Effect of Technology on Staff Retention: Case Study of Pick N Pay Namibia

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Abstract. Business leaders often realize greater profitability when they have strategies to retain IT employees. However, the cost to replace IT employees creates significant challenges for business leaders. Given the growing impact of technology on operational costs, retention of IT employees is imperative. This exploratory single case study sought to identify the strategies that leaders use to increase IT employee retention. The population was employees from Pick N Pay in Windhoek Namibia, responsible for the retention of IT employees. Herzberg’s two-factor theory was the conceptual framework for this study. The data was collected from questionnaire that was send through email by google forms. Data analysis and methodological triangulation which analyzed the answers from questionnaire. It also includes organizations becoming profitable through better employee retention strategies, and it adds to the body of knowledge that leaders could use to provide stable employment opportunities to individuals. The retention rates among IT employees affect individuals, families, communities, organizations, and the economy. Implementing retention strategies may result in improving employee-employer relationships and organizational profitability.

Keywords: Effect of technology, Staff retention, IT employees.

1 Introduction

The role of Information Technology has made some significant changes in the way how employees conduct their today running of a business. This has really affected employment rate due to the fact that no company would want to employee, an employee without a background of Information technology. The use of ICTs paves way to significant organisational improvement as well as competitive advantage (Bankole, 2015). The retention of employees is crucial for the long-term health of an organization. Employees contribute to the profitability and success of an organization (Hester, 2013). This has led to have continues debate about strategies that can be put into practice to promote staff retention in global development. In recent years we have seen that technology changes day by day which also tells business need to also upgrade regularly.

2 Problem Statement

Staff retention has to turn out to be a continuing problem over the past years for pick n pay retail stores in Namibia. Organizational leaders often realize greater profitability when they have strategies to retain IT employees (Lo, 2015). The general business problem was the inability of leaders to enhance employee retention rates in a way that has lasting effects on organizational profitability (Hester, 2013). The specific business problem is that some leaders lack the strategies to increase IT employee retention. The reason for this is that employee retention is very important to maintain the smooth delivery of the business process and to the long-term success of the business, the researcher conducted this required business research to evaluate the contributing factors relating to retention rates (Cong, 2013). The researcher has also analyzed the present economic situation and inspected any association which has increased retention rates, thereby implementing employee training to keep the employees aware of the new technology and rewards through tough economic times might promote retention (Wheeler, 2013).

3 Aims and Objectives

The aim of the study was to explore what strategies do leaders use to increase IT employee retention in Namibia.
Objectives were:

(a) To examine the effect of technology on staff retention in Windhoek Namibia
(b) To evaluate strategies that can be put into practice to promote staff retention in Windhoek Namibia?
(c) To analyze the encouragement programs an organization put into operation to reduce the effect of technology on staff retention in Windhoek Namibia

4 Methodology

The researcher used an exploratory single case study design for this study because it allowed researcher to understand the specific phenomenon of how business leaders increase IT employee retention within the company. The case study design focused on decisions that contribute to real-life phenomena where the boundary and its context were not evident (Yin, 2012). This design allowed me to investigate, gather, analyze, and interpret data of the lived experiences of participants under study (Saunders, 2009). Other strategies of inquiries associated with the qualitative research methodology, such as ethnographic, grounded theory, and phenomenology Marshall (2016) received consideration but were not appropriate for the study.

5 Literature Review

The purpose of this literature review is to provide a critical analysis and synopsis of current and previous research that explores the effect of technology on staff retention in Pick N Pay and how managers use to retain employees.

Employees conduct business on behalf of an organization by having direct contact with customers and suppliers. Organizational leaders need to take a keen interest in retaining their human capital. A fluctuating human capital affects the productivity, performance, and, efficiency levels of an organization (Tobias, 2016). This had led to most organization to keep analyze the encouragement programs an organization put into operation to reduce the effect of technology on staff retention. ICTs have been receiving enormous scientific and political attention among International Organizations namely the World Bank, the United Nations (UN), the World Trade Organization (WTO), the International Monetary Fund (IMF) (OECD, 2015). The 2017 World Trade Report states that the use of computers, information technology (IT) and the internet has effects that go far beyond labor productivity (World Trade Organisation, 2017). However the effects of ICT in staff retention in Namibia is not yet fully understood and to date there is insufficient published research that looks at the importance of ICT (Weber, 2017). Therefore, the purpose of this qualitative multiple case studies to explore strategies that affect the technology of staff retention in pick n pay (Connell, 2014).

6 Discussion of Results

This section presents the findings from the respondents and from the data that was evaluated and analyzed through questionnaires. The findings are effects of technology in Pick n Pay, which is the basis of this study to investigate and describe the experiences and challenges faced by employees in Pick n Pay. The collected data were evaluated, analyzed and summarized to come up with the conclusion and the recommendations. The data in these findings were collected in questionnaire.

The researcher distributed 20 self-administered questionnaires, however, only 10 were completed and returned as illustrated in Table 1. This resulted in a return rate of 50% that could be considered as acceptable and the response rate was sufficient to accept the samples as a true reflection of the population.

