

Perceptions about Retention Management

A case-study within MassMedia Studios



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Preface

This study is the result of my internship of six months at MassMedia Studios, Australia. Next to completing my thesis, I have also been given the opportunity to get used to the environment present in one of the market leading digital companies of nowadays. These weeks have been rather intense, however, I am rather satisfied with the benefits they have reaped me. I would like to thank all colleagues for making this possible.

This study has been conducted as part of the master Strategic Human Resource Management. From February 2009 until August 2009 I got the opportunity to examine exactly that area I am interested in the most. Within the HR department I set up a case study for MassMedia Studios to meet the conditions to become an 'employer of choice'. For this purpose I examined the different human resource practices with regard to retention and, more specifically, the viewpoints of the employees of this organization.

At this moment, my master thesis is submitted and this could not have been done without the help of the organization MassMedia Studios and its employees, my parents and my friends. In this part I would like to thank the people who helped me working on my thesis, guided me through the process and encouraged me to continue with the process of writing.

First of all I would like to thank Steve Fanale, the Chief Executive Officer of the organization, who made it possible to examine my research question at MassMedia Studios. Thanks for your time to explain me about the current situation of MassMedia Studios and also for the beautiful drawings to make this more visual. Next to this I would like to thank my supervisor Elmar Platzer for answering all my questions during busy times, helping me find the right literature and giving me a regular update of the Australian workforce. Shivaun Kilbane and Linda Salter have been a great help as well while helping me with my English writing skills. Moreover, I would like to thank all the employees of MassMedia Studios who made time to contribute to my research while participating in the interviews. In particular to Adel for encouraging me and giving me new insights with regard to different cultures, Ross for reading my thesis and checking on grammar, Steven for helping me with the technical programmes necessary for tape of interviews, Birga for showing me new applications of Microsoft office and the lay-out, Adam who is now the former CEO of MassMedia Studios and at the time of writing the general manager, who showed me his knowledge about research methods.

Next to this I would like to thank my friends in Sydney: Suzanne van Gageldonk, Cecile Gijbbers and Manon Stallaert who listened to my concerns and stresses during my study. I would also like to thank my Dutch friends Anne Pronk and Mette Benoist for cheering me up with their emails and good advices. Finally I would like to thank my parents for helping me getting through the whole writing process, it could not have been done without them.

I hope this study contributes to suitable insights to be used by the human resource practitioners within MassMedia Studios, in their quest of searching for initiatives the organization should adopt to retain its employees and as a result become an employer of choice.

Utrecht, January 2011

Paulien Verhoeven

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Abstract

Purpose

This study investigates the perceptions of employees in a medium size, creative organization in Sydney, Australia, on retention management and furthermore investigates the human resource factors which do influence their intention to stay or to leave. These human resource practices are leadership (leader/manager of an organization, mentorship, communication and approachability), organizational culture, teamwork relationships, remuneration and recognition, employee engagement (commitment, person-organization fit, person-job fit, work-life balance), training and career development and challenging opportunities.

Method

This study has been accomplished through the eyes of the employees using a qualitative approach with observations made in the work environment and narrative interviews. For the purpose of the study, 14 of the employees were interviewed during work time in separate rooms.

Results

The results of the study indicated that the human resource practices pointed out as important in the existing literature are not in line with the agreements with the human resource practices mentioned by the employees. While the literature noted the importance of all the human resource practices mentioned above, the employees of MassMedia Studios mentioned only the importance of organization culture and work environment, remuneration and recognition, teamwork relationships and challenging opportunities and moreover two extra dimensions, which are the product the organization is selling and the financial crisis.

Keywords

Retention, retention management, human resources, human resource practices

1. Introduction

The Master of Arts in Strategic Human Resource Management as offered by the University of Utrecht focuses on business in a public as well as a private setting and the academic knowledge which contributes to the analysis of policy issues that organizations are facing in their environment. The first part of the program focused on acquiring knowledge in the field of HRM and examines this in the practical business environment, while the second part gave the students the opportunity to practice the academic and research knowledge in a self chosen organization with a self-chosen subject. In this matter, my main interest was to examine talent management in an international organization which made me decide to search for a thesis subject in this area. In January 2009, the initial contact was made with MassMedia Studios, a creative organization based in Sydney, Australia. While the organization was searching for a way to retain their talent and become an employer of choice, there was a good match between the expectations of MassMedia Studios and my thesis requirements and ambitions.

1.1. MassMedia Studios

MassMedia Studios, located in Sydney Australia, is a business in the interactive digital information technology, started in 2000 by Steven Fanale and Desmond Ang. The organization is specialized in digital and interactive communications and has approximately 40 employees in Australia, the United States and the United Kingdom (MassMedia Studios website, 12 February, 2010). Its focus lies on relationship marketing, helping clients to understand their customers better and interact with them meaningfully. This can be done through an email campaign, an SMS promotion, a website or any other form of digital communication. Their client roster includes global relationships with leading brands such as Diageo, Cadbury, Unilever, Audi and FOXTEL (MassMedia Studios website, 12 February, 2010).

MassMedia Studios can be divided into five different departments: development, design, operations, sales and the back office/administration. The office space is divided into five different segments, each of which represents a functional area of MassMedia Studios. The employees of MassMedia Studios are from many different backgrounds and the atmosphere in MassMedia Studios is often animated, there is music and people are walking in the building and talking with each other in informal meetings and formal meetings in separate rooms.

1.2. Justification Research

This study will examine the perceptions of employees on retention management in a creative and digital oriented organization. To be more specific, it will compare the visions on retention management and the human resource practices influencing those provided in the literature against the visions of the employees within MassMedia Studios.

Retention management can, according to Chew (2004), be defined as the human resource strategies the organization uses to satisfy their employees and therefore remain with the organization. Due to changing work environment in these days, employee retention is a topic of high interest in the society as well as in the media. Human capital is a core factor in growing and competing organizations and has been widely discussed in many human resources related studies (Vos, Meganck, 2007; Sheehan, Holland & de Cieri, 2007; Huselid, 1995; Becker & Gerhart, 1996). This importance of human capital can also be seen in various studies about organizations who strive to use human resource practices to successfully motivate and retain their employees (Horwitz, Hueng & Quazi, 2003, Boxall, Macky & Rasmussen, 2003). However, there has not been much research of retention management in the creative branch, a branch which should be approached on its own (van Wijk, 2003).

Human resource practices on the other hand can be defined as the practices of an organization that influence employees' behaviour, attitudes and performance (Noe, et al., 2008)). The subject human resource practices will be elaborated later in this study.

With this in mind, it was interesting to hear the chief operating officer of MassMedia Studios being concerned about the retention of young creative employees within that specific organization. While MassMedia Studios is a young, dynamic and creative organization, it consequently attracts many young and creative people. However, according to research done in this area, these creative people are the most difficult to retain (van Wijk 2003). As a result, MassMedia Studios is looking to implement a simulation of the 'best employer of choice'¹. Research showed that the best employers of choice outperform their competitors on many financial indicators of performance. Moreover, retention seems to be related to organizational performance while organizations who fail to have a loyal base of employees place an inexperienced group on the front lines of their organization in a regular basis (Noe, et al., 2008).The organization hopes that by adopting such an effective retention

¹ Best employer of choice: At the time of writing Australia had a contest for the larger organizations to strive to be the best employer of choice

strategy with the support of relevant HR policies and practices, MassMedia Studios may be successful in retaining its employees and become an employer of choice.

The vast majority of the people working in the digital information technology branch is a creative professional (van Wijk, 2003). Next to creative people being the most difficult to retain, the study of van Wijk (2003) also indicated that the creative professional in an organization has the exclusive competency of creativity, and the loss of this creative professional means a loss of that particular competency. Research within creative organizations about commitment of creative professionals showed that more than 80 percent of the creative professionals considered another job and more than 60 percent considered starting their own company (van Wijk 2003). That is exactly why this study is so interesting, as it will focus on the employees of MassMedia Studios, thus being part of a creative and digital oriented organization.

In this study I will examine retention as it is present within MassMedia Studios by comparing the perceptions of the employees of MassMedia Studios against the selected factors found in the existing literature. The mentioned selected factors will be discussed in chapter 3.5. Here after, recommendations are given towards an effective retention management policy for MassMedia Studios.

A significant number of studies on retention management have been executed in the past. However, these studies were mainly focused on and written with the employer's perspective in mind (Horwith, Hueng & Quazi, 2003; Edgar & Geare, 2005B). According to the research of Edgar & Geare (2005A), concerns have been raised when looking at the employees' perspective. To my opinion, the perceptions from the employees are an important aspect. I would even say that employees are the most important asset in the organization. An organization may think they know what their employees are interested in, however, to ensure their vision with regard to retention, the best way is to ask the employee in person. This empirical study tries to provide a contribution to the literature by filling this void, by paying attention to the employees' perspective. In practice this comes down to examining the perceptions of the employees of MassMedia Studios with regard to retention management and more specifically, the selected factors that influence the intentions of the employees to stay or to leave the organization.

1.3. Relevance of the study

The social relevance for MassMedia Studios is to optimally use the outcomes of this study for their human resource policies and especially their policy towards retention. By answering the

mentioned research question, this research will provide MassMedia Studios with the theoretical and empirical insights they need in order to be able to retain their creative professionals.

The scientific relevance is related to the lack of research into retention management out of the employees' perspective. Moreover, the specific target: creative professionals haven't been investigated yet with regard to retention. And, as mentioned previously, the creative professionals are the most difficult to retain (van Wijk, 2003). Furthermore it will lay the foundations for future research to be extended into other competence fields.

1.4. Problem Statement

The current literature is not comprehensive regarding the human resource practices which influence retention in a creative organization. Therefore this research will try to give an answer to the following question:

'What is the perception of employees about the influence of HR practices on retention within MassMedia Studios?

And what HR practices influence retention in a positive manner?'

In order to be as clear as possible about what the intentions of this research are, it is necessary to define the objectives more accurately. This paragraph will clarify the objectives out of the problem statement.

Perceptions

The perceptions of the employees in this manner are defined as "a process by which people translate sensory impressions into a coherent and unified view of the world around them. Though necessarily based on incomplete and unverified (or unreliable) information, perception is 'the reality' and guides human behaviour in general" (Business Dictionary, 2nd of June 2010).

Human Resource Practices

To define the term human resource practices, the term human resource management needs an explanation at first. *"Human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a*

highly committed and capable workforce using an array of cultural, structural and personnel techniques" (Storey, 1999 in Smith & Smith, 2007, p. 264). To achieve this just mentioned competitive advantage, the organization makes use of different techniques which can also be seen as the human resource practices (Smith & Smith, 2007). The different examined human resource practices will be discussed in more detail in chapter 3.5.

Retention management

For the purpose of this study, retention management has been defined as "a strategic, coherent process that starts with an examination of the reasons that employees join an organization (Chew, 2004) and will be discussed more in detail in chapter 3.4.

1.5. Thesis overview

This thesis comprises five chapters. After this introduction has ended, this study will discuss the research methods consisting of topics such as the type of research (qualitative research), the sample, the data collection, the way of analysing data and finally the quality criteria. Chapter three will provide an academic literature review relating to human resources, retention, and the human resource practices that might influence the employees' perception with regard to retention. Chapter four will describe the data analysis and findings of observations and interviews, and subsequently provides answers to the research questions about retention and the human resource practices which contribute to retention. And finally, chapter five will discuss the overall findings of the study and gives answer to the research question, provides implications, identifies recommendations, reports the limitations of the study, indicates areas for further research and offers the final conclusion.

2. Research methods

2.1. Introduction

In this chapter the research methods will be discussed. It will start with a description of the research type in combination with the reasons for executing this type of research. After this, the sample group and the specific aspects of qualitative research relevant for this study (narrative interviews, observations and other ways of data collection), the role of the researcher, the data analysis and finally the quality criteria will be clarified.

2.2. Qualitative research

The aim of this research is to search for a way in which employees give meaning to a particular subject. For the purpose of this study, the observations and in-depth interviews were compared against the review of literature about the subject.

The study can be seen as a case study, because a particular group or problem is being studied. A case study is a variant on the interpretative study; the researcher examines a phenomenon in the real context. The subject of a case study is often a diagnosis of a practical problem or an evaluation of a disposition ('t Hart, Boeije & Hox, 2005). The advantage of the case study for this particular study is the ability towards an individualised outcome out of a unique situation (Patton, 1991 in van Wijk, 2003). The employees of MassMedia Studios can be seen as a unique situation, because retention is reviewed only with the creative professionals of Massmedia Studios. So, only the perceptions of creative professionals are examined and also only within the organization MassMedia Studios. Moreover, a case study, as part of a qualitative study, allows more in-depth knowledge and details about the people and the situation. The case study approach yields a lot of information and enlarges understanding about people and situations. The advantage of a case study is the possibility to combine different types of research methods. In this research, different types of data collection will be used with a focus on narrative, in-depth interviews. Research showed that this also contributes to a decrease of capacity for generalizations (Strauss & Corbin, 1998; Patton, 1991). However, as 't Hart, Boeije and Hox (2005) mention in their book, the descriptions are mostly focused on unique variations but the analysis of the descriptions is mainly focused on giving an interpretation and theory developments.

2.2.1. Sample (population)

The population sample included half of the employees of MassMedia Studios. To ensure a variation, the employees were selected out of every function area randomly. These function areas also included non creative professionals, because I examine the perceptions of all of the employees of MassMedia Studios. However, I do want to take a look at the creative professionals in specific because of the fact that those employees seem to be the most difficult to retain according to van Wijk (2003).

Function area	Selected employees	Total of employees
Office Manager	1	1
Receptionist	1	1
Producer	3	6
Developer	4	7
Designer	2	3
Sales accountant	3	6

Table 4: Selected employees

All participants were asked about their age and educational background and also gender was noticed. This is done because of the possible relationship between demographic characteristics (for example the different generations) and turnover intention. The potential relationships will be discussed in the next chapters. 50 percent of the participants felt in the age group of 21-30 and 25 percent both in the age group 31-40 as well in the age group 41-50. 70 percent of the participants had a bachelor degree, 20 percent finished high school and did additional courses and 10 percent had a master's degree. 50 % of the total employees were male and 50 % were female.

2.2.2. Narrative interviews

One method of data collection in qualitative research is the use of narrative interviews (Czarniawska, 1998 in van Wijk, 2003). The reason for choosing the narrative type of interviews is because of my interest in the perceptions of the employees on retention management. For the purpose of this study and to create structure, a topic list with the main questions and themes has been used. There was no clear order of questions at the start and the intention was to follow the participant in his/her mentioned subjects.

