# An assessment of entrepreneurial orientation as a human resource retention strategy within an academic institution

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#### **ABSTRACT**

The study measured the entrepreneurial orientation within Potchefstroom Academy and SAAHST, and whether the variables associated with entrepreneurial orientation namely autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness, displayed a significant relationship with employees' intention to leave the organisation.

Thus, the primary objective of the study was to identify whether there is a positive correlation between entrepreneurial orientation, affective commitment, job satisfaction and employee retention, and to provide suggestions on how to improve employee retention. The secondary objective included: adding to the empirical body of research on entrepreneurial orientation and organisational behaviour - particularly human resource retention; drawing conclusions from the empirical study to offer practical recommendations to academic institutions such as Potchefstroom Academy and SAAHST that might help with the successful implementation of entrepreneurial orientation as a human resource retention strategy.

The study was conducted amongst employees of Potchefstroom academy and SAAHST. Questionnaires were sent to 48 respondents via email. Only 42 completed the questionnaire successfully.

The demographic characteristics of the participants were analysed and descriptive statistics, including mean values and standard deviation of the variables, were provided. Cronbach alpha coefficients were calculated to determine the reliability and internal consistency of the measuring instrument.

Multiple regression analyses were conducted to measure the relationship between independent variables (entrepreneurial orientation - consisting of autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness), intermediate variables (affective commitment and job satisfaction) and the dependent variable (intention to leave). The regression model demonstrated that only two of the entrepreneurial orientation variables, innovativeness and proactiveness, significantly influenced the affective commitment of the participants. Moreover, innovativeness was

the only variable that significantly influenced job satisfaction. Lastly, proactiveness proved to have a significant impact on the intention to leave.

Furthermore, a Spearman's correlation coefficient measured the strength of the relationship between the variables. The results indicated innovativeness and proactiveness showed a large correlation with the both the intermediate variables (affective commitment and overall job satisfaction) and a large negative correlation with the dependent variable (intention to leave). The rest of the variables indicated a medium to large correlation with the intermediate variables (affective commitment and overall job satisfaction) and a medium to large negative correlation with the dependent variable (intention to leave). Only completive aggressiveness exhibited a medium correlation with overall job satisfaction and a medium negative intention to leave.

Based on the above-mentioned results conclusions were drawn on the outcomes of the selected factors. The evidence was critically evaluated and practical recommendations were presented on how to implement entrepreneurial orientation as human resource retention strategy. Suggestions were also made for future studies.

**Keywords:** Entrepreneurial orientation, human resource retention, autonomy, innovativeness, risk-taking, proactiveness, competitive aggressiveness, academic institute, retention strategy, job satisfaction, affective commitment.

#### **GLOSSARY OF ACRONYMS**

AC Affective Commitment

CHE Council on Higher Education

CIDESCO Comité International d'Esthétique et de Cosmétologie

**DHET** Department of Higher Education and Training

**DoE** Department of Education

**EO** Entrepreneurial Orientation

**FET** Further Education and Training

**HE** Higher Education

**HEIS** Higher Education Institutes

**HEQC** Higher Education Quality Committee

**HEQF** Higher Education Qualification Framework

**HET** Higher Education and Training

ITEC International Therapy Examination Council

MSQ Minnesota Satisfaction Questionnaire

**NQF** National Qualifications Framework

**SAAHSP** South African Association for Health and Skincare Professionals

**SAAHST** The South African Academy for Hair and Skincare Technology

**SAIHBTh** The South African Institute for Health- and Skincare Professionals

**SAQA** South African Qualifications Authority

**Services SETA** Services Sector Education and Training Authority

**SETA** Sector Education and Training Authority

SPSS Statistical Package for Social Sciences

**TIS** Turnover Intention Scale

TVET Technical Vocational Education and Training

WIL Work Integrated Learning

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## CHAPTER 1 NATURE AND SCOPE OF THE STUDY

#### 1.1 INTRODUCTION

Potchefstroom Academy is a Higher Education and Training (HET) provider, established in 1981 and owned by Tina Schöltz. The Academy is situated in the city of Potchefstroom. In 2003, Tina Schöltz acquired the South African Academy for Hair and Skincare Technology (SAAHST), a Further Education and Training (FET) provider. This enabled students, from both institutions, to benefit from shared facilities, resources, and expertise (Potchefstroom Academy & SAAHST, 2014).

The study focuses on the impact of entrepreneurial orientation and aims to establish whether Potchefstroom Academy and SAAHST could foster a climate of entrepreneurial orientation and whether this can be used as human resource retention strategy. This can be used as a strategic tool for the implementation of change, innovation and responsiveness to sustain a competitive advantage in the industry of higher and further education.

One of the leading factors in creating a competitive advantage within organisations is hiring and retaining employees and their tacit knowledge. A vast amount of academic research has been conducted on employee satisfaction and its impact on employee innovation and corporate entrepreneurship (Naicker, 2014:ii).

Florén and Rundquist (2013:1) identify corporate entrepreneurship as an important factor for competitive advantage and elaborate on how organisations should encourage it. Keating and Olivares (2007:171) add that it is a result of the effective management of human resources and that people are an organisation's main asset. One of the most important factors of corporate entrepreneurship is entrepreneurial orientation (Dess & Lumpkin, 2005:147). Hayton (2005:21) further states that a critical element of entrepreneurial orientation is human resources. However, there is a lack of literature on the influence of entrepreneurial orientation as a strategy to improve employee retention levels.

Miller suggested that the three dimensions of entrepreneurial orientation are innovativeness, proactiveness and risk-taking (Miller, 1983:770). Cunningham and Lischeron (1991:45) believe that an individual's unique beliefs and attitudes drive entrepreneurial behaviour and that there are different perspectives on entrepreneurial theory. Entrepreneurs are conceived as bearers of risk (Carland, Hoy & Carland 1988:35), but according to Gartner (1988:11) "the focus of entrepreneurship should be the creation of a venture". Callaghan and Venter (2011:30) argue that entrepreneurial orientation offers a conceptual framework that combines these different notions and is the process of organisational and market renewal through innovation and risk-taking. Lumpkin and Dess (1996:137) used the aforementioned framework and included autonomy and competitive aggressiveness to develop a larger construct. The five dimensions of entrepreneurial orientation are innovativeness, autonomy, proactiveness, competitive aggressiveness and risk-taking (Callaghan & Venter, 2011:30).

Florén and Rundquist (2013:1) believe that entrepreneurial orientation can be influenced by human resource management practices and involves organisational learning, creativity, commitment and teamwork. Human resource management is defined as the connection between all management decisions and actions that affect relationships between employees and the organisation such as selection, retention, and training in order to achieve goals (Florén & Rundquist, 2013:1).

Osman, Noordin, and Daud (2015:98) state that employees' behaviours are a vital aspect of human resource retention and is subject to situational and attitudinal influences. Furthermore, Osman *et al.* (2015:98) believe that intrapreneurship plays an important role in retaining employees and explain that intrapreneurship is entrepreneurship within existing organisations. Employees act like entrepreneurs and identify new opportunities and develop ideas. Osman *et al.* (2015:98) further mention that intrapreneurship is found to be consistent with the dominant dimensions of entrepreneurial orientation which are innovativeness, proactiveness, risk-taking, autonomy, and competitive aggressiveness and are considered to be key factors that influence employee retention.

Entrepreneurial orientation is related to preferences, beliefs, and behaviours expressed amongst managers and stresses the entrepreneurial process. The level at which an organisation is innovative, proactive and risk prone serves as an indication of the organisation's entrepreneurial orientation (Belousova & Gailly 2008-2009:14). Belousova

and Gailly (2008-2009:14) state that previous research suggests that entrepreneurial orientation has a positive effect on performance. However, the link between the entrepreneurial orientation of organisations and their employees are underexplored.

The individual dimensions of entrepreneurial orientation are innovativeness which refers to the willingness to support creativity, experimentation and new ideas, risk-taking (the tendency to take bold actions and pursuing opportunities that have the likelihood of failure) and proactiveness which focusses on seeking new opportunities and pursuing future prospects (Monsen & Boss, 2009:75; Piirala, 2012:18-19). Schillo (2011:21) adds that competitive aggressiveness is the way in which an organisation engages with competitors, and distinguishes between companies that back away from direct competition, and those that aggressively chase competitors' target markets. Autonomy relates to the actions of individuals or teams with regard to developing new ideas or visions and executing it without organisational limitations (Schillo, 2011:21).

Monsen and Boss (2009:72) investigated the impact of entrepreneurship on job stress and employee retention and found that entrepreneurial orientation dimensions were associated with less role uncertainty and reduced intention to guit.

#### 1.2 PROBLEM STATEMENT

Talent retention should be a priority for organisations to ensure future growth and should not be separated from intrapreneurship. Osman *et al.* (2015:99) state that "Innovative, proactive, competitive and creative working environment are the key aspects to support professional workers to keep relevant in the marketplace". Monsen and Boss (2009:72) believe that by supporting a culture of entrepreneurship, change and creativity can reduce fear, stress and uncertainty associated with innovation, risk-taking, and proactiveness thus, organisations should create more opportunities for employees to act entrepreneurially in order to reduce their intention to quit.

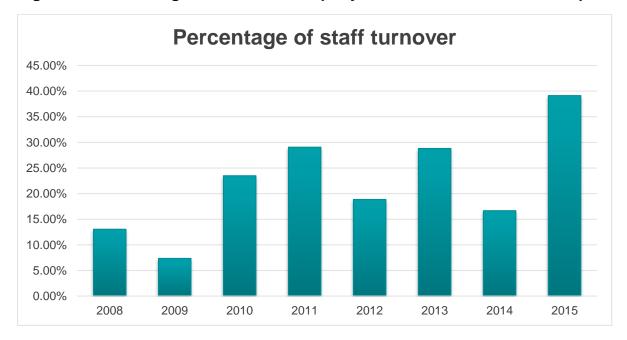
In this study, the researcher seeks to identify whether there is a correlation between entrepreneurial orientation and human resource retention, and if an entrepreneurially orientated culture within an organisation can lead to employee retention. Monsen and Boss (2009:71) report that employee retention is a critical issue for entrepreneurial organisations. This could also be applicable to institutions such as Potchefstroom

Academy and SAAHST. In the recent years finding and retaining employees and their tacit knowledge has become a daunting task for the institution (as seen in Table 1.1 and Figure 1.1). The only way the Academy can uphold its standard of education will be to hire the correct staff, and ensure that they do not have the intention to leave the institution.

Table 1.1: Staff turnover Tina Schöltz Group

Year	2008	2009	2010	2011	2012	2013	2014	2015
Full time staff	114	115	113	97	101	100	99	95
Part time staff	24	21	19	20	21	18	21	20
Total staff	138	136	132	117	122	118	120	115
Terminations	18	10	31	34	23	34	20	45

Figure 1.1: Percentage of staff turnover per year for the Tina Schöltz Group



Another factor is the fact that there is not a lot of room for growth within the institution as and it is therefore important to create new ways to retain staff by developing other initiatives that can provide personal growth within the institution.

Due to the competitive environment, private education institutes operate in, human resources and the retention thereof is vital. Just offering market related packages and incentives are not enough to retain employees and new ways need to be explored to encourage employees to remain at the institution (Kohn, 1993). Not only will this create a competitive advantage for the institution, but also ensure future growth by implementing entrepreneurial thinking.

#### 1.3 OBJECTIVES OF THE STUDY

The study's research objectives were divided into primary and secondary objectives.

#### 1.3.1 Primary objective

The primary objective of this research seeks to identify whether there is a positive correlation between entrepreneurial orientation, affective commitment, job satisfaction and employee retention, and to provide suggestions on how to improve employee retention.

#### 1.3.2 Secondary objectives

The secondary objectives of this research are:

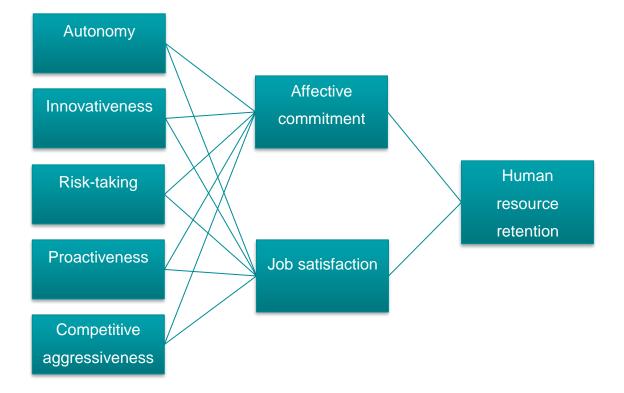
- To gain insight into the field of entrepreneurial orientation by means of a literature study.
- To obtain insight into the defining characteristics and unique dynamics of entrepreneurial orientation, affective commitment, job satisfaction and human resource retention by means of a literature study.
- To assess how strongly the organisation supports entrepreneurial orientation.
- To assess the respondents' affective commitment, job satisfaction and intention to leave.
- To validate the reliability of the questionnaire.
- To establish whether affective commitment can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.
- To establish whether job satisfaction can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.

- To establish whether an entrepreneurially orientated culture within an organisation can lead to employee retention.
- To add to the empirical body of entrepreneurial orientation and organisational behaviour in particular human resource retention research.
- To draw conclusions from the empirical study, and to offer practical recommendations with the successful implementation of entrepreneurial orientation as human resource retention strategy.

#### 1.3.3 The research model

This study will test the hypothesis that there is a positive relationship between an entrepreneurially orientated culture within an organization and its ability to retain human resources. The purpose of the research is to show how an entrepreneurially orientated culture within an organization can be used as a human resource management strategy to improve employee retention and create a competitive advantage.

