

The Impact of Training on Employee Job Satisfaction and Retention among Administrative Staff Members: A Case of a Selected Tertiary Institution

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ABSTRACT The paper presents the findings of the study that was conducted to explore the impact of training on job satisfaction and retention of employees at a selected tertiary institution. A quantitative research methodology was used and 120 randomly selected respondents participated in this study. Self-administered questionnaires were administered to respondents drawn from academic administrators. The data collected was analysed using SPSS version 22.0. The results revealed that there is no significant relationship between training and employee retention. However, there is a significant positive relationship between employee job satisfaction and retention.

INTRODUCTION

In order to survive and prosper in today's economy, the concept of employee retention is now very important for many South African institutions. Many organizations have found it very important to invest in employees through training to improve employee proficiencies so that they can acquire a greater return in human capital investment through increased job commitment and high employee retention. The world is constantly shifting such that institutions of all types have to adapt to external and internal changes for their own survival (Cummings and Worley 2005). According to Samuel and Chipunza (2009), retaining skilled employees is critical in order to sustain competition and effective and efficient service delivery among organizations.

In South Africa's job market, retaining key employees has become a critical issue for organizations. Employers are seizing on training as one of the most effective retention tools available. Kauffman (2010) argues that when it comes to improving employee retention, it is imperative to use grass-root employee involvement

program like training in the firm's business. Today's employees are now very different because they now have so many opportunities at their disposal (Kauffman 2010). If they are not happy with their present company they move over to the next organization. The responsibility therefore lies with the employer to ensure that they preserve and maintain their best employees. A good employer is one who knows how to both attract and retain its employees. This can be achieved through providing adequate employee training. Therefore if training is not devised, it may also pose a threat to employee organizational commitment which in turn leads to a negative impact to the organizational success.

Forgacs (2009) defines training as a planned activity aimed at improving employees' performance by helping them realize an obligatory level of understanding or skill through the impartation of information. Armstrong (2000) also defines training as an organized process to amend employee proficiencies so that they can achieve its objectives. In the traditional approach to training, most organizations never used to believe in training. Organizations had the view that training was very costly and unworthy. The scenario is however changing. The modern approach to training is that globally, organizations have realized the importance of training. Training is now viewed as a commitment

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and retention tool than a cost (Torrington et al. 2004).

Statement of the Problem

High labour turnover damages the organization through increased costs of recruitment and selection, delayed service delivery and low morale amongst employees. Kabungaidze et al. (2013) argues that such activities greatly affect organizational success to prosper in today's competitive economy due to their inability to retain the right quality of employees. There also seems to be a grey area between training and employee retention because most researches on the impact of training on employee retention have shown inconclusive results (Coetzee and Schreuder 2013; Terera and Ngirande 2014). Another factor is that although various researches were conducted on the impact of training in organizations, not enough research has been conducted in higher learning institutions to provide empirical support for the impact of training on attitudinal factors such as organizational commitment and employee retention especially among administrative staff in higher learning institutions. Therefore the research seeks to investigate the impact of training on employee retention.

Research Objectives

- The research objectives are:
- ♦ To determine the impact of training on employee retention;
 - ♦ To make recommendations to the policy makers in the organization on possible ways to improve employee retention based on the research findings.

Research Hypothesis

- H0*: There is no relationship between training and employee retention.
- H1*: There is a significant positive relationship between training and employee retention.
- H0*: There is no relationship between training and employee retention
- H2*: There is a significant positive relationship between training and employee retention.

Research Questions

1. Does training lead to employee retention?
2. Does lead to employee job satisfaction?

Review of Related Literature

One of the core concepts in Human Resources literature for employers is the retention and development of the human capital to facilitate a competitive advantage (DeYoung 2000). The management of labour turnover has become a growing challenge particularly in professional organizations like in health and academic institutions (Cappelli 2000). Increased employee turnover results in instability, additional workload and stress on remaining staff thus escalating job dissatisfaction which potentiates the turnover cycle (Moseley et al. 2008). Schuler and Jackson (2006) also state that recruiting employees to meet the organization's human resource demands is only half of what is needed in talent management. The need to keep these people is another battle. Organizations that have lower labour turnover rates gain a competitive advantage through a reduction in overall labour costs and an increase in productivity.