Before I started the interview I told the participants about my educational background and the subject of my master thesis: *“As you probably already know I am writing my thesis here within MassMedia Studios. This is for my master’s degree in the field of Human Resources at the University of Utrecht, in the Netherlands. The main subject of my thesis is retention.”* After this short introduction I checked if the participant was familiar with the definition of retention. If this was not the case, I explained the meaning of retention to them. I continued with the following: *“In this research I’m especially interested in your perception about retention. So I am interested in your opinion. This means there is no right or wrong answer. Moreover, this research is confidential, so no one else but me gets to know about the given answers. At last it is not obligated to give an answer on every question. If you do not want to answer a question, you do not have to.”*

To make the participants feel more comfortable I started with some general questions such as: *“What is your age”, “What is your educational background”* and *“For how long are you working with MassMedia Studios?”* In the interview I started with an open question: *“What do you think about retention within MassMedia Studios?”* Depending on the answers of the participants I decided to ask other, more specific questions. This process will be described in the next paragraph. While I was interested in their perception about retention as well as human resource factors that in their opinion influenced retention, I had to be more specific sometimes. Some participants told a lot out of their selves and some participants needed more help with this. In case of the latter I used the themes out of the created research model.

If a participant for example mentioned topics related to employee engagement and challenging opportunities, then I asked them also about the other topics mentioned previously. I chose to do this because most of the participants were not familiar with all the human resource factors mentioned in the scientific literature. So it is possible that the participants could not come up with such a factor because they have not heard of it before or did not know that these factors existed. Another reason could be that the participants did not think of the human resource practice as relevant in combination with retention. For example: *“To summarize, you just mentioned the importance of.....but you didn’t mention the aspect of.... What do you think of the influence of.....for you in personal?”*. Quotes used in the analysis are all made anonymous. If quotes are mentioned, they will be referring to P.1, P.2, P.etc. in which the P is standing for participant.

2.2.3. Observations

With regard to the observations, my role was direct and participating as well. First of all I acquired knowledge in a participating way during the observations about topics like for instance the organization, the organization structure, the organizational culture, and the tasks of the different employees. After I acquired the information relevant for my research, I started making direct observations as well. I made use of participating observations during my conversations with the different employees but also by accomplishing my tasks as an intern. Next to this, I also made use of direct observations during the Monday morning meeting, the sales meeting and other meetings in a plenary setting. I choose to participate in the Monday morning meetings because of the fact that these were the most informal meetings where I could acquire a lot of interesting information. The sales meetings were organized in a more formal manner; these meetings reflected a better view of the status of the organization at the moment, particularly with regard to the financial crisis and lower budgets of many clients. I chose to use those observations to give an answer to the research question as well while interviews are more made-up than observations and I expect that the observations give a clearer view of the real perceptions and emotions of the employees. During the above mentioned Monday morning meeting and the sales meeting for example, the emotions of the employees were more visible than during the interviews. The observations made it also possible to see the interrelation between different employees.

2.2.4. Other forms of data collection

During this research, I have also had access to reports, project protocols and emails. Because of the availability of those documents I got to know the practices and policies used at MassMedia Studios. I reviewed the practices and policies used within MassMedia Studios with the existing literature and the created research model. I also made use of professional journals within the branch, in order to be able to increase my understanding of working in the creative branch. These journals were all available at Massmedia Studios. Next to this I also had interviews with the employees responsible for personnel policies, such as the office manager.

2.2.5. Role of the researcher

When being a researcher within a case study it is possible to obtain different types of roles. Yin (1994) distinguishes two types of roles, which are a direct and a participating role (Yin, 1994 in van

Wijk, 2003). A direct role implies that the context and participant know that a specific subject is examined by the researcher. A participating role implies making observations but participating in the daily pursuits of the participants, interviewing and assisting with chores ('t Hart, Boeije and Hox, 2005). As I was an intern at MassMedia Studios as well, my role was both direct as well as participating. My role was direct because the employees knew that I was examining retention management within the organization, and participating because I was also working there as an intern in business strategy and human resource management.

2.2.6. Data analysis

As a researcher I started with an extensive literature study in human resource practices and retention. The articles, documents at MassMedia Studios and the current policies at the organization have been reviewed on the basis of quality, importance and relevance for this particular study and categorized under themes. The quality of the articles was based on the type of journal the article was published in. Analyzing the documents was a process of constant comparison with the earlier read documents ('t Hart, Boeije and Hox, 2005).

The perceptions were analyzed through recording each interview using an audio program used by MassMedia Studios. The data were extracted from the program, and after that categorized into the different themes which were similar to the human resource practices. The observations made during the meetings and also during informal conversations were immediately categorized under the different human resource practices. The process in which researchers categorize their data is called coding ('t Hart, Boeije & Hox, 2005). Same as with the articles and documents, analyzing the interviews and observations was a process of constant comparison.

2.2.7. Quality criteria

As already mentioned earlier on, I used a case-study research, a form of qualitative research. There are, however, some implications divided into reliability and validity associated with this type of research.

Reliability refers to accidental mistakes. With regard to the reliability, it is possible that the participants were influenced by situations in their work or in their private life the day before their interview and that this influenced their answers on the questions asked. It is also possible that the

researcher made a mistake while entering data in the computer ('t Hart, Boeije and Hox, 2005). However, if those accidental mistakes are on a small basis, they will not influence the reliability of the study.

With regard to the internal validity, the first implication is the way of interpretation. Formal and informal qualitative interviews may appear to be more easily recorded and transcribed for further analysis; however, transcription is already an interpretation of talk.

The second implication refers to the cooperation of the employees. If a part of the randomly selected employees would not participate in the case-study, this would result in a threat to validity. However, all the randomly selected participants cooperated in the case-study, so this isn't an implication for this particular study.

Referring to the advantages, in a qualitative study the researcher can observe what is currently relevant or found relevant with the participants. The interviews were conducted during working time and all of them were held in separated, private rooms. Conducting these interviews in private rooms results in the advantage of interviewees feeling free to make judgments without having to worry for coworkers joining the conversation. This contributes to the internal validity. The fact that the researcher is involved with the participants contributes to the internal validity as well.

However, this involvement has disadvantages as well, because involvement can result in reactivity ('t Hart, Boeije & Hox, 2005) and this influences the internal validity in a negative way. However, in general it is expected that participants get used to the presence of the researcher if the researcher is there for a longer time which was the case for this particular study.

External validity is based on the question if the conclusions of this particular study would be similar to conclusions for other not examined situations. As the perceptions are analyzed with a focus on interpretation of literature and developments in the literature I would expect this to contribute to the external validity.

3. Theoretical Frame

3.1. Introduction

In this chapter the existing literature with regard to HRM (Human Resource Management) and retention will be discussed. The reason why the aspect of HRM will be discussed is because of the fact that this is the bigger picture in which this study is examined. First of all, the different approaches of HRM and more specific, the human resource practices will be explained. To create a clear picture of the context in which the study is examined and to achieve more in-depth information, it has been chosen to discuss the factors influencing the HR practices within MassMedia Studios in the next paragraph. Thereafter the specific sub domain of human resource management within organizations: retention management will be discussed. And finally the different human resource practices and their influence on retention will be discussed.

This chapter will therefore lay down a theoretical framework for the human resource practices influencing retention. After all, an appropriate way of integrating those human resource practices will assist MassMedia Studios to successfully retain their employees.

3.2. Human Resource Management

3.2.1. Introduction

This paragraph starts with an explanation of human resource management and continues with a discussion of the different human resource management models.

3.2.2. Human Resource Management

“Human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce using an array of cultural, structural and personnel techniques” (Storey, 1999 in Smith & Smith, 2007, p. 264).

So, to achieve competitive advantage, the organization makes use of different techniques which can also be seen as the human resource practices. As already mentioned in the introduction, to gain competitive advantage in an organization, and here for recruit and retain the best people for the job, the right combination of human resource practices is required (Smith & Smith, 2007).

However, according to the study of Kramar (1999), the opinions about the right combination of human resource practices have not always be the same. Their research (Kramar, 1999), an overview of the different human resource practices and their importance at that time, showed that the perceptions about several human resource practices and policies have changed over the years. For example the fact that pay was an important aspect in the earlier years and that training & development and challenging work have become more important these days. I will discuss the importance of the different human resource practices in paragraph 3.5.

For an organization to be successful, their human resource practices should be unique, valuable and difficult to imitate (Boxall & Purcell, 2003). The combination of human resource practices also influences the behaviour and attitude of the employees (Vos & Meganck, 2007). The impact of the human resource practices an organization uses, is in the literature divided into two different sides: one out of the employers' perspective and one out of the perspective of the employees. Out of the perspective of the employer, the human resource practices will contribute to a successful organization and for the employees, human resource practices are a reason to feel committed to the organization (Vos & Meganck, 2007). However, the question arises, what exactly is the contribution of the human resource practices? The aim of this study is to clarify the exact contributions of human resource practices to an effective retention management policy.

After having discussed human resource management content wise, and its implications with regard to this research, in the next paragraph attention will be drawn to the distinction between the 'hard' versus the 'soft' model of HRM.

3.2.3. The 'hard' versus the 'soft' model

Elaborating on the 'hard' versus the 'soft' model of human resource management is of importance to this study because of the fact that this gives a clearer view of the area of human resources the study is examined in. In the literature of human resource management, we can distinguish two models, namely the 'hard' and the 'soft' model (Boxall & Purcell, 2003; Edgar & Geare, 2005A) The 'hard' model, can be characterised as the strategic model of human resource management, which measures the effectiveness of human resource management in terms of organizational performance, such as profitability and productivity. The 'soft' model, known as the Harvard variant, focuses on business performance as well. However, importance is also attached to the employee's well-being and employee commitment (Edgar & Geare, 2005A; Boxall & Purcell, 2003). The last, the soft model of human resources, is relevant with regard to this particular study; because it approaches the

human resources out of the perspective of the employees as well and this is exactly what this study is about to examine.

3.3. Contextualizing HR practices in MassMedia Studios

3.3.1. Introduction

In this paragraph the influences on the context in which the study takes place, MassMedia Studios, will be described. The reason for this is to create a clear picture of the context in which the study is examined in and to achieve more in-depth information. This is however not the main research topic of this study.

3.3.2. Globalisation

The globalisation in the labour market has enlarged the instability of salary and employment for many occupations. The changes in the human resource practices in the last twenty years resulted in organizations increasingly using labour from multiple countries and the greater flexibility in hiring employees (van Buren & Greenwood, 2007). The question arises, which of those just mentioned influences of globalisation are of influence on MassMedia Studios? And so, what influence will this globalisation have on the human resource practices used in MassMedia Studios? Will this also influence retention within the organization?

The result of this development on this moment has been more flexible contracts with employees; the copywriter is for example working as a contractor and sometimes employees are hired only for a specific project. Some projects are outsourced towards other organizations. Due to the different kind of contracts between the employer and the employee, it is expected that there are different perceptions and expectations about the human resource practices within the organization as well.

3.3.3. Baby boomers, generation X and Y

Another aspect that influenced the human resource practices in the workforce of today is the fact of multiple different generations within organizations. To start with the baby boom generation, the almost 78 million people born in the United States during the 20-year period after World War II (Callanan & Greenhaus, 2009). The baby boom generation can be seen as positive as well as negative for organizations. Callanan & Greenhaus (2009) mention in their research that the opinions of the

authors differ with regard to the baby-boomers and their characteristics. Some authors see this generation as a pool of talented, experienced, and highly educated workers who are an important resource that must be nurtured and maintained to achieve continued success. Others see them as “deadwood” which discourages the development of younger and more creative employees (Callanan & Greenhaus, 2009).

In today’s workforce, the baby-boomers in organizations had to make place for generation X. And the last years, organizations also have more to do with generation Y.

It is important to mention the different generations which are represented at MassMedia Studios as it is expected that different generations think of different human resource practices and their influence on retention as relevant for them. A baby-boomer for example values commitment and remuneration as important for them (Callanan & Greenhaus, 2009), so this will probably also be mentioned during the field research as important for them with regard to retention. On the other hand, generation X values for example training and career development and generation Y values for example a good work-life balance (Callanan & Greenhaus, 2009). While MassMedia Studios is an interactive and digital agency, the organization has a lot to do with young and creative people, the generation Y. However, does MassMedia Studios know how to communicate with all those different generations with regard to the human resource practices, and especially with this new generation, generation Y, the generation which is mainly represented at MassMedia Studios?

3.3.4. Sector, size and ownership

Research showed that firm ownership does appear to make a difference in the characteristics of human resource practices (Long & Shields, 2005; Horwith, Heng & Quazi, 2003). According to Walsh (2001) it became clear from the ‘Australian Workplace Industrial Relations Survey’ of 1995, that strategic as well as routine human resource practices are in general more common in multinational or foreign-owned organizations in Australia than in national organizations. Out of the above mentioned research became clear that compared to the United States, Australian organizations invest less in their human resource practices and policies. Organizations in the United States seem to be more likely to have a specialist HR manager in the workplace, and to train supervisors or first-line managers in employment relations (Walsh 2001 in Chew, 2004). Other research of Kotey & Sheridan (2001) about the differences in the use of human resource practices in small, medium and large organizations, showed that small and medium-sized organizations are most of the time more informally organised in their human resource practices than are large organizations. The just

mentioned aspect is also applicable for MassMedia Studios. MassMedia Studios is an Australian medium-sized organization and compared with the literature it is true that there is not a specialist with regard to human resources in the workplace present. In MassMedia Studios the office manager and receptionist are responsible for the policies and practices. However, both do not have had education in the human resources area. There is also no training for supervisors or first line managers in employment relations. As Kotey and Sheridan (2001) mention, the human resource practices are more informal organised within small and medium-sized organizations and indeed also within MassMedia Studios. Human resource management within this organization is still in its earlier stages.

3.3.5. The psychological contract

Next to the above mentioned developments, there is the change in the relationship between the employer and the employee. The psychological contract describes what an employee expects to contribute and what the organization will provide to the employee for these contributions (Noe, et al., 2008) and this psychological contract had changed over the years (Vos & Meganck, 2008). Most authors on this theme describe a shift from the traditional relationship with long-term job security in exchange for worker loyalty, to a new relationship in which employment is based on a shorter-term commitment that focuses on pure economic value and not on loyalty (Callanan & Greenhaus, 1999; Lansbury & Beard, 2004; Hall & Moss, 1998). Due to the previously mentioned different interests of the generations, the full time permanent employees (baby-boomers) make place for more part-time and flexible career aspirations (generation X and Y) (Hall & Moss, 1998) and this in turn leads to the importance of one's professional growth above the loyalty towards the organization (Vos, Meganck & Buyens, 2005). The question arises, which of those above mentioned aspects are of influence of the human resource practices which influence retention within MassMedia Studios. And do the employees of MassMedia Studios indeed prefer professional growth above loyalty towards the organization? And if so, what does this mean for the human resource practices and retention management?

According to Vos, Meganck & Buyens (2005) the employees of today want jobs that have significance and provide them with a sense of internal satisfaction and meaning as well as external rewards. How are these developments reflected in the attitudes of the employees of MassMedia Studios? Do the employees prefer loyalty and commitment towards the organization? Or do they prefer personal growth, internal satisfaction and meaningful work? And, is there also a difference

between the different generations within MassMedia Studios? Those questions will all be answered in the following chapters.