Figure 1.2: Research Model



Based on the research model the following hypotheses have been formulated:

- H<sub>1</sub>: There is a significant relationship between innovativeness in the organisation and employees' affective commitment.
- H<sub>2</sub>: There is a significant relationship between proactiveness in the organisation and employees' affective commitment.
- H<sub>3</sub>: There is a significant relationship between risk-taking in the organisation and employees' affective commitment.
- H<sub>4</sub>: There is a significant relationship between autonomy in the organisation and employees' affective commitment.
- H<sub>5</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' affective commitment.
- H<sub>6</sub>: There is a significant relationship between innovativeness in the organisation and employees' overall job satisfaction.
- H<sub>7</sub>: There is a significant relationship between proactiveness in the organisation and employees' job satisfaction.
- H<sub>8</sub>: There is a significant relationship between risk-taking in the organisation and employees' job satisfaction.
- H<sub>9</sub>: There is a significant relationship between autonomy in the organisation and employees' job satisfaction.
- H<sub>10</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' job satisfaction.
- H<sub>11</sub>: There is a significant relationship between entrepreneurial orientation in the organisation and employees' intention to leave.
- H<sub>12</sub>: There is a significant relationship between innovativeness in the organisation and employees' intention to leave.
- H<sub>13</sub>: There is a significant relationship between proactiveness in the organisation and employees' intention to leave.
- H<sub>14</sub>: There is a significant relationship between risk-taking in the organisation and employees' intention to leave.
- H<sub>15</sub>: There is a significant relationship between autonomy in the organisation and employees' intention to leave.
- H<sub>16</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' intention to leave.

#### 1.4 SCOPE OF THE STUDY

The scope of the study is divided into the field of study and the business under investigation.

#### 1.4.1 Field of study

The field of this study fall within the subject discipline of entrepreneurship and organisational behaviour. This study primarily focuses on the effect of entrepreneurial orientation on human resource retention strategy, particularly within an academic institution.

#### 1.4.2 Business under investigation

The targeted population of the study is aimed at a tertiary academic institution. The study is conducted on Potchefstroom Academy a Higher Education and Training (HET) provider and SAAHST (the South African Academy for Hair and Skincare Technology) a Further Education and Training (FET) provider.

The Academy's main focus is to groom future entrepreneurs within South Africa. Potchefstroom Academy offers qualifications in Health and Skincare, Somatology, Therapeutic Massage, Therapeutic Reflexology, Therapeutic Aromatherapy, Interior Design and Decorating and Photography.

SAAHST qualifications include the National Certificate in Hairdressing, the Further Education and Training Certificate in Cosmetology and several short learning programmes (Potchefstroom Academy & SAAHST, 2014). The full-time number of students for both institutions exceeds 300, with more than 80 full time staff members within the Tina Schöltz Group of companies, which include Potchefstroom Academy, SAAHST, Tina Schöltz Day Spa, Hairtrends, Studio 360, Jolie Femme, Cantina and which offers accommodation to about 150 students.

Potchefstroom Academy constantly seeks ways for students to gain the work experience that they will require to be successful, by combining theory learned in the classroom with practical experience (Potchefstroom Academy & SAAHST, 2014).

It is therefore not only essential to equip students with entrepreneurial skills, but also the institution's employees, which can be used as a retention strategy in the future. This will align with the Academy's vision: "The development of viable careers - in particular the training of entrepreneurs, designers, therapists, and media professionals in service of the country and its people" and will prompt employee driven innovation which will lead to organizational growth and a competitive advantage (Potchefstroom Academy & SAAHST, 2014).

#### 1.5 RESEARCH METHODOLOGY

The study will be conducted by means of a literature study on entrepreneurial orientation and human resource retention followed by an empirical study to examine the influence of entrepreneurial orientation on employee retention.

#### 1.5.1 Literature study

An empirical research study will be conducted by means of a literature review to build a step-by-step academic definition of entrepreneurial orientation and human resource retention to show the importance of these dimensions and their respective associations. The purpose of the literature review is to illustrate the importance of entrepreneurial orientation as a human resource retention strategy, and how it can increase an organisations competitive advantage and create sustainable growth. The following topics will be researched: definition of higher and further education, entrepreneurial orientation, affective commitment, job satisfaction, human resource retention, and the relationship between entrepreneurial orientation, affective commitment, job satisfaction and human resource retention.

The sources that will be consulted include:

- Scientific databases e.g. EbscoHost, GoogleScholar, ScienceDirect, LexisNexis and Research Gate
- Internet sources
- Relevant published articles
- Academic journals
- Paper back and E-books
- Additional studies, essays and dissertations

#### 1.5.2 Empirical study

This section of the study presents the research and strategy that will be executed in the quantitative study. It includes the utilisation of a survey questionnaire as a measuring instrument to study the population and sample. An empirical study was done by means of a questionnaire. The questionnaire consisted of five sections, entrepreneurial orientation, affective commitment, job satisfaction, intention to leave and demographical information. It further elaborates on the method of data collection and statistical procedures. The researcher directed the survey and administered a questionnaire to employees at Potchefstroom Academy and SAAHST, both academic institutions.

#### 1.5.2.1 Study population

The researcher will administer questionnaires to 48 of Potchefstroom Academy and SAAHST's employees. To obtain the aforementioned sample, the researcher will make use of a non-probability sampling method - convenience and purposive sampling to obtain the questionnaires (Welman, Kruger, & Mitchell, 2011:56-57). The rationale behind the selection of the sample is that the sample could provide information on whether an entrepreneurially orientated culture within an academic institution can lead to employee retention.

#### 1.5.2.2 Data collection

Data will be collected by means of a questionnaire survey measuring the dimensions (sub-variables) innovativeness, autonomy, proactiveness, competitive advantage and risk-taking namely entrepreneurial orientation by using part of a questionnaire compiled by Lotz (2009). Affective commitment was measured with part of an instrument developed by Allen and Meyer (1990). The Minnesota Satisfaction Questionnaire (MSI) developed by Weiss, Davis, England and Lofquist (1967) was used to measure job satisfaction, and Bothma and Roodt's (2012) turnover intention scale (TIS) was used to measure employee's intention to leave the institution. Data will be obtained by means of an introductory letter by the researcher clarifying the purpose of the questionnaire and stating that all respondents will remain anonymous, and that information will be kept private and treated with confidentiality.

#### 1.5.2.3 Statistical analysis

The data collected from the selected sample was sent to the Statistical Consultation Services at the North-West University in Potchefstroom for coding and analysis with the program, *Statistical Package for Social Sciences* (SPSS) (SPSS, 2016). The descriptive statistic techniques that will be used for the data analysis are:

- Demographics such as gender, age, ethnicity, occupational level, and work experience.
- Descriptive statistics to describe the basic features of the data in a study such as mean and standard deviation.
- Cronbach Alpha coefficients are used to test the reliability of each chosen dimension.
- Multiple linear regression will be calculated to determine the relationship between and the strength of the relationship between the dependent variable of 'intention to leave the organisation and the independent variable of entrepreneurial orientation.

#### 1.6 LIMITATIONS OF THE STUDY

The study aims to investigate the impact of entrepreneurial orientation as employee retention strategy. Several limitations on both the literature study and empirical study can be identified:

Non-probability sampling method - convenience and purposive sampling: this method may cause selection bias and therefore may not be generalised to the entire population (Naicker, 2014:33). A more representative method would have been to use a database of all tertiary institutions within South Africa and randomly selecting the participants.

The literature study's aim is to illustrate the importance of entrepreneurial orientation as human resource retention strategy and it is likely that not all literature will be taken into consideration within the research.

The proposed sample consists of 48 respondents, which is a relatively small sample and does not allow for generalisation. The scope of the study is restricted to employees from only two academic institutions. Respondents will be limited to employees working at

Potchefstroom Academy and SAAHST. Therefore, the findings might not be generalizable to other institutions locally or internationally.

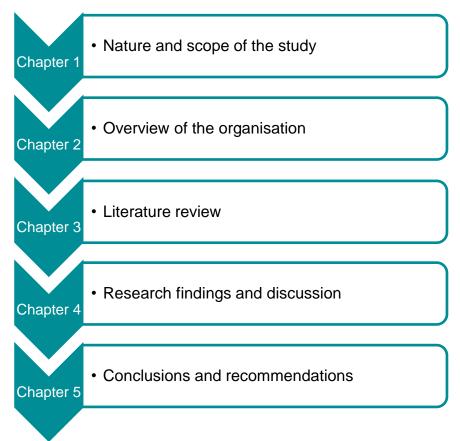
Only 42 of the 48 respondents completed the questionnaire, which could be due to time constraints or employee's workload. Thus, if all 48 respondents completed the questionnaire there could have been a variation in the results. Thus, it is recommended that a larger sample is obtained for future research.

Seeing that only certain factors were selected for the purpose of this study, other variables could also be investigated to gain a better understanding of what influences employees' intention to leave an organisation.

#### 1.7 LAYOUT OF THE STUDY

The layout of the study is provided in Figure 1.3. The study is divided into five chapters which are summarised below.

Figure 1.3: Layout of the study



#### **CHAPTER 1: NATURE AND SCOPE OF THE STUDY**

Chapter 1 serves as an outline of the study and includes an introduction, problem statement, objectives and scope, research methodology and the limitations of the study. It also elaborates on the structure of the study and reports on the reason to research entrepreneurial orientation as human resource retention strategy.

#### **CHAPTER 2: OVERVIEW OF THE ORGANISATION**

Chapter 2 provides and overview of the Tina Schöltz Group of companies with emphasis on Potchefstroom Academy and SAAHST, an academic institution. The chapter aims to provide the reader with a background view of the Tina Schöltz Group as well as how Potchefstroom Academy and SAAHST fits into the operations of the group.

#### **CHAPTER 3: LITERATURE REVIEW**

Chapter 3 defines and examines the key concepts of the study, namely entrepreneurial orientation, affective commitment, job satisfaction and human resource retention. The literature study aims to illustrate the importance of entrepreneurial orientation as human resource retention strategy. The requirements for both entrepreneurial orientation, affective commitment, job satisfaction and human resource retention were explored and how these concepts can increase an organisations competitive advantage and create sustainable growth.

#### **CHAPTER 4: RESEARCH FINDINGS AND DISCUSSION**

Chapter 4 presents the research methodology and elaborate on the methods used to conduct the study. Firstly, data gathering methods were described as well as the instruments utilised to conduct the study. Thereafter an analysis of the data and findings of the study were done, which included a demographic profile of the sample, the discussion of the results, as well as the explanation of the statistical methods used in the analytical process. Sample outlines, tables and figures are provided to summarise the findings.

#### **CHAPTER 5: CONCLUSIONS AND RECOMMENDATIONS**

Chapter 5 provides a summary and discussion of the study with conclusions and recommendations about the results obtained and whether the objectives of the study had been achieved. Suggestions for future research are also presented in this chapter.

# CHAPTER 2 OVERVIEW OF THE ORGANISATION

#### 2.1 INTRODUCTION

As mentioned in Chapter 1 Potchefstroom Academy is a Higher Education and Training (HET) provider and is owned by Tina Schöltz. The Academy is situated in Potchefstroom and was established in 1981. In 2003, Tina Schöltz acquired the South African Academy for Hair and Skincare Technology (SAAHST), a Further Education and Training (FET) provider which forms part of the Tina Schöltz Group of companies. This gives both institutions' students access to shared facilities, resources, and expertise (Potchefstroom Academy & SAAHST, 2014).

This chapter will provide an overview of the organisation and define the tertiary landscape. The organisation's origin and history will be briefly examined, after which the organisation's vision and mission and current strategic focus will be discussed. Lastly the casual factors to the study are discussed, followed by a summary of the chapter.

#### 2.2 DEFINING HIGHER AND FURTHER EDUCATION

SouthAfrica.info (2016) explains that Higher Education and Training (HET), or otherwise referred to as tertiary education, includes education for undergraduate and postgraduate degrees, certificates and diplomas. Potchefstroom Academy is classified as a HET institution, which is defined below.

The Higher Education and Training Laws Amendment Act (25 of 2010) explains that "higher education" is defined as all learning programmes that lead to a qualification that meets the requirements of the Higher Education Qualification Framework (HEQF). A "higher education institution" is any institution that provides full-time, part-time or distance higher education and must be registered or provisionally registered as such under the Higher Education and Training Laws Amendment Act (25 of 2010). A "private higher education institution" is any private higher education institution that is registered or conditionally registered with the Department of Higher Education and Training.

"Further education and training" is all level 2 to 4 to qualifications on the National Qualifications Framework or as determined by the South African Qualifications Authority (SAQA) which levels are below higher education but above general education as defined by the Higher Education Act (101 of 1997).

SouthAfrica.info (2016) adds that Further Education and Training (FET), covers training from Grades 10 to 12, and as well as career-oriented training offered in technical, community, and private colleges. The Higher Education Act (101 of 1997) defines a "college" is as any public or private further education and training institution that is recognized, declared or registered under the above-mentioned Act. About 450 FET colleges are currently registered within South Africa (SouthAfrica.info, 2016). According to the above definition, SAAHST is classified as a FET institution or a private college.

#### 2.3 OVERVIEW AND HISTORY OF THE ORGANISATION

#### 2.3.1 Overview of the organisation

Potchefstroom Academy is registered with the Department of Higher Education and Training (DHET) as a private higher education institute and all qualifications are registered on the National Qualification Framework (NQF) at the South African Qualifications Authority (SAQA).

Potchefstroom Academy offers qualifications in:

- Higher Certificate in Photography
- Higher Certificate in Interior Design and Decorating
- Diploma in Interior Decorating and Design
- Higher Diploma in Interior Decorating and Design
- Diploma in Therapeutic Aromatherapy
- Diploma in Therapeutic Reflexology
- Diploma Therapeutic Massage
- Diploma in Health and Skincare
- Advanced Diploma in Somatology

All SAAHST qualifications are also registered on the National Qualification Framework (NQF) at the South African Qualifications Authority (SAQA) and SAAHST is provisionally

registered with the Department of Higher Education and Training (DHET) as a private college.