7 Work Life Balance

According to (Viswanathan, 2013), work life balance refers to being able to maintain satisfying work and family environments without compromising on the deliverables of either role. (Viswanathan, 2013) noted that leaders have discovered that if they manage work-life employee conflicts appropriately, they retain more of their talented workers. Ratna (2012) noted that employees intentionally stay with companies that provide a work-life balance. Studies show employees want a flexible schedule. In response to the overarching research question: Do you think the Technology training provided by the organization is helpful? And How do you rate the usefulness of your Technology trainings in the daily working procedures at your organization? These questions emerged from the questionnaire question 3 and 4 has an alternate work schedule, or flexible schedule, which is consistent with the responses from
The chart below shows how Technology played any important role in helping to insure a work life balance on the staff retention. This group seemed to want more opportunities for variety and the ability to fit work around their life schedule to the maximum extent possible. Kataria et al. (2012) recognized that job flexibility, along with other (intrinsic) hygiene factors is a critical incentive for all employees.

**8 Telework**

The telework policies, procedures, and instructions are readily available for employees and can be located on the organization’s Intranet as well as in the human resources office. Pick N Pay has implemented a telework program for all of their employees. It is important that the telework program fit the organization as well as the individual employee and the particular job at hand. Telework emerged from the questions 6, 7, and 8. Pick n Pay has implemented the telework program, based on the federal policies, to allow employees to work from an approved worksite. Most employees in the IT division are taking advantage of telework.

According to Herzberg (1959), hygiene factors such as characteristics associated with company policy can contribute to employee dissatisfaction in the workplace. In this case study, the presence of telework policy within Pick n Pay positively influences employee retention.

**9 Incentives**

The government offers incentives to retain employees. (Ratna, 2012) noted that employees intentionally stay with companies that provide competitive pay and bonuses, job security, training, as well as retirement arrangements on which they can depend. Pokorny (2013) agrees that organizations are better able to retain employees who are satisfied with their work, and whom they reward and recognize well. The literature review and conceptual framework support the theme of incentives. Incentives emerged from questions 2, 3, 4 and 5. The participants agreed that strategy used to retain IT personnel is rewards, both monetary and nonmonetary, and recognition. The study shows that professionals are not always motivated by money alone. Stated training opportunities and career advancement are incentives and cross training is used to provide employees the greater overall knowledge of the IT division. This approach breaks up the day to day monotony and provides thought provoking challenges. It also makes a better-rounded employee competitive for future promotions. Aguinis, Gottfredson, and Joo (2013) stated that among all types of reward, monetary pay is one of the most important and significant intrinsic factors affecting employee retention. In the list of Herzberg intrinsic factors, advancement and recognition could influence satisfaction. Herzberg found that when leaders recognize an employee’s accomplishments, the employee might be more effective. Verbal praise has the ability to enhance company loyalty (Aisha et al., 2013; Sinha and Sinha, 2012). In the list of extrinsic factors, company policies and job security could influence employee job dissatisfaction.

**10 Quality of Life**

Valenti (2014) stated that employees want more from their jobs than just pay and rewards. Since there is only a finite amount of money to go around, most people will gravitate to employment that pays more to increase their quality of life. Ratna (2012) noted that employees intentionally stay with companies that provide a competitive pay and bonuses on which they can depend. The body of the literature supported this theme. Pick n Pay policy document entitled Pick N Pay Strategic Business Plan corroborated that the organization considers “quality of life” to be their number one goal for taking care of their employees. The participants’ responses are in line with the goal of the command to have a better quality of work-life to retain their employees. In the list of Herzberg intrinsic factors, advancement was identified as a possible influence of job satisfaction. In the list of intrinsic factors, salary was also identified as a possible influence of job dissatisfaction. These factors could have an impact on IT employee retention.

**11 Leadership**

Mahal (2012) found leadership style could have a positive effect on organizational commitment. Mardanov, Heischmidt, and Henson (2014) stressed that a leader’s positive attitude improves the employee attitudes toward work, their leader, and the organization. The body of the literature primarily supported this theme. Leadership emerged from question from section D. Pick N Pay mentoring program corroborates the aforementioned evidence that leadership is concerned with growth and development
of their employees by providing both internal and external leadership opportunities. The employees really feel that this makes a difference. concurred, demonstrating the idea by assigning mentors to develop the junior employees for more senior positions. This study show that one strategy that was used was working to an individual’s strengths while at the same time mentoring them on their weaknesses. Participants noted that the IT industry is changing so quickly that it is hard to retain good employees. Herzberg et al. considered factors such as growth, supervision, and employee supervisor relationship important. According to Herzberg’s theory, the presence of extrinsic factors, such as growth, could enhance employee satisfaction. The presence of intrinsic factors, such as supervision and relationship with supervisor and peers, could reduce employee dissatisfaction. These factors could influence organizational commitment which could have an impact on IT employee retention.

12 Conclusion

The results of this study were significant to professional business practices in several ways. The findings of this study revealed business leaders’ view within one organization about creating innovative retention strategies and enacting positive organizational changes to reduce IT employee turnover. Business leaders could use the findings to establish ongoing and continuing training to update their employee skills and expertise. Business leaders may also use this study as a basis for increasing the retention rate in other areas. Publishing the results of this study could provide business leaders information on employee motivation and productivity.

References


