



ROLE OF REMUNERATION AND CAREER ADVANCEMENT PRACTICES ON THE RETENTION OF EMPLOYEES IN ORGANIZATIONS: EVIDENCE FROM RESEARCH

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Abstract: *In a globalized environment, attraction and retention of high prospective employees is a huge challenge to organizations especially in times of high turnover rates. In many instances even engaged employees are sometimes dissatisfied with the human resource management practices in place which may lead them to look elsewhere. This theoretical paper investigates the role of remuneration practices and career advancement practices on the retention of employees in organization by reviewing existing theoretical and empirical evidences from textbooks and journals. Remuneration and career advancement practices that enhance employee retention have also been reviewed. The review revealed that these practices are crucial in influencing employee satisfaction hence retention. Thus organizations should formulate appropriate remuneration and career advancement practices to reduce turnover rate and increase retention rates. However these require a commitment from employers, but will be worth the investment in the long term.*

Key words: *Role; Remuneration; Career Advancement; Retention; Literature review; Human Resource Practices*

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1.0 INTRODUCTION

Accelerating product and technological changes, global competition, deregulation and demographic changes are among the revolutionary trends that organizations have to wrestle with while still striving to implement trends towards a service and information age society (Kane, 2003). One of the challenges facing many organizations is the retention of critical employees. Society has now become knowledge based where human capital is considered a key resource and indispensable to the survival of businesses. In an era where skills and knowledge of employees are amongst the main competitive enablers, organizations cannot ignore the significance of attracting and retaining talented people (Hallén, 2007; Minchington, 2010; Mohaptra, 2005; Prinsloo, 2008). The new economy is characterised by a volatile talent demand–supply equation set against erratic attrition trends and boundless cutthroat competition, and organizations have never had a tougher time in finding, managing and nurturing talent (Cheese, Thomas & Craig, 2007; Mohaptra, 2005). The human resource has over the years become the organizations sure source of competitive advantage and thus every organizations that wishes to survive in the increasingly competitive business environment must strive to attract and retain this talent.

The retention of high performing employees has become more challenging for managers as this category of employees frequently move from one job to another as they are being attracted by more than one organization at a time. For instance, research has shown that medical (Hill 2011; Holtom & O'Neill 2004) and information technology (IT) professionals have a strong tendency to leave the organizations for which they work (Korunka, Hoonakker & Carayon 2008) and the country where they live (Bezuidenhout, Joubert, Hiemstra & Struwig 2009). Professionals such as these are regarded as 'intellectual capital' and are necessary in the knowledge economy; therefore, understanding and managing their turnover can have significant consequences for the organization's competitive advantage (Niederman, Sumner & Maertz 2007; Powell & Snellman 2004). The retention challenge of these workers is the result of increasing job mobility in the global knowledge economy where workers average six employers over the course of a career (O'Neal, 2005), coupled with the baby boomer retirement, "brain drain" and a smaller generation of workers entering their prime working age during this time (Jamrog, 2004). It is occurring in all types of organization across all management levels.



Hendricks (2006) concurs when he notes that employees with scarce skills are in great demand by the South African government and are becoming difficult to source. When these categories of employees are eventually sourced, they become even more difficult for government to retain. It is not only government that is finding it difficult retaining highly skilled employees. The private sector managers also admit that one of the most difficult aspects of their jobs is the retention of key employees in their Organization (Litheko, 2008). Most of the time when these employees move, they migrate to competing Organization with the knowledge and trade secrets acquired from their former thereby creating an even more critical situation for the latter (Abassi and Hollman, 2000). There is therefore need to carry out a study to find out how this valuable resources can be attracted and retained in organization to enhance efficiency and effectiveness.

Previous studies by Cappelli (2000) indicate that several factors are considered important in a well-functioning of employee retention. The determinants considered to have a direct effect are career opportunities, work environment and work-life balance. Cole (2000) suggests that the reasons to stay are work environment, rewards, growth and development and work-life balance. Samuel and Chipunza (2009) in their study in four South African organizations on why long-serving staff had remained in their jobs found out that the four key factors that served to retain staff were training and development, challenging and interesting work, freedom for innovative thinking and job security.