#### SAAHST offers qualifications in:

- Certificate in Cosmetology
- National Certificate in Hairdressing level 2, 3 & 4

Work integrated learning is incorporated as part of Potchefstroom Academy and SAAHST's curriculum to ensure that students gain the work experience they require in order to be successful. This is achieved through the Academy's several business divisions (Potchefstroom Academy & SAAHST, 2014):

- Jolie Femme Beauty Salon and Holistic Training facility
- Studio 360 Student Photography Studio
- Tina Schöltz Day Spa Professional Day Spa
- Cantina Student Cafeteria
- Hairtrends Professional and Student Salon

#### 2.3.2 History of the organisation

Tina Schöltz's dream was to create a Health and Skincare Academy and after completing an International Teacher's Diploma in Beauty Therapy, she trained her first students in 1981. She bought the Le Riche Beauty Salon and Training Centre in Church Street in Potchefstroom. These premises soon proved to be too small and larger premises were found on the Bult in Potchefstroom. She also bought a nearby house which housed the theory lecture room and was used as residence for nine students. Practical lectures were offered in an area adjacent to the Beauty Salon. Two additional therapists were used as lecturers and a cleaner was employed. During this period the Academy offered the international qualification, ITEC (International Therapy Examination Council).

In 1988, larger premises on the Bult were rented and the theory as well as some of the practical facilities was moved there. The Beauty Salon on the Bult, as well as the house, was enlarged and the salon was used for the advanced practical sessions during the period 1980 to 1996.

In 1991, yet again, new and bigger premises was required and Tina found a large Cape Dutch building located just before the N12 bridge on the way to Klerksdorp. With the help of SAIHBTh (the South African Institute for Health- and Skincare Professionals), national accreditation from the professional body SAAHSP (South African Association for Health and Skincare Professionals) and international accreditation from CIDESCO (Comite International d' Esthetique - International Examination and Membership) was achieved. During this period the name of the Tina Schöltz Beauty School also changed to Potchefstroom Academy. The building housed a large beauty salon, a student training experiential clinic, lecture rooms and offices. The building on the Bult was mainly used for student accommodation.

An expansion in student numbers led to the Academy acquiring even bigger premises and at the end of 1999, the Academy bought the old Jewish Synagogue which was renovated and changed into lecture rooms and administrative facilities. In December 2000, the Potchefstroom Academy had to acquire more accommodation for its students and a block of flats, Hanton Court, was bought which accommodates approximately 70 students. A further need for accommodation resulted in the acquisition of MICPROP, adjacent to the Jewish Synagogue, and the buildings were adapted to house approximately 20 more students.

In 2002 a new department, Interior Decorating was inaugurated with two students enrolled. During this period a Certificate in Interior Decorating, as well as a two-year Diploma and a Higher Diploma in Interior Design and Decorating were developed at HET level. Two-year Diploma qualifications in Therapeutic Aromatherapy, Therapeutic Reflexology and Therapeutic Massage were also introduced.

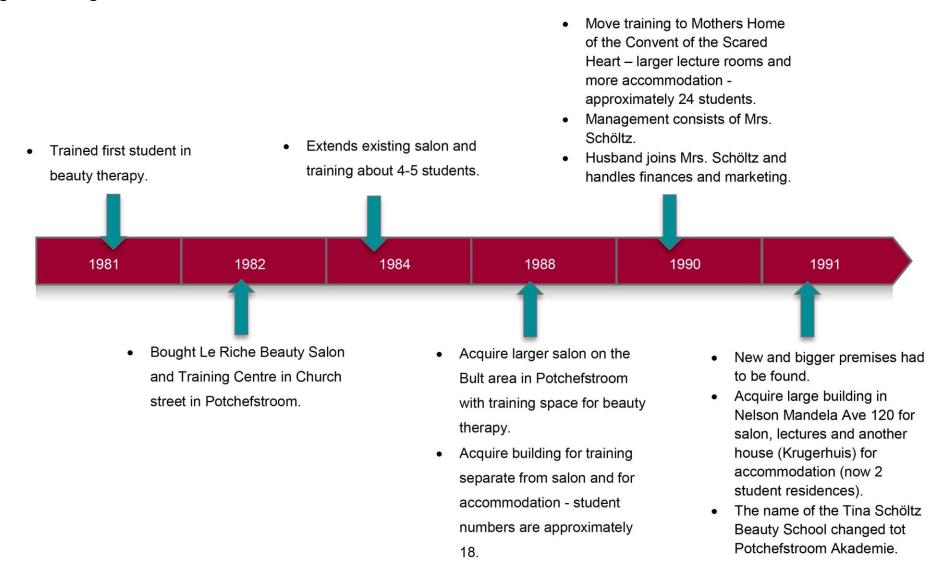
In October 2002 negotiations resulted in an agreement to sublease rooms in what used to be the Royal Hotel in Potchefstroom (called Dorpshuis) which accommodated a further 45 students. The ground floor was used as lecture facilities for the school for hair technology which was establish in 2003. In the same year Potchefstroom Academy acquired SAASHT (the South African Academy for Hair and Skincare Technology), an English medium competitor in Potchefstroom, offering Beauty Therapy, and later Hairdressing, Cosmetology and short courses. This resulted in a third campus with lecturing facilities, offices, and student accommodation.

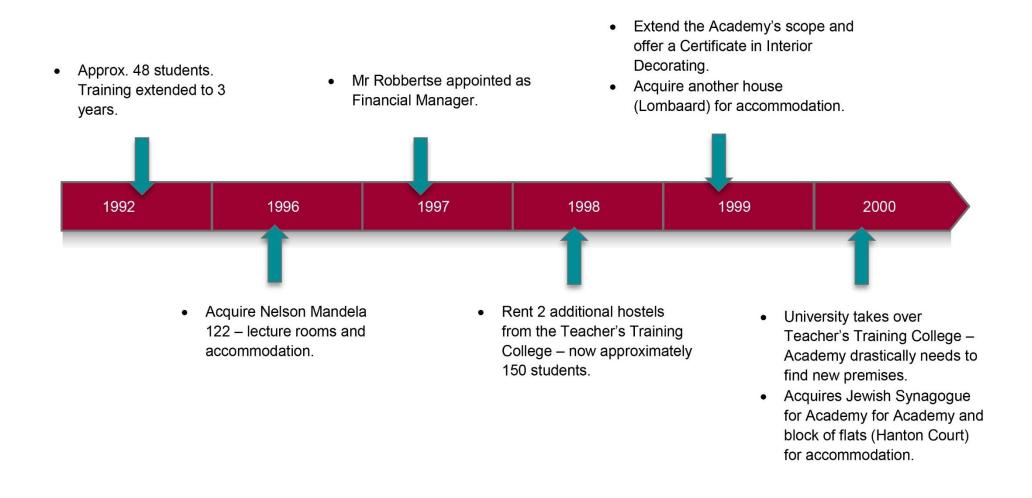
In 2011 a need for more student accommodation was identified and Torlyn, another block of flats was bought. In 2012 the Academy further extended its scope by opening a professional photography studio offering photography services and short courses. The Interior Design department was moved to the main campus (Jewish Synagogue). In 2013 the first four full time photography students were enrolled. In December 2013, the Academy cancelled its lease of the Royal Hotel and moved the Hair Academy to the main campus. During the same year, the first Correspondence Course, a Higher Certificate in Interior Design and Decorating was accredited by CHE (Council on Higher Education) and the first three distance-learning students enrolled in 2014. During this year, a higher Certificate in Beauty Therapy was also accredited.

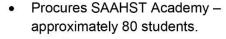
In 2015 the Academy lost one of its major lessees, Morkels, and decided to move the Somatology department and Wellness Centre (beauty and health work integrated learning facility) into the available space. Since student numbers in the department were increasing and created the need for larger facilities which will be finalised during 2016. The space that became available from the move of the Somatology department was utilised to build a new hostel. The Academy submitted all category C qualifications during 2015 for reaccreditation of all qualifications to align with the new Higher Education Qualification Framework. SAAHST was also accredited as a Trade Test Centre for Hairdressing (Hairdressing Technician, Hair Stylist, Afro Hairdressing, Barbering) under National Artisan Moderation Body's (NAMB) and approved by the Quality Council for Trades and Occupation (QCTO). In the same year, the Academy received its first grant from the Services Seta for the training of 51 hairdressing students.

In 2016, a tender was approved from the Department of Correctional Services to offer nail technology skills courses at the Potchefstroom Correctional Services. Both Therapeutic Aromatherapy and Reflexology's re-accreditation was approved in 2016. The history of the Academy is summarised in a timeline which highlights the key inflection points during the organisation's history (Figure 2.1).

Figure 2.1: Organisation's timeline

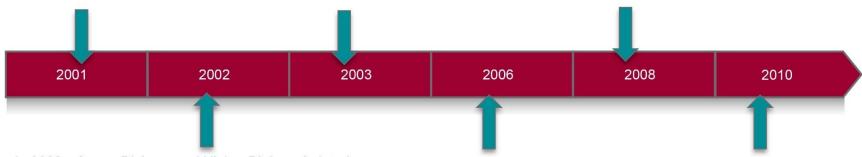






- Rent lecture rooms and accommodation at Technical High School grounds.
- SAAHST offers hairdressing, beauty therapy and short courses.

 Acquires City Centre building (old Trust Bank building).



- In 2002 a 2-year Diploma and Higher Diploma in Interior
   Decorating and Design were developed at HET level
- Two-year Diploma courses in Therapeutic Aromatherapy, Therapeutic Reflexology and Therapeutic Massage was also introduced and accredited.
- Acquires old medical centre next to Synagogue.
- Organogram changes in structure. To relieve the workload of the Managing Director.
- Archives to be staffed and implemented.

Acquires hair salon and

start Hairdressing

qualification.

- Personnel management and legal aspects appoint a personnel manager for better quality control.
- Extending the experiential Training Clinic to incorporate Therapeutic Aromatherapy, Therapeutic Reflexology and Therapeutic Massage Therapy.
- Extension Quality Management System to keep up with fast-growing organisation.

- An agreement is met to lease, the then called "Royal Hotel in Potchefstroom" for accommodation and lecture rooms for the hairdressing qualification.
- Further development of library, computer facilities and accommodation.
- Developing a newer, bigger and better equipped hairdressing salon for public.

 Start offering short courses in Photography.  The first full time photography students were enrolled –

approximately 4.

 CEO appointed – Marinda van Niekerk.

- Loses large lessee (Morkels). Move Somatology department into the available space.
- Available space utilised as new hostel.
- Daughter and son-in-law joins Mrs. Schöltz on management.
- Potchefstroom Academy reaccreditation of all qualifications to align with the new Higher Education Qualification Framework.
- SAAHST accredited as a Trade Test Centre under National Artisan Moderation Body's (NAMB) and approved by the Quality Council for Trades and Occupation (QCTO).
- Received first grant from the Services Seta for hairdressing students – approximately 51 students.
- Re-accreditation of Therapeutic Massage approved.



- The Academy further extended its scope by opening a professional photography studio that offered photography services.
- Academy opens new student cafeteria – Cantina.

Torlyn, another block of flats was

bought, for student

accommodation.

- Move hairdressing department to main campus to new facility accommodation 50 students.
- The first Correspondence Course, Higher Certificate in Interior Design and Decorating was accredited by CHE – enrol first student.
- Accreditation of Higher Certificate in Beauty Therapy.

- Tender approved from the Department of Correctional Services to offer nail technology skills course.
- Develop new beauty and health work integrated learning facility on campus.
- Re-accreditation of Therapeutic Aromatherapy and Reflexology approved.

#### 2.4 VISION AND MISSION OF THE ORGANISATION

#### **2.4.1 Vision**

"The development of viable careers - in particular the training of entrepreneurs, designers, therapists, and media professionals in service of the country and its people" (Potchefstroom Academy & SAAHST, 2014).

#### 2.4.2 Mission

"To broaden knowledge by continuous research and to stay in touch with the most recent teaching methods and career-orientated developments.

To respect the uniqueness of each individual enabling each person to realize the industry related possibilities and opportunities.

To always strive towards the highest standards in training, ethics, integrity and helpfulness and to assist our students in making their chosen profession a pleasure as well as a success.

To motivate our staff to always make a positive contribution to the advancement of the world of health, lifestyle and business, nationally as well as internationally.

To motivate both students and staff to strive towards excellence in the fulfilment of their dreams" (Potchefstroom Academy & SAAHST, 2014).

#### 2.5 THE CURRENT STRATEGIC FOCUS OF THE ORGANISATION

The Academy's strategy is to comply with all regulatory educational requirements, to expand its delivery options, access funding, and improve Academy facilities.

It is essential that the Academy meets all regulatory requirements as stipulated in the new educational framework of the Council of Higher Education (CHE) before 2017. This includes the re-accreditation of all current qualifications that do not align with the new framework. Further to this, the Academy aims to expand its delivery options by forming associate agreements with providers during 2016. The Academy is currently identifying

programmes and qualifications with available grants to access funding for underprivileged students. This can only be accomplished by getting the necessary accreditation for such programmes.

#### Future plans include:

- Accrediting an Advanced Certificate in Photography.
- Re-accreditation of the Hairdressing qualification.
- New programmes to be accredited with available grants:
  - Further Education and Training Certificate: New Venture Creation NQF Level 4.
  - Further Education and Training Certificate: Beauty and Nail Technology NQF Level 4.
- Campus and infrastructure upgrades, and more accommodation for students in the newly introduced programmes.
- Acquiring additional grounds for Academy parking, and to close the whole campus with fencing to provide a safer more secure campus during 2016 - 2017.

#### 2.6 CAUSAL FACTORS TO THE STUDY

A survey was conducted during 2016 within Potchefstroom Academy and SAAHST on whether employees would recommend the institution to any person as a preferable employer. This was based on a seven point Likert scale where 1 = not at all and 7 = most definitely. A total of 33 employees completed the questionnaire, and the results can be seen in Fig. 2.2. Out of the 33 employees 69.6% scored the Academy between 5 and 7. 21.3% of the employees rated the Academy on a score between 1 and 3. Out of the total number of employees (33), 12.1% stated that the reason for not recommending the institution was due to the fact that there is little room for advancement or no scope for progression.