According to Horwitz (2008) skills shortages are a threat to economic growth. He argues that retention strategies are critical in a global market that is faced with the shortage of skilled workers. The skills shortage challenge is not a South African phenomenon alone. It is therefore important for business, government public and private sector leaders to address this critical component of employee retention for competitiveness and service delivery. Moseley et al. (2008) state that employee retention is important to organizations as increased turnover creates instability and puts additional workload and stress on remaining staff, increasing job dissatisfaction and therefore potentiating the turnover cycle.

Recent trends also show that employees now have a desire to obtain fresh skills. Particularly in technical skills because acquisition of skills provides job security as compared to seniority (Chaminade 2007). As a result employees look for organisations that are prepared to afford them some training and development opportunities. This can be in the form of bursaries on the job training and ongoing development opportunities. This results in affective commitment be-

cause the employees will strongly identify with the organization if their personal goals are being met by the organisation (Coetzee and Schreuder 2013). This affective commitment often prompts employees to stay with the organisation. Therefore it is very important for any organization to provide its employees with adequate training and keep track on their level of job satisfaction.

Theoretical Framework

Herzberg 1968's two factor theory was utilised for this study to better comprehend employees' attitudes and motivations to remain in or leave an organization. Frederick Herzberg performed studies in the workplace to establish factors that led to satisfaction or dissatisfaction. Interviews were conducted whereby employees were asked about factors that pleased them in an organisation and those that they were unhappy about (Herzberg 1966). Herzberg further formulated the motivation-hygiene theory to give details of the results. He called the satisfiers motivators and the dissatisfiers hygiene factors. Hygiene factors were considered maintenance factor that are required to avoid dissatisfaction but they themselves do not cause satisfaction (Sungmin 2009).

Herzberg (1966) differentiated factors leading to satisfaction from those leading to dissatisfaction as follows.

Hygiene factors

Motivation factors

- Supervision
- recognition
- Company policy growth
- Work conditions responsibility
- Relationship with management advancement
- Salary work itself
- Relationship with colleagues achievement

According to the two-factor theory the presence of hygiene factors does not result in satisfaction but however their absence certainly leads to dissatisfaction in employees. In contrast the presence of motivation factors in an organization leads to higher satisfaction and their absence results in no satisfaction in employees (Sungmin 2009).

Basing on this theory, Coetzee and Schreuder (2013) argue it is therefore important that organisations have both hygiene factors and motivation factors to keep their employees satisfied so that they will not leave the organisation. Motivation factors are often said to lead to high retention but the absence of hygiene factors may result in increased turnover (Coetzee and Schreuder 2013).

RESEARCH DESIGN AND METHODOLOGY

The quantitative design method was used in this research. A quantitative methodology makes use of statistical representations rather than textual pictures of the phenomenon (Kabungaidze et al. 2013).

Population

The population of the study consisted of both male and females from administration staff at a selected tertiary institution in the Eastern Cape Province. The total size of the population was 120 (N=120). Using the RaoSoft sample size calculator, a minimum recommended sample size of 190 was obtained. The respondents were selected using a simple random sampling method.

Measuring Instrument

A self-administered questionnaire was used to collect data for this research. According to Babbie (2013) a questionnaire contains questions and other types of items designed to seek appropriate information for data analysis. Three instruments were used to compute the variables in this study. These are the biographical questionnaire training questionnaire and the intention to leave questionnaire. A self-designed biographical and occupational questionnaire was used for sample description.

Training was measured using a 5-item measure developed by Teseena and Soeters (2006) and it has an alpha coefficient of 0.82. Employee retention was measured by the intention to leave questionnaire developed by Cowin (2002). Responses to each of the six items were rated using a 5-point Likert scale with anchors labelled: 1 = strongly disagree. 2 = disagree. 3 = neither agree nor disagree. 4 = agree. 5 = strongly agree. The alpha coefficient for this six-item scale has been 0.96 in previous studies.