According to Machayo and Keraro (2013), in a study titled incentives for health worker retention in Kenya: An assessment of current practice, Ndetei, Khasakhala and Omolo (2008) stressed that incentives are not only financial. According to the feedback they received from health workers, non-financial incentives such as improved working conditions, training and supervision, good living conditions, communications, health care and educational opportunities for themselves and their families were highly valued. In their view the government needs to invest not only in its health workers but in its facilities, by ensuring regular medical supplies, upgrading facilities and improving working conditions in rural and poorer areas.

Since the push factors and pull factors for retention are many, this study attempts to establish the role of remuneration and career advancement practice on staff retention in



organisation and the remuneration and career advancement practices that are likely to enhance employee retention.

2.0 OBJECTIVES OF THE LITERATURE REVIEW

This literature on retention initiatives has been undertaken with the following objectives:

- i. To find out the role of remuneration practices on employee retention.
- ii. To establish the influence of employee training and development on retention of employees.
- iii. To explore the remuneration and training strategies that organization can adopt to enhance employee retention.

3.0 THEORIES OF RETENTION:

The motivation of employees to stay in organization due to remuneration and career advancement practices can best be explained by the equity theory and the expectancy theory

3.1 Stacey Adam's Equity Theory

According to Gupta, (2011), Stacey Adam's Equity theory is based on the premise that people want to be treated fairly at work. It presumes that employees do not work in a vacuum and asserts that employees weigh what they put into a job situation (input) against what they get out of it (outcome) and then compare their input-outcome ratio with the input-outcome ratio of relevant others with whom they compare themselves. If ratios are equal, a state of equity is said to exist; they feel their situation is fair and that justice prevails. If the ratio is unequal, inequity exists. That is employees tend to view themselves as under rewarded and will therefore attempt to correct the inequity. Thus the theory asserts that employees level of motivation is dependent on the perception of whether they are being fairly treated for tasks related efforts, when compared with others employees. According to the theory an individual's motivation level is correlated to his or her perception of equity, fairness and justice as practiced by the management. Robbins and Decenzo (2012) and Gupta (2011) asserts that equity exists if the employee's input-output ratio is comparable to that of other peers in the professional network. However, if their ratios are lower than others inequity is perceived, the employees become dissatisfied and would be motivated to seek ways to attain equity. The employee might perceive the existing work



environment and culture as hopeless and might choose to quite the current job in pursuit of a better and more equitable work environment.

The theory thus guides in understanding what may influence an employee to leave or stay in that they keep comparing what employees earn in other comparable organization in order to realize a balanced state of the of the input-outcome ratios. This in turn contributes to labour mobility inside and outside the organization.

3.2 Victor Vroom's Expectancy Theory

Victor vroom's expectancy theory (1961), asserts that individuals have different sets of goals and can be motivated if they have certain expectations. This theory is about choice. It argues that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on te attractiveness of the outcome to the individual. It includes three variables namely, attractiveness, performance-reward linkage and effort -performance linkage. Simply put, whether one has the desire to produce at any given time depends on one's particular goals and one's perception of the relative worth of performance as a path to the attainment of those goals. The theory has basically four steps. First, what perceived outcomes does the job offer to the employee. The outcomes may be good such as pay, security, companionship, chance to use talents etc or negative such as fatigue, boredom, harsh supervision, treat of dismissal etc. Secondly, how attractive do employees consider these outcomes? The individual who finds a particular outcome attractive; that is positively valued will prefer attaining it to not attaining it. Third what behavior must the employee exhibit in order to achieve these outcomes? The outcomes are not likely to have any effect on the individual employee's behavior unless the employee knows clearly and unambiguously, what she must do in order to achieve them. Lastly how does the employee view the chances of doing what expected of her? After the employee has considered her own competencies, and her ability to control that variable that will determine her success, what probability does she place on successful attainment?

This theory thus emphasizes on payoffs, or rewards. As employees have to believe that that the rewards the organization is offering align with their wants. It's a theory based on self-interest, that is, each individual seeks to maximize his or her expected satisfaction. A major concern here therefore is the attractiveness of the reward, hence there is need for knowledge and understanding of what value the individuals put on organizational payoffs so



that employees can be rewarded with the things they positively value. Therefore according to the theory, how motivated an employee is depends on the link between effort and performance; the link between performance and outcome and the link between outcome and individual needs.