3.4. Retention

3.4.1 .Introduction

Retention is a widely discussed topic in the literature. Human resource practices which contribute to retention and turnover intentions are the topics mentioned most often. Because retention management's focus is to decrease the turnover intentions of the employees, this paragraph will start with the explanation and discussion of the latter. Here after the definition of retention and retention management will be discussed.

3.4.2. Turnover Intentions

According to the literature, turnover intentions are the intermediate factor between the human resource practices and finally turnover (Chew, 2004). That is the reason that first of all the concept of turnover intentions will be discussed in this paragraph.

Turnover intention can be seen as *"the subjective estimation of an individual regarding the probability that she/he will be leaving the organization she/he works for in the near future"* (Mobley, 1982 in Carmeli & Weisberg 2006, p.193). In addition, the research of Carmeli & Weisberg (2006) showed that turnover intentions have a strong correlation with (actual) turnover.

The two main reasons why employees consider turnover is the attractiveness of the job and the alternative job options (Shaw, et al., 1998). So, actually there are factors from the inside (attractiveness of the job) and from the outside (alternative job options). According to the author, the underlying assumption for the attractiveness of the job here is the investments made in the employee which will be followed by higher expected outcomes of that particular employee. *"Where the exchange is less favourable to the employee than to the employer, the employee is most likely to leave the firm as soon as alternative employment options are available"* (Tsui, Pearce, Porter, & Tripoli, 1997, p. 1096 in Shaw, et al., 1998). However, are the perceptions about the reasons to consider turnover the same for the employer and the employee? Or might there be some differences? The research of Campbell & Campbell (2001) showed that the perceptions of the employer and the employees differ in the importance of job attractiveness versus alternative options. Employers believe often that turnover is caused by outside opportunities while employees often mention the factors related to job attractiveness as contributing to their turnover. What also became apparent out of the above mentioned research was that employers often underrated the importance of the potential causes of turnover. If employers underrate the importance of the

factors out of the inside of the organization, the human resource practices, this is likely to influence their human resource strategy and also their type of retention management (Campbell & Campbell, 2001).

Out of the literature became evident that demographic and organization related factors were also important predictors of turnover intentions. Demographic factors which are significant predictors are for example age, education and gender (Breukelen, van der Vlist & Steenstra, 2004). According to Boxall, Macky & Rasmussen (2003) younger and higher educated employees have a fairly strong turnover intention compared to their counterparts. Younger employees' career choices seem also to be naturally more provisional, which means they experiment more with career choices and different employers. Next to this, the study identifies the 'under thirty' as the workers most likely to use job mobility to gain better salary and training and career development (Boxall, Macky & Rasmussen, 2003). With regard to this study, there are a lot of younger people working in MassMedia Studios. Does this mean that this will increase the chance of turnover intentions? Most of the employees within MassMedia Studios also have a bachelor degree and some even a masters degree, is there a possibility this will also increase their chance on turnover intentions? The fact that we are talking about creative and technical professionals within this organization, has not even been discussed on this point. Until now it seems that there is a possibility that the demographic factors of the employees within MassMedia Studios will influence the possibility on turnover. Might this also be the reason for a decrease in the retention of those employees? And what about the job level of the employee within the organization? Might this also be related to turnover intention? Having a good job can contribute to a higher level of job satisfaction and in turn be a reason of the employee to stay. However, a lower job level does not have to be related with turnover intentions while it is also possible that the younger employees with a relatively lower job level have many grow opportunities within MassMedia Studios and that this will contribute to their intention to stay with the organization.

As it seems that the turnover intentions are influenced by inside and outside opportunities and that especially the employees mention the opportunities and possibilities from within the organization (Cambell & Campbell, 2001) it should be interesting to examine these opportunities more precise. In what way can human resource practices influence turnover intentions? Which human resource practices can contribute to the decrease of turnover, in other words: retention. In the next paragraph the subject retention management will be discussed.

3.4.3. Retention Management

Researchers in the field of retention have defined retention management as *“the ability to hold on to your employees you want to keep for longer than your competitors”* (Johnson, 2000 in Vos, Meganck & Buyens, 2005, p.5). The question arises: What is the approach of the organizations with regard to retention management? What kind of strategy do they use to retain their employees? Research in the human resource area indicated a relationship between specific human resource practices and retention (Hiltrop, 1999; Chew, 2004).

Different studies showed that retention cannot be realised through the implementation of one single human resource practice on its own (Vos, Meganck & Buyens, 2005; Chew, Girardi & Entekin, 2003; Becker & Gerhart, 1996; Chew, 2004; Smith & Smith, 2007). According to the latter, performance can be achieved if the different human resource practices are *“implemented together and synergistically in so-called ‘bundles’”* (Smith & Smith, 2007, p. 265) and those different human resource practices should fit with each other to be effective. However, the opinions of the researchers differ with regard to which human resource practices and also which ‘bundle’ of human resource practices actually contribute to the retention of the employees. In the next paragraph the bundled human resource practices (paragraph 3.5) will be discussed further.

3.5. Human Resource Practices influencing retention

3.5.1. Introduction

For the purpose of this study, the research model of Chew (2004) has been used as a starting point for creating my own model of human resource practices and their influence on retention. This model will be reviewed by means of existing literature and its applicability to the organization MassMedia Studios.

3.5.2. Retention model of Chew

Chew (2004) has published an extensive study concerning the retention of core employees within Australian organizations which consisted out of an overview of different opinions of well known authors and journals.

Human resource factors	Organizational factors
Person-organization fit	Leadership behaviour
Remuneration and recognition	Teamwork relations
Training and career development	Organization culture and policies
Challenging opportunities	Work environment

Table 1: Retention factors based on the model of Chew (2004)

The existing model has been further developed through an extensive literature study and practical research (observations) within MassMedia Studios.

For the purpose of this study, it has been chosen to combine the model of Chew with the human capital indicators of Bassi & MacMurrer (2008). The authors describe an extensive version of the factor leadership and this extensive version is better applicable for MassMedia Studios. The factor will be discussed any further in the next paragraph (3.5.3.1). Moreover, Bassi & MacMurrer (2008) bundle person-job fit, person-organization fit, organizational commitment and work-life balance together under the umbrella term: employee engagement. Chew (2004) does not recognize

organizational commitment as a separate factor which influences retention, however I expect this factor can be seen as a human resource practice as well instead of only an intermediate factor between the different human resource practices and retention. Due to the combination of the model of Chew (2004) and Bassi & MacMurrer (2008) the distinction in human resource and organizational factors made by Chew (2004) is not applicable anymore.

While the above mentioned research was examined in large organizations and focused on core employees, this study concentrates on the human resource practices relevant for this particular study. Because of the fact that MassMedia Studios is a medium size organization and the employees are mostly creative and technical professionals these human resource practices differ from the human resource practices used in a large organization and focused on core employees. Moreover, Chew's study was mostly quantitative while this particular study is of a qualitative nature. Another aspect is the viewpoint of the research. While Chew (2004) was interested in the point of view of the employer, for this research, the focus is on the viewpoints of the employees.

This study will continue with a discussion of the human resource practice out of the model of Chew in combination with the model of Bassi & MacMurrer (2008).

3.5.3. Leadership

Leadership is an often mentioned human resource practice in the literature; however, the opinions of the authors differ on the importance of leadership with regard to retention.

In the literature, leadership has been divided into several dimensions, which are: leadership as the leader/manager of an organization, mentorship, communication and approachability (Bassi & MacMurrer, 2008). These dimensions will all be discussed separately below.

3.5.3.1. Leader of an organization

Leadership can be defined as *"the behaviour of an individual that results in non-coercive influence when that person is directing and coordinating the activities of a group toward the accomplishment of a shared goal"* (Bryman, 1992 in Chew, 2004, p.66). As mentioned in the definition, the leader can be seen as a 'central spot' within the organization and because of this, the leader can also influence the habits and so, the culture within the organization. In agreement with this, Eisenberger, et al. (2002) indicated in their research that because of the fact that leaders often act as representative of the organization, employees regularly link the support they require from the leader, as indicative to support out of the global organization (Eisenberger, et al., 2002).

Several researchers make a distinction between 'good' and 'bad' leadership in which they define the first as giving structure and direction, but also as making the other team members enthusiastic and willing to work on that specific project. If employees have a good relationship with their leader, this also increases the possibility that they fulfil their tasks and requirements for their particular role or specific project and this may in turn lead to above average organizational performance (Wayne, Shore & Liden, 1997). Some authors also mention the fact that a 'good' leader could be supportive by building commitment and facing adaptive challenges (Chew, Girardi & Entekin, 2005; Bassi & van Buren, 1999). In agreement with the latter, numerous researchers showed that 'good' leadership indeed contributes to organizational commitment (Chew, Girardi & Entekin, 2005; McGill & Slocum, 1998) which in turn could lead to retention.

Out of the literature became evident that recent studies also indicated a distinction between the focus of the 'old' and the 'new' leader. The focus of the 'old' leaders is on power and influencing. According to the literature, this focus has changed into coaching, mentoring and motivating the other employees (McGill & Slocum, 1998). This concept of new leadership is also discussed in the article of Su, Baird & Blair (2009) who mentioned that leaders should demonstrate their concerns and support towards the employees, which could also be called: the 'care' factor. The study of Eisenberger, et al (2002) is in agreement with this and mentioned that leaders should take the well being and value of their employees into account. However, leaders should also give recognition towards accomplishments. This is in agreement with the research of Wayne, Shore & Liden (1997) who suggest that a good relationship of the employee with the leader should consist out of giving remuneration, recognition, training and career development and information, but on the other side, they should also give emotional support to the employees. The aspect of remuneration, recognition and training & career development will be discussed further in paragraph 3.5.6.

According to the literature, there is a positive correlation between 'good' leaders and the intention of the other employees in the organization to stay which will result in retention (Chew, 2004; Chew, Girardi & Entekin, 2005; Boxall, Macky & Rasmussen, 2003).

3.5.3.2. Mentorship

As it seems that the above mentioned feature 'new leadership' has similar aspects with some aspects of mentorship, I will continue with the discussion about this aspect of leadership. Mentorship has been defined as "a developmental relationship that is oriented toward the enhancement of the junior member's psychological growth and career advancement" (Seibert, 1999, p.6). Research showed that mentoring has a positive relationship with career advancement (Vos, Meganck & Buyens, 2005;

Allen, McManus & Russell, 1999). The latter study mentioned that people who have been mentored, “received substantial benefits such as higher promotion rates, greater career satisfaction, and higher overall compensation” (Allen, McManus & Russell, 1999, p. 453). May this in turn also lead to lower turnover intentions? At the moment, there is no clear relationship between mentorship and retention found in the literature which makes it interesting to examine for MassMedia Studios.

3.5.3.3. Communication

Next to this, the communication aspect of leadership will be discussed. According to the literature, communication is an important feature with regard to retention (Bassi & MacMurrer, 2008; Chew, 2004).

One aspect of communication is the communication of information (Hiltrop, 1999). As the employees have a clear view about what is happening in the organization through clear communication, this is likely to contribute to their identification and trust towards the organization (Chew, 2004; Bassi & MacMurrer, 2008). This is in agreement with the survey of SEEK (2008) about employee satisfaction within Australian organizations. The survey indicated that the main responsibilities of management towards transparency are ensuring that the employees are informed on key issues and communicating in an honest way on all the issues that affect the employees. People like to know what is happening within the organization and also like to be involved in the procedures (SEEK, 2008). Especially the two-way communication, face to face with employees, is an important factor in establishing trust and a feeling of being valued and this in turn may lead to a the intention to stay with an organization (Chew, 2004; Chew, Girardi & Entekin, 2005). However, transparency to some degree is not all the time provided. Most of the employees are not that much involved as they would like to be (SEEK, 2008) and this influences their intention to leave or stay with a particular organization (Vos, Meganck & Buyens, 2005; Horwith, Hueng & Quazi, 2003).

3.5.3.4. Approachability

Another aspect of leadership is the approachability of the leader/manager. According to several researchers, the leaders and managers should encourage team members to discuss organizational issues and give feedback within a certain time (Vos, Meganck & Buyens, 2005; Chew, Girardi & Entekin, 2005). If employees have more voice in an organization, this is likely to increase their feeling of being valuable. This is also the case with regard to feedback; employees feel more valued if leaders or managers respond to their questions and concerns. Another aspect which makes it possible to communicate with the leaders is through voice mechanisms; the employees are able to

express their concerns and to influence the actions of management (Chew, 2004). Moreover, according to Wayne, Shore and Liden (1997) employees can respond to the treatment of the employer by enhancing their attitudes and engaging in supportive behaviour towards the organization. It is likely that the above mentioned aspects of approachability will contribute to retention because the aspect creates identification and value for the employees, however there were no clear relationships found between approachability and retention in the literature

To summarize, and referring to the above discussed literature, it seems that the different aspects of leadership all interact with each other and that some aspects of leadership are related to turnover intentions in a positive way.

3.5.4. Organizational culture

The human resource practice organizational culture is one of the practices that required to be taken in the model based on the human resource model of Chew (2004), my personal opinion, as well as on the existing literature about organizational culture. Sheridan (1992) mentioned for example in his research that organizational culture and its contribution to retention is one of the dominant aspects discussed in the management literature. This paragraph starts with an explanation of the term organizational culture and continues with a discussion about the relevance of the aspect with regard to retention.

Organizational culture can be defined as: *“a pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems”* (Schein, 1985, p. 7).

The question arises: does the organizational culture also influence employees' cognitions and perceptions about turnover intentions and retention? The answer to this question will be discussed next. The studies of Kerr & Slocum (1987) and Taormina & Gao (2009) showed that organizational culture influences other human resource practices, such as the selection process, remuneration practices and career and development opportunities (Kerr & Slocum, 1987 in Sheridan, 1992; Taormina & Gao, 2009). So, according to the previously mentioned studies, organizational culture influences the other human resource practices as well. There is for example a high correlation between organizational culture and person-organization fit, but there is also a relationship between organizational culture and commitment. While employees often stay in an organization because they

have a fit with the culture and some people might leave to find a culture that fits them better, there is a strong relationship with organizational commitment (Sheridan, 1992). Horwitz, Hueng & Quazi (2003) adapt to this and mention that if the organizational culture is focused on team relationships and clear communication, this will contribute to organizational commitment. Organizations that have a culture which focuses for example on individual rewards for accomplishing specific projects are probably less focused on loyalty and commitment (Sheridan, 1992).

Next to this, organization culture seems to be a factor of influence on retention (Vos, Meganck & Buyens, 2005; Chew, Girardi & Entrekina, 2005). Loyalty to the organization has been an important factor some years ago and at the time of writing loyalty towards colleagues becomes more and more important. According to Sheridan (1992) the fit between the values of the employees with the values of the organization is an important aspect with regard to retention. The research of Vos & Meganck (2007) showed that employees mentioned organizational culture as the most important factor for retention. The above mentioned research of Kerr & Slocum (1987) argued that the cultural values within an organization influence its human resource strategies and in turn contribute to the variation in employee retention across organizations.

