maravelias, 2003; Pulignano & Stewart, 2006). This perspective posits that the notion of co-operation, which is present in self-managed teams, should improve employee trust in the organisation (Pulignano & Stewart, 2006), and in turn, the firm places more trust in employees. Grey and Garsten (2001) argue that trustworthiness implies that autonomous individuals will act responsibly and, because people are predictable, they should maintain this responsible behaviour despite having free will over their actions. Workers should feel more committed to the organisation through this trust and therefore want to perform better because they have greater concern for the outcome than workers would in the Taylorist workplace (Barker, 1993; Maravelias, 2003, Pulignano & Stewart, 2006). High performance HR practice implementation also promotes management ceding a large degree of control over work tasks to staff (Maravelias, 2003). This type of firm has a flatter organisational structure, flexible jobs and a less restrictive boundary between the inside and outside of the organisation (Grey & Garsten, 2001). This gives employees more power in terms of their capabilities and autonomy in the workplace.

However, some theorists consider employee emancipation superficial, suggesting that firms implementing HPHRPs actually develop a more sophisticated and further-reaching control over employees than in bureaucratic firms (Maravelias, 2003; Pulignano & Stewart, 2006). Critical managerial theory proposes that trust is the mechanism through which organisations control employees (Maravelias, 2003). Trust is the way in which the firm indirectly maintains power beneath the superficial front of post-bureaucracy (Grey & Garsten, 2001). Ostensibly, individuals appear to possess significant control over their everyday behaviour and freedom in the work environment. Using self-managed teams, the organisation supposedly has a significant amount of control over workers' emotions and thoughts because within these teams, employees conform to values and norms defined by an organisational culture developed by the firm (Maravelias, 2003). Critical theorists term the manipulation of individuals through self-managed teams 'concertive control' (Barker, 1993:408; Pulignano & Stewart, 2006). Maravelias (2003) posits that through the culture

emphasised in these teams, management can manipulate individuals' emotional commitment to the firm and cause employees to feel as though they should work harder. Townley (1993) argues that firms use practices such as appraisal and training to maintain power by subordinating employee's capabilities (as cited in Maravelias, 2003:558; Pulignano & Stewart, 2006:91).

Managerial theory presents the potential of a high performance HR practice firm in a positive light. This perspective promotes the notion of involving employees and encouraging commitment through trust and participation. Managerial theory appears to hold greater value than the critical perspective, whereby individuals are 'tricked' into trusting the firm and appear to have no consciousness of the firm's underlying goals. Managerial theory also highlights the firm's responsibilities to employees as valid and of concern to human resources as a discipline. Conversely, the critical perspective portrays the firm as profit-driven, with no consideration for the constituents that generate profits. Theorists state that the purpose of HPHRPs is to reverse Taylorism and bureaucracy by developing worker capabilities and providing employees with greater freedom. Given the reported success of HPHRPs in firms, the managerial perspective seems to reflect the outcomes of HPHRPs more suitably than the critical perspective.

2.3.2. Measures of performance

Another fundamental issue addressing the success of high performance HR practices is the way in which performance is measured and by whom (Guest, 1997). The majority of research bases the success of HPHRPs on improved firm financial performance (Wood, 1999). Guest (1997) posits that the organisation controls firm financial performance and this is not an issue if improving financial performance is the only goal of HPHRPs. However, he notes that (Guest, 1997) the outcomes of improved performance may extend further than financial performance, and stakeholders other than the organisation may appreciate the indication of improved performance above that of financial improvements.

2.3.3. Limitations of high performance HR practices

Empirical evidence from studies of HPHRPs provides contention as to the usefulness of such a system, showing improved productivity in some cases and decline in others (Farias & Varma, 2002). Apparent in HPHRP literature is the lack of uniformity in terms of the

effectiveness of HPHRPs (Wood, 1999). The limitations of HPHRPs therefore appear dependent upon the findings of differing empirical studies and thus appear unique to the firms studied.

Farias and Varma (2002) propose that a positive bias in HPHRP empirical research may exist owing to the lack of reporting on failed implementations. This research flaw therefore creates a disparity between the proven successes reported and the true success potential of an organisation with HPHRPs in place.

Variation in research methodologies and measurements

In a review of recent HPHRP empirical research, Wood proposes various factors pertaining to mixed academic views on the effectiveness of implementing HPHRPs in a firm (1999). Wood argues that each study's overall research goals differed, some observing HR systems' effectiveness in relation to other systems, and some observing HR systems' effectiveness in relation to all other types of management. Assessment of the relationship between HR practices and the resultant effectiveness varied from an assessment of the effectiveness of HR systems as a whole. Wood also concluded that researchers had differing conceptualisations of the main concepts of HPHRPs, the role of the internal and external market, differing manners of measurement and units of analysis. Performance measurements also contrasted across studies, notes Wood (1999). The holistic nature of HPHRPs apparently hampers the effectiveness of empirical research (Farias & Varma, 2002).

Drawing from Wood's arguments, the lack of consistency of many aspects in HPHRP research becomes apparent, notably, the conceptualisation of HPHRPs and dissimilar performance measurements. Another concept which is noted to differ across firms is that of 'employee involvement', a differing interpretation of the concept would result in differing ways of institution of involvement (Farias & Varma, 2002) and ultimately, resulting in varied success.

Greenfield vs. Brownfield sites

An apparent obstacle in implementing HPHRPs is whether the firm is new or established. Posing the greatest challenge are firms referred to as 'Brownfield sites', where a traditional management style and employment relationship exist, as argued by Farias and Varma in a review of some prominent HPHRP studies (2002:51). Research findings suggest

that in established organisations, it is more difficult to implement HPHRPs than in 'Greenfield sites'. Greenfield sites refer to new organisations with no preferred management style or employment relationship (Farias & Varma, 2002:51).

Lag time.

The length of time between implementation and results may be substantial (Farias & Varma, 2002; Tomer, 2001) and thus may lead to difficulties with some investors expecting quicker returns, notes Tomer (2001). Further, including bodies outside of the firm, such as labour unions is essential for success (Farias & Varma, 2002; Tomer, 2001). Managerial inertia and resistance due to past management styles, and barriers such as existing labour law could also hamper implementation (Tomer, 2001). Tomer (2001) also theorises that high costs associated with training and other aspects of implementation may be a drawback to success.

2.4. Conclusion

This chapter introduced the concept of high-performance HR practices, the practices included in the empirical study, and the underlying theory supporting the performance-enhancing aspects of each practice. The next section discussed the importance of the context of the practices, and presented HPHRP theorists' views on context. Of particular interest is the ongoing debate about the possibility of a universal set of practices applicable across organisations, in spite of certain firm-specific circumstances. The results of some high-performance HR practices meta-analyses, and seminal studies in the field were reported thereafter.

The next section discussed the principal high-performance HR practice concepts of employee involvement and commitment. Thereafter, a critique of the literature was presented, examining the views of theorists opposing high-performance HR practices, which appear based on three key issues – trust, control and power in the employment relationship. Finally, the chapter concluded with a review of some existing methodological limitations of research in the field.

Chapter Three presents turnover theory frameworks that were influential in shaping the field. The concepts of satisfaction, the desirability the current job and the desirability of alternatives are also examined. The three principal turnover drivers of desirability of

mobility, ease-of-movement and macro-sociological aspects are introduced, and theory underpinning desirability is discussed. The chapter also introduces turnover destinations, and endeavours to contextualise this contemporary literature within mainstream turnover theory. Key turnover destination research is presented, and research of each destination included in the empirical study is also reviewed.

CHAPTER 3. TURNOVER DESTINATIONS

Ranging from the traditional focus on the negative relationship between job satisfaction and turnover, to consideration for the influence of job alternatives in the turnover process, turnover theory is an enduring research topic. There is an expanse of literature on voluntary turnover (Lee et al., 2008; Sutherland, 2002). Turnover destination theory appears as the next step in the development of voluntary turnover literature and research. This branch is still in the beginning stages in terms of robustness as a turnover theory and therefore requires further research. Grounded in mainstream turnover theory, turnover destination literature includes aspects highlighted in earlier works by key academics (March & Simon, 1958; Mobley, 1977; Mobley et al., 1979); although, shifting focus slightly to better incorporate the role of alternatives. Apparent in the aim of this approach is recognising the value of particular job and non-work alternatives considered by an individual in the process leading to turnover.

Initially, this chapter reviews the principal works preceding turnover literature, briefly considering turnover drivers (antecedents that contribute towards, and could possibly herald a turnover decision). Thereafter, a discussion on the concept of turnover destinations follows. Also included is some research supporting the concepts discussed. Finally, a summation of the development of turnover destination literature and a critique conclude the chapter.

3.1. Employee Turnover Theory

3.1.1. Foundations of the employee turnover process

The principal theory on employee turnover developed from March and Simon's (1958) review of employee turnover research preceding 1958. Their propositions about organisational behaviour established the foundation of much modern turnover theory.

A discussion March and Simon (1958: 93-100) raised, which speaks to this research, is the general model of employee participation. The theorists posit two types of utilities[10] experienced by an employee - contributions and inducements (March & Simon, 1958). Utility experienced by contribution to the firm's productivity might provide the employee with a

[10] Utility: a person's perceived level of contentment or satisfaction brought about through particular actions.

sense of work ownership. Utility experienced by inducements may cause the individual to feel recognised, valued and rewarded for his or her contributions to the firm's productivity. March and Simon (1958) argue that an increase (decrease) in inducement utilities over contribution utilities leads to a decrease (increase) in the chances of an employee wishing to leave the organisation. A balance between the two utilities is apparent in the theorists' argument: The proportion of each utility experienced may well indicate whether the worker feels satisfied or dissatisfied with the current job.

Contribution and inducement utilities also apparently affect the individual's perception of their internal and external environment (the current job and perceived job alternatives available in the internal and external job market respectively). In concert with these utilities, the individual perceptions of desirability of mobility[11] and ease of movement[12] most likely influence job satisfaction and thus may perhaps be the key predictors of turnover (March & Simon, 1958:93; Lee et al., 2008). Internal organisation factors might influence desirability of mobility and therefore the worker's satisfaction of the current job. The existence of alternatives in the external environment (the macro-economic environment[13]) could possibly affect the worker's perceived ease of movement. Therefore, the potential satisfaction presented by alternatives seems influential over an individual's current job satisfaction (March & Simon, 1958:100). Discussed further in section 3.2.2, these hypothesised turnover drivers subsequently became central in the development of the turnover process.

Of relevance to this research is the role of perceived alternatives in the turnover process. Various aspects may well influence the number of perceived alternatives an individual experiences (March & Simon, 1958). The level of business (within the economy), a greater age, or longer length of service and specialisation appear to influence a person to perceive a lesser number of alternatives. Conversely, one might perceive more alternatives because he or she observes a high the number of organisations or through the presence of an expansive social network (March & Simon, 1958). The effect of a person's perception of

[11] An individual's perception of the appeal of his or her available movement options in relation to the current job (Ng et al., 2007).
[12] The relative ease with which one is able to move between jobs, or into the job market (Trevor, 2001).
[13] Perceived external labour market conditions existing independently of individuals

alternatives on their satisfaction and intention to quit highlights the importance of developing turnover destination research.

Whilst hypothesising one of the first frameworks of turnover in the employee participation model, March and Simon (1958) also reviewed earlier turnover research and identified related methodological issues. These issues later developed into prominent subjects of study in subsequent turnover research (Mobley, 1977; Mobley, Horner & Hollingsworth, 1978; Mobley et al., 1979; Trevor, 2001; Felps, Mitchell, Hekman, Lee, Holtom & Harman, 2009). The problems raised by the seminal theorists presented an opportunity for improvement of the quality of turnover literature and research. The main concerns identified include (March & Simon, 1958):

a) The need for a particular model of organisational behaviour,
b) The possibility of an organisation extrapolating likely behaviour to firm-level, from observing members of particular work units,
c) The influence of employee relationships in organisations in relation to employee actions, and
d) The need for further development of organisational behaviour theory and research

March and Simon's (1958) contribution to the development of a base-model of turnover and observation of problems in previous turnover research led Mobley (1977) to develop on a few of the methodological issues. Specifically, Mobley developed a model of the employee turnover process, building on the theorists' views of the relationship between employee utilities, cognition, behaviour and the influence of perceived alternatives.

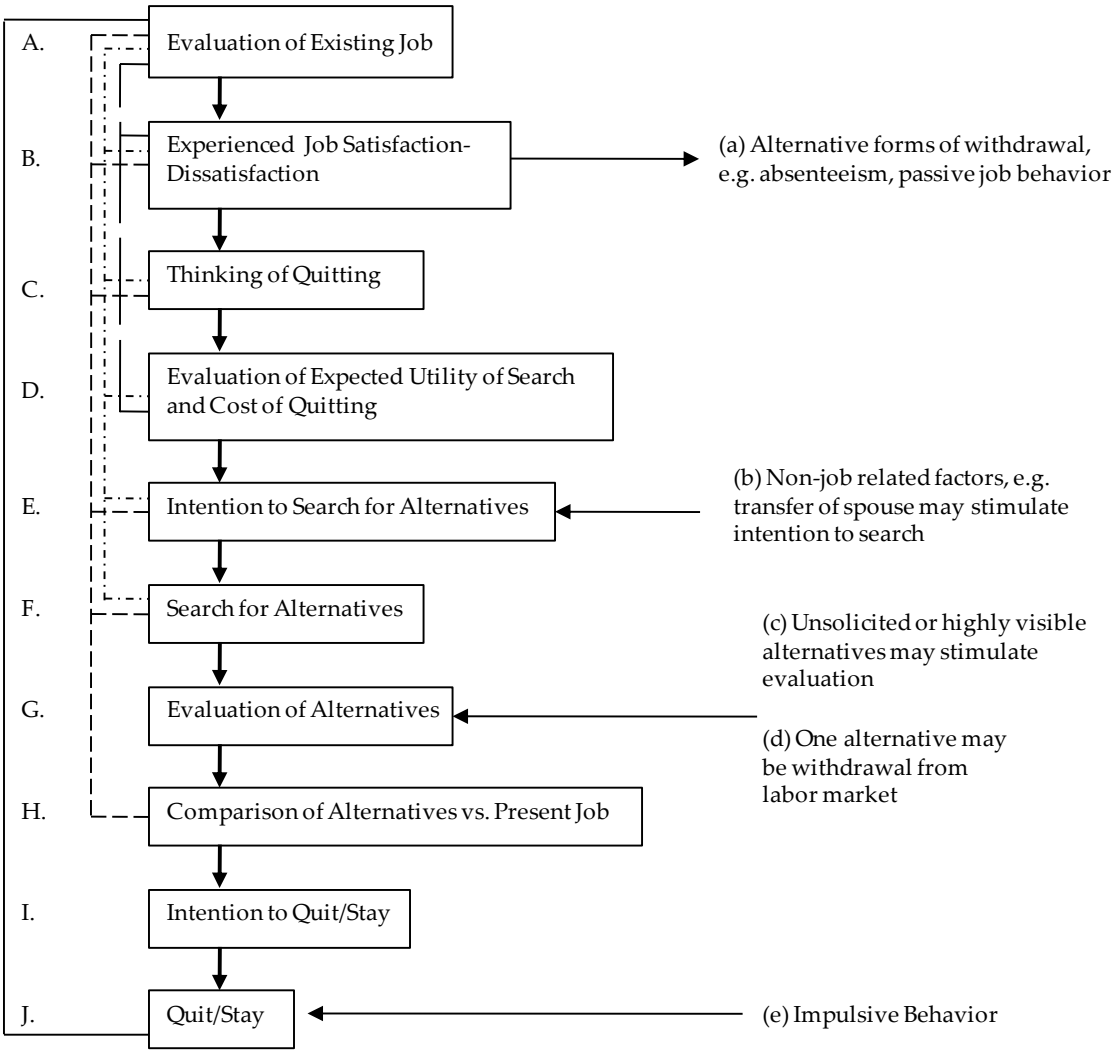
3.1.2. Expansion of the employee turnover paradigm

Literature suggests that the process preceding voluntary turnover is complex, and there is no standard turnover model in existence (Morrell, Loan-Clarke & Wilkinson, 2004). Although there is speculation of the lack of a dominant turnover structure, on March and Simon's (1958) turnover model incorporating desirability of mobility and desirability of alternatives (ease of movement) has numerous theoretical expansions by William Mobley and associates and other theorists (Mobley, 1977; Mobley et al, 1978; Mobley et al., 1979; Price, 2001). The expansions often appear referenced in studies, and some key models are reviewed in this section (Cotton & Tuttle, 1986; Lee & Mitchell, 1994; Lee, Mitchell, Wise & Fireman, 1996; Hanisch, Hulin & Roznowski, 1998; Trevor, 2001; Ng et al., 2007).

Development of a turnover model

Those methodological concerns of prior organisational behaviour research raised by March and Simon (1958) may well have facilitated Mobley's (1977) sound development of the turnover process, given in Figure 3.1.

Figure 3.1 Employee turnover decision process



Mobley. W.H. (1977). Intermediate linkages in the relationship between job satisfaction and employee turnover. *Journal of Applied Psychology* *62*(2):238.

Owing to the conceptualisation of the employee participation model and the resultant observation of a consistent and negative relationship between job satisfaction and turnover (March & Simon, 1958), Mobley (1977) theorised that the process preceding turnover should become the focus in research. Proposing the existence of a particular set of steps preceding the quit decision, he expanded the concept of turnover into a framework describing individual cognitions at each step (Mobley, 1977).

Mobley's (1977) initial model mapped out a sequence of steps through which an individual would most likely travel, starting at job dissatisfaction through to an eventual quit. The model draws attention to the psychological process underlying turnover, and highlights possible cognitive routes an individual might take before quitting (Mobley et al., 1978). Taking into consideration March and Simon's (1958) theory in respect to the visibility of alternatives (Mobley et al., 1979), Mobley includes the individual's awareness of alternative jobs and the role of alternatives in the turnover process.

Mobley's 1977 *Employee turnover decision process* model (Figure 3.1 above) shows theorised cognitive paths ultimately leading to a person quitting or staying in their current firm. This model may well be the cornerstone of turnover destination theory as it includes turnover destination influencers from the external environmental such as the influence of awareness of job alternatives, non-job factors, unsolicited job offers, exiting the workforce, as well as impulsive behaviour.

In Figure 3.1, Mobley (1977) suggests that an employee begins their turnover process at point A - the point at which the worker evaluates his or her current job. Reaching point B, the employee has experienced emotions of job dissatisfaction and may well begin withdrawal through absenteeism and other modes as indicated by (a). Point C describes the person's thoughts of quitting which precede a search for alternatives (point D). Some paths cease before an actual quit because of various factors, which follow in the discussion of points D to J.

Mobley (1977) proposes that at point D, where evaluation might show that the cost of quitting may be high and / or the expected utility of searching for alternatives low. This may deter the individual from leaving, thus causing him or her to choose to remain in the organisation. Should the perceived costs and utilities not deter the employee, he or she progresses to point E and considers a search of alternatives. External factors such as the transfer of a spouse (indicated by (b)) might also contribute to the progression to point E, despite the individual wishing to stay in the firm. Subsequent to the search for alternatives at point F, the worker might refrain from leaving the organisation due to a restraint such as no perceived alternatives.

Progression to point G might indicate that there are suitable alternatives available and worth evaluation, although unsolicited job offers (represented by (c)) or the possibility

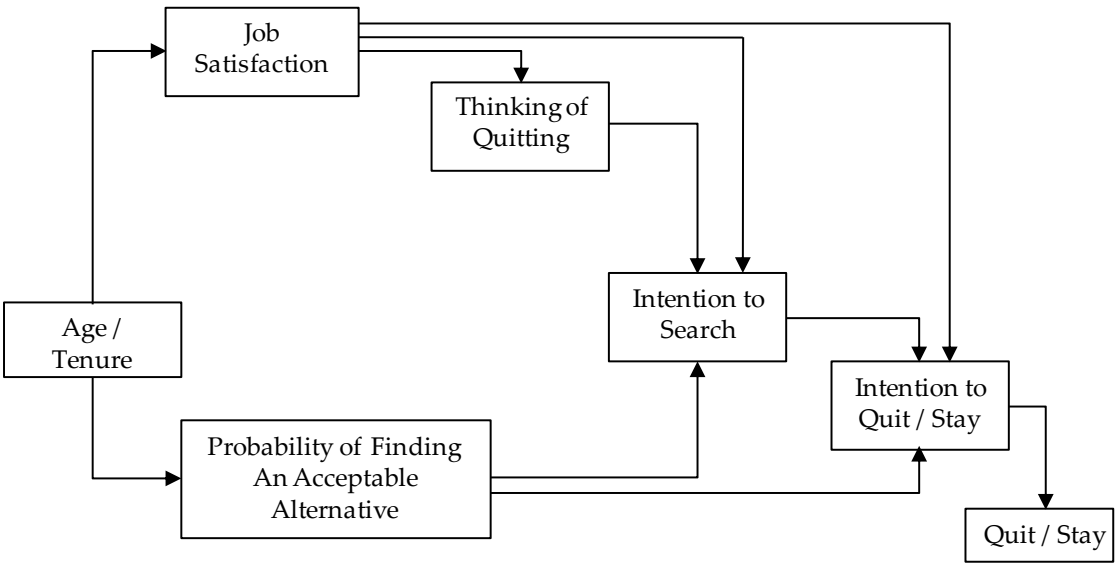
of withdrawal from the job market (d) might also influence the perception of available alternatives. At point H, the worker has found suitable alternatives, which he or she will evaluate against one another and then the current job. If the present job appears better, the individual will remain in the firm. Lastly, an individual will progress to the point of turnover when the perceived alternatives evaluated at H appear better than the current job or impulse (indicated by (e)) influences the decision (Mobley, 1977).

Given this model illustrating the possible cognitions of an individual preceding an actual quit, Mobley's (1977) work appears to have aided in the shift of the focus of turnover research. Shifting research from observing the processes within an organisation and the influence on individual satisfaction levels to observing individual cognitions in respect to satisfaction and, ultimately, to turnover.

Testing the initial turnover model

Testing a simplified version of the employee turnover decision process framework (Mobley, 1977), Mobley et al. (1978) evaluated the relationships between the proposed cognitions and the associated job alternatives. Aiding the testing of the model was the creation of a simplified model (Figure 3.2).

Figure 3.2 A simplified representation of intermediate linkages in the employee withdrawal decision process



Mobley, W.H., Horner, S.O. & Hollingsworth, A.T. (1978). An evaluation of precursors of hospital employee turnover. *Journal of Applied Psychology, 63*(4):410.

With reference to Figure 3.2, in simplification, variables excluded from the test included feedback loops (points at which individuals may have ceased the cognitive turnover process and decided to stay) and impulsive behaviour. The test findings indicated support for the view that *intention to quit* is a precursor to turnover, and showed that job satisfaction has no direct effect on turnover. The results of the test, accounting for the simplified nature of the model, indicated that the original 1977 model could use improvement.

Advancement of a comprehensive turnover process model

The results of the test of Mobley's 1977 turnover model provided an opportunity for Mobley et al. (1979) to consider the findings of the test and expand the model into a general framework of turnover, incorporating individual perceptions, cognitions and external factors influential in the turnover decision.

Whilst reviewing prior turnover studies, Mobley et al., (1979) noted findings and disparities in mainstream research. The major research variables reviewed include:

a) Individual demographic and personal factors,

b) Overall job satisfaction and turnover,

c) Organisational and work environment factors,

d) Job content factors,

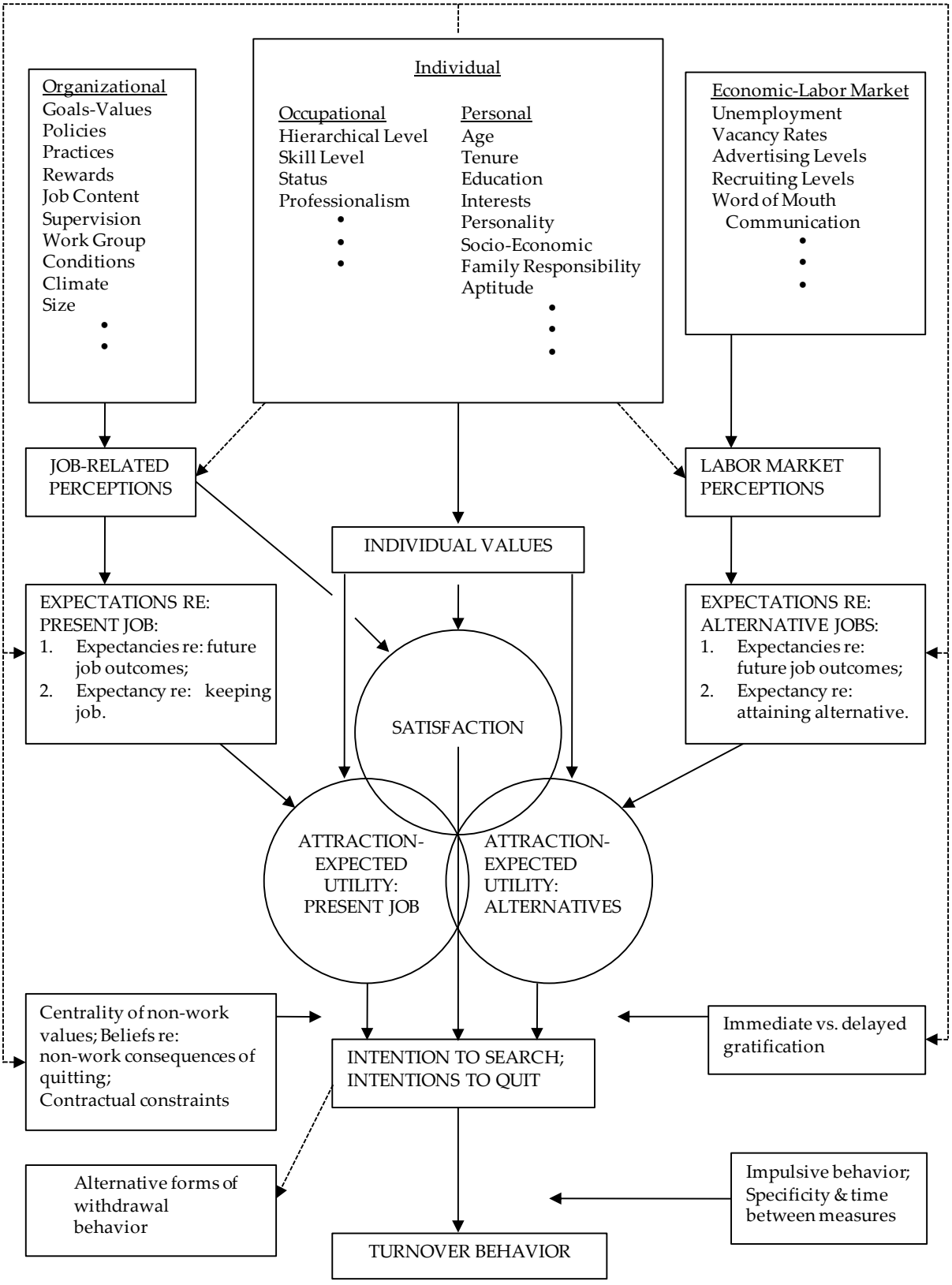
e) External environment,

f) Occupational groupings, and

g) Multivariate studies.

Taking into account the findings and issues, the theorists expanded Mobley's (1977) employee turnover decision process model, which gave rise to the model in Figure 3.3.

Figure 3.3 A schematic representation of the primary variables and process of employee turnover



Mobley, W.H., Griffeth, R.W., Hand, H.H. and Meglino, B.M. (1979). Review and conceptual analysis of the employee turnover process. *Psychological Bulletin 86*(3):517.

This model appears to give more attention to the relationship between job satisfaction and the awareness of alternatives, weighting the individual's cognitive comparison between the current job and available alternatives. This reworked model incorporates the major behavioural propositions made by March and Simon (1958) and addresses some of the issues raised in their work, providing one of the first comprehensive turnover models.

The model in Figure 3.2 illustrates that organisational and individual goals, as well as environmental factors acting independently of individuals in the form of the external labour market (macro-economic environment) shape an employee's perceptions and values. One's perceptions of their current job and labour market influence their expectations of the current job and perceived alternatives respectively.

The employee's personal values and these expectations dictate the level of attraction and realised utility of the current job or the potential utility of alternatives. Underpinning attraction to the current job and alternatives is actual satisfaction and potential satisfaction respectively. Central to the model is satisfaction, remaining a key factor in understanding the turnover process, despite the proven lack of direct relationship with an actual quit (Mobley et al., 1978). Considered a 'present oriented' variable in the turnover process, satisfaction refers to the worker's feelings towards the current job, brought about by job evaluation (Mobley et al., 1979:518). Given the actual utility of the present job and the perceived potential utility of any given alternative, the level of satisfaction perceived possible in each position may well encourage the individual's intent to search, which would ultimately lead to an actual quit.

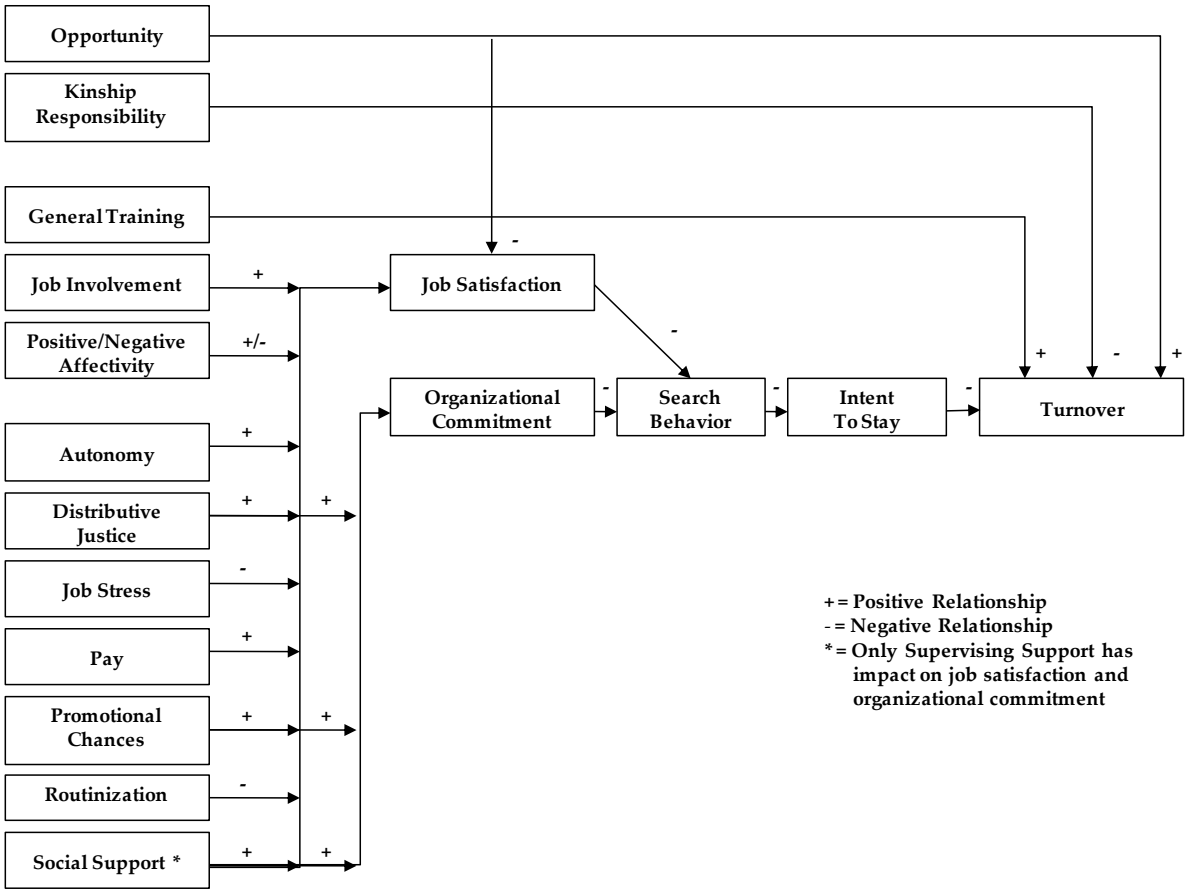
A causal model of turnover

Price's (1977) model of employee withdrawal may also be considered a principal turnover framework (as cited in Hulin, et al., 1985:235). This model differs somewhat from the comprehensive turnover model put forward by Mobley et al. (1979) because Price's model emphasises organisational context, rather than the psychological behavioural process a person may progress through, towards a quit decision (Hulin et al., 1985).

Figure 3.4 depicts an updated version of Price's causal model of turnover, showing the stronger emphasis Price placed on the contextual factors contributing to a quit. The causal model of turnover postulates that job satisfaction leads to quitting, although the

strength of one's satisfaction (and likelihood of quitting) is dependent upon job opportunities (Hulin et al., 1985).

Figure 3.4 Causal model of turnover



Price, J.L. (2001). Reflections on the determinants of voluntary turnover. *International Journal of Manpower, 22*(7):602.

At present, I examine the relationship between satisfaction and actual and potential levels of utility to illustrate the role perceived alternatives play in the turnover process. The theorists posit that including these constructs might provide a clearer description of the turnover process Mobley et al. (1979:518). A worker's current job satisfaction may well change dependent on three concepts, namely a) attraction and expected utility of the present job b) attraction and expected utility of attainable alternatives and c) centrality of work values. Unlike satisfaction, Mobley et al. (1979) argue that attraction may possibly depend on the expectancy of the attainment of particular outcomes from a job and thus has a 'future oriented' nature. The centrality of the employee's work values, as dictated the alignment of his or her personal values with the expectations of the organisation, may well affect both types of utility (attraction expected utility associated with the current job and attraction expected utility associated with potential alternatives).

Attraction and expected utility of the present job

Individual values and characteristics may perhaps define a person's perception of the attractiveness of the present job. Positive emotions associated with the current job and reasonable job satisfaction might lead the individual to view perceived alternatives as less attractive. If the worker's feelings about both satisfaction and expected utility of the present job are negative, an increase in the desire to search for alternatives and intention to quit may be likely (Mobley et al., 1979). In contrast to the attraction and expected utility of the present job is the attraction and expected utility of alternatives.

Attraction and expected utility of alternatives

This construct describes the role of attraction as indicative of a worker's expectation about the attainment of particular job outcomes through perceived utility of alternatives. Lower job satisfaction and better perceived outcomes from alternatives might portray the alternatives as highly attractive, encouraging the worker to quit (Mobley et al., 1979). If no viable alternatives exist, the worker may well re-evaluate the current job, associated utilities and job satisfaction and might conclude that the present job provides more utility and satisfaction than probable in the external market. This re-evaluation might influence an employee to stay in the current position, as the utility associated with the current job appears to outweigh the attraction and expected utility of any alternatives.

These two utility constructs appear part of an equilibrium seemingly balanced upon the axis of satisfaction. This notion may well be central to current turnover destination theory.

3.1.3. The utility balance

In review, this balance lies at the point between the 'pull' of the utility experienced (current satisfaction) through the current job and the 'push' of the utility perceived (potential satisfaction) as attainable through any given alternative in the internal job market or the macro-economic environment (Mano-Negrin & Kirschenbaum; 1999). This push-pull notion, as discussed by Mano-Negrin and Kirschenbaum (1999), may perhaps facilitate the view of satisfaction as the axis of this conceptual equilibrium.

Drawing from the turnover models discussed in section 3.1.2., a change in the level of job satisfaction experienced by a worker in their current job might significantly influence the worker's opinion of given alternatives and the associated expected utility. A lowered level of satisfaction in the present position may cause the worker to consider a given alternative able to provide potentially greater utility than attainable through the current job. Conversely, a higher level of satisfaction in the current job seemingly reduces the appeal of alternatives, as the utility obtained within the current position appears unequalled by any given alternative.

Section 3.2 introduces the concept of a turnover destination and contextualises the utility balance in terms of the three main drivers of turnover (desirability of mobility, ease-of-movement and macro-economic circumstances). Each driver may well be triggered by a certain set of turnover antecedents - a set of circumstances that might lower current job satisfaction or increase the appeal of external options.

3.2. Turnover Drivers and Desirability

3.2.1. A departure from traditional turnover theory

Once a person quits his or her job at an organisation, the job or non-job alternative they move into thereafter describes their turnover destination. If moving into another job, this could be in the internal or external labour market, whereas the non-work destination may be a voluntary temporary or permanent withdrawal from the workforce (Kirschenbaum & Weisberg, 2002). Principally, turnover destination theory focuses on the role of turnover destinations (alternatives) in the turnover process. Mobley et al.'s (1979) model describes the worker's awareness and evaluation of alternatives as influential in the decision to effect a quit, which effectively underpins the core notion of turnover destination theory.

Theory and research of turnover destinations is in its infancy in comparison to research conducted on the motivators of voluntary turnover decisions (Hom & Griffeth, 1995). Research on turnover destinations might serve to define the antecedents leading to a quit in a unique manner. In addition, arguments in literature suggest that the better defined turnover destinations are, the greater the likely benefits of understanding the antecedents (Kirschenbaum & Weisberg, 2002). The theory is unique in that factors deemed influential in

a turnover decision go beyond an individual's immediate environment. Theorists argue that the individual's perception of his or her macro-socioeconomic environment may play a significant role in their turnover decision (Kirschenbaum & Weisberg, 2002; Kirschenbaum & Mano-Negrin, 1999). This might appear somewhat contradictory in that an individual most likely has no ability to exert any influence over the state of this environment, otherwise described as the job market.

The notable difference between traditional turnover literature and turnover destination literature is that in traditional theory, the quit stage might mark the end of the process. The focus of mainstream turnover theory lies in understanding the factors motivating an individual to effect a quit, as well as the influence of job alternatives he or she may be considering. The majority of research pays little attention to the worker's job or non-work destination after leaving an organisation (Kirschenbaum & Weisberg, 2002). Destination literature however, emphasises the importance of the turnover destination selected by the individual as possibly indicative of turnover antecedents. Fundamental to this theory is the possibility that certain turnover antecedents may well relate to the selection of particular job or non-work alternatives. The research associated with this theory might facilitate the prediction of quitters' job selections by antecedents present in a firm.

Key contributors to the field of turnover destination theory and research are Kirschenbaum, Weisberg and Mano-Negrin (Kirschenbaum & Weisberg, 2002; Kirschenbaum & Mano-Negrin, 1999; Mano-Negrin & Kirschenbaum, 1999). This sphere of research is fairly novel, with only a few key studies in existence (Kirschenbaum & Weisberg, 2002; Fields et al., 2005) and presently, no studies of this nature have been conducted in South Africa, affording new ground for examination. The study from which this research draws most is that conducted by Kirschenbaum and Weisberg (2002).

Destinations include movement of an employee from his or her current job to another job within the same organisation, moving across boundaries to another organisation, or completely exiting the labour market (Kirschenbaum & Weisberg, 2002: 110). Broadly, three destination categories exist: A move within the same organisation; or a move into a different organisation; or exit the labour market. The two environments of job moves are internal (within the current firm) and external (job market). The environment of an individual largely defines the type of voluntary turnover drivers affecting his or her quit

decision. Features affecting the quit decision are the worker's individual perceptions of the surrounding environment, as well as his or her macro-sociological realities, (the external environment or job market the individual is unable to influence: Kirschenbaum & Mano-Negrin, 1999).

A discussion now follows on the drivers of turnover and the antecedents associated with each.

3.2.2. Turnover antecedents and drivers

Three turnover drivers exist, namely *desirability of mobility, ease-of-movement* and *the macro-sociological aspects*. Turnover antecedents may perhaps influence the worker's level of satisfaction. If sufficient antecedents contribute towards an increase in one or more turnover drivers, a person may well effect a voluntary quit. The drivers occur at the macro-level (environmental and economic) and micro-level (individual; Mano-Negrin & Tzafrir, 2004). Each driver broadly characterises the context in which different antecedents might affect satisfaction or the perception of potential satisfaction and utility. Desirability of mobility might indicate a person's personal level of satisfaction in a current job, with high desirability of mobility probably indicating a low satisfaction and low desirability of mobility most likely revealing higher satisfaction (March & Simon, 1958). Ease-of-movement could perhaps describe a person's ability to move into the external job market as defined by his or her available job opportunities (March & Simon, 1958). The macro-economic circumstances a person perceives might reveal his or her view of the unemployment rate and external and internal job market structure, all aspects beyond their personal control (Mobley et al., 1979).

The nature of turnover antecedents and drivers appears quite personal and influential of individual affect, attitude and behaviour (Fishbein & Ajzen, 1975) towards the current job and suggesting that personal perception may possibly play a large role in the turnover decision process (Kirschenbaum & Mano-Negrin, 1999). Much of the mainstream research of turnover drivers has emphasised the notion of individual perceptions of job opportunities, with no apparent identification of a true link to actual job opportunities (Kirschenbaum & Mano-Negrin, 1999). Research of individual perceptions of alternatives examines only the aspects that affect the worker at the individual level directly and thus only considers individual-level drivers. Separate research has studied the impact of macro-sociological aspects, such as labour market conditions, on the turnover process

(Kirschenbaum & Mano-Negrin, 1999). Such research takes into the true number of job opportunities affecting a turnover decision rather than perceived opportunities and includes the driver of macro-sociological aspects. In addition, labour market conditions and job vacancy structures are likely to exist independently of individuals and thus human influence upon macro-sociological structures seems improbable.

The broader research incorporating macro-economic aspects facilitated development of a connection between 'opportunity structure and turnover' (Kirschenbaum & Mano-Negrin, 1999:1235). This *opportunity structure* reflects the environment in which the entire turnover process exists, taking into account all three drivers.

Macro-sociological aspects

Suggested to occur at the level of the organisation and economy (Kirschenbaum & Mano-Negrin, 1999), macro-sociological features may exist independently of individual influence and remain in place regardless of individual determinants. Economic conditions, such as the loose or tight status of the current labour market (Fields, 1976; Lee et al., 2008), job market structure (Lee et al., 2008) and structural features such as 'societal characteristics' and 'organizations' staffing policies' (Ng et al, 2007:368-369) are examples of such aspects. Despite existing outside of individual control, macro-sociological factors may well influence turnover decisions. Theorists' reason this because research findings support the notion that workers consider the impact of macro-economic characteristics such as the unemployment rate when contemplating a quit (Lee et al., 2008).

The recent global recession is another probable influence on individuals' turnover decisions at present in particular. As the recession has affected the global economy, and therefore job-market structures to a large degree, numerous corporations have retrenched staff and this has lead to a significantly higher worldwide employment supply than the existing global job structure can accommodate. Many studies have found the unemployment rate significantly and negatively related to turnover (Cotton & Tuttle, 1986). Considering this recession and significant increase in the number of unemployed professionals, employed individuals currently contemplating quitting may refrain from a turnover decision until the labour market is more stable (Sousa-Poza & Henneberger, 2004). The results of this global financial crisis support the notion that the macro-sociological environment significantly influences individual turnover decisions.

Kirschenbaum and Mano-Negrin (1999) explored the impact of labour market dimensions on individuals' perceived and actual job opportunities. The study illustrated the researchers' 'labor market-oriented turnover model' (1999:1233) taking into account various environmental factors which may influence a turnover decision. The results proved that the greater the number of opportunities available to an individual in the labour market, the less actual turnover occurred.

Ease of movement

One's ease-of-movement might represent the ease with which he or she is able to move from one job into another, thus this driver seems to link the individual's experiences to the macro-economic environment. Identified by March and Simon (1958), the individual-level driver of ease-of-movement might be strongly affected by a worker's perception of job alternatives. The individual's ability to 'acquire alternative employment' may well strengthen or weaken his or her ease-of-movement (Trevor, 2001:621). Similarly, Felps et al. (2009) discuss the ease of movement as the quality of job alternatives, which inference suggests, individuals define through their perception of quality. A strengthening of one's perception of his or her ease-of-movement might encourage a turnover decision. Theorists describe the driver as a 'pull' factor because greater perceived ease-of-movement could possibly pull an individual into the job market (Mano-Negrin & Kirschenbaum, 1999; Lee et al., 2008).

Arguments in literature highlight two primary determinants in the attainment of another job: general job availability (or the unemployment rate) and an individual's movement capital (which is comprised of personal attributes enhancing an individual's mobility; Trevor, 2001; Lee et al., 2008). These factors connect a person's external environment and internal characteristics. Job availability represents an environmental aspect and 'movement capital', individual behavioural determinants.

Trevor (2001) studied March and Simon's (1958) concept of ease-of-movement in research exploring the relationship of job mobility and ease-of-movement determinants. The study focussed upon the interaction between the individual's job satisfaction (of his or her current job), innate personality characteristics and the available alternatives in respect to the macro-sociological environment and job market structure. The findings lent support to the proposed interactions between job satisfaction and the aspects of general job availability and

movement capital - reinforcing the view that both ease-of-movement determinants influence turnover decisions. The findings of this study support the utility balance established through the framework and expansions of Mobley (1977) and Mobley et al. (1978; 1979). The greater the perceived ease-of-movement, the more likely an individual might want to move jobs. In relation to the utility balance, higher ease-of-movement could possibly cause the worker to deem a given alternative as more attractive than the current job and feel less satisfied, encouraging him or her to effect a quit.