According to Gupta (2011) the theory emphasizes that motivation is based on the amount of effort required, the rewards or returns and the value the individual gives to the rewards. The theory states that individuals base decisions on their expectations that one or another alternate behavior is more likely to lead to needed or desired outcome (Jackson and Mathis, 2004). Basic to this theory is the notion that people join organization with expectations and if these expectations are met they will remain members of the organization (Daly & Dee, 2006). The expectation that their career aspirations can be met through

4.0 METHODOLOGY

The study is descriptive in nature and only secondary data has been used in it. The source of the secondary data consists of books and various research journals.

4.1 Remuneration Practices and Retention.

Remuneration is clearly central to employment relationships. How much we are paid and in what form is an issue that matters hugely to us (Byars&Rue, 2008, Torrington, Hall, Taylor and Atkinson, 2011). For commercial organizations, it is a major determinant of both profitability and competitive advantage. The aim is to design competitive reward packages which serve to attract, retain and motivate staff, while at the same time keeping a lid on the costs so as to ensure the organization's commercial and financial viability,(Torrington, Hall, Taylor and Atkinson, 2011, Byars&Rue, 2008).

Armstrong and Brown (2009) in their model adapted from work by Towers Perrin reward consultancy identify four categories of rewards each of which has equal potential significance as a source of reward from the employee perspective. The categories are, individual such as base pay, contingent pay, bonuses, incentives, shares and profit sharing often referred to as compensation. Transactional rewards include pensions, holidays, healthcare, other perks and flexibility. Relational rewards include career development while communal rewards comprise leadership, organizational values, voice, and recognition, and achievement among others, (Torrington, Hall, Taylor and Atkinson, 2011).



Both monetary and non-monetary rewards and incentives can enhance employees' motivation and attachment to the organization (Bergiel, Nguyen, Clenney & Taylor 2009; Döckel 2003). Mello (2009) concurs when he asserts that compensation, a key strategic area for organizations impacts an employer's ability to attract applicants, retain employees, and ensure optimal levels of performance from the employees in meeting the organizations strategic objectives.

Attractive remuneration packages are one of the very important factors of retention because it fulfills the financial and material desires (Shoab *et al*, 2009). Tettey (2006) concurs with this when he states that dissatisfaction with salaries is one of the key factors undermining the commitment of employees to their institutions and careers, and consequently their decision to stay or intent to leave. Also as noted by Nawab & Bhatti (2011), compensation plays significant role in attracting and retaining good employees specially those employees whose gives outstanding performance or unique skill which is indispensable to the organization because company invest more amounts on their training and orientation. (Bergiel et al. 2009) notes that research findings suggest that there is a significant and positive relationship between compensation and job embeddedness. Accordingly, it seems that the higher the compensation, the greater the losses employees would feel if they leave the organization (Holtom & O'Neill. 2004). Some researchers argue that on the company side competitive compensation package is the only strong commitment and also build strong commitment on the workers side.

According to Lawler (1990) companies adopt the strategy of low wages if the work is simple and requires little training and companies competing in high labor markets adopt the high wages strategy. However, the contribution of compensation towards retention, help in retention of employee irrespective of their skill and contribution to the company and it likely affect both turnovers desirable and undesirable. The total amount of compensation offered by other companies also affects the turnover. Organization offering high compensation package have large numbers of candidates applying for induction and have lower turnover rate when compared to others. Moreover high compensation package organizations also create culture of excellence (Lawler 1990).