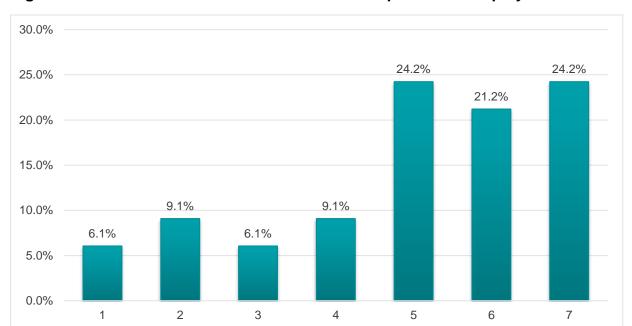


Figure 2.2: Recommendation of the institution as preferable employer

Netswera, Rankhumise and Mavundla (2005:36 & 39) state that the success of a tertiary institution is determined by their highly skilled employees. They add that one of the main reasons employees resign is because there are no opportunities for promotion, such is the case at Potchefstroom Academy and SAAHST as mentioned previously. Thus, employees who feel that they have outgrown their job specifications and that further training does not lead to progression, rather decide to leave an organisation. Tettey (2006:11) adds that academic staff retention is a global problem, and not only perceived within South Africa.

Selesho and Naile (2014:295 & 302) agree that retention of employees in higher education institutions are a great concern and that high staff turnover constitutes a major challenge seeing that it affects the quality, consistency, and stability of an academic institution and could have a negative effect on staff and students. Academic growth along with job satisfaction is one of the key factors ensuring the retention of employees. This is also evident at Potchefstroom Academy and SAAHST, and illustrated in Figure 2.3. 27 exit interviews were randomly selected for the period of 2013-2016, and it was found that 45% of the employees who left the organisation was due to lack of promotion opportunities and salary.

Figure 2.3: Reasons for leaving the organisation

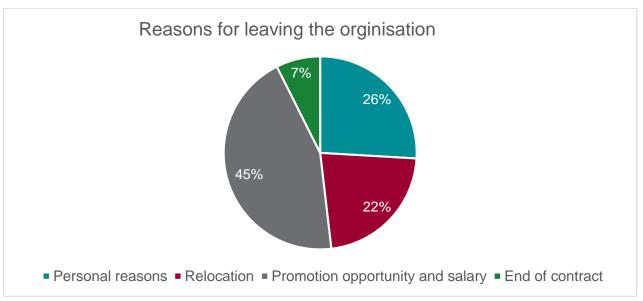
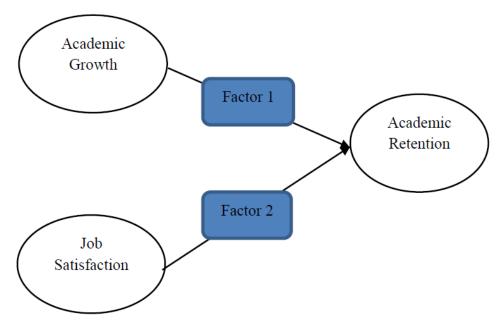


Fig. 2.4 by Selesho and Naile (2014:297&301), illustrates the importance of academic growth and job satisfaction to ensure retention of academics. They found also that two-thirds of academics within their study were unhappy with promotion prospects at their current institution.

Figure 2.4 Theoretical Framework on Academic Retention



**Source:** Selesho and Naile (2014:297)

Within this study, entrepreneurial orientation is used as construct to ascertain whether it could be used as a way to offer employees growth opportunities within the organisation.

It is further researched in Chapter 3. The study further focusses on ascertaining whether entrepreneurial orientation can be used as a human resource retention strategy to curb the above concern of employees within the organisation. The decision to use entrepreneurial orientation as retention strategy was due to the vision and mission statement of Potchefstroom Academy and SAAHST namely the development of viable careers, particularly in the training of entrepreneurs, designers, therapists, and media professionals in service of South Africa and its people. Thus, if the Academy wants to train entrepreneurs for the industry, it will be advantageous if the Academy's staff could also function entrepreneurially within the organisation and develop the entrepreneurial spirit in students, and thus curb academic's intention to leave.

#### 2.7 SUMMARY

This chapter provided an overview of the organisation, its history and a timeline highlighting the key inflection points. It further outlines the organisation's vision and mission as well as the current strategic focus of Potchefstroom Academy and SAAHST. Lastly, it underlines the casual factors of the study which found that some employees felt that they would not recommend the organisation as preferred employer since there is little or no scope for progression.

Potchefstroom Academy and SAAHST can only be a leader in the higher and further education environment by providing excellent qualifications and maintaining the right expertise to offer these qualifications. Thus, it is vital that the institution retains its staff and ensures that all staff do not intend to leave the institution. This is especially crucial at the current stage of growth which focusses on the reaccreditation of qualifications. If current expertise is lost, the process will be slowed down, and the competitive advantage of the institution will be influenced.

# **CHAPTER 3**

# LITERATURE REVIEW ON ENTREPRENEURIAL ORIENTATION AND HUMAN RESOURCE RETENTION

#### 3.1 INTRODUCTION

A literature review has been conducted to build an academic definition of entrepreneurial orientation, affective commitment, job satisfaction and human resource retention. This is to show the importance of these dimensions and will try to provide reasons to support the relationship between these dimensions as proposed by this study. The researcher aims to prove that by introducing entrepreneurial orientation, the organisation may improve employee retention and induce firm growth.

In this chapter a definition will be provided of higher and further education, and entrepreneurial orientation and its dimensions. This will be followed by an evaluation of the various drivers and enablers of entrepreneurial orientation. Secondly, a literature review will be conducted on affective commitment and job satisfaction, as well as their influence on human resource retention.

Thereafter, the importance of retaining employees will be discussed and how organisations can go about curbing employees' intentions to leave. Lastly, the researcher will establish whether any previous research has been conducted on using entrepreneurial orientation as retention strategy, and how the aforementioned factors can be integrated in a tertiary institution to assist in retaining staff.

#### 3.2 ENTREPRENEURIAL ORIENTATION

Vij and Bedi (2012:18) state that entrepreneurial orientation is a major construct within entrepreneurship and strategic management, and can be seen as a characteristic of organisations but should be distinguished from entrepreneurship.

In an ever-changing environment one of the key factors to building awareness is strengthening entrepreneurship (Aloulou & Fayolle, 2005:22). Morris and Sexton (1996:5) describe entrepreneurship as the process of creating value and exploiting opportunities.

Aloulou and Fayolle (2005:31) add that entrepreneurial orientation is a strategic manoeuvre to create a competitive advantage and seize opportunities.

Entrepreneurial orientation is an organisation's tendency to innovate, take risks, act proactively and autonomously in accordance with the market (Lumpkin & Dess, 1996:137). Callaghan and Venter (2011:28) believe that entrepreneurial orientation provides a fundamental understanding of what entrepreneurship entails. Schillo (2011:20) adds that entrepreneurial orientation refers to the degree to which an organisation is entrepreneurial. Dafel (2012:25) defines entrepreneurial orientation as a measurement tool to determine the entrepreneurial activity within an organisation.

In 1983, Miller (1983:770) identified the three dimensions of entrepreneurial orientation as innovativeness, risk-taking and proactiveness, and states that these are essential to entrepreneurship. This was supported by Morris and Kuratko's (2002:39) studies. Dess and Lumpkin (2005:147) added autonomy and competitive aggressiveness as two more dimensions to measure entrepreneurial orientation.

Thus, the five dimensions of entrepreneurial orientation are innovativeness, autonomy, proactiveness, risk-taking and competitive aggressiveness as shown in Fig. 3.3. For the purpose of this study these five dimensions will be used.



Figure 3.1: The five dimensions of entrepreneurial orientation

In Table 3.1 is a sample of various definitions of entrepreneurial orientation found within the literature.

Table 3.1: Selected entrepreneurial orientation (EO) definitions

Authors	Definition of EO	Dimensions
Mintzberg	"In the entrepreneurial mode, strategy making	Risk-taking;
(1973)	is dominated by the active search for new	Proactiveness;
	opportunities as well as dramatic leaps	Centralization;
	forward in the face of uncertainty."	Growth
Khandwalla	"The entrepreneurial management style is	Risk-taking;
(1976/1977)	characterised by bold, risky, aggressive	Flexibility;
	decision-making."	Centralization
Miller and Friesen	"The entrepreneurial model applies to firms	Innovation;
(1982)	that innovate boldly and regularly while taking	Risk-taking
	considerable risks in their product-market	
	strategies."	
Miller (1983)	"An entrepreneurial firm is the one that	Proactiveness;
	engages in product-market innovation,	Innovation;
	undertakes somewhat risky ventures, and is	Risk-taking
	first to come up with "proactive" innovations,	
	beating competitors to the punch."	
Morris and Paul	"An entrepreneurial firm is one with decision	Proactiveness;
(1987)	making norms that emphasise proactive,	Innovation;
	innovative strategies that contain an element	Risk-taking
	of risk."	
Merz and Sauber	" entrepreneurial orientation is defined as	Proactiveness;
(1995)	the firm's degree of pro activeness	Innovation
	(aggressiveness) in its chosen product market	
	unit and its willingness to innovate and create	
Lumandsin and	new offerings."	Dragativanasa
Lumpkin and	"EO refers to the processes, practices and	Proactiveness;
Dess (1996)	decision-making activities that lead to new	Innovation;
	entry" as characterised by one or more of the	Risk-taking;
	following dimensions: "a propensity to act autonomously, a willingness to innovate, and	Autonomy; Competitive
	a tendency to be aggressive toward	aggression
	competitors and proactive relative to	ayyression
	marketplace opportunities."	
Zahra and	"EO is the sum total of a firm's radical	Proactiveness;
Neubaum (1998)	innovation, proactive strategy action, and risk-	Innovation;
1134544111 (1000)	taking activities that are manifested in support	Risk-taking
	of projects with uncertain outcomes."	Table taking
Avlonitis and	"EO constitutes an organisational	Innovativeness;
Salavou (2007)	phenomenon that reflects a managerial	Proactiveness;
,	capability by which firms embark on proactive	,

	and aggressive initiatives to alter the	
	competitive scene to their advantage."	
Cools and Van	"EO refers to the top management's strategy	Proactiveness;
Den Broeck	in relation to innovativeness, proactiveness,	Innovation;
(2007/2008)	and risk-taking."	Risk-taking
Pearce, Fritz and	"An EO is conceptualised as a set of distinct	Proactiveness;
Davis (2010)	but related behaviours that have the qualities	Innovation;
	of innovativeness, proactiveness, competitive	Risk-taking;
	aggressiveness, risk-taking and autonomy."	Competitive;
		Aggressiveness;
		Autonomy

Source: Covin and Wales (2011:679)

# 3.2.1 Dimensions of entrepreneurial orientation

The five dimensions of entrepreneurial orientation, namely innovativeness, proactiveness, risk-taking, autonomy and competitive aggressiveness will be defined and discussed below.

#### 3.2.1.1 Innovativeness

Lumpkin and Dess (1996:142) and Osman *et al.* (2015:98) describe innovativeness as the tendency for an organisation to participate and support idea creation, creative processes, and experimentation that can lead to new product or service development and new processes. Linton (2016:33) agrees and adds that innovativeness displays an organisation's propensity to incorporate new technologies and practises and can encompass a wide range of aspects for example research and development, product design and advertising. Innovation can be classified in numerous ways, but the most distinctive classifications are product-market innovation and technological innovation. Product and process development, engineering and any emphasis on technical expertise are known as technological innovation, whereas product-market innovation focusses on product design, market research, promotion and advertising (Lumpkin & Dess, 1996:143).

Innovativeness is essential in sustaining an organisation, seeing that it is a key source of idea creation and process improvement (Lumpkin *et al.*, 2010:247). It is an important dimension of entrepreneurial orientation as it enables organisations to pursue opportunities (Lumpkin & Dess, 1996:142).

Schillo (2011:21) believes that innovativeness is shown by the types of products and services an organisation has introduced to the market, and that it is linked to entrepreneurship. This is because entrepreneurs can create new combinations of resources by just entering them into the market.

Innovative organisations can create new technology and products or services that can ensure economic performance, which is crucial for economic growth (Wiklund & Shepherd, 2005:75). Memili, Lumpkin and Dess (2010:331) add that innovation is essential to gain competitive advantage and for organisations to stay in business, seeing as new initiatives can lead to financial gains. Globalisation, the introduction of new markets and technologies are increasing customers' buying power, which is forcing organisations to be more innovative and can help organisations to develop new products faster with lower costs (Morris, Kuratko, & Covin, 2008:55-56).

Gürbüz and Aykol (2009:323) argue that if organisations do not take part in innovation, even though they implement the other dimensions, no organisational-level entrepreneurship will take place. Morris and Kuratko (2002:vii) add that organisations will have to become entrepreneurially orientated or cease to exist seeing that innovation is the primary source of having a competitive advantage.

#### 3.2.1.2 Proactiveness

Proactiveness can be described as a characteristic of entrepreneurial orientation were one is able to anticipate future opportunities (Lumpkin & Dess, 2001:433; Schillo, 2011:21). The authors further believe that proactiveness is the ability of an organisation to shape the environment by having the foresight to act on future demands and enables organisations to be market leaders. Thus, it is having the initiative to shape the environment and to act opportunistically that ensures first-mover advantage (Dess & Lumpkin, 2005:151).

Dess and Lumpkin (2005:151) are of the opinion that first movers are not always successful given that customers may be reluctant to accept new products or breakthrough technologies, as they are hesitant of changing the way they do things. They further explain that extensive feasibility research and environmental analysis is needed to create

a proactive strategy. If implemented correctly it can lead to completive advantage and market growth and curb hesitance from consumers.

Gürbüz and Aykol (2009:323) state that a proactive organisation has the insight to act on new opportunities and for that reason is rather a leader than a follower. Proactiveness is also directly related to leadership and leadership style, which entails the ability to grab new opportunities, even if you are not the first to do so (Dess and Lumpkin, 2005:151). For leaders to be effective they should be able to foresee and identify changes in the organisational environment and decide on a course of action in response to those changes (Van der Merwe & Malan, 2013:14).