Desirability of mobility

One's emotions about their perception of the attractiveness of his or her available alternatives (Ng et al., 2007) might dictate their level of job satisfaction. Literature suggests that, through evolution, employee job satisfaction has essentially come to represent and dictate a worker's desirability of mobility or movement (Trevor, 2001). Referred to as a 'push' factor at the individual level (Mano-Negrin & Kirschenbaum, 1999; Lee, et al., 2008), a person's intent to pursue an available job or non-job alternative may influence the strength of his or her desirability of mobility. Should an individual's eagerness to engage in a form of job mobility be high, their desirability of movement and likelihood of transitioning into a new job will also be high (Ng et al., 2007).

In reference to the utility balance proposed in section 3.1.3., satisfaction might represent the axis upon which two opposing utilities rest. Trevor (2001) argues that desirability of mobility interacts with satisfaction. Two aspects appear to dictate one's satisfaction level: Present job utility and the perceived utility of alternatives (Mobley et al., 1979). Desirability of mobility appears negatively correlated to satisfaction and may perhaps indicate the worker's perception of the two utilities. A worker with a low desirability of mobility (and therefore, a high satisfaction level) most probably wishes to stay in the current job. Conversely, an employee possessing a high desirability of mobility (and therefore a low satisfaction level) may not wish to stay in the current job and therefore may well have a greater desire to move into any given alternative.

The utility balance posited in section 3.1.3 highlights two conceptual issues one must consider simultaneously. The first is between the employee's present-job utility and desirability of the current job. The second is between the potential utility perceived possible by available alternatives and the desirability of each alternative (Mobley et al., 1979). The

first concept of present-job utility and desirability gives rise to the more conventional research on turnover antecedents, with a focus on the role of job satisfaction. The second concept of potential utility and desirability of alternatives generated a less conventional research perspective observing the influence of antecedents on destination choice. I now discuss these two concepts in order to provide insight into the desirability of mobility.

Desirability of the current job

Mainstream research examining the turnover process may perhaps concentrate on antecedents that influence a worker's desire to remain in his or her current position. Many researchers show support for the notion that *desirability* as a key characteristic affecting the turnover decision because their studies appear to centralise on the change in level of desire (Mobley et al., 1979). Theorists argue that each worker's experience of their job is subjective, differing from one to the next (Sousa-Poza & Henneberger; 2004) with individual-level turnover antecedents most likely affecting each employee directly. In addition, conventional research appears to subordinate the impact of the external environment on the turnover process in favour of individual-level observation.

Substantial literature points to a discussion of the effects of antecedents on the individual behavioural cognitions of organisational commitment and job satisfaction appear to dictate conventional turnover frameworks (Felps et al., 2009). Many study findings support the argument of an indirect, negative association between satisfaction and quitting (Cotton & Tuttle, 1986). However, research suggests that the strongest predictor of a quit is the intention to quit, which directly precedes the quit decision (Parasuraman, 1982; Sousa-Poza & Henneberger, 2004). Mobley et al. (1979) note that the worker's intention to quit increases when his or her satisfaction decreases. Therefore, a change in organisational commitment and satisfaction due to a given antecedent or a combination of antecedents may well affect the intention to leave, which might then result in a quit.

Desirability of mobility may possibly be negatively correlated to satisfaction and thus positively correlated to intent to quit. Theorists argue that the desirability of the current job hinges on the level of satisfaction and associated utility experienced by the individual (Trevor, 2001). Desirability of the current job may perhaps correlate positively with satisfaction, thus, desirability of the current job might decrease with lower satisfaction and

associated utility. Now I will discuss some antecedents that may well cause a worker to feel a reduced level of job satisfaction and desirability of his or her current job.

Individual-level antecedents

Some individual-level antecedents include dissatisfaction with supervision, pay level (Mano-Negrin, 1998), poor experience of training, lack of internal mobility opportunities, routinization (Price & Mueller, as cited in Felps et al., 2009:546) and job embeddedness (Felps et al., 2009). Mano-Negrin (1998:153) notes that some variables found to increase turnover intentions include unsatisfactory elements of job role and intrinsic and extrinsic rewards. Birt et al. (2004) propose that if an individual's perceptions of work benefits or variables do not match reality, the worker may feel negative emotions towards the firm. This may possibly increase the intention to quit.

Mano-Negrin (1998:155) surveyed 707 medical professionals about eight work attitude constructs (environment, returns, supervision, enrichment, feedback, organisational career prospects, stay attitudes and leave attitudes) posited as turnover intention influencers in academic literature. From the results, Mano-Negrin (1998) established that the role of work attitudes in the turnover process is occupation-specific. She also found support for the proposition that intent to quit precedes actual turnover. Although, she cautions that factors predicting intention to quit do not necessarily predict actual turnover.

Birt et al. (2004) conducted a study on the retention of South African workers in their current jobs, and focused strongly on the individual-level determinants affecting a quit. The 64 participants were from a financial services background. The respondents answered interviews and surveys discussing particular variables the researchers deemed influential in retention. The findings reflected employee's experience of organisational commitment as continuance commitment, as opposed to affective commitment. This suggests the employees based organisational commitment upon the perception of available alternatives, instead of true commitment to the firm. The study also yielded five key variables that were most likely to promote retention in the firm: challenging, meaningful work; opportunities for advancement; high manager integrity and quality; empowerment and responsibility; and new opportunities and challenges (Birt et al., 2004:29).

The researchers (Birt et al., 2004) noted that all of the variables were intrinsic, which might illustrate that present-job desirability is most likely at the micro level. The research

findings suggested that participants experienced continuance commitment, indicating that the macro-economic environment may well influence desirability of the current job.

Researching multiple behaviours and satisfaction

A different argument in literature suggests that in order to predict attitudes about a person's desirability of his or her current job, researchers should consider studying general attitudes (e.g.: satisfaction) and a group of various behaviours, instead of the more classic method of focussing on one behaviour (e.g.: turnover; Hanisch et al., 1998:464). Behaviours suggested for inclusion when studying work and job withdrawal are lateness, absenteeism and turnover (Hanisch et al., 1998).

Attitudinal models and research support the notion that a worker's previous experience and individual history might possibly define his or her attitudes and behaviours (Fishbein & Ajzen, 1975; Hanisch et al., 1998). In response to job dissatisfaction, an employee may well draw on previous experiences and behave in a manner defined earlier in their work life (Fishbein & Ajzen, 1975). This behaviour would most likely be in an effort to reduce the dissatisfaction experienced in the job, argue Hanisch et al. (1998).

The theorists further note that if some organisational limitation (e.g. an attendance policy) blocks one type of behaviour, a worker may respond with a different behaviour. Therefore, analysing general attitudes associated with multi-behavioural constructs rather than only one behavioural construct could likely improve withdrawal research and therefore give researchers a better overall indication of an employee's desirability of their current job (Hanisch et al., 1998).

Social comparison in the turnover process

The influence of co-workers on an employee's turnover decision has also received attention by researchers (Felps et al., 2009). Grounded in the psychological theory of social comparison which postulates that individuals compare themselves others, 'turnover contagion' argues that an individual may compare his or her position in-, understanding of- and emotions towards the organisation to that of co-workers (Felps et al., 2009:545). Turnover contagion thus might explain how an employee's observation of co-workers job dissatisfaction may cause a feeling of lowered job satisfaction and a reduced desirability of the current job.

Felps et al. (2009) argues that if differences exist between the individual's viewpoint and the perceived viewpoints of co-workers, he or she may adjust their understanding to align with co-workers. A person might also mirror actions and behaviours observed in co-workers, suggesting the notion that certain actions or behaviours are contagious because of social comparison (Felps et al., 2009). Should many co-workers conduct a job search, there may well be an increased chance that the individual will also conduct a job search. Conversely, if few co-workers conduct job searches, their influence may not be as significant and thus the employee may not engage in a search (Felps et al., 2009).

The notion of turnover contagion appears to address an issue March and Simon (1958) reviewed pre-1958 research, specifically the issue of employee relationships in turnover and the resultant influence on employee actions. Factors argued as relevant in turnover contagion theory include the proximity of worker's desks, level of communication between co-workers, as well as the roles of friendships and status (Felps et al., 2009:557).

Felps et al. (2009) researched turnover contagion in the workplace at the meso-level, observing aspects at micro (individual) and macro (environmental) levels. The influence of job embeddedness and job search behaviours of co-workers on individual voluntary turnover behaviour were the core features in the two studies. Findings suggested that the aggregated values of co-workers' job embeddedness validly predicted individual turnover, allowing the researchers to conclude that co-worker job search might be a mechanism in turnover contagion, which supports the original hypotheses (Felps et al., 2009). The results of the studies supported the proposed effect of social comparison in the workplace on turnover.

The focus on social comparison and the influence of co-worker behaviours in the turnover process appears to depart from traditional turnover research in favour of analysing behaviours at group level.

Side bet theory

Becker (1960) argues that the foundation of an individual's organisational commitment is in the value of his or her tangible and intangible investments that they most likely stand to lose if they leave the firm. The theory argues that side bets represent this mass of investments. These side bets include aspects such as the employee's length of service at the organisation, the investment in his or her reputation as a loyal employee who

does not move jobs often and the work they might have put into receiving promotions and seniority in the firm (Becker, 1960; Cohen & Lowenberg, 1990; Wallace, 1997). The value of these investments and the possibility of few viable alternatives may well compel the individual to remain committed to their current employer (Becker, 1960; Cohen & Lowenberg, 1990; Wallace, 1997). The concept of side bets could point towards the motivators of continuance commitment. This type of organisational commitment may act as a pull factor, retaining individuals who do not have strong commitment to the firm because they might feel constrained to the job due to a lack of viable alternatives and fear of loss or devaluation of their investments (Cohen & Lowenberg, 1990; Wallace, 1997).

In a meta-analysis of side bet research, Cohen and Lowenberg (1990) reviewed 50 published studies conducted in the 1970's and 1980's to analyse the extent of empirical support for Becker's (1960) theory. Of 11 commonly recognised side-bet variables analysed across the studies, all had low mean corrected correlations, indicating that no meaningful relationships were present between the variables and organisational commitment (Cohen & Lowenberg, 1990). The researchers overall conclusion from the meta-analysis findings suggested little empirical support for side bet theory and therefore they chose to reject the theory as many of the reviewed studies had (Cohen & Lowenberg, 1990). However, a factor they consider might redeem the value of side bet theory is the improvement of measures of commitment and testing of the side bet model (Cohen & Lowenberg, 1990; Wallace, 1997).

Contradicting Cohen and Lowenberg's (1990) meta-analysis conclusion, and taking into consideration their notes on the empirical research's common methodological flaws, Wallace (1997) suggests that literature should not discard the side bet model. Adapting three methodological measures to better measure Becker's (1960) notions, Wallace (1997) claims to have conducted a more valid test of the theory. The study incorporated more direct measures of side bets, measured both affective and continuance commitment and observed the effect of side bets on both occupational and organisational commitment (Wallace, 1997). From the results of the study, Wallace (1997) concluded that, although the findings were largely non-significant, there is a need for the improvement of the measure of side bet variables.

Although side bet theory appears to lack empirical support possibly because of methodological issues, the concept may well contribute to a different view of why an

individual might find their current job more desirable than alternatives. The investment (side bets) a person has made in his or her current job coupled with a perception of a lack of viable alternatives might encourage continuance commitment in the current organisation rather than risk devaluing their tangible and intangible investments.

Desirability of alternatives

Departing somewhat from conventional research themes, research highlighting the desirability of alternatives focuses on the effect of employment and non-employment alternatives in the turnover decision. This type of research places more attention on the influence of the external environment (a person's macro-sociological realities) in turnover. Such realities include the visibility and perception of alternatives in the job market (Lee et al., 2008) and societal aspects (Ng et al., 2007). This research seems significantly less established, although quite contemporary.

Behaviour, attitude, intentions and beliefs

Attitude theory posits that a person's behaviour towards a given object or event originates from his or her attitude about that object or event (Fishbein & Ajzen, 1975). For instance, one's behaviour in respect to his or her job may well indicate their true attitude towards the job. Fishbein and Ajzen (1975) postulate that beliefs develop as a result of the information a person has about the object. The strength of beliefs may well vary, and previous experience of the object might shape an employee's beliefs. In light of their beliefs, the person may respond consistently favourably or unfavourably to the object, which could likely reveal his or her overall sentiment about the object (Fishbein & Ajzen, 1975). The theory posits a view of attitude as a latent characteristic capable of affecting behaviour, or:

> **"...a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object" (Fishbein & Ajzen, 1975:6).**

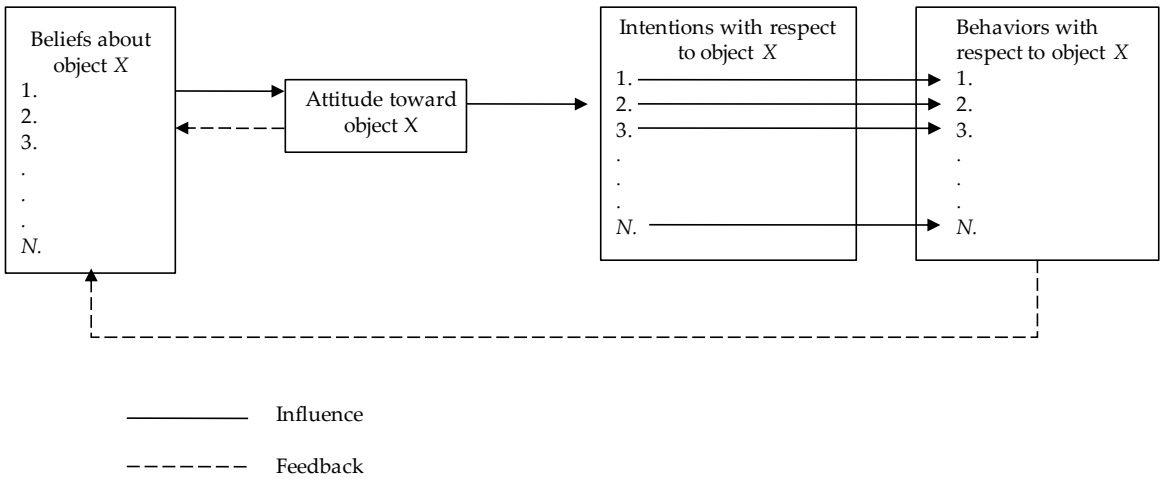
Attitude may perhaps drive behavioural intentions, which could also vary in strength (Fishbein & Ajzen, 1975). These intentions in turn might compel a person to behave in a certain way towards the object.

Fishbein and Ajzen (1975) argue that attitude merely leads an individual to a set of behavioural intentions about a given object and should not dictate his or her behaviour. The

theorists maintain that the strength of a behavioural intention most likely dictates whether a person will act upon his or her intentions.

Moreover, the theory argues that a person should be rational, capable of informed judgements and evaluations and able to make decisions (Fishbein & Ajzen, 1975). These factors may well aid an individual in evaluating and appropriately altering their beliefs when faced with new information or knowledge about some object. Therefore feedback loops exist in the framework illustrating the concept of attitude and behaviour formation. Figure 3.5 illustrates Fishbein and Ajzen's (1975) concept of attitude theory.

Figure 3.5 The conceptual framework relating beliefs, attitudes, intentions and behaviours with respect to a given object



Fishbein, M. & Ajzen, I. (1975:15). *Belief, Attitude Intention and Behavior: An Introduction to Theory and Research.* USA: Addison-Wesley Publishing Company.

Mobley et al (1979) suggest the focus of this theory lies in the linking of attitudes and behaviours through intentions as research findings supporting the notion of intent-to-quit could well prove.

An application of attitude theory to job satisfaction could describe how an employee might possess a higher desirability of alternatives than his or her current job. A person's beliefs about his or her job may well stem from their knowledge and experience in the job and associated environment. The worker's beliefs could possibly dictate his or her attitude towards the job. A negative attitude might result in strong negative behavioural intentions and therefore negative behaviour in the form of job dissatisfaction. This might reduce the employee's desirability of their current job and increase the desirability of alternatives because he or she most likely has limited negative beliefs about their visible alternatives and

therefore positive behavioural intentions towards that organisation and job that could relate into turnover behaviour.

However, one's beliefs about their current job might have a better basis than his or her beliefs about a given alternative. A person's experience and knowledge of the current job would probably have provided him or her with a real assessment and true grasp of the job and associated aspects. Therefore, the person's attitude towards the job and desirability of that job might truly reflect their beliefs about the position. Conversely, one's knowledge and beliefs about a given alternative might not reflect the true nature of the alternative and his or her ultimate attitude towards that alternative. Therefore, a worker's desirability of the alternative could change once their knowledge of the job increases and their attitude and behaviours about the job become clearly defined.

As attitude theory illustrates, an employee's beliefs about his or her current job could influence their desirability of the job. Similarly, beliefs about visible alternatives could possibly shape a worker's desirability of the alternatives. Correspondingly, the perception of alternatives could probably affect an employee's beliefs about the job market and thus likely influence his or her turnover destination choice.

Individual perceptions of job opportunities

A person's perception of his or her work environment, macro-economic structure of the industry, or experience of any given job-related event may well directly influence the likelihood of quitting. Theorists argue that an individual's perception of an event or environment (e.g. a job opportunity) may or may not align to true job market structures, events or conditions (Vandenberg & Nelson, 1999).

One argument in literature posits the existence of two realms of job opportunities – opportunities perceived by an individual, and objective (actual) opportunities in the job market (Kirschenbaum & Mano-Negrin, 1999). Perceived opportunities might represent jobs a person feels or perceives as available to him or her outside of the current job. Objective opportunities may describe actual available job options present in the internal and external labour markets (the macro-sociological environment) subject to each market's existing vacancy structure (Kirschenbaum & Mano-Negrin, 1999).

Kirschenbaum and Mano-Negrin (1999) tested their hypothesis that perceived and objective opportunities could perhaps affect the turnover decision. Their study of 707 Israeli

hospital employees observed participants' perceived job opportunities in both the internal and external labour markets and actual turnover patterns. The findings lead the researchers to conclude that perceived opportunities do not cause a quit, although they do enhance the workers intentions to leave.

Given theorists' proposition of perceived and objective job opportunities, an employee's perception or experience of the current job and job market options may well affect his or her desirability of alternatives. Literature suggests that a person's perceptions may perhaps significantly affect his or her decision to quit (Kirschenbaum & Mano-Negrin, 1999; Vandenberg & Nelson, 1999). One's perceptions of the work environment/job purportedly drive the (primarily) negative emotion that might cause him or her to feel some disaffection with an aspect of the current job or organisation and eventually effect a quit (Vandenberg & Nelson, 1999). Perceptions of a poor working environment or job and associated negative emotions might also enhance the appeal of perceived external opportunities, increasing an employee's desirability of alternatives.

In view of the arguments of avoidable and unavoidable turnover (Abelson, 1987) and individual perceptions (Kirschenbaum & Mano-Negrin, 1999; Vandenberg & Nelson, 1999), another turnover theory is worth discussing. Lee and Mitchell (1994) posited a turnover theory considering unavoidable turnover elements as well as scripted decision paths. A discussion on the unfolding model of turnover follows (Lee & Mitchell, 1994:51).

The unfolding model

The unfolding model initially comprised five cognitive paths a person could take to reach a quit decision (Lee & Mitchell, 1994; Lee et al., 1996). Lee and Mitchell (1994:57) derived the unfolding model from image theory's general decision-making model (Figure 3.6). The theory holds that one begins their turnover process he or she may or may not experience some type of a shock (Lee et al., 1996). This shock might be a negative experience in the workplace or an experience outside of the workplace (e.g. an unsolicited job offer; Lee et al., 1996:9). I will now discuss each of the five paths put forward by Lee and Mitchell (1994).

Path 1: The person experiences a shock and this prompts the recollection of a similar shock experienced previously. Alternatively, the shock prompts the recollection of a similar shock experienced by someone close to him or her. Lee et al. (1996) labelled this recollection

as a matching script. Attitude theory posits that individuals will most likely draw on previous experiences and react in a similar manner given their attitude towards some event (Fishbein & Ajzen, 1975). Therefore, the person would most likely respond to the shock in the same way as he or she responded when they experienced it previously (Lee et al., 1996:6). If the previous reaction was a turnover decision, the employee would most likely effect a quit under the same circumstances (Lee et al., 1996:6). Notably the shock need not be negative or surprising and following path 1 posits that the person does not engage in a job search, evaluate alternatives or receive any job offers (Lee et al., 1996:8).

Figure 3.6 Characteristics of the unfolding model decision paths

	Path				
	1	**2**	**3**	**4**	
Shock	Yes	Yes	Yes	No	
Sign of shock	+0-	-	+0-	N/a	
Matching frame	Yes	No	No	N/a	
Evaluation of images	No	Yes	Yes	Yes	
Relative job dissatisfaction	No	Fit judgement Yes	Fit judgement Yes	Fit judgement Yes	
Search for job alternatives	No	No	Yes	No	Yes
Evaluate job alternatives	No	No	Yes	No	Yes
Quit decision	Automatic	Controlled	Fit judgement and rational analysis Controlled	Controlled	Fit judgement and rational analysis Controlled

Lee, T.W. & Mitchell, T.R. (1994). An alternative approach: The unfolding model of voluntary employee turnover. *Academy of Management Review*, 19(1): 60.

Path 2: The experienced shock is associated with the organisation and causes the employee to re-evaluate his or her attachment to the firm. Evaluation takes three 'images' into consideration – the person's personal values, goals and activities directed at achieving the goals. Should the shock cause a misalignment between the individual's current job and these images ('violating' the images), the individual would most likely quit (Lee et al., 1996:7). Path 2 postulates that the employee does not match the shock to an existing script, conduct a job search, consider alternatives or receive any job offers.

Path 3: The shock experienced prompts an individual to conduct an evaluation of the job situation against the three images and he or she then becomes aware of some disaffection with the current job. Path 3 further posits that the worker then conducts a job search, evaluates alternatives and the possibility of forming an attachment to one of the alternatives, which leads to at least one job offer (Lee et al., 1996:7). After a comparison between the current and prospective jobs, the individual decides whether to quit. The individual may well effect a quit when the alternative job appears more attractive than the current job (Lee et al., 1996: 8).

Path 4: Lee and Mitchell (1994) posited that an individual who follows path 4 does not experience a shock. The theorists argue that the employee experiences a gradual disaffection with the current job through evaluation of fit in the job, which only becomes apparent over time (Lee et al, 1996). Two sub-paths emerge at this point:

Path 4a: An individual may follow this path if he or she experiences great disaffection with the firm and feels their images have been violated. The path suggests an individual in this position would quit with no job search, evaluation of alternatives or receipt of a job offer (Lee et al., 1996:8).

Path 4b: At this point the employee might experience some disaffection with the firm, which may well reduce their satisfaction and organisational commitment. The individual also feels as though image violation has occurred and conducts a job search. An evaluation of alternatives and receipt of a job offer would most likely cause a quit (Lee et al., 1996:8). Path 4b might illustrate the turnover process found in conventional turnover models (Lee et al., 1996:8).

The unfolding model may perhaps emphasise the influence of a person's desirability of alternatives. The model considers evaluation of alternatives as a crucial step before the turnover decision. However, evaluation of alternatives does not appear to define the possibility of a quit, as paths 1, 2 and 4a illustrate. Further, the unfolding model might represent a departure from conventional turnover theory in respect to the role of job satisfaction. Path 1 illustrates that a shock might be in the form of an unsolicited job offer, which may well prompt the individual to leave despite being satisfied in the current job. This model may well emphasise the strength of the effect the desirability of alternatives could potentially have on a quit decision.

Unsolicited job offers as a shock

Lee et al. (2008) conducted a test of the unfolding model on a sample of 6,198 respondents. The test examined the unfolding model by theorising that different groups of leavers would follow different paths depending on the turnover antecedents. The test also examined the role of unsolicited job offers in the turnover decision. The results of the study revealed that the level of job satisfaction varied between the different groups of leavers. These findings lead Lee et al. (2008) to conclude that the current turnover models are not necessarily applicable to all leavers. The findings showed that a significant proportion (23%) of the turnover occurred due to unsolicited job offers, providing support for the concept of pull factors. The researchers argued that this proportion of leavers supported notion that pull factors affect the turnover decision.

They suggest unsolicited job offers strong support for the construct of ease-of-movement. Furthermore, the findings lent little support the traditional measure of ease-of-movement, the unemployment rate (Lee et al., 2008).

Job embeddedness and the unfolding model

The construct of job embeddedness is fairly novel in turnover literature and the theorists argue that embeddedness represents an individual's connections to their organisation and surrounding community (Holtom & Inderrieden, 2006; Mitchell, Holtom, Lee, Sablynski & Erez, 2001). Three indicators may perhaps describe one's job embeddedness - fit, links and sacrifice (Holtom & Inderrieden, 2006; Mitchell et al., 2001).

Organisational and community fit by means of personal and firm value and goal alignment might illustrate an individual's perception of how well they fit within their job and community, with a better fit indicating a higher likelihood of attachment to the job and surrounding environment (Mitchell et al., 2001). Moreover, links may well represent the formal and informal connections one makes with others in his or her job and community (Holtom & Inderrieden, 2006; Mitchell et al., 2001). The more links an individual has, the stronger his or her ties to the job and employer (Mitchell et al., 2001). Lastly, sacrifice denotes that which an individual cedes when he or she chooses to break the links and leave the firm (Holtom & Inderrieden, 2006). Mitchell et al. argue that the individual forfeits the material and psychological benefits he or she would have received had they stayed

(2001:1105). The more benefits at stake, the greater the likely attachment to the job and employer. The theorists posit that job embeddedness is high when one has greater fit, greater connections to others and potentially greater sacrifice, and high embeddedness might imply a lowered likelihood of leaving the organisation (Holtom & Inderrieden, 2006; Mitchell et al., 2001).

Holtom and Inderrieden (2006) developed and tested an integrated model of job embeddedness and the unfolding model. They argue that a shock as described in the unfolding model (Lee & Mitchell, 1994) could possibly be somewhat lessened by the level of job embeddedness an employee experiences. Experiencing a shock may well cause an individual to consider the overall circumstances of his or her current job rather than just a possible negative affect associated with the job (e.g.: job dissatisfaction), argue Holtom and Inderrieden (2006).

A shock might cause a person to reconsider the current job when new information brought about by the shock becomes apparent. The employee may then incorporate this information into his or her belief system (Fishbein & Ajzen; 1975; Holtom & Inderrieden, 2006). Holtom and Inderrieden (2006) postulate that the greater job embeddedness felt by an employee, the more jarring the shock would have to be in order to jolt him or her into considering a quit. Conversely, the theorists suggest that if the employee feels weak job embeddedness, he or she may become sensitive to any small event and interpret it as a jarring shock (Holtom & Inderrieden, 2006).

Holtom and Inderrieden (2006) conducted a test of their integrated model on 1898 working graduates. The main hypothesis suggested that job embeddedness would be higher in leavers who experienced a shock than those who did not, and that stayers would have the highest embeddedness (Holtom & Inderrieden, 2006). The study's findings strongly supported the main hypothesis, as the researchers were able to conclude that the relationship between job embeddedness and turnover is significant and negative. Further, after controlling for job satisfaction, job embeddedness significantly improves the prediction of turnover. Shock-induced leavers proved to possess greater job embeddedness than those leavers who did not experience a shock and stayers demonstrated the highest job embeddedness.

Job embeddedness and the results of the study conducted by Holtom and Inderrieden (2006) suggest that the extent to which an individual feels connected to his or her job and environment and whether or not they experience a shock upon leaving could influence their desirability of alternatives. Low job embeddedness alone, or accompanied by a shock may well cause an employee to perceive alternatives as significantly more appealing that the current job. This could possibly increase the individual's desirability of alternatives and encourage him or her to quit.

Avoidable and unavoidable turnover

Abelson contributed significantly to this concept by theorising the 'expanded taxonomy' of voluntary turnover and describing avoidable and unavoidable turnover (1987:382). Differentiating turnover into avoidable and unavoidable could possibly assist in improving an explanation of the turnover process (Abelson, 1987).

Avoidable turnover might exist where the organisation possesses some control over the primary aspects affecting the worker's turnover decision (Abelson, 1987). Specifically, the firm might possess some control over the antecedents that might influence a person's decision to quit. These antecedents become apparent when the employee compares the current job with perceived alternatives (Abelson, 1987). The comparison of job or organisational features may well lead the employee to perceive the majority of aspects as better in a given alternative. Examples of such aspects are '...pay ...working conditions' or problems within the current firm, such as '...leadership/administration' (Abelson, 1987:383).

Conversely, the employer almost entirely controls the turnover which occurs due to '...dismissal, ...layoff' and '...forced retirement' (Abelson 1987:383). Establishing the amount of influence a firm has on an employee's turnover decision may allow the organisation to establish measures to reduce future avoidable turnover (Abelson, 1987; Dalton, Krackhardt & Porter, 1981; Gerhart 1990; Morrell et al., 2004) and allow for a better estimate of the true impact of turnover on a firm (Dalton et al., 1981).

Differing from avoidable turnover, an employee's personal choices may well dictate unavoidable turnover, where the firm possesses minimal control over the turnover decision (Abelson, 1987). Issues affecting the unavoidable leaver's turnover decision include moving physical residential locations as imposed by a spouse (Noe & Barber, 1993); 'mid-career change'; choosing to become a stay-at-home father or mother and pregnancy, (specifically

where the mother or father no longer intends on working after the birth of the child; Abelson, 1987:383). Other unavoidable turnover scenarios where neither party can change the turnover decision include severe medical illness, or death of the employee (Abelson, 1987).

Theorists contributing to the discussion on Abelson's (1987) expanded taxonomy argue that unavoidable leavers and stayers might be similar in terms of their views of the organisation (Fields et al., 2005). The nature of unavoidable leavers' turnover decisions appears to originate from the external environment. Therefore, it seems feasible that unavoidable leavers' attitudes about the organisation may well mirror those of stayers'. The possibility of a similarity between stayers and unavoidable leavers garnered support from the results of Abelson's 1987 study of nursing personnel. The results showed that the avoidable leavers appeared akin to stayers in respect to antecedents leading to a turnover decision. Both sets of employees had similar withdrawal cognitions and affective and job-relevant perceptions, emerging as the most significant features. The demographics of tenure and age lent support to the hypotheses as well, although not to a significant extent.

Despite the likely positive effects if applying Abelson's (1987) concepts to the turnover process, many aspects may well contribute to the quit decision. Given the nature of personal choice and individual perception, the combination of a number of factors (including individual or economic/external) might lead an employee to any variation of an unavoidable or avoidable quit, or even a quit considered a mix of the two types.

The construct of the desirability of alternatives appears to include numerous notions of turnover antecedents and dynamics. March and Simon (1958) initially posited the role of the visibility or appeal of job alternatives in relation to the desirability of the current job and satisfaction. One's attitudes towards- and perceptions of job options may well dictate his or her level of desirability towards them. Further, decision-path models such as the unfolding model (Lee & Mitchell, 1994) posit that one might require a jarring shock such as an unsolicited job offer or negative experience in order to effect a quit, despite dissatisfaction and the possibility of viable alternatives. Job embeddedness introduces the notion that the scope of one's attachment to the organisation might spread outside of their job and work environment. The view holds that a person also considers these external environment factors when contemplating a quit. The concept of avoidable and unavoidable turnover illustrates

the value of a firm focussing on that which they can control when considering how to reduce employee turnover.

In this section, the exploration of the dynamics in which desirability of the current job and of alternatives exist provide a springboard from which to discuss the concept of the intention to quit. Many antecedents at the individual and macro level may well affect satisfaction and thus the intention to quit. Theorists posit that intent to leave most likely directly precedes a turnover decision (Mobley et al., 1979).

3.2.3. Turnover intentions

Literature argues that an individual's subjective opinion of the probability that he or she may shift jobs or leave an organisation in the immediate future, or within a specific amount of time defines their intention to quit (Vandenberg & Nelson, 1999; Sousa-Poza & Henneberger, 2004). Several theorists view high turnover intentions as a reliable predictor of actual turnover (Parasuraman, 1982; Sousa-Poza & Henneberger, 2004). Conversely, others suggest an individual may not act upon their high intention to quit because of a perceived lack of alternative jobs, and thus low ease-of-movement (Vandenberg & Nelson, 1999). A discussion has arisen in literature suggesting that factors that might affect the intention to leave a firm may perhaps differ to those that cause an actual quit (Mano-Negrin, 1998). Thus, some theorists argue that organisations should not assume that an employee's expressed intention to quit is unchangeable and will inevitably lead to an actual quit (Vandenberg & Nelson, 1999). Moreover, once the organisation becomes aware of an employee's intention to quit, following steps to identify the motive underlying the increased turnover intention might assist the organisation in preventing actual turnover.

In respect to the individual level, an increase in an employee's turnover intention most likely develops out of some underlying disaffection with a facet of the job or organisation (Mano-Negrin, 1998; Vandenberg & Nelson, 1999). Level of job satisfaction most probably indicates level of disaffection, which may be within or outside of the firm's control (Abelson, 1987; Parasuraman, 1982; Vandenberg & Nelson, 1999). Mano-Negrin (1998: 154) argues that job satisfaction is affected by an employee's emotions towards their 'work investment-rewards'. This notion emulates March and Simon's (1958) concept of the balance between work contributions and inducements as an indicator of utility. As job embeddedness suggests, a person's organisational, work-environment and individual-level

aspects describe his or her level of organisational attachment and thus affect a turnover decision (Mano-Negrin, 1998; Mitchell et al., 2001; Holtom & Inderrieden, 2006). Therefore the theorists posit that the greater satisfaction and associated utilities, the lower an employee's intention to quit should be.

Similarly, Sousa-Poza and Henneberger (2004:115-116) suggest the psychological and economic schools of thought consider individual-level motivators the greatest influence of turnover intention. Psychological research concerns the subjective experience of work and the economic perspective considers individual characteristics as turnover motivators (e.g. gender, education level, age, marital status, amount of time spent at work and union membership). Further, the theorists note organisational commitment a determinant of increased turnover intentions (Sousa-Poza & Henneberger, 2004). At a slightly broader level, some research considers increased turnover intentions with respect to firm and macro-economic factors (Kirschenbaum & Weisberg, 2002). The concepts explored in this section suggest that individual motivators of turnover intentions appear to influence satisfaction and organisational commitment directly. I now review some research in this field to establish the accuracy of these views.

The results of Sousa-Poza & Henneberger's (2004:131-132) analysis of turnover intentions across 25 countries, shows the main determinants of job satisfaction, job security, firm pride and perceived labour-market opportunities. Similarly, the researchers concluded that most of the countries possess the determinants of union membership and public sector employment. The researchers note that each country's customs and traditions strongly influence the differences in determinants.

Parasuraman (1982) has a slightly different position on turnover intention motivators. He proposes that increased turnover intentions and level of organisational commitment both directly influence the turnover decision, although strengthened turnover intentions are immediate determinants. The findings of his study on plant workers support the commonly held theoretical view that a lowered level of satisfaction precedes an increase in turnover intentions. Parasuraman (1982:119) deduced from the results that 'personal variables' or characteristics and satisfaction do not directly affect the turnover decision, although they do influence the decision indirectly through increased turnover intentions.

Mano-Negrin's (1998) research of the influence of occupation and turnover intentions yielded results in favour of occupationally specific 'work attitudes' (job satisfaction as dependent upon organisational factors). Mano-Negrin's (1998) main hypothesis is that work attitudes may well influence intended and actual turnover. The results show that individual-level perceptions have bearing on work attitudes. The findings allowed Mano-Negrin (1998) to conclude that as an individual's perceptions of his or her work environment are likely to differ from colleagues', they are also likely to influence him or her differently with respect to the turnover decision. Further, the results support the notion that macro-economic (environmental, such as the perceived labour market opportunities) factors and individual (for example, job satisfaction and perception) factors may affect turnover intentions. Mano-Negrin found that the results support the view that turnover intentions increase due to individual and environmental factors.

The nature of voluntary turnover drivers, the desirability of the current job, the desirability of alternatives and the utility balance discussed in this section have offered a context in which to explore and establish the position of turnover destination theory and research in respect to general turnover theory.

3.3. Advancement of Turnover Destination Theory

3.3.1. Turnover destinations and the psychological withdrawal process

According to Kirschenbaum and Weisberg (2002), experience of particular factors within an organisation might not only lead to some disaffection with an aspect of the current job or firm, but may also contribute towards an employee selecting a particular turnover destination to move into before effecting a quit.

The theorists posit the existence of three broad categories of moves (Kirschenbaum & Weisberg, 2002):

- Moving within the current organisation (transferring within the internal labour market),
- Moving outside of the organisation (into the external labour market), and lastly
- Leaving the job market entirely (e.g.: early retirement or voluntary retrenchment).

Considering the unique aspects of the three main turnover drivers, the psychological processes preceding a move are likely to vary between individuals. In an instance of an

employee impulsively quitting, the unfolding model (Lee & Mitchell, 1994) suggests that he or she might feel a very strong disaffection about an element within the organisation and may not consider their macro-economic circumstances (the job market and unemployment rate) and ease-of-movement (by searching and evaluating available alternatives) before leaving. The possibility of a strong disaffection towards the firm or current job would probably reduce the desirability of the current job. An impulsive quit may well be a prompt manner in which the individual could potentially correct his or her circumstances by exiting the environment and job which might be contributing to lower satisfaction and utility.

In comparison, a worker who receives an unsolicited job offer might be reasonably satisfied, suggesting he or she has not conducted a job search or evaluation of alternatives and thus is probably not very aware of their ease-of-movement. However, this type of employee's signal strength may make give rise to greater market visibility and indicate his or her capabilities and value to players in the external market despite experiencing reasonable satisfaction (Mobley et al., 1979; Lee et al., 2008). An unsolicited job offer from the external market might appeal to a satisfied employee because of the perceived benefits and potential utility associated with the job.

Each move discussed here - an impulsive quit and acceptance of an unsolicited job offer - would most likely follow a different psychological process. The variation in the psychological process preceding a quit may lead to the selection of contrasting turnover destinations for different persons. The destination chosen by a person may perhaps illustrate his or her unique perception of which destination could potentially provide utility exceeding that in the current job (Kirschenbaum & Weisberg, 2002). Similarly, the antecedents motivating the selection of a turnover destination in the internal market rather than the external market most likely also vary considerably. A person's disaffection with an *organisational* characteristic coupled with an associated lower satisfaction level may drive him or her to search for alternatives in the external market. If the disaffection only lies in some aspect of the *current job*, although overall organisational fit is high, the individual may wish to stay in the organisation and move into a different job type (Kirschenbaum & Weisberg, 2002). In respect to these views, the nature of antecedents driving turnover and the likely cognitive processes an employee might experience appears varied and largely unique to personal perception (Kirschenbaum & Mano-Negrin, 1999).

3.3.2. A review and discussion of empirical research contributing to turnover destinations theory

This research considers and tests Kirschenbaum and Weisberg's (2002) hypothesised turnover destinations in a real world study. A review and examination of the existing empirical research on turnover destinations is therefore pertinent. This section will review and discuss the contribution of the primary study of interest as well as studies that have added to turnover destinations theory.

Turnover destinations empirical research

Kirschenbaum and Weisberg's (2002) research on turnover destinations provides the core reference for this study. The researchers analyse the link between individual, environmental and labour market characteristics and five turnover destinations on a sample of 477 Israeli medical industry employees. These destinations are as follows:

- Internal labour market moves (a different job, same department; the same job, different department; or a different job, different department), and
- External labour market moves (changing or keeping the current job).

A main hypothesis in the study is the view that turnover antecedents differ between destinations (Kirschenbaum & Weisberg, 2002). The researchers posit that different antecedents could potentially cause a person to select a particular destination in order to improve or reduce some aspect present in the current job (Kirschenbaum & Weisberg, 2002). Additionally, the researchers hypothesise that internal and external job moves might also have dissimilar motivators.

The findings allowed Kirschenbaum and Weisberg (2002) to conclude that the study supported the notions that antecedents indeed differ between destinations and internal and external moves have different motivators. With respect to the possibility of internal transfer, Kirschenbaum and Weisberg (2002) conclude that disaffection towards a supervisor could cause an increased probability of an internal move rather than an external move due to perceived poor job market conditions. Such a move would probably indicate the person as focused on developing a career in the current organisation (Kirschenbaum & Weisberg, 2002). The researchers further note that a reduced sense of success in the current job might contribute towards a move into an external market.

The demographic of education appeared to contribute significantly to both internal and external job moves, suggesting that individuals with higher education perceived more opportunities and likely expectation fulfilment in the external market (Kirschenbaum & Weisberg, 2002). Moreover, the research also shows the presence of turnover contagion– the notion that a person's co-workers might affect their opinions of workplace satisfaction (Felps et al., 2009) – as a significant factor contributing to their own turnover intentions. The only bio-demographic factors that show significant predictive power are age, education and importance of perceived success in the current job. The bio-demographic factors including age, gender, religion, marital status, tenure and history of past job changes were found not to be significant and were excluded from the final model. The macro-economic factors measured also show no significant influence over destination selection.

The theorists (Kirschenbaum & Weisberg, 2002) note that many organisational, job and demographic factors could possibly contribute towards and others may have little influence on the selection of a particular destination, they argue that the construct of turnover destinations integrates effectively into the unfolding model concept (Lee & Mitchell, 1994). Kirschenbaum and Weisberg (2002) further put forward that inclusion of turnover destinations into an investigative framework of turnover may well contribute significantly to turnover literature.

In a similar study, Fields, et al. (2005) investigated the predictors of different job options. The main aims of the research mirrored the hypotheses Kirschenbaum and Weisberg (2002) described in their research. Fields et al.'s (2005:67-68) study tested three main job change hypotheses:

a) A different job in the same organisation, hypothesised to be motivated by lower current pay and benefits, overall satisfaction and job skills variety and autonomy, and higher tenure, education level, job stress and unemployment rate.
b) The same job in a different organisation, hypothesised as motivated by lower job security, pay and benefits, current performance rating, overall job satisfaction, tenure, age and unemployment rate, higher job skill variety and autonomy, and job stress, fewer family responsibilities and less competent and concerned supervision.

c) A different job in a different organisation, hypothesised as motivated by lower overall job satisfaction, job security, tenure age and unemployment rate, less competent and concerned supervision, fewer family responsibilities and male gender.

Using secondary data from the National Employee Survey in the U.S. which comprised of a final dataset of 1556 respondents, demographic, work and job measures were analysed by means of multiple and multinomial logistic regression. Overall, the hypothesis of the antecedents dictating a different job in the same organisation garnered little support (Fields at al., 2005). Partial support was found for the hypothesis of same job in a different organisation, with greater likelihood of moving to the destination when an employee has lower job security, overall satisfaction, age and tenure, less competent and concerned supervision and greater job skill autonomy (Fields at al., 2005). The final hypothesis of different job different firm also garnered partial support, as the antecedents of lower job security, tenure, age and being a male and having fewer family responsibilities supported the likelihood of such a move (Fields at al., 2005).

The research results permitted the researchers to conclude that the findings support the notion that each destination option possesses varying turnover predictors (Fields et al., 2005). Further, the researcher emphasised the importance of the role turnover destinations play in the turnover decision.

The findings of both tests of the concept of turnover destinations appear to have garnered support for the notion. Kirschenbaum and Weisberg (2002) found only three significant demographic motivators of internal and external moves (education, age and importance of perceived success of current job). Fields et al. (2005), however, found lower age and tenure and being a male contribute to increased likelihood of external organisation moves. Both studies found that one's affect towards his or her supervisor could increase the chances of a move. Kirschenbaum and Weisberg (2002) found that disaffection towards a supervisor only influenced the likelihood of an internal transfer, whereas Fields et al. (2005) concluded less competent and concerned supervision most likely contributed towards an increased likelihood of an external move. The overall influence of supervision on the possibility of effecting a move appears consistent, however the likely turnover destinations vary. The macro-economic factors measured in both studies proved to contribute little to predicting turnover destinations.

The studies show some similarities and some distinct differences between findings, suggesting that more tests of the concept are needed to advance development.

Moving internally

Further classified by department, three job alternatives comprise Kirschenbaum and Weisberg's (2002:110) internal move options:

a) Another job in the same department,

b) The same job in a different department, and

c) A different job in a different department

A study that contributes somewhat towards an understanding of turnover destinations in respect to internal transfers is the research conducted by Spell and Blum (2000) on internal mobility patterns.