Gupta (2008) asserts that one of the objectives of paying at competitive levels is to enable the organization to retain it personnel by minimizing the incidences of quitting and



increasing employees loyalty. Indeed Ihsan and Naeem (2009) in a study indicated that Pharmaceutical sales force rated pay and fringe benefits as the most important retention factor. In addition, it indicated that pay and fringe benefits is highly valued by the sales force of all demographic backgrounds. The possible explanation could be that pay and fringe benefits enable salespersons to fulfill their physiological as well as esteem needs. Thus, for companies that have objective to retain their valuable employee, pay is considered as important factor for it (Brannick & Joan, 1999). Compensation is considered the most important factor for attracting and retaining the talent (Willis, 2000). Fair wages are the foundation elements of the implied and contractual bond between employers and employees, the underlying supposition being that monetary reward can persuade behavior (Parker and Wright, 2001). Organization often offer high pay packages i.e. stock options, special pay, retention pay, gain share pay, performance base pay and bonus etc. for attraction and retention of talented employees of the market. Williams and Dreher (1992) note that wage is the key factor influence in the employee attraction and retention, and play important role in the recruitment process. The report therefore says a critical review of the current incentive schemes is required to make them more effective to cater to needs of the sales in both multinational and local pharmaceutical companies to retain their talent workers says the report.

Armstrong (2009) also notes that terms and conditions of service play an important role but other factors are often important. He notes that problems arise because of uncompetitive, inequitable and unfair pay systems. This calls for companies to undertake regular market surveys to ensure that the salaries and benefits that they pay are competitive and comparable with the labor market. Good and competitive pay structure is likely to encourage employees to stay for a longer period. Thus, organization should provide competitive remuneration packages to their employees as a deliberate employee retention strategy.

4.2 Career Advancement Practices and Retention

Career development opportunities and training have a direct effect on employee retention. Employees career advancement is a phenomenon which is formalized, organized and it is planned effort to accomplish the balance between requirement of organization workforce and individual career needs. The challenge of the HR professionals is to identify and



develop the career development practices which would improve the commitment of employees as they would feel valued; helping the organizations to retain the employees as they would be motivated to work hard and enthusiastically (Hassan et al, 2013). It is a challenge for today HR Managers to identify the organization developmental practices which enthralls the employee commitment to the organization vision and values to motivate the employees and help the organization to gain and sustain the competitive advantage (Graddick, 1988). Organizations that desire to strengthen their bond with employees must spend on the development of employees (Hall & Moss, 1998; Woodruffe, 1999; Steel et al., 2002; Hsu, Jiang, Klein & Tang, 2003).

Career development involves creating opportunities for promotion within an organization and providing opportunity for training and skill development that allows employees to improve their employability on the internal and the external labour market (Meyer & Smith, 2003). Woodruffe, (1999); Steel & Griffeth., (2002); Hsu, Jiang, Klein & Tang, (2003) believe that an organization that wants to strengthen its relationship with its employees must invest in the development of its employees. They further argue that organizations will do a better retention job by spending more resources on training and development of employees. Employees who benefit from their organizations through training and educational facilities tend to be more committed and loyal to that organization.

Ongori & Agolla (2009), contend that lack of personal growth in organizations results in career plateau which in turn leads to increased employee intention to quit. Many employees find themselves in jobs that offer them limited mobility opportunities in terms of upward movement in the organization. Career plateau is thus seen as a major contributing factor to employees to quit in organizations. Human Resource professionals thus have a greater responsibility of managing career plateau and hence minimize employee turnover. According to Lee (2003), plateau employees are likely to have higher labour turnover because they want to advance their careers elsewhere in the environment. Studies have shown that employees who have attained plateau have a high degree of intention to quit due to reduced opportunity in the present organization (Yamamoto, 2006

Armstrong (2009) concurs when he asserts that, lack of clear career path or development is a major cause of poor employee retention. To maintain a stable work force, employers should learn to plan to provide career opportunities by providing employees with wider



expectations, encouraging promotion from within and developing equitable promotion procedures. (Armstrong, 2009). Sinha and Sinha (2012), say that the purpose of career planning as part of an employee development program is not only to help employees feel like their employer is investing in them, but also to help people manage the many aspects of their lives and deal with the fact that there is not a clear promotion track. Employers can no longer promise job security, but they can help people maintain the skills they need to remain viable in the job market.

Career opportunities may include the internal and external career options that an employee may have. Internal career opportunities may be in the employee's current organization, for example, a promotion or movement to a different position within the same organization. External career opportunities would mean obtaining a position at another organization (Coetzee & Roythorne-Jacobs 2012). These career orientations of employees may reflect an employee's perceived compatibility or comfort with an organization (Mitchell et al, 2001). Butler & Waldrop, (2001) also assert that it creates promotion opportunities within organization and provides training opportunities and skill development to improve their employee's employability on the external and / or external labour market.