Administering of the Questionnaire

Permission was requested from the HR Director of the institution to give out the questionnaires. The questionnaires were left with the HR officials for distribution. The anonymity and confidentiality of the information to be obtained from questionnaires was stressed to the HR department and to the respondents through a cover letter.

To facilitate a good response rate, an agreement was made that the collection of data should take a period of one month.

Data Analysis

The research utilised quantitative techniques of data analysis. The Statistical Package for the Social Sciences (SPSS) version 20 program was used to analyze data. Demographic data was reported by using frequencies and percentages. The level of statistical significance was measured using Chi-Square test and set at $p < 0.05$. Pearson Product Moment Correlation analysis was carried out to determine the direction and strength of the relationship between training and employee retention. One way ANOVA was used to test the significance level of relationship between variables.

RESULTS

This section seeks to present and discuss the results obtained from this study through data collection.

Descriptive Statistics

The results illustrate the gender distribution of respondents. Out of the 120 respondents, (36%) were males and (64%) were females. According to the responses, it can be concluded that the gender representativity was achieved. The reason most respondents were females can be attributed to the fact that in most organizations, females are the dominant sex due to the nature of the work (administration). However it is not always the case these days in most South African organizations due to different policies such as the affirmative action. The majority of the respondents were Blacks ranging from 25-34 years of age.

The results are shown on the Table 1.

Table 1: Frequency distribution for demographic variables (n=120)

<i>Demographic variables</i>	<i>Percentage</i>
<i>Gender (n=120)</i>	
Male	36
Female	64
Total	100
<i>Ethnic Group (n=120)</i>	
Black	66
White	20
Colored	10
Other	4
Total	100
<i>Age (n=120)</i>	
16-24	5
25-34	40
35-44	20
45-54	22
55+	13
Total	100

In responding to whether the participants were prepared to remain in the organization because of education and training opportunities, results show that most respondents were not willing to remain in the organization because regardless of the education and training opportunities afforded to them. Out of 120 participants 102 participants were not prepared to remain in the organisation as indicated in Table 2. Given this, it shows that training opportunities do not have a positive impact on employee retention. Pare et al. (2001) also found training to be negatively related to continuance commitment (employee retention).

Table 2: "I am prepared to remain in the organization because of education and training opportunities"

	<i>Frequency</i>	<i>Percentage</i>
Strongly Agree	6	5
Agree	6	5
Neutral	6	5
Disagree	54	45
Strongly Disagree	48	40
Total	120	100

The controversy that lies on whether training triggers high turnover or retention is the one that led to the buildup of Figure 1. The results show that 75% of the respondents were likely to quit the organization because they are now equipped with the necessary skills which make them marketable to other organizations. These