The theorists tested various hypotheses about internal mobility (Spell & Blum, 2000). The researchers hypothesised that different aspects of organizational structure (including technological analysability, location of headquarters, increased employment in worksites, greater labour scarcity) might contribute or hinder internal movement (Spell & Blum, 2000:300-302). Secondly, they hypothesised that the social composition of the workforce (including the position of the business in respect to the economy, race and gender, the racial composition of the surrounding community, age, organisation size, presence of unionisation might contribute or hinder internal movement (Spell & Blum, 2000:302-305).

The study sample comprised 342 worksites and the analysis took place by means of ordinary least squares regression. The researchers (Spell & Blum, 2000) found support of a positive relationship between upward mobility of non-managers and worksite size ($p < .01$), staffing difficulty ($p < .05$) and technological analysability ($p < .01$). Unionisation of employees ($p < .01$) indicated a decreased likelihood of upward mobility in non-managers (Spell & Blum, 2000). This study showed only organisational structural characteristics as influential upon upward mobility of non-managers. Demographic aspects such as age, race and gender appeared not to influence mobility patterns. Interestingly, labour scarcity (as indicated by a tight labour market) did not influence upward mobility.

Moving externally

The external destinations defined by Kirschenbaum and Weisberg (2002) only distinguish between maintaining and changing the current job in different organisation or leaving the workforce. A different organisation might be in a similar industry (which would likely lead to the individual taking up a similar job), or a different industry (suggesting a career change; Kirschenbaum & Weisberg, 2002). Further the organisation may be in a different country (therefore including emigration). Alternatively, a worker may choose to exit the labour market all together. This section examines some relevant research on these types of job moves.

Changing organisations

When considering staff retention strategies, direct competitors appear as the largest threat to any firm's retention efforts. Literature suggests that both extrinsic (e.g.: pay) and intrinsic (e.g.: relationships) rewards are beneficial in retaining employees (Birt et al., 2004).

In the study conducted by Birt et al. (2004) discussed earlier, findings suggest intrinsic factors are important to South African workers, although in the context of perceived equity or inequity (compensation). If a respondent feels he or she is not in a position of external equity, he or she will leave and consider alternatives to reach a suitable sense of equity. Also, the variables of employment equity and affirmative action are unique to the South African employment context.

Kerr-Phillips and Thomas (2009) studied factors influencing the turnover of top South African talent (knowledge workers). The research covered drivers at the macro-level (emigration) and the micro-level (the organisational level). Within the context of changing organisations, the organisation-level turnover antecedents established by the researchers are prevalent within this section. Twenty structured interviews of financial industry workers comprised the micro-level research. The findings suggest the main points of dissatisfaction are the bureaucratic organisational structure, an exclusionary workplace culture which also tolerates poor performers and the impact of affirmative action on career prospects (an issue raised mostly by white employees).

Changing industries / career changes

A study by Noe and Barber (1993) focussed on the likelihood of individuals willing to accept mobility opportunities, which may include a promotion or a lateral move allowing for greater skill acquisition. The acceptance of such opportunities also involved geographic relocation (to urban or rural communities). Both aspects involve an individual selecting a job destination, although moving communities has a far greater impact upon the worker, suggest the researchers. The researchers (Noe & Barber, 1993:166) measured individual's willingness to accept mobility based on four options:

a) A promotion and geographic relocation to an urban community
b) A promotion and geographic relocation to a rural community
c) A lateral move and geographic relocation to an urban community
d) A lateral move and geographic relocation to a rural community

The research results indicated that the type of the relocation (similar or dissimilar community) appeared to affect both the willingness to accept mobility as well as determinants of employee attitudes toward mobility (Noe & Barber, 1993:169), and individuals possessed a clear dissatisfaction with the notion of moving into a dissimilar community. Noe and Barber (1993) concluded that, should an individual choose to relocate geographically for a mobility opportunity, he or she should find balance between the likely non-organisation based problems or consequences of relocation, and the work-related hierarchical aspects associated with the relocation.

In the study conducted by Fields et al. (2005) on specific turnover antecedents and three alternative job changes, the researchers found partial support for their hypothesis about the likelihood of a move into a different organisation and job type. The researchers found that the likelihood of a move into a different organisation and different job type was found likely to increase with experience of lower job security, less job tenure, lower age, being male and having fewer family responsibilities. These were not all of the factors included in the original hypothesis with lower job satisfaction, less concerned supervision, and lower unemployment rate proving non-significant predictors of the hypothesised relationship (Fields et al., 2005).

Emigration

Predominantly in the last decade, the South African economy has suffered due to mass emigration of highly skilled individuals from the country (Kerr-Phillips & Thomas, 2009). Also referred to as top talent or knowledge workers, these individuals are South Africa's top intellectual and technical minds who contribute towards building the economy through the value they add in their industries. This mass exodus of top talent from the country has resulted in a skills shortage in the South African economy (Newton, 2008). Many theorists and industry experts have labelled this skills crisis the South African 'brain drain' (Cunningham, Lynham & Weatherly, 2006; Du Preez, 2002; Kerr-Phillips & Thomas, 2009; McDonald & Crush, 2002).

Emigration may be defined as:

> **"...the departure from a home country to another with the intention of acquiring permanent residence there" (Du Preez, 2002:80).**

The large-scale emigration of skilled persons from South Africa may well have negatively affected the South African economy (McDonald & Crush, 2002; Birt et al., 2004; Kerr-Phillips & Thomas, 2009). Some theorists suggest that this large-scale emigration has also impeded the country's global competitiveness, despite government measures in place to reduce this skills shortage (including ASGISA and JIPSA; Du Preez, 2002; Kerr-Phillips & Thomas, 2009; McDonald & Crush, 2002).

Current government labour policies endeavour to correct historical employment injustices from the former apartheid government (Cunningham et al., 2006; Kerr-Phillips & Thomas, 2009). Such policies include affirmative action (the Employment Equity Act) and Black Economic Empowerment (BEE; Cunningham et al., 2006:71). Newton (2008) suggests that, as South African organisations are required to comply with these labour policies, they face unique challenges in retaining individuals. Similarly, these policies might restrict South African firms' selective staffing and internal mobility practices in the sense that the firms must comply with particular recruitment requirements.

McDonald and Crush (2002) argue that this exodus of talent indicates two major concerns for South Africa: the first is the obvious reduction of valuable skilled individuals

and the associated contributions to the economy; the second is the extent to which skilled South Africans deem the country a desirable location in which to live.

Statistics South Africa (Stats SA; 2005) released a report on documented migration in 2003, comparing figures of self-declared emigrants and documented immigration data from the top five countries to which South Africans immigrate. The report suggests the top five countries for emigration are the United Kingdom, the United States of America, Canada, Australia and New Zealand. Stats SA (2005) show that a significant proportion of emigrants do not formally declare their intent to emigrate, a statement with which Du Preez (2002) concurs. Du Preez (2002) suggests the reason many emigrants do not declare their intent to leave South Africa permanently is because such individuals wish to expedite the emigration process and do not want to retain any psychological ties to the country.

Du Preez (2002) argues that approximately 90% of emigrants are White, and highly skilled South Africans qualify for emigration because the primary countries to which South Africans emigrate have strict immigration requirements, specifically with regard to higher education and occupational skills.

The desire to cut all ties with one's birth country could be a reason behind investigation into the mass emigration of South African top talent. Specifically, owing to the perceived value highly skilled individuals are deemed to add to the economy, much research has focused on the aspects motivating their emigration (Du Preez, 2002; Kerr-Phillips & Thomas, 2009).

Many factors have been found to contribute towards the emigration of top talent, including a greater number of opportunities available for skilled individuals overseas, reduced travel costs and increased global communication (McDonald & Crush, 2002). Kerr-Phillips and Thomas (2009) conducted a survey of 84 South African 'top talent' expatriates living in New Zealand. The prominent reasons for emigration included the violent crime in the country, concern for personal safety and employment opportunities. The respondents indicated that a large proportion (70%) had remained in the same profession after emigration from South Africa, and the majority were white. These findings support McDonald and Crush's (2002) argument that the desirability of the South Africa as a residence is key to understanding emigration.

Leaving the workforce.

Choosing voluntary unemployment may not necessarily imply that an individual wishes to remain out of the workforce permanently. Firstly, leaving the workforce could represent exiting the current job without a new position due to some large disaffection with an aspect of the firm, such as structure. This type of voluntary unemployment might be as a result of an individual's desire to remedy their disaffection and circumstances as promptly as possible. Lee and Mitchell's (1994) unfolding model paths 2 and 4a support the possibility of this type of destination choice. Individuals who follow path 2 are theorised to leave the current job because, although a shock has prompted the turnover decision, there is relative job dissatisfaction, and no job search or evaluation of alternatives is conducted (Lee & Mitchell, 1994). Path 4a provides a more accurate view of this destination choice. The unfolding model posits that followers of this path experience only incongruence with their images and relative job dissatisfaction that prompts a quit (Lee & Mitchell, 1994). Image violation and job dissatisfaction might manifest due to disaffection with a large issue in the firm, supporting the possibility of temporary voluntary unemployment.

Secondly, voluntary unemployment may imply the choice of a temporary hiatus from employment, for example, a new parent may choose to exit the workforce temporarily to take care of the newborn. Such an individual may perhaps make certain that his or her ease-of-movement is high enough before exiting the workforce to ensure a relatively smooth transition back into the labour market after the temporary unemployment (Trevor, 2001). Similarly, the person may endeavour to ensure his or her ease-of-movement remains favourable during the temporary unemployment period because he or she would most likely require greater ease-of-movement to return to the workforce.

Thirdly, choosing to leave the workforce completely may imply early retirement or voluntary retrenchment. An individual who is nearing retirement may perceive the utility associate with an early retirement payout or perhaps the potential satisfaction of retirement to outweigh the satisfaction and benefits offered by the firm. These factors could contribute towards the decision of early retirement. An employee may choose voluntary retrenchment where he or she perhaps perceives the utility associated with a retrenchment benefit payout to outweigh current job satisfaction and organisational benefits, and perceived personal investment in the firm.

Royalty (1998) conducted a study on job-to-job and job-to-none-employment turnover, with focus on gender and education level. A sample of 5,102 respondents were tested by the characteristics of gender and experience of greater or less education. Royalty (1998) found that women had a higher job-to-non-employment turnover than men, with 16% of women and 13% of men voluntarily leaving the workforce. The researchers found that the likelihood of job-to-non-employment reduces in both genders. From age 22 to age 27, men's likelihood of voluntary unemployment showed a 10% reduction, although women experienced a more modest reduction of 4.5% in the same age range (Royalty, 1998).Furthermore, the likelihood of job-to-non-employment turnover was found to be higher in less educated women, and the highest among all groups studied (Royalty, 1998)

Drawing from Royalty's (1998) research, Sutherland (2002) conducted a study of voluntary quits of manual labourers at a meat-processing establishment. Individuals who had indicated their intention to leave were interviewed before departure. The study found that more than half of a group of 108 exiting employees (56%) quit with no immediate, or planned, alternative employment destination. Reasons for non-employment included health reasons, domestic reasons, lack of interest in the job, and pursuit of full-time studies. Sutherland (2002) suggested that issues such as lack of employee commitment, poor selection, and insufficient training might contribute towards moves into non-employment.

3.4. Critical analysis of turnover destination theory

In a review of turnover literature, Morrell et al. (2001) differentiate turnover theory and research into two broad streams – the economic or labour market stream and psychological stream. Based on their argument, the turnover theories which appear more traditional and might fall into the psychological stream include those put forward by March and Simon (1958) and Mobley et al. (1979; Morrell et al., 2001). The central concept underlying such psychological theories may well be summarised as:

"...issues principally related to affect..." (Morrell et al., 2001:227).

Conversely, the turnover theory that Morrell, et al. (2001) deem labour market- and compensation-centred include some theories considered in this research, such as objective labour market opportunities, perceived alternatives and side-bets (Becker, 1960; Kirschenbaum & Mano-Negrin, 1999; Mano-Negrin & Kirschenbaum, 1999; Kirschenbaum

& Weisberg, 2002). The theorists suggest that the emphasis of the economic or labour market perspective is on:

> **"...labour supply and demand, job search, subjective expected utility and rational economic choice, availability of job opportunities or perceived opportunities, reward and investment or 'sunk costs'" (Morrell et al., 2001:227).**

Morrell et al., (2001) challenge the viability of Kirschenbaum and Mano-Negrin's (1999) notions of labour market opportunities as viable predictors of turnover at the individual level. The theorists argue that support exists for the hypothesised relationship between objective opportunities and turnover at the macro-level through unemployment and turnover rates and support Kirschenbaum and Mano-Negrin's (1999) argument of objective opportunities (Morrell et al., 2001). However, the theorists question the possibility that the same relationship exists at the individual level and criticise Kirschenbaum and Mano-Negrin's (1999) study of hospital personnel as too narrowly focused on showing the labour-market opportunity and turnover relationship at the expense of other possible turnover antecedents.

Morrell et al. (2001) cites aspects such as sunk costs in the form of training as a significant reason influential at the individual level (or side bets as posited by Becker; 1960) and the unlikely possibility of a person possessing sufficient amount of knowledge about the external labour market.

Overall, Morrell et al. (2001:231) argue that the notion of voluntary turnover as strongly dictated by the labour market, as Mano-Negrin and Kirschenbaum advocate, may not adequately account for 'imperfect awareness' of individuals and 'heterogeneity' in persons effecting voluntary turnover, definition of scope, the psychological aspects and intangible, non-economic (non-monetary) factors associated with desirability of jobs. Further, the theorists note that the objective labour market opportunities theory and similar economic theories as well as the psychological stream theories might not offer enough supported claims for managerial application (Morrell et al., 2001).

3.5. Conclusion

To introduce turnover theory, this chapter commenced with a review of the principal theoretical models of mainstream turnover literature. The concepts of the attraction and expected utility of the present job and alternatives were introduced and discussed in context with satisfaction and the utility balance. The next section defined and contextualised turnover destinations in mainstream turnover theory. Thereafter, a discussion of the three primary turnover drivers of desirability of mobility, ease-of-movement and macro-sociological aspects was presented.

Subsequently, relevant theories supporting the perspectives of desirability of the current job and the desirability of alternatives were considered, followed by an examination of the concept of turnover intentions. Then main theory of turnover destinations was introduced, including a discussion of the relevant literature and research on each broad turnover destination dimension. Lastly, I concluded the chapter having reviewed the existing critical assessments of turnover destinations literature.

Chapter Four summarises the likely effects each high-performance HR practice might have on performance, and presents the hypotheses for testing in the empirical study.

CHAPTER 4. HYPOTHESES

The preceding literature review chapters describe the manner in which each high-performance HR practice might contribute towards improving performance. This chapter briefly reviews how each practice enhances performance and discusses the ways in which exposure to each practice might affect the turnover drivers of desirability of mobility, ease-of-movement and macro-economic circumstances. Thereafter I introduce the hypotheses relevant to each turnover destination.

Nicholson and West (1988) proposed three mobility dimensions, including *status* – upwards, lateral or downwards mobility, *function* – same or changed, and *employer* – internal or external (as cited in Ng et al., 2007:364). Kirschenbaum and Weisberg's (2002) turnover destinations fall within these mobility dimensions and therefore offer a great deal to turnover research because of the varied destinations. Similarly, the expanded turnover destinations discussed in this research, which incorporate emigration, also align to these mobility dimensions. Each high-performance HR practice included in this research may perhaps affect each destination differently, depending on the dimension.

In section 4.1., I review the manner in which each individual high-performance HR practice might contribute towards enhancing or supporting individual performance. In addition, I consider how each particular practice might increase or perhaps decrease the likelihood of a quit individually. However, there is consensus amongst theorists that high-performance HR practices have a better impact when they are depicted as a system rather than as individual practices (Combs et al., 2006). Moreover, Sun et al. (2007) chose to reflect their predictor variables as one *high-performance HR practices* measure on the basis of Becker and Huselid's (1998) view that high-performance HR practices appear more strategically valuable when unified into a system (as cited in Guthrie, 2001: 183 and Sun et al., 2007:565).

Similarly, many researchers have chosen to measure the effect of a system or systems of high-performance HR practices (rather than individual HPHRPs) on various organisational performance characteristics. This includes research by Arthur (1994), Bae et al. (2003), Chuang and Liao (2010), Guest et al. (2003), Guthrie (2001), Hoque (1999), Huselid (1995), Ichniowski and Shaw (1999), Laursen and Foss (2003), MacDuffie (1995), Takeuchi et al. (2009), and Youndt et al. (1996).

The methodology preferred by most researchers appears to be depiction of the individually measured high-performance HR practices as a system in analysis. Therefore, I formulate the research hypotheses in section 4.2 considering the impact of the high-performance HR practices as a system rather than the impact of each individual HPHRP.

4.1 High Performance HR Practices and Turnover Drivers

In this section, I discuss the manner in which each high-performance HR practice might influence individual performance, and how each might contribute towards a voluntary quit.

Combs et al. (2006) and Huselid (1995) suggest that high-performance HR practices mediate performance enhancement in three ways: they can increase workforce KSAs, empower employees or motivate employees. Specifically, the practices of selective staffing and training and development (T & D) should contribute towards enhancing workforce KSAs (Combs et al., 2006; Huselid, 1995). Selective staffing most likely helps to bring skilled employees into the organisation and emphasising T & D should enhance existing workforce KSAs. In these ways, the practices appear to increase the KSAs in the organisation.

Provision of employment security, opportunities for participation, internal mobility and a clear job description are high-performance HR practices that might serve to empower individuals in the firm (Combs et al., 2006; Huselid, 1995). These practices seem to have a supportive nature because they perhaps provide a secure platform from which employees are able to achieve success in their jobs. Lack of a clear job description and little employment security might inhibit workers' abilities because of the possible anxiety associated with role stress or potentially becoming unemployed (Gupta & Beehr, 1979; Schaubroeck, 1989). Similarly, anxiety might develop from perceived lack of opportunities for participation and internal mobility, hindering worker efficiency.

The high-performance HR practices associated with compensation and reward, including high compensation, incentive compensation and performance appraisal might assist a firm in aligning organisation and employee goals, and aligned goals should enhance worker motivation (Combs et al., 2006; Huselid, 1995).

In light of the mechanisms through which each practice might contribute towards performance enhancement, an in-depth discussion of each practice's elements and their influence on the turnover drivers follows.

4.1.1. Selective staffing

The ASA model (Schneider, 1987) could theoretically assist employers in attracting potential high-performing candidates. Organisations using selective recruitment methods may go about attracting skilled candidates by promoting the possibility of further skills development in the firm (Subramony, 2009; Youndt et al., 1996). This may well attract skilled individuals who aspire to develop themselves further. This type of individual might be an example of a high performer. Selective staffing may also enable employers to hire high-performing individuals by taking into consideration potential employees' PO[14] and PJ[15] fits during the selection process (Kristof-Brown, 2000; Kristof-Brown, Zimmerman & Johnson, 2005). Workers with good PO and PJ fits should be well suited to the job and firm because their personal values, KSAs and personal job goals should closely coincide with those of the organisation (Carless, 2005; De Cooman et al., 2009; Sekiguchi, 2007).

High emphasis on selective staffing would most likely create a highly skilled workforce, and provide opportunity for further skill enhancement (Combs et al., 2006; Subramony, 2009; Youndt et al., 1996). This potential opportunity might show how selective staffing could represent a push factor, drawing skilled individuals to the organisation (Mano-Negrin & Kirschenbaum, 1999). This illustrates a careerist attitude towards work, where the perceived potential utility offered by an alternative appears to outweigh that offered in the current job (Mano-Negrin & Kirschenbaum, 1999; March & Simon, 1958). An individual might be attracted to this kind of alternative destination despite reasonable satisfaction. Ensuring good PO and PJ fit, as well as offering possible future skills development might illustrate a manner in which selective staffing represents a pull factor, where the potential for investment or attachment to the organisation could retain the worker in the organisation (Mano-Negrin & Kirschenbaum, 1999).

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[14] Person-organisation fit: a person's values and personality are compatible with his or her entire organisation (Kristof-Brown, 2000; Kristof-Brown et al., 2005).

[15] Person-job fit: cohesion exists between a worker's KSAs and the job requirements, and/or whether the job meets the desires of the worker (Carless, 2005; Sekiguchi, 2007).

Lower emphasis on selective staffing may possibly result in poor PO and PJ fit, suggesting incongruence between the individual's personality and goals, and the organisation, as well as his or her career needs and desires and the job type. An increase in desirability of mobility may arise from this incongruence because the employee may perhaps wish to remedy the situation by finding a destination that might match his or her expectations about selective staffing more closely (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). In this way, little emphasis on selective staffing may also act as a push factor, thereby increasing staff turnover (Mano-Negrin & Kirschenbaum, 1999).

4.1.2. Training and development

Signalling theory (Spence, 1973) and human capital theory and extensions (Autor, 2001; Becker, 1962; Hansson, 2009) lend support to the view that the HR practice of T & D may perhaps have a positive effect on an individual's signal strength in the labour market. Specifically, experiencing higher levels of T & D in a prior job may well increase signal strength in that job type, suggesting to potential employers that worker may have a superior aptitude in that job (Sweetland, 1996). Experience of T & D might signal recruiters within the internal labour market as well as potential employers that the person may perhaps have an enhanced ability to assimilate T & D in a new environment (Nielson, 2007, Royalty, 1996).

General and specific training form the two main types of training available in organisations (Becker, 1962; Royalty, 1996). General training most likely has little signalling power in the external market because of its transferability (Becker, 1962; Hannson, 2009; Royalty, 1996). Firm-specific training may make employees more productive and therefore induce greater economic benefits for the organisation through improved performance, although, its transferability appears low and therefore provides employees with little signalling power outside of the current employing firm (Becker, 1962; Delaney & Huselid, 1996; Sweetland, 1996). However, firm-specific training may enhance a person's ease-of-movement in the internal labour market, thereby benefiting an individual who wishes to transfer internally. Industry-specific training might enhance signal strength in that industry and therefore an individual may well appear more valuable to potential employers in the same industry (Hansson, 2009). Theorists argue that, for the most part, firms pay for both

types of training (Autor, 2001), and investment in training is costly to the firm because of the possible staff turnover associated with it (Trevor & Nyberg, 2008).

Higher emphasis on T & D in a prior job would probably increase a worker's KSAs in that job type and therefore his or her signals to the external labour market, most likely causing greater ease-of-movement (Becker, 1962; March & Simon, 1958; Nielson, 2007; Spence, 1973; Sweetland, 1996; Trevor 2001). Stronger signalling power would suggest the individual is capable in the job and that he or she most likely has the aptitude to obtain further T & D (Nielson, 2007; Royalty, 1996). Greater signal strength in the labour market would probably also give rise to more objective (and perceived) macro-economic opportunities and possibly unsolicited job offers (Kirschenbaum & Mano-Negrin, 1999). Higher ease-of-movement and more perceived opportunities might cause an increase in desirability of mobility because the worker may perceive a move into another destination as feasible (March & Simon, 1958).

In this way, T & D in a prior job may act as a push factor, because the greater ease-of-movement and perceived macro-economic opportunities may well draw an individual away from his or her current job, where he or she may be otherwise reasonably satisfied (Mano-Negrin & Kirschenbaum, 1999; March & Simon, 1958; Trevor, 2001). Experience of T & D in a prior job appears to be a key influencer in the external labour market because of the likely associated signal strength and the possibility of further enhancement. However, higher emphasis on T & D might also be a pull factor when the current organisation offers opportunity for further development (and thus skills investment) in an effort to retain skilled employees (Mano-Negrin & Kirschenbaum, 1999).

Conversely, very low emphasis on T & D in a prior job would probably provide an individual with few additional KSAs and thus little additional signal strength in the labour market (Spence, 1973; Trevor, 2001). Weak signal strength may suggest the employee lacks the capabilities in the job, which could possibly cause potential employers to view him or her as unproductive in the job (Nielson, 2007). In this way, weak market signals could possibly reduce a person's ease-of-movement because of fewer perceived and objective opportunities (Kirschenbaum & Mano-Negrin, 1999; Trevor, 2001). Low ease-of-movement and few perceived opportunities in the macro-economic environment most likely hinder transition into another destination (Trevor, 2001).

If expectations about the provision of T & D are not met by the prior job, a person may feel increased desirability of mobility, and wish to transition into another destination, despite these restrictions, in order to remedy possibly severe circumstances such as structural issues in the firm (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Little experience of T & D therefore may also be a push factor, possibly causing employees to leave in favour of alternatives that they perceive may meet their expectations about T & D in spite of macro-economic limitations (Behling & Starke, 1973; Irving & Montes, 2009; Mano-Negrin & Kirschenbaum, 1999 Porter & Steers, 1973; Vroom, 1966).

4.1.3. a. High compensation

Theories which support high compensation as a high performance HR practice include efficiency wage theory (Akerlof, 1984; Brown et al., 2003), agency theory (Eisenhardt, 1989), the notion of reciprocity and signalling theory (Spence, 1973).

Efficiency wage theory posits that offering an above-market wage may well attract a better selection of potential staff, including more high-performers. This may well provide the firm an opportunity to recruit better performers and therefore increase organisational performance. Agency theory hypothesises that aligning employee interests with firm goals by linking pay to performance may well bring about improved firm performance (Eisenhardt, 1989). The notion of reciprocity illustrates how a firm might pay individuals high compensation in return for workers exerting extra effort and achieving goals defined by the organisation.

Signalling theory might support the view that higher paid individuals may well perform better than those paid an average wage. Theoretically, the level of compensation a worker receives might indicate his or her value to the firm and to the external labour market (Nielson, 2007). A higher pay level may increase a person's signalling power. Therefore, selecting workers from the external market based on their high compensation levels should enable a firm to employ a highly productive staff compliment (Spence, 1973).

Emphasis on higher compensation should motivate employees by offering greater utility than other firms are able to offer through efficiency wages (Brown et al., 2003; Ho et al., 2009), and may assist in aligning employee and firm interests (Combs et al., 2006; Eisenhardt, 1989; Huselid, 1995). Offering wages that are higher than market average

through efficiency wages would show how higher compensation could be used as a pull factor to retain high performers (Mano-Negrin & Kirschenbaum, 1999).

The level of compensation a worker receives may perhaps represent how much the firm values him or her (Applebaum & Mackenzie, 1996; Banerjee & Gaston, 2004), and higher compensation could provide a signal of higher value and productivity to the external labour market (Banerjee & Gaston, 2004). Therefore, an employee who receives higher compensation might perceive greater ease-of-movement and more macro-economic opportunities, which could in turn enhance his or her desirability of mobility owing to a careerist attitude (Mano-Negrin & Kirschenbaum, 1999). These factors might show how potential higher compensation available in an alternative could act as a push factor, enticing the employee out of their current job in favour of perceived higher utilities (Mano-Negrin & Kirschenbaum, 1999).

Lower compensation may well cause a person to feel undervalued and underappreciated by the previous employer (Gardner et al, 2004). The negative affect most likely associated with under-valuation might increase the person's desirability of mobility because he or she might wish to move into a new destination in an attempt to correct expectations about compensation level (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). However, the external market may possibly perceive the employee as less productive in the job due to his or her lower compensation level (Applebaum & Mackenzie, 1996; Banerjee & Gaston, 2004). Therefore, the individual would probably have little ease-of-movement and fewer perceived macro-economic opportunities, which might hamper transition into the external labour market (March & Simon, 1958; Trevor, 2001).

Lower compensation could therefore also illustrate a push factor where significant circumstances such as structural issues may well cause the worker to act on increased desirability of mobility despite the limitations imposed by fewer job opportunities (Mano-Negrin & Kirschenbaum, 1999).

4.1.3. b. Incentive compensation

Also referred to as pay-for-performance compensation, this high-performance HR practice may well motivate employees to exert additional effort to achieve organisational and/or job goals defined by the firm in order to gain financial rewards in return (Applebaum

& Mackenzie, 1996; Combs et al., 2006; Delaney & Huselid, 1996; Huselid, 1995). Research has shown that incentive compensation might be a support practice with a positive, indirect effect on performance in the form of motivation (Wood, 1999). This motivation might come about through increasing workers' personal interest in- and thereby increasing their feelings of responsibility about their own task outcomes. Combs et al. (2006) and Huselid (1995) suggest incentive compensation appears to play a motivating role by aligning organisational and employee goals. The potential financial reward associated with reaching incentives would most likely motivate workers to improve productivity, which should result in an improvement in the overall organisational productivity.

High emphasis on incentive compensation should motivate employees to exert additional effort in return for reward. In order to continue to benefit from a firm's incentive compensation scheme, an individual would have to stay in the organisation. In this manner, incentive compensation could play the role of a pull-factor, most likely retaining and motivating high performers (Mano-Negrin & Kirschenbaum, 1999). Lower emphasis on incentive compensation might contribute to an increased desirability of mobility, if the employee feels he or she could find an alternative that appears capable of matching their expectations about incentive compensation (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). This shows how little experience of incentive compensation might be a push factor, potentially causing employees to withdraw from the organisation in favour of an alternative that may possibly match the expectations about the level of incentive compensation (Mano-Negrin & Kirschenbaum, 1999). However, little experience of incentive compensation seems unlikely to affect ease-of-movement or perceived macro-economic opportunities because this practice seems to play a motivational role rather than a skill-enhancing role. Therefore, experiencing incentive compensation seems unlikely to enhance signal strength in the labour market.

4.1.4. Employment security

Most theorists deem employment security as a supportive practice in a high-performance HR bundle (Bryson et al., 2005; Combs et al., 2006). This practice may well contribute to improving employee performance by providing workers with a sense of security and facilitating their attachment to the organisation. Attachment theory supports the view that a worker might become motivated and empowered in feeling a sense of

security in their employment. In order to maximise one's utility, he or she would most likely elect to stay in the firm and feel secure in the knowledge that their employment is not at risk (Bretherton, 1985; Nielson, 2007). The possible empowerment brought about by employment security suggests the indirect manner in which the practice might improve performance (Combs et al., 2006; Huselid, 1995). Conversely, social exchange theory (Emerson, 1976) argues that employment security might influence performance directly rather than indirectly. The theory suggests that employment security might represent something exchanged by the firm in return for employees exerting extra effort, which may well illustrate direct motivation.

Higher emphasis on employment security in a prior job seems most likely to empower employees probably by mitigating their anxieties about potential unemployment. This suggests experience of employment security may well act as a pull factor, possibly assisting firms to retain personnel (Mano-Negrin & Kirschenbaum, 1999). Moreover, workers could potentially perform better if concern about unemployment were reduced. Lower emphasis on employment security in a prior job might increase a worker's desirability of mobility if he or she believes there is another destination that may remedy the incongruence between expectations and reality (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Therefore, lower experience of employment security might be a push factor if it contributes towards driving valuable employees to alternative destinations that may possibly match their expectations about employment security more closely (Mano-Negrin & Kirschenbaum, 1999). As this practice appears to play an empowerment role and seems unlikely to affect a person's ease-of-movement or perceived opportunities.

4.1.5. Performance appraisal

Agency theory suggests that aligning employee and firm interests by linking good performance and rewards should motivate workers and improve organisational performance as a whole (Eisenhardt, 1989; Huselid, 1995). Similarly, social exchange theory supports the notion that employees would probably continue to exert additional effort in the job as long as they continue to receive good performance appraisals and rewards for the effort (Emerson, 1976). In these ways, performance appraisal might act as a motivational tool for firms (Combs et al., 2006; Huselid, 1995).

High emphasis on performance appraisal would most likely motivate employees to continue to exert effort in exchange for a good appraisal. In order to benefit from a firm's performance appraisal scheme, an individual would most likely have to remain employed in the organisation. Therefore, performance appraisal in a firm might act as a pull factor, most likely retaining valuable high performers who wish to continue to benefit from the scheme (Mano-Negrin & Kirschenbaum, 1999).

Lower emphasis on performance appraisal may well cause employees with higher expectations to feel an increase in desirability of mobility. Such individuals may choose to move to an alternative destination that he or she perceives might match the expectations about performance appraisal (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Therefore, little experience of performance appraisal may be a push factor, possibly contributing to the withdrawal of valuable employees who desire a higher level of performance appraisal.

As this practice appears primarily to serve a motivational function (Combs et al., 2006; Huselid, 1995), it seems unlikely that any level of the practice would necessarily affect an employee's ease-of-movement or macro-economic opportunities.

4.1.6. Clear job description

A clear job description may well ensure a worker can complete his or her job effectively by reducing the possibility of role conflict and role ambiguity (Schaubroeck et al., 1989). An unclear job description may well cause a person to develop negative perceptions about the job and thus little attachment to the job (Bretherton, 1985; Hirschfield et al., 2002). Additionally, the job stress that may arise because of a poor job description could cause job dissatisfaction and lower organisational commitment (Gupta & Beehr, 1979; Schaubroeck, 1989).

Job characteristics theory (Hackman & Oldham, 1976; Hirschfield et al., 2002) supports the notion that a firm providing an employee with a clear job description may intrinsically motivate him or her in the job. Combs et al. (2006) and Huselid argue that clear job description serves to empower employees. Whether motivational or empowering, a clear job description might assist a person in his or her job by minimising the anxiety associated with an unclear role and possible poor performance. A clear job description could also minimise job stress, and may encourage the worker to stay in the same job type due to

attachment to the job (Bretherton, 1985; Gupta & Beehr, 1979; Schaubroeck, 1989). In this way, a clear job description might be a pull factor, enticing the worker to remain in the organisation in order to continue to benefit from likely lowered anxiety levels (Mano-Negrin & Kirschenbaum, 1999).

In contrast, an unclear job description may increase desirability of mobility because the worker may seek an alternative destination in order to remedy the incongruence between his or her expectations about job description clarity and reality (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). In this way, lack of clear job description could represent a push factor, encouraging the worker to seek a destination that might match his or her expectations (Mano-Negrin & Kirschenbaum, 1999). The high-performance HR practice of a clear job description most likely plays a supportive role in an organisation by empowering individuals in their jobs (Combs et al., 2006; Huselid, 1995). Thus, experience of a clear job description appears unlikely to affect a person's ease-of-movement or macro-economic circumstances.

4.1.7. Participation

Empowerment theory endorses the notion that participation might encourage employees to feel involved in organisational decision-making processes and accountable for their productivity (Larkin, Cierpal, Stack, Morrison & Griffeth, 2008). This feeling of accountability may well align workers' interests with those of the firm because they most probably contribute to the decision-making processes and therefore should care about the quality of the outcomes of those decisions. The feeling of accountability might also cause organisational performance to improve because worker and firm goals are mutual, a viewpoint which agency theory supports (Combs et al., 2006; Eisenhardt, 1989; Huselid, 1995). Serving a similar function to employment security and clear job description, opportunity for participation should empower workers most likely by providing a structure through which to voice issues, which ought to minimise potential anxiety that may well hinder performance (Combs et al., 2006; Huselid, 1995). Participation might represent a pull factor because emphasis on this practice may aid retention of employees whose expectations of participation are lower than, or match the level provided by the organisation (Mano-Negrin & Kirschenbaum, 1999).

Owing to the empowering (rather than skill-enhancing) nature of the practice, opportunity for participation appears unlikely to affect ease-of-movement or perceived macro-economic opportunities. Although, if a person feels as though the company is providing insufficient opportunity for participation, he or she may choose to move into an alternative option which could potentially match his or her expectations (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). In this way, a lack of participation may contribute towards an increase in desirability of mobility, suggesting that a lack of the practice might serve as a push factor, thereby possibly contributing towards employee withdrawal (Mano-Negrin & Kirschenbaum, 1999).

4.1.8. Internal mobility

Ng et al. (2007) argue that firms can either have an open internal market, actively hiring employees from the external environment, or recruit internally which encourages organisational competition. A developed internal labour market should reduce staff turnover because the organisation affords workers opportunities to expand or better utilise their skills in other jobs within the firm (Hachen, 1992). An organisation that endeavours to retain staff who gained T & D in the firm might consider ensuring that a healthy internal market exists. Retaining employees in the organisation should assist in reducing the costs of training (Trevor & Nyberg, 2008).

A good internal labour market should provide greater internal ease-of-movement for employees, and perhaps empower them by showing the possibility of growth within the current organisation (Combs et al., 2006; Huselid, 1995). This might illustrate opportunity for mobility as a pull factor, aiding the firm to retain valued (skilled) workers (Mano-Negrin & Kirschenbaum, 1999).

A poor internal labour market, or perhaps one that is strongly focused on hiring from the outside (Ng et al., 2007) might cause an employee who has a particular expectation about internal mobility to feel as though there is little opportunity for growth, and therefore, he or she may feel anxious as a result. A lack of potential growth opportunity could increase a person's desirability of mobility and push him or her into an alternative option where internal mobility is more strongly emphasised and is a closer match to expectations (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). This would

suggest that a lack of internal mobility could act as a push factor, which may well encourage withdrawal (Mano-Negrin & Kirschenbaum, 1999).

Nonetheless, any level of internal mobility would probably not directly affect an employee's ease-of-movement into the external environment or perceived macro-economic opportunities because this practice may well serve an empowerment function rather than a skill-enhancing one (Combs et al., 2006; Huselid, 1995).

4.2. Hypotheses

The turnover destination possibilities are categorised as follows: internal transfer, external market, emigration and leaving the workforce.

4.2.1. Internal transfer

This section discusses the hypotheses for the likelihood of internal transfer and three possible internal transfer options. The options include a) the same department and a different job, b) a different department and the same job, and c) a different department and a different job.

Likelihood of internal transfer

Higher emphasis on high-performance HR practices should increase attachment to the organisation and employee's feelings of investment in the firm. Coupled with high emphasis on internal mobility, employee desirability of mobility may increase, enhancing the likelihood of an internal transfer. Therefore:

> *Hypothesis 1a: High emphasis on actual high-performance HR practices leads to a higher chance of internal transfer.*

Conversely, lower emphasis on high-performance HR practices may increase a worker's desirability of mobility as he or she may wish to remedy the situation by moving to a new destination. However, probable lower ease-of-movement and fewer macro-economic opportunities would most likely prevent such a move, and internal transfer seems a viable way in which to change the circumstances.

Therefore:

Hypothesis 1b: Low emphasis on actual high-performance HR practices leads to a higher chance of internal transfer

This implicitly suggests that the predictor variable of *actual high-performance HR practices* has a relationship with the likelihood of internal transfer that will produce a curvilinear graph in analysis.

Same department, different job

The employee has most likely experienced lower actual high-performance HR practices overall and therefore, he or she would probably have little ease-of-movement and few perceived opportunities. Particularly, low emphasis on a clear job description and the associated job stress would probably cause an increase in desirability of mobility, thus a lack of role clarity may be a major influence in this type of destination choice. Internal transfer to a different job seems a viable option for a person who wishes to remedy the situation despite these macro-economic hindrances:

Hypothesis 1c: Low emphasis on actual high-performance HR practices leads to a higher chance of moving into a different job in the same department.

Different department, same job

As higher exposure to high-performance HR practices would probably increase ease-of-movement and perceived opportunities, this would increase the desirability of mobility. Some disaffection with the department caused by structural issues or poor person-environment (PE) fit, specifically poor person-supervisor (PS) fit may well affect a decision to move departments. Insufficient value congruence, little personality similarity and dissimilar goals characterise poor PS fit (Kristof-Brown et al., 2005). Similarly, poor relationships with co-workers would also typify poor PE fit with respect to the co-workers (Kristof-Brown et al., 2005). Kirschenbaum and Weisberg (2002) argue that negative affect towards a supervisor may increase the likelihood of an internal move.

The likely attachment and skill investment derived from experience of high-performance HR practices overall might also cause a worker to select an internal move:

Hypothesis 1d: High emphasis on actual high-performance HR practices leads to a higher chance of moving into a different department and maintaining the same job.

Different department, different job

A disaffection caused by structural issues or poor PS fit or negative affect towards the supervisor and little job clarity would probably influence this type of destination choice (Kirschenbaum & Weisberg, 2002; Kristof-Brown et al., 2005). Little exposure to actual high-performance HR practices would most likely lead to low ease-of-movement and few macro-economic opportunities. These factors might hamper transition into the external labour market and therefore one feasible manner in which to remedy circumstances is a move across departments and a change in career:

Hypothesis 1e: Low emphasis on actual high-performance HR practices leads to a higher chance of moving into a different department and a different job.

4.2.2. External market

Likelihood of moving to a different firm

Experience of high-performance HR practices may well encourage a move into a different organisation. Specifically, the signal strength associated with higher T & D may well provide greater ease-of-movement and give rise to many perceived opportunities. These factors might make a position in an external organisation more desirable because of the perceived potential utility associated with the job.

The desirability of an alternative in another firm may outweigh the investments in the current job and attachment to the current organisation.

Thus:

Hypothesis 2a: High emphasis on actual high-performance HR practices leads to a higher chance of moving into a different firm.

Different firm, same job

Similarly, experience of high-performance HR practices may well encourage a move into a different organisation and the same job type. Again, experience of T & D in a prior job would probably be the main practice to increase the likelihood of a different firm, same job move:

Hypothesis 2b: High emphasis on actual high-performance HR practices leads to a higher chance of moving into a different firm and the same job type.

Different firm, different job

Lower emphasis of high performance HR practices would probably increase the likelihood of this kind of move. Little experience of HPHRPs would probably cause low ease-of-movement and give rise to few perceived opportunities in the macro-economic environment. Therefore, transition into a different firm and job type would seem difficult. However, an individual may have a strong disaffection for some larger structural issue in the organisation, which may encourage desirability of mobility. An unclear job description may well encourage the change in careers in order to lower potential anxiety about possible poor performance in the job.

These factors may encourage this kind of move despite macro-economic restraints:

Hypothesis 2c: Low emphasis on actual high-performance HR practices leads to a higher chance of moving into a different firm and a different job type.

4.2.3. Emigration

Likelihood of emigration

Greater experience of high-performance HR practices overall would most likely contribute towards emigration, particularly the practices of T & D and high compensation in a prior job. Experience of T & D would most probably ensure greater signal strength in the external labour market, and therefore greater ease-of-movement and more perceived opportunities in the overseas job market. Moreover, high compensation in a previous position would most likely provide the financial capital needed for emigration.

Therefore:

Hypothesis 3a: High emphasis on actual high-performance HR practices leads to a higher chance of emigration.

Emigration, same career

Emigration, same job

Again, experience of high-performance HR practices in a previous job, specifically high compensation and T & D would most likely increase the likelihood of this kind of move.

Hypothesis 3b: High emphasis on actual high-performance HR practices leads to a higher chance of emigration and the same job type.

Temporary emigration, same job

The reasons for temporary emigration would most likely be the same as for the likelihood of emigration because, despite the temporary nature of the emigration, financial capital, ease-of-movement and perceived opportunities would probably provide the means for the move. Therefore, experience of high-performance HR practices in a previous job, specifically high compensation and T & D would probably contribute to this choice:

Hypothesis 3c: High emphasis on actual high-performance HR practices leads to a higher chance of temporary emigration and the same job type.

Permanent emigration, same job

Similarly, experience of high-performance HR practices in a previous job, specifically high compensation and T & D seems likely to increase the possibility of this kind of destination choice:

Hypothesis 3d: High emphasis on actual high-performance HR practices leads to a higher chance of permanent emigration and the same job type.

Emigration, different career

Emigration, different job

Emigration most likely requires financial capital and the ease-of-movement and perceived opportunities associated with a specialised job type. Emigration and a change in career seem unlikely to be as a result of experience of high-performance HR practices. This appears the case because a change in job type after emigration would suggest that the individual did not necessarily use the signal strength or perceived opportunities garnered from his or her specialised skills as a motivating factor in emigration.

Therefore, less experience of high-performance HR practices in a prior job, coupled with spousal commitments or some other external factor seems more likely to cause this type of move.

Thus:

> *Hypothesis 4a: Low emphasis on actual high-performance HR practices leads to a higher chance of emigration and selection of a different job.*

Temporary emigration, different job

The reasoning behind this move would probably be similar to the overall reasons for emigration and a career change. Therefore, less experience of high-performance HR practices in a prior job and possible spousal or family commitments seem likely to increase the possibility of this move:

> *Hypothesis 4b: Low emphasis on actual high-performance HR practices leads to a higher chance of temporary emigration and selection of a different job.*

Permanent emigration, different job

This move most probably has the same influencers as emigration and a career change- less experience of high-performance HR practices in a prior job and possible spousal or family commitments. Thus:

> *Hypothesis 4c: Low emphasis on actual high-performance HR practices leads to a higher chance of permanent emigration and selection of a different job.*

4.2.4. Leaving the workforce

Greater experience of high-performance HR practices overall would most likely contribute towards leaving the workforce. Particular practices that might increase the likelihood of this move are high compensation, T & D, and possibly employment security and internal mobility in the prior job. High compensation would most likely allow for the possible financial capital required to leave the workforce.

Should unemployment be a temporary decision, experience of T & D in a prior job may increase a person's ease-of-movement and perceived macro-economic opportunities, possibly facilitating a smoother transition back into the workforce. Similarly, if the previous employer placed emphasis on employment security and internal mobility, the firm may also assist a transition back into the workforce after temporary unemployment.