Rahman and Nas (2013) assert that the purpose of employee development programmes is to improve employee capabilities which lead to increased productivity for them and their team thus sustaining a competitive position for their organizations. Thus career development is a vital and mutual beneficial process for both the employees and employer because it gives imperative outcomes to employer and employees (Hall, 1996; Hall, 2002; Kyriakidou and Ozbilgin, 2004). To gain and maintain competitive advantage organization required talented & productive employees and these employees need career development to enhance and cultivate their competencies (Prince, 2005).

A study by Kwenin (2013) on relationship between work environment, career development opportunities and employee retention in Vodafone Ghana Limited showed that career development opportunities also showed strong correlation with employee retention ($r = 0.387$) with a significant level of 0.000 which means that these two variables significantly affect retention and consequently recommended that management of the organisation provide development opportunities to increase employees' career growth and to make them satisfied to remain in the organisation.



Hassan et al (2013) in a study in the telecommunication sector found out that for the better encouragement and loyalty of employees, organizations should induce reward giving phenomena. In this way, employees are provided with an environment where they are able to embrace career growth and professional skill's development. From the two types of job training, on job training is preferred by employees. Duration of training is also crucial in delivering benefits related to training for the employees. Supervisory support plays a crucial role in increasing the enthusiasm among employees. Every organization must consider job training in their professional conduct as it leads to motivation of the employees.

However the results of the research by Terera& Ngirande (2014) indicated that there was no statistically significant association between training and employee retention amongst employees (administrators) in some selected Tertiary Institution ($r=-0.206$. $p=0.6$). This means that training is not the only determinant of employee retention especially among administrators in an organization. This is also supported by a study conducted based on a sample of 750 administrators in higher learning institutions which revealed that there is no a statistically significant relationship between training and employee retention (Coetzee and Schreuder 2013).

5.0 HRM PRACTICES THAT ENHANCE RETENTION

Existing literature reveals that the following remuneration and career advancement practices can help to enhance retention of employees in organizations.

5.1 Remuneration Practices that Enhance Retention

Other than the rewards themselves the reward practices adopted influence retention. Mello (2009) observes that in designing a reward or compensation strategy or system, an organization needs to be concerned with the perceived equity or fairness of the system for the employees. He asserts that the design of an equitable compensation system must incorporate three types of equity; internal, external and individual. Internal equity involves the perceived fairness of pay differential among different jobs within an organization, (Mello, 2009, Byars & Rue, 2008,). Employees should feel that the pay differentials between jobs are fair, given the corresponding responsibilities. External equity involves employees' perception of the fairness of their compensation relative to those outside the organization (Mello 2009, Armstrong, 2009). Obviously, employees would not be thrilled to discover that those who do similar work in other organizations receive higher compensation. Individual



equity considers employees perception of pay differential among individuals who hold identical jobs in the same organization. (Byars&Rue, 2008, Sababu, 2010).

Historically, the pay systems of most organizations have been based on jobs and job evaluation technology. This approach however made sense in a world where individuals had stable duties and the market value of individuals was largely determined by the way in which their jobs were designed and managed. However in a world in which individuals do not have traditional jobs and are often able to add considerable value due to their high level of knowledge and skill, it would be very dangerous and misleading to pay them according to job worth. Other competitive reward practices would therefore suffice. These practices would include paying the individual for their worth, rewarding excellence and individualizing the pay system. (Mello, 2009).

One of the reward practices that an organization can use is the use of base wages and salaries which consists of the hourly, weekly or monthly pay that employees receive in exchange for their work. (Byars & Rue, 2008, Sababu, 2010). The basic objective of any base wage and salary system is to establish a structure for equitable compensation of employees depending on their jobs and their level of performance in their jobs (Byars & Rue, 2008)