Linton (2016:35) adds that proactiveness can be measured by the speed of innovation and the ability to foresee and act on opportunities in the market to create a competitive advantage for an organisation. Rauch, Wiklund, Lumpkin and Frese (2009:764) established that both proactiveness and innovativeness are more positively linked to business performance than the other entrepreneurial orientation dimensions. Casillas and Moreno (2010:270) add that proactive organisations are more inclined toward performance and growth.

#### 3.2.1.3 Risk-taking

Management styles associated with risk-taking are a sign of entrepreneurial orientation; and is seen as a behavioural dimension of an entrepreneurial orientation by which managers pursue opportunity (Lumpkin & Dess 1996:149).

Morris and Kuratko (2002:41) explain that risk-taking consist of the willingness to pursue opportunities where there is a probability that it might produce losses. Schillo (2011:21) adds that risk-taking is associated with managers making the decision to assign a great amount of resources to projects where the outcome is unclear. However, this does not necessarily mean that higher entrepreneurial activity leads to more risk, Morris *et al.* (2008:62) explain that it is rather being aware of risks and ensuring that systems are in place to minimise their effects. Moreover, Mullins and Forlani (2005:51) describe risk as the ability to either wait too long before acting and missing an opportunity, or acting to quickly and failing.

Innovation and risk-taking is closely related, and if organisations participate in little or no innovative projects, employees will be unable to manage and mitigate risks involved in these undertakings (Morris *et al.*, 2008:62). The authors add that if organisations undertake more innovative ventures they will be more experienced in managing risks. Thus, the higher level of awareness will lower the risks involved (Morris *et al.*, 2008:62). It is important to clearly define the risks organisations are willing to take by researching and assessing risk factors to minimise uncertainty and to introduce best practices that have worked in the past when managing these risks (Dess & Lumpkin, 2005:152).

Baird and Thomas (1985:232) suggest that different types of risk exist namely: (a) "venturing into the unknown" which consist of social, personal and psychological aspect, (b) "committing a relatively large portion of assets", and (c) "borrowing heavily". Linton (2016:34) add that it can also be associated with risk-return and trade-off, meaning the possibility of incurring a loss. He further explains that some literature discusses affordable loss as an alternate to risk-return which rather suggests how much firms are willing to lose.

McGrath and MacMillan (2000:xiv) believe that the future success of organisations can be influenced by entrepreneurial orientation, meaning that they need to be able to sense, act and mobilise under extremely risky situations.

### **3.2.1.4 Autonomy**

Lumpkin and Dess (1996:140) believe that having an "independent spirit" and being autonomous is a key component of entrepreneurial orientation. This includes being able to act independently and make decisions. Schillo (2011:21) adds that autonomy relates to being able to bring forth a new idea and ensuring completion of a project without being held back by organisational constraints.

Lumpkin, Cogliser and Schneider (2009:48) remark that autonomy has often not been included as a dimension of entrepreneurial orientation and that this can be due to two reasons. Autonomy was not one of the initial dimensions of entrepreneurial orientation identified by Miller (1983) and developed by Covin and Slevin (1986). The second reason is that several researchers view autonomy as a precursor of entrepreneurial behaviour, and that there is a lack of a valid organisational-level scale to measure autonomy.

Lumpkin, Brigham and Moss (2010:251) believe that autonomy encourages innovation, and promotes entrepreneurial ventures that can lead to an increase of competitiveness. Furthermore, autonomy is fundamental in leveraging an organisation's existing strengths, and to identify opportunities that are not currently competencies that exists in the organisation and that needs to be nurtured. The authors conclude by stating that it will aid and encourage the development of new ventures and improve organisational processes and practises.

To achieve autonomy, organisations should allow employees to act outside the norms and more independently (Lumpkin *et al.*, 2009:48). They explain that autonomous employees can be a source of creativity and growth when allowed to operate outside their usual work procedures. Lumpkin *et al.* (2009:48) mention that this can be achieved by a "top-down" and "bottom-up" approach, seeing that it will encourage autonomy.

# 3.2.1.5 Competitive aggressiveness

Competitive aggressiveness relates to an organisation's tendency to directly challenge opposing organisations to improve its market position (Lumpkin and Dess, 1996:148). It is distinguished by the responsiveness of the organisations when it comes to confrontation. Thus, how does the organisation relate to competitors and respond to market demands and tends (Lumpkin and Dess, 1996:148).

As stated previously by Lumpkin and Dess (1996:148), competitive aggressiveness is the way organisations engage with competitors and it distinguishes between organisations that avoid direct competition and those that aggressively pursue competitors' target markets (Schillo, 2011:21). Organisations should react to existing competitive trends and demands in the market environment (Lumpkin & Dess, 2001:437). Such organisations establish their competitive position by being responsive, which may take the form of direct confrontation, or by being reactive by taking bold steps such as reducing prices in response to competition (Lumpkin & Dess, 1996:149).

Competitive aggressiveness involves adopting unconventional tactics such as challenging opponents' weaknesses. Other activities include entering markets with considerably lower prices, abundant use of resources, or mimicking competitors' best practices (Lumpkin & Dess, 2005:151; Lumpkin & Dess, 1996:149).

Stambaugh, Lumpkin, Brigham and Cogliser (2009:2) proposed that competitive aggressiveness consisted of three sub dimension namely: outperform motivation, rival awareness and action capability. Rival awareness consists of detecting rival firms' actions through close monitoring and active, real-time processes. Outperform motivation is described as the decision to take competitive actions under risk. Lastly, action capability is explained the ability to perform actions. They believe that these dimensions can lead to greater competitive aggressiveness which can lead to improved financial performance.

Having discussed the different dimensions of entrepreneurial orientation, it is necessary to discuss human resource retention and, how entrepreneurial orientation relates to human resource retention.

# 3.2.2 Entrepreneurial orientation in tertiary education

Due to globalisation competition has increased substantially in all sectors including higher education (Rust & Kim, 2012:6). The higher education sector has grown significantly in recent decades leading to changes in the educational market and competition among institutions (Felgueira & Rodrigues, 2012:703).

Hayat and Riaz (2011:86) explain that higher education is considered as a service sector and therefore requires that lecturers act like entrepreneurs to be able to respond to stakeholder requirements which include students, parents and industry. The authors add that entrepreneurial orientation has mainly been used in description of entrepreneurs or business performance. Nonetheless, nowadays knowledge workers are also responsible for producing results in their work and can use the concept of entrepreneurial orientation to achieve required performances. Higher education institutions have to think like corporate enterprises to improve performance and curb competition (Sadiq, 2014:v).

Gibb, Hofer and Klofsten (s.a.:10-11) mention some of the key characteristics of an entrepreneurial higher education institution and explain that these are essential for success:

 Leadership and governance to maintain a dynamic and successful organisation to ensure the stimulation of innovation and constant striving for autonomy.

- Providing organisational capacity and ensuring that incentives and rewards are in place for staff and students to empower individuals to own their own initiatives and engage in innovation.
- Teaching strategies and a learning environments that offer support for students and staff aiming to set up a business.
- Ensuring internationalisation which is an important indicator for quality in higher education.

Hayat and Riaz (2011:88-99) explain that entrepreneurial orientation dimensions can be found in higher education e.g.:

- Innovativeness deals with the creativity and creating new ideas or ways to execute
  work. Lecturers in higher education can be innovative seeing that they should find
  new methods for students to understand work by incorporating modern mediums
  for class delivery.
- Proactiveness in education means that lecturers have to consider the needs of students and act accordingly. This entails setting the course objective and how it will be achieved through assessment methods and effective communication. To ensure a conducive learning environment. Lecturers must be able to anticipate problems and handle them accordingly.
- Lecturers' risk-taking involves being solely responsible for the development, delivery and assessment of a course. They are taking a risk seeing that the abovementioned can influence the retention of students and in turn the lecturer's position at the institution.

# 3.3 ORGANISATIONAL COMMITMENT

Organisational commitment is defined as the belief in organisational values and goals, being willing to exercise a great amount of effort for the organisation and having the desire to stay with the organisation (Mowday, Steers & Porter, 1979:224). Meyer and Allen (1984:373) suggested that organisational commitment consists of two dimensions namely: affective commitment and continuance commitment and in 1991 proposed a third dimension: normative commitment (Meyer & Allen, 1991:63). For the purpose of this study the researcher focusses on affective commitment.

Patrick and Sonia (2012:24) describe affective commitment as the emotional connection an employee has with the organisation and it results in employees feeling emotionally involved with the organisation. Ketchand and Strawser (2001:223) add that the identification of goals and employees' commitment to achieve these goals form part of affective commitment.

Mayhew, Ashkanasy and Dan Gardner (2007:477) explain that affective commitment involves experiencing emotional ownership towards the organisation and it is concerned with employees feeling connected to the organisation as a whole e.g. policies and practices, management viewpoints, business vision and objectives, the organisation's culture and reputation. Ferreira, Basson and Coetzee (2010:5) add that affective commitment results in the internalisation of organisational values and objectives.

Mowday, Porter and Steers (1982:27) and Islam, Khan, Ahmad and Ahmed (2012:5) believe that affective commitment has the following three characteristics:

- Believing in and accepting organisational values and objectives.
- An employee's willingness to invest time and effort into assisting the organisation to reach these goals.
- The desire to maintain an affiliation with the organisation.

Oberholster (2005:15) explains that affective commitment is a psychological mindset that binds employees to the organisation. A higher level of affective commitment results in employees wanting to stay with the organisation and being involved within the organisation (Oberholster, 2005:17). Sheldon (1971:148) adds that it is "an orientation towards the organisation, which links or attaches the identity of the person to the organisation".

Zehir, Müceldili and Zehir (2012:927) suggest that committed employees show entrepreneurial behaviour within the organisation, which prompts employees to go the extra mile; and in turn, an organisation with an entrepreneurial environment results in greater commitment amongst employees. They further state that affective commitment is positively associated with entrepreneurship. De Clercq, Dimov and Thongpapanl (2010:99) add that a sense of identification with the organisation (affective commitment) results in managers' willingness to share knowledge with peers, which can result in the realisation of entrepreneurial orientation. Thus, Bulut and Alpkan (2006:67) propose that

factors associated with an entrepreneurial environment will contribute to commitment and job satisfaction.

A significant correlation was also found between affective commitment and job satisfaction by Meyer, Stanley, Hersocovitch and Topolnytsky (2002:32), and was later confirmed by Markovits, Davis and van Dick (2007:93). Job satisfaction is discussed in paragraph 3.4.

For the purpose of this study, it is hypothesised that:

- H<sub>1</sub>: There is a significant relationship between innovativeness in the organisation and employees' affective commitment.
- H<sub>2</sub>: There is a significant relationship between proactiveness in the organisation and employees' affective commitment.
- H<sub>3</sub>: There is a significant relationship between risk-taking in the organisation and employees' affective commitment.
- H<sub>4</sub>: There is a significant relationship between autonomy in the organisation and employees' affective commitment.
- H<sub>5</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' affective commitment.

#### 3.3.1 Affective commitment in tertiary education

Very few studies have been conducted on organisational commitment and its importance for higher education institutions (Kipkebut, 2010:2). Most previous research found that organisational commitment is affected by personal and job related attributes and human resource practices in organisations (Mowday *et al.*, 1982:27).

Oberholster (2005:17) is of the opinion that "affective commitment is of greatest interest to an educational institution" seeing that it involves developing a strong emotional attachment or bond with an organisation. Firestone and Pennell (1993:489) explain that it is difficult for supervisors to control and inspect faculty's work, and thus it is hard to achieve similar expected outcomes if an employee is not affectively committed. As a result, committed employees voluntarily fulfil orders and apply considerable effort to complete objectives (Mowday *et al.*, 1982:27).

Kaselytė and Malūkaitė (2013:11) found that antecedents to affective commitment in tertiary institutions included "age, gender, marital status and level of education, tenure (both, professional and university specific), job involvement, trust in university management, and university sector". Kipkebut (2010:ii) also identified different job characteristics as measurements or determinants of organizational commitment in higher education institutions in Kenya, namely autonomy, organisational support, role ambiguity and conflict and work overload.

A study conducted by Rungruang (2012:6) on 407 full-time academics from three public and three private universities located in Bangkok and indicated the ten factors that most influence affective commitment within an academic institution namely: the relationship with co-workers, organisational support, relationships with students, management and regulations, professional attachments, justice, the working environment, remuneration and benefits, duration of employment at the organisation and the relationship and support from supervisors as illustrated in Table 3.2. They relate to both the findings of Kaselytė and Malūkaitė (2013:11) and Kipkebut (2010).

Table 3.2: Ten most frequent antecedents of affective commitment

Response categories	Example of responses	Frequency of mention	Percentag e (%)
Relationship with and support from co-workers	Co-workers loving, caring, friendly, collaborative, understanding, helpful; Harmony among co-workers; Coworkers help with work and personal issues	160	40.51
University support	University willing to help when needed; University cares for academics' well-being; University considers staff's opinions; University recognises personal contributions; University supports teaching and research	103	26.08
Relationship with students	Emotional attachment to students; Love students; See students as own kids; Students attentive, lovely, well behaved, respectful, good, and good hearted; Students waiting to be taught; Students interested in the subjects	67	16.96
Management and systems	Vision of administrators; Good/clear university philosophy, policies, aims; Management morality, ethics; Top management is sincere, merciful,	60	15.19

	kind; Great president and management team; Capable administrators; Good work system; Clear and rational rules and regulations		
Professional attachment and significance	Pride in teaching; Love of teaching; Passing on knowledge to students; Students' jobs after their graduation; Students success; Being a giver; Benefits to country in future; To give knowledge to community, society	50	12.66

**Source:** Rungruang (2012:6)

The above-mentioned factors such as incentives, work environment, and employees' relationship with management are factors that also lead to human resource retention as discussed in paragraph 3.5.