Thus:

Hypothesis 5a: High emphasis of most actual high-performance HR practices leads to a higher chance of leaving the workforce.

Conversely, less experience of high-performance HR practices overall may increase a person's desirability of mobility, low provision would probably provide little ease-of-movement and few perceived opportunities. These factors would most likely discourage a voluntary quit. However, if the employee experiences disaffection with a major aspect of the organisation, such as a structural issue, he or she may feel an increased desire to exit the workplace despite the macro-economic limitations.

An individual may thus choose to exit the workforce without conducting a job search in an attempt to remedy his or her circumstances as quickly as possible.

Therefore:

Hypothesis 5b: Low emphasis on actual high-performance HR practices leads to a higher chance of leaving the workforce.

4.3. Summary of Hypotheses

Table 4.1 gives a summary of the relationships between the likelihood of the move or destination and the presence of an HPHRP system. The relationship is positive if high emphasis of an HPHRP system increases the likelihood of the destination. The relationship is negative if low emphasis of an HPHRP system increases the likelihood of the destination.

Table 4.1 Summary of relationships between destinations and HPHRP system

Destination	Relationship with HPHRP system
Internal transfer	
Likelihood of internal transfer	Positive or negative
Same department, different job	Negative
Different department, same job	Positive
Different department, different job	Negative
External market	
Likelihood of moving to a different firm	Positive
Different firm, same job	Positive
Different firm, different job	Negative
Emigration	
Likelihood of emigration	Positive
Emigration, same career	
Emigration, same job	Positive
Temporary emigration, same job	Positive
Permanent emigration, same job	Positive
Emigration, different career	
Emigration, different job	Negative
Temporary emigration, different job	Negative
Permanent emigration, different job	Negative
Leaving the workforce	Positive or negative

4.4. Conclusion

This chapter reviewed how each high-performance HR practice might affect performance, and presented hypotheses discussing how the actual level of high-performance HR practices as a system might affect each turnover destination. A summary of the relationships between the system of high-performance HR practices and each turnover destination concluded the chapter.

Chapter Five discusses the methodology for the empirical study, including survey design, participants, measures, data capturing and preparation, relevant theory of the statistical analysis method used, data analysis and limitations of the study.

CHAPTER 5. METHODOLOGY

This chapter reviews the methodology for the empirical study, including research problems and design, sample, measures, analysis and limitations.

5.1. Research Question

The literature review preceding the methodology aims to contextualise the main concepts underlying high-performance HR practices and turnover destinations theory with respect to this research (Kirschenbaum & Weisberg, 2002; Sun et al., 2007).

In review, exposure to high-performance HR practices may well contribute towards improving employee performance in an organisation (Boxall & Macky, 2009; Huselid, 1995; MacDuffie, 1995; Sun et al., 2007). Moreover, experiencing such HR practices might in turn improve or positively affect many factors contributing towards an employee's turnover drivers (desirability of mobility, ease-of-movement and macro-economic circumstances; March & Simon, 1958; Trevor, 2001).

Turnover destinations theory is a contemporary concept in employee withdrawal literature emphasising the roles of turnover antecedents and visible alternatives in the quit decision (Kirschenbaum & Weisberg, 2002). The circumstances that might cause an employee to quit might also cause him or her to select a particular turnover destination because they could perceive this alternative as most likely to remedy or improve their circumstances (Fields et al., 2005; Kirschenbaum & Weisberg, 2002).

Theorists argue that high-performance HR practices most likely improve employee performance (Boxall & Macky, 2009; Huselid, 1995; MacDuffie, 1995; Sun et al., 2007) and that HPHRPs might have some effect on turnover drivers (Sun et al., 2007). An employee who is considering quitting due to certain circumstances and has experienced high-performance HR practices might select a particular turnover destination perceived as capable of correcting or enhancing these circumstances.

Therefore the question this research endeavours to answer is:

Do Employees' Perceptions of HR Practices in South African Firms Affect Their Subsequent Turnover Destinations?

5.2. Research Design

The research design involved a two-part, time separated cross-sectional quantitative survey of white-collar workers in South Africa's private sector in the Gauteng, Kwa-Zulu Natal and Western Cape provinces. Primary data collection was from white-collar workers currently employed in an organisation with some form of Human Resource department in place.

The survey (labelled 'Intended Quits') contains two sections each respondent was required to answer. The first section (labelled 'HR Practices') measured respondents' perceived actual[16] and adequate[17] levels of HR practices present in their current organisation. The second section (labelled 'Turnover Destinations') measured respondents' opinions of potential job and non-work alternatives. In order to reduce the possibility of bias, I ensured a minimum time delay of two days before respondents answered the Turnover Destinations section. Section 5.4 discusses the design of the survey in greater detail.

5.3. Participants

5.3.1. Population

The sample population comprised individuals from the white-collar[18] worker demographic in the provinces of Gauteng, Kwa-Zulu Natal and Western Cape of South Africa. Data collection took place between the months of September 2009 and December 2010. The selection criteria for the respondents specified the existence of some type of Human Resource department in the organisation, thus ensuring that respondents did, at least to some extent, experience the HR practices measured in the survey.

[16] The level of HR practice the individual respondent perceives is present in the current organisation.
[17] The level of HR practice the individual respondent believes would represent the adequate level of that given practice to retain him or her in their current job.
[18] In the context of this study, the blanket term 'white-collar' includes individuals employed in technical, administrative, clerical, sales, managerial, executive and professional positions (Autor, 2001; Behar, 2010). Other inclusions are persons not employed in a traditionally blue-collar job type and qualified as a respondent in terms of the outlined requirements.

Those excluded from the population were persons who indicated their job description as a traditional blue-collar[19] position and the public sector, and entrepreneurs. This study deemed blue-collar positions as probably more often laborious and less technical in nature (Autor, 2001). I chose to exclude such respondents from the sample because the nature of blue-collar workers' experiences of high-performance HR practices and the possible effect on turnover destinations falls beyond the scope of this research. Literature also suggests that some high-performance HR practices employed in such environments may differ from those employed in white-collar environments (Applebaum & MacKenzie, 1996).

The scope of this study limits the sample to private sector employees only and thus I excluded potential respondents and any actual responses from individuals who indicated their employment as in the public sector. The sample also excluded entrepreneurs. Broadly, an employee experiencing high-performance HR practices in an organisation qualifies as a survey participant for this research. Owing to the nature of the entrepreneur's position in a firm, he or she might unconsciously present both the organisation's perception of the quality of the practices and their own experience of the practices as an employee, which might invalidate or possibly indicate contradictions in their responses. As such a possibility is beyond the control of the researcher, I excluded potential participants and actual respondents who represented themselves as entrepreneurs.

Additionally, I excluded potential participation by- and actual responses from individuals employed in white-collar organisations whose job titles suggested their likely exclusion from experiencing the majority of HR practices probably experienced by other employees in the firm.

5.3.2. Sampling frame

Respondents within the private sectors of Gauteng (including the cities of Johannesburg and Pretoria), Kwa-Zulu Natal (Durban) and Western Cape (Cape Town) provinces of South Africa comprised the sampling frame.

[19] Deemed as artisan, semi-skilled and unskilled occupations (Behar, 2010) most commonly found in the manufacturing industry including, but not limited to jobs such as assembly, production, transportation, cleaners and labourers (Autor, 2001).

5.3.3. Sampling method

The data collection process took place by non-random convenience and purposive sampling. This method permits the withdrawal of respondents from the most accessible population who qualify under some research restrictions[20] (Gelo, Braakmann & Benetka, 2008; Kelley, Clark, Brown & Sitzia, 2003). Random sampling may be a better method of sampling because this method provides a better indication of the broader population and therefore allows findings to be generalised to the population (Kelley et al., 2003). However, random sampling is probably not feasible for this research given the associated limitations under which the sample population qualifies.

In light of the type of sampling methods used, I gained responses by three means:

- Inviting third-year Human Resource Management students to gather responses from employees in suitable organisations (the students then used the collected survey data in part for their course).
- I personally obtained respondents through business directories, network contacts, communications to professional bodies, attending conferences and canvassing at public locations where suitable respondents were likely to present themselves.
- I hired a research company (Topline Research Solutions) to collect a further 200 respondents by random door-to-door sampling of suitable organisations in order to increase the total number of surveys to a more acceptable sample size. The research company's approach ensured a maximum of three responses per organisation.

Combining the completed surveys collected by the third-year HR students and my own data collection, 552 usable responses to the HR section of the survey were gathered. In my survey sample, I included only the respondents who had also appropriately answered the Turnover Destination section, which reduced the sample to a subtotal of 192 respondents. Of the 200 responses gathered by the research company, 194 were acceptable. In conclusion, the total number of respondents who completed both sections of the survey is 386, thus the final number of usable responses was 51% of the original usable responses.

[20] The restrictions that qualify respondents include South African individuals employed in a white-collar position in an organisation with some likely form of Human Resource structure in place.

5.3.4. Participant statistics

This section discusses the demographics of the 386 participants, as reported in Table 5.1. The average length of organisational tenure is almost five-and-a-half years (SD=6.39). With respect to education, the survey measure of *highest completed level of education* has been converted to national qualifications framework (NQF) levels to facilitate the comparison of qualifications (South African Qualifications Authority; SAQA). NQF levels range from 1 (Grade 9) to 8 (Post-doctoral research degrees, doctorates and masters degrees; SAQA). The majority of respondents possess only a matric certificate. One quarter of participants are in possession of a national diploma or national certificate. Slightly more than one quarter of the sample have a national first degree or higher diploma. About one tenth of the sample possesses a professional qualification or honours degree. Only 4% of respondents possess a post-doctoral research degree, doctorate or masters degree.

Table 5.1 Respondent demographics

Demographic	M	SD	Median	Inter-quartile range	Mode (% population)
Organisational tenure (days (years))	1983 (5.43)	2334 (6.39)	1205 (3.30)	596(1.63) - 2149 (5.89)	382 (1.05; 3%)
Education (NQF level)	5	1.23	5	4 - 6	4 (31%)
Level of seniority	Intermediate	-	Intermediate	-	Junior (40%)
Marital status	Cohabiting	-	Cohabiting	-	Single (46%)
Age (years)	34	9.65	31	26 - 40	30 (6%)
Gender	-	-	Male	-	Male (52%)
Number of dependents	1.78	1.66	2	0 - 3	0 (30%)
Race	-	-	Black	-	Black (46%)

I used the measurement of *job title* as an indication of level of seniority, which ranges from 1 (junior) to 3 (senior). Participants who hold junior positions in their organisation comprise the largest proportion of the sample. Most participants are single, slightly greater than the proportion of married respondents. The average age of respondents is 34 (SD=9.65). A marginally larger proportion of males answered the survey. Participants who did not have any dependents (excluding a working spouse) made up the greatest proportion. The most number of responses was from Black/African respondents, and individuals who qualify under affirmative action comprise 64% of the total responses.

5.4. Measures

I created the Intended Quits survey for the purposes of this study. The survey aimed to measure actual and adequate high-performance HR practice levels and the likelihood of particular turnover destinations. The survey comprises questions from various sources:

- Slightly modified items from the Sun et al. (2007) high performance human resource practices scale,
- Turnover destination questions designed by Kirschenbaum and Weisberg (2002),
- Turnover destination questions adapted from Kirschenbaum and Weisberg's (2002) questions to incorporate the likelihood of emigration, and temporary and permanent emigration, and
- Pay and demographics measures I created

Participants were able to answer the survey in hardcopy or on an online version hosted by an electronic survey website (www.e-surveyspro.com). The use of an online survey significantly reduced the number of missing values because respondents were required to answer all questions in order to finish.

As section 5.2 discusses, the survey is separated into two sections - *HR Practices* and *Turnover Destinations*. Measurement of the independent variables takes place on the *HR Practices* section and measurement of the dependent variables takes place on the *Turnover Destinations* section of the survey. Respondents answered the *Turnover Destinations* section a minimum of two days after the *HR Practices* section in order to reduce common method bias (Podsakoff, MacKenzie, Lee & Podsakoff, 2003). I now discuss the design of each set of measurement items and scales.

5.4.1. Independent variables: High performance human resource (HR) practices

The *HR Practices* section of the survey measures the actual and adequate high-performance HR practice levels. This section aims to use the difference scores between the actual and adequate high-performance HR levels as the predictor variables. Using difference scores I should be able to establish the congruence between the actual and adequate high-performance HR practices as predictor variables of the destinations (Edwards, 2002).

Measurement of the actual and adequate high-performance HR practices is by means of two similar sets of 32 questions covering nine types of practices. The majority of questions

(27) originate from items on the Sun et al. (2007) high-performance HR practices scale. The items on the Sun, et al. (2007:576-577) scale consider eight groups of high performance HR practices: *Selective Staffing* (four items), *Extensive Training* (four items), *Internal Mobility* (five items), *Employment Security* (two items), *Clear Job Description* (three items), *Results-Oriented Appraisal* (three items), *Incentive-Reward* (two items) and *Participation* (four items).

During survey design, it became apparent that this survey requires modified versions of all of the Sun et al. (2007) items because their items only measure actual high-performance HR practice levels and this research also considers adequate high-performance HR practice levels. Further, the wording of the questions in the Sun et al. (2007) survey did not lend itself to the semantic differential scale used in this section and therefore required slight adaption.

I added five items measuring compensation practices including pay and benefits. This addition appears necessary because this practice frequently emerges as part of high-performance bundles measured in empirical research (Arthur, 1994; Combs et al., 2006; Guthrie, 2001; Huselid, 1995; Ichniowski & Shaw, 1999; MacDuffie, 1995; Wright et al., 2005; Youndt et al., 1996). Furthermore, there is extensive research into compensation and satisfaction because of the heavy costs of compensation borne by employers, most likely aggravated by employee withdrawal (Williams et al., 2006). The five pay and benefits items are derived, developed and/or modified from various sources – pay level, take-home pay and benefits (Heneman & Schwab, 1985:136), loyalty or retention pay as noted by Boxall and Macky (2009) and comparisons of current pay to equivalent jobs elsewhere (external labour market; Mano-Negrin & Kirschenbaum, 1999).

The *HR Practices* section of the survey is split into two subsections – the first measures actual high-performance HR practice levels, and the second adequate high-performance HR practice levels. A discussion on each subsection follows.

Measurement of actual high-performance HR practices

The first subsection of the *HR Practices* section measures the perceived level of each actual high-performance HR practice on the first set of 32 questions (See Appendix A, Table 8.1). The actual level is that which the respondent perceives to exist in their current organisation. The respondent is required to indicate his or her perception of the level of each HR practice in the organisation by marking a point on a five-point semantic differential scale

between *Employer does not have this at all* (1) and *Employer uses this to a very great extent* (5). Below is a sample item from this subsection.

A standard statement heads the section, applicable to each of the questions:

In my current organisation...

1. My employer selects the right person for a job.

Measurement of adequate high-performance HR practices

The second subsection of the *HR Practices* section measures the adequate level of each high-performance HR practice on the second set of 32 questions (See Appendix B, Table 8.2). Adequate level represents a position on the scale where the respondent believes if the current employer met this level, it could potentially retain him or her in the current job. The second set of 32 questions is a similar (slightly modified) set of questions to the first set, although referencing adequate levels of HR practices instead of actual levels.

The respondent is required to indicate the adequate level of each HR practice that would theoretically retain him or her in their current job. The respondent indicates his or her response by marking a point on a five-point semantic differential scale between *Does not retain staff at all* (1) and *Retains staff to a very great extent* (5). Below is a sample item from this subsection.

A standard statement heads the section, applicable to each of the questions:

In my current organisation...

1. Selecting the right person for a job.

5.4.2. Dependent variables: Employee turnover destinations

The *Turnover Destinations* section measures the dependent variables. Respondents answer this section at least two days after the *HR Practices* section has been completed, and response return times for this section ranged from one day to one month. The dependent variables of this study are a set of proposed alternative turnover destinations. The items used to measure the destinations comprise the items used by Kirschenbaum and Weisberg (2002) in their research, and extended versions of some of these questions incorporating emigration, constructed for the purposes of this study.

Broadly, the survey subdivides the destination questions by location and job type:

- Another job in South Africa in:

  a) The same career or

  b) A different career,
- Another job in South Africa in:

  c) The same organisation or

  d) A different organisation,
- Emigrating outside of South Africa and taking a job in:

  e) The same career or

  f) A different career,
- g) Voluntarily exiting the workforce

The *Turnover Destinations* section of the survey is split into two subsections – the first is a set of nine questions measured on a Likert scale and the second, a set of 12 questions measured on a constant sum scale (see Appendix C). The two subsections contain similar questions, which I expand upon within the following discussion. A review of each subsection of dependent variable measures follows.

Likert scale measures

Each of the nine questions poses an alternative turnover destination choice in a hypothetical sense. Respondents are required to indicate their level of agreement with each statement on a seven-point Likert scale, ranging from *Strongly Disagree* (1) to *Strongly Agree* (7). Below is a sample item from this subsection.

A standard statement heads the section:

> **"Should I wish to move into another job in South Africa, I would like to..."**
>
> **a) Stay in my current organisation and move into a different department and a different job type.**

One limitation of the Likert scale measurement may be the likelihood of respondents answering questions neutrally and thus creating a central tendency in the results. Measuring the same set of turnover destination questions on a constant sum scale allows for a more accurate measurement and provides a different measure of the respondent's opinion of each destination. The constant sum scale measure obliges individuals to provide answers that are more decisive. Such answers most likely provide for better results and assist in avoiding

central tendency. The constant sum questions discuss the same destinations as those measured on the Likert scale.

Constant sum measures

The questions discuss the probability of the respondent moving into particular turnover destinations. Constant sum scoring in this context requires the respondent to consider a number of turnover destination options and allocate a percentage likelihood of him or her moving into each of the options. For example, a question with four options would require the respondent to assign percentages to each of the four options. The sum of all four of these percentages should be 100%. A sample item from this subsection follows.

A statement heads the section: "Please again divide 100% amongst each of the options."

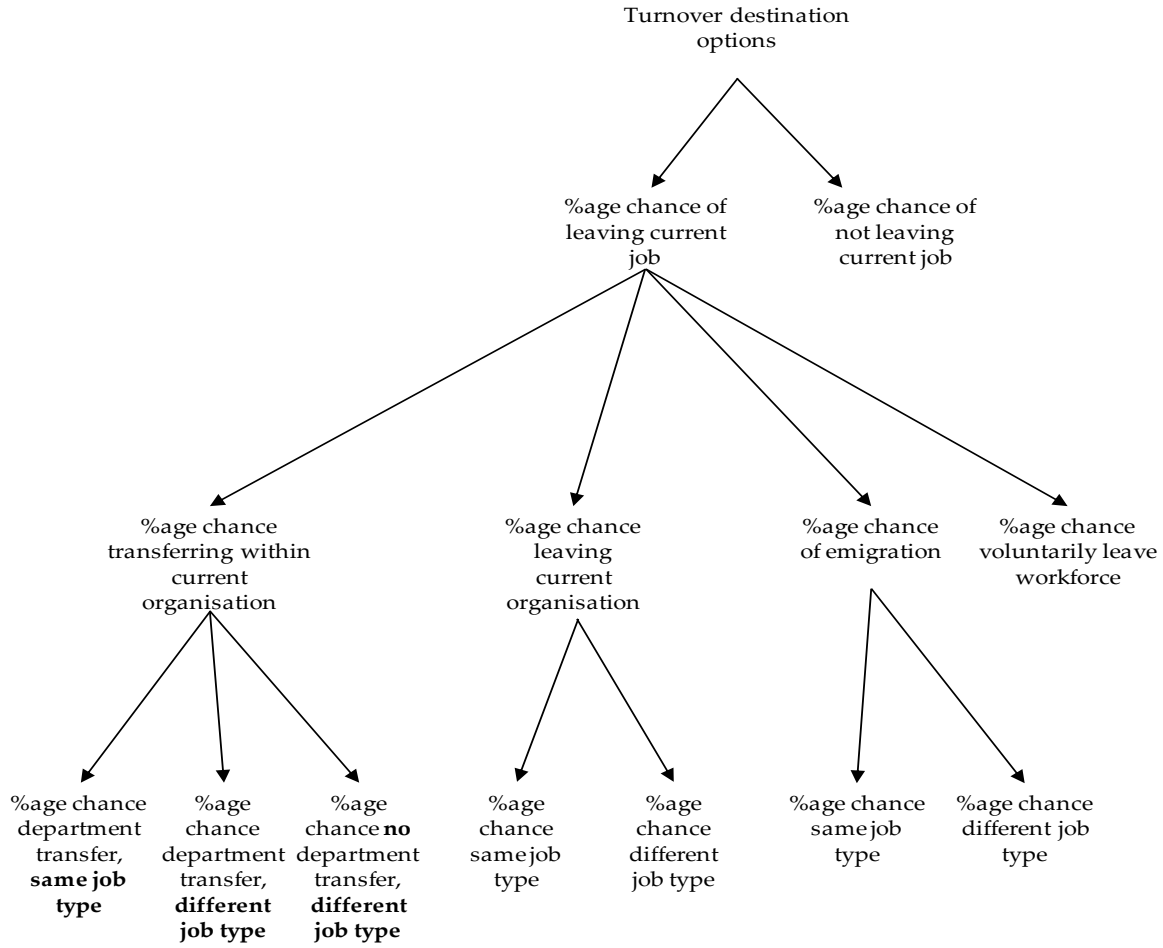
3) If you were to emigrate and take a job outside of South Africa, what would the % [percentage] chance be that:

a) You would stay in the same job type/career?

b) You would take a different type of job (i.e. change careers)?

The turnover destination alternatives measured in the *Turnover Destinations* section of the survey appear in a graphical representation in Figure 5.1. The alternatives incorporate the destinations defined by Kirschenbaum and Weisberg (2002) and extended versions of the questions that include emigration.

Figure 5.1 Graphical representation of turnover destination alternatives measured in the study



5.4.3. Control variables.

Demographic measures include the respondent's highest level of education, marital status, age, sex, number of dependents and race. Further measures are current job title, length of current job tenure and current organisational tenure.

5.5. Pilot Study

A test of the survey took place by means of a pilot study. The usable pilot study sample comprises 384 respondents from the white-collar worker demographic of Gauteng, South Africa. Third-year Human Resource Management students collected the pilot study sample during September and October 2009 (this sample was used in part in their course). Initially, the pilot study participants completed both the *HR Practices* and *Turnover Destinations* sections at the same time. As there had been no consideration for the possibility

of common method bias in this section of the study, only responses to the HR Practices section were analysed in the pilot study (Podsakoff et al., 2003). The main objective of the pilot was to assess question relevance and how answerable the modified questions were.
I conducted an intermediate analysis of the HR practice dataset used in the pilot study by means of exploratory factor analysis, for an initial analysis of factor structure (the planned approach with the final dataset is, as will be seen later, to model factor structure, as is, using confirmatory factor analysis). The rotated factor matrix produced a seven-factor solution for both sets of high-performance HR practices.

Appendix D gives the correlation matrices of the preliminary analyses of both the actual and adequate high-performance HR practice variables. The exploratory factor analysis correlation matrix of the actual high-performance HR practices appears in Table 8.3. The correlation matrix shows that the variables load onto seven factors: *Training, Pay, Participation, Job description, Staffing, Results-oriented appraisal* and *Employment security*. Table 8.4 shows the correlation matrix of the adequate high-performance HR practice variables with seven factors – *Job description, Participation, Staffing, Performance & reward, Pay & benefits, Training & Internal mobility* and *Employment security*.

The pilot study proved to highlight some points of interest in the questionnaire – for example, some of the reversed questions were difficult to understand after modification and fitted to a different scale to the original Sun et al. (2007) scale. As a result, I removed the variables produced from two actual HR practice level questions on internal mobility (B8 and B12), and their corresponding adequate HR practice level questions (C8 and C12) from the final statistical analysis.

At a later date, I solicited the participants of the pilot study to re-answer the Turnover Destinations section (to reduce the possibility of bias). Those who returned a re-answered Turnover Destinations section (70 respondents) were included in the final sample as I deemed their new responses satisfactory and therefore usable in analysis. A discussion of the analysis of the pilot study data appears in section 5.7.

5.6. Data Capturing and Preparation

5.6.1. Data capturing

All data was captured into Microsoft Excel and transferred into SAS for subsequent analysis. Some minor analysis (such as calculating the demographic statistics) took place in Excel.

5.6.2. Data preparation

As many participants chose the option of completing the survey online (preventing the choice to leave out an answer) and due to the nature of the responses gathered by the research company, there were only a few missing observations in the dataset. Some demographics also required recoding into binary variables. This is a brief account of the processes through which these procedures took place.

Independent and dependent variables

In Excel, the very few missing observations were replaced with the median of each variable's set of observations. With regard to the dependent variables, the responses on the constant sum scale were recorded as percentages and converted to proportions for statistical analysis in SAS.

Demographics

Missing observation replacement

The few missing observations in demographics were replaced as follows: Age – substituted mean age. Job tenure – substituted mean job tenure. Education – Substituted median NQF level (SAQA). Marital status – replaced with median. No other demographic measurements contained missing observations.

Recoding

Job and organisational tenure were measured as 'job start date' (month, year) and 'organisation start date' (month, year) respectively. I recoded both of these to represent the number of days worked until present. The question 'highest completed qualification' measured education level and later converted to NQF levels (1- 8). Marital status recoded into dummy variables from single – 1, cohabiting – 2, married – 3, divorced – 4, separated –

5, widowed - 6 to *single* (1: comprised of 'single', 'divorced', 'separated' and 'widowed') and *cohabiting* (0: including 'co-habiting' and 'married'). Race was measured as Asian – 1, Black – 2, Coloured – 3, Indian – 4, White – 5, Other – 6 and recoded into dummy variables to *qualifies under affirmative action* (1: comprised of 'Asian', 'Black', 'Coloured', 'Indian', 'Other'), and *does not qualify under affirmative action* (0; 'White').

5.7. Data Analysis Theory

The section reviews some of the necessary theory behind the statistical analyses used on the dataset, I only include here theory that I deem necessary from an explanatory viewpoint, obviously a complete overview of the procedures is impossible in a dissertation.

5.7.1. Confirmatory factor analysis

Confirmatory factor analysis provides a means of assessing the factor structure underlying the manifest independent variables (Hair, Black, Babin, & Anderson, 2010). Manifest variables are the observed variables measured by the items in the survey. The Intended Quits survey measured two sets of manifest variables – the *actual* and *adequate* high-performance HR practices. Conducting confirmatory factor analyses on the *actual* and *adequate* high-performance HR practice variable sets may well provide an indication of whether the manifest variables describe the practices accurately and as expected. Accurate description of each practice is achieved if the expected variables (e.g. the four *actual selective staffing* questions) correlate highly and thus represent a latent factor[21] (Hair et al., 2010). This factor corresponds to one high-performance HR practice (e.g. *actual selective staffing*).

Internal reliability and convergent and divergent validity

The internal reliability and convergent and divergent validity of the data give an indication of how well the dataset represents the *actual* and *adequate* high-performance HR practice constructs (Hair et al., 2010). Reliability indicates the extent to which a set of variables has consistently measured the intended measure, and the Cronbach's alpha statistic denotes internal reliability (Cohen, Cohen, West & Aiken, 2003; Hair et al., 2010). The conventional cut-off of the Cronbach's alpha is .60 to .70, and a value below .60 would suggest inadequate internal reliability (Hair et al., 2010).

[21] Described by a set of correlated manifest variables

Generally,

"...convergent validity exists if different measures of the same concept are highly correlated, whereas discriminant validity exists if different concepts measured by the same method are lowly correlated" (Price, 1997:307).

Convergent validity might indicate the extent to which manifest variables covary and load onto the same latent variable (Hair et al., 2010). Discriminant validity could represent the extent to which the same variables do not load onto any other latent variable present (Hair et al., 2010). These measures are valuable to the analysis because they aid in assessing how reliable and valid the dataset is and therefore show whether the dataset can be used to test of the hypotheses.

Confirmatory factor analysis by means of structural equation modelling

I use structural equation modelling to conduct the confirmatory factor analyses on the adequate and actual high-performance HR practice variables (discussed in section 5.8. below). I now discuss the process of structural equation model creation. Millsap (2002:261-283) discusses the three key steps (model specification, parameter estimation and model evaluation) in the process of creating a structured equation model:

1. *Model specification:* The process begins with the specification of a model that tests the known and theoretical relationships of the variables. The researcher creates the model which best illustrates the likely relationships.
2. *Parameter estimation:* Different estimation methods are available for this procedure (e.g.: maximum likelihood or generalised least squares methods), which produces the fit statistics which aids model evaluation (Millsap; 2002:268).
3. *Model evaluation:* Evaluation of goodness of fit and overall sample fit statistics described by the model parameter estimates provide an indication of the model that best represents the data (Millsap, 2002). The model which best fits the data is then chosen as the confirmation of the existing relationships.

Model assumptions

Five diagnostic checks show the quality of the data underlying the models:

- Multivariate normality - The normalised Mardia estimate produced in SAS indicates normality, the lower the estimate the better.

- Low multicollinearity - Multicollinearity indicates the extent to which analysed independent variables explain a given independent variable (Hair et al., 2010). Low multicollinearity shows that the measured independent variables are only slightly correlated with any given independent variable in a simple enough manner to as to remain valuable (Hair et al., 2010). Low multicollinearity is indicated by reasonably low variance inflation factors (VIFs), condition indices and proportion of variation eigenvectors.
- Minimal heteroscedasticity - Heteroscedasticity appears where the variance of an error term appears consistent over a range of values for a given independent variable, the lower heteroscedasticity the better (Hair et al., 2010:157).
- Linearity of equations – Suggest that the models are fittingly homogenous and additive (Hair et al., 2010).
- Removal of outliers - Observations that might not accurately represent the population and therefore skew the distribution of the data (normality) are outliers which should be removed (Hair et al., 2010).

Model fit checks

Two sets of model fit checks are important to establish the model representing the final confirmatory factor analysis for each set of predictor variables – goodness-of-fit and overall fit checks. Diagnostics showing goodness of fit (SAS/STAT user's guide, 2010):

- Although used as a fit indicator, the Chi-square values ($\chi 2$) may well increase with any small variation of the data from accurate fit. Therefore, researchers often do not regard the values as good representatives of fit in isolation, but rather considered along with other fit estimates (Cohen et al., 2003; SAS/STAT user's guide, 2010).
- The standardised root mean square residual (SRMSR) measures the absolute model fit and has a conventional .05 value.
- The root mean square error approximation (RMSEA) indicates model parsimony and has a conventional cut-off point of .05.
- The associated RMSEA 90% confidence intervals have a desired range of a lower limit of .05 and upper limit of .10.
- The Bentler comparative fit indices (CFI) has a conventional value of .90 indicating good fit.

- The Bentler-Bonnet non-normed fit index (NNFI) represents an individual fit index for a group and the value should be above .90 in order for good fit.

Diagnostics showing overall fit of a model relative to other models (SAS/STAT user's guide, 2010):

- Akaike's Information Criterion (AIC) indicates model parsimony (possessing few predictors) and assists the researcher in establishing which model out of a number of models has the best fit (Cohen et al., 2003; SAS/STAT user's guide, 2010). When comparing models, the model with the lowest AIC value represents the better model (Cohen et al., 2003; SAS/STAT user's guide, 2010). Theorists suggest that some researchers may prefer fit indications provided by the CAIC and SBC over the AIC.
- The Bozdogan Consistent Akaike's Information Criterion (CAIC) also demonstrates model parsimony among models and suggests the best model is the one with the lowest CAIC value.
- The Schwarz Bayesian Criterion (SBC) is another indicator of model parsimony and good fit. The model with the lower the SBC value is the better model.

The final confirmatory factor analysis models selected for use in the analysis against the destinations are those that illustrate the best overall fit.

5.7.2. Difference scores, polynomial regression and response surface methodology

Difference scores

Difference scores permits the assessment of congruence between two constructs as predictor outcomes (Edwards, 2002). The two predictors in this research are the *actual* and *adequate* levels of high-performance HR practices. Algebraic, absolute or squared differences between two measures or the sum of absolute or squared differences between profiles of component measures might describe kinds of difference scores (Edwards, 2002; Edwards & Parry, 1993: 1577). However, methodological problems are common in difference scores and therefore appear to reduce their analytical value in some ways, suggests Edwards (2002). The main problems include (Edwards, 2002:351):

- The reliability of the difference score may reduce in comparison to the reliability of each component measure.

- Combining measures of two distinct constructs into one difference score might also lead to ambiguity.
- The effects of the component measures on outcomes may possibly become confused and the single difference score imposes constraints on the effects, which are seldom tested empirically.
- The three-dimensional relationship between the component measures and the outcome essentially reduces into a two-dimensional relationship.

One solution to minimise these methodological issues is to use polynomial regression rather than difference scores (Edwards, 2002; Edwards & Parry, 1993).

Polynomial regression

Replacing the difference scores with the component measures representing the difference and higher-order terms describes the function of polynomial regression (Edwards, 2002). Polynomial regression allows for the comprehensive test of relationships permitted by difference scores as well as the testing of more complex relationships which are unachievable with difference scores (Edwards, 2002). Each polynomial equation has particular measures: X and Y, which constitute the two predictor measures and Z which indicates the predicted variable (Edwards, 2002).

The value of e in each equation indicates an error term, which accounts for all unmeasured influential factors that might affect the dependent variable beyond the predictor variables (Edwards, 2002). In the analysis of the dataset, X is the actual level of HPHRP and Y the adequate level of HPHRP. The variable Z would represent the predicted destination. The error term e could represent aspects such as impulsive behaviour or spousal or family-related influence on destination selection. These aspects are beyond the scope of the independent variable measures.

Edwards (2002:356-357) outlines the constrained and unconstrained algebraic differences, squared differences and absolute differences polynomial equations:

Algebraic difference score equations:

The constrained equation (Equation 5.1) assigns the predictor values X and Y the same co-efficient:

Equation 5.1 Constrained algebraic differences equation

$$Z = b_0 + b_1X - b_1Y + e$$

Where Z = turnover destination, X = actual level of HPHRP, Y = adequate level of HPHRP and e = prediction error.

The unconstrained equation (Equation 5.2) permits the co-efficient of predictor values X and Y to differ:

Equation 5.2 Unconstrained algebraic differences equation

$$Z = b_0 + b_1X + b_2Y + e$$

Squared difference score equations:

The constrained squared differences equation (Equation 5.3) yields three values (XY, X^2, Y^2) used in prediction and all three predictors are assigned the same co-efficient:

Equation 5.3 Constrained squared differences equation

$$Z = b_0 + b_1X^2 - 2\,b_1XY + b_1Y^2 + e$$

The unconstrained squared differences equation (Equation 5.4) permits each predictor a different co-efficient, thus yielding five values (X, Y, XY, X^2, Y^2) for prediction:

Equation 5.4 Unconstrained squared differences equation

$$Z = b_0 + b_1X + b_2Y + b_3X^2 + b_4XY + b_5Y^2 + e$$

Absolute difference score equations:

The nature of the absolute difference score transformation requires the inclusion of a dummy variable W that equals 0 then $X \geq Y$ and equals 1 when $X < Y$ (Edwards, 2002). Equation 5.5 represents the constrained absolute differences equation.

Equation 5.5 Constrained absolute differences equation

$$Z = b_0 + b_1X + b_1Y - 2b_1WX + 2b_1WY + e$$

Where W = dummy variable

The unconstrained equation is given in Equation 5.6, where the co-efficient for each variable differs:

Equation 5.6 Unconstrained absolute differences equation

$$Z = b_0 + b_1X + b_2Y + b_3W + b_4WX + b_5WY + e$$

The base equation, equations 5.1 – 5.6, a cube algebraic differences equation, a cube squared differences equation and a cube absolute differences equation comprise the ten equations used to produce the ten models for each destination (Edwards, 2002).

The models produced from the equations include (Edwards, 2002: 356-357):

- A base model (Base equation)
- A constrained algebraic differences model (Equation 5.1)
- An unconstrained algebraic differences model (Equation 5.2)
- A higher-order algebraic differences model (Cube equation)
- A constrained squared differences model (Equation 5.3)
- An unconstrained squared differences model (Equation 5.4)
- A higher-order squared differences model (Cube equation)
- A constrained absolute differences model (Equation 5.5)
- An unconstrained absolute differences model (Equation 5.6)
- A higher-order absolute differences model (Cube equation)

Response surface methodology

Response surface methodology assists with the interpretation of the polynomial regression results. This methodology allows for the description, creation and evaluation of a three-dimensional surface corresponding to an original polynomial regression equation (Edwards & Parry, 1993). The surface created may be planar or curvilinear, depending on the kind of polynomial regression equation produced (Edwards, 2002). I run polynomial regressions in SAS using Lee's Diffscores macro. This procedure produces a set of statistics for the squared differences and higher-order algebraic models that assist graph

interpretation. The statistics include stationary points, slopes along lines of interest and principal axes. These points are included in tables in the results section for the squared differences and higher-order algebraic models.

The stationary point described by X_0 and Y_0 represents the point at which the surface is zero in all directions (Edwards 2002). Edwards (2002) notes that the position of the stationary point depends upon the type of graph surface: concave, convex or saddle. A concave surface has a stationary point at the overall maximum of the surface. A convex surface has a stationary point at the overall minimum of the surface. A saddle-shaped surface has a stationary point at the intersection of the lines of greatest upward and downward curvature.

Two lines of interest are the lines of congruence and incongruence. The line of congruence (described by $Y = X$) runs from the point at which both actual and adequate HPHRP are low to the point at which both are high (Edwards 2002). This line shows the points at which *adequate* HPHRP levels meet *actual* HPHRP levels on the graph. $Y = -X$ represents the line of incongruence and runs perpendicular to the line of congruence (Edwards 2002). Each line has values given by a_{x^2} and a_x which show the curvature and slope along the line $X = 0$ respectively (Edwards 2002).

The first and second principal axes are also lines of interest. The axes are perpendicular to one another and intersect at the stationary point, indicating the general orientation of the graph relative to the X,Y plane (Edwards, 2002). The first principal axis runs along the line of maximum upward curvature (Edwards, 2002). The value p_{10} gives the intercept of this line and p_{11} indicates the slope. The second principal axis runs along the line of maximum downward curvature. This axis has an intercept described by p_{20}, and slope described by p_{21} (Edwards, 2002).

5.8. Testing Factor Structure of Independent Variables

Before testing the main hypotheses, i.e. the links between high-performance HR practices and turnover destinations, it is necessary to finalise the measures of high-performance HR practices. I do this by means of a confirmatory factor analysis as discussed above, which seeks to test the overall structure of the high-performance HR practice

construct. If confirmatory factor analysis can be shown to fit well, then the final independent variables to be used as predictors of turnover destinations will arise from this.

5.8.1. Confirmatory factor analyses

Preceding the confirmatory factor analyses, I aggregated the appropriate actual and adequate high-performance HR practice variables into factors (i.e.: I aggregated the responses for questions B1, B2, B4 and B6 to represent the factor of *selective staffing*).

The correlations produced using the PROC CORR procedure in SAS showed that the Cronbach's alphas of the *actual* and *adequate* high-performance HR practice factors (indicated on the diagonal of the correlations in Appendix E, Table 8.5) have satisfactory internal reliability and possess acceptable convergent and discriminant validity (Hair et al., 2010).

I ran two confirmatory factor analyses: one on the actual and one on the adequate high-performance HR practice variables using the PROC CALIS procedure in SAS.

Model assumption checks

This section reviews the five diagnostics showing the quality of the independent variable dataset. The normalised Mardia estimate indicates that both sets of high-performance HR practice variables possess acceptable multivariate normality. Reasonably low variance inflation factors (VIFs), condition indices and proportion of variation eigenvectors suggested acceptably low multicollinearity amongst the two sets of independent variables. Examination of both models' residual plots and arbitrary plots of the control variable 'age' suggested minimal presence of heteroscedasticity in the independent variable dataset. The linearity of equations also appeared acceptable, suggesting that the predictor variable datasets are acceptably homogenous and additive (Hair et al., 2010). A check for outliers yielded a few data points that skewed the data and affected normality plots unfavourably. I removed these outliers because they are most likely unrepresentative of the population.

Rejecting single-factor structure

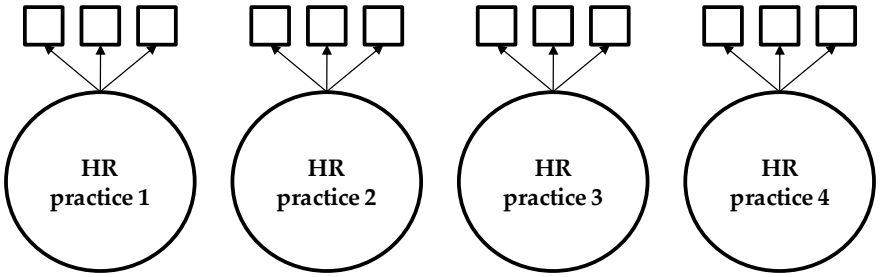
I tested the actual and adequate high-performance HR practice variable sets as each represented by a single-order factor structure. This factor structure would represent each set of variables as described by a single predictor factor, with no distinguished underlying HR

practice factors. This type of factor structure is not favourable because it would probably not allow for the accurate representation each of the nine practices measured by the survey. Poor representation of the practices would most likely prevent me from establishing the extent to which each HR practice influences destination choice. I chose to reject this structure in favour of a multiple-order structure because such a structure would probably provide a better indication of the influence of each HR practice on destination choice.

Testing multi-factor first- and second order factor structures

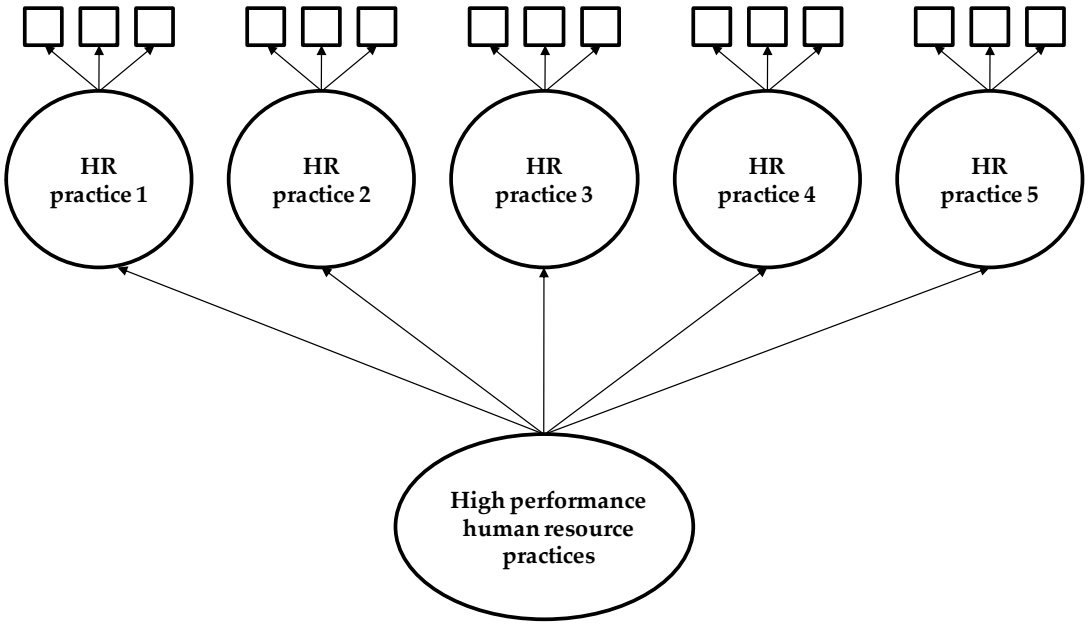
Two factors structures are possible for each set of predictor variables: A single-order multiple factor structure in which each high-performance HR practice forms a latent factor, represented by Figure 5.2.

Figure 5.2 First-order factor structure for high-performance HR practice measurement



A second-order factor structure with the same first-order factors as the 1st -order factor model, but with a 2nd -order factor structure (representing HPHRPs as a unifying system) underlying each of these latent factors (Figure 5.3).

Figure 5.3 Second-order factor structure for high performance HR practice measurement



I estimate each of these factor structures for both the *actual* and *adequate* high-performance HR practice variables separately.

For the first-order factor structures, model fit for the *actual* high-performance HR practice factor structure improved with the removal of two *high compensation* variables (measured by items B15 and B20), one *incentives* variable (B30), two reversed *internal mobility* variables (B8 and B12) one *participation* variable (B32). The modification indices suggested the grouping of *incentive compensation* and *high compensation* into one factor. This seems a suitable adjustment to the model given the nature of compensation practices. This reduced to eight the total number of *actual* predictor variable factors. These eight factors are *selective staffing, training, compensation* (combining high compensation and incentives), *employment security, internal mobility, appraisal, clear job description* and *participation*.