Skill-based pay also known as knowledge based pay is another pay strategy that an organization can adopt (Ingram, 1990 &Murray and Gerhart, 1990). This strategy is used in an effort to develop more versatile employees that are often required in today's organizations where jobs can be rapidly changing. It compensates employees for skills they bring to the job. Specifically the strategy pays employees for their range of knowledge, the number of business-related skills mastered, the level of those skills or knowledge, or some combination of level and range. In a conventional job based pay, employees must wait for a job opening before they can be promoted. However under skill based pay system, employees are eligible for a pay increase when they have learned a new skill and demonstrated they can progress another step. The advantages of this reward strategy according to Ingram (1990) Murray and Gerhart (1990) as cited by Byars and Rue (2008) is that it fits workforce values, increases staffing flexibility, builds leaner staffing requirements, encourages flatter organizational structure, inspires higher quality and quantity production levels and broadens incentives to increase knowledge and skills. Additionally, they reinforce group participation, deepens commitment when promotions are unavailable, decreases



overall labour costs, improves understanding of operations, leads to greater productivity, favorable quality outcomes and scrap reduction (Byars and Rue ,2008).

An organization can also adopt competency-based pay strategy (Byars and Rue, 2008). A competency is a trait or characteristic that is required by a job holder to perform that job well (Gerald & Ledford, 1995). The strategy is intuitively compelling in that it makes sense to put into account those traits that the organization values. An organization can also use the market based pay system (Byars and Rue, 2008, Kimberly, 2006) in which the employees are paid by the market rates. This entails carrying out at least three surveys to ensure proper representativeness of the jobs being priced (Grigson, Delaney and Jones, 2004).

Other than pay systems the organization can make use of incentive as rewards, whether at individual, group or organizational level (Byars and Rue, 2008). Individual incentive plans include differential piece rate plan, plans based on time saved, plans based on commissions, individual bonuses, suggestion systems, incentive for managerial staff and employee options (Jarboe,2004 and Schwanhausser,2004) for non-managerial personnel(sababu,2010, Byars and Rue ,2008,). Group incentives include gain sharing, profit sharing and revenue sharing (Mello, 2009).

5.2 Career Advancement Practices that Enhance Retention

Traditionally, HRD's contribution to career development has been through formalized programs such as training, mentoring, tuition reimbursement, job posting, and career-planning workshops., Hite & McDonald (2003) refer to these as "bounded" activities because access to and availability of these events is contingent on the organization's ability and willingness to offer them. According to Mello (2009), if an organization considers its employees to be the human assets, training and development represents an ongoing investment in these assets and one of the most significant investments an organization can make. Tettey (2006) notes that engaging in training and development widens ones compatibility with opportunities for advancement contingent upon one's ability to competently tackle new levels of responsibility and challenges. Hence it is an investment in human capital whether initiated by the individual or the organization. She further observes that professional development is the engine that keeps universities true to their mandate as centers of ideas and innovation.



Providing employees with sufficient training opportunities should be viewed as an essential investment strategy for employee growth and development (Döckel 2003; Kraimer, Seibert, Wayne, Liden & Bravo 2011). This practice constitutes an important part of the organization's fulfillment of the informal contract between itself and employees, which deepens employees' sense of attachment to the organization (Bergiel et al. 2009 & Mitchell et al. 2001).

Mello (2009) asserts that employee training and development is increasingly becoming a major strategic issue for organizations due to rapid changes in technology, the redesign of jobs, mergers and acquisitions, frequent movement of employees and lastly due to globalization of business operations requiring managers to acquire knowledge and skills related to language and cultural differences. Muhammad (2008) notes that investment on employee training and career development is an important factor in employee retention. Garg & Rastogi (2006) explain that in today's competitive environment feedback is essential for organization to give and receive from employees and the more knowledge the employee learn the more he or she will perform and meet the global challenges of the market place.

Rahman and Nas (2013) state that as skilled employees benefit both employees and the organization, both should contribute their respective shares to the process. Organizations are thus required to provide environment and opportunities for continuous learning and practical implementation. Strategically targeted training in critical skills and knowledge bases adds to employee marketability and employability security which is critical in the current environment of rapid development in technologies and changing jobs and work processes. Currently organizations seek out and employ knowledge workers with narrowly defined technical skills (Mello,2008). Organizations can benefit from training, beyond bottom line and general efficiency and profitability measures, when they create more flexible workers who can assume varied responsibilities and have a more holistic understanding of what the organizations does and the role they play in the organization's success.