As the literature about organizational culture and work environment showed many similarities with regard to retention, it has been chosen to keep the human resource practice organizational culture and not to discuss the human resource practice work environment separately.

3.5.5. Team relationships

This paragraph discusses the relationship between the availability and amount of team work relations and retention. According to several studies, it is expected that good interpersonal relationships among colleagues result in a positive affect towards the organization, an increased productivity and flexibility (Su, Baird & Blair, 2009) and improved performance (Tao & Gaormina, 2009). Studies also showed that employees who are working in a team are more likely to feel an increased commitment towards the organization because they feel a greater responsibility to the other team members (Gil, Alcover and Peiro (2005) in Su, Baird & Blair, 2009) which in turn leads to an increased intention to stay with that particular organization (Hiltrop, 1999). According to Chew (2004), this could be the reason why organizations today support team building, project assignments involving work with peers, and opportunities for social activities both on and off the job.

According to Capelli (in Vos, Meganck & Buyens, 2005), there has been a shift from loyalty towards the employer to loyalty towards the colleagues. This can be seen in the aspect of emotional

comfort in which employees seek support of their concerns with their colleagues, which encourages employees' intention to stay (Allen, McManus & Russell, 1999). Several authors mention that good social relationships with colleagues seem to contribute to organizational attachment (Kristoff, 1996; Chew, 2004). Moreover, the interactions with other employees may serve as an effective psychological function by providing emotional support against the stresses of the organization's uncertainties of the work setting (Allen, McManis & Russell, 1999; Chew, 2004). With regard to retention, several studies indicated that the social support of colleagues can serve as a mediator when coping with negative effects of exhaustion and in turn by a decrease in turnover intentions (Koeske & Koeske, 1993; Lee & Ashforth, 1993 in Kristoff, 1996).

To summarize, there seems to be a positive relationship between good relationships with other employees and retention.

3.5.6. Employee Engagement

3.5.6.1. Organizational commitment

As already discussed previously, several researchers showed that human resource practices will lead to commitment and this in turn will lead to retention (Hiltrop, 1999; Chew, 2004). Moreover, there have been some changes with regard to organizational commitment which have been discussed in paragraph 3.1.6 about the psychological contract.

Commitment is *"a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership"* (Mowday, Porter & Steers, 1979 in O'Reilly & Chatman, 1986, p.342). This definition is quite an old one and at the time of writing there have been some developments in the definition of commitment by other authors. Previous research showed that organizational commitment has a positive influence on employees to remain with the organization. Moreover, empirical research showed that intention to stay or to leave with an organization is consistently related to voluntary turnover (Chew, Girardi & Entrekin, 2005). Out of the literature became apparent that there are three different types of commitment. These types are continuance commitment, which reflects *"an employee's willingness to stay in the organization"*, affective commitment, reflecting both a willingness on the part of the employee to exert high levels of effort and also their belief in, and *"acceptance of the values and goals of the organization"* and normative commitment which refers to the feelings of obligations that employees experience towards remaining with the organization (Meyer, Allen & Smith, 1993).

Affective commitment is the most studied type of commitment and research showed that employees who possess a high level of affective commitment are more involved in the organization and therefore more likely to remain with the organization. This is in agreement with the study of Su Baird & Blair (2009). In addition the previously mentioned authors mention that continuance commitment and normative commitment decrease the possibility that an employee will have turnover intentions as well. Nevertheless, the reasons to remain are different between the types of commitment. Employees who experience strong affective commitment remain because they want to and the employees who have a high level of continuance and normative commitment remain because they have to (Carmeli & Weisberg, 2006).

With regard to the human resource practices, research showed a relationship with team work relations, training and development, remuneration and participation in decision. The above mentioned authors suggest that organizational commitment can be reached again if the right human resource practices are bundled.

Thus, there seems to be a relationship between the different aspects of organizational commitment and turnover intentions and retention, in which affective commitment is the strongest predictor. However the reasons to remain are different between the types of organizational commitment.

3.5.6.2. Work-life balance

In this paragraph the relationship between a work-life balance and retention will be discussed. The article of Thorntwaite (2004) focuses on the perceptions of employees about an aspect of work-life balance, which is the aspect: family. According to the author, *"For working parents, 'balancing' work and family involves establishing some degree of workable and acceptable combination of the two"* (Thorntwaite, 2004, p.168). Several studies showed that employees would prefer to work less hours and this was especially the case for working parents. The Australian Industrial Relations Commission (AIRC) in the article of Thornthwaite (2004) even found that Australian employees make the longest hours compared to other countries in the western world. This would be interesting to examine for MassMedia Studios, while this is an Australian organization. The study also showed that Australian employees are most of the time satisfied with the amount of hours they work at the moment. However, there is a high interest in reducing those hours. According to the author, the employees would prefer part time and flexible working hours.

The just mentioned aspect of work-life balance can be linked to attraction as well to retention (Sheehan, Holland & de Cieri, 2007). Research showed that employees are willing to stay

within an organization if the management cares for their career priorities, health, location, family, dual-career and other personal needs (Thorntwaite, 2004). If organizations meet the preferences of the employees regarding work-life balance, those initiatives could add value to the organization as a whole and to the organization's standing as an 'employer of choice'. Examples of those preferences are the choice for part-time or full-time work, shift preferences and the hours and schedules of work (Vos, Meganck & Buyens, 2005). Moreover, out of research became evident that congruence between what the organization suggested and employees' preferences are strongly correlated with employee retention (Chew, 2004; Chew, Girardi & Entekin, 2005; Boxall, Macky & Rasmussen, 2003).

To summarize, research showed that there is a positive relationship between a good work-life balance and retention.

3.5.6.3. Person-job and person-organization fit

In this paragraph, the factor person-job and person-organization fit will be discussed. I begin to discuss the fit between a person and the job and after this I continue with the fit of the person with the organization.

The concept of person-job fit puts emphasis on matching employees and jobs in terms of qualifications based on knowledge, skills or abilities, and overlooking other personal characteristics of applicants that might be more suitable for the assessment of 'fit' (Kristoff, 1996; Kristof-Brown, 2000). Because of the fact that the content of work and jobs become more complex these days, organizations often utilize various methods that capture the capability of the applicant to do the specific job (Sheehan, Holland & Cieri, 2007). Examples of these methods are resume selections, selection on basis of motivation, capacity tests (which will score intelligence as well as competences), interviews with the HR department, assessments and interviews with line-managers. The research conducted by Sheehan, Holland & Cieri (2007) about the human resource priorities of Australian organizations in relation with retention examined by 1372 Australian HR professionals, showed that a total 67% of the survey identified selection as a significant area of human resource strategy. This could be interpreted as an increasing awareness of the importance of the person-job fit. Out of the perspective of the employees, the person-job fit was also seen as an important human resource practice with regard to retention. Research indeed showed that employees who had the feeling they match with their particular job, were more likely to stay with the organization, because of the fact of greater attraction and commitment towards the organization (Scroggins, 2008). The author also mentioned that the current generation has higher standards for the quality of a particular job,

employees of today are looking for meaningful work and job satisfaction and this might lead to the retention of those employees.

Person-organization fit on the other hand is also an important factor in the selection procedure of an organization. Kristoff (1996) defines person-organization fit as *'the antecedents and consequences of compatibility between people and the organizations in which they work'*. According to the author, the practice of fit between the person and the organization is an important aspect with regard to retention. Several researchers showed that the fit between personal and organizational values is very important in relation to employee retention (Vos & Meganck, 2007, Sheridan, 1992; Chew, Girardi & Entrekin, 2005). Other research about the relationship between employee-organization fit perceptions and retention showed that the fit between the individual and the organization is even a crucial factor to stay with the organization (Scroggins, 2008). The author also mentioned the intermediate factor of meaningful work. Person organization fit will lead to meaningful work and this in turn leads to retention. If meaningful work is related to intentions to leave the organization and work performance, it is important for human resource professionals to create meaningful work experiences for employees, because meaningful work will likely function as a source of competitive advantage in the attraction and retention of quality employees (Scroggins, 2008). However, the question arises: do the employers also offer those quality jobs and meaningful work? At the first stage, the selection process, the recruiter or hr professional has to ensure that a specific applicant is a good fit with the job and organization. If this applicant is indeed the right fit with the job and the organization, the employee might probably get engaged with the organization, which in turn, may lead again to retention.

Another question that arises is: how exactly is this person-job and person-organization fit examined in the selection procedure? Do recruiters use a standard checklist for each particular job or are recruiters also influenced by personal viewpoints? The study of Kristof-Brown (2000) showed that recruiters differ in opinion about the specific indicators of a good fit. Several researchers tried to give an answer to these questions and showed that person-job fit and person-organization fit both predicted job satisfaction in which person-organization fit was a better predictor of intention to quit. So, according to the literature, it is important that a person fits with the job acquirements, but also with the values, beliefs and goals of the organization (Kristoff, 1996; Kristof-Brown, 2000) to have the intention to stay with the organization (Chew, Girardi & Entrekin, 2005)

3.5.7. Remuneration and recognition

This paragraph starts with the explanation of remuneration and recognition and continues with its influence on retention. Remuneration can be defined as a 'reward of employment as pay, salary, or wage, including allowances, benefits, bonuses, cash incentives, and monetary value of the non-cash incentives' (Business Dictionary, October 2010). Remuneration is the most widely discussed human resource practice with regard to retention in the literature. *"They do not only fulfil financial and material needs, but they also give a social meaning while providing the employees' a relative position of status and power in the organization."* (Vos, Meganck & Buyens, 2005, p. 5). On the other hand, research showed that retention is not influenced at all by pay in most industries. *"As long as pay was not seen to be insultingly out of line, other things mattered much more"* (Hiltrop, 1999, p.424).

Recognition, on the other hand, can be defined as 'acknowledgment, of the particulars (amount, number, qualification, size, timing, validity, etc.) of an event, object, person, phenomenon, or right, before its acceptance, inclusion, or recording (Business Directory, October 2010).

The above mentioned aspects of remuneration and recognition are in agreement with the notion of Guthrie (2000) who mentioned that investments made in the employees increases the relationship between employees and employers. Those investments can be seen as payments for skills, knowledge and achieving goals; the organization in turn expects a return on the investments made. It is likely that the organization would like those employees to stay, because otherwise the investment will yield little return (Guthrie, 2000). According to Long & Shields (2005), employees should be paid on the basis of what they are worth as an individual, so on the basis of personal skills, knowledge and abilities and not on the basis of the job itself. An employer can choose to pay the employees on a skill-based base (personal skills and knowledge) and competency-based structure (personal competences).

Poole & Jenkins (1998) indicate in their research that the extent of remuneration depends on the organization being a public or private enterprise, the size of organization and whether or not the firm is expanding or contracting. Moreover, Hiltrop (1999) argued that the approach towards remuneration within an organization depends on the characteristics of the industry in which an organization operates, for example the type of industry, the product the organization sells and the structure within the organization. With regard to the industry, organizations in industries undergoing rapid technological change, such as information services and communications like MassMedia Studios, might for example favour broad banding and competency-pay (Long & Shields, 2005). The nature of an organizations workforce is also likely to influence the way organizations use their pay and reward practices. Organizations that focus on knowledge creation for example are likely to use

pay practices that recognise and reward personal knowledge and abilities (Long & Shields, 2005) because, according to several studies, employees like personal growth, but they also seek the recognition of that growth (Chew, Girardi & Entrekina, 2005).

Regarding the relationship with retention, various studies showed that salary is an important factor in determining motivation to perform (Taormina & Gao, 2009; Kerr & Slocum, 1987) and influences the recruitment and retention of employees (Vos, Meganck & Buyens, 2005; Chew, 2004). Research indicated that individual merit-based reward systems have the highest correlation with intention to stay (Griffeth, Hom and Geatner, 2000) and group or organization-based incentive plans are associated with increased employee turnover (Guthrie, 2000). The other way around, research showed that unrewarded good behaviour is discontinued, which means that if good job performance is not rewarded, employees might leave their organization (Guthrie, 2000; Taormina & Gao, 2009).

An aspect that requires attention is the importance of non-monetary external rewards, such as supporting a good work-life balance, offering flexible working hours (already discussed before) and recognition from managers, team members, peers and customers (Thorntwaite, 2004). According to Wayne, Shore & Liden (1997) the degree in which the employees have the feeling that their inputs are valued and respected by their employing organization and that their employers care for their well-being is positively correlated to their intention to stay.

As noticed before, there is often an interrelationship between the different human resource practices. Here, the aspect recognition is related to leadership, employee engagement, team relationships and organizational culture as well.

To summarize, the opinions about the importance of remuneration and recognition towards retention are divided. The overall conclusion is that the salary aspect is an important aspect, but not the most important aspect with regard to retention. On the other hand, recognition seems to be a very important aspect.

3.5.8. Training and career development

Another important human resource practice which influences the retention of employees is the opportunity to follow courses and training and the possibility to develop a career (Horwitz, Hueng & Quazi, 2003, Chew, 2004; Chew, Girardi & Entrekina, 2005). According to the just mentioned authors, there are some contradictions in the opinions of the different researchers in studies about the relationship between training and career development and retention. This paragraph will start

with a description of the literature available on training and career development and continues with the discussion about the relationship with retention.

Training has been defined as *'a planned effort to facilitate the learning of job-related knowledge, skills and behaviour by employees'* (Noe, et al., 2008, p.267). According to the findings of Shaw et al. (1998) training should be seen as an approach to invest in the human capital of the organization. In turn, employees are these days often interested in training opportunities, while these give the possibility to obtain new skills and knowledge and this is a crucial factor for many high educated employees (Hiltrop, 1999). According to Chew (2004), it also increases the marketability of the employees. The study of Edgar & Geare (2005B) showed that, according to the employees, training and development have become more important to them in the last couple of years. The investment of the employer in this part had probably the greatest potential to contribute to organizational performance. These findings are in agreement with the research of the Laurence Simonse Group (2008). The study showed that just graduated students think about training and career development as one of the most important factors when applying for a job. This factor was less important three years ago while other factors such as organizational culture were found to be more important.

According to the relationship with retention, research in human resource management showed an increasing importance of the availability of training and career development (Vos, Meganck & Buyens, 2005; Smith & Smith, 2007) and according to Boxall, Macky & Rasmussen (2003) training opportunities are seen as a determinant for the decision made by employees to leave their employer. Research showed that training in a specific area also contributes to the productivity in that specific area which in turn may lead to compensation and so to the intention of the employee to stay (Shaw, et al. 1998). Training can also be seen as a way of showing commitment of the employer towards their employees (Vos & Meganck, 2007). Subsequently it shows the organization's willingness to add value (Chew, 2004). Results of the study of Sheehan, Holland & Cieri (2007) showed however, that although organizations were attending to training and development courses, the focus on training compared to other human resource practices could have been stronger. Today, employees are increasingly choosing to manage their own career by moving between organizations (Sheehan, Holland & Cieri, 2006; Boxall, Macky & Rasmussen, 2003). Therefore, the importance of the value of investing in training should be taking into account.