With regards to the *adequate* high-performance HR practices factor structure, model fit appeared improved when the same *high compensation, incentives, reversed internal mobility* and *participation* variables (C15, C20, C30, C8, C12 and C32) were excluded from the factor structure. The modification indices again suggested the grouping of *incentive compensation* and *high compensation* into one factor to improve the structure. Thus, these variables were combined into one factor. The factor structure of the *adequate* predictor variables proved to include the same eight factors as the *actual* predictor variables. As the intention is to use difference scores in analysis, creating the same factor structure for both sets of predictor variables is beneficial.

Although first-order factor structure models were possible for each set of predictor variables, various theorists have chosen to represent the individually measured high-performance HR practices as one factor depicting a system of practices (Arthur, 1994; Bae et al., 2003; Chuang & Liao, 2010; Guest et al., 2003; Guthrie, 2001; Hoque, 1999; Huselid, 1995; Ichniowski & Shaw, 1999; Laursen & Foss, 2003; MacDuffie, 1995; Sun et al., 2007; Takeuchi et al., 2009; Youndt et al., 1996). Furthermore, in their meta-analysis, Combs et al. (2006:513) found support for their notion that high-performance HR practices have a stronger relationship to performance when combined into a system ($\overline{r_c}$ = .28) rather than singular practices ($\overline{r_c}$ = .14).

The use of a single comprehensive measure of high-performance HR practices by these researchers and the findings by Combs et al. (2006) implies that underlying the first-

order HPHRP factors is most probably a second-order factor depicting high-performance HR practices as a unified system. Inference from the methodology used in much previous research advocate the creation and testing of a second-order factor structure comprised of eight first-order HR practices held separately, as well as a second-order HPHRP factor representing the first-order HR practices as a unified system. I create two second-order models, one representing the actual *high-performance HR practices (HPHRP)* and one the adequate *HPHRP* factor.

Table 5.2 reports the fit diagnostics of the first- and second-order models of the actual HPHRP and adequate HPHRP predictor variables.

Table 5.2 Comparison of 1st and 2nd order models of actual and adequate HR practice levels

	Actuals		**Adequates**	
	Model 1 1st order model	Model 2 2nd order model	Model 1 1st order model	Model 2 2nd order model
χ^2	560.33 (271)†	606.64(290)†	701.35(271)†	806(289)†
SRMSR	.04	.05	.04	.05
RMSEA	.05	.05	.07	.07
RMSEA 90% CI	.05 - .06	.05 - .06	.06 - .07	.06 - .08
CFI	.95	.94	.94	.92
NNFI	.94	.94	.92	.91
AIC	720.33	728.64	861.35	930.26
CAIC	1115.33	1029.83	1254.86	1235.24
SBC	1035.33	968.83	1174.86	1173.24

Note: χ^2 degrees of freedom are given in brackets after the χ^2 point value † = $p < .01$.

As Table 5.2 shows, the first- and second-order models for both sets of predictor variables have acceptable goodness-of-fit. The overall fit statistics used to compare models reveal that although the first-order models have a lower AIC value, which would encourage selection of these models, however the other model comparison statistics (CAIC and SBC) demonstrate a better fit in the second-order models.

Therefore, the second-order models representing the two sets of predictor variables by means of one latent *actual HPHRP* factor and one *adequate HPHRP* factor were selected for analysis against the destination choices. Figure 5.3 illustrates the second-order structural equation model including the latent *HPHRP* factor.

The model illustrated in Figure 5.3 shows three main components: the aggregated manifest variables (indicated by the small blocks) the latent first-order factors (labelled *HR practice 1*, *HR practice 2*, and so on) and the latent second-order factor (*high-performance human resource* practices (HPHRP). This second-order model is the final model used to represent HPHRP, and I proceeded therefore to draw factor scores for the *HPHRP* factors (using the SAS PROC SCORE procedure) which represent, for each individual, their overall view of the extent to which the eight high-performance HR practices exist and should exist as a system in the current organisation.

5.8.2. Establishing final dependent variable measures

I conducted a preliminary regression analysis of the dependent variable dataset using the PROC REG procedure in SAS. The dataset of the dependent variables measured on the constant sum scale contained heteroscedasticity and required transformation. I tested various transformations (log, square-root and cube-root transformations) in order to reduce the heteroscedasticity. I transformed only the dependent variable data measured on the constant sum scale with an arcsine transformation as recommended by Hair et al. (2010) because this transformation is preferable for reducing heteroscedasticity in data measured in proportions. The arcsine transformation reduced the heteroscedasticity significantly. I also conducted a bootstrap procedure on all confidence intervals to mitigate parametric distributional assumptions.

I used Edwards' (2002) polynomial regression equations procedure when analysing the dependent variables measured on both the Likert and constant sum scales. I conducted an ordinal logistic regression on the Likert scaled data and ascertained that the fits were close enough to normal regression to warrant the use of the same regression technique on all destination measures.

5.8. Methodological Limitations

5.8.1. Sample Limitations

The survey sample frame of the Gauteng, Kwa-Zulu Natal and Western Cape provinces of South Africa, inhibits the ability to generalise about the results of the study beyond these regions. The sample population of white-collar workers in the private sector

limits the researcher's ability to generalise about the HR practices and turnover destinations of individuals in blue-collar environments and the public sector. Blue-collar workers comprise a large proportion of the employed population of South Africa (approximately 80%; Behar, 2010: 509). Given the size the blue-collar population, the inability to generalise about the results of this study to this sector may minimise the apparent value of this research and managerial implications, thus reducing the possibility of application of this study's recommendations in the sectors employing traditionally blue-collar workers.

The sampling method of convenience sampling may also potentially create limitations in terms of generalisability as bias may appear in the results where all respondents stem from the same or similar sources (Kelley et al., 2003).

5.8.2. Limitations of Measurements

Common method bias is a main source of measurement error (Podsakoff et al., 2003). This kind of bias could possibly exist in the measurement scales, presenting survey limitations by threatening the validity of the relationships the measures are in place to establish (Podsakoff et al., 2003). Common method bias might be as a result of item context lengthy measurement scales and the presentation of items (Podsakoff et al., 2003). In an effort to mitigate this bias, the survey possessed the lowest feasible semantic differential scale (five-point) and Likert scale (seven-point). Similarly, I shuffled items representing different constructs to reduce bias from presentation.

I mitigated common method bias from item characteristics by ensuring scale formats and anchors varied in each section of the survey (Podsakoff et al., 2003). Similarly, common method bias might present itself through the physical context of the survey and medium of the survey (Podsakoff et al. 2003). The temporal separation of two days between answering the *HR Practices* and *Turnover Destinations* sections should reduce the bias associated with context. The physical environment may also have changed for each respondent (allowing for a proximal separation), although this aspect is out of the researcher's control. Regarding the possibility of common method bias brought about because of the medium of the survey, about half of the respondents answered the *HR Practices* section in hardcopy and the *Turnover Destinations* section online. The different mediums through which respondents answered the survey may well have assisted in reducing the possibility of this kind of bias.

In addition, I mitigated the possibility of mass scale common method bias by rejecting the single factor structure in favour of a second-order factor structure for both predictor variable sets.

5.9. Conclusion

This chapter discussed the methodology for the empirical study. Leading from a brief review of the literature survey, the research question identifies the main research problem of the study. The nature of the sample, including participation prerequisites, sample frame and sample method was described. Following the discussion of the sample, the measures section described the design of the independent, dependent and control variable measures. The following section briefly accounted the administration of the pilot study and the useful findings of the pilot study.

The next section recounted the manner in which I captured, cleaned and prepared the final dataset for analysis. The subsequent section reviews theory relevant to the analysis procedure. Then the testing of the factor structures for each of the two sets of predictor variables by means of confirmatory factor analysis is described. This section also discussed the final dependent variable measures used in analysis. Finally, I took the limitations of the study into consideration, concluding the chapter.

Chapter Six presents the results of the statistical analysis of each turnover destination. The correlations and descriptive statistics of the predictor, dependent and control variables are discussed in the first section of the chapter. The second section presents the response surface analysis graphs and relevant statistics for each curvilinear graph. An interpretation of the graph statistics is also included for each curvilinear graph.

CHAPTER 6. RESULTS

The chapter reviews the correlations and descriptive statistics of the actual and adequate high-performance HR practice factors, the destination choices and demographics and a brief discussion of the noteworthy relationships. Thereafter I report the response surface analysis graphs and appropriate statistics of the latent factors of *actual high-performance HR practices* and *adequate high-performance HR practices* with respect to the turnover destination choices.

6.1. Correlations and Descriptive Statistics

The descriptive statistics and correlations of all variables appear in Tables 8.5 to 8.13 in appendices E to M. These tables are placed in the appendix as there are large numbers of associations.

6.1.1. Correlations of actual and adequate high-performance HR practice factors

Correlations and descriptive statistics of the *actual* high-performance HR practice factors and *adequate* high-performance HR practice factors appear in Table 8.5 (Appendix E). The factors appear to have moderate to strong positive and significant correlations with one another. This suggests that they should thus predict the destinations fairly well as a bundle. Notably, factors of actual *selection, training, pay,* and *internal mobility* all correlate relatively strongly with one another (r = .5 or higher). Actual results-oriented appraisal (*results appraisals*) appears comparatively strongly correlated to all factors except employment security. Furthermore, the factors of actual *incentives* and *pay* also correlate relatively highly, which supports their combination into one factor.

Again, the factors of adequate *selection, training, pay* and *internal mobility* correlate relatively strongly. Moreover, the correlations of these adequate factors are slightly higher than the same actual factors. However, the correlation between the factor of adequate results-oriented appraisal (*results appraisals*) and the other adequate HPHRP factors appears lower than the actuals. Furthermore, the adequate *pay* and *internal mobility* factors show a considerably stronger correlation with *participation* and *incentive reward* than the same actual factors, which correlate very poorly.

6.1.2. Correlations of destination choices

Correlations of destination choices (Likert measure)

Table 8.6 in Appendix F reports the correlations and descriptive statistics of the destination choices as measured on the Likert scale. The destinations of *internal transfer* and *different firm* have a highly significant and positive relationship, but low correlation. Furthermore, all emigration destinations correlate negatively and weakly with internal transfer. This seems likely given that low possibility of internal transfer would probably infer a higher chance of an external move such as emigration. *Different firm* correlates poorly, but has highly significant, positive relationships with *permanent emigration, same job, temporary emigration, different job,* and *permanent emigration, different job*. This correlation also appears logical given that different firm and the emigrations sub-destinations would both constitute an external move.

Temporary emigration, same job has a significantly strong, positive correlation with *permanent emigration, same job* and *temporary emigration, different job,* and a significant, although weak relationship with *permanent emigration, different job*. The destination of *permanent emigration, different job* has a highly significant, moderately strong and positive correlation with both *permanent emigration, same job* and *temporary emigration, different job*. These correlations might indicate the possibility that the respondents view all emigration destinations similarly and perhaps have not distinguished significantly between temporary and permanent emigration or emigration and staying in the same job or moving to a different job.

Correlations of destination choices (constant sum measure)

Correlations and descriptive statistics of the destination choices as measured on the constant sum scale appear in Table 8.7 in Appendix F. Likelihood of leaving the current job correlates significantly and positively to all destinations and moderately strongly to *likelihood of transfer*, *likelihood of moving to a different firm*, *likelihood of emigration*, *different firm, different job* and both emigration sub-destinations (*emigration, same job; emigration, different job*). *Likelihood of internal transfer* has strong, significant and positive correlations to all three internal transfer sub-destinations (*same department, different job; different department, same job;* and *different department, different job*). The *likelihood of moving to a different firm* correlates

strongly, positively and significantly with both different firm sub-destinations (*different firm, same job* and *different firm, different job*). Furthermore, both emigration sub-destinations have strong, positive and significant correlations with *likelihood of emigration*. All of these correlations would suggest that the destinations have convergent and discriminant validity supporting the possibility that measures should predict the appropriate destinations well.

6.1.3. Correlations of high-performance HR practices and destination choices

Correlations of HPHRP factors and destinations (constant sum measure)

Correlations between the *actual* high-performance HR practice factors and the destination choices measured on the constant sum scale appear in Table 8.9 of Appendix G. The *likelihood of leaving the current job* correlates significantly and negatively with actual *participation* and has a moderately significant and negative relationship with actual *selection*. The *likelihood of internal transfer* appears to correlate highly significantly and negatively with *training*, *internal mobility*, results-oriented appraisal (*results appraisals*) and *participation*. These correlations might indicate a relationship where that the likelihood of internal transfer could possibly reduce where little actual training, internal mobility opportunities, appraisal or participation occur.

The *likelihood of moving to a different firm* correlates significantly and negatively with all actual high-performance HR practice factors except for a moderately significant, negative correlation with *incentives*. This might indicate that lower actual high-performance HR practices may perhaps encourage an external move. The destination of *leaving the workforce* correlates positively and significantly with both actual *pay* and *internal mobility*. One may perhaps require sufficient capital to leave the workforce, which might explain the significant relationship between leaving the workforce and pay.

Correlations between the *adequate* high-performance HR practice factors and the destination choices measured on the constant sum scale appear in Table 8.10 of Appendix G. The likelihood of leaving correlates moderately strongly and negatively with *participation*. Participation also has a highly significant, negative correlation to the internal transfer sub-destination of *different department, same job*. Lastly, likelihood of emigration appears highly significantly and positively correlated with *internal mobility*.

Correlations of HPHRP factors and destinations (Likert measure)

Table 8.11 in Appendix G reports the *actual* and *adequate* high-performance HR practice factors correlated with the destination choices as measured on the Likert scale. The *likelihood of internal transfer* has a relatively weak, positive and significant correlation with all actual high-performance HR practice factors, except for a relatively weak, positive, but only moderately significant correlation with *participation*. The destination of *temporary emigration, different job* appears significantly and negatively correlated to *training, pay* and clear *job description*. The only adequate high-performance HR factor with a strong, positive and significant correlation with the *likelihood of internal transfer* is *employment security*. The same factor correlates moderately significantly and negatively to *temporary emigration, different job*.

6.1.4. Correlations of high-performance HR practice factors and demographics

Correlations and descriptive statistics of the demographics, the *actual* high-performance HR practice factors and the *adequate* high-performance HR practice factors appear in Table 8.12 of Appendix H. Overall, the correlations of actual and adequate high-performance HR practice factors and demographics appear low. Age correlates highly significantly and negatively with all actual high-performance HR practice factors, except for moderately significant and negative correlations with actual *participation* and *incentives*. Additionally, adequate *employment security* and clear *job description* also correlate highly significantly and negatively with age. Education correlates highly significantly and positively with actual *training* and *internal mobility.* Furthermore, education correlates highly significantly and positively with adequate *pay,* results-oriented appraisal *(results appraisals), participation* and *incentives.* The concept of signalling (Spence, 1973), supports the significant relationships between education and pay, education and appraisal and education and incentives.

Marital status has highly significant and negative correlations with actual *training, internal mobility,* clear *job description* and results-oriented appraisal (*results appraisals*). Moreover, marital status appears to have a highly significant and positive relationship with adequate *training*. Firm tenure appears negatively and highly significantly correlated with actual *selection, internal mobility* and clear *job description* and adequate *selection* and clear *job description*. Gender appears positively associated and highly significantly correlated with

actual clear *job description* and results-oriented appraisal (*results appraisals*) and *incentives*, and only adequate *incentives*.

Lastly, race appears significantly and positively correlated with actual *selection*, *training*, *pay*, *internal mobility*, clear *job description* and results-oriented appraisal (*results appraisals*). Furthermore, race correlates highly significantly and negatively with adequate *pay* and *participation*.

6.1.5. Correlations of destination choices and demographics

Table 8.13 in Appendix H reports the correlations and descriptive statistics of the demographics and destination choices measured on the Likert and constant sum scales. The correlations amongst the demographics and destinations choices appear quite low, however there are a reasonable number of significant relationships.

Again, age correlates highly significantly and negatively with the constant sum measures of the destinations of *likelihood of leaving*, *the likelihood of internal transfer* and all three internal transfer sub-destinations, *the likelihood of moving into a different firm* and *different firm, different job* as well as *the likelihood of emigration* and both emigration sub-destinations. These significant negative relationships might point towards the possibility that a greater age could perhaps reduce the probability of internal transfer. Similarly, negative correlations between age and the Likert measures of the *likelihood of internal transfer* and *likelihood of moving into a different firm* exist. Race also shows significant positive correlations with many destination choices, including the constant sum measured destinations of *likelihood of leaving*, *the likelihood of internal transfer* and all three internal transfer sub-destinations, *the likelihood of leaving the workforce*, and the Likert measured destinations of *likelihood of internal transfer* and *likelihood of moving into a different firm*.

6.2. Polynomial Regression and Response Surface Analyses

This section discusses the analysis of the high-performance HR practice difference scores against each of the destination choices. As discussed in section 5.7.2. of the results chapter, I conducted a confirmatory factor analysis through structural equation modelling and established that the most suitable factor structure models were the second-order models produced for each set of independent variables. The actual HPHRP second-order model supported the notion of a latent *actual HPHRP* factor described by all of the actual HPHRP

first-order factors. The adequate HPHRP second-order model supported the notion of a latent *adequate HPHRP* factor described by all of the adequate HPHRP first-order factors. After establishing the factor structure for each set of independent variables, I created factor scores in SAS using the PROC SCORE procedure. The two factor scores created represent the latent variables of *actual HPHRP* and *adequate HPHRP* which were used in this analysis against the destination choices.

Measurement of the destination choices took place on constant sum and Likert scales. I conducted ordinal logistic regression and standard regression on the Likert-scaled dependent measures and found that the fits were close enough to warrant the use of normal regression on the Likert scale measures as well as the constant sum measures. In SAS, I analysed the difference scores against each destination measure separately by regression. As discussed in section 5.7.1., I analysed the difference scores by means of regression in an effort to reduce the possibility of some of the methodological problems of difference score analysis (Edwards, 2002).

Section 5.7.1. notes that each regression produces ten models for comparison (Edwards, 2002):

- A base model
- A constrained algebraic differences model
- An unconstrained algebraic differences model
- A higher-order algebraic differences models
- A constrained absolute differences model
- An unconstrained absolute differences model
- A higher-order absolute differences model
- A constrained squared differences model
- An unconstrained squared differences model
- A higher-order squared differences model

Using Lee's Diffscores macro which is a SAS implementation of Edward's (2002) polynomial regression, I produce the ten models for comparison.

I examine three statistics: the raw R^2, change in R^2 and significance when comparing the models. The coefficient of determination of a model (R^2) measures the proportion of the dependent variable's variance about the mean explained by the predictor variables (Hair et

al., 2010). Conventionally, the closer the R^2 value is to 1, the better the independent variables' explanatory power (Hair et al., 2010). Each model R^2 appears relatively low in respect to standard expected R^2 levels, which might suggest that the models may not necessarily possess good explanatory power (Hair et al., 2010). However there is a reasonable possibility that the nature of turnover destinations is multifaceted and there are most likely numerous influential factors which were beyond the scope of this study and therefore are not measured. Many unmeasured factors probably contribute to a person's choice to select a particular destination.

Given that the broad objective of the analysis focuses more on establishing whether high-performance HR practices have some incremental influence over turnover destinations rather than the total proportion of influence, the incremental change between each model R^2 (ΔR^2) garners more attention in analysis than the raw R^2 value. The outcome of the analysis seems to support the notion of some incremental influence of HPHRPs upon destination selection, notwithstanding the unmeasured factors.

During model comparison, I select the model with the most acceptable raw R^2, most suitable incremental change in R^2 and significance because this model probably best describes the relationships between the actual and adequate high-performance HR practices and the destination. I then graph this model in Excel using the statistics created for each model during regression in SAS.

In the following section, every destination which produced a usable model shows a response surface analysis graph and a table showing the statistics for model comparison. For each destination that produced a curvilinear graph, a second table shows the stationary points and principal axes statistics of the graph, and a third table presents the statistics of the slopes along the lines of interest for the graph. For these curvilinear surfaces, the diffscores macro performs a bootstrapping technique to estimate the ten models. The bootstrapping procedure uses ten-thousand resamples and the bias-corrected and accelerated confidence interval method.

Some destinations in the results have two graphs. Where I find that both the constant sum and Likert scale destination measures produce an acceptable model, I graph both because each appears to demonstrate reasonable predictive power with the independent variables.

The graphs depict three-dimensional surfaces representing the interaction of the independent variables of the actual level of HPHRP experienced by respondents in their current jobs (*Actual HPHRP levels*) on the *x*-axis, the adequate level of HPHRP that might retain respondents in their current jobs (*Adequate HPHRP levels*) on the *y*-axis and the predicted dependent variable the likelihood of moving into a particular destination (*Destination*) on the *z*-axis (Edwards, 2002).

6.2.1. Leaving the current job

Likelihood of leaving

This section discusses the analysis of the actual and adequate high-performance HR practice levels in respect to the dependent variable of the probability of a person leaving the current job (hereafter referred to as *likelihood of leaving*). Likelihood of leaving was only measured on the constant sum scale, thus there is only one analysis for this probability. Table 6.1 compares the models and reveals the most descriptive model as the unconstrained squared differences model.

Table 6.1 Model comparisons of likelihood of leaving (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	360	6	353	.06	4.02***	-	-
Constrained algebraic differences	360	7	352	.07	3.93***	.01	3.22*
Unconstrained algebraic differences	360	8	351	.09	4.36***	.02	6.95***
Higher order algebraic differences	360	11	348	.11	4.07***	.02	3.09**
Constrained absolute differences	360	7	352	.07	3.67***	-	-
Unconstrained absolute differences	360	11	348	.11	3.91***	.04	4.11***
Higher order absolute differences	360	17	342	.13	2.95***	.02	1.18
Constrained squared differences	360	7	352	.07	3.76***	-	-
Unconstrained squared differences	360	11	348	.11	4.07***	.05	4.37***
Higher order squared differences	360	15	344	.12	3.1***	.01	.50

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.

****p <.01.*
***p < .05.*
**p < .10.*

In Table 6.1, the unconstrained squared differences model has the highest possible change in R^2 ($\Delta R^2 = .05$; $p < .01$). These statistics suggest that this model most likely provides the most useful description of the relationships.

Figure 6.1 illustrates the saddle-shaped surface of the *likelihood of leaving* graph. Table 6.2 and Table 6.3 describe the graph's stationary points, principal axes and slopes along lines of interest.

Figure 6.1 Response surface analysis of likelihood of leaving (constant sum measure)

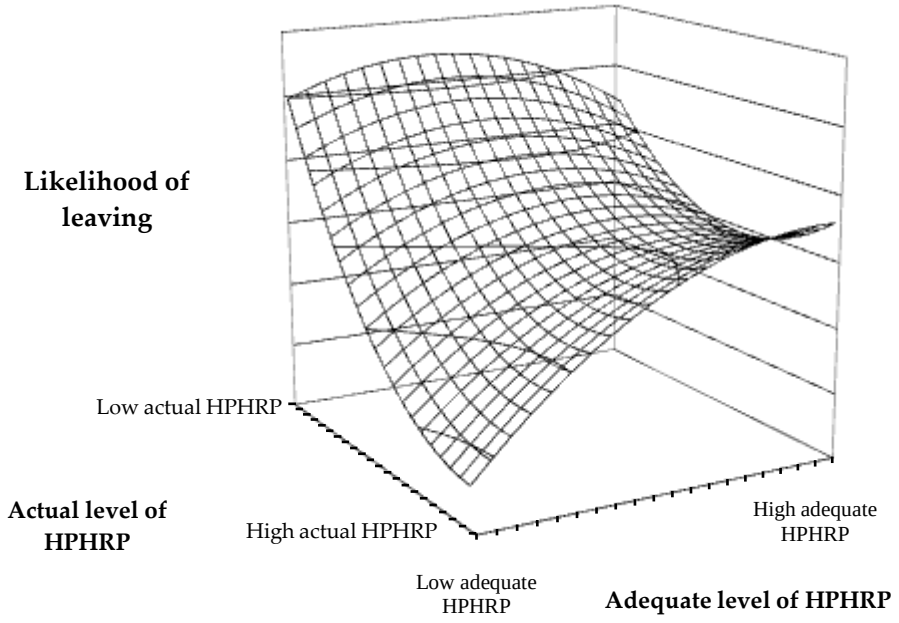


Table 6.2 Stationary points and principal axes of likelihood of leaving

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	**X_0**	**Y_0**	**P_{10}**	**P_{11}**	**P_{20}**	**P_{21}**
Likelihood of leaving	360	.31	.31	-1.54	4.42	.38**	-.23

Note: Columns labelled X_0 and Y_0 contain stationary point co-ordinates in the X, Y plane. Columns labelled p_{10} and p_{11} contain intercepts and slopes, respectively, of the first principal axis. Columns labelled p_{20} and p_{21} contain intercepts and slopes, respectively, of the second principal axis. Significance levels are based on confidence intervals constructed from ten thousand bootstrap samples, using the percentile method to determine critical values.

***p<.05.*

The stationary point lies on the greatest upward and downward curvatures of the surface and is slightly to the left of the line of congruence (the *Y=X* line) where *X* and *Y* are both positive (Edwards, 2002). The first and second principal axes are perpendicular to one another and intercept at the stationary point (Edwards, 2002).

In Table 6.3, the slope of the line of congruence (column Y=X) is represented by a_x and is -.18, and the curvature of the Y=X line is .30, suggesting a gently downwards sloping line. The first principal axis is the line of maximum upward curvature, with p_{10} representing the intercept and p_{11} the slope.

Table 6.3 Slopes along lines of interest of likelihood of leaving

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Likelihood of leaving	360	-.18	.30**	.25	-.09	-2.64	5.68**	.11	-.18

Note : For each line (Y=X, Y = -X, first principal axis, second principal axis), a_{x^2} represents the curvature of the surface along the line, and a_x represents the slope of the surface along the line X=0. For slopes along the Y=X, Y= -X lines, significance levels are based on confidence intervals for linear combinations of regressions coefficients. For slopes along the first and second principal axes, significance levels are based on confidence intervals constructed from coefficients from ten thousand bootstrap samples, using the percentile method to determine critical values.
***p<.05.*

As Table 6.2 shows, P_{10} indicates the first principal axis intercept of -1.54. P_{11} is considerably larger than 1 and thus indicates that the first principal axis is noticeably steeper than the line of congruence. Table 6.3 shows that the first principal axis has a negative surface curvature and a positive slope along the line X = 0. This would suggest that the line is a negative parabola and runs parallel to the high to low adequate HPHRP scale.

The second principal axis is the line of maximum downward curvature and the intercept (p_{20}) is .38, and slope (p_{21}) of -.23 as shown in Table 6.2. Table 6.3 reveals that this axis has a positive surface curvature and a negative slope. This suggests that this is a positive parabola running mostly downwards, curving upwards near the end.

Figure 6.1 shows this line, which runs parallel to the low to high actual HPHRP scale. I interpret

Figure 6.1. and the other turnover destinations graphs in the discussion in Chapter 7.

6.2.2. Internal transfer

Likelihood of transfer (Constant sum measure)

The analysis of actual and adequate HPHRP against the dependent variable of the likelihood of internal transfer (*likelihood of transfer*) shows the unconstrained absolute differences model best in describing the data. Table 6.4 reveals that this model has the highest change in R^2 (.04) and overall R^2 of .10 and p-value significant at the 99 percent level.

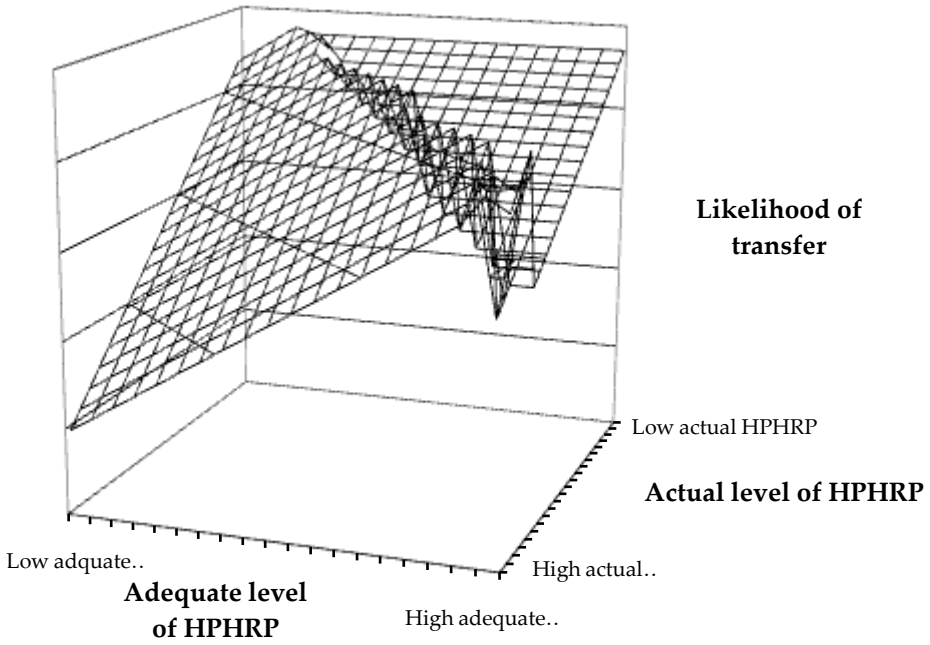
Table 6.4 Model comparisons of likelihood of transfer (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	334	6	327	.06	3.58***	-	-
Constrained algebraic differences	334	7	326	.06	3.07***	.00	.05
Unconstrained algebraic differences	334	8	325	.07	2.87***	.00	1.45
Higher order algebraic differences	334	11	322	.09	2.86***	.02	2.72**
Constrained absolute differences	334	7	326	.06	3.07***	-	-
Unconstrained absolute differences	334	11	322	.10	3.35***	.04	3.67***
Higher order absolute differences	334	17	316	.12	2.52***	.02	.99
Constrained squared differences	334	7	326	.06	3.06***	-	-
Unconstrained squared differences	334	11	322	.09	2.86***	.03	2.42**
Higher order squared differences	334	15	318	.10	2.46***	.02	1.33

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.2 illustrates the piecewise linear-surfaced graph of likelihood of transfer.

Figure 6.2 Response surface analysis of likelihood of transfer (constant sum measure)



Likelihood of transfer (Likert measure)

The model that best describes the likelihood of transfer as measured on the Likert scale is the unconstrained squared differences model. The model has one of the highest changes in R^2 (.05) and raw R^2 of .21 and is significant at the 99% level as presented in Table

6.5. Figure 6.3 shows that the model produces a curvilinear graph with a slightly saddle-shaped surface, indicating only a minor variation from a linear surface.

Table 6.5 Model comparisons of likelihood of transfer (Likert measure).

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	359	6	352	.14	9.47***	-	-
Constrained algebraic differences	359	7	351	.18	10.90***	.04	17.20***
Unconstrained algebraic differences	359	8	350	.20	11.00***	.02	9.33***
Higher order algebraic differences	359	11	347	.21	8.12***	.00	.61
Constrained absolute differences	359	7	351	.15	9.03***	-	-
Unconstrained absolute differences	359	11	347	.20	7.95***	.05	5.29***
Higher order absolute differences	359	17	341	.21	5.34***	.01	.66
Constrained squared differences	359	7	351	.15	9.00***	-	-
Unconstrained squared differences	359	11	347	.21	8.12***	.05	5.73***
Higher order squared differences	359	15	343	.23	6.93***	.03	3.11**

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*

Figure 6.3 Response surface analysis of likelihood of transfer (Likert measure)

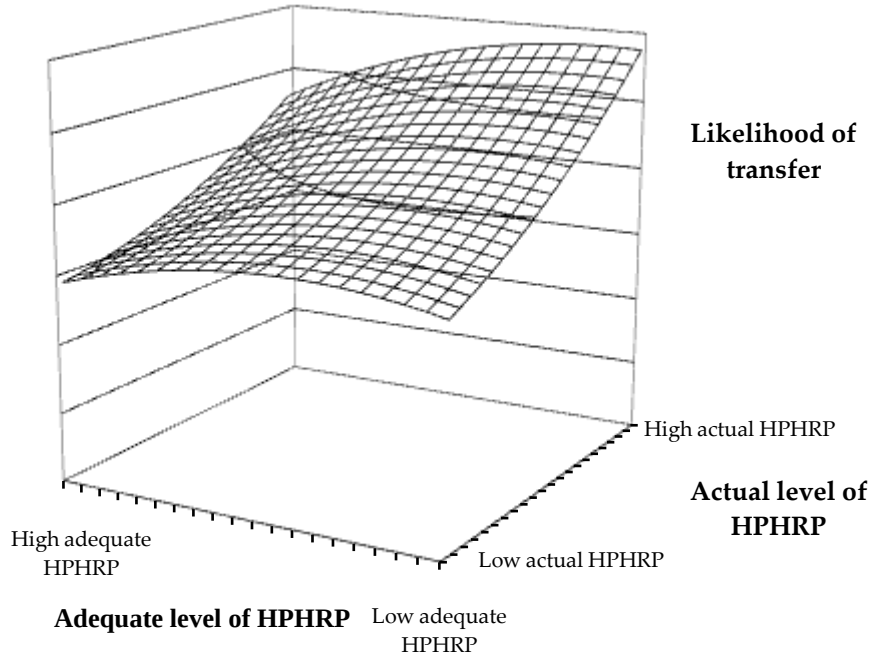


Table 6.6 reports the stationary points and principals axes of likelihood of transfer (Likert measure) and Table 6.7 reports the slopes along the lines of interest for likelihood of transfer (Likert measure).

Table 6.6 Stationary points and principal axes of likelihood of transfer (Likert measure)

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Likelihood of transfer	359	-.52	-3.05*	-6.08	-5.88*	-2.96*	.17

Notes as for Table 6.2
**p < .10.*

As Table 6.7 reports, the line of congruence has a slope of .29 and curvature of -.12 suggesting the line runs downwards at a slight angle. This line runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP and this is slightly visible in Figure 6.3. Table 6.6 shows that the first principal axis for this graph has a moderately negative intercept and positive slope.

Table 6.7 Slopes along lines of interest of likelihood of transfer (Likert measure)

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Likelihood of transfer	359	.29	-.12*	-1.20	.08	13.39	4.95	-.17	-.16

Notes as for Table 6.3
**p < .10.*

Additionally, the positive surface curvature and slope along the line X = 0 reported in Table 6.7 suggests that the first principal axis has a downward slope. The line of this axis most likely runs parallel to the low to high actual HPHRP scale on the graph (Figure 6.3).

The second principal axis also has a negative intercept and a slope differing marginally from zero (.17) as Table 6.6 reports. This line is thus also downward sloping, but very gentle, thus this axis most likely runs parallel to the high to low adequate HPHRP scale.

Transfer within the same department and selection of a different career

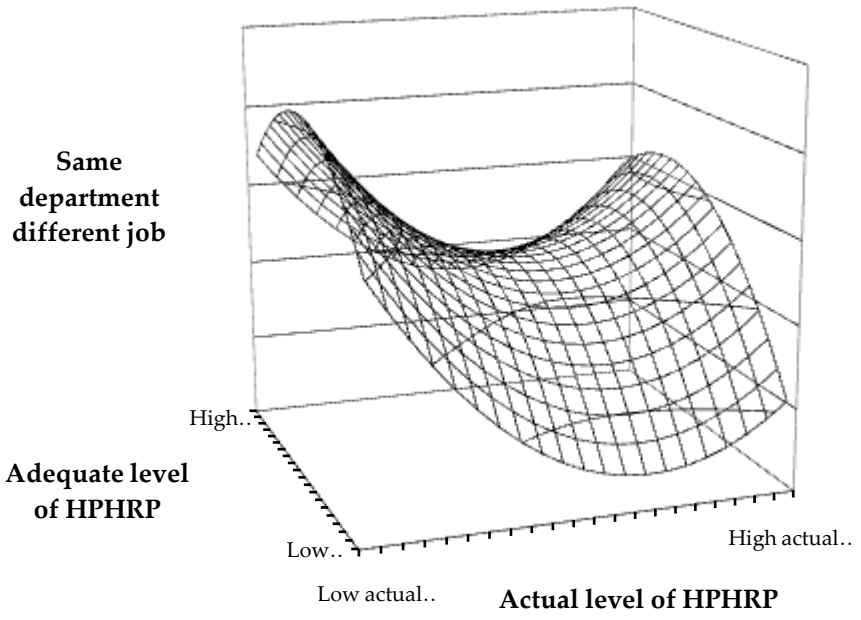
The actual and adequate levels of HPHRP analysed against the likelihood of moving into a different job within the same department (*same department, different job*) yields a saddle-shaped graph (Figure 6.4). Table 6.8 reports the model comparisons. Table 6.8 reveals that the higher order algebraic model with ΔR^2 of .03 (raw R^2=.06) and p-value significance at the 99 percent level as the optimal model for response surface graphing.

Table 6.8 Model comparisons of same department, different job (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	318	6	311	.02	1.16	-	-
Constrained algebraic differences	318	7	310	.02	.99	.00	.00
Unconstrained algebraic differences	318	8	309	.02	.87	.00	.08
Higher order algebraic differences	318	11	306	.06	1.65*	.03	3.65***
Constrained absolute differences	318	7	310	.02	.99	-	-
Unconstrained absolute differences	318	11	306	.05	1.52	.03	2.41**
Higher order absolute differences	318	17	300	.09	1.69**	.04	1.96*
Constrained squared differences	318	7	310	.02	1.03	-	-
Unconstrained squared differences	318	11	306	.06	1.65*	.03	2.68**
Higher order squared differences	318	15	302	.08	1.83**	.03	2.25*

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p < .01.*
***p < .05.*
**p< .10.*

Figure 6.4 Response surface analysis of same department, different job (constant sum measure)



Although Table 6.8. shows that the higher-order absolute differences model has a higher ΔR^2 (.04) and raw R^2 (.09), the model only has significance at the 90% level. The higher-order squared differences model also has R^2=.08, this model is only significant at the 90% level and the ΔR^2 (.03) matches that offered by the higher order algebraic model. Therefore, despite some models showing better raw R^2 and/or higher change in R^2, I chose to

graph the higher-order algebraic model because this model qualified under all criteria (acceptable R^2, ΔR^2 and significance level).

Table 6.9 reports the stationary points and principal axes of the graph and Table 6.10 shows the slopes along lines of interest of the *same department, different job* graph.

Table 6.9 Stationary points and principal axes of same department, different job

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Same department, different job	318	-.21	.17	3.41	14.60**	.03	-.68

Notes as for Table 6.2
***p <. .05.*

Table 6.10 Slopes along lines of interest of same department, different job

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Same department, different job	318	-.04	.09**	-.04	.02	12.42	31.27**	-.04	-.09

Notes as for Table 6.3
***p < .05.*

Table 6.10 reports the line of congruence curvature statistic (.09) and slope (-.04) suggesting the line is a parabola with a distinct downward slope, which Figure 6.4 shows. Table 6.9 shows that the first principal axis has a positive intercept (p_{10}=3.41), and a slope of 14.60, which is considerably larger than 1, showing a distinct variation from the line of congruence. Table 6.10 indicates this axis has a positive surface curvature and positive slope along the line X = 0. These statistics indicate that in Figure 6.4, the axis runs along the intermediate line between high and low adequate HPHRP where a positive parabola is present.

The second principal axis appears to have a positive intercept only slightly differing from zero, and a negative slope, as reported in Table 6.9. Furthermore, this axis has a negative surface curvature and a negative slope along the line X = 0. This suggests that this axis has a negative parabola shape, which would indicate the line runs along the intermediate line on the high to low actual HPHRP scale in Figure 6.4.

Transfer into a different department and maintaining the same career

The polynomial regressions analysis conducted in SAS between the predictor variables (actual and adequate HPHRP) and the destination of a different department and same job produced no usable models. The models either had extremely low R^2 values and therefore very low predictive power, or were not significant at an acceptable level (90%, 95% or 99% levels). This may well suggest that only a weak relationship exists between the measured high-performance HR practices and the destination of *different department, same job*.

Transfer into a different department and selection of a different career

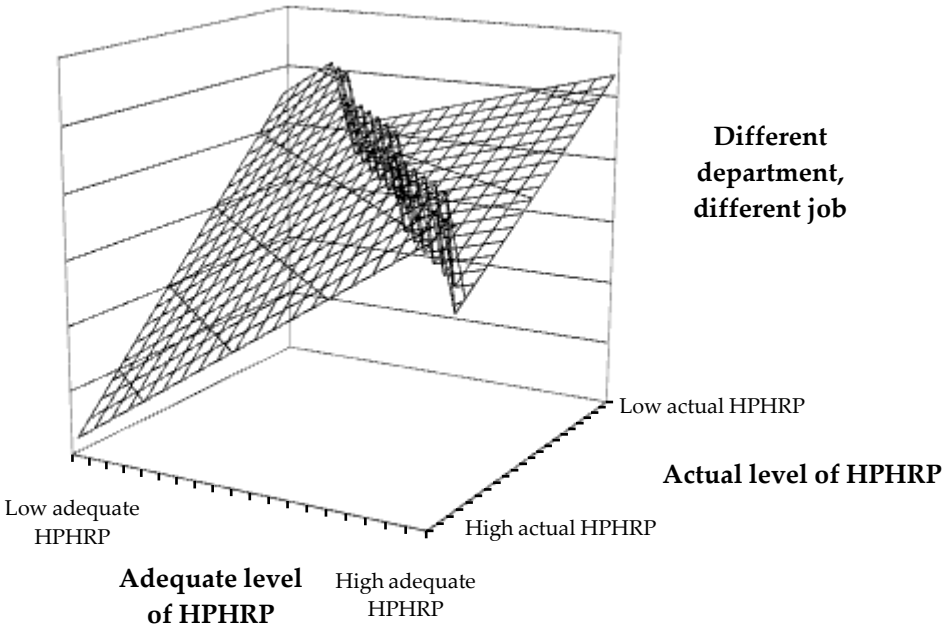
This analysis examines the actual and adequate levels of HPHRP against the likelihood of transferring into a different department and a different job (*different department, different job*) on a constant sum scale. Table 6.11 shows the best model is the unconstrained absolute differences model (R^2=.07; ΔR^2 =.03; p-value significant at 95% level). Figure 6.5 shows the graph has a piecewise linear surface.

Table 6.11 Model comparisons for different department, different job (constant sum scale)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	320	6	313	.04	2.13**	-	-
Constrained algebraic differences	320	7	312	.04	1.84*	.00	.11
Unconstrained algebraic differences	320	8	311	.04	1.71*	.00	.84
Higher order algebraic differences	320	11	308	.05	1.44	.01	.75
Constrained absolute differences	320	7	312	.04	1.82*	-	-
Unconstrained absolute differences	320	11	308	.07	2.15**	.03	2.66**
Higher order absolute differences	320	17	302	.08	1.59*	.01	.59
Constrained squared differences	320	7	312	.04	1.84*	-	-
Unconstrained squared differences	320	11	308	.05	1.44	.01	.77
Higher order squared differences	320	15	304	.06	1.24	.01	.68

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.5 Response surface analysis of different department, different job (constant sum measure)



6.2.3. Move to a different organisation

Likelihood of moving into a different organisation (constant sum measure)

The turnover destination of a different organisation (*different firm*) and actual and adequate HPHRP levels were analysed. Table 6.12 shows the ten sets of model statistics.

Table 6.12 Model comparisons of different firm (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	352	6	345	.06	3.50***	-	-
Constrained algebraic differences	352	7	344	.08	3.99***	.02	6.57***
Unconstrained algebraic differences	352	8	343	.12	5.98***	.05	18.50***
Higher order algebraic differences	352	11	340	.14	5.02***	.02	2.29*
Constrained absolute differences	352	7	344	.07	3.71***	-	-
Unconstrained absolute differences	352	11	340	.12	4.38***	.05	5.23***
Higher order absolute differences	352	17	334	.16	3.79***	.04	2.50**
Constrained squared differences	352	7	344	.07	3.52***	-	-
Unconstrained squared differences	352	11	340	.14	5.02***	.07	7.20***
Higher order squared differences	352	15	336	.16	4.40***	.02	2.46**

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p < .01.*
***p < .05.*
**p< .10.*

The most descriptive is the unconstrained squared differences model with the highest ΔR^2 (.07), raw R^2 of .14 and p-value significant at the 99% level.

Figure 6.6 illustrates the graphed relationships, showing an almost planar surface. Table 6.13 reports the stationary points and principal axes of *different firm* and Table 6.14 shows the slopes along lines of interest of *different firm*.