Strategic training and development is crucial for the attraction and retention of a committed and efficient workforce. According to Gupta (2008), the first step to strategic training and development is training needs assessment at organizational, task and individual levels in order to determine the specific training activities required and place the training within the



organizational context. After the training needs have been identified, objectives for the training activities must be developed. These objectives should follow from the assessed need and be described in measurable terms (Gupta, 2008, Mello, 2008). In strategic design of training programs the issue of transfer should be taken into account.

Apart from on the job training (Gupta, 2008), another development with regard to training and development delivery strategies involves attempts to increase the efficiency and cost-effectiveness of off-the-job training and development. This can be achieved by shortening the time for design, delivery and administration of new training and development products and services (Moskal, 1990). Training and development programmes can be shortened by making the learning curve steeper through for example simulations, shifting the burden of learning to employees and introducing company supported off-hour learning (Mello, 2008). Increased exploitation of computer aided learning especially information and telecommunication technologies is another development in training and development strategies (Mello,2008). A study comparing the effectiveness of training and development delivered in the classroom to videodisk technology revealed that, although both groups of trainees scored the same on learning outcomes, the conventional training and development took 7.5 hours, versus 2.5 hours for the videodisks (Wilson, 1991).

Another training and development strategy is use of teams. This strategy takes a number of forms including training intact work teams to maximize relevance to job conditions, delegating decision making authority to the team to determine perceptions of its training and development requirements, including the team in training and development design and most importantly, using the team or selected team members as deliverers of training and development content.(Michael, Sweet &Parmalee,2009). Lastly mentoring is becoming an increasingly important vehicle for the development of management and executive succession capabilities, especially with regard to historically disadvantaged groups (Mello,2008, Gupta,2008,).

The findings from a research by Chay and Norman (2003) on creating value for employees shows that perception of investment in development can improve nurses' morale and dedication to the level that emotionally binds them to the organization and encourages them to stay on. This implies that healthcare organization need to pay greater attention, both in investing and planning development activities that promote and develop



organizational commitment and job satisfaction among nurses. Although these types of programs will continue to be important in developing some individuals' careers, the reality is that many organizations do not have the resources or the time to offer numerous formalized programs. There are however some less traditional, less formalized (boundary-spanning) learning opportunities that organization can utilize. These bounded and "boundary-spanning" activities may overlap and be used in conjunction with each other to support the organization's career-development efforts. Hall (2002) concurs, noting that "the natural resources" within the organization offer quick, cost-effective career-development activities that reinforce the business strategy and promote learning through day-to-day work.

Hite & McDonald (2003) specifically highlighted and recommended four learning activities as alternative ways of developing employees' careers namely informal learning, networks, community involvement, and alternative forms of mentoring. Increasingly, scholars are focusing on "boundary-spanning" activities like informal learning as an alternative means of career development (Conlon, 2004; van Dijk, 2004). As Powell, Hubschman & Doran, (2001) write, "Currently, with the organizational community facing reorganization, downsizing and the constant evolving of job descriptions and roles, formal learning, implemented usually through training classes and workshops is diminishing; informal learning has become the mindset". Hall (2002) concurs, noting that "the natural resources" within the organization offer quick, cost-effective career-development activities that reinforce the business strategy and promote learning through day-to-day work.

Powell et al. (2001) present a model to illustrate the role informal learning can take in "re-creating career development". In their model, HRD plays a critical role in facilitating the "learning how" level of the experience, which involves reflection and critical thinking about the learning and in the "learning why" level, which involves integrating "the original learning experience into both professional and personal aspects of their lives". According to Powell et al. (2001), the learner who gets to the "learning why" level will have greater self-efficacy, hence improved performance, and will consequently set more challenging career goals.

Another potential boundary-spanning activity to support career-development efforts is developing informal and or formal networks for employees both within and outside their work environments. For example, Forret and Sullivan (2002) recommend individuals develop



and take advantage of networking opportunities within the organization, the profession, and the community. However, many networking opportunities, particularly informal ones, are not readily available to minority professionals and managers (Combs, 2003; Ibarra, 1993). In addition, nonexempt employees often find themselves excluded from informal and formal networks, despite some evidence that hourly employees see strong benefits in networking and desire such opportunities (McDonald et al., 2002). Networks can serve multiple purposes, such as providing socio emotional support as employees attempt to balance life-work issues (Martins, Eddleston & Veiga, 2002) and facilitating knowledge acquisition (Friedman, 1996).