To summarize, training and career development seem to be important predictors with regard to retention. As noticed in previous paragraphs as well, there is also an interrelationship with training

and career development and other human resource practices, such as remuneration, recognition and organizational commitment.

3.5.9. Challenging opportunities

Finally, the human resource practice challenging opportunities will be discussed. Motivational fit and more specific, challenging opportunities are based on the assumption that “*employees are not only working for a salary, but also work on the creation of purpose and satisfaction in their life*” (Vos, Meganck & Buyens, 2005, p.6). According to Hiltrop (1999), the challenges in work are one of the most important factors which contribute to commitment and loyalty. Moreover, Vos, Meganck & Buyens (2005) mentioned that employees want to have the challenge to contribute to the results of the organization and if the work they accomplish is boring and not motivating, the chance for turnover is higher.

The fact that an employee feels challenged contributes also to their focus and energy and the increase in their own development (Furnham, 1990 in Chew, 2004). These findings are in agreement with the study of Boxall, Macky & Rasmussen (2003) who indicated that interesting work served as a ‘pull factor’ for employee retention. This finding is also consistent with Rose’s (1994; 2000 in Boxall, Macky & Rasmussen 2003) arguments for the rise of expressivism in the contemporary workforce: while people work to meet material needs, they also work to express their personalities and to experience meaningful personal growth.

So, challenging opportunities seem to be an important aspect with regard to performance, commitment and retention.

3.5.10. Conclusion

After an extensive research of existing literature and numerous observations within the organization of MassMedia Studios before the actual research started, it has been chosen to adjust two human resource practices out of the model of Chew (2004). Those adjustments will be discussed below.

First of all, the definition of the different human resource practices has been adjusted. Chew (2004) defined leadership as “*the behaviour of an individual that results in non-coercive influence when that person is directing and coordinating the activities of a group toward the accomplishment*

of a shared goal" (Bryman, 1992 in Chew, 2004). This definition is not in agreement with the definition of leadership given by Bassi & MacMurrer (2008) who mention a more elaborated version of leadership. The authors also mention communication, mentorship and approachability as a part of leadership. This is in agreement with the literature found and so it has been chosen to follow this elaborated version of leadership.

Before I started the literature study, it was expected that organizational commitment was a separate human resource factor in relation with retention. However, after extensive research I agree with Chew (2004) that organizational commitment can be seen as an intermediate factor between the human resource practices and retention. Organizational commitment will thus not be reviewed in the human resource model with regard to retention for MassMedia Studios.

Next to this, Chew (2004) only discussed the human resource practice person-organization fit. However, according to the literature, person-job fit is an important aspect with regard to retention as well. It has been chosen to add person-job fit and create an umbrella human resource practice: employee engagement. The human resource practice work-life balance is added to this umbrella term as well as it seemed that this human resource practice contributes to retention as well as is discussed in the literature.

Finally, the human resource practices organizational culture and work environment are bundled as the literature revealed that there were many similarities in the two different practices.

To summarize, the following human resource practices will be subject of this study:

- **Leadership**
 - *Leader/manager of a team*
 - *Mentorship*
 - *Communication*
 - *Approachability*
- **Organizational culture and work environment**
- **Team relationships**
- **Employee engagement**
 - *Person-job fit*
 - *Person-organization fit*
 - *Work- life balance*
- **Remuneration and recognition**
- **Training and career development**
- **Challenging opportunities**

In the table below the different human resource practices are shown in combination with the authors that have written about it.

Factor	Researchers
Leadership	Chew (2004); Eisenberger, et al (2002); Wayne, Shore & Liden (1997); McGill & Slocum (1998); Su, Baird & Blair (2009); Seibert (1999); Allen, McManus & Russell (1999); Horwitz, Hueng & Quazi (2003)
Organizational culture and work environment	Chew (2004); Sheridan (1992); Su, Baird & Blair (2009); Taormina & Gao (2009); Kerr & Slocum (1987)
Team Relationships	Chew (2004); Vos, Meganck & Buyens (2005); Allen, McManus & Russell (1999); Kristoff (1996);
Employee Engagement	Chew (2004); Kristof-Brown (2000); Kristoff (1996); Lauver & Kristof-Brown (2000); Meyer, Allen & Smith (1993); O'Reilly & Chatman (1986); Scroggins (2008); Thornthwaite (2004); Edgar & Geare (2005AB);

	Sheehan, Holland & deCieri (2007)
Remuneration and recognition	Chew (2004); Poole & Jenkins (1998); Guthrie (2000); Sheehan, Holland & DeCieri (2007); Boxall, Macky & Rasmussen (2003); Long & Shields (2005); Griffeth, Hom & Geartner (2000);
Training and Career Development	Chew (2004); Shaw, et al (1998); Edgar & Geare (2005B); Laurence Simonsen Group (2008); Smith & Smith (2007);
Challenging opportunities	Chew (2004); Vos, Meganck & Buyens (2005); Hiltrop (1999); Boxall, Macky & Rasmussen (2003)

Table 3: Overview of the different human resource factors

4. Results

4.1. Introduction

In this chapter I describe what came apparent out of the observations and interviews within MassMedia Studios. Unlike the preceding chapter which was mainly theoretical, this chapter will mostly represent my observations, outcomes out of the interviews and my interpretations of those. As already mentioned previously, I will make use of the existing literature related to retention and different human resource practices discussed in chapter three. Next to this, I will relate this to the observations and in-depth interviews with the employees of Massmedia Studios.

I will compare the concept of retention as perceived by the employees to the prevailing theories in this field whereby the perceptions of the employees will be leading. Within each paragraph an overview of the findings is given with a conclusion on that topic at the end.

This analysis starts with an overview of characteristics of the participating employees. Thereafter I continue with an analysis of their perceptions of and their experience with retention. After this I will explore the different topics more in-depth, the relation of the different topics towards retention.

4.2. Retention

Several employees mentioned in the interview that there is no such industry as the digital industry where the staff turnover is that large. During observations at the Monday morning meeting and the visit of the director of Blue Freeway (the mother company of MassMedia Studios) became apparent that people tend to stay in the organization for approximately six months and after that they leave the organization. This seems to be a normal thing in this type of industry. One participant mentioned: (P2) *"I think this is due to the way this kind of companies are set up. The dynamic way in which this organization works: things are constantly changing and moving. Which means in turn, that skill sets need to be changed constantly."* The organization uses outsource techniques as well. In this way, skills can be in place at the time those skills are needed. (P3) *"You can compare this for example with a banking agency. A banking agency needs the same skills all the time but in this type of agency, it does not work like that."* In this type of industry, persons with a particular skill set are needed for, for example two weeks. Out of the interviews became clear that the employees accepted the way turnover works in this type of industry. One participant mentioned: (P4) *"I have accepted that this is*

what the industry is like, a high turnover and due to that less commitment". The above mentioned aspects are out of the perspective of the organization. The organization does not need a particular skills set anymore so the employee is made redundant. However, what are the perceptions of the employees? Is the high amount of turnover due to actions out of the organization or are the actions out of the employee the reason for voluntary turnover? According to the literature, the perceptions of employees about human resource practices contribute to retention. The perceptions of the different human resource practices and their influence on retention will be discussed in the following paragraphs.

Another aspect that was mentioned several times in the interviews was the financial crisis. Employees tend to stay with the organization because of the fact that they expect to have less alternative options for other jobs. On the moment, there is a salary freeze at Massmedia Studios and four people have left the organization during the time I was present (February 2009-July 2009). Two employees were made redundant because the organization did not need their capabilities and skills at the moment, one employee was fired because this person's performance was not good enough and the last person left to start his own business in another state of Australia. All the employees mentioned the fact that times are difficult at the moment and that they could understand that the organization has to adapt to this. (P5) *"MassMedia Studios does what it can afford at the time and that is really tough though"*. However, some employees mentioned that they would expect something in return after that the financial crisis has finished.

The question arises: What meaning do the employees attribute to such an issue as retention? The employees of MassMedia Studios are not all informed about the policies regarding human resource practices and retention and they also do not have the feeling that the organization is doing something in specific to retain the employees within MassMedia Studios. One participant mentioned: (P1) *"We do not have a real HR department. Retention is almost irrelevant to people here. I know what should be here regarding to policies and what not, and it is not here, that is for sure"*.

Until here I discussed the perceptions about retention in general, from now on I will discuss the perceptions of the specific human resource management factors more in-depth.

4.3. Human resource practices influencing retention

4.3.1. Organizational culture and work environment

Out of the observations and the interviews became clear that organizational culture and work environment are the most important aspects for almost all the employees in relation to retention.

Organizational culture and a nice work environment have a positive influence on their intention to stay with the organization. All the employees mentioned the human resource practice organizational culture as the first aspect in an organization they thought about when thinking about retention. Because of the fact that the perceptions of the employees were all quite the same with regard to organizational culture and work environment and their influence on retention, this paragraph has resulted in a brief description of the human resource practices. The fact that the environment is not highly corporate and not strictly hierarchal gives the organization some flexibility and spontaneity and this contributes to their intention to stay. Moreover, all the employees were very content with the organizational culture within MassMedia Studios. One employee mentioned (P9) *“You want to work somewhere where you happy, when you like the persons who work there”* and another employee cited (P3) *“There is a vibe, a kind of energy that I like”*. However one employee mentioned that (P10) *“having a good working environment is definitely important. However we don’t come to work to have a large social network, we come to work to work and to get paid. The environment you’re working in is kind of a bonus”*.

4.3.2. Leadership

It was striking that none of the employees mentioned the human resource practice of leadership their selves. After more specific questions like: *“To summarize, you mentioned that thoseaspects are important to you relating to retention. However you did not mention the aspect of leadership. What do you think is the influence of this aspect on retention?”* several employees mentioned that leadership could have some influence on the environment the employees are working in and this contributes to their intention to leave or to stay with the organization. According to the employees of MassMedia Studios, people need direction, support, and guidance. A leader is necessary to drive the rest of the team and to take responsibility for them. A good team leader is extremely important because a team needs a kind of direction and a good team leader also contributes to the intention to stay of the employees. (P9) *“A team needs to be motivated by a leader, supported, made enthusiastic, and a leader should be inspiring too. A leader with all those characteristics contributes to a challenging environment to work in and this in turn influences my decision with regard to remaining at MassMedia Studios”*.

However it was not mentioned often and the opinions on the importance of this feature are divided. One of the employees cited: (P2) *“A leader can be important with regard to retention, but I do not have the idea that our leader really contributes something. I actually think I am more experienced than my leader is. If the leader is not here, we can run by ourselves, it is not really a*

problem if our leader is not here". And on the other hand, another employee stated that (P7) *"A good leader can make or break an organization"*. Employees develop their opinion about the organization and this contributes to their commitment towards the organization. Moreover, and according to several studies, organizational commitment is likely to result in retention.

One feature mentioned several times was the gap between the leaders and the rest of the team. The employees have the idea that their leaders could not really estimate the time that is required for some of the tasks. One of the employees mentioned that (P3) *"People left a while ago because of this gap between the leader and the team"*. A leader should know where the employees are working on, what is really going on, and should also support the employees to make a contribution to retention within the organization.

Another aspect that was noted, was the presence of a new leader which was leading the organization for a while when the CEO left to work for the mother organization Blue Freeway. The employees agreed with the fact that getting along with their leader is necessary to work properly. A negative vibe on top of the organization (during the interim CEO), can influence the whole organization and make all the employees feel negative. If there would be a loss of trust in the management, this would be a crucial factor for several employees to leave the organization. (P8) *"The leaders have to act in the interest of the organization and if they are not able to do this...A management team that you cannot trust is disrupting for the team, will influence the whole team"*. However, at the moment the working environment is really good, employees appreciate the attitude of the leaders who make the working environment very pleasant to work in. (P3): *"My leader here gives me a kind of freedom to respond to the changes in the working environment and I actually think that all the leaders here do that very well"*.

The next aspect of leadership is mentorship. None of the employees mentioned the importance of mentorship in relation with retention. After repeated questioning, the interviews revealed that there were supposed to be mentors for some of the employees. However, during difficult times such as the financial crisis, the role of mentor has not been established for a while. This aspect seems thus not to be applicable for MassMedia Studios at this time.

Next to this, the communication aspect of leadership will be discussed. Through the communication method of emails, employees get to know about changes and updates in the organization. An example of this is the email sent to the global team on the 12th of May 2009 about the redundancy of an employee. This example is an example of communication by email as well as

face-to-face and will be described any further. The CEO of MassMedia Studios sent an email to the global team and mentioned the fact that employee 1 was made redundant in the Monday Morning Production Meeting as well. Instead of a normal production meeting, this meeting was intended to talk about this specific subject. Topics discussed were the current situation of the organization, the fact that an employee was made redundant, and the reasons why it happened and why in this particular way. After this, there was the possibility to ask questions or to arrange a meeting to discuss the subject. The employees reacted all differently. Some employees did not react at all, some employees looked confused and some employees reacted frustrated. After the CEO asked if there were any questions regarding the discussed subject, only one employee asked a question. (P1): *“How is this possible? How can someone be in the office and made redundant five minutes after that? Can this happen to all of us? That we arrive at the office and that we are made redundant the same day? Is this the way it is supposed to be? I do not think it is appropriate to make a person redundant like this...”* The CEO answered this question by explaining the current situation of the organization and the fact that the role of the employee was not necessary for some time now. Good communication contributes to the trust and loyalty of the employees towards to organization. And according to (P1); (P4) *“this results in their possible intention to leave the organization”*.

Transparency is an aspect of communication and requires some extra attention as several employees mentioned the aspect of transparency without specifically asking. The results of the interviews showed, that the management team did not share much information with the other employees. With regard to retention, several employees mentioned that it would be appreciated if the communication among the members of the management team was also communicated to the staff. Several employees mentioned that the transparency of communication also acted as a reason to feel loyalty towards the organization and resulted in their intention to stay. However, one of the employees mentioned that a kind of a shield is a good thing (P6) *“Sometimes there is hierarchy or closed door conversations and that is also necessary. Sometimes you do not have to tell and hear anything because the whole context is required to understand the problem. It is about respecting each other that you can have transparency as well but also conversations just between the management team”*. And one of the employees was not interested in transparency at all (P12) *“I do not care about transparency. Too much transparency causes problems. I like to stay focused on what I do and transparency in the organization will not influence that. I do not need transparency, because that distracts me and I cannot focus on my work anymore”*.