Figure 6.6 Response surface analysis of different firm (constant sum measure)

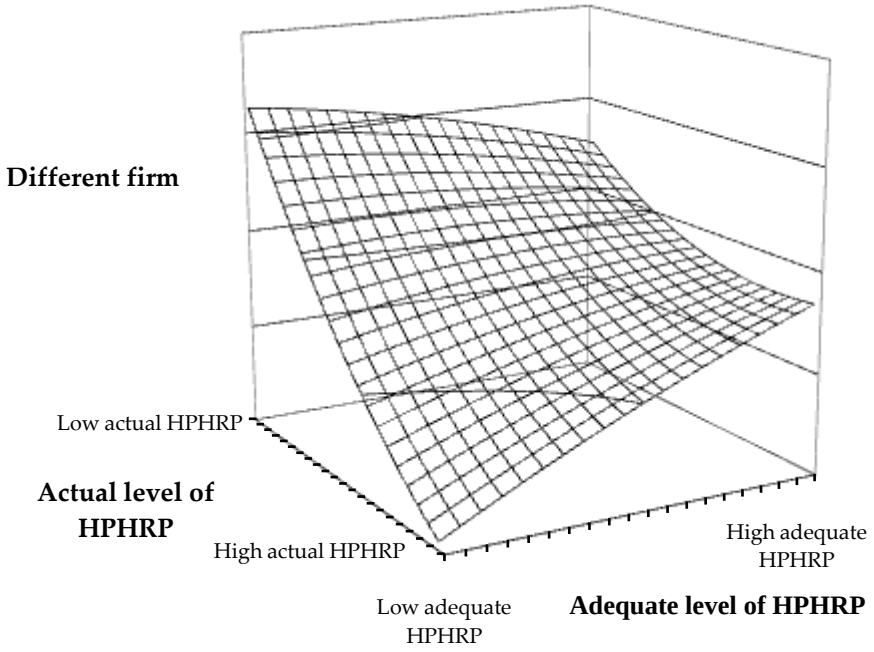


Table 6.13 Stationary points and principal axes of different firm (constant sum measure)

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Different firm	352	1.89**	-.58	-3.75**	1.96	.91**	-.51

Notes as for Table 6.2
***p <. .05.*

Table 6.14 Slopes along lines of interest of different firm (constant sum measure)

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Different firm	352	-.16**	.19**	.31**	-.07	-1.71**	0.53**	.24	-.06

Notes as for Table 6.3
***p < .05.*

Table 6.13 shows the first principal axis has a negative intercept (-3.75) and slope slightly above 1 (1.96), and Table 6.14 reveals the line has a positive surface curvature, but a negative slope along the line X = 0. This would point towards the first principal axis as a gentle downward sloping line. This might indicate that the line runs parallel to the low to

high actual HPHRP scale. The second principal axis has a positive intercept and a slightly negative slope, (Table 6.13).

Furthermore the surface curvature of the second principal axis is positive, with a negative slope along the line X = 0 (in Table 6.14). This suggests a gentle positive parabola with a downward slope. This line most likely runs parallel to the low to high adequate HPHRP scale. The line of congruence runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP. Table 6.14 shows that the line of congruence has a curvature of -.16 and a slightly positive slope, which is visible in Figure 6.6.

Likelihood of moving into a different organisation (Likert measure)

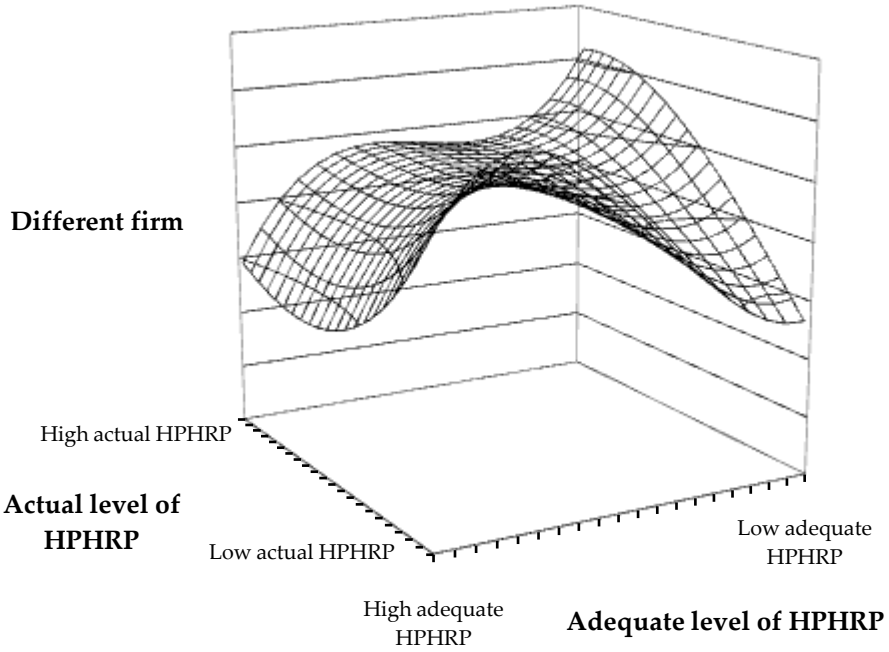
This analysis examined actual and adequate HPHRP levels against the destination of *different firm* as measured on a Likert scale. The analysis revealed that the most descriptive model is the higher-order squared differences model. Table 6.15 reveals that this model has the highest change in R^2 (.03) amongst the models (raw R^2 = .08, $p < .05$). Figure 6.7 shows that the surface of the graph is curvilinear.

Table 6.15 Model comparisons of different firm (Likert measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	360	6	353	.04	2.35**	-	-
Constrained algebraic differences	360	7	352	.04	2.18**	.00	1.15
Unconstrained algebraic differences	360	8	351	.04	1.98**	.00	.56
Higher order algebraic differences	360	11	348	.05	1.58*	.01	.55
Constrained absolute differences	360	7	352	.04	2.04**	-	-
Unconstrained absolute differences	360	11	348	.05	1.67*	.01	1.03
Higher order absolute differences	360	17	342	.07	1.55*	.02	1.32
Constrained squared differences	360	7	352	.04	2.02**	-	-
Unconstrained squared differences	360	11	348	.05	1.58*	.01	.83
Higher order squared differences	360	15	344	.08	1.99**	.03	3.02**

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.7 Response surface analysis of different firm (Likert measure)



Moving into a different organisation and maintaining the same career

Analysis of the actual and adequate HPHRP levels against the probability of moving into a different organisation and the same job type (*different firm, same job*) suggested the higher-order squared differences model represents the relationships most accurately (Table 6.16).

Table 6.16 Model comparisons of different firm, same job (constant sum)

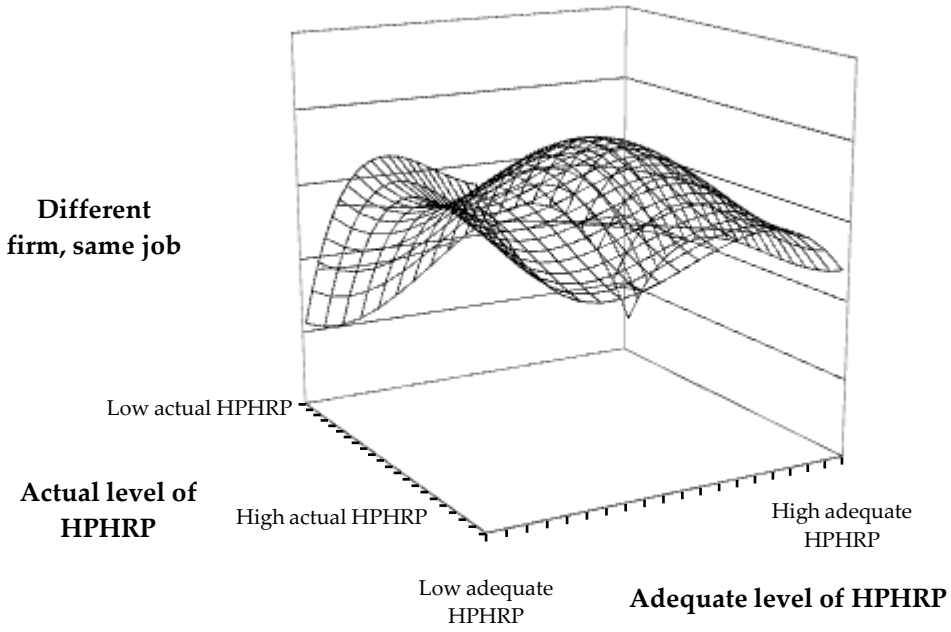
Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	346	6	339	.03	1.84*	-	-
Constrained algebraic differences	346	7	338	.04	2.24**	.01	4.54**
Unconstrained algebraic differences	346	8	337	.07	3.35***	.03	10.70***
Higher order algebraic differences	346	11	334	.09	2.92***	.01	1.71
Constrained absolute differences	346	7	338	.04	1.94*	-	-
Unconstrained absolute differences	346	11	334	.08	2.47***	.04	3.30***
Higher order absolute differences	346	17	328	.12	2.59***	.04	2.67**
Constrained squared differences	346	7	338	.04	1.74*	-	-
Unconstrained squared differences	346	11	334	.09	2.92***	.05	4.84***
Higher order squared differences	346	15	330	.13	3.24***	.04	3.85***

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Two other models (the unconstrained algebraic differences and unconstrained squared differences models) appear almost acceptable for graphing. Table 6.16 shows that both of these models have 99% significance levels and the unconstrained squared differences model has a higher ΔR^2 (.05), however the higher-order squared differences model qualifies overall as the best illustrator of the relationships because it has the highest raw R^2 (.13), a ΔR^2 of .04 and p-value significant at the 95% level support this choice.

Figure 6.8 shows the graphed relationships of actual and adequate HPHRP levels and *different firm same job.*

Figure 6.8 Response surface analysis of different firm, same job (constant sum measure)



Moving into a different organisation and selection of a different career

This analysis examines actual and adequate HPHRP levels against the destination choice of a different firm and a different job type (*different firm, different job*). The best model is the unconstrained squared differences model with a ΔR^2 of .06, a raw R^2 of .13, and a p-value at 99% confidence level (in Table 6.17). The relationships were graphed in Figure 6.9 and show a saddle-shaped surface.

Table 6.17 Model comparisons of different firm, different job (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	339	6	332	.05	2.83***	-	-
Constrained algebraic differences	339	7	331	.06	3.09***	.01	4.53**
Unconstrained algebraic differences	339	8	330	.09	4.09***	.03	10.50***
Higher order algebraic differences	339	11	327	.13	4.33***	.04	4.60***
Constrained absolute differences	339	7	331	.06	3.10***	-	-
Unconstrained absolute differences	339	11	327	.10	3.41***	.04	3.77***
Higher order absolute differences	339	17	321	.14	3.17***	.04	2.54**
Constrained squared differences	339	7	331	.06	3.19***	-	-
Unconstrained squared differences	339	11	327	.13	4.33***	.06	5.98***
Higher order squared differences	339	15	323	.14	3.55***	.01	1.36

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*

Figure 6.9 Response surface analysis of different firm, different job (constant sum measure)

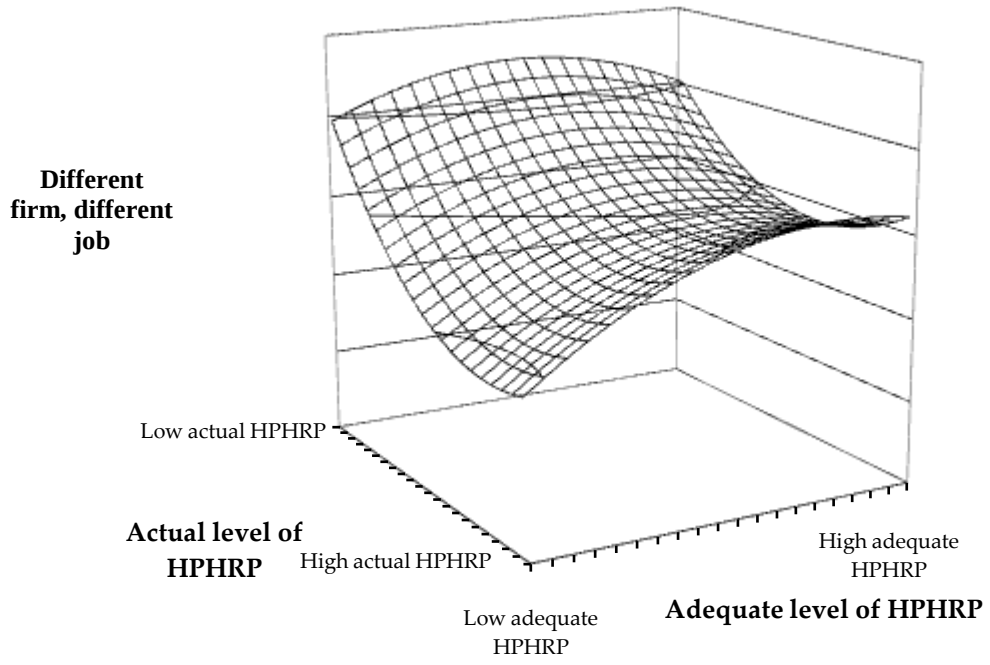


Table 6.18 shows the stationary points, and principal axes of the *different firm, different job* graph. The slopes along lines of interest for the graph appear in Table 6.19.

Table 6.18 Stationary points and principal axes of different firm, different job (constant sum measure)

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Different firm, different job	339	.64	.33	-.20	8.34	.34**	-.12

Notes as for Table 6.2
***p <. .05.*

Table 6.19 Slopes along lines of interest of different firm, different job (constant sum measure)

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Different firm, different job	339	-.14**	.15**	.12	.01	-.87	13.67**	.02	-.12

Notes as for Table 6.3
***p < .05.*

Table 6.19 shows the line of convergence has a surface curvature of .15 and a negative slope along the X = 0 line. This indicates that the line of convergence has a gentle positive parabola shape with a downwards slope.

Table 6.18 reveals that the first principal axis has a negative intercept and steep slope, Table 6.19 shows that this axis also has a negative surface curvature and steep slope along the line X = 0. This suggests that the first principal axis has a negative parabola shape. This would indicate that this axis runs parallel to the low to high adequate HPHRP scale. The second principal axis has a positive intercept and gentle negative slope as reported in Table 6.18. Furthermore this axis has a surface curvature of .02, suggesting very little variation from the line of congruence, and a negative slope along the X = 0 line. This suggests that the second principal axis running parallel to the low to high actual HPHRP scale in a positive parabola shape.

6.2.4. Emigration

Likelihood of emigration

Actual and adequate HPHRPs analysed against the dependent variable of the likelihood of emigration (*likelihood of emigration*) showed the most suitable model is the

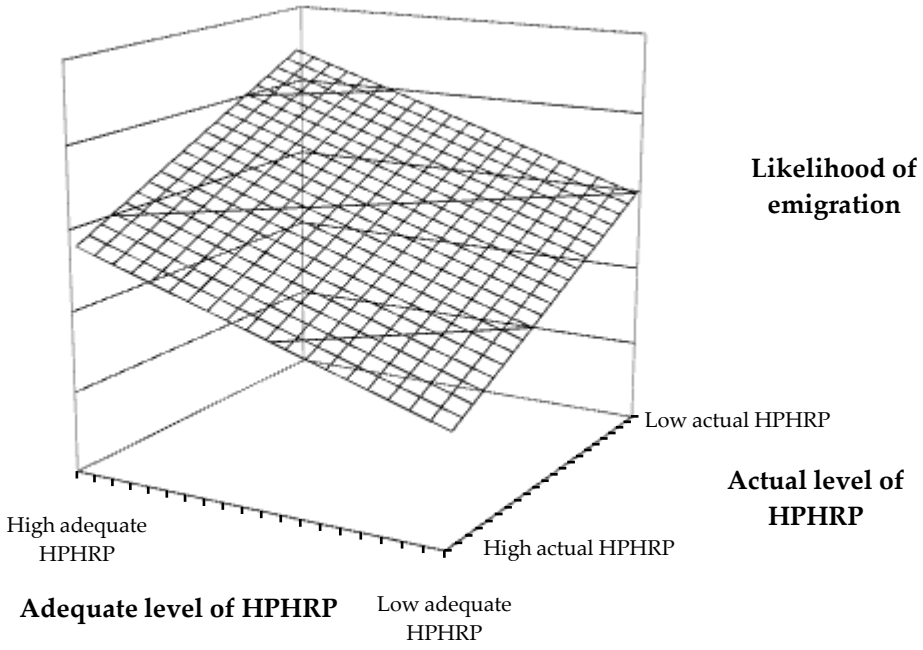
constrained algebraic differences model ($\Delta R^2 = .03$; $R^2 = .10$; $p = .002$) as reported in Table 6.20. Figure 6.10 shows the planar graph surface due to the constrained model.

Table 6.20 Model comparisons of likelihood of emigration (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	320	6	313	.07	4.07***	-	-
Constrained algebraic differences	320	7	312	.10	5.03***	.03	10.10***
Unconstrained algebraic differences	320	8	311	.10	4.44***	.00	.41
Higher order algebraic differences	320	11	308	.11	3.54***	.01	1.13
Constrained absolute differences	320	7	312	.08	3.66***	-	-
Unconstrained absolute differences	320	11	308	.11	3.49***	.04	3.04**
Higher order absolute differences	320	17	302	.12	2.48***	.01	.66
Constrained squared differences	320	7	312	.08	3.91***	-	-
Unconstrained squared differences	320	11	308	.11	3.54***	.03	2.74**
Higher order squared differences	320	15	304	.11	2.59***	.00	.08

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.10 Response surface analysis of likelihood of emigration (constant sum measure)



Emigration and maintaining the same career

Emigration, same job (constant sum measure)

Actual and adequate HPHRP levels were examined in respect to the dependent variable of emigration and maintaining the same job type (*emigration, same job*). Table 6.21 shows the unconstrained squared differences model has the highest ΔR^2 of .05, a raw R^2 of .10 and significance at the 99% level and thus best describes the relationships.

Figure 6.11 shows the graphed model, which has a bowl-shaped surface.

Table 6.21 Model comparisons of emigration, same job (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	317	6	310	.03	1.83*	-	-
Constrained algebraic differences	317	7	309	.07	3.12***	.03	10.60***
Unconstrained algebraic differences	317	8	308	.07	2.78***	.00	.39
Higher order algebraic differences	317	11	305	.10	2.91***	.03	3.11**
Constrained absolute differences	317	7	309	.04	1.96*	-	-
Unconstrained absolute differences	317	11	305	.08	2.48***	.04	3.30***
Higher order absolute differences	317	17	299	.11	2.26***	.03	1.78*
Constrained squared differences	317	7	309	.05	2.27**	-	-
Unconstrained squared differences	317	11	305	.10	2.91***	.05	3.88***
Higher order squared differences	317	15	301	.10	2.18***	.00	.25

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.11 Response surface analysis of emigration, same job (constant sum measure)

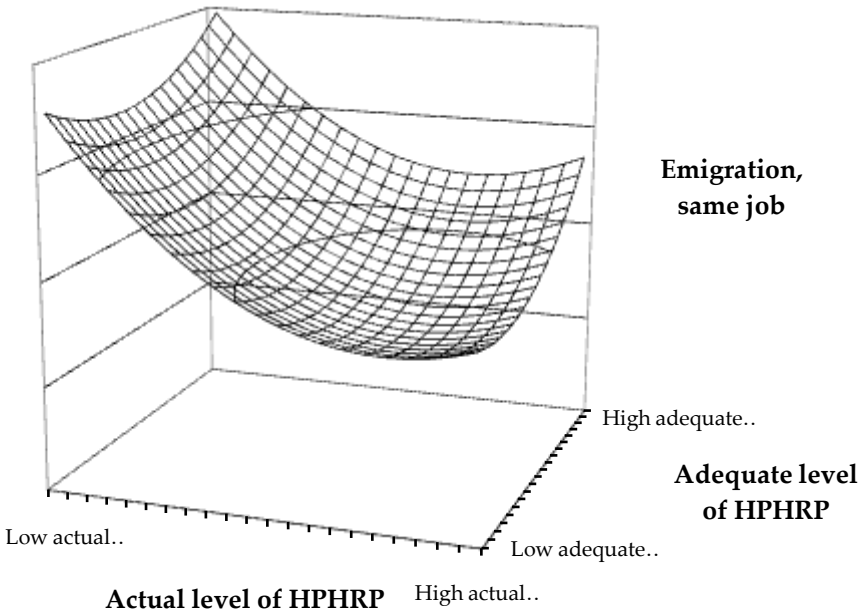


Table 6.22 reports the stationary points and principal axes of *emigration, same job* and Table 6.23 shows the slopes along lines of interest of *emigration, same job*.

Table 6.22 Stationary points and principal axes of emigration, same job (constant sum measure)

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Emigration, same job	317	-1.35	.56	9.64	6.75	.36**	-.15

Notes as for Table 6.2
***p <. .05.*

Table 6.23 Slopes along lines of interest of emigration, same job (constant sum measure)

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Emigration, same job	317	.02	.12**	.16**	.10	10.35	3.51**	.10	.04

Notes as for Table 6.3
***p < .05.*

Table 6.22 shows that the first principal axis has a positive intercept and steep slope, suggesting that the line is significantly steeper than the line of congruence. Additionally, Table 6.23 shows that this axis has a positive surface curvature and slope along the line X = 0. This would suggest the first principal axis runs parallel to the high to low actual HPHRP scale, which is consistent with a positive parabola with a steep slope and curvature.

The second principal axis appears to have a positive intercept close to zero and a negative slope, as Table 6.22 reports, which suggests a gently downward-sloped parabola. Table 6.23 shows that the surface curvature and slope along the line X = 0 are positive and close to zero, indicating only a slight curve. This might indicate that the second principal axis runs parallel to the high to low adequate HPHRP scale, where a line with a gentle downward slope is possible.

Table 6.23 shows that the curvature of the line of congruence indicated by a_{x^2} is gentle, and only slightly above zero, with a positive gentle slope as a_x shows.

Temporary emigration, same job measured on the Likert scale

The predictor variables of actual and adequate high-performance HR practice levels analysed against the turnover destination of temporary emigration while staying in the same job (temporary emigration, same job) generated no models with suitable R^2 values or

acceptable significance levels. This may well indicate that the actual and adequate levels of HPHRPs may only have a weak effect on the selection of this destination.

Permanent emigration, same job measured on the Likert scale

The analysis of the actual and adequate HPHRP levels against the turnover destination of permanent emigration, same job produced no models with acceptable R^2 values and significance levels, therefore none were graphed. This might suggest a relatively weak effect of the HPHRPs on the selection of *permanent emigration, same job*.

Emigration and selection of a different career

Emigration and different job measured on the constant sum scale

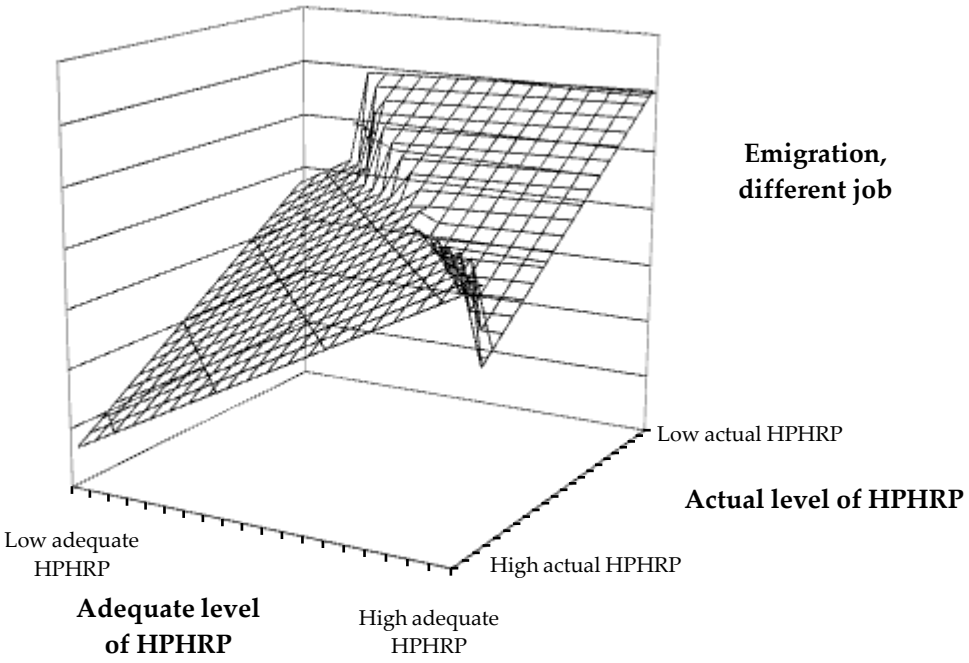
Analysing actual and adequate HPHRP levels against the dependent variable of emigration and a different job type (*emigration, different job*) shows the best model is the unconstrained absolute differences model. Table 6.24 reveals that this model has the highest ΔR^2 (.02), a raw R^2 of .12 and p-value significant at the 90 percent level. Figure 6.12 shows the graph of *emigration, different job*, indicating a piecewise linear surface.

Table 6.24 Model comparisons of emigration, different job (constant sum measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	313	6	306	.10	5.57***	-	-
Constrained algebraic differences	313	7	305	.11	5.53***	.01	4.85**
Unconstrained algebraic differences	313	8	304	.11	4.85***	.00	.21
Higher order algebraic differences	313	11	301	.12	3.88***	.01	1.24
Constrained absolute differences	313	7	305	.10	4.87***	-	-
Unconstrained absolute differences	313	11	301	.12	3.88***	.02	2.03*
Higher order absolute differences	313	17	295	.13	2.63***	.01	.42
Constrained squared differences	313	7	305	.10	5.07***	-	-
Unconstrained squared differences	313	11	301	.12	3.88***	.02	1.70
Higher order squared differences	313	15	297	.13	2.92***	.00	.38

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*
**p<.10.*

Figure 6.12 Response surface analysis of emigration, different job (constant sum measure)



Temporary emigration and a different job measured on the Likert scale

This analysis is of the actual and adequate HPHRP factors and the turnover destination of temporary emigration and a different job type (*temporary emigration, different job*) measured on the Likert scale. The model statistics for comparison appear in Table 6.25. The unconstrained squared differences model proves the best model with the highest ΔR^2 (.04) a raw R^2 of .08 and significance at the 99% level.

Table 6.25 Model comparisons of temporary emigration, different job (Likert measure)

Analysis	N	DF1	DF2	R^2	F	ΔR^2	F_c
Base model	359	6	352	.02	1.43	-	-
Constrained algebraic differences	359	7	351	.04	2.03**	.02	5.55**
Unconstrained algebraic differences	359	8	350	.06	2.56***	.02	6.05***
Higher order algebraic differences	359	11	347	.08	2.69***	.02	2.93**
Constrained absolute differences	359	7	351	.04	2.00**	-	-
Unconstrained absolute differences	359	11	347	.06	1.97**	.02	1.89
Higher order absolute differences	359	17	341	.08	1.75**	.02	1.34
Constrained squared differences	359	7	351	.04	1.99**	-	-
Unconstrained squared differences	359	11	347	.08	2.69***	.04	3.80***
Higher order squared differences	359	15	343	.09	2.18***	.01	.77

Note: The column labelled F_c contains F-ratios for the test of constraints imposed by the squared difference score, which is equivalent to the test of difference in R^2 values for the constrained and unconstrained equations.
****p<.01.*
***p < .05.*

Figure 6.13 shows the graph of the destination temporary emigration, different job. the surface is a saddle shape.

Figure 6.13 Response surface analysis for temporary emigration, different job (Likert measure)

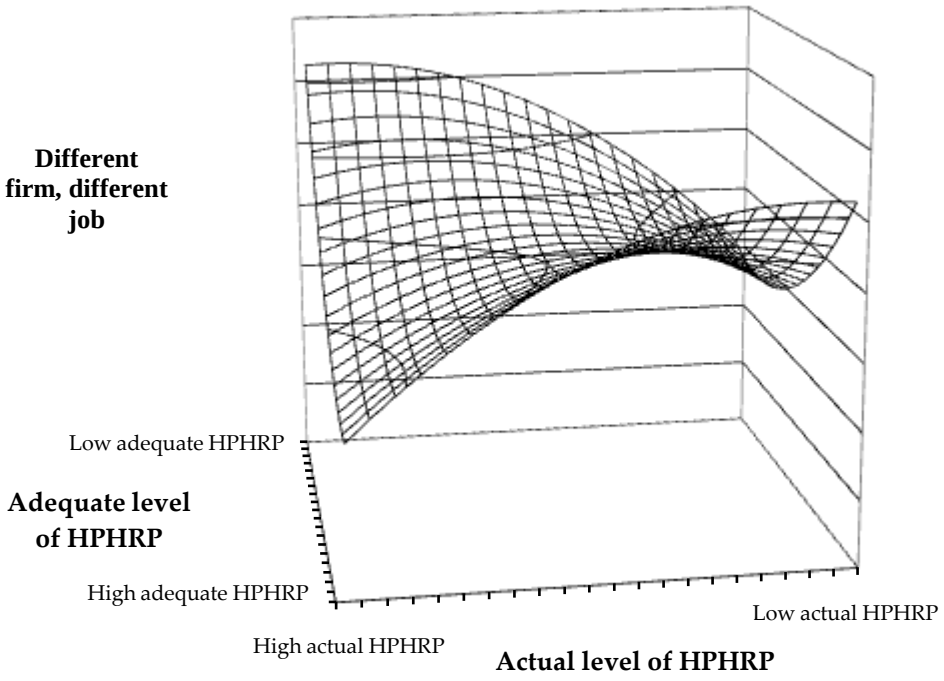


Table 6.26 gives the stationary points and principal axes of temporary emigration, different job. The slopes along lines of interest appear in Table 6.27.

Table 6.26 Stationary points and principal axes of temporary emigration, different job (Likert measure)

		Stationary Point		First Principal Axis		Second Principal Axis	
Destination	**N**	X_0	Y_0	P_{10}	P_{11}	P_{20}	P_{21}
Temporary emigration, different job	359	-.42	-.38	-.53**	-.35	.80	2.84

Notes as for Table 6.2
***p <. .05.*

Table 6.26 shows that the first principal axis of the graph has a negative intercept and slope, suggesting a downward sloping line and Table 6.27 reveals the first principal axis has a negative slope along the line X = 0, but a positive curvature. This indicates the first principal axis is a negative parabola, which would suggest the line runs parallel to the high to low actual HPHRP scale.

Table 6.27 Slopes along lines of interest of temporary emigration, different job (Likert measure)

		Y = X		Y = -X		First Principal Axis		Second Principal Axis	
Destination	**N**	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}	a_x	a_{x^2}
Temporary emigration, different job	359	-.53**	-.71**	.71	.67	-.45	.61	-4.22	-5.08**

Notes as for Table 6.3
***p < .05.*

Table 6.26 reveals that the second principal axis has a positive intercept and slope, suggesting a line which runs upwards. Table 6.27 shows that the second principal axis' curvature and slope along the surface of the X = 0 line are both negative. This indicates that the second principal axis is a positive parabola, thus it would run parallel to the low to high adequate HPHRP scale.

Permanent emigration and a different job measured on the Likert scale

The analysis of this destination and the predictor variables yielded no models with acceptable R^2 values or suitable significance. This might suggest the possibility that high-performance HR practices have only a weak effect on the selection of the turnover destination *permanent emigration, different job*.

6.2.5. Likelihood of leaving the workforce

This section discusses the analysis of the predictor variables against the turnover destination of likelihood of leaving the workforce. Only non-significant models with extremely small R^2 were produced by the analysis, and therefore no models are graphed. This would suggest that the effect of high-performance HR practices on an individual's decision to leave the workforce is probably weak.

6.3. Conclusion

This chapter presented the correlations of the independent, dependent, and control variables, and discussed correlations of interest and significance.

The next section reported the response surface analysis for the likelihood of each turnover destination. Each turnover destination was analysed by means of polynomial regression, which produces ten models for comparison. Those that produced an acceptable model were presented with a model comparisons table and figure depicting the response

surface graph produced from the best model. Destinations that produced curvilinear graphs included tables showing stationary points, principal axes, and slopes along lines of interest. For these models, a section on the interpretation of the graph surface statistics was also included.

Chapter Seven interprets the response surface analysis graphs, and discusses the findings with respect to the thee principal turnover drivers – desirability of mobility, ease-of-movement and macro-economic circumstances. Where appropriate, the relevant theory underpinning each driver is included in interpretation.

CHAPTER 7. DISCUSSION

This chapter discusses the analysis of the predictor variables against each turnover destination. The results chapter (chapter 6) presents the graphs and model comparisons for each destination analysed with response surface methodology.

I discuss each destination separately, and I note commonalities amongst the destinations in each broader destination group - the internal transfer destinations, external market moves and emigration destinations. The discussions of analyses that produced higher-order algebraic models, or unconstrained squared differences models include a summary findings table. This table reports the lines of congruence and incongruence, the high and low points of the surface and short interpretations of each feature.

As chapter 6 shows, some turnover destinations have two graphs. Where both the constant sum-scaled dependent variable measures and the Likert-scaled dependent variable measures produced acceptable models, I chose to graph both models. Therefore, some sections in this chapter discuss two graphs on the same turnover destination. All figures and model comparison tables are found in chapter 6.

7.1. Likelihood of Leaving

This section discusses the analysis of the actual and adequate high-performance HR practices and the likelihood of leaving the current job (*likelihood of leaving*). Table 6.1 reports the statistics of the ten models compared for this analysis. The table shows that the unconstrained squared differences model has the highest ΔR^2, suggesting that this model best illustrates the relationships between the predictor variables and the likelihood of leaving. Figure 6.1 depicts the saddle-shaped surface of the *likelihood of leaving* graph.

Table 7.1 discusses the lines of congruence and incongruence and the high and low points of the surface, and provides a brief interpretation for each feature. Along the line of congruence, an employee who experiences low actual high-performance HR practice (hereafter referred to as HPHRP) provision, and has low expectations of HPHRP seems highly likely to leave the firm.

Table 7.1 Summary findings of likelihood of leaving (constant sum measure)

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X):	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP.	Along the line of congruence, a person experiencing lower actual and adequate HPHRP or higher actual and adequate HPHRP appears the most likely to leave.
Shape:	Positive parabola	
Denotes:	Higher likelihood of destination at extreme low actual, low adequate HPHRP and extreme high actual, high adequate HPHRP.	
b. Line of disagreement/ incongruence (Y= - X):	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP.	Along the line of disagreement, as a person's actual HPHRP provision increases and adequate HPHRP expectations decrease, the likelihood of leaving decreases.
Shape:	Negative parabola	
Denotes:	Lower likelihood of destination as actual HPHRP increases and adequate HPHRP decreases.	
c. High point/s of graph	Along line of lowest actual HPHRP provision	Indicates the point at which the likelihood of leaving is highest.
Region in which the move is most likely	Lower actual HPHRP and low to high adequate HPHRP.	A person who experiences moderately low to low actual HPHRP provision and has anywhere from low to high adequate HPHRP expectations has the highest likelihood of leaving.
d. Low point/s of graph	Where highest actual HPHRP meets lowest adequate HPHRP.	Indicates the point at which the likelihood of leaving is lowest.
Region in which the move is least likely	Where high actual HPHRP meets low adequate HPHRP.	A person who experiences high actual HPHRP provision and has low adequate HPHRP expectations appears the least likely to leave.

The highest points on the graph are in the region of lowest actual HPHRP provision. This indicates that highest likelihood of leaving occurs when provision of HPHRP is low. The increased likelihood of leaving may be because the firm has fallen short of employee expectations about the adequate level of HPHRP provision.

Perceived under-provision of HPHRP may lead to an increased desirability of mobility, encouraging employees to quit in favour of an alternative destination that could potentially match their expectations about adequate levels of HPHRP better (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966).

However, little experience of actual HPHRP would most likely restrict the employee's destination options because of weak signal strength (Spence, 1973; Trevor, 2001). This would suggest relatively low ease-of-movement and a lack of perceived opportunities in the labour market, which may discourage a move into the external labour market (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002). As lower provision of actual HPHRP would probably place restrictions on ease-of-movement, thereby discouraging an employee from leaving the firm, other issues most probably contribute to the increased likelihood of leaving.

Structural issues independent of HPHRP levels might be a cause for the increased probability of leaving when experience of actual HPHRP is low. Structural issues could be the source of an individual's disaffection with the organisation and perhaps push the person to leave on impulse in order to rectify the situation promptly. Such affect might explain why likelihood of leaving appears high despite possible difficulty moving into the labour market. An individual in this position may well effect an impulsive quit without conducting a search or evaluating existing alternatives, as the unfolding model hypothesises (Lee & Mitchell, 1994).

Along the line of congruence, the likelihood of leaving increases slightly in the region of moderately high actual HPHRP provision high adequate HPHRP expectations. A person in this position might have enhanced signals due to experience of higher HPHRP. Stronger signals would probably increase ease-of-movement and perceived opportunities in the macro-economic environment (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Spence, 1973; Trevor, 2001). Greater ease-of-movement may cause increased desirability of mobility, most likely leading a worker in this position to conduct a job search. Through a job search, a person who has experienced higher actual HPHRP provision would probably find a number of alternatives available. After comparing the alternatives against the current job, the individual may well conclude that one or more alternatives appear more desirable in respect to potential utility than the current job. Increased desirability of an

alternative could contribute to a higher likelihood of leaving. The likelihood of leaving may increase in this situation because the individual has a careerist attitude towards the job and perhaps perceives potentially greater utility from an alternative.

Additionally, stronger signalling power to the external market may also result in a greater number of unsolicited job offers (Lee et al., 2008). The perceived potential utilities of such offers could perhaps pull an individual away from their current job despite reasonable satisfaction and no job search (Mobley et al., 1979).

Figure 6.1 suggests that, as actual HPHRP provision increases, the likelihood of leaving decreases significantly when a person has very low adequate HPHRP expectations. The likelihood of leaving is lowest where an employee experiences high actual HPHRP and has low adequate HPHRP expectations (Table 7.1.). Experiencing HPHRP markedly above an employee's expectations seems to reduce their likelihood of leaving considerably. This may illustrate over-provision of actual HPHRP. Higher KSAs and associated signal strength may arise due to over-provision of HPHRP (Spence, 1973; Trevor, 2001). Greater ease-of-movement and perceived opportunities would most likely also arise (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002). These factors should make transition into the external labour market easier. However, Figure 6.1. shows a decrease in the likelihood of leaving when adequate HPHRP expectations are lower, suggesting that, despite the relative ease with which a person in this position may move into the external labour market, he or she chooses to stay in the organisation.

The lower expectations about HPHRP provision may point towards the effects high HPHRP may have in retaining employees. Higher provision of actual HPHRP could be a pull factor retaining employees because of their attachment to the firm and investments in the organisation (Mano-Negrin & Kirschenbaum, 1999). Organisational attachment and investments, that could potentially be lost on departure from the firm, may perhaps encourage a person to stay in order to retain the level of HPHRP available, despite the fact that the level provided appears to exceed his or her expectations (Becker, 1960; Cohen & Lowenberg, 1990; Mano-Negrin & Kirschenbaum, 1999; Wallace, 1997).

7.2. Internal Transfer

This section discusses the analyses of the likelihood of internal transfer, as measured on the constant sum and Likert scales, and the internal transfer turnover destinations further categorised by department and job type (*same department, different job* and *different department, different job*). Consideration for the similarities between the findings of each of these destinations concludes the section.

7.2.1. Likelihood of transfer (constant sum measure)

Likelihood of transfer describes the possibility an individual will move within the same organisation. This section discusses the analysis of the actual and adequate HPHRP levels and *likelihood of transfer* as measured on a constant sum scale. Table 6.4 reports the model comparisons for this analysis, showing that the unconstrained absolute differences model has the highest ΔR^2, suggesting that this model most likely describes the relationships between the predictor variables and *likelihood of transfer* best. Figure 6.2 shows the piecewise linear surface this model generated.

In Figure 6.2, interesting activity occurs along the line of congruence, which runs from the point at which actual and adequate HPHRP are both low to where actual and adequate HPHRP are both high.

The highest points on the graphs run along the line of low actual HPHRP provision. These points indicate the region in which *likelihood of transfer* is highest. A person who has expectations that exceed actual HPHRP provision would likely experience increased desirability of mobility. The increased desire to move would probably be in an effort to remedy the incongruence between reality and expectations, by finding a position that matches adequate HPHRP expectations more closely (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Experience of low actual HPHRP would suggest employees have not developed their KSAs significantly, most likely providing only weak signal to the external market (Spence, 1973; Trevor, 2001). A weak signal would probably make a transition into the external labour market difficult because of low ease-of-movement due to few perceived alternatives (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002).

The lower ease-of-movement would therefore probably place restrictions on a move into the external labour market. The restrictions most likely imposed on a move into the external labour market might make an internal move more feasible, thus increasing the *likelihood of transfer*.

These findings support hypothesis 1b, which suggests that lower emphasis on actual HPHRP would increase the likelihood of internal transfer.

Figure 6.2 shows that overall, as actual HPHRP provision increases, so the likelihood of internal transfer decreases. The higher adequate HPHRP expectations, the greater the decrease in the *likelihood of transfer* as actual HPHRP increases towards matching high adequate HPHRP. This decrease in *likelihood of transfer* might indicate that employees experiencing moderate to high actual HPHRP may rather elect to move externally because of greater signal strength and higher ease-of-movement most likely brought about through exposure to high levels of actual HPHRP (Spence, 1973; Trevor, 2001). Increased ease-of-movement might arise due to greater visibility of alternatives in the external job market. Additionally, unsolicited job offers may encourage the departure of reasonably satisfied employees because of their signals to the external market (Lee et al., 2008).

Figure 6.2 shows that interesting activity occurs along the line of congruence. *Likelihood of transfer* increases sharply roughly along the line of congruence, specifically the closer and higher actual and adequate HPHRP levels are. The closer actual HPHRP provision matches with high expectations, the higher the *likelihood of transfer*. High actual HPHRP provision may well increase organisational attachment, investments in the firm and job embeddedness (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997). These factors may contribute towards an increased likelihood of internal transfer.

Hypothesis 1a suggests that high emphasis on actual HPHRPs would cause higher internal transfer because of greater internal mobility and feelings of organisational attachment and investments in the firm. These findings partially support *Hypothesis 1a* because high actual HPHRP provision only appears to encourage internal transfer where employees have higher adequate HPHRP expectations. Conversely, as actual HPHRP provision increases and adequate HPHRP expectations decrease, the lower the *likelihood of transfer* becomes.

In Figure 6.2, where high actual HPHRP provision and low adequate HPHRP expectations meet reveals the point at which the *likelihood of transfer* is lowest.

As actual HPHRP provision increases and adequate HPHRP expectations decrease, so the desirability to transfer internally reduces. The region in which the likelihood of internal transfer appears lowest might indicate over-provision of actual HPHRP.

Given the likely increased KSAs and greater ease-of-movement provided by high actual HPHRP provision, an employee with lower HPHRP expectations may perceive several alternatives. An increase in these drivers might increase the worker's desirability of mobility. Enhanced individual and macro-economic turnover drivers may encourage an external move rather than an internal transfer because the individual might perceive greater potential utility in one of the alternatives. A person may choose an external move despite increased organisational attachment, job embeddedness and investments because of the greater desirability of an alternative (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997).

Alternatively, a person who experiences actual HPHRP provision that greatly exceeds his or her expectations of HPHRP may well develop an increased desire for the current job. Aspects such as attachment to the organisation, job embeddedness and the perception of a potential for loss of investments upon departure could all contribute towards this desirability (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997). These factors might encourage the person to stay in the current organisation in order to ensure he or she continues to benefit from the security brought about by attachment and the perceived investment in the firm.

7.2.2. Likelihood of transfer (Likert measure)

I discuss the analysis of the actual and adequate HPHRP levels and *likelihood of transfer* as measured on the Likert scale in this section. Table 6.5 shows the statistics of the ten models compared in this analysis. The table shows that the unconstrained squared differences model most likely describes the predictor variables' relationship with the likelihood of transfer best. Figure 6.3 shows the graph surface is just slightly saddle shaped. Table 7.2 reports a summary of the findings for this *likelihood of transfer* graph.

Table 7.2 Summary findings of likelihood of transfer (Likert measure)

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X):	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP.	Along the line, as actual HPHRP provision decreases and adequate HPHRP expectations decrease, the less likely internal transfer becomes.
Shape:	Negative parabola	
Denotes:	Likelihood of transfer decreases as low actual moves towards low adequate HPHRP on the line.	
b. Line of disagreement (Y= - X):	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP.	Along the line of disagreement, as actual HPHRP provision decreases and adequate HPHRP expectations increase, likelihood of internal transfer decreases
Shape:	Negative parabola	
Denotes:	The likelihood transfer reduces as actual HPHRP decreases and adequate HPHRP increases on the line.	
c. High point/s of graph	Where highest actual HPHRP meets lowest adequate HPHRP.	Indicates the point at which the likelihood of transfer is highest.
Region in which the move is most likely	Highest actual HPHRP and moderately-low to low adequate HPHRP.	A person with moderately low to low adequate HPHRP expectations and experience of higher actual HPHRP provision appears most likely to transfer.
d. Low point/s of graph	Where lowest actual HPHRP meets highest adequate HPHRP.	Indicates the point at which the likelihood of transfer is lowest.
Region in which the move is least likely	In the region of low actual HPHRP and high adequate HPHRP, both moving towards the low point of the graph.	A person least likely to effect an internal transfer is one who experiences lower actual HPHRP provision and has very high adequate HPHRP expectations.