#### 3.4 JOB SATISFACTION

Job satisfaction is defined as an employee's evaluation of their profession, working conditions, the characteristics of the job and the emotional experience at work (McShane & Von Glinow, 2010:108). Egan, Yang and Bartlett (2004:284) define job satisfaction as employees' emotional reactions to a job, which they measure on their desired outcomes against actual outcomes. Coetsee (2002:45) explains that job satisfaction is a result of the way an employee perceives their job, including work-related matters such as remuneration, support from managers, and relationships with colleagues. As mentioned above, in paragraph 3.3.1, these are all factors that can influence an employee to stay with an organisation.

Authors such as Brown and Lam (2008: 245) believe that factors such as employee performance, turnover, organisational effectiveness and achievement orientation influence job satisfaction.

Moloantoa (2015:27) explains that job satisfaction consists of both extrinsic and intrinsic factors. The author explains that extrinsic factors include job security, working conditions, promotion and remuneration, and further adds that employees 'working conditions are extremely important, and without a good working environment they are less satisfied with their jobs and provide poor quality of work.

According to Santhapparaj and Alam (2005:72), remuneration can have a significant influence on job satisfaction and Oshagbemi (1999:31) feels that it deserves considerable attention to improve the overall level of employees' job satisfaction. Authors such as Malik, Danish and Munir (2012:6) mention that promotion can be used as a suitable form of compensation, and that it is greatly valued by employees, and can thus lead to an increase in job satisfaction. Lumley, Coetzee, Tladinyane and Ferreira (2011:115) add that by giving employees increased responsibility through promotion can lead to personal growth and the perception of a higher social status

Intrinsic factors include employees' relationship with colleagues, advancement and recognition, but explains that only two factors namely policies and practices, were found to have a noteworthy effect on academic employees' job satisfaction (Moloantoa, 2015:30-31), which will be discussed in paragraph 3.4.1. The author further mentions that external factors such as the economy, politics, technology and legislation can also effect employees' job satisfaction and can unfortunately not be controlled by the management of an organisation.

For the purpose of this study, it is hypothesised that:

- H<sub>6</sub>: There is a significant relationship between innovativeness in the organisation and employees' overall job satisfaction.
- H<sub>7</sub>: There is a significant relationship between proactiveness in the organisation and employees' job satisfaction.
- H<sub>8</sub>: There is a significant relationship between risk-taking in the organisation and employees' job satisfaction.
- H<sub>9</sub>: There is a significant relationship between autonomy in the organisation and employees' job satisfaction.
- H<sub>10</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' job satisfaction.

#### 3.4.1 Job satisfaction in tertiary education

Noordin (2009:122) suggests that job satisfaction, retention and commitment amongst academic staff are essential to ensure the successfulness of tertiary education institutions. He adds that the relationship amongst colleagues at tertiary institutions are crucial to enhance job satisfaction. This is validated by Hukpati (2009:21) who states that

the different factors of jobs satisfaction include decision-making, acknowledgement, autonomy, professional development, leadership and interrelationships.

Authors such as Mehboob, Azhar and Bhutto (2011:10) found that academics' working conditions were one of the least satisfying aspects and Chimanikire, Mutandwa, Gadzirayi, Muzondo and Mutandwa (2007:168) believe a favourable working environment will result in satisfied lecturers.

A study conducted by Hashim and Mahmood (2011:6) found that salary was classified as one of the factors that least affected their job satisfaction. Moloantoa (2015:29) adds that academics are motivated more by factors such as recognition from superiors and promotion and that most academic staff "were least satisfied with their prospect for promotions".

Most academics are more satisfied with the intrinsic elements of their work, seeing that it results in self-fulfilment due to the line of work, than experience from factors outside of their work (Adekola, 2012:4). Issues such as role changes, increased workload and research mostly affect academic staff (Mapesela & Hay, 2006:712). Moloantoa (2015:30) feels that relationships with peers, managers and subordinates are the main factors that cause satisfaction or dissatisfaction amongst academic staff.

The prospect of advancement or improvement of job duties can improve job satisfaction amongst academic staff and if not addressed can lead to poor service delivery and loss of students (Saba & Iqbal, 2013:4).

#### 3.5 HUMAN RESOURCE RETENTION

Das and Baruah (2013:8) state that the longevity and success of an organization is dependent upon the ability to retain key employees. Employee retention is inspiring employees to stay in an organization for the maximum period of time. Ramlall (2003:63) mentions that 86% of organisations find it difficult to attract new employees and 58% struggle to retain employees. The loss of key personnel can result in economic losses especially due to the loss of knowledge.

George (2015:102) states that extensive literature is available on employee turnover and the reasons why employees leave organisations, but until recently it was believed that employees reasons for staying was the same. However, researchers (e.g. Muir & Li, 2014:executive summary; Reitz & Anderson, 2011:323) now believe that turnover and retention compliments each other and are not necessarily reversely correlated. Cardy and Lengnick-Hall (2011:213) observed that organisations mostly focus on why employees leave and less on why they stay and further explain that there are numerous factors that influence employee's decision to stay or leave an organisation.

Allen (2008:2) explains that employees leave organisations for various reasons such as new job opportunities, studies, their spouse being transferred, retirement, or some quit on impulse. Turnover of top performing employees can be detrimental to any organisation due to the high associated costs with turnover, drop in performance and the difficulty to manage the above-mentioned (Allen, 2008:2).

The main reasons for employee turnover as indicated from literature are (Das & Baruah, 2013:10-12; Clarke & Herrmann, 2007:522-524; Taplin & Winterton, 2007:7-8; De Vos & Meganck, 2009:50; Gilmore & Turner, 2010:127; Rose & Gordon, 2010:318):

- Employee compensation: employee wages can improve organisational morale, reduce retention and encourage performance.
- Incentives and recognition: incentives are something that employees desire and are offered when employees perform well. Whereas recognition is just as important from management, team members etc. as it can increase an employee's loyalty towards the organisation.
- Promotion or the opportunity for growth: employees that perform well has the need for growth within an organisation, and employees being promoted can lead to job satisfaction.
- Participating in the decision-making process: by including employees in decision-making an organisation can exploit its employees' expertise, and it will make them feel valued to be included. It will also contribute to a good employee manager relationship.
- Work-life balance: without work-life balance employees experience more stress and emotional fatigue which can affect performance and lead to turnover.

- The work environment: it is important to ensure that employees perceive a sense of belonging and privacy, which will lead to commitment and job satisfaction.
- Training and Development: in today's competitive environment knowledge is essential to outperform competitors.
- Leadership and management: employees' perception of an organisation is strongly influenced by their relationship with management, leadership styles can influence employees' commitment towards the organisation.
- Job security: research has found that job insecurity amongst employees decrease commitment and satisfaction.

The abovementioned factors are also substantiated in several more literature sources in Table 3.3:

Table 3.3: Factors, contributing authors and research papers

Factor	Authors	Research Papers	Year
Compensation	Trevor, Gerhart and	Voluntary turnover and job performance:	1997
	Boudreau	curvilinear and the moderating influences of	
		salary growth and promotions.	
	Davies, Taylor and	The role of appraisal, remuneration and	2001
	Savery	training in improving staff relations in the	
		Western Australian accommodation industry: A	
		comparative study.	
	Gardner, Van Dyne	The effects of pay level on organization-based	2004
	and Pierce	self-esteem and performance: a field study.	
	Milkovich and	Compensation (8 <sup>th</sup> ed.).	2004
	Newman		
	Moncraz, Zhao and	An exploratory study on US lodging properties,	2009
	Kay	organizational practices and employee	
		turnover and retention.	
Reward and	Agarwal	Reward Systems: Emerging Trends and	1998
Recognition		Issues.	
	Walker	"Perspectives" Human resource planning	2001
	Silbert	The effect of Tangible Rewards on Perceived	2005
		Organizational Support.	
Promotion	Pergamit, and Veum	"What is a promotion?"	1999
and opportunity	John, Topolnytsky,	Best Practices: Employee Retention	2003
for Growth	Krajewski and		
	Gellatly		
	Prince	Career-focused employee transfer processes.	2005
	Eyster, Johnson	Current strategies to employ & retain older	2008
	and Toder	workers.	
	Hewitt	High Performance Workplaces: The Role of	2002
		Employee Involvement in a Modern Economy.	
Participation	Noah	A Study of Worker Participation in	2008
in Decision		Management Decision Making Within Selected	
Making		Establishments in Lagos, Nigeria.	

	Hyman and	"Lacking balance? Work-life employment	2004
	Summers	practices in the modern economy"	
Work-Life balance	Miller, Erickson and Yust	Sense of place in the workplace: The relationship between personal objects and job satisfaction and motivation.	2001
Work environment	Wells and Thelen	The influence of personality, status and workspace on personalization.	2002
	Ramlall	Managing Employee Retention as a Strategy for Increasing Organizational Competitiveness.	2003
	M. Messmer	Orientations programs can be key to employee retention.	2000
Training and	Tomlinson	High Technology workers want Respect.	2002
Development	Garg and Rastongi	New model of job design motivation employees Performance.	2006
	Handy	variables on the transfer of training.	2008
	Eisenberger, Fasolo and Davis- LaMastro	Perceived organizational support and employee diligence, commitment, and innovation.	1990
Leadership	Smith	Job Satisfaction, Productivity, and Organizational Commitment.	1995
	Brunetto and Farr- Wharton		2002
	Fang, Chang and Chen	Applying Structural Equation Model to Study of the Relationship Model among leadership style, satisfaction, Organization commitment and Performance in hospital industry.	2009
	Abegglen	The Japanese Factory. Aspects of its Social Organization	1958
Job-Security	Ashford, Lee and Bobko	Content, causes, and consequences of job insecurity: A theory-based measure and substantive test.	1989
	Davy, Kinicki and Scheck	Developing and testing a model of survivor responses to layoffs.	1991
	Rosenblatt and Ruvio	A test of a multidimensional model of job insecurity. The case of Israeli teachers.	1996

**Source:** Das and Baruah (2013:10)

Allen (2008:5) adds that employees will remain with an organisation as long as it offers incentives such as a preferable working environment, acceptable pay, and advancement opportunities, and that these incentives are either equal to or greater than the employee's contribution such as the amount of effort or time spent in the organisation. He adds that this is also effected by the employee's desire to leave the organisation or the ease with which he or she can leave, for example what alternatives are available. This is illustrated in Figure 3.2.

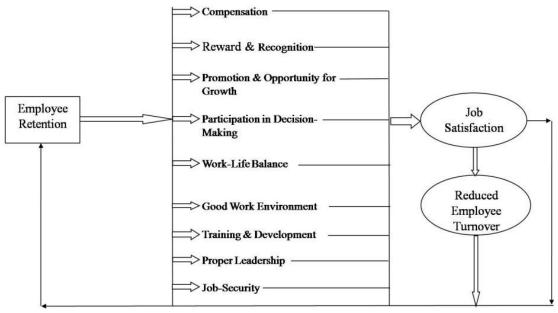
On-Boarding Realistic Shocks/Scripts **Embeddedness** Previews Socialization **Turnover Drivers** Withdrawal Process **Key Attitudes** Job Characteristics Thinking of Quitting Job Satisfaction Leadership Job Search Turnover Relationships Organizational Alternatives Commitment Turnover Intentions Individual Characteristics Work Behaviors Absenteeism Lateness Target Populations: e.g., new hires, high performers, high-demand skills, demographic groups Performance

Figure 3.2: Comprehensive voluntary turnover model

**Source:** Allen (2008:5)

Das and Baruah (2013:14) explain that employee retention factors such as compensation, work-life balance, a good working environment, recognition, leadership, job-security, promotion and opportunity for growth, participative decision-making and training and development are directly correlated with job satisfaction, and organisations that give attention to these factors reduce employees' tendency to quit or leave an organisation. By introducing these factors within an organisation it will help attract new employees and lead to employee retention (Das & Baruah, 2013:14). This is illustrated in the employee retention and job satisfaction model (Figure 3.3) where it is evident that factors such as compensation, growth opportunities, work-life balance, work environment, job-security, training and leadership can lead to job satisfaction and therefore reduce employees' intention to leave the organisation.

Figure 3.3: The employee retention and job satisfaction model



Source: Das and Baruah (2013:14)

Muir and Li (2014:Appendix) defined these factors and add several other retention factors for consideration. These factors include the degree to which employees are attached to individuals within the organisation, the belief that there is no suitable alternative for employment, the perception of fairness within the organisation and the degree of prestige associated with the organisation. Refer to Table 3.4 for the full list of factors that is deemed important by Muir and Li (2014:Appendix) to ensure the retention of employees in organisations.

Table 3.4: Description and definition of retention factors

Retention Factor	Definition
Advancement opportunities	The amount of potential for movement to higher levels within the organization.
Constituent attachments	The degree of attachment to individuals associated with the organization, such as supervisor, co-worker, or customers.
Extrinsic rewards	The amount of pay, benefits, or equivalents distributed in return for service.
Flexible work arrangements	The nature of the work schedule or hours.
Investments	Perceptions about the length of service to the organization.
Job satisfaction	The degree to which individuals like their job.
Lack of alternatives	Beliefs about the unavailability of jobs outside the organization.
Location	The proximity of the workplace relative to one's home.
Nonwork influence	The existence of responsibilities and commitments outside of the organisation.
Organizational commitment	The degree to which individuals identify with and are involved in the organization.
Organizational justice	Perceptions about the fairness of reward allocations, policies, and procedures and interpersonal treatment.
Organizational prestige	The degree to which the organization is perceived to be reputable and well regarded.

**Source:** Muir and Li (2014:Appendix)

As described by Muir and Li (2014:Appendix), it is evident that the factors mentioned by Das and Baruah (2013:14) such as rewards, advancement opportunities and work-life balance are crucial elements in retention. Other factors that become evident through Table 3.4 is that organisational commitment and job satisfaction are also important elements in retaining employees.

# 3.5.1 Human resource retention in tertiary education

Bushe, Chiwira and Chawawa (2012:79) explains that academic staff retention is the ability of an institution to employ and retain skilled employees through creating work-life balance, a good working environment to motivate staff, and ultimately being a preferred employer. Strategies should be implemented to focus on satisfying employees' needs in order to retain key personnel and gain a competitive advantage.