Another aspect of leadership that was mentioned several times in relation with retention was the approachability of senior management. It was striking that almost all the employees were satisfied with the way they could approach the senior management team. (P1) *“Managers and senior managers are approachable, which is great! If I got an issue I can talk to them which is really good”*. However, this factor was not mentioned right away and only after I asked a more specific question about the influence of the human resource practice leadership in relation with retention. Several employees mentioned that they really appreciated the fact that they are free to express their feelings and opinions. (P12) *“If I say something, people actually listen to me and respect me”*. The possibility to express their feelings is one of the reasons the employees want to remain with the organization. (P11) *“We have got these meetings with your manager, every month, where you just talk about how it is going, what is annoying you, what works, and I think that’s good for retention”*.

The fact that all the employees can say things without necessarily having seniority is a level of transparency that is very important to them. It is even possible to have a conversation on a level of equals. (P5) *“Once we had a new young employee, just out of university. He just started the day before we had a meeting with the CEO of another organization. He said in the middle of the meeting, well I think that.... And the way we reacted and presented make the other organization see that his opinion was even as important as of our CEO. It is a really good place to work if you can do that”*.

4.3.3. Team relationships

In the interviews I noticed that all the employees mentioned some of the aspects of the importance of team relationships in relation with retention. Almost all the employees mentioned that it was important to them to get along with the rest of their team and that this also influences their intention to stay or to leave the organization. (P1) *“If the people were not kind, it was kind of depressing to work here, and then I would leave the organization”*. Almost all the employees refer to good team relationships as one of the most critical factors in their intention to stay or to leave the organization. One of the employees cited that (P2) *“It is all about the composition of the team. You can have a really good team and one new person has the wrong influence and the team is not good anymore. Or the atmosphere in a team is negative and one new person can really make this positive which leads to a good team. This composition within the team is very important for the overall atmosphere and contributes to the loyalty of the employee towards the team, but also to the rest of the organization. You have to put effort in a team and hopefully it is well received, however you don’t have to be friends in a team”*. The above mentioned employee mentioned that the atmosphere

contributes to loyalty and this in turn, influences commitment and retention (Chew, 2004). Half of the employees mentioned that they think they have a good team in the sense that they can get along together, not only in the work environment but also in a social environment. This may in turn lead to quite strong bonds which results in loyalty and commitment towards the team. The latter is likely to contribute to loyalty and commitment towards the organization as a whole which as previously mentioned, results in retention.

An also often mentioned aspect was the morale of a team. Out of the interviews became apparent that the morale in a team has often a predictive value with regard to retention. It becomes very difficult for a manager to retain people if the team is not well working. (P2) *"If there is no trust, they do not work for each other, if there is no cohesion, and then it is really hard to keep this employee within the organization"*. It became clear that if there is only one employee that is a disruptive element within a business, this could destroy the whole team. (P4) *"If I would work in a team with one disruptive person in it and this would continue for ten or twelve months without the management team doing anything about it, then I would probably leave"*.

Another aspect that was mentioned is the importance of emotional comfort. Some of the employees brought up that they would like someone to go to in the team, someone who supports them, who fights for them so that they do not feel alone, because there is the possibility that people get frustrated when they have got no one to talk to (P4) *"I know that is why people out of other teams left. It was not 'the' reason that they left the organization, but it was also a reason"*.

4.3.4. Employee engagement

At first the aspects person-job and person-organization fit will be discussed. In general, the office manager and the receptionist are responsible for the selection of a new employee. They both select new applicants in terms of qualifications based on knowledge, skills or abilities, and overlooking other personal characteristics of applicants that might be more suitable for the assessment of 'fit'. After this, the applicant is invited for an interview with the office manager and the manager of that particular job field, to ensure the applicant really fits in the job. The CEO of MassMedia Studios will also have a conversation with the applicant to ensure that the applicant fits in the values and the culture of the organization, an aspect that is very important to MassMedia Studios.

Out of the observations became clear that person-organization fit is an important aspect within MassMedia Studios. Some people cannot be comfortable within this open and informal culture, which is the reason why it is important that there is a fit between the person and the culture

within the organization. This became also apparent out of the perspective of the organization. The fact that the applicant has an interview with the manager as well the CEO reflects that the organization values the fit of the applicant with the job as well as the culture. However, the latter was mentioned only by one employee spontaneously during the interviews. The participant who did mention the aspect of person-organization fit explained that person-organization fit was the most important thing for him in particular. The aspect was even the reason that he started working at the organization: (P1) *"For me it is quite different, I did not come to work here because of the product the organization provided, but because of the culture and the people that worked here. Those two aspects attracted me in the first place. I did not know if I would fit in the tasks I would be doing, but I did know that I would fit in the values of the organization"*.

After more specific questions like: *"To summarize, you mentioned that thoseaspects are important to you relating to retention. However you did not mention the aspect of person-organization fit. What do you think is the influence of this aspect on retention?"* some of the participants did mention the importance of this human resource practice. The job itself is of high interest to the employees and most of the employees also like to work in this type of industry, a digital and communicative organization. However, there was no contribution of the level of job-organization fit in relation with retention to most of the employees. Another topic that was mentioned after I asked a specific question about the human resource practice was the fit with the product the organization is selling. MassMedia Studios sells a product, named Traction². Some of the employees knew the product before they got to work within MassMedia Studios and thought of the product as an (P6) *"incredible exciting product"*. Other employees had not heard of the product before, however when they started working for the organization, they started to really believe in the product. One of the employees mentioned (P7): *"I actually think that it's the best product there is in this area. I can look others in their eyes and really say, I believe this is the best product there is."* The excitement and belief in the product contributes to their belief in the organization as a whole. Out of the interviews became apparent that retaining your people also has to do with believing in the product the organization is selling.

Another aspect that arose was the aspect of the size of the organization. Some of the applicants had experience in working in small or corporate organization. On the basis of their experiences in that kind of organization, they left that particular organization. Several employees mentioned that the lack of challenging opportunities in a corporate organization contributes to their

² Traction: Traction is a relationship marketing platform that makes it easy to manage multi-channel campaigns and build brand advocacy through the effective use of data.

intention to leave. Another employee mentioned the low amount of working in teams in a small organization and its contribution to his intention to leave that particular organization.

Finally the outcomes of the interviews and observations with regard to the aspect work-life balance in relation with retention will be discussed. One topic that was mentioned several times was the work-life balance, namely the high amount of workload. Out of the observations became apparent that the employees stay late on a regular basis. This can be seen as a positive feature (P11) *"It says something good about MassMedia Studios, people are loyal to the organization and people really want to contribute something"*. However, several employees indicated the high amount of workload as a negative factor with regard to retention. The employees feel that they have to work overtime, (P12) *"because otherwise the manager thinks that we are not busy and that's not really fair"*. The employees make long hours already, some employees do not mind, but some of the employees do. The employees mentioned that if working overdue continued, this would result in their intention to leave at some time. Several employees agreed on the fact that they are working till six o'clock and that they want to leave the office around this time. Some employees do even feel bad if they leave on time (P13) *"I feel bad when I leave and everyone is still sitting here. I know that the managers do not check if you are staying late, as long as the work is done. But still I feel a little bit strange if I am leaving and there are still many people in the office. But on the other hand, I don't check my Hotmail and Facebook; I am working when I am in the office"*. According to one of the employees, the reason for this high amount of workload could be the multiple job heads which the employees need to fulfill. All the employees have quite a lot of roles. For example, some people have to do sales, account management and product management. (P6) *"I have the feeling that I have a lot of functions at the same time, which makes me really busy, and I do not feel undervalued, but sometimes I have the feeling that I have too many roles at the same time. And you only get paid for one role you know"*.

4.3.5. Remuneration and recognition

It was striking that the topics remuneration and recognition was brought up in the interviews by all the employees. Almost all of the employees referred to pay as one of the major aspects of retaining with the organization. One of the employees cited: (P4) *"Money is one of the most important factors with regard to retention. If another organization would offer me a lot more, I would go there."* And another employee mentioned: (P1) *"If I earned a lot of money at another organization I wouldn't mind about the people working there"*. However the employees also mentioned that they would only

leave if other organizations should offer them a lot more money, because they like the current working environment and culture at MassMedia Studios that much.

Wage is an aspect of remuneration and can be seen as a factor that can influence turnover intention. However, it is not an important aspect with regard to retention for all of the employees. Some employees said that they did not think about wage as the most important thing. (P2) *"I could not go out of bed every day for the money and waiting on that paycheck every month, if the job was just about the money."* And another employee mentioned (P10) *"It's not quite about money. I had a lot of other job offers, they paid more money, but I did not like the working environment."* The fact that there is a difference between the opinions about the influence of wage on retention could be due to the fact that the employees, who did not mention wage as the most important factor, were working at a higher level in the organization. The employees who did mention the influence of wage as more important were most of the time employees working in a lower level in the organization. It is striking, however, that the employees that thought of wage as the most important factor as well as the employees that did not, both mentioned the importance of the working environment as well.

Subsequently the topic extra rewards will be discussed. Extra rewards can be seen as the rewards offered by the organization next to the standard wage. Half of the employees mentioned the fact that they would prefer a balance between what the employee gives to the organization and what the organization is giving to the employee. Out of the observations became apparent that extra rewards are a tricky area because of the fact that those rewards can be inadequate. For example if an employee thinks he or she will receive extra money and that employee receives only half of the amount that was expected. In this case, an extra reward can turn out negative. An also mentioned subject was the long hours that employees had to make. People are afraid to ask for leave days, or rewards, or incentives, afraid of being shut down. The interviews revealed that employees think that the organization acts poor in regard to rewards. One of the employees did mention that this could be due to the financial crisis. Most of the employees accepted this is the way it is. However it seems that there is no right reward system in place at all. Out of the observations became clear that there is not a structure in place to reward the people that make such long hours. However, there is a reward-system in place in MassMedia Studios, called Kudos³. The opinions about this reward-system are divided. (P1) *"We have the Kudos's as well, that is a pretty good thing. If you win you get 150 dollars and what is actually happening in that process is that people are saying to each other: thanks, you did a good job, it was good working with you, you did this, and you did that"*. However another employee cited (P6) *"It does not reward anyone. It does not work, is not equitable and not fair. It is not the way*

³ Kudos's: A type of reward system in which employees can earn points.

to run a reward system. It 's even a bit disappointing if you ask me". A reward system needs to be managed out of the senior management out of their perspective and should not be a system without any contribution of the senior management. I will say something about this when there is the right opportunity. They want to do it, they got the right intentions, but there is no thought behind it what will work effectively." What became also apparent out the interviews was that the employees think that an organization should not have a reward system that is the same for all the employees, because not everyone appreciates the same kind of rewards. To summarize, the opinions about extra rewards within MassMedia Studios are divided and there was no relationship between the amount of extra rewards and retention mentioned.

Finally the aspect recognition will be discussed. Almost all the employees agreed on the fact that recognition is more important than financial rewards or wage in a certain degree. The smaller, simpler and more personal things are much better for the cultural process. Out of the interviews became clear that some of employees preferred another kind of recognition than the other employees do. (P9)"With regard to recognition, these do not have to be public recognitions. Some people do not like to receive the recognition in this way. Personally, I would like personal recognition. I would not like public recognition, because I do not feel comfortable with that." Almost all the employees named the fact that giving praise and getting praise of colleagues is very important. (P1) "If I've done a good job, I do want some recognition for the work I've done". It is seen as a kind of acknowledging the proud of someone when he or she has done a good job. (P4) "You can give someone a material thing, which is very easy, there is a budget and you buy something for it, where as actually allowing someone to demonstrate what he or she has done. You did a good job, show us what you did. Let that person talk about it in front of that persons peers". However, some of the employees did not think of recognition as an important aspect. (P2) "We as...are happy with some tasks working or finished ourselves, we don't need recognition for that from others. Recognition does not influence our opinion about the organization and does not contribute to our intention to leave or stay with a particular organization".

Referring to the presence of incentives, the opinions are divided. Some employees mentioned the social events in which some employees are interested. However, some people are not interested in social events at all. Another often mentioned aspect related to incentives is that these are seen as a bonus. Incentives are not the reasons the employees stay here. (P2) "It is just a nice little extra thing that the organization provides, but does not contribute to my intention to stay or to leave. It's just not that important, there are other factors that are more important, it's just something extra you know". The fact that the CEO recognizes the anniversary of the employees by buying

special cakes might look small to the organization but may mean a lot for the employee. Or for example the fruit that comes in every Monday morning; those small incentives affect the culture within the organization. (P1) *“And that cultural shift to the environment contributes to retention in my opinion”*.

4.3.6. Training and career development

The opinions about the importance of training and career development are divided. Some employees think of training as a very important aspect and have intentions to leave if there is not any progress in the amount of training that is offered, while others do not see the importance of training at all in relation with their intention to leave the organization. Some of the employees mentioned that they do not think that training can improve their skills and capabilities at this moment. One employee cited: (P12): *“I don’t really care about that. Some of the training would be a waste of money and time to go to, because they won’t learn me anything new. I would even be able to give that training myself”*. And another employee stated that (P13): *“I disagree with all kinds of training. What works for me is to sit with someone who is doing or using it and you learn it by watching and doing it too. And you just get practicing as long as you are as good as that person”*. It was striking that almost all the employees talked about self training and online training. The employees prefer to work self-directed. Several employees mentioned also that it is in their opinion more important that people come to work with the feeling that they can do their job and that they are able to do the job.

Out of the observations became apparent that there were many training facilities which were arranged internally. Employees train each other and learn a lot ‘on the job’. The fact that such training opportunities are present, results in the intention of the employees to stay. (P13) *“An organization has to add something to its employees, to learn and to develop the employees so that they become even better employees and this is a necessary aspect in relation to my intention to stay with an organization”*. According to several employees, there are a lot of things that cannot be learned formal in this industry and these things can for example be learned on the job. The employees noticed also that they prefer to learn from the senior management. Also when an employee had an external training, this employee trains the other employees internally on this particular subject. However, there are not many external training facilities. Some of the employees did not have any training yet. Moreover, employees are not offered any external training, they need to ask for this specific training and the CEO has to approve this training.

Employees ask their selves questions regarding training such as: What do I need to learn for the future? And, what do I need to learn next? One employee mentioned: (P3): *“I have tried to push for*

training several times. I really wanted to do some training. However, there has not been any answer yet, everyone is really busy. I think I have to keep trying". Employees suggest that this could be due to these critical times. The organization may not be able to afford training possibilities in these times. Another employee stated: (P9). "Due to the fact that all organizations are having a hard time, I'm looking for training under a specific prize amount, which is not too far so that it would not take me that long out of the office. In my opinion it will benefit both me and the organization, because my role has changed. It will save me and others a lot of time, because otherwise I have to book others in as I can do it on my own while I'm working and doing it".

Another aspect that became clear was the vertical construct of the organization. There are a couple of senior positions, and the rest of the organization has functions of a lower level. This means that there is not much opportunity to move up in the organization or to get promotion. In the interviews I noticed that this could frustrate the employees, because the employees want to learn and want to have the opportunity to move up. Several employees mentioned that if they could not move up or get promotion after some time, they would definitely leave.