The line of congruence slopes slightly downwards as it moves from high actual and adequate HPHRP to low actual and adequate HPHRP. This would suggest an overall decrease in the *likelihood of transfer* along this line as actual HPHRP provision and adequate HPHRP expectations lower. The graph shows that *likelihood of transfer* is highest when an individual experiences high actual HPHRP provision and has low adequate HPHRP expectations. At this point, the organisation may perhaps be severely over-providing the

employee because actual HPHRP provision greatly exceeds his or her adequate HPHRP expectations.

Experience of high actual HPHRP provision may result in a stronger attachment to the organisation, and job embeddedness may enhance desirability of the current job (Bretherton, 1985; Holtom & Inderrieden; 2006; Mitchell et al., 2001). Similarly, the potential threat of losing intangible investments upon departure might retain an employee in this position (Becker, 1960; Cohen & Lowenberg, 1990; Wallace, 1997). Should such an individual feel strongly attached to the organisation, he or she may well elect to move internally rather than externally in order to ensure they stay in the proximity of the firm (Bretherton, 1985). These findings support hypothesis 1a, which suggests higher actual HPHRP leads to a higher chance of internal transfer.

Along the line of disagreement, the as actual HPHRP provision decreases and as adequate HPHRP expectations increase, *likelihood of transfer* decreases overall. Figure 6.3 shows that the *likelihood of transfer* is lowest where an employee has low actual HPHRP provision and high adequate HPHRP expectations. As expectations become higher and actual provision of HPHRP decreases, an individual may feel an increased desirability of mobility. A person in this position may feel a need to find a destination that could potentially provide actual HPHRP at a closer level to his or her expectations (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). As provision of HPHRP is probably an organisation-wide phenomenon, the individual could possibly select an external destination choice over a transfer. These findings do not support hypothesis 4b, which suggests that lower emphasis on high-performance HR practices would lead to a higher chance of an internal transfer.

7.2.3. Same department, different job

I analysed the actual and adequate HPHRP levels against the turnover destination of moving into a different job in the same department (*same department, different job*). This destination was measured on a constant sum scale. Table 6.8 reports the model comparison statistics and shows that the higher-order algebraic model describes the relationships most acceptably. Figure 6.4 shows the graph surface has a distinct saddle-shape. Table 7.3 provides a summary of the findings from the graph.

Table 7.3 Summary findings of same department, different job

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X):	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP.	A person on the line of congruence with very low actual HPHRP provision and low adequate HPHRP expectations appears highly likely to move into a different job in the same department. Similarly, a person with very high actual HPHRP provision and high adequate HPHRP expectations has a higher likelihood of effecting this type of move.
Shape:	Positive parabola	
Denotes:	The positive parabola suggests that the likelihood of a *same department, different job* move increases at extreme low actual and adequate HPHRP and at extreme high actual and adequate HPHRP on the line.	
b. Line of disagreement (Y= - X):	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP.	Along the line of disagreement, as a person's adequate HPHRP expectations decrease and the higher his or her actual HPHRP provision, the lower the likelihood of a *same department, different job* move.
Shape:	Downward-sloping line	
Denotes:	Along the line of disagreement, as adequate HPHRP decreases and actual HPHRP increases, the likelihood of a *same department, different job* move decreases.	
c. High point/s of graph	Along the low actual HPHRP line	Indicates the point at which the likelihood of a *same department, different job* move is highest.
Region in which the move is most likely	Region in which actual HPHRP is moderately low to low and where adequate HPHRP is moderately low to moderately high.	A person with moderately low to low actual HPHRP provision and moderately low to moderately high adequate HPHRP expectations appears the most likely to effect a *same department, different job* move.
d. Low point/s of graph	Along the low adequate HPHRP line.	Indicates the point at which the likelihood of a *same department, different job* move is lowest.
Region in which the move is least likely	Where medium to moderately high actual HPHRP exists and adequate HPHRP is low.	A person with medium to moderately high actual HPHRP provision and low adequate HPHRP expectations appears least likely to move into a different job in the same department.

The positioning of the line of congruence suggests that the likelihood of a *same department, different job* move is higher at very low actual HPHRP provision and low adequate HPHRP expectations and similarly, at very high actual HPHRP provision and high adequate HPHRP expectations. The likelihood of a *same department, different job* move appears highest where actual HPHRP provision is low.

Lower actual HPHRP provision may well increase desirability of mobility, if an employee's expectations are not met by this level of actual HPHRP. However, lower actual HPHRP would most likely hinder transition into another organisation because of little ease-of-movement and fewer perceived opportunities in the macro-economic environment (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002). Therefore a move into a different job type may perhaps be a viable alternative, should an individual wish to remedy his or her circumstances.

These findings support hypothesis 1c, which suggests that lower emphasis of high-performance HR practices would increase the likelihood of a same department, different job move.

Along the line of disagreement (incongruence), the likelihood of a *same department, different job* move lowers as actual HPHRP provision increases and adequate HPHRP expectations decrease.

An employee with low adequate HPHRP expectations and experience of medium to moderately high actual HPHRP provision has the lowest likelihood of a *same department, different job* move. At these levels of actual HPHRP, the individual may perhaps have reasonable ease-of-movement and some perceived opportunities (Spence, 1973; Trevor, 2001). This might suggest the individual would rather elect to move externally and garner greater potential utility than move job types internally. Moving into a different job type in the same firm might reduce the strength of the person's signals in the current job. A *same department, different job* move seems unlikely because of the probable strength of the signals associated with the current job (Spence, 1973).

Stronger signals to the external job market would probably also give rise to unsolicited job offers (Lee et al., 2008). An unsolicited job offer might pull a reasonably satisfied employee into the external labour market because of the potential utilities attached to the offer (Kirschenbaum & Weisberg, 2002; Lee et al., 2008).

Figure 6.4 suggests that the likelihood of a *same department, different job* move appears to increase where an employee experiences high actual HPHRP and has medium adequate HPHRP. Such an individual would most likely have high job embeddedness and significant attachment to the current organisation (Bretherton, 1985; Mitchell et al., 2001; Holtom & Inderrieden, 2006). A person in this position could perhaps wish to enhance their signal strength and therefore might wish to garner new skills in a different department.

7.2.4. Different department, same job

This is the analysis of the actual and adequate high-performance HR practice factors and the turnover destination of a transfer into a different department while maintaining the same career. The polynomial regression analysis produced no acceptable models.

The corresponding hypothesis for this destination is hypothesis 2b, which suggests that high emphasis on high actual HPHRP leads to a higher chance of a transfer into a different department while maintaining the same job type.

The system of high-performance HR practices may merely have an exceptionally weak influence over the likelihood this destination. The fact that no models seemed acceptable for graphing and analysis suggests the possibility that no relationship exists between the system of HPHRP and this destination, therefore providing evidence countering hypothesis 2b. Although, there is the possibility that this particular relationship might be obscured by external considerations that were not measured and perhaps do not necessarily affect the other turnover destinations.

7.2.5. Different department, different job

This section discusses the analysis of actual and adequate HPHRP levels against the turnover destination of moving into a different department and a different job as measured on a constant sum scale (*different department, different job*). Table 6.11 reports the model comparisons for this analysis. The table shows that the best model for graphing the predictor variables and destination is the unconstrained absolute differences model. Figure 6.5 shows the piecewise linear surface the model produces.

The highest point on the graph suggests that an employee who experiences low actual HPHRP provision and has high adequate HPHRP expectations has the highest likelihood of moving into a different department and job type. Owing to a desire to remedy

the incongruence between level of HPHRP experienced and HPHRP expectations, an employee in this situation may have an increased desirability of mobility (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Lower actual HPHRP would suggest weak signal strength in the external labour market, little ease-of-movement and a likely limited number of alternatives (Spence, 1973; Kirschenbaum & Mano-Negrin, 1999; Trevor, 2001; Kirschenbaum & Weisberg, 2002). Job embeddedness and side-bets might also retain a person in the organisation (Becker, 1960; Mitchell et al., 2001; Holtom & Inderrieden, 2006). These factors would probably restrict an individual's turnover destination choices to internal transfer.

This finding supports hypothesis 1e, which suggests that low emphasis on high performance HR practices leads to a higher likelihood of a *different department, different job* move.

A secondary set of high points on the graph falls roughly on the line of congruence, particularly where low actual HPHRP and low adequate HPHRP meet. The line of congruence runs from low actual HPHRP and low adequate HPHRP to high actual HPHRP and high adequate HPHRP. Roughly along the line of congruence, the graph surface rises sharply, indicating an increase in the likelihood of a *different department, different job* move along this line. This line suggests that the actual HPHRP provision appears to fall slightly short of matching the adequate HPHRP expectations of employees. The sharp increase might indicate that once the actual HPHRP provision comes near to matching the adequate expectations, the region in which over-provision occurs becomes apparent. The greatest increase occurs in the region of high actual HPHRP and high adequate HPHRP. An individual who wishes to strengthen his or her signalling power might consider such a transfer in order to fulfil the goal. Lack of upward mobility opportunities coupled with reasonable job embeddedness, side bets and attachment to the organisation as well as a restrictive macro-economic environment might all contribute to an increased likelihood of transfer across departments and job types (Becker, 1960; Kirschenbaum & Mano-Negrin, 1999; Mitchell et al., 2001; Trevor, 2001; Kirschenbaum & Weisberg, 2002; Holtom & Inderrieden, 2006).

The positioning of the line of incongruence suggests that, as actual HPHRP provision increases, and adequate HPHRP expectations decrease, the likelihood of a *different*

department, different job move decreases overall. Although there is a brief, sharp increase in the likelihood of this move, where the line of incongruence crosses the line of congruence and the abrupt change in the graph surface occurs.

The point at which actual HPHRP provision is high and adequate HPHRP expectations are low shows the lowest likelihood of a *different department, different job* move.

An employee's signal strength should increase the higher the level of actual HPHRP provided in the firm (Spence, 1973; Trevor, 2001). The associated greater ease-of-movement and increased visibility of alternatives may perhaps entice the worker to move externally rather than across departments (Kirschenbaum & Mano-Negrin, 1999; Trevor, 2001). Such an individual might also receive more unsolicited job offers because of his or her signal strength, which would probably also decrease the likelihood of a *different department, different job* move (Lee et al., 2008). For these reasons, it seems unlikely that an individual would transfer into a dissimilar job type and department that would most likely permit only weak signal strength.

7.2.6. Similarities among the internal transfer findings

The two graphs showing the likelihood of internal transfer both suggested that high actual HPHRP provision might lead to higher likelihood of internal transfer, supporting hypothesis 1a. The analyses of *same department, different job* and *different department, different job* both showed that low actual HPHRP provision and high adequate HPHRP provision might increase the likelihood of both destinations.

7.3. Move into a Different Organisation

This section discusses the analysis conducted on the likelihood of moving into a different firm (*different firm*) as measured on both constant sum and Likert scales and the different firm turnover destinations further categorised by career choice (*different firm, same job* and *different firm, different job*). I conclude this section by noting the similarities between these destinations.

7.3.1. Likelihood of a different firm (constant sum measure)

This section discusses the analysis of the actual and adequate HPHRP levels against the likelihood of a move into a different firm, as measured on the constant sum scale. Table

6.12 reports the statistics of the ten models compared in the analysis, and the unconstrained squared differences model was graphed in Figure 6.6. The summary findings of the graph appear in Table 7.4

Table 7.4 Summary findings of different firm (constant sum measure)

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X):	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP.	Along the line of congruence the lower actual HPHRP provision and adequate HPHRP expectations, the greater the likelihood of a move to a different firm.
Shape:	Positive parabola	As actual and adequate HPHRP increase, this likelihood decreases.
Denotes:	Along the line of congruence as actual HPHRP and adequate HPHRP increase, the likelihood of a different firm move decreases. The line decreases approximately until the intersection of moderately high adequate HPHRP and moderately high actual HPHRP. After this point the line levels out.	Where the line moves into the region of moderately high actual and adequate HPHRP, the likelihood of a *different firm* move remains consistent until the point of high actual and adequate HPHRP.
b. Line of disagreement (Y= - X):	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP.	Along the line of disagreement, the lower a person's adequate HPHRP expectations and the higher his or her actual HPHRP provision, the lower the likelihood they will move to a different firm.
Shape:	Gentle, negative parabola.	
Denotes:	Along the line of disagreement, as adequate HPHRP decreases and actual HPHRP increases, the likelihood of a *different firm* move lowers.	
c. High point/s of graph	Along the low actual HPHRP line	Indicates the point at which the likelihood of moving to a different firm is highest.
Region in which the move is most likely	Region in which actual and adequate HPHRP are moderately low to low.	A person experiencing moderately low to low actual HPHRP provision, with moderately low to low adequate HPHRP expectations appears the most likely to move to a different firm.
d. Low point/s of graph	At the point where highest actual HPHRP and lowest adequate HPHRP meet.	Indicates the point at which the likelihood of moving to a different firm is lowest.
Region in which the move is least likely	Where actual HPHRP is very high and adequate HPHRP is very low.	An individual with high actual HPHRP provision and low adequate HPHRP expectations has the lowest likelihood of moving to a different firm.

As Table 7.4 reports, the position of the line of congruence suggests that, as actual HPHRP provision and adequate HPHRP expectations increase, so the likelihood of a *different firm* move decreases. When the line is the region of medium actual HPHRP provision, and medium to high adequate HPHRP expectations, the likelihood of a different firm move stops decreasing and levels out, maintaining the probability level. Higher provision of actual HPHRP might increase signal strength, improve ease-of-movement and result in a greater visibility of alternatives, all of which might increase the likelihood of such a move (Spence, 1973; Trevor, 2001).

The point at which an individual is most likely to move to a different firm is where he or she experiences low actual and low adequate HPHRP. The person would probably have low signal strength and ease-of-movement due to little exposure to HPHRPs (Spence, 1973; Trevor, 2001). Further, low ease-of-movement would suggest the possibility of a restricted external labour market, most likely decreasing the possibility of being able to move into a different firm and thus decreasing the likelihood (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002). Owing to these factors hindering such a move, the increased likelihood of a *different firm* move might be indicative of impulsive behaviour in order to resolve some major disaffection with a structural problem in the firm promptly.

As actual HPHRP increases towards matching adequate HPHRP, the chance of a person wishing to move into a different firm reduces. Along the line of incongruence, as actual HPHRP provision increases and adequate HPHRP expectations decrease, the likelihood of a *different firm* move decreases overall. A person who experiences high actual HPHRP provision and has low adequate HPHRP expectations appears the least likely to move to a different firm. Experience of high HPHRPs might increase a person's desirability of the current job through greater attachment to the organisation, side bets and job embeddedness, thereby discouraging him or her from moving outside of the firm (Becker, 1960; Bretherton, 1985; Mitchell et al., 2001; Holtom & Inderrieden, 2006). This may illustrate an example of over-provision, where expectations have been exceeded, and no increase in desirability of mobility is likely, because the individual feels no need to remedy the incongruence between his or her expectations and reality.

Hypothesis 2a suggests an increased likelihood of a move into a different firm when actual HPHRP is high. The findings of this analysis contradict this hypothesis.

7.3.2. Likelihood of a different firm (Likert measure)

I now discuss the analysis of the actual and adequate HPHRP levels against the likelihood of a move into a different firm, as measured on the Likert scale. Table 6.15 provides the statistics for model comparison, showing that the higher-order squared differences model has the most acceptable statistics. Figure 6.7 depicts the graphed model, which shows a curvilinear surface.

The positioning of the line of congruence suggests that individuals who have high actual and adequate HPHRP or low actual and adequate HPHRP appear least likely to move to a different firm. Two high-points on the graph surface indicate a higher likelihood of a move into a different firm. The first is the region in which there is high actual HPHRP provision and low adequate HPHRP expectations. This region would most likely be associated with greater ease-of-movement and more perceived opportunities in the external labour market (Spence, 1973; Trevor, 2001). Additionally, a person who has high actual HPHRP and low adequate HPHRP may perhaps receive unsolicited job offers because of stronger signals, prompting a quit despite reasonable satisfaction (Lee et al., 2008). This finding supports hypothesis 2a, which suggests that experience of high actual HPHRP leads to a higher chance of a move into a different firm.

The second high point second occurs in the region of low actual HPHRP provision and moderately high adequate HPHRP expectations. An individual in this position would probably feel unsatisfied with the level of provision of actual HPHRP, increasing desirability of mobility. However, low actual HPHRP would most probably indicate weak signal strength, lower ease-of-movement and fewer perceived opportunities (Spence, 1973; Trevor, 2001). These factors may hinder the transition into a different firm. The increase in the likelihood of a move into a different firm might be in response to a need to remedy the perceived under-provision of actual HPHRP. Where the person has a strong desire to try to match reality to his or her expectations about the level of actual HPHRP provision, a move into a different firm may seem a viable alternative (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966).

Similarly, structural issues may be another contributing factor towards an increased desirability of mobility. The need to resolve some negative disaffection towards a major aspect of the organisation rapidly may increase the likelihood of a *different firm* move. An attempt to match reality with expectations and structural issues may motivate an increased desire to move into a different firm, despite possible macro-economic restrictions caused by experience of low levels of actual HPHRP.

Along the line of incongruence, as actual HPHRP provision reduces and adequate HPHRP expectations increase, the likelihood of a different firm move reduces. Where actual provision is moderately high to moderately low, and expectations are moderately high to low, the likelihood of a *different firm* move levels out. In the region of moderately low actual HPHRP provision and moderately high adequate HPHRP, there is an increase in the likelihood of this type of move. The second high point of the surface, as discussed earlier in this section, is very near to this region. Finally, the likelihood of a *different firm* move decreases slightly where low actual HPHRP and high adequate HPHRP expectations meet.

The two low points of the graph surface occur along the line of congruence. The likelihood of moving into a different firm is lowest when an individual has either high actual and adequate HPHRP or low actual and adequate HPHRP. Experience of high actual HPHRP provision may perhaps very nearly match high expectations of HPHRP. High provision may well increase organisational attachment, investments, side-bets and job embeddedness (Becker, 1960; Bretherton, 1985; Mitchell et al., 2001; Holtom & Inderrieden, 2006). These factors coupled with expectations that are perhaps reasonably well matched by reality, could contribute towards retaining an employee in the organisation, therefore possibly reducing the likelihood of a move into a different firm.

Experience of low levels of actual HPHRP may make a transition into a different firm difficult because of the lower signal strength, little ease-of-movement and fewer perceived opportunities most likely associated with low provision (Spence, 1973; Trevor, 2001). However, more significantly, low actual HPHRP provision may well match an employee's low HPHRP expectations, suggesting the possibility of reasonable satisfaction (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Therefore, such an individual may perhaps feel no need to find another destination in an attempt to match reality with expectations about HPHRP provision, which would probably

denote no change in desirability of mobility. In this way, low actual HPHRP and low adequate HPHRP may lead to a lower likelihood of a move into a different firm.

7.3.3. Different firm, same job

This section discusses the analysis of the actual and adequate HPHRP levels against the likelihood of a move into a different firm while maintaining the same job type (*different firm, same job*). The statistics for the model comparisons are reported in Table 6.16., which shows that the higher-order squared differences model has the most acceptable R^2, ΔR^2 and significance. Figure 6.8 depicts the graph surface for this model. As the graph is more complex than the other destination surfaces examined and interpreted in this chapter, I will only discuss the high and low points and regions of interest on the surface.

Two high points on the surface indicate a higher likelihood of a move into a different firm and the same job. The first high point is in the region where an individual experiences moderately-high to high actual HPHRP provision and has low adequate HPHRP expectations. This may indicate a region in which over-provision has occurred, because the level of actual provision appears to significantly exceed expectations. Stronger KSAs most likely developed from higher exposure to HPHRP could enhance signals to the external market and therefore increase ease-of-movement and perceived macro-economic opportunities (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Spence, 1973; Trevor, 2001). The receipt of unsolicited job offers due to stronger signalling power might also explain an increase in the likelihood of moving to a different firm while staying in the same job type (Lee et al., 2008). These factors may contribute towards the increased likelihood of a move into a different firm while maintaining the same job type.

The second region in which the likelihood of a *different firm, same job* move increases is in the region where actual HPHRP increases towards high provision and there are medium to high adequate HPHRP expectations. The increased KSAs possibly garnered from experience of higher HPHRP could enhance signal strength in the external labour market and associated ease-of-movement (Kirschenbaum & Mano-Negrin, 1999; Trevor, 2001; Kirschenbaum & Weisberg, 2002). Likely stronger signals and enhanced ease-of-movement may perhaps again result in unsolicited job offers, drawing otherwise relatively satisfied individuals away from the organisation in favour of a different firm and the same job type

potentially offering higher benefits and utilities than available in the current job (Lee et al., 2008).

These findings support hypothesis 2b which proposes that higher actual HPHRP provision would most likely increase the likelihood of a move into a different firm while maintaining the same job type.

A move into a different firm and the same job type appears the least likely in two regions. The point at which low actual HPHRP provision and low adequate HPHRP expectations meet is one region in which the likelihood of a *different firm, same job* move is lowest. This might be because of a weak signal strength low due to little exposure to HPHRP (Spence, 1973). Weak signal strength would probably limit ease-of-movement and restrict macro-economic opportunities (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Spence, 1973; Trevor, 2001). Additionally, experiencing low actual HPHRP may meet an employee's low expectations of HPHRP (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Therefore, the person might feel reasonably satisfied with the current job in respect to HPHRP provision. If there is no desire to change the level of HPHRP provided, he or she seems unlikely to experience an increase in desirability of mobility. Therefore, the likelihood of a move into a different firm and the same job type seems low.

The likelihood of a different firm, same job move is also low where there is low actual HPHRP provision and high adequate HPHRP expectations. Less experience of actual HPHRP probably contributes little to a person's signal strength, and weak signal strength might restrict his or her ease-of-movement and perceived macro-economic opportunities in the external market (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Spence, 1973; Trevor, 2001). These factors may hinder a move into the external labour market, therefore reducing the likelihood of a different firm, same job move.

A region of interest is where an individual has high actual HPHRP provision and high adequate HPHRP expectations. Such an employee appears to have a slightly reduced probability of moving into a different firm and the same job. This might indicate that the individual has had their expectations met by the organisation and therefore they might feel suitably satisfied in the current job (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966).

7.3.4. Different firm, different job

I discuss the analysis of the actual and adequate HPHRP levels against the likelihood of a move into a different firm and a different job type (*different firm, different job*). The model comparisons table (Table 6.17.) shows that the unconstrained squared differences model has the most acceptable set of statistics. Figure 6.9 depicts the saddle-shaped graph surface, and

Table 7.5 provides a summarised interpretation of the key points on the graph. Along the line of congruence, in the region of low actual and adequate HPHRP, and in the region of high actual and adequate HPHRP, the likelihood of moving into a different firm and a different job increases slightly.

Table 7.5 Summary findings of different firm, different job (constant sum measure)

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X): **Shape:** **Denotes:**	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP. Positive parabola Along the line of congruence, where low actual and adequate HPHRP occur and where high actual and adequate HPHRP occur, the likelihood of a different firm, different job move increases.	Along the line of congruence, the likelihood of a move into a different firm and different job is highest where there is low actual HPHRP provision and low adequate HPHRP expectations. Similarly, an individual experiencing high actual HPHRP and with high adequate HPHRP expectations has an increased likelihood of moving to a different firm and different job.
b. Line of disagreement (Y= - X): **Shape:** **Denotes:**	Runs from low actual and high adequate HPHRP to high actual and low actual HPHRP. Negative, downward sloping parabola. Along the line of disagreement, as adequate HPHRP decreases and actual HPHRP increases, the line slopes slightly upwards in the region of moderately low actual and moderately high adequate HPHRP. The line then downwards towards low adequate and high actual HPHRP.	Along the line of disagreement, a person with moderately low actual HPHRP and moderately high adequate HPHRP has a slightly higher likelihood of moving into a different firm and different job type. As actual HPHRP provision increases and adequate HPHRP expectations lower, the likelihood of such a move decreases along this line.

Indicator	Position on the graph	Action in respect to destination
c. High point/s of graph	Along the low actual HPHRP line	Indicates the point at which the likelihood of moving to a different firm and different job is highest.
Region in which the move is most likely	Region in which actual HPHRP is moderately low to low and at virtually any level of adequate HPHRP.	A person experiencing moderately low to low actual HPHRP provision, and virtually any level of adequate HPHRP expectations appears the most likely to move to a different firm and different job.
d. Low point/s of graph	At the point where high actual HPHRP and low adequate HPHRP meet.	Indicates the point at which the likelihood of moving to a different firm and different job is lowest.
Region in which the move is least likely	Where actual HPHRP is very high and adequate HPHRP is very low.	An individual with high actual HPHRP provision and low adequate HPHRP expectations has the lowest likelihood of moving to a different firm and different job.

The likelihood of a move into a different firm and job type is highest along the line representing low actual HPHRP, specifically at the intermediate level of adequate HPHRP expectations. Low actual HPHRP would most probably allow for little development of KSAs, therefore suggesting weak signal strength in the external labour market (Spence, 1973; Trevor, 2001). Low ease-of-movement and fewer perceived opportunities would probably result from weak signal power (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). These factors may therefore hinder a move into the external labour market.

However, if an individual has some disaffection associated with structural problems in the organisation, he or she may have an increased desirability of mobility motivated by a need to change the present circumstances. Additionally, less role clarity due to low provision of a clear job description would most likely encourage a change in job type, perhaps to alleviate the perception of incapability or poor performance in the job type.

These findings support hypothesis 2c, which suggests that a lower emphasis on actual high-performance HR practices might increase the likelihood of a move into a different firm and job type.

The positioning of the line of incongruence suggests that, along the line, as actual HPHRP provision increases and adequate HPHRP expectations decrease, the likelihood of a move into a different organisation and job type decreases overall.

A move into a different firm and job type appears lowest when there is moderately-high to high actual HPHRP and low adequate HPHRP. Higher actual HPHRP would probably lead to greater signal strength, ease-of-movement and perceived opportunities, quite possibly facilitating a smoother transition into a different firm (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). However, as signal strength is most likely dependent upon capability in a job type, an individual who has a stronger signal in the external labour market seems unlikely to move into a different job type (Spence, 1973).

Additionally, higher actual HPHRP would probably indicate over-provision for individuals with lower adequate HPHRP expectations. Lower expectations could perhaps show that the expectations about provision have been met (or exceeded) by the organisation, suggesting a lower likelihood of desirability of mobility and reasonable satisfaction in the job (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Therefore, the likelihood of this type of move seems lower in individuals who have experienced higher levels of actual HPHRP.

7.3.5. Similarities among the different firm findings

Likelihood of moving into a different firm as measured on the constant sum scale, and the destination of different firm, different job have one similarity in the findings. Each of these dependent variables has a lower likelihood where actual HPHRP is high and adequate HPHRP is low. Additionally, the likelihood of moving into a different firm as measured on the Likert scale has a similar finding to the destination of a different firm and the same job. Each of these dependent variables has a greater likelihood when actual HPHRP is high and adequate HPHRP is low.

7.4. Emigration

I discuss the findings of the analyses for the likelihood of emigration, and the turnover destinations further categorised by job type and length of stay. The destinations include emigration while maintaining the same job, emigration and a different job, and temporary emigration and a different job. I conclude this section with a review of the similarities between these destinations.

7.4.1. Likelihood of emigration

This section discusses the analysis of the actual and adequate HPHRP levels against the likelihood of emigration as measured on a constant sum. Table 6.20 gives the model comparison statistics, showing that the constrained algebraic differences model has the most acceptable statistics. Figure 6.10 depicts the graph surface, which is planar.

Along the line of congruence, as actual HPHRP provision and adequate HPHRP expectations move from high to low, the likelihood of emigration remains the same.

The highest point of the surface is where low actual HPHRP meets high adequate HPHRP, indicating the point at which the probability of emigration is highest. Low actual HPHRP provision would most likely contribute little to signal strength in the external market (Spence, 1973; Trevor, 2001). Weak signal power and the associated low ease-of-movement and restricted macro-economic opportunities would probably discourage such a move (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). Similarly, a person who has experienced lower actual HPHRP quite possibly had lower compensation. It is reasonable to assume that emigration requires significant financial capital and lower compensation suggests little financial capital is available for emigration. These factors all appear to hinder the possibility of emigration, which point towards other issues affecting the likelihood of emigration for the South Africans. Larger issues unrelated to the job or organisation (McDonald & Crush, 2002) possibly motivates the increased likelihood of emigration. These findings contradict hypothesis 3a, which suggests that higher emphasis on high-performance HR practices should increase the likelihood of emigration. Therefore, the findings do not support hypothesis 3a.

The line of incongruence suggests that, as actual HPHRP provision increases and adequate HPHRP expectations decrease, so the likelihood of emigration decreases overall.

When actual HPHRP is high and adequate HPHRP is low, emigration appears least likely. High actual HPHRP would most likely provide a person with high signal strength, greater ease-of-movement and more perceived opportunities in the macro-economic environment (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). These drivers would most likely smooth a transition into the external labour market.

As the findings contradict this, the combination of HPHRP provision and expectations might represent a situation of over-provision, where expectations of HPHRP are exceeded by actual HPHRP (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). When expectations are exceeded by actual provision, an individual would probably not feel a need to move to a destination that could potentially match actual HPHRP provision with his or her expectations. Therefore, the employee would probably not feel an increased desirability of mobility. Lower desirability of mobility suggests reasonable satisfaction in the job, which would therefore increase desirability of the current job.

As high actual HPHRP may well increase signalling strength in the external market, an individual might rather wish to move into a local external market with a similar culture than emigrate to an environment with a potentially different culture (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). This could possibly also contribute to a lowered likelihood of emigration.

7.4.2. Emigration, same job

I discuss the analysis of the actual and adequate HPHRP levels against the likelihood of emigration while maintaining the same job (*emigration, same job*). The model comparison statistics appear in Table 6.21, showing the most acceptable model is the unconstrained squared differences model. Figure 6.11 depicts the graph surface, which is bowl-shaped. A summary of the findings of this analysis appears in Table 7.6.

Along the line of congruence, as actual HPHRP provision and adequate HPHRP expectations increase, the likelihood of emigration while maintaining the same job decreases. However, in the region of high actual HPHRP and moderately-high to high adequate HPHRP, the likelihood of emigration increases.

Table 7.6 Summary findings of emigration, same job

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X): **Shape:** **Denotes:**	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP. Positive parabola The line slopes downwards, suggesting that as actual and adequate HPHRP increase along the line, the likelihood of an *emigration, same job* move decreases. When the line moves into the high actual HPHRP and moderately-high to high adequate HPHRP region, it curves upwards again, suggesting an increased likelihood of an *emigration, same job* move in the region.	Along the line of congruence, as actual HPHRP provision and adequate HPHRP expectations increase likelihood of an *emigration, same job* move decreases, until actual HPHRP provision becomes high and adequate HPHRP expectations are moderately-high to high, where the chance of the move increases.
b. Line of disagreement (Y= - X): **Shape:** **Denotes:**	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP. Positive parabola The line slopes downwards, suggesting that as actual HPHRP increases and adequate HPHRP decreases, the likelihood of an *emigration, same job* move decreases. When the line moves into the region of high actual HPHRP and low adequate HPHRP, it levels out.	Along the line of disagreement, as actual HPHRP provision increases and adequate HPHRP expectations become lower, the likelihood of an *emigration, same job* move decreases. When high actual HPHRP provision meets low adequate HPHRP expectations, the likelihood of an *emigration, same job* move is maintained at the same level.
c. High point/s of graph	Along the line of low actual HPHRP	Indicates the point at which the likelihood of an *emigration, same job* move is highest.
Region in which the move is most likely	In the region of low actual HPHRP, virtually across the adequate scale.	A person experiencing low adequate HPHRP appears most likely to effect an emigration, same job move, virtually independently of his or her adequate HPHRP expectations.

Indicator	Position on the graph	Action in respect to destination
d. Low point/s of graph	Where lowest actual HPHRP meets highest adequate HPHRP.	Indicates the point at which the likelihood of an *emigration, same job* move is lowest.
Region in which the move is least likely	In the region of low actual HPHRP and high adequate HPHRP, both moving towards the low point of the graph.	A person experiencing lower actual HPHRP provision and who has very high adequate HPHRP expectations appears least likely to effect an *emigration, same job* move.

The graph surface is highest along the line of low HPHRP, and two high points on the surface indicate the regions in which an *emigration, same job* move are highest. The first is low actual HPHRP and low adequate HPHRP expectations. As low actual HPHRP would probably not significantly enhance KSAs, a person in this position would probably have weak signal strength and low ease-of-movement and few perceived opportunities in the external labour market. Furthermore, low actual HPHRP provision suggests lower compensation. As it is reasonable to expect the emigration requires a fair amount of financial capital, lower compensation would probably not provide sufficient capital.

Low actual HPHRP provision and high adequate HPHRP expectations marks the second region in which an *emigration, same job* move is highest. An individual may feel a need to remedy the incongruence between his or her expectations and low actual HPHRP provision by moving to another destination, which would most likely increase desirability of mobility (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). However, due to the likely lower ease-of-movement and financial limitations placed on a person in this position, an *emigration, same job* move does not seem feasible.

The lower experience of actual HPHRP would most likely reduce the likelihood of an *emigration, same job* move. Therefore, as with the likelihood of emigration, other, larger issues probably drive this type of emigration from South Africa (McDonald & Crush, 2002).

These findings contradict hypothesis 3b, which proposes that high emphasis on high-performance HR practices in a prior job should increase the likelihood of emigration, while maintaining the same job type. Therefore, no evidence supports hypothesis 3b.

Along the line of incongruence, as actual HPHRP increases and adequate HPHRP decreases, the likelihood of an *emigration, same job* move decreases overall, with a slight levelling out where high actual HPHRP and low adequate HPHRP meet.

The likelihood of an *emigration, same job* move is lowest in the region of high actual HPHRP and lower adequate HPHRP. Experience of high actual HPHRP might contribute towards retaining high performers by increasing organisational attachment, perceived investment in the firm and job embeddedness (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997). The lower adequate HPHRP might suggest that higher provision of actual HPHRP has met expectations of HPHRP provision (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). Moreover, an individual in this position may feel reasonably satisfied in the current job and therefore his or her level of desirability of mobility remains low. In this way, these factors may decrease the likelihood of an *emigration, same job* move.

7.4.3. Temporary emigration, same job

The polynomial regression analysis produced no acceptable models for graphing the relationship between the high-performance. Hypothesis 3c is the corresponding hypothesis for this destination, and suggests that high emphasis on actual high-performance HR practices should increase the likelihood of temporary emigration while maintaining the same career.

The HPHRP system may have a very weak influence over the likelihood of this destination. Alternatively, as no model proved acceptable for graphing, there may perhaps be no relationship between the HPHRP system and the turnover destination of temporary emigration while maintaining the same job type. If no relationship exists, there is no evidence to support hypothesis 3c. Another possible contribution towards the poor statistical results for this analysis may be the influence of external issues not measured by the survey. Such issues may perhaps only affect the destination of temporary emigration, same job.

7.4.4. Permanent emigration, same job

The polynomial regression analysis on the actual and adequate HPHRP factors and the destination of *permanent emigration, same job* produced no acceptable models for graphing and interpretation. No models were acceptable for graphing, suggesting that the HPHRP system perhaps exerts only weak influence over the likelihood of this turnover destination. Moreover, no viable models for graphing may indicate a lack of any significant relationship

between the HPHRP system and a *permanent emigration, same job* move. Additionally, external issues affecting this turnover destination may perhaps have influenced the results.

Hypothesis 3d corresponds to this destination choice, suggesting that higher emphasis on actual high-performance HR practices should lead to an increased likelihood of temporary emigration, while maintaining the same job type. The findings for this destination provide no support for hypothesis 3d.

7.4.5. Emigration, different job

This section discusses the analysis of the actual and adequate HPHRP levels against the likelihood of emigration and moving into a different job (*emigration, different job*). Table 6.24 gives the model comparison statistics, showing that the most acceptable model is the unconstrained absolute differences model. Figure 6.12 depicts the piecewise linear surface of the graph.

The line of congruence shows that an *emigration, different job* move is equally likely anywhere along the line. However, slightly to the right of the line, there is significant activity on the surface, suggesting that provision of actual HPHRP slightly below the expected level may well have an influence on the likelihood of emigration and a change in career. In the region of low actual and low adequate HPHRP, the likelihood of an *emigration, different job* move decreases sharply slightly to the right of the line of congruence. Similarly, in the region of high actual and high adequate HPHRP, the likelihood of this kind of move increases sharply slightly to the right of the line of congruence.

The high points along the graph surface run along the line of low actual HPHRP, from moderately low to high adequate HPHRP, suggesting this region is where an *emigration, different job* move is most likely.

Considering the change in job type, experience of lower actual HPHRP might include little job description clarity. Poor performance and role stress might arise because of a poor job description (Bretherton, 1985; Gupta & Beehr, 1979; Schaubroeck, 1989). This may cause the employee to wish to move out of the job type in order to resolve the negative affect associated with the job type. In this way, low actual HPHRP may encourage desirability of mobility. Little signal strength, low ease-of-movement and few perceived opportunities due to lower exposure to actual HPHRP may well hinder this type of move (Spence, 1973;

Trevor, 2001). Therefore, as with likelihood of emigration, there may be other, larger issues driving this kind of emigration.

These issues may be structural problems within the firm coupled with larger problems outside of the organisation and job. These issues could affect the level of job embeddedness and reduce the desirability of the current job. This could perhaps motivate an individual to emigrate to resolve overall discontent without first conducting a job search or evaluating alternatives (Lee & Mitchell, 1994; Mitchell et al., 2001; Kirschenbaum & Weisberg, 2002; Holtom & Inderrieden, 2006).

These findings support hypothesis 4a, which suggests that low emphasis on high-performance HR practices might increase the likelihood of emigration and a career change.

Along the line of incongruence, the likelihood of emigration and a career change decreases overall as actual HPHRP increases and as adequate HPHRP decreases. The lowest point on the graph surface is where high actual HPHRP meets low adequate HPHRP. At this point, the likelihood of emigration and a career change is lowest.

The low likelihood of an *emigration, different job* move may be because of increased organisational attachment, greater perceived investment in the firm and job embeddedness, which should assist in retaining high performers (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997). Those employees with lower HPHRP expectations may feel sufficiently satisfied in the job because of the higher provision, which probably exceeds their expectations about provision (Behling & Starke, 1973; Irving & Montes, 2009; Porter & Steers, 1973; Vroom, 1966). These individuals seem unlikely to experience an increased desirability of mobility and therefore, the likelihood of an *emigration, different job* move appears low. Furthermore, high actual HPHRP may well ensure clear job description, which would most likely empower employees to perform well in their jobs, discouraging the likelihood of a career change (Combs et al., 2006; Huselid, 1995).

7.4.6. Temporary emigration, different job

This section discusses temporary emigration and a career change (temporary emigration, different job). The model comparison statistics are given in Table 6.25, showing that the model acceptable model is the unconstrained squared differences model. Figure 6.13

depicts the graph for this model, showing a saddle-shaped surface. The summary findings of the graph appear in Table 7.7.

Table 7.7 Summary findings temporary emigration, different job

Indicator	Position on the graph	Action in respect to destination
a. Line of congruence (Y=X):	Runs from low actual and low adequate HPHRP to high actual and high adequate HPHRP.	Along the line of congruence, a person experiencing very low actual HPHRP provision with very low adequate HPHRP expectations appears least likely to emigrate temporarily into a different job. Similarly, a person experiencing very high actual HPHRP provision with very high adequate HPHRP expectations appears unlikely to emigrate temporarily into a different job.
Shape:	Negative parabola	
Denotes:	Where actual and adequate HPHRP are both very low or where actual and adequate HPHRP are both very high, the likelihood of a *temporary emigration, different job* move are lowest along the line.	
b. Line of disagreement (Y= - X):	Runs from low actual and high adequate HPHRP to high actual and low adequate HPHRP.	Along the line of disagreement, a person who experiences high actual HPHRP provision and has low adequate HPHRP expectations appears highly likely to effect a *temporary emigration, different job* move. Similarly, a person who experiences low actual HPHRP and has high adequate HPHRP expectations seems highly likely to make such a move.
Shape:	Positive parabola	
Denotes:	Where actual HPHRP is high, but adequate HPHRP is low, there is a high likelihood of a *temporary emigration, different job* move. This move is also highly likely where actual HPHRP is low, but adequate HPHRP is high.	
c. High point/s of graph	At the point where low adequate HPHRP meets high actual HPHRP, and at the point where high adequate HPHRP meets low actual HPHRP.	Indicates the points at which the likelihood of a *temporary emigration, different job* move is highest.
Region in which the move is most likely	In the region of moderately high to high actual HPHRP and low adequate HPHRP. Also in the region of moderately low to low actual HPHRP and high adequate HPHRP.	A person experiencing moderately high to high actual HPHRP with low adequate HPHRP appears most likely to effect a *temporary emigration, different job* move. Similarly, this move is also highly likely for a person experiencing moderately low to low actual HPHRP with high adequate HPHRP expectations.

Indicator	Position on the graph	Action in respect to destination
d. Low point/s of graph	Where high actual HPHRP meets high adequate HPHRP. Also, where low actual HPHRP meets low adequate	Indicates the point at which the likelihood of a *temporary emigration, different job* move is lowest.
Region in which the move is least likely	The region in which moderately high to high actual HPHRP and high adequate HPHRP occur. Also, the region in which moderately low to low actual HPHRP and low adequate HPHRP occur.	A *temporary emigration, different job* move appears least likely when a person experiences moderately high to high actual HPHRP provision with high adequate HPHRP expectations. This move also appears unlikely when a person experiences moderately low to low actual HPHRP provision with low adequate HPHRP expectations

Along the line of congruence, where actual and adequate HPHRP are high and where actual and adequate HPHRP are low, the likelihood of temporary emigration and a career change appears to reduce. These two points indicate the regions in which the likelihood of temporary emigration and a career change is lowest.

Higher actual HPHRP may possibly increase organisational attachment, perceived investment in the firm and job embeddedness, which should assist in retaining high performers (Becker, 1960; Bretherton, 1985; Cohen & Lowenberg, 1990; Holtom & Inderrieden; 2006; Mitchell et al., 2001; Wallace, 1997).

As a lower likelihood of temporary emigration and a career change falls along the line of congruence, expectations about HPHRP provision may be matched by actual HPHRP. This could increase job satisfaction, thereby decreasing desirability of mobility.

Low actual HPHRP and adequate HPHRP also fall along the line of congruence, suggesting the possibility that expectations about provision have been met. This would probably decrease the likelihood of this kind of move. Lower actual HPHRP may also hinder a transition into the external labour market due to likely lower ease-of-movement and fewer perceived opportunities.

These findings contradict hypothesis 4c, which suggests that low actual HPHRP should increase the likelihood of temporary emigration and a career change. Therefore no evidence is found in support of hypothesis 4c.

Along the line of incongruence, the likelihood of temporary emigration and a career change appears highest where low actual HPHRP and high adequate HPHRP meet, as well

as where high actual HPHRP and low adequate HPHRP meet. These two regions indicate where the likelihood of a *temporary emigration, different job* move is highest.

Firstly, the point at which high actual HPHRP and low adequate HPHRP meet. Higher actual HPHRP would probably provide greater signal strength, ease-of-movement and macro-economic opportunities for emigration (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). Furthermore, high actual HPHRP may well include higher compensation that could provide the financial capital necessary for emigration.

These factors may contribute towards an increased likelihood of temporary emigration. Signal strength is most likely based on one's capability in a job type, which should provide greater ease-of-movement and perceived opportunities. Changing job type suggests that these signals are not used in the market to facilitate emigration. This would probably lower ease-of-movement and diminish perceived opportunities. Other issues may therefore motivate the increased likelihood of this move, such as structural or larger societal issues (McDonald & Crush, 2002).

The second point at which temporary emigration and a career change appear highly likely to occur is where low actual HPHRP and high adequate HPHRP meet.

Low actual HPHRP would most likely hamper transition into an external destination because of lower ease-of-movement and few perceived opportunities (Kirschenbaum & Mano-Negrin, 1999; Kirschenbaum & Weisberg, 2002; Trevor, 2001). Poor job description may be attributable to low actual HPHRP. This might give rise to role stress and poor performance in the job, which may encourage a move out of the job type in order to correct the likely negative affect associated with the job type (Bretherton, 1985; Gupta & Beehr, 1979; Schaubroeck, 1989). Larger issues such as some disaffection due to a structural problem in the organisation, larger societal issues or spousal commitments may also cause a person to feel an increased desire to change the circumstances promptly, thereby increasing desirability of mobility (Lee & Mitchell, 1994; McDonald & Crush, 2002; Mitchell et al., 2001; Kirschenbaum & Weisberg, 2002; Holtom & Inderrieden, 2006). These factors might all increase the likelihood of temporary emigration and a career change.