Institutions with a high morale and satisfied workers will be more productive and provide better customer service (Hong, Hao, Kumar, Ramedran, & Kadiresan, 2012:60). For higher education institutions to successfully manage and retain personnel, they should focus on factors such as compensation, training and development and promotion which are important retention elements for skilled employees (Selesho & Naile, 2014:297).

Netswera *et al.* (2005:36) suggest that the following factors should be applied to encourage staff retention in higher education institutions:

- By communicating to each employee the contribution they are making towards the institution in terms of the vision and mission
- Creating an environment of trust
- Constantly improving the skills and efficiency of managers
- Training in effective leadership and development for managerial staff
- Understanding employee needs and ensuring communication
- Regulating worker burnout
- Clearly stating roles and responsibilities
- Investing in talent by paying staff what they are worth.

Selesho and Naile (2014:302) found that the highest priority amongst academic personnel was flexibility and promotion, and if not implanted could lead to staff turnover. Erasmus, Grobler and van Niekerk (2015:34) add that factors that influence approximately 30 present of employees' intention to leave or stay include their manager, leadership and compensation. Skilled personnel are motivated by more than remuneration. This includes advancement opportunities, challenging tasks, good leadership, feedback from co-workers and other job enrichment practices which management needs to address to ensure staff retention (Erasmus *et al.*, 2015:60).

# 3.6 THE RELATIONSHIP BETWEEN ENTREPRENEURIAL ORIENTATION AND HUMAN RESOURCE RETENTION

Naicker (2014:18) suggests that employee satisfaction is directly related to an organisation's entrepreneurial output and an environment that supports and encourages the identification and exploration of new ventures will invoke employees to stay with the organisation. This is due to the fact that employees will perceive a greater sense of

belonging, higher levels of motivation and more confidence in the organisation and its future growth opportunities. Naicker (2014:18) also found that there was a strong relationship between a leader's ability to empower employees and their intention to leave.

Thibault (2016:45) found that by restructuring an institution to provide lecturers with advancement opportunities and leadership roles outside the classroom could lead to their retention. This however, would require a substantial investment in training and personnel, so may not be as easily carried out. But it can be substituted by introducing entrepreneurial orientation within an institution through innovation, proactiveness and risk-taking which is commonly linked to a reduction in employees' intention to quit.

For the purpose of this study, it is hypothesised that:

H<sub>11</sub>: There is a significant relationship between entrepreneurial orientation in the organisation and employees' intention to leave.

#### 3.6.1 The influence of innovation on retention

Gundoğdu (2012:83) believes that innovation can play a pivotal role in changing employees talent and working environment. If organisations fail to develop innovativeness it will affect talented employees' decision whether to remain with the organisation (Osman *et al.* 2015:95). Beukens (2014:585) adds that it is a powerful way to grow and retain intrapreneurs.

Menzel, Aaltio and Ulijn (2007) explain that talented employees can develop and produce new ideas and innovations that can and do turn into intrapreneurial opportunities.

Osman *et al.* (2015:98) explain that it is important for organisations to promote innovation to bring about job satisfaction and positivity towards the working environment which will impact employee's happiness and can lead to retention. Thus, it can be stated that innovativeness is positively related to employee retention.

For the purpose of this study, it is hypothesised that:

H<sub>12</sub>: There is a significant relationship between innovativeness in the organisation and employees' intention to leave.

#### 3.6.2 The influence of proactiveness on retention

Gürbüz and Aykol (2009:324) mention that proactiveness acts as a driver for organisations to exploit opportunities and enable them to become leaders in the competitive market. Taatila and Down (2012:745) add that proactiveness empowers entrepreneurs to identify and create new ventures and gives them the skills to be competitive in the market.

Proactiveness assists management to improve competitiveness within organisations by considering new enterprises, taking risks and acting aggressively and boldly (Davis, Bell, Payne & Kreiser, 2010:45).

Osman *et al.* (2015:95) state that little research has been conducted on the relationship between proactiveness and retention. However, Fang, Yull and Hongzhi (2008:42) believe that proactiveness empowers leaders to develop strategies to win new ventures and enables organisations to acquire professionals in leadership positions. Osman *et al.* (2015:95) are of the opinion that there is a positive relationship between proactiveness and retention.

For the purpose of this study, it is hypothesised that:

H<sub>13</sub>: There is a significant relationship between proactiveness in the organisation and employees' intention to leave.

# 3.6.3 The influence of risk-taking on retention

According to Dess and Lumpkin (2005:152), risk-taking can be divided into three categories: business risk, financial risk and personal risk. Bolton and Lane (2012:221) explain that risk-taking is committing resources to ventures with an unknown outcome.

Literature has indicated that there is a positive relationship between risk-taking commitment, organisational performance and improved decision making processes (Zehir *et al.*, 2012:926). Strategies that promote entrepreneurial culture and risk-taking will result in challenges within the workplace which will lead to higher career involvement and in turn retain employees' tacit knowledge (Osman *et al.*, 2015:95-96; Tremblay, Wils & Proulx, 2002:2).

Thus, from the above the following statement can be made: risk-taking has a positive influence on retention (Osman, *et al.*, 2015:95).

For the purpose of this study, it is hypothesised that:

H<sub>14</sub>: There is a significant relationship between risk-taking in the organisation and employees' intention to leave.

#### 3.6.4 The influence of autonomy on retention

Bolton and Lane (2012:221) describe autonomy as an independent act carried out by managers or teams to create new projects. Autonomy inspires individual employees or teams to develop new ideas and provides them with freedom from organisational constraints and control (Chang, 2010:302; George, 2015:106; Ranft & Lord, 2000:301). Thus, employees who exhibit a high level of autonomy keeps them from leaving organisations.

Claiborne, Auerbach, Zeitlin and Lawrence (2015:18) state that innovation is complimented by autonomy and workers that display a high level of autonomy are less likely to leave an organisation. Tremblay *et al.* (2002:2) add that professionals' intentions of quitting their jobs are reduced by autonomy and job clarity ensures that workers understand what their level of authority is when making decisions.

Iverso (1999:403) and Udo, Guimaraes and Igbaria (1997:917) are of the opinion that employees' intention to leave an organisation is significantly decreased with the introduction of autonomy and leads to job satisfaction and commitment, thus inciting employees to stay longer in the organisation. It can be reasoned that autonomy positively influences employees' intention to stay with an organisation.

For the purpose of this study, it is hypothesised that:

H<sub>15</sub>: There is a significant relationship between autonomy in the organisation and employees' intention to leave.

#### 3.6.5 The influence of competitive aggressiveness on retention

Fariss and Wales (2012:308) and Gurbuz *et al.* (2009:83) maintain that competitive aggressiveness is vital for organisations to be relevant in the market and survive in the long run. To support organisation's competitiveness capable personnel are essential (Khalili, Nejadhussein & Fazel, 2013:265).

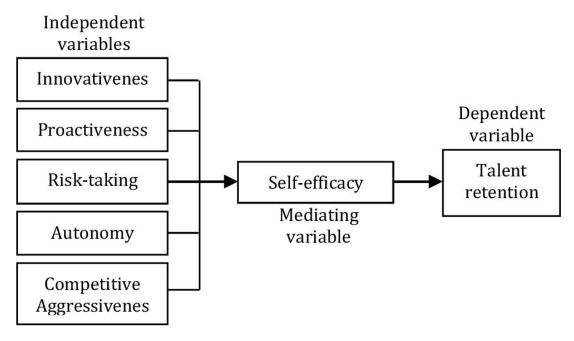
Osman *et al.* (2015:99) explain that employees with the ability to plan and implement strategies are crucial for organisations to stay competitive in the market. Employees' ideas, expertise and experience are necessary in today's competitive market and organisations should encourage a competitive environment to reinforce retention.

For the purpose of this study, it is hypothesised that:

H<sub>16</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' intention to leave.

A similar research model was proposed by Osman *et al.* (2015:97) which can be seen in Figure 3.4 compared to that of the researcher in Figure 1.2. Osman *et al.* (2015:97) research model measures the relationship between innovativeness, proactiveness, risk-taking, autonomy and competitive aggressiveness (the independent variables), with self-efficacy (the mediating variable) and talent retention among professional workers (the dependant variable). Within this study, self-efficacy was replaced with affective commitment and job satisfaction.

Figure 3.4: Research model



**Source:** Osman *et al.* (2015:97)

#### 3.7 SUMMARY

This chapter provided an overview and definition of entrepreneurial orientation and its five dimensions. It researched the implications of entrepreneurial orientation in tertiary education and found that limited research has been conducted on this topic, but found that entrepreneurial orientation can be used within tertiary organisations to improve performance and curb competition. Secondly, organisational commitment and job satisfaction was defined and the relationship between affective commitment and job satisfaction in relation to academics was discussed. It was found that little research has been done on both affective commitment and job satisfaction within tertiary organisations, but it was evident that both can play an important role in the retention of personnel. Lastly human resource retention was defined and discussed and the influence of entrepreneurial orientation and human resource retention was researched. Once again a limited amount of literature was available on the relationship between human resource retention and entrepreneurial orientation.

As a manager at Potchefstroom Academy and SAAHST, the researcher has experienced the negative impact of staff turnover, not only on management and employees, but also on the students of the institution. Due to the competitive environment private education institutes operate in, human resources and the retention thereof is absolutely vital. Just

offering market related packages and incentives are not enough to retain employees and new ways need to be explored to encourage employees to remain at the organisation.

By using entrepreneurial orientation as retention strategy, it will not only align with the institutions vision, and be beneficial to students, but will also prompt employee driven innovation which will lead to organizational growth and a sustainable competitive advantage (Naicker, 2014:5). The researcher believes that the literature provides sufficient evidence for the use of entrepreneurial orientation as a retention strategy for employees.

# CHAPTER 4 EMPIRICAL RESEARCH

#### 4.1 INTRODUCTION

The primary purpose of the study is to ascertain whether there is a statistically significant relationship between entrepreneurial orientation and human resource retention within Potchefstroom Academy and SAAHST. Thus, the constructs of entrepreneurial orientation namely autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness (independent variables) as well as affective commitment and job satisfaction (intermediate variables) and their influence on intention to leave (dependant variable) were investigated within this chapter.

The chapter will also outline the instrument used and the procedure followed to collect the data. The researcher directed the survey and administered a questionnaire to a convenience sample consisting of employees from Potchefstroom Academy and SAAHST. A quantitative method was used to test the hypothesis as set out in Chapter 1.

Descriptive statistics will be presented and followed by the examination of the research questions which will be presented in tables and figures to summarise the findings. The research results will be followed by a discussion on an analysis of the findings. Lastly, the chapter concludes with the key research findings in relation to the literature study.

#### 4.2 GATHERING OF DATA

The development and construction of the questionnaire will be discussed in this section.

# 4.2.1 Questionnaire development and construction

A questionnaire was used as measuring instrument. The questionnaire consisted of five sections, entrepreneurial orientation, affective commitment, job satisfaction, intention to leave and demographical information.

This questionnaire was designed to collect information to measure the relationship between entrepreneurial orientation and intention to leave with affective commitment and job satisfaction as intermediate variables. The questionnaire assessed these variables based on a five point Likert-type scale. The five sections are outlined below:

#### Section A: Evaluation of entrepreneurial orientation of the organisation

A questionnaire compiled designed by Lotz (2007) was used to gather data on entrepreneurial orientation and consists of 27 statements. Respondents were asked to rate the extent to which they agree or disagree to the statements given on the five point Likert scale. 1 = Strongly disagree and 5 = Strongly agree.

#### Section B: Evaluation of employees' affective commitment

Affective commitment was measured with part of an instrument developed by Allen and Meyer (1990) designed to gather data on organisational commitment. Only the questions relating to affective commitment was used and consists of 8 statements where respondents were asked to rate the extent to which they agree or disagree to the statements given on the five point Likert scale. 1 = Strongly disagree and 5 = Strongly agree.

#### Section C: Evaluation of employees' job satisfaction

The Minnesota Satisfaction Questionnaire (MSI) developed by Weiss *et al.* (1967) was used to measure job satisfaction and consists of 20 statements. Respondents were asked to rate the extent to which they agree or disagree to the statements given on the five point Likert scale. 1 = Strongly disagree and 5 = Strongly agree.

#### Section D: Evaluation of employees' intention to leave the organisation

Bothma and Roodt's (2012) turnover intention scale (TIS) was used to measure employee's intention to leave the organisation. It consists of six statement each with its own five point Likert scale.

#### **Section E: Provides demographical information**

This section includes demographic information of the population such as age, gender, race, highest academic qualification, years of work experience, years at the organisation,

occupational level and job description. This information is needed to assist with statistical analysis of the data for comparison among different groups.

# 4.2.2 Data collection and study population

The convenience sampling technique was used to obtain the sample. It consisted of employees from Potchefstroom Academy and SAAHST a tertiary education institute in Potchefstroom, in the North-West province.

A total of 48 employees were identified and requested to participate in this study. The questionnaires were emailed to the selected employees. A link was supplied to the questionnaire which was developed on Google forms. It included a cover letter clarifying the purpose of the study and that all information is filled in anonymously and the information supplied will be kept confidential. A total of 42 (87.5%) respondents successfully completed the survey.

# 4.2.3 Statistical analysis

The completed questionnaires were captured and processed by the Statistical Consultation Services of the North-West University (Potchefstroom campus) and analysed using SPSS Statistics version 23 (SPSS Inc., 2016). Descriptive statistics which include the mean values and standard deviations were computed. Cronbach alpha coefficients were calculated to measure the reliability of the factors within the questionnaire. Lastly, a multiple linear regression analysis was performed.

The independent variables are explained in Table 4.1.