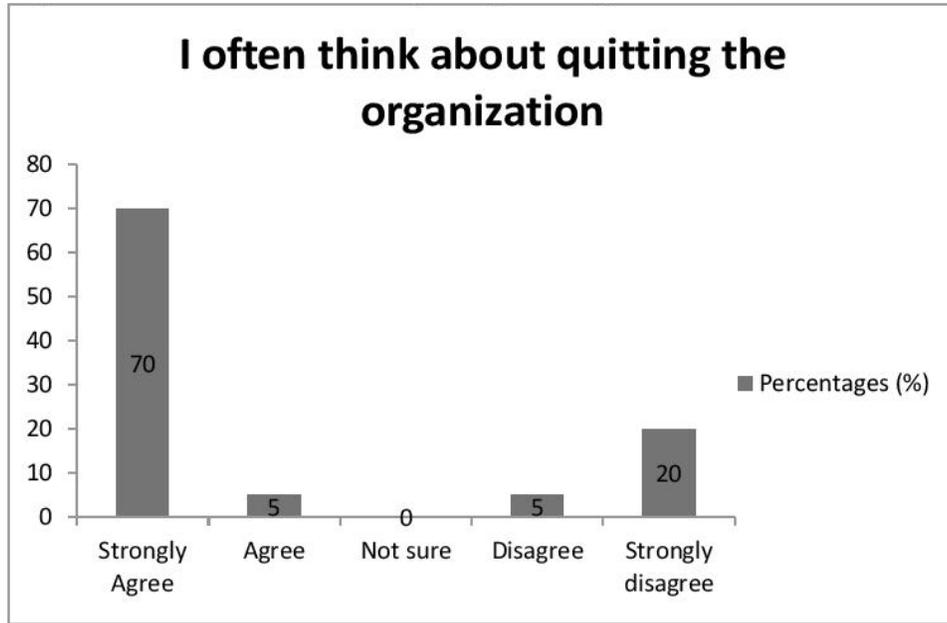


Fig. 1. I often think about quitting the organization

results are similar to the literature of (Jiang and Klein 2000) which states that training opportunities do not improve employee retention because employees regard them as hygiene factors which are necessary to be available but however their availability does not necessarily lead to either job satisfaction or organizational commitment.

Inferential Statistics

In order to test the contribution of the independent variables (training) to the dependent variable (employee) several statistical models were used. These include the Chi-Square test to test whether there is an association between independent and dependent variables. Anova was also used to test the significance of the association and Pearson Correlation to test the strength and direction of the relationship between variables. A Chi-square was used to determine whether there was an association between training and employee retention. Results from the analysis indicated that training alone cannot predict employee retention. The results are shown in Table 3.

Table 3: Chi-Square test showing the association between adequate training and employee retention

Chi-Square Tests	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	.861 ^a	2	.650
Likelihood Ratio	1.239	2	.538
Linear-by-Linear Association	.744	1	.388
N of Valid Cases	120		

a. 4 cells (66.7%) have expected count less than 5. The minimum expected count is .10.

A Chi-square test of association was performed by cross tabulating two variables namely training and employee retention. Results from Table 3 shows a Chi-square value of .861^a and 2 degrees of freedom with a probability value of 0.650. Since the p-value is greater than 0.05. It therefore means that we reject the null hypothesis and conclude that training only cannot predict employee retention. To determine the direction of the association one way Anova was used as shown in Table 4.

The homogeneity of variance option provides a Levene's test for homogeneity of vari-

Table 4: Test of homogeneity of variances

<i>Levene Statistic</i>	<i>df1</i>	<i>df2</i>	<i>Sig.</i>
1.061	4	214	.377

ances which tests whether the variance in scores is the same for each of the five groups. If the value is greater than 0.05 the assumption of homogeneity of variance is not violated. In this case it is 0.377.

A chi-square test of association was performed by cross tabulating two variables namely job satisfaction and employee retention. From the results we got a chi-square value of 20.000^a and 1 degrees of freedom with a probability value of 0.000. Since the p-value is less than 0.05, it therefore means that we do not reject the null hypothesis and conclude that satisfied employees have low turnover intentions and likely to remain with the organization as depicted in Table 5.

Table 5: Chi-Square Tests results showing an association between adequate training and employee job satisfaction

	<i>Value</i>	<i>df</i>	<i>Asymp. Sig. (2-sided)</i>
Pearson Chi-square	20.000 ^a	1	.000
Continuity Correction ^b	4.488	1	.034
Likelihood Ratio	7.941	1	.005
Fisher's Exact Test			
Linear-by-Linear Association	19.000	1	.000
N of Valid Cases	120		

a. 3 cells (75.0%) have expected count less than 5. The minimum expected count is .05.

In addition to the Chi-square test of association. Pearson Product moment Correlation analysis was carried to determine strength, direction and significance of the relationship between employee job satisfaction and retention.

The Relationship between Employee Job Satisfaction and Retention

Results from the correlation analysis indicates a positive relationship between job satisfaction and employee retention ($r=0.182$, $p=0.007$) meaning the more satisfied the employee are, the more they remain in the organization (Table 6).

Table 6: Correlations for employee job satisfaction and retention

		<i>Mean retention</i>	<i>Mean job satisfaction</i>
<i>Mean Intentions</i>	<i>Turnover</i>	1	.182**
	Pearson Correlation		.007
	Sig. (2-tailed)		
	N	120	120
<i>Mean Job Satisfaction</i>	Pearson Correlation	.182**	1
	Sig. (2-tailed)	.007	
	N	120	120

It was also important to test the overall mean of retention in order to determine whether the respondents were likely to stay or leave the organization in future. The overall retention mean was 3.39726. This indicates that respondents (administrators) were uncertain of staying or leaving the organization. This is as a result of respondents (administrators) being exposed to both job satisfying factors such freedom to plan, high degree of initiative and on the other hand being exposed to dissatisfying factors such as lack of conscience in doing work, poor working conditions, the rural nature of the province and a lot more. Consequently, administrators are not sure whether they are totally satisfied or dissatisfied.