7.4.7. Permanent emigration, different job

The polynomial regression of actual and adequate high-performance HR practices against the turnover destination of permanent emigration and a career change produce no acceptable models for graphing and interpretation. Hypothesis 4c suggests that low emphasis of high-performance HR practices should increase the likelihood of permanent emigration and a career change. However, as no models were acceptable, the results of this analysis provides no evidence in support of hypothesis 4c.

The results of the analysis may suggest that high-performance HR practices have a weak effect on this destination, or the possibility that no relationship exists. Other external issues not measured in the study may well hinder the accuracy of the results for this analysis.

7.4.8. Similarities among the emigration findings

The combination of high actual HPHRP and low adequate HPHRP indicates the lowest likelihood of emigration, *emigration, same job* and *emigration, different job*. This commonality suggests that higher actual HPHRP provision might reduce the possibility of these moves if expectations about HPHRP are low.

7.5. Leaving the Workforce

The analysis of the actual and adequate high-performance HR practice factors and the turnover destination of unemployment produced no acceptable models for graphing and interpretation. Hypotheses 5a and 5b correspond to this turnover destination, and the results suggest no evidence in support of either hypothesis.

The high-performance HR practice system may have a weak effect on the likelihood of unemployment. There is a possibility that there is no relationship between the variables. Additionally, other external considerations not measured by the study may have affected the results for this analysis.

7.6. Conclusion

This chapter has interpreted each turnover destination graph and discussed the findings with respect to the three principal turnover drivers of desirability of mobility, ease-

of-movement and macro-economic circumstances. The underlying theory supporting the findings for each destination was also briefly reviewed where relevant.

Overall, the findings suggest that high-performance HR practices do have a weak to moderate effect on turnover destinations. However, the results appear somewhat inconsistent across the two measurement scales. There are two particular general findings of interest. The first is the support garnered for high emphasis of high-performance HR practices as likely to increase the likelihood of both internal transfer, and the likelihood of a move into a different organisation. These findings raise queries about over-provision of high-performance HR practices in firms, as well as the influence of continuance (rather than affective) commitment in South African white-collar workers. Secondly, likelihood of emigration, and the likelihood of the majority of the emigration destinations increased when actual high-performance HR practice provision is low. This contradicts most of the emigration hypotheses, which suggested a higher likelihood of most emigration destinations when actual HPHRP provision was higher. These findings point to the possibility of larger societal issues motivating the emigration of South Africans.

Another issue worth noting is that, broadly, the lower adequate high-performance HR practice expectations, the lower the likelihood of most destinations. This could perhaps point towards over-provision of practices by firms, or again, the possibility that South African employees largely have continuance commitment to their organisations.

Chapter Eight discusses the broad limitations of the empirical study, the recommendations for managers and for future research, and concludes the dissertation as a whole.

CHAPTER 8. CONCLUSION AND RECOMMENDATIONS

The findings of the empirical study show that high-performance HR practices appear to have a weak to moderate, although, perhaps inconsistent effect on turnover destination selection. The results suggest that the relationships between the system of high-performance HR practices and turnover destinations are somewhat weaker than anticipated. However, the research findings support the possibility that high-performance HR practices may affect subsequent turnover destinations.

This section discusses the limitations of the empirical study, the recommendations for managers and future research, and concludes the dissertation.

8.1. Limitations of the Research

The sample population of this study is limited to the white-collar workers[22] in South Africa's employed population (Behar, 2010). Therefore, the findings of the empirical study cannot necessarily be generalised across the larger employed population. Furthermore, the sample frame includes only three of the nine provinces in South Africa - Gauteng, Kwa-Zulu Natal and the Western Cape. Thus, extrapolation of the results to the other six provinces may not be feasible.

As the method of data collection is largely convenience sampling, the sample may not necessarily have been drawn from a sufficiently varied pool of possible respondents. This data collection method therefore might contribute towards bias that limits the generalisability of the study. However, data collection occurred through a number of channels, possibly mitigating the effects of convenience sampling.

Another possible limitation to the study is that the survey measured the intention to leave rather than the actual turnover of participants. One's intention to leave does not guarantee a turnover decision and thus intention to leave provides a less accurate prediction of the possibility of a voluntary quit (Sousa-Posa & Henneberger, 2004). Furthermore, numerous factors within and outside of the organisation may alter one's intention to leave over time. These issues make intention to leave an imperfect measure of voluntary turnover. The optimal measure of voluntary turnover is clearly measurement of actual turnover and

[22] The term 'white-collar' is defined in the methodology chapter (chapter 5, section 5.3.1.)

thus, this study's findings may well be limited by the fact that intentions were used to measure turnover in this study, rather than actual turnover.

Nonetheless, many theorists support the view that intentions are an immediate precursor to actual turnover, and thus intent to quit is one of the strongest predictors of turnover (Mobely et al., 1979; Parasuraman, 1982; Sousa-Posa & Henneberger, 2004; Vandenberg & Nelson, 1999). Therefore, intention to leave most likely provides the best alternative measure to actual turnover.

Despite mitigation of common method bias by measurements of the dependent and independent variables separately and at different times, some common method bias may be present in the results (Podsakoff et al., 2003). Common method bias may have arisen through the length of measurement scales and presentation of items, item characteristics, and the physical context and medium in which the variables were measured (Podsakoff et al., 2003).

8.2. Recommendations

8.2.1. Recommendations for managers

Broadly, the findings of this study suggest that greater provision of actual high-performance HR practices coupled with lower expectations of provision decreases the likelihood of leaving the current job. As organisations may find it difficult to establish employee expectations of HPHRP provision, providing opportunity for participation and open communication could perhaps enhance understanding of expectations.

Despite the broader findings supporting the use of high-performance HR practices for retention, the research indicates that some turnover of high-performers may be expected when organisations place greater emphasis on high-performance HR practices. These high-performers may leave despite experience of higher actual HPHRP because of issues such as continuance, rather than affective commitment to the organisation. However, organisations could perhaps implement retention practices targeted specifically at high-performers to lessen the likelihood of this type of turnover.

Notwithstanding the possibility that some high-performers could choose to leave when actual HPHRP provision is high, managers are encouraged to implement high-performance HR practices because of the wider range of benefits an organisation may

experience as a result of implementation. Higher emphasis on high-performance HR practices such as selective staffing and training and development should enhance organisational performance because of skills brought in through new employees and development of existing employees' KSAs by the firm (Combs et al., 2006; Huselid, 1995). Furthermore, organisations should not discount the potential value of providing high-performance HR practices largely regarded as capable of empowering staff, such as employment security, clear job description, internal mobility and participation in an attempt to retain high-performers (Combs et al., 2006; Huselid, 1995). Similarly, motivating practices such as high compensation, incentive compensation and performance appraisal all contribute to overall employee wellbeing in the sense that these practices afford employees the opportunity to view how the firm values them (Combs et al., 2006; Huselid, 1995).

The results revealed that, generally, internal transfers may be driven by lower provision of HPHRPs. Lower actual provision of high-performance HR practices may not provide individuals with the ease of movement required for a move into the external market. Lower ease-of-movement may make an internal transfer appear feasible, probably increasing the likelihood of a transfer. One set of results for the likelihood of internal transfer suggested higher emphasis of actual high-performance HR practices encourages internal transfer. This finding may point towards employees' increased personal desire for development. When high-performance HR practice provision is high, the likelihood of an internal transfer may increase if an individual desires greater development, and perceives the employer capable of providing such an opportunity.

Higher actual provision of practices would probably benefit the firm from the perspective that higher performers with a desire to develop their skills internally may choose to remain in the organisation to reap the benefits of internal transfer. In this way, high-performers would continue to contribute towards organisational outcomes, and the firm would continue to reap the rewards from the costs of training and development.

With respect to the possibility of organisations reducing the likelihood of a career change in employees, the central concern is for managers to identify the reason underpinning the move. The issue is whether the level of high-performance HR practices provided by the firm is forcing an employee to change careers in order for his or her expectations to be met, or if he or she is choosing to change careers because of the utility

perceived possible in that alternative career path. The manager probably has more control over the individual's affect about the current job if his or her negative affect is driven by the perception of under-provision of practices. The organisation has the authority to change the level of practices provided, which may change the employee's disaffection. However, managers probably have much less control over an individual's affect towards another job type if the affect is driven by the potential utility that job type may bring, and not by an incongruence between expectations and reality.

The analysis the emigration destinations suggests that, largely, individuals who experience lower actual HPHRP provision are more likely to emigrate. These results contradicted most of the hypotheses of emigration. Thus, organisations may be unable to prevent emigration when provision of actual high-performance HR practices is low. However, should highly-skilled South African expatriates choose to re-enter the South African labour market after temporary emigration, the previous employers might consider placing high emphasis on targeted high-performance HR practices to draw the skills back into the company. Broadly, higher actual HPHRP provision was linked with a lower likelihood of an emigration destination when adequate HPHRP expectations were higher. Thus, if firms place higher emphasis on actual high-performance HR practices, they could potentially reduce the likelihood of emigration in skilled individuals, notwithstanding the possibility of larger societal issues that may drive this type of emigration (Kerr-Phillips & Thomas, 2009; McDonald & Crush, 2002).

Although high emphasis on high-performance HR practice provision may perhaps assist managers to reduce emigration of skilled individuals, it may not necessarily reduce the likelihood of employees moving into different firms, while maintaining the same job type, as broader findings discussed earlier in this section suggest. Here, organisations might consider implementing practices specifically at retaining high-performers, for example, emphasising performance bonuses.

Overall, the use of high-performance human resource practices as an integrated organisation-level system, rather than individual practices, would probably serve organisations well in enhancing performance.

8.2.2. Recommendations for researchers

Future research in this field should endeavour to use a random sampling technique, within the limitations of the appropriate population. In South Africa, researchers should consider the possibility of including all nine provinces to ensure generalisability to the entire country. Additionally, measurement of actual turnover rather than intentions would probably provide a more accurate means by which to establish whether turnover destinations do affect the quit decision. This research was conducted as a cross sectional study. Longitudinal research may provide researchers with more comprehensive data about the influence of turnover destinations on the quit decision.

The results of this empirical study have shown the existence of some relationship between high-performance HR practices and turnover destinations. The field of turnover destinations research is novel, and therefore, investigation into the concept of turnover destinations, with a specific focus on the measurement of actual turnover, is imperative for the expansion of the field.

8.3. Conclusion

The concepts of high-performance HR practices and turnover destinations are contemporary ideas in turnover literature and research. This research tested the existence of some causal relationship between the two concepts by using nine high-performance HR practices depicted as a system, and testing turnover destinations covering internal moves, external moves, emigration and unemployment.

The statistical analysis method afforded interesting results, which revealed some unexpected findings. The hypothesised relationships between a high-performance HR practice system and each turnover destination proved weaker than anticipated. Nonetheless, the results support the notion that perceptions of a HPHRP system may affect turnover destination selection.

Two broader findings of significance are worth a brief review in this conclusion. Firstly, some of the findings supported the notion that higher emphasis on high-performance HR practices may well increase the likelihood of a move into another organisation. Support for this hypothesis is perhaps counterintuitive; suggesting higher provision of high-performance HR practices in a firm might cause an increase rather than a

decrease in the likelihood of employee turnover. These findings might emphasise the manner in which greater experience of high-performance HR practices perhaps contributes towards improving one's ease-of-movement into the external labour market. Nevertheless, the findings of this study have highlighted the possibility of the existence of this relationship, perhaps providing a departure point for further research.

The other results worth consideration are those of emigration. The majority of the emigration findings contradict the relevant hypotheses, suggesting lower provision rather than higher provision of actual high-performance HR practices may contribute towards an increase in the likelihood of emigration and most of the emigration turnover destinations. As the likely financial and skill-related limitations imposed on individuals should conceivably reduce the likelihood of emigration, there must be other, larger issues driving emigration. The issues motivating increased likelihood of emigration are therefore probably macro-level issues including violent crime in the country and perceptions of corruption in government. Similarly, the micro-level issues of labour policies such as employment equity (affirmative action) and black-economic empowerment enforced by the South African government in an effort to correct historical employment injustices, place South African organisations in a difficult position with regard to recruitment and internal mobility practices (Kerr-Phillips & Thomas, 2009; Newton, 2008). These issues may well exacerbate emigration of high-performers because such individuals may deem overseas organisations to have fairer employment policies for skilled persons (Kerr-Phillips & Thomas, 2009).

The issues that appear to affect the likelihood of emigration seem largely out of the control of South Africa's private sector from the perspective of implementing human resource practices or strategy. However, organisations may choose to implement targeted practices for high-performers returning to South Africa after temporary emigration. The South African government is probably in the best position to attempt to decrease the number of skilled individuals emigrating from South Africa in a positive manner. However, this dissertation will not endeavour to suggest ways in which to reduce emigration, beyond the scope of the research findings.

Sufficient empirical support exists for the use of high-performance HR practices as a tool to enhance individual and organisational performance. However, there is inadequate research into turnover destinations, and the link between these two concepts. The results of

this research contribute towards expanding this field. In light of the findings, further research will most probably be invaluable to organisations with strategic human resource goals such as reducing turnover of high-performers, potentially gaining competitive advantage and enhancing overall firm performance.

Employee turnover is an enduring topic of research because of the significant effect theorists believe turnover has on organisational expenses, performance and efficiency. Endeavouring to understand the aspects motivating turnover may facilitate managers' attempts to control or reduce employee turnover. This research tested the causal relationship between high-performance HR practices and particular turnover destinations, and found that a relationship between the concepts exists. The results of the study revealed that the likelihood of the turnover destinations was motivated by varying levels of high-performance HR practices.

Placing high emphasis on high-performance HR practices may provide a manner through which managers can control turnover, as the research results have revealed. The findings also suggest that different levels of practices might contribute towards different destinations. Thus, managers may gain an understanding of turnover drivers in the current organisation by observing turnover destinations available to departing employees. Consequently, the findings of this research have enriched the field of turnover destinations research.

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APPENDIX

Appendix A

***Actual* high performance HR practice questions from *HR Practices* section of survey.**

Table 8.1 shows the full set of actual high-performance HR practice questions and the HR practice measured by each. The answer format is a semantic differential scale ranging from *Employer does not have this at all* (1) to *Employer uses this to a very great extent* (5). The set of questions was prefaced with the statement: 'In my current organisation...'.

Table 8.1 Actual high-performance HR practices items

Question	HR Practice
1. My employer selects the right person for a job	Selective staffing
2. My long term potential is emphasised	Selective staffing
3. Extensive training programs are provided for me in my particular job	Training
4. Very extensive efforts are made in the selection process	Selective staffing
5. The overall level of my total pay package is reasonable	High compensation
6. Considerable importance is placed on the staffing process	Selective staffing
7. I will normally go through training programs every few years	Training
8. Promotion is based on seniority	Internal mobility
9. I have been offered formal training programs in order to increase my chances for promotion	Training
10. My level of take-home pay after benefits and taxes is reasonable	High compensation
11. I have few opportunities for upward mobility (such as promotions or transfers)	Internal mobility
12. I do not have any future here	Internal mobility
13. There are formal training programs to teach new employees the skills they need to perform their job	Training
14. I have a clear career path	Internal mobility
15. I receive specific retention bonuses	High compensation
16. Should I desire a promotion, I have more than one potential position I could be promoted to	Internal mobility
17. In my current job, I can be expected to stay in this organisation as long as I wish	Employment security
18. Job security is almost guaranteed for me	Employment security
19. The duties of my job are clearly defined	Clear job description
20. I receive high levels of benefits	High compensation
21. My performance appraisals are based on objective, quantifiable results	Performance appraisal
22. My job description accurately describes all of the duties I perform	Clear job description
23. My performance is more often measured with objective, quantifiable results	Performance appraisal
24. My job has an up-to-date description	Clear job description
25. I receive good pay compared to similar jobs elsewhere	High compensation
26. Employee appraisals emphasise long-term and group-based achievement	Performance appraisal
27. In my job, I am allowed to make decisions	Participation
28. My pay is closely linked to, or matches my individual or group performance	Incentive compensation
29. I am often asked by my supervisor to participate in decisions	Participation
30. I receive bonuses based on the profit of the organisation	Incentive compensation
31. I am provided with the opportunity to suggest improvements in the way things are done	Participation
32. My supervisor keeps open communication with me	Participation

Appendix B

***Adequate* high performance HR practice questions from *HR Practices* section of survey.**

Table 8.2 shows the full set of adequate high-performance HR practice questions and the HR practice measured by each. The answer format is a semantic differential scale ranging from *Does not retain staff at all* (1) to *Retains staff to a very great extent* (5). The set of questions was prefaced with the statement: 'In my current organisation...'.

Table 8.2 Adequate high-performance HR practice items

Question	HR Practice
1. Selecting the right person for a job	Selective staffing
2. Emphasising employees' long-term potential	Selective staffing
3. Providing extensive training programs	Training
4. Making a very extensive effort in the employee selection process	Selective staffing
5. Paying employees reasonable total pay packages	High compensation
6. Placing considerable importance on the staffing process	Selective staffing
7. Putting employees through training programs every few years	Training
8. Basing promotion on seniority	Internal mobility
9. Offering employees formal training programs in order to increase their chances for promotion	Training
10. Paying a reasonable level of take home pay after benefits and taxes	High compensation
11. Allowing for opportunities for upward mobility (such as promotions or transfers)	Internal mobility
12. Providing employees with a future in the organisation	Internal mobility
13. Providing formal training programs which teach new employees the skills they need to perform their jobs	Training
14. Providing employees with clear career paths	Internal mobility
15. Providing employees with specific retention bonuses	High compensation
16. Making more than one potential position available to an employee should he or she desire a promotion	Internal mobility
17. Allowing employees to stay in their current jobs as long as they wish	Employment security
18. Virtually guaranteeing job security for employees	Employment security
19. Providing each employee with a clear definition of the duties of his or her job	Clear job description
20. Paying employees high levels of benefits	High compensation
21. Basing employee performance appraisals on objective, quantifiable results	Performance appraisal
22. Ensuring an employee's job description accurately describes all of the duties he or she performs	Clear job description
23. Measuring employee performance with objective, quantifiable results more often	Performance appraisal
24. Ensuring employees' job descriptions are up-to-date	Clear job description
25. Paying employees good pay compared to similar jobs elsewhere	High compensation
26. Emphasising long-term and group-based achievement in employee appraisals	Performance appraisal
27. Allowing employees to make decisions in their jobs	Participation
28. Closely linking, or matching employee pay to individual or group performance	Incentive compensation
29. Ensuring supervisors often ask employees to participate in decisions	Participation
30. Paying employees bonuses based on the profit of the organisation	Incentive compensation
31. Providing employees with the opportunity to suggest improvements in the way things are done	Participation
32. Ensuring supervisors keep open communication with employees	Participation

Appendix C

Destination questions from the *Turnover Destinations* section of the survey.

The destination questions presented below are not formatted as they were in the original Intended Quits survey answered by the respondents. The Likert scaled questions were answered on a scale from *Strongly Disagree* (1) to *Strongly Agree* (7). Respondents 100% amongst the options for each constant sum scaled question.

C 1. Likert-scaled questions

1. Should I wish to move into another job in South Africa, I would like to:

1.1. Stay in my current organisation and department and move into a different job type
1.2. Stay in my current organisation and move into a different department, while taking the same job type
1.3. Stay in my current organisation and move into a different department and a different job type
1.4. Move into a different organisation while staying in the same job type
1.5. Move into a different organisation and a different job type

2. Should I wish to emigrate and move into another job outside of South Africa, I would like to move into:

2.1. A different organisation outside of South Africa for a limited period of time (temporary emigration) and the same job type
2.2. A different organisation outside of South Africa permanently (permanent emigration) and the same job type
2.3. A different organisation outside of South Africa for a limited period of time (temporary emigration) and a different job type
2.4. A different organisation outside of South Africa permanently (permanent emigration) and a different job type

C 2. Constant sum scaled questions

1: The % chance I am likely to leave my current job in the near future

2: If you were to leave your current job, please indicate your likely chance of going to each of the following four destinations by dividing 100% between each of the destinations.

2.1. % chance I would stay in my current organisation, but transfer into a different job type/career
2.2. % chance I would move to different organisation in South Africa
2.3. % chance I would emigrate to take a job outside of South Africa
2.4. % chance I would leave the workforce completely (e.g. by taking early retirement or voluntary retrenchment)

3.1. If you were to transfer into another job in your current organisation, what would the % chance be that:

3.1.a. You would stay within your current department, but move into a different job type/career?
3.1.b. You would move into a different department in your current organisation, but stayed in the same job type/career as present?
3.1.c. You would move into a different department in your current organisation and move into a different job type/career?

3.2. If you were to move jobs to another organisation in South Africa, what would the % chance be that:

3.2.a. You would stay in the same job type/career?
3.2.b. You would take a different type of job (i.e. change careers)?

3.3. If you were to emigrate and take a job outside of South Africa, what would the % chance be that:

3.3.a. You would stay in the same job type/career?
3.3.b. You would take a different type of job (i.e. change careers)?

***Please note that the full HR Practices section of the survey is available for viewing at:**
http://www.esurveyspro.com/Survey.aspx?id=13c8758c-6b74-4ee6-ae74-5aeee64a37af
***Please note that the full Turnover Destinations section of the survey is available for viewing at:**
http://www.esurveyspro.com/Survey.aspx?id=b2cf3017-420c-43a5-aa20-21fde07fad0c

Appendix D

Exploratory factor analysis of pilot study data

An exploratory factor analysis (EFA) establishes the underlying factor structure of a particular group of variables, and the goal of this analysis is to ascertain the measured variables' relationships to the latent variables (Pohlmann, 2004).

D 1. Actual HR level exploratory factor analysis

The measurement of the 32 actual HR level questions took place on a semantic differential scale, which ranged from 1 (*Employer does not have this at all*) to 5 (*Employer uses this to a very great extent*). The respondent was required to consider his or her current firm and indicate on the scale his or her perception of the level of each HR practice in the company.

The exploratory factor analysis showed that a maximum likelihood principal axis factoring with a Promax rotation, provided the most suitable factor structure. A good overall Kaiser's Measure of Sampling Adequacy (KMSA) suggested that the degree to which the variables were inter-correlated warranted factor analysis (Hair, Black, Babin, Anderson & Tatham, 2006). The analysis of the scree plot and eigenvalues resulted in the retention of seven factors. As Pohlmann (2004:17) considers the 'Kaiser-Guttman, eigenvalue-more-than-one rule' as a viable measure in the determination of the number of factors to interpret, in

this case, the rule lends support to the decision to retain seven factors. The eigenvalues of the seven factors retained described 100% of the variance, in common factor analysis, the variance explained can rise above 100%. The resultant factors contained some cross-loadings, and after removal, the remaining factors appeared to represent the factor structure well. Table 8.3 shows the factor loadings for the preliminary actual HR practice factors. Assessment of the remaining factor structure suggested the preliminary factors as *Training, Pay, Participation, Job Description, Staffing, Results-Oriented Appraisal* and *Employment Security.*

Table 8.3 Exploratory factor analysis of actual HR practice level factors

Factor	Factor loadings						
Training							
Extensive train	**.93****	.00	-.08	.06	.00	-.05	-.05
Train yrs	**.84****	.05	-.01	-.01	-.02	-.06	-.03
Train promo	**.63****	.01	.09	-.13	.05	.13	.03
Train new	**.59****	-.08	.06	.10	.11	.06	-.01
Career path	**.33***	-.07	.12	.15	.22	.04	.06
Retention bonus	**.29***	.19	-.09	.02	-.03	.15	.18
Promo position	**.26***	.06	.00	.16	.14	.12	.04
Pay							
Take home	.03	**.89****	.03	-.06	-.08	.02	-.03
Overall	-.03	**.85****	-.02	-.02	.19	-.10	-.01
Good pay	-.09	**.78****	-.04	.08	.09	-.03	.06
Pay- performance	.02	**.53****	.16	.14	-.05	.07	-.08
High benefits	.17	**.42***	.02	.13	-.11	.07	.14
Profit bonus	.22	**.29***	.05	-.14	.01	.13	-.05
Participation							
Supervisor decisions	-.03	.03	**.84****	-.07	-.03	.11	-.01
Job decisions	.11	.06	**.82****	.15	-.10	-.22	.05
Suggest improve	-.01	.02	**.75****	-.07	.04	.05	.00
Supervisor comm.	-.08	-.01	**.51****	.04	.23	.15	-.02
Job description							
Description all duties	.00	.08	-.07	**.86****	-.04	.13	-.10
Duties defined	.01	-.04	.08	**.77****	.05	-.11	.12
Up-to-date description	.02	-.01	.00	**.65****	.06	.22	-.06
Staffing							
Efforts in select	.19	-.02	-.06	.07	**.77****	-.09	-.07
Right person/job	-.09	.05	.00	.02	**.74****	.06	.05
Importance on staff	.17	.17	.04	-.08	**.60****	.02	-.06
L/t potential	.21	-.02	.09	.04	**.43***	.02	.13
Results-oriented appraisal							
Perform measured with	-.03	-.02	-.02	.19	.04	**.75****	.01
Appraisal based on	.10	.01	.04	.08	-.05	**.74****	-.01
L/t, g/b achieve	.19	.13	.07	.02	.08	**.36***	.05
Employment security							
Guaranteed	-.02	.01	-.07	.03	-.01	.04	**.87****
Length of stay	.02	-.01	.16	-.07	.02	-.03	**.60****

Overall Kaiser's Measure of Sampling Adequacy: 0.93; Proportion of variance explained: 1.00;
***Highly significant*
**Significant*

D 2. Adequate HR level exploratory factor analysis

The same (slightly modified) set of 32 questions were measured on a semantic differential scale, ranging from 1 (*Does not retain staff at all*) to 5 (*Retains staff to a very great extent*). The participant was asked to consider his or her current firm, and indicate on the scale his or her perception of the adequate level of each HR practice in the company that would retain him or her at the company. Table 8.4 shows the correlations for this exploratory factor analysis (EFA).

Table 8.4 Exploratory factor analysis of adequate HR practice level factors

Factor	Factor Loadings						
Job description							
Description all duties	**.81**	-.07	-.01	.11	.00	.02	.01
Up-to- date description	**.73**	.11	.02	-.04	.11	-.05	.00
Duties defined	**.61**	.04	-.06	.02	.00	.19	.05
Participation							
Suggest improve	.05	**.92**	-.04	.05	-.04	-.08	-.04
Supervisor comm.	.06	**.82**	.06	-.14	-.05	.13	-.07
Supervisor decisions	-.10	**.76**	.06	.09	.00	-.01	.07
Job decisions	-.06	**.71**	-.01	.08	.01	-.05	.12
Staffing							
Efforts in select	.05	-.02	**.58**	-.06	.02	.25	.09
Right person/job	-.01	.14	**.54**	.00	.34	-.24	-.01
Importance on staff	-.12	-.14	**.42**	.39	-.11	.37	.09
L/t potential	-.04	.18	**.31**	-.14	.38	.21	-.04
Performance & reward							
Pay- performance	-.07	.07	.05	**.78**	.11	-.22	.03
Appraisal based on	.14	.04	.00	**.75**	-.03	.07	-.15
Perform. Measured with	.41	-.11	.03	**.71**	-.08	-.07	-.03
Profit bonus	-.31	.12	-.17	**.52**	.14	.23	.03
L/t, g/b achieve	.05	.18	-.05	**.41**	-.10	.26	.12
Pay and benefits							
Take home	.07	.00	.11	-.07	**.98**	-.09	-.05
Good pay	.09	.00	.01	-.01	**.91**	-.22	.13
Overall	-.01	-.08	.22	.06	**.90**	-.08	-.13
High benefits	-.06	-.15	-.20	.14	**.65**	.24	.19
Retention bonus	-.19	-.05	-.20	.27	**.55**	.38	-.08
Training and internal mobility							
Extensive train	-.02	-.07	.16	-.07	-.13	**.92**	-.05
Train promo	.03	.12	-.06	-.27	.18	**.90**	-.09
Train new	.10	.07	-.02	.12	-.23	**.89**	.03
Train yrs	-.09	-.05	.19	.17	-.38	**.85**	.06
Career path	.13	-.01	.00	-.04	.21	**.68**	-.11
Promo position	.08	.23	-.25	-.21	.36	**.54**	.05
Employment security							
Length of stay	.00	.06	.11	.03	-.12	-.18	**.74**
Guaranteed	.04	-.06	-.07	-.09	.12	.16	**.71**

Overall Kaiser's Measure of Sampling Adequacy: 0.96
Proportion of variance explained: 0.97

The EFA on the adequate HR practice variables revealed that principal axis factoring with a Harris-Kaiser case II rotation provided the most suitable factor structure. The overall KMSA supported the inter-correlation of the variables and thus the merit of factor analysis (Hair et al, 2006). The scree plot and eigenvalues encouraged the retention of seven main factors, explaining 97% of variance by means of a covariance matrix. The constructs preferred by the analysis are *Job Description, Participation, Staffing, Performance & Reward, Pay & Benefits, Training & Internal Mobility* and *Employment Security*.

Appendix E

Table 8.5 Pearson correlations and descriptive statistics of actual and adequate high performance HR practices

	M	SD	1	2	3	4	5	6	7	8
Actuals										
1. Selection	3.53	.88	(.83)							
2. Training	3.28	1.09	.59	(.86)						
3. Pay	3.12	.97	.54	.54	(.83)					
4. Internal mobility	3.01	.86	.58	.61	.59	(.70)				
5. Employment security	3.62	1.08	.32	.30	.38	.44	(.71)			
6. Job description	3.44	1.03	.54	.50	.51	.49	.29	(.63)		
7. Results appraisals	3.41	1.06	.60	.60	.59	.60	.37	.62	(.83)	
8. Participation	3.68	.95	.51	.41	.51	.41	.39	.44	.52	(.85)
9. Incentives	3.16	1.12	.46	.46	.63	.46	.19	.34	.56	.49
Adequates										
10. Selection	3.89	.86	.51	.31	.31	.31	.22	.27	.29	.39
11. Training	3.78	.88	.35	.42	.32	.31	.22	.23	.29	.39
12. Pay	3.77	.96	.27	.17	.35	.22	.24	.15	.23	.42
13. Internal mobility	3.61	.86	.34	.32	.36	.38	.29	.22	.30	.41
14. Employment security	3.53	1.00	.22	.24	.29	.37	.52	.21	.25	.25
15. Job description	3.76	.92	.35	.34	.33	.31	.23	.37	.30	.38
16. Results appraisals	3.41	1.06	.60	.60	.59	.60	.37	.62	1.00	.52
17. Participation	3.89	.90	.26	.21	.31	.19	.23	.18	.24	.54
18. Incentives	3.66	.99	.27	.22	.34	.26	.16	.17	.28	.42

	9	10	11	12	13	14	15	16	17	18
Actuals										
9.Incentives	(.61)									
Adquates										
10.Selection	.30	(.85)								
11.Training	.28	.69	(.84)							
12.Pay	.30	.70	.62	(.90)						
13.Internal mobility	.38	.75	.74	.78	(.80)					
14.Employment security	.20	.35	.40	.43	.47	(.66)				
15.Job description	.29	.58	.60	.55	.60	.37	(.82)			
16.Results appraisals	.56	.29	.29	.23	.30	.25	.29	(.82)		
17.Participation	.33	.63	.62	.73	.71	.36	.61	.24	(.88)	
18.Incentives	.44	.58	.54	.71	.67	.33	.50	.28	.68	(.68)

All correlations are significant at the .01 level and all Cronbach's alphas are indicated in parentheses

Appendix F

Table 8.6 Correlations and descriptive statistics of destination choices (Likert measure)

	M	SD	1	2	3	4	5
Internal transfer							
1. Internal transfer	4.21	1.45	(.70)				
Different firm							
2. Different firm	4.72	1.25	.28***	(.08)			
Emigration							
3. Temporary, SJ	4.12	2.00	-.05	.04			
4. Permanent, SJ	3.79	1.99	-.06	.13***	.51***		
5. Temporary, DJ	3.83	1.86	-.09*	.15***	.51***	.36***	
6. Permanent, DJ	3.49	1.91	-.03	.21***	.28***	.53***	.62***

Note: In header row: M: Mean, SD: Standard deviation. In table: SJ: Same job, DJ: Different job. Cronbach's alphas are indicated in paretheses.
****p < .01.*
***p < .05.*
**p < .10.*

Table 8.7 Correlations and descriptive statistics of destination choices (Constant sum measure)

	M	SD	1	2	3	4	5	6	7	8	9	10	11	12
Likelihood of overall move														
1. Transfer	.15	.14	(-.76)											
2. Different firm	.20	.20	.03	(.32)										
3. Emigrate	.10	.11	.13**	.20***	(.09)									
4. Leave workforce	.07	.11	.12**	-.05	.26***	(.13)								
5. Likelihood of leaving current job	.51	.32	.53***	.68***	.60***	.43***								
Internal transfer														
6. SD, DJ	.06	.08	.76***	-.03	.04	.06	.35***	(-.27)						
7. DD, SJ	.04	.06	.69***	.02	.09*	.07	.37***	.29***	(-.72)					
8. DD, DJ	.05	.06	.71***	.08*	.15**	.13**	.44***	.26***	.32***	(-.25)				
Different firm														
9. SJ	.10	.15	-.05	.81***	.07	-.09*	.47***	-.07	.01	-.06	(-.00)			
10. DJ	.09	.12	.13**	.68***	.26***	.05	.57***	.03	.02	.23***	.13**	(-.32)		
Emigration														
11. SJ	.05	.06	.10*	.22***	.81***	.18***	.51***	.03	.09*	.10**	.21***	.11**	(-.25)	
12. DJ	.05	.07	.11**	.13**	.87***	.26***	.51***	.03	.07	.15***	-.06	.30***	.41***	(.25)

Note: In header row: M: Mean, SD: Standard deviation. In table: SD: Same department, DD: Different department, SJ: Same job, DJ: Different job. Cronbach's alphas are indicated in parentheses.

****p < .01.*

***p < .05.*

**p < .10.*

Table 8.8 Correlations of destination choices (Constant sum and Likert measures)

	Likelihood of leaving	Internal transfer				Different firm			Emigration			Leave workforce
		Likelihood transfer	SD,DJ	DD,SJ	DD,DJ	Likelihood different firm	SJ	DJ	Likelihood emigrate	SJ	DJ	
Internal transfer												
Internal transfer	.01	.38***	.33***	.22***	.26***	-.30***	-.30***	-.13**	.07	.03	.09*	.02
Different firm												
Different firm	.29***	.14**	.14***	.11**	.04	.22***	.16***	.18***	.20***	.19***	.16***	.07
Emigration												
Temporary, SJ	-.04	-.09*	-.08	-.03	-.07	.01	.09*	-.09*	.01	.08	-.05	-.04
Permanent, SJ	-.05	-.10**	-.07	-.08	-.08	-.07	-.01	-.12**	.12**	.16***	.06	-.02
Temporary, DJ	.11**	-.01	-.02	-.07	.07	.09	-.03	.19***	.14**	.04	.18***	.02
Permanent, DJ	.15***	.02	.05	-.06	.03	.06	-.07	.19***	.20***	.08	.25***	.11**

Note: SD: Same department, DD: Different department, SJ: Same job, DJ: Different job.
****p < .01.*
***p < .05.*
**p <.10.*

Appendix G

Table 8.9 Correlations of actual high-performance HR practices and destination choices (Constant sum measure)

	Likelihood of leaving	Internal transfer				Different firm			Emigration			Leave workforce
		Likelihood Transfer	SD, DJ	DD, SJ	DD, DJ	Likelihood Different firm	SJ	DJ	Likelihood Emigrate	SJ	DJ	
Actuals												
1. Selection	-.11**	.00	.01	.00	.01	-.21***	-.14***	-.17***	.00	-.01	.01	.06
2. Training	-.03	.12**	.13***	.09*	.05	-.19***	-.16***	-.12**	.02	-.01	.04	.09*
3. Pay	.04	.04	.03	.06	.01	-.14***	-.09*	-.12**	.10**	.03	.13***	.19***
4. Internal mobility	.00	.15***	.14***	.11**	.08	-.24***	-.24***	-.11**	.06	-.03	.12**	.19***
5. Employment security	-.08	-.05	-.06	-.03	-.02	-.16***	-.15***	-.08	.03	.03	.02	.09*
6. Job description	-.06	.04	.04	.02	.03	-.16***	-.08	-.18***	.00	-.04	.03	.04
7. Results appraisals	-.06	.10***	.08	.06	.08	-.24***	-.23***	-.12**	.03	-.03	.08	.09*
8. Participation	-.15***	-.12***	-.05	-.09*	-.11**	-.14***	-.02	-.22***	-.03	-.03	-.03	-.01
9. Incentives	.02	.09*	.11**	.02	.07	-.15**	-.16***	-.06	.07	-.01	.12**	.12**

Note: SD: Same department, DD: Different department, SJ: Same job, DJ: Different job.
****p < .01.*
***p < .05.*
**p <.10.*

Table 8.10 Correlations of adequate high-performance HR practices and destination choices (Constant sum measure)

	Likelihood of leaving	Internal transfer				Different firm			Emigration			Leave workforce
		Likelihood transfer	SD, DJ	DD, SJ	DD, DJ	Likelihood different firm	SJ	DJ	Likelihood emigrate	SJ	DJ	
Adequates												
1. Selection	-.07	-.06	-.03	-.05	-.06	-.06	-.04	-.07	.02	.05	-.01	-.04
2. Training	-.04	-.02	.06	-.03	-.07	-.09*	-.08	-.05	.06	.06	.04	-.01
3. Pay	-.01	-.08	-.06	-.07	-.05	.01	-.01	.02	.08	.09*	.05	-.03
4. Internal mobility	-.01	-.08	-.03	-.07	-.06	-.05	-.07	.00	.13***	.11**	.11**	-.01
5. Employment security	.03	.00	.05	-.01	-.04	-.06	-.11**	.03	.10*	.08	.08	.10*
6. Job description	-.07	-.05	.02	-.07	-.05	-.11**	-.09*	-.08	.07	.06	.05	-.04
7. Results appraisals	-.02	-.06	-.01	-.10*	-.03	-.03	-.03	-.02	.09*	.12**	.03	.00
8. Participation	-.11**	-.12**	-.03	-.16***	-.07	-.06	-.05	-.04	.01	.01	.01	-.08
9. Incentives	.00	-.05	.01	-.08	-.04	-.03	-.04	.00	.08	.07	.07	-.01

Note: SD: Same department, DD: Different department, SJ: Same job, DJ: Different job.
****p < .01.*
***p < .05.*
**p <.10.*

Table 8.11 Correlations of high-performance HR practices and destination choices (Likert measure)

	Internal transfer	Different firm	Emigration			
			Temporary, SJ	Permanent, SJ	Temporary, DJ	Permanent, DJ
Actuals						
1. Selection	.18***	-.01	.00	.03	-.10*	-.07
2. Training	.29***	.07	-.06	-.03	-.14***	-.07
3. Pay	.13***	.03	-.02	-.07	-.14***	-.07
4. Internal mobility	.32***	.09*	-.02	-.02	-.08	-.02
5. Employment security	.16***	.04	.01	-.01	-.10**	-.05
6. Job description	.23***	.00	-.03	-.03	-.13***	-.04
7. Results appraisals	.29***	.01	-.05	-.04	-.11**	.02
8. Participation	.10**	-.01	.13***	.12**	-.04	-.05
9. Incentives	.21***	.05	-.01	-.04	-.02	.00
Adequates						
10. Selection	-.09*	-.07	-.01	.04	-.04	-.08
11. Training	.00	-.02	.01	.03	-.01	-.05
12. Pay	-.09*	-.06	.01	.02	.00	-.05
13. Internal mobility	.00	-.04	.03	.05	.04	.00
14. Employment security	.13***	.09*	-.08	-.03	-.11**	-.02
15. Job description	.06	-.04	-.02	-.01	-.02	-.07
16. Results appraisals	.00	-.05	.07	.01	.02	-.03
17. Participation	-.05	-.09*	.07	.06	.03	-.02
18. Incentives	.03	-.02	.11**	.08	.08	.06

Note: SJ: Same job, DJ: Different job.
****p < .01.*
***p < .05.*
**p <.10.*

Appendix H

Table 8.12 Correlations and descriptive statistics of high-performance HR practices and demographics

	M	SD	Age	Education	Marital	Firm tenure	Gender	Race
Controls								
Age	33.74	9.65						
Education	5.20	1.23	.12**					
Marital	.47	.50	.41***	.15***				
Firm tenure	1983.00	2334.00	.56***	-.04	.22***			
Gender	.52	.50	-.03	-.01	.04	.07		
Race	.64	.48	-.27***	-.22***	-.25***	-.22***	.10**	
Actuals								
1. Selection	3.54	.88	-.17***	-.08	-.11**	-.17***	.06	.15***
2. Training	3.28	1.09	-.20***	-.13***	-.19***	-.07	.10**	.28***
3. Pay	3.12	.97	-.21***	-.08	-.09*	-.12**	.10**	.18***
4. Internal mobility	3.01	.86	-.28***	-.23***	-.20***	-.16***	.08*	.25***
5. Employment security	3.62	1.08	-.16***	.01	-.04	-.09*	-.01	.09*
6. Job description	3.44	1.03	-.19***	-.08*	-.14***	-.15***	.13***	.27***
7. Results appraisals	3.41	1.06	-.21***	-.12**	-.14***	-.12**	.15***	.20***
8. Participation	3.68	.95	-.11**	.12**	.01	-.06	.11**	-.01
9. Incentives	3.16	1.12	-.12**	.00	-.05	-.06	.13***	.11**
Adequates								
10. Selection	3.89	.85	-.09*	.11**	.06	-.13***	.00	-.09*
11. Training	3.78	.88	-.06	.09*	.02***	-.12**	.03	.00
12. Pay	3.77	.96	-.03	.19***	.15	-.05	.05	-.19***
13. Internal mobility	3.61	.86	-.09*	.11**	.05	-.08	.08	-.06
14. Employment security	3.53	1.00	-.14***	.03	-.01	-.11**	-.08*	.07
15. Job description	3.76	.92	-.15***	.03	-.01	-.13***	.04	.03
16. Results appraisals	3.77	.91	-.07	.13***	.07	-.09*	.12**	-.05
17. Participation	3.89	.90	-.05	.27***	.10**	-.04	.07	-.18***
18. Incentives	3.66	.99	-.05	.17***	.11**	-.06	.12***	-.10*

Note: M: Mean, SD: Standard deviation. Marital refers to marital status; firm tenure refers to organisational tenure.
****p < .01.*
***p < .05.*
**p < .10.*

Table 8.13 Correlations and descriptive statistics of destination choices and demographics

Destination choice	M	SD	Age	Education	Marital	Firm tenure	Gender	Race
Constant sum measure								
Likelihood of leaving	.51	.32	-.23***	-.08	-.07	-.19***	.05	.15**
Internal transfer								
Likelihood of transfer	.15	.14	-.17**	-.18***	-.12**	-.05	-.01	.19***
SD, DJ	.06	.08	-.11**	-.12**	-.12**	.00	.02	.12**
DD, SJ	.04	.06	-.14***	-.19***	-.06	-.05	-.07	.14***
DD, DJ	.05	.06	-.12**	-.08	-.08	-.08	.01	.17***
Different firm								
Likelihood of different firm	.20	.20	-.09***	.14**	.07	-.16**	.02	-.03
SJ	.10	.15	-.01	.10**	.07	-.11**	-.01	-.03
DJ	.09	.12	-.13***	.10*	.04	-.13***	.06	-.01
Emigration								
Likelihood of emigration	.10	.11	-.23***	-.08	-.15**	-.14**	.09*	.09*
SJ	.05	.06	-.16***	.00	-.10*	-.09*	.04	.04
DJ	.05	.07	-.23***	-.12**	-.15***	-.14***	.11**	.11**
Likelihood of leaving workforce	.07	.11	-.07	-.22***	-.01	-.01	.05	.17***
Likert measure								
Internal transfer								
Internal transfer	4.21	1.45	-.14***	-.21***	-.13***	.02	.08*	.31***
Different firm								
Different firm	4.72	1.25	-.12**	-.02	-.08	-.10**	.07	.17***
Emigration								
Temporary, SJ	4.12	2.00	-.07	.07	-.01	-.09*	.01	-.01
Temporary, DJ	3.79	1.99	.02	.06	.03	.03	-.05	-.06
Permanent, SJ	3.83	1.86	-.02	.10**	-.07	-.04	.01	-.04
Permanent, DJ	3.49	1.91	.01	.00	-.05	-.03	.04	-.06

Note: In header row: M: Mean, SD: Standard deviation. In table: SD: Same department, DD: Different department, SJ: Same job, DJ: Different job. Marital refers to marital status; firm tenure refers to organisational tenure.

****p < .01.*

***p < .05.*

**p < .10.*