Finally, several employees came with the suggestion of more specific training for some of the employees. In their opinion this is a way in which the organization can differentiate itself from other organizations and contribute to the retention of their employees.

4.3.7. Challenging opportunities

Out of the interviews became apparent that the importance of challenging work on retention depended on the type of function that the employee was practicing. A couple of developers mentioned the influence of challenging work as the most important factor with regard to retention, while one employee stated exactly the opposite: (P14) "If I could do a less challenging job, actually a very simple job for the same money, I would also do it." However, this was only mentioned by one employee. Most of the employees thought of challenging work as an important factor and as already mentioned, some employees with a specific function thought of challenging work as the most important factor in their decision to stay or to leave the organization. (P3); (P11); (P12) "Challenging work is for me the most important aspect with regard to my intent to stay". (P3) "I experienced no challenging opportunities at all at my last employer and this was also the reason that I left that particular organization". One employee also mentioned the fact that if the work did not become more challenging in a while; this could lead to that employee leaving the organization. (P14) "If the work is not challenging and repetitive, this would definitely lead to my consideration to leave. New

challenges will contribute to retention in my opinion". As MassMedia is a digital agency, the employees like to be creative and have challenging assignments. For most of the employees, eighty percent of the job is figuring out how things work and this is also often what these employees like about their job.

Employees appreciate the fact that there is allocate space to do some research. In this way they have the opportunity to search for ways to improve the actual way of working. (P14)*"At my previous employer I would not even think of that, because the work was not complicated at all so I did not have to learn new things. And here in MassMedia Studios this was allowed. They gave me the opportunity to show if I could improve this specific task I was working on and this makes me more loyal to the organization and results in my retention as well."* The fact of learning new things all the time makes employees want to stay with the organization.

Another employee cited (P15) *"I would like to be my job 50% of challenges. If so, this will contribute to my intention to stay. Challenges are fun but also take a lot of time and thinking. It is good to have some easy things to do too. It is impossible to have challenges all the time"*.

On the other hand, it can also make the employees frustrated if these challenges are not present. (P16)*" It is funny you mention it, because I just had my one on one with my manager and I got kind of frustrated, because I do the same thing over and over. And they wanted to let me do other things, bigger projects and more different projects, because at the moment I am doing a lot of repeatedly stuff. It makes it hard to do anything else, because it takes a lot of time. If this continues I might leave the organization. I need to do more projects, which I am doing. But it is just the same thing and I found myself in a really aggregated mood, waiting for my one on one to tell my manager that I was frustrated. It really has to change; otherwise I have to consider another job"*

Out of the observations became apparent that for some people it does not matter but for others it is getting boring and it is hard to maintain their level of dedication. (P11) *"You come to a point where you say to yourself: if I want to maintain this level of dedication something has to change. Otherwise I get frustrated and bored and might consider alternative job options"*.

Finally, the employees mentioned that they really appreciate the fact that they get the chance to show a lot of initiative. The opportunities that the different job functions offers, the things the employees can achieve, the goals that they can set in their team, are all noticed as important aspects in relation to retention.

4.3.8. The influence of function, gender, age and education

The study revealed also a clear difference with regard to the perceptions on retention between developers, designers and some project managers (creative people) and the sales division and staff members (non-creative people). The developers and designers mentioned the challenging opportunities as the most important factor. On the other hand, the developers and designers mentioned training and career development as less important for them, they prefer self-learning possibilities. The sales division mentioned the human resource practice training and career development as most important to them.

There was a clear difference found in age as well, while younger employees were more interested in self-learning possibilities, professional growth and challenging opportunities, the older employees (above thirty) were more interested in salary and personal recognition.

There were no clear differences found with regard to gender and education.

5. Conclusion and discussion

5.1. Introduction

The main purpose of this chapter is to discuss the outcomes of the observations and interviews and compare those to existing literature to provide an answer on the research question:

'What is the perception of employees about the influence of HR practices on retention within MassMedia Studios?

And what HR practices influence retention in a positive manner?'

Next to this, the limitations and possibilities for future research will be discussed. Finally I will mention some recommendations for the organization MassMedia Studios which will hopefully give insights in their human resource practices with regard to retention.

5.2. Conclusion

As the perceptions of the employees are leading, this paragraph will start with the most important human resource practices mentioned by the employees. First of all, the influence of human resource practices on retention differed per individual employee. There were some similarities found in the perceptions of employees out of the same function area and generation; these similarities will be discussed any further at the end of this paragraph.

According to the employees, the organization culture and work environment, remuneration and recognition, teamwork relationships and challenging opportunities were the most important to them with regard to retention. While those human resource practices were mentioned without asking more precisely, the human resource practices: leadership, employee engagement and training and career development were mentioned only after repeated questioning. While analysing the main findings of observations and interviews against the literature, the results differ on some aspects. The case-study was in line with the agreements made in the existing literature on organizational culture and work environment, team relationships and challenging opportunities and was not in line with agreements in the literature on remuneration and recognition, leadership, employee engagement and training and career development. This will be explained any further in the next paragraphs.

The study revealed also a clear difference with regard to the perceptions on retention between developers and designers and some project managers (creative people) and the sales division and staff members (non-creative people). There was a clear difference found in age as well, while younger employees were more interested in self-learning possibilities, professional growth and challenging opportunities, the older employees (above thirty) were more interested in salary and personal recognition.

The differences found between the literature and the case-study might be due to a difference in the already mentioned sector, size and ownership. Most studies have been done in large organizations where other human resource practices are important compared to medium-sized organization. An aspect which should also be taken into account is the feature that this particular study is out of the employee's perspective while most studies out of the human resource literature are based on perceptions of employers, managers or the HR department. This could be due to the fact that researchers assume that employers and managers know what their employees prefer with regard to human resource practices influencing retention.

This paragraph continues with the discussion of retention management, after that the human resource practices which were found to be in line with the existing literature will be discussed and finally the human resource practices with a less clear relationship with the literature will be discussed.

5.2.1. Retention Management

The case-study revealed that there is no such industry as the digital industry where the staff turnover is that large. This is in agreement with the findings of van Wijk (2003) who mentioned in her research that creative professionals are the most difficult employees to retain within an organization. Out of the interviews became clear that the employees accepted the way turnover works in this type of industry.

An also mentioned aspect was the fact that there was no real human resource strategy at all with regard to retention management in MassMedia Studios. This is in agreement with the discussed literature where the human resource approach is more informal established in smaller organizations (Kotey & Sheridan, 2001) and also within Australian organizations where the use of a human resource strategy is less common than for example the United States (Walsh 2001 in Chew, 2004). While there is no specific human resource strategy, there is also no specific human resource approach towards the generation Y. While generation Y is mainly represented at MassMedia Studios

and those employees are difficult to retain, some recommendations with regard to this feature will be discussed in the next chapter.

Another thing that should be taken into account is the financial crisis. Observations revealed that employees do not have a lot to wish for these times with regard to remuneration and career opportunities and this could have influenced their perceptions on retention as well.

5.2.2. Organizational culture and work environment

There was a clear relationship visible between the literature and the case-study with regard to organizational culture and retention while it was striking that all the employees mentioned the importance of organizational culture with regard to retention. This is in agreement with the findings of various studies (Vos, Meganck & Buyens, 2005; Bassi & Macmurrer, 2008; Horwitz, Hueng & Quazi, 2003; Chew, Girardi & Entrekin, 2005). The employees indicated that it was important to them that their goals and values were in agreement with the goals and values of the organization, aspects which became apparent within the human resource practices leadership and person-organization fit as well (Taormina & Gao, 2009).

5.2.3. Team relationships

The outcomes of the case-study on team relationships were in line with the existing literature as well. Good team relationships seem to be an important indicator for retention which is in agreement with the research of Hiltrop (1999). It was striking that all the employees mentioned some aspects of team relationships. Themes noticed were getting along with colleagues, the morale within a team and emotional comfort. The latter is in line with the literature found about the relationship between emotional comfort and intention to stay (Allen, McManus & Russell, 1999; Kirstof, 1996).

5.2.4. Challenging opportunities

The fact that the perceptions of the employees on challenging opportunities were quite diverse could be due to the different roles of the employees. As Hiltrop (1999) mentioned, challenging opportunities are one of the most important factors which contribute to loyalty and commitment. Challenging opportunities provide a focus, energy and an increase of their own development. The case-study revealed that the developers and designers indeed mentioned the challenging opportunities as the most important factor. This is in line with the study of Vos, Meganck & Buyens (2005) who mentioned that employees want to have the challenge to contribute to the results of the organization and if the work they accomplish is boring and not motivating, the chance of turnover is

higher. These findings are in agreement with the study of Boxall, Macky & Rasmussen (2003) as well, who indicated that interesting work served as a 'pull factor' for employee retention.

On the other hand, supporting staff members did not mention this factor at all. So, challenging opportunities is the most important feature for the creative employees and less important to the non-creative employees of the organization.

5.2.5. Remuneration and recognition

With regard to remuneration, the interviews and observations showed that salary influenced retention for almost all the employees, which is in agreement with the literature (Vos, Meganck & Buyens, 2005; Chew, 2004). However, this was especially applicable for the staff members and not for the developers and designers. The outcomes of the interviews of the developers and designers were in agreement with the statement of Hiltrop (1999): *"As long as pay was not seen to be insultingly out of line, other things mattered much more"*.

It was striking that competency pay was not present within MassMedia Studios, while it is expected in the literature that industries undergoing rapid technological change use competency pay and broad banding. The differences in importance of remuneration might be due to the reasons mentioned by Hiltrop (1999). The author argued that the approach towards remuneration within an organization depends on the characteristics of the industry in which an organization operates, for example the type of industry, the product the organization sells and the structure within the organization.

Out of the interviews became apparent that recognition was a very important aspect with regard to retention. This is in line with several studies, which showed that employees like personal growth, but they also seek the recognition of that growth (Chew, Girardi & Entrekin, 2005; Boxall, Macky & Rasmussen, 2003). However, this is not happening at the moment within MassMedia Studios. The employees mentioned the importance of recognition and also that it was not used often within the organization. This might lead to their intentions to leave the organization and is in line with the findings of Guthrie (2000) and Taormina & Gao (2009) who showed that if unrewarded behaviour is discontinued, which means that if good job performance is not rewarded, employees might leave their organization.

5.2.6. Leadership

The distinction made in the theoretical frame of leadership was apparent in the case-study as well. However, the case-study revealed a clear distinction made between the leader of a team and the leader of the whole organization. The leader of a team is seen as important with regard to giving direction and being supportive, but is not directly related to retention. On the other hand, there is more attention given to the leader of the whole organization. A loss in trust in the manager would be a crucial factor to leave the organization for several employees. This is in agreement with the study of Eisenberger et al (2002) who indicated the fact that leaders often act as representative of the organization and employees regularly link the support they require from the leader, as indicative to support out of the global organization.

The outcomes of the case-study were not in line with another often mentioned feature, which is the gap between the leader and the rest of the team. The existing literature did not provide information about gaps between management and staff members, however in MassMedia Studios it seemed that this gap was one of the reasons for turnover a couple of months ago.

The case study was also not in line with the literature with regard to the approachability and communication. Some employees mentioned the importance of the features but none of the employees mentioned the relationship between the mentioned features and retention. These findings out of the interviews and observations are in contradiction with the findings out of the literature, where a positive relationship was found between approachability, communication and retention (Chew, 2004; Bassi & MacMurrer, 2008).

The aspect mentorship was mentioned in the literature with regard to career advancement but no direct relationship with retention was made. It was on the basis of my own expectations to choose the feature mentorship with regard to retention; however, the case-study revealed as well that there was no clear relationship visible.

5.2.7. Employee engagement

One of the most outstanding findings which became apparent in the case-study was the high amount of workload as one of the dimensions of work-life balance. The perceptions of the employees about the workload were mentioned several times during the interviews and were noticed as well during the observations. Employees were working late on a regular basis. There was no direct relation of the high amount of workload with their intention to leave at this time. However, if the high amount of workload remained without getting recognition, extra salary or incentives in one way, this would result in their intention to leave the organization. These findings are in agreement with the

literature, while the article of Thornthwaite (2004) showed that Australian employees make the longest hours compared to other countries in the western world and that the employees mentioned concerns with regard to routine work, unpaid overtime, anti-social working hours and a high degree of work pace and intensity (Thornthwaite, 2004).

With regard to person-job and person-organization fit, both aspects seem to be important in MassMedia Studios which became apparent in the observations made. However, this was not an important aspect with regard to retention. It was striking that half of the employees mentioned the fit with the specific product (Traction) that MassMedia sells. These findings are not in agreement with the literature while both person-job and person-organization fit were found to be important aspects with regard to retention in the literature. Moreover, the fit between the person and the product the organization is selling was not mentioned in the literature.

5.2.8. Training and Career Development

With regard to the human resource practice training and career development, the interviews and observations showed that there was a relationship between this practice and retention, however, only for the generation Y of the organization. With regard to the psychological contract, the case-study showed that especially the generation Y was interested in professional growth and career opportunities, where as generation X and the baby-boomers were relatively more loyal to the organization (Vos, Meganck & Buyens, 2005). Generation X and the baby-boomers were also interested in professional growth; however this was negligible in relation with their counterparts. The interviews and observations indicated that the employees were self-learning orientated and were not interested in external training. This is in line with the research of Jorgenson (2005), who mentioned that training and development have become important aspects in the human resources and will contribute to high performance and innovation. The employees of MassMedia Studios make use of a lot of training, however, if employees use self-learning facilities, this feature can't be seen as a part of a human resource practice. This might be due to the type of industry. MassMedia Studios is a digital and interactive organization with many developers and designers as employees. These employees know how to find their way on the internet to acquire knowledge of different techniques and products. So, there is no need in MassMedia Studios for external training while the employees ensure they gain knowledge about new developments and products in their own time and using a self-learning approach.

Another aspect that became apparent is the possibility to grow in the organization. The observations as well as the interviews indicated that there were not many possibilities to grow to a higher position. This was particular visible in the sales department. There was no direct relationship with the intention of the employees to leave the organization at the moment, however if this took more than a year, several employees would reconsider another job.

As only generation Y of the employees mentioned a relationship of training and career development provided by MassMedia Studios and retention and only after repeated questioning, the findings in the case-study are only partly in line with the conclusions of Boxall, Macky & Rasmussen (2003) who indicated that training opportunities are seen as a determinant for the decision made by employees to leave their employer.

5.3. Discussion

5.3.1. Implications and future research

There are a number of implications for this study which need to be acknowledged. The first implication is that all the human resource practices were mentioned during the interviews. However, there is a difference between the naming of a feature by itself or after repeated questioning. While the human resource practices: organizational culture and work environment, team relationships, remuneration and recognition and challenging opportunities were mentioned without asking more precisely, the human resource practices: leadership, employee engagement and training and career development were mentioned only after repeated questioning. This might be an effect of the lack of knowledge of different human resource practices. For future research it might be an idea to verify the knowledge of human resources before starting the interviews.