DISCUSSION

The purpose of this study was to investigate the impact of training on employee retention. It was hypothesized that training does not improve employee retention (administrators) in an organization. It was also hypothesized that there is a positive correlation between training and employee job satisfaction. This section discusses the results and findings of the study and seeks to answer the research questions of the research.

In order to contextualize the research, comparisons are drawn with available literature on training and employee retention amongst administrators. Based on the above results the following section answers the research questions and hypothesis.

Training and Employee Retention

The results of the current research indicate that there is no statistically significant associa-

tion between training and employee retention amongst employees (administrators). Results in Table 3 shows that there is no association between training and employee retention ($r=-0.206$, $p=0.6$). This means that training is not the only determinant of employee retention especially among administrators in an organization. This is also supported by a study conducted based on a sample of 750 administrators in higher learning institutions which revealed that there is no a statistically significant relationship between training and employee retention (Coetzee and Schreuder 2013).

Job Satisfaction and Employee Retention

Results from this study show a positive relationship between job satisfaction and employee retention ($r=-0.182$, $p=0.007$) meaning the more satisfied the administrators are, the more they are likely to remain in the organization. The study also tested the overall mean of turnover intentions in order to determine whether administrators were likely to stay or leave the profession in future. The overall retention mean was 3.39726. This indicates that respondents (administrators) were uncertain of staying or leaving the administrative profession. This is as a result of administrators being exposed to both job satisfying factors such as freedom to plan, high degree of initiative and on the other hand being exposed to dissatisfying factors such as lack of conscience in doing work, poor working conditions, the rural nature of the province and a lot more. Consequently, administrators are not sure whether they are totally satisfied or dissatisfied. Similarly Kabungaidze et al. (2013) also reported a statistical significant relationship between job satisfactions based on training in his study of 150 administrators on employee retention.

CONCLUSION

It is apparent from the research results that the research hypothesis has been proved false. The hypothesis which states that training does not improve employee retention in the organization is accepted because many respondents indicated that they were not willing to stay with their organizations because of the training and development opportunities afforded to them. It is therefore important for management to realize the importance of other initiatives in their reten-

tion strategy. This is because the results of the research also show that other than training, there are other retention factors which are also as important as training in terms of retention among the administration staff employees for example monetary rewards and the need for global exposure and experience.

RECOMMENDATIONS

The results from this study show that employees consider a very number of factors in addition to training when choosing to remain in an organisation. It is very important therefore that the management develop an attractive employee value proposition as a retention strategy that is inclusive of training, promotion opportunities and opportunities for global exposure, monetary rewards and health benefits also. This means that management should be able to create a total reward structure that includes more than just compensation. Training alone is not enough for employee retention. Management should also consider making their compensation and benefits package lucrative so that the right quality of employees are attracted and also remain in the organization. This retention strategy should make a company a great place to work. Exit interviews should also be conducted whenever an employee resigns so that they can know the reasons why their employees are leaving the organization. Exit interviews are important because they will help shape the retention strategy of the university.

The results of the study also show that organizations do not want to retain just any employee but only those that they find valuable. Valuable employees are those that possess the necessary skills and competencies. It is very important therefore for employees to take advantage of the training and development opportunities that are available at the university and equip themselves with the required skills. In the event of retrenchments and layoffs, such employees may be retained by the organization because they will be considered valuable.

Priorities for future research include controlling for extraneous and confounding variables which would simultaneously improve the internal validity of the research. A more rigorous research design could have facilitated this. Ideally a larger sample based on a stratified random design could be drawn. This is because strati-

fied random sampling is argued to minimize sampling errors and enhance the external validity of research findings. Consequently, it allows for results to be extrapolated from the sample to the population with greater confidence.

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