Networking also has been positively linked to perceived career success and marketability (Eby, Butts, & Lockwood, 2003). These results indicate organizations should play an active role in promoting networking opportunities for employees. Among the benefits the organization may derive from this activity includes a strong “knowledge base within the company” and an increase in “cross-fertilization of ideas and information across business units and departments” (Eby, Butts, & Lockwood, 2003). Martins, Eddleston & Veiga (2002) suggest that organizations might create “organization-wide networking groups” to provide social support for individuals in the minority gender in their work groups, as well as encourage employees to develop stronger ties to their communities. HRD can play a valuable role in advocating the benefits of networks to upper management, offering expertise and or assistance in facilitating such groups, providing information on how to set them up, and monitoring their effectiveness.

Following Martins, Eddleston & Veiga (2002) observation, the third boundary-spanning activity suggested is community involvement. In today’s corporate environment, employees often recognize the need to develop their careers beyond the walls of corporate America. Serving on community boards, volunteering in nonprofit organizations, and assisting in community events can develop skills as well as provide additional networking opportunities and socio-emotional support (Martins, Eddleston & Veiga, 2002; McDonald et al., 2002). Organizations benefit as well from the skills, knowledge, and confidence employees gain from participating in these activities. Again, HRD can take the lead in encouraging volunteerism, acting as a resource for employees wanting to become more involved in their



communities, and advocating for flexible work schedules so employees can engage in such activities.

Finally, alternative forms of mentoring should be considered as examples of boundary-spanning activities. The literature on traditional dyadic mentoring relationships has documented the various benefits individuals derive from having a mentor. Practitioners have suggested other forms of mentoring such as mentor networks (de Janasz, Sullivan, & Whiting, 2003), group or team mentoring (Dansky, 1996; Mitchell, 1999), and virtual or e-mentoring (Bierema & Merriam, 2002; Hamilton & Scandura 2002). Various benefits of these alternative forms have been noted, such as reducing the number of mentors needed and creating more opportunities to access more diverse mentors (de Janasz et al., 2003; Hamilton & Scandura, 2002); providing more flexible developmental opportunities for individuals telecommuting, working in remote sites, or with work-life balance conflicts (de Janasz et al., 2003; Hamilton & Scandura, 2002); and making mentoring more accessible and egalitarian (Bierema & Merriam, 2002; Mueller, 2004). HRD's involvements in these alternative forms of mentoring vary depending on the resources the organization is willing to commit to these activities. Organizations planning to offer these developmental activities will need HRD's involvement in connecting individuals and/or groups and providing training and coaching to mentors and participants. If group or team mentoring is employed, HRD practitioners may be asked to help facilitate these teams. Some organizations will not have the resources to fully implement these mentoring activities. In these cases, HRD practitioners should be aware of potential ways employees might become involved in mentoring outside of the work setting.

These boundary-spanning activities typically require fewer organizational resources than more traditional bounded-development initiatives. However, they have the potential to be very effective in meeting the needs of employees in turbulent organizational environments for two major reasons. First, these activities may expand individuals' perspectives of what a career can involve. For example, networking and community involvement may help employees better understand the multiple facets of how work and life intersect. Second, these initiatives may help individuals develop new and different skill sets, increasing resiliency and employability. Together they respond to employee needs and interests in the age of the protean career (Mueller, 2004).



6. CONCLUSION AND RECOMMENDATIONS

A main concern of any organization is its capacity to attract, engage, and retain the right employee. Certain factors are crucial in influencing the employees' decision to either leave or remain in an organization. As revealed from the literature review, there are significant relationships between the factors of training and compensation and employees' retention in organizations. However, there is a need to carry out some empirical studies in key organizations of the economy such as health in Kenya where there has been lots of complaints of brain drain of health care staff to other countries and sectors and lots of unrest in the institutions over the last few years especially after the devolution of Health care in 2013 to establish the role of training and remuneration on the employees' intentions to stay.

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