The second implication is the way of data collection. The data in this particular study was collected from one single organization and also at one time. This makes it impossible to make a causal relationship. A longitudinal design would be preferable to speak of causal relationships and also to verify consistency.

The third implication is that the research only examined the relationship between the specific human resource practices and retention and not the relationship between the particular human resource practices. It should be interesting for future research to gain a better understanding of the relationships in between the different human resource practices as many authors mention the importance of those relationships.

The fourth implication is about the industry of the particular study. Future research should focus more on organizations in the creative industry to ensure the human resource practices relevant in this particular industry. With the use of more organizations in this industry, it is possible to make a better comparison and perhaps even a generalisation for this particular industry.

The fifth and last implication is the financial crisis. It is possible that the perceptions of the employees were influenced by the consequences of the financial crisis. So, research in other 'times' should be useful.

5.3.2. Recommendations

This paragraph will outline my recommendations with regard to the human resource practices used within MassMedia Studios.

Of a total of six examined human resource practices, the practices: challenging opportunities, and recognition are found to be the most important with regard to insights for management in how to give meaning to the HR policies of MassMedia Studios and being 'an employer of choice'.

First of all I would recommend training in human resource management for the senior management and the office manager. As there is no real HR policy in place, I would recommend training and coaching in this area. If the management of MassMedia Studios gets more feeling with HR policies and human resource practices especially with regard to the factors found as most important by the employees in relation with retention, they can hopefully retain more employees. At the moment, the management has not heard of many of the human resource practices. And if they have not heard of it and do not know how to work with it, how can they give those forth to the employees? Training and coaching is a good first step in retaining the employees of MassMedia Studios.

The second recommendation is related to the feature of challenging opportunities. As the study revealed that all the creative professionals within MassMedia Studios mentioned the importance of challenging opportunities with regard to retention, and those are not in place all the time, this is an important aspect to take into account. I would recommend a coaching plan for the creative professionals. This includes once in a month a one-on-one conversation with the team-leader or manager. During the conversations the current challenges (and the ability to criticize those) and interesting challenging opportunities in the future will be discussed to ensure the creative professionals have the opportunity to work on the challenging assignments they would like to have.

The third recommendation includes recognition. The case-study revealed that not salary, but recognition is one of the most important aspects with regard to retention. So, MassMedia Studios should focus more on recognition instead of salary and extra rewards. Especially personal recognition, the opportunity of employees to present their findings to the whole organization and recognition for the extra hours made and working overdue are important aspects. With regard to the latter, the highest point of critique is not the high amount of workload itself, but the fact that is it not recognised. Recognition for the fact that they work overdue or accomplish a specific goal or task

would be a point to take a good look at. The mentioned aspects of recognition in turn will also reduce the costs normally used for extra rewards and can be used for other purposes such as the above mentioned human resource management training and the coaching plan for creative professionals. Recognition, and especially personal recognition, will probably also result in more commitment towards the organization and this will hopefully contribute to retention as well.

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Attachments

Attachment 1

Employee questionnaire

Personal information

Used as an introduction

- What is your age
- What is your educational background?
- What is your function area?
- How many years are you working at the organization?

Retention

Used to verify the knowledge of retention

- What is your definition of retention?
- What does retention mean to you?
- How important is the retention policy out of an organization to you?

Retention in MassMedia Studios

Used to gain knowledge about the perceptions of the employees about retention within MassMedia Studios

- What do think of retention within MassMedia Studios?
- What do you think of the current retention policy within MassMedia Studios?

HR practices influencing retention

Used to gain knowledge about the perceptions of the employees about human resource practices influencing retention within MassMedia Studios

- Which human resource practice(s) influences your intention to stay with MassMedia Studios?
- Which human resource practice(s) influences your intention to leave MassMedia Studios?

- What do you think of the influence of leadership on retention within MassMedia Studios?
- What do you think of the influence of teamwork relations on retention within MassMedia Studios?
- What do you think of the influence of organizational culture on retention within MassMedia Studios?
- What do you think of the influence of person-job fit on retention within MassMedia Studios?
- What do you think of the influence of person-organization fit on retention within MassMedia Studios?
- What do you think of the influence of work environment on retention within MassMedia Studios?
- What do you think of the influence of work-life balance on retention within MassMedia Studios?
- What do you think of the influence of challenging opportunities on retention within MassMedia Studios?
- What do you think of the influence of remuneration on retention within MassMedia Studios?
- What do you think of the influence of recognition on retention within MassMedia Studios?
- What do you think of the influence of training on retention within MassMedia Studios?
- What do you think of the influence of career development on retention within MassMedia Studios?

Attachment 2

Assignment public domain MassMedia Studios

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15/4/09
Feedback
from rd.

Introduction

MassMedia is a digital communication organization, with their focus on relationship marketing, helping clients to really understand their customers and interact with them meaningfully. This could be through email campaigns, sms promotions, a website or any form of digital communication. Their client roster includes global relationships with leading brands such as Cadbury, Diageo, Audi, Unilever and FOXTEL. MassMedia is a small company with about 40 employees, operating under their mother company BlueFreeway. MassMedia works with their clients on a strategic level, and develop intelligent relationship marketing campaigns. Trust and integrity are a must within Massmedia Studios. After all their customers are trusting them with their most valuable assets, their customers.

The research I accomplish is about the retention of the creative professionals in a small firm. How can hr policies influence the retention of the creative professionals within MassMedia?

The creative professionals within MassMedia are responsible for the core tasks of the organisation. The creative professional commands these intangible creative competencies. The loss of this professional would lead to a loss of these specific competencies (Weggeman, 1997). Managers contain the importance of retaining these creative professionals. However, the problem is that these people are difficult to commit to one particular organisation. That is also the reason I would like to investigate the role of the creative professionals within this organization. More specifically, how HRM practices influence these creative professionals and how HRM practices can influence the retention of these creative professionals.

However, Massmedia Studios is a small company and there isn't much structure in the HR policies at the moment. That's why I choose to examine the influence of the current HR policies, especially in relation to the retention of the creative professionals within Massmedia Studios.

What is the public aspect within MassMedia Studios?

MassMedia Studios is a private organisation, however it has some public aspects. Research showed that the public identity is not exclusive to organizations that are public in formal terms. Private organizations which subscribe to corporate social

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responsibility and commit themselves to the goals of the triple P also show public identity. To examine the role of the public aspects, the public identity within Massmedia Studios, I will be using the article of Noordegraaf and Teeuw (2003). Besides that I will use the article of Rainey (2003) to examine the differences between the private en public characteristics within the organisation.

Private organizations are supposed to be different from public organizations in several aspects. However, it has proven hard to determine these differences (Rainey, 2003). Rainey distinguishes the public and the private identity using three different factors which are interest, transparency and agency. I will discuss these different factors a little bit further and relate them to the particular case of Massmedia Studios.

Interests.

The question here rises whether the profit is in the interest of the individual or in the interest of the whole society? Massmedia Studios has principally main goals which are short-term oriented. However MassMedia is developing and improving corporate social responsibility in line with their business strategy. Referring to MassMedia the hallmark of excellent performance by a company is not just the results it achieves, but how it achieves them. The CSR is the independent measure of how they are going about providing support to their community and minimising their environmental footprint. The higher goals of Massmedia lay in the charity projects for which they create websites and insights in their customers and retaining a green environment. For example a project for Mission Australia. Massmedia does a lot of Traction work for Mission Australia (Mission Australia primary goal is create a fairer Australia by enabling people in need to find pathways in a better life). Traction is a platform for digital media which give the client valuable customer insights. Another example is Street Voices. Street voices is a registered Australian Charity established to provide hope for the future of street children and disadvantaged youth in Vietnam. Other public organizations in which Massmedia is participating are Kits Helpline and Red Cross.

Regarding to the environment, MassMedia has making a pledge to improve ecological disturbance by assisting the Powerhouse Museum with the development of an ecological calculator. Specifically the calculator empowers schools to understand their environmental impact and take action.

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At the same time, Massmedia is aiming for the use of the Green office guide. The Green Office Guide helps the company buy environmentally friendly office equipment and use it to reduce your operating and environmental costs, including greenhouse gas emissions. This Guide has been produced as part of the National Appliance and Equipment Energy Efficiency Program supported by the Commonwealth, State and Territory governments.

Transparency

Massmedia Studios is a small company, that's why they don't publish a complete annual report. The organization does have its own website on which their goals, mission, values and examples of finished projects are described. However the organization is operating under their mother company, Blue Freeway. They do have an (financial) annual report every year which shows that the company is open and transparent. Their main goals, vision, mission, values and core characteristics are all been described in the annual report. Accessibility to performance and results are also visible.

"It is the policy of the company that all external communications are factual, timely, do not omit material information and are expressed in a clear and objective manner. The principal communication channels are through the provision of the annual and half-yearly reports, periodic analyst and media briefing, the distribution of specific material covering major transactions and events and the Annual General Meeting." (Annual Report Blue Freeway 2008, p.4).

Agency

Massmedia Studios is a private organization while the main goal is to sell their product and make profit.

These three factors point clearly to a private organization, however due to the corporate social responsibility and the transparency, the organizations has public aspects too.

Furthermore, Noordegraaf & Teeuw (2003) practise four dimensions to determine the position of an organization in a private or public manner, that is the way of goalsetting, causality, time and organizational structure. Referring to the way of goalsetting, a private conception like MassMedia is aetiological, which means the organization doesn't have higher goals next to their stable main goals. As already

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mentioned before, Massmedia Studios has principally main goals which are short-term oriented, but has also implemented corporate social responsibility. Out of a private view of causality, the organization should be atomic. Within MassMedia there are identifiable objectives and performance and results are expected. The relationship between cause and result is unambiguous.

Next is the notion of time. Within MassMedia, the time is definitely static. The maximum efficiency should get through. At least the notion of organizational structure. The organizational structure in MassMedia is hard to define. It could be seen as vertical as well as horizontal. There are different functions of different levels, but the organization itself is really flat. Authority is a function of higher position, but also of more access to resources.

These four dimensions determine which identity fits MassMedia best. Given the fact that there is some doubt about the way of goalsetting and the notion of organizational structure, the organization doesn't have a whole private identity. While the public aspects within the organization influence the notion of identity, it becomes more teleological, holistic, dynamic and/or horizontal, and then a environmental position can be mentioned.

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Which role plays social legitimacy in the HR policy of MassMedia Studios?
Specifically in the case of this particular research question.

Profit can be approached through economic rationality, but also through relational rationality, taken the interest of the stakeholder (for example the employees) into account. Economic rationality refers to the purpose of efficiency and profit, which can also be seen as the added value. In this respect MassMedia is trying to get as many as possible projects with their clients, to increase the production and so the profit. However, relational rationality is an important aspect as well. Relational rationality can be seen as the development and the retainment of lasting relationships with all relevant stakeholders. This relational rationality can also be seen as the moral values of the organization: the social legitimacy.

Paauwe (2004) and Leisink (2006) argue that survival of an organization not only depends on financial competitiveness, but also on its ability to legitimize its existence towards society and relevant stakeholders of the organization (for example, employees, customers, trade unions, local government). Legitimacy is an important concept for sustainability on an organizational level, but also the organizations' role towards the individual employee and his or her moral values are important; the concept of fairness.

Referring to MassMedia, the organizations practises:

- Equity, concern for equal treatment, welfare, participation and training facilities.
- Employability: the ability to get or keep fulfilling work and to move self-sufficiently within the labour market, realising potential through sustainable employment and career growth opportunities, competences growth opportunities.

If the relationship between the employer and the individual employee is out of balance, employees might get the feeling they are being exploited, resulting in low commitment levels toward the organization (Paauwe, 2004) and this may in turn lead to the leave of employees. The organization should establishing sustainable and trustworthy relationships with both internal and external stakeholders, based on the criteria of fairness and legitimacy (Paauwe, 2004). Failing to meet objectives of legitimacy and fairness can lead to perceived injustice by those involved and affect both employee behaviour and social relations within the organization. The meta-analytical review of organizational justice shows unique positive effects of perceived

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justice (both procedural and distributive) on job satisfaction, organizational commitment, employee trust and OCB underlining the relevance of fairness and legitimacy in organizations (Paauwe,2004).

The research I accomplish is about the retention of the creative professionals in a small firm. How can hr policies influence the retention of the creative professionals within MassMedia?

The ability to get or keep fulfilling work and to move self-sufficiently within the labour market, realising potential through sustainable employment and career growth opportunities, competences growth opportunities is an important aspect in the issue of retainment. This in turn influences the feeling of fairness. Paauwe (2004) describes fairness as the 'trade' relationship at the level of the individual. The employees, and in this case the creative professionals prefer a balance between what they contribute to the organization and what they in turn regain. That is why it is important to offer the ability of fulfilling work, career and competence growth opportunities.

I will also use the term corporate social responsibility, also operationalized as the Triple P, requiring firms to respect the bottom line of Profit, Planet and People in their activities, mentioned in the article of Leisink (2006). This aspect can also be seen as the socialization of the firm: the recognition by management that private firms activities have direct consequences for society and that society places demands on the operations of firms.

Referring to MassMedia, the organizations practises"

- The already mentioned policies towards employees
- Work for non-profit organisations like streetvoices, red cross etc.
- Use of the green guide in the office (recycling, etc)

The retention of creative professionals is different from retention in general. Creative professionals have other needs and to retain them, these needs need to be partial approached.

Creative professionals are often more attached to the branche than the organization they are working for. Implementing CSR could be reasons to stay. Due to this aspect, the organization could get a good reputation and this can in turn lead to commitment of the creative professional toward the organisation and so to the

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retention of the creative professionals. If employees feel committed to the organization, due to the vision and mission, the implemented social legitimacy and the corporate social responsibility, this may lead to the intention to stay with the company.

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What is your opinion of the public dimension of this particular case?

And what is your opinion about the policy the organization pursues/should pursue?

The fact that MassMedia has given the ability to their employees to get or keep fulfilling work and to move self-sufficiently within the labour market, realising potential through sustainable employment and career and competences growth opportunities is not exclusively in the interest of the employees. The purpose of the organization is also to make their employees more developed. The question rises: What is the main goal of Massmedia Studios, is it the value of the organization or is it the value attached to the employees? The relationship between economic and moral rationality is hard to define. Adventually, the meaning the organization is giving to it, is the most important thing.

Referring to the corporate social responsibility, MassMedia has definitely developed and implemented some aspects of people, planet and profit. The policies towards employees, like equity, employability and fairness, the work performed for non-profit organizations and the use of the green guide in the office are all examples of this.

However, Massmedia Studios is a small company and there isn't much structure in the HR policies at the moment. There are a lot of hr policies practiced, but there just isn't a real 'hard copy policy'. In my opinion, the intention of good hr policies is there, and it has been practised, but a real policy is required.

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