Table 4.1: Independent variables and explanation

Independent variable	Key characteristic
Commitment	Continuance commitment - the staff member commits to the organisation because he/she feels the need to add to the organisation.
Entrepreneurial orientation	Autonomy - support versus control from the organisation.
	<b>Innovativeness</b> - the organisation participates, experiments and supports new concepts.
	Risk-taking - act fast on new opportunities with a sense of what could happen.
	<b>Pro-activeness</b> - act fast on problems, needs and opportunities to be ahead of competition.
	Competitive aggressiveness —  • to do business at a return,  • to continue with profitmaking over a period of time, and  • to foresee opportunities and act efficiently upon such opportunities.
Job satisfaction	Individual's assessment of his or her job, work circumstance, an appraisal of the perceived job characteristics and emotional experience at work.

**Source**: Levine, Stephan, Krehbiel and Berenson (2011)

#### 4.3 RESULTS OF DEMOGRAPHICAL INFORMATION

The purpose of section E of the questionnaire (see Annexure A) is to provide a biographical profile of the participants who completed the survey. The respondents indicated their age, gender, race, highest academic qualification, years of work experience, years at the organisation, occupational level and job description.

The results will be illustrated by means of frequency and percentage distribution.

# 4.3.1 Age

The purpose of the first question in Section E was to establish the age distribution and the average age of the respondents. The question was not divided into groups.

The ages of the Potchefstroom Academy and SAAHST employees that participated in the study is presented in Table 4.2.

**Table 4.2: Age of participating respondents** 

Age	Frequency	Percentage
6	1	2.4
21	1	2.4
22	4	9.5
23	1	2.4
24	2	4.8
26	4	9.5
27	1	2.4
29	1	2.4
30	3	7.1
32	1	2.4
33	3	7.1
34	2	4.8
35	2	4.8
36	1	2.4
38	2	4.8
39	1	2.4
40	2	4.8
44	2	4.8
47	1	2.4
48	1	2.4
49	1	2.4
56	1	2.4
62	1	2.4
63	1	2.4
66	2	4.8
Total	42	100.0

A total of 42.9% of the sample was age 30 and younger. From the sample, 33.3% were between the ages of 31 and 40. Only 23.8% of the respondents were between the ages of 41 and 66. One respondent completed their age incorrectly as 6. The average age (excluding the incorrectly indicated age) of the respondents was 35.98 (standard deviation = 12.62).

## 4.3.2 Gender

Question two of section E was to determine the number of male and female respondents. Participating respondents could select between male and female. The gender of the Potchefstroom Academy and SAAHST employees that participated in the study is presented in Table 4.3.

**Table 4.3: Gender of participating respondents** 

Gender	Frequency	Percentage	
Male	7	16.7	
Female	35	83.3	
Total	42	100.0	

The majority (83.3%) of the participating respondents were female (see Table 4.3). Only 16.7% of the sample was male.

# 4.3.3 Racial classification of respondents

The purpose of question 3 in section E was to establish the respondents' race, and was divided into the following categories: Black, White, Indian, Coloured, Asian and other. The racial classification of the Potchefstroom Academy and SAAHST employees that participated in the study is presented in Table 4.4.

Table 4.4: Racial classification of participating respondents

Race	Frequency	Percentage	
White	40	95.2	
Indian	2	4.8	
Total	42	100.0	

The sample consisted of 95.2% white respondents, and only 4.8% Indian respondents. No other races were represented within the sample.

## 4.3.4 Highest academic qualification

Section E, question 4 was to determine the educational level of each participant. Participants had the choice to select between:

- Lower than Senior Certificate (Grade 12)
- Senior Certificate (Grade 12)
- Certificate
- Diploma
- Degree
- Post Graduate Degree

The educational level of the Potchefstroom Academy and SAAHST employees that participated in the study is presented in Table 4.5.

Table 4.5: Highest academic qualifications of participating respondents

Qualification	Frequency	Percentage
Senior Certificate (Grade 12)	8	19.0
Certificate	5	11.9
Diploma	17	40.5
Degree	4	9.5
Post Graduate Degree	8	19.0
Total	42	100.0

Most the respondents (40.5%) indicated that they have a Diploma. From the sample, 19% of the respondents indicated that they only have a Senior Certificate, and another 19% indicated that they have a Post Graduate Degree. A total of 11.9% have a Certificate, and 9.5% completed a Degree.

# 4.3.5 Years of experience and years at the organisation

Question 5 and 6 of Section E is to ascertain the respondents' years of work experience and their years at the organisation.

The years of work experience and the years at the organisation of the Potchefstroom Academy and SAAHST employees that participated in the study is shown in Table 4.6 and 4.7.

Table 4.6 illustrates that employees at the organisation's work experience rage from 1 to 46 years, average being 14.45 (standard deviation = 13.40). Respondents who have only 5 years of work experience represent 38.1% of the sample. Whereas, 26.1% of the respondents have between 6 and 20 years' experience, and 31% have between 21 and 46 years' work experience.

Table 4.6: Years of work experience of participating respondents

Years of work experience	Frequency	Percentage
1	3	7.1
2	1	2.4
3	7	16.7
4	2	4.8
5	3	7.1
6	2	4.8
8	1	2.4
9	2	4.8
10	1	2.4
12	3	7.1
13	1	2.4
15	1	2.4
16	1	2.4
20	1	2.4
21	2	4.8
22	1	2.4
23	1	2.4
25	1	2.4
26	1	2.4
29	1	2.4
30	1	2.4
37	1	2.4
40	1	2.4
45	2	4.8
46	1	2.4
Total	42	100.0

Table 4.7 represents the number of years each respondent has been with the organisation. It is evident that 71.1% of the respondents who successfully completed the survey have been at the organisation 5 years or less. The remaining 28.9% has been with the organisation between 6 and 35 years. A total of 9.5% (4) respondents from the 42 respondents had missing values regarding their years at the organisation. The average working experience is 5.18 year (standard deviation = 6.03).

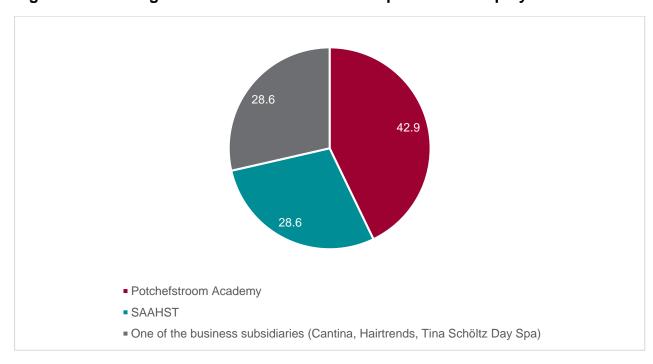
Table 4.7: Participating respondents' years at the organisation

Years at organisation	Frequency	Percentage
1	10	23.8
2	4	9.5
3	4	9.5
4	4	9.5
5	5	11.9
6	3	7.1
8	1	2.4
9	1	2.4
10	2	4.8
11	2	4.8
14	1	2.4
35	1	2.4
Total	38	90.5
Missing	4	9.5
	42	100.0

# 4.3.6 The organisation within which the respondent is employed

Question 7 of Section E is to indicate in which of the organisations the respondents work in: Potchefstroom Academy, SAAHST or one of the business subsidiaries (Cantina, Hairtrends, Tina Schöltz Day Spa). This is illustrated in Figure 4.1.

Figure 4.1: The organisation within which the respondent is employed



From the above figure, it is evident that 42.9% of the respondents work for Potchefstroom Academy, 28.6% for SAAHST and 28.6% for one of the business subsidiaries (Cantina, Hairtrends, Tina Schöltz Day Spa).

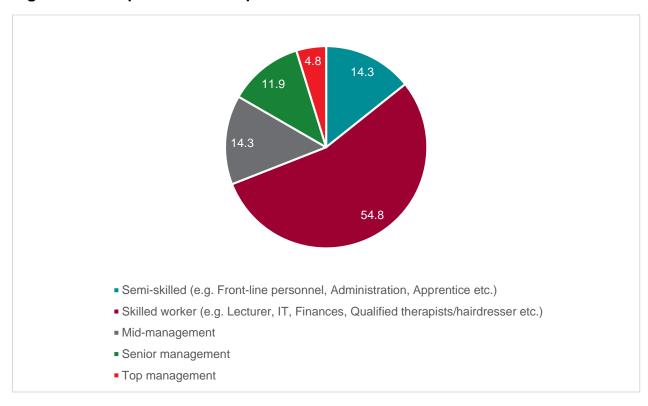
# 4.3.7 Respondents' occupational level and job description

In section E, questions 8 and 9 distinguishes between the respondents' occupational level and job description.

In question 8 the respondents could choose one of the following to indicate their occupational level, which is illustrated in Figure 4.2:

- Semi-skilled (e.g. Front-line personnel, Administration, Apprentice etc.)
- Skilled worker (e.g. Lecturer, IT, Finances, Qualified therapists/hairdresser etc.)
- Mid-management
- Senior management

Figure 4.2: Respondents' occupational level



From the respondents 54.8% are skilled workers, and 14.3% are semi-skilled workers. Mid-management consists of 14.3% of the employees, and senior management is 11.9% of the employees. Only 4.8% of the employees are in top management.

Job description was split in the following options, and the frequencies are illustrated in Figure 4.3:

- Education
- Administration
- One of the business subsidiaries (Cantina, Hairtrends, Tina Schöltz Day Spa)

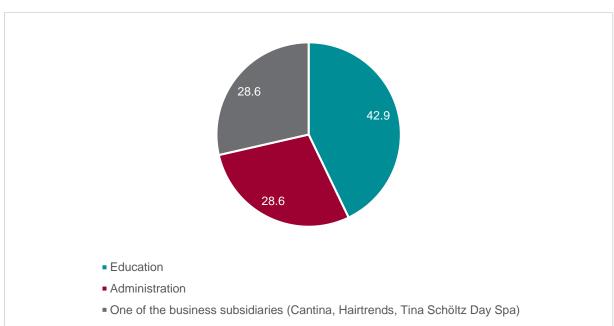


Figure 4.3: Job description

The majority of respondents (42.9%) worked in education (e.g. as lecturer or head of department). From the sample 28.6% worked in administration and the remaining 28.6% of respondents worked in one of the business subsidiaries (e.g. as hairdresser, therapist, cook).

## 4.4 RELIABILITY OF MEASURING INSTRUMENT

To determine the reliability and internal consistency off the various factors of the measuring instrument Cronbach alpha coefficients were calculated (Welman *et al.*, 2010:147). The Cronbach alpha coefficient indicates the degree to which all the variables measure the same attributes (Struwig & Stead, 2004:132). In this study, Cronbach alpha

coefficients were used to determine the consistency between the items that measured the different entrepreneurial orientation factors, affective commitment, job satisfaction and intention to leave. The higher the level of internal consistency, the higher the level of generalisability between the measuring items (Welman *et al.*, 2010:147). Field (2009:675) explains that the value for alpha can vary between zero and one, but a value of 0.7 is the internationally acceptable standard. He further explains when working with human behaviour or psychological concepts, values below 0.7 can be found because of the diversity of the variables. Rizwan, Usman, Hussain, Shafiq, Rauf and Ayaz (2013:86) argue that the recommended Cronbach alpha coefficient value is 0.60, thus for the purpose of this study, a value of 0.6 can be considered acceptable.

Table 4.8 indicates the Cronbach alpha coefficients obtained in this study for entrepreneurial orientation, affective commitment, job satisfaction and intention to leave.

**Table 4.8: Cronbach alpha coefficients** 

Variable	Cronbach alpha		
Entrepreneurial orientation			
Autonomy	0.739		
Innovativeness	0.892		
Risk-taking	0.725		
Proactiveness	0.864		
Competitive aggressiveness	0.722		
Affective commitment			
Affective commitment	0.940		
Job satisfaction			
Overall job satisfaction	0.915		
Intention to leave			
Intention to leave	0.888		

Three variables namely autonomy, risk-taking and competitive aggressiveness showed a Cronbach alpha value of between 0.7 and 0.8. All the other variables' value was above 0.8, except for affective commitment and overall job satisfaction which were above 0.9. Thus, it can be concluded that all the factors of the measuring instrument are reliable and internally consistent.

# 4.5 ANALYSING THE DEPENDENT, INTERMEDIATE AND INDEPENDENT VARIABLES

Within this section the purpose of the questions, the results acquired and the analysis thereof will be discussed. This will be conducted for entrepreneurial orientation which consists of autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness (independent variables) as well as affective commitment and job satisfaction (intermediate variables) and intention to leave (dependant variable). Each of the various dimensions' questions were measured on a five point Likert scale (as seen Table 4.9), except for intention to leave which had a different five point Likert scale for each question.

Table 4.9: Five point Likert scale

1	2	3	4	5
Strongly disagree	Disagree	Neutral	Agree	Strongly agree

In the case where a respondent agrees or strongly agrees with a statement it is an indication that the participant acknowledged the statement as true within his or her environment.

The average or mean value and standard deviation for each variable and the factors as a whole were calculated. The calculation of a mean value is done by adding the complete list of the obtained values and dividing it by the total number of values. This indicates the extent of to which the participants agreed or disagreed, and the higher the mean, the higher the level of agreement amongst respondents (Welman *et al.*, 2010:233). The authors further explain that the calculation of the spread of the participants' responses is the standard deviation, a lower value indicates agreement amongst respondents, whereas a higher value indicates more varied responses (Welman *et al.*, 2010:320).

## 4.6 ANALYSING ENTREPRENEURIAL ORIENTATION

Section A of the questionnaire (refer to Annexure A) was compiled to gather data from the sample to measure the participants' entrepreneurial orientation. It consisted of 27 questions that assessed the five independent variables: autonomy, innovativeness, risktaking, proactiveness, and competitive aggressiveness. Each of these statements was measured using a five point Likert scale, as discussed in Table 4.9.

The individual results of each statement as well as the factors will be discussed. The data gathered is used to determine whether entrepreneurial orientation is statistically significantly influenced by the dependant variables.

## 4.6.1 Autonomy

Question 1 to 5 in section A (Annexure A) measures the level of autonomy experienced by the respondents within the organisation. Table 4.10 provides the mean values and standard deviations for the statements measuring autonomy as well as the factors.

Table 4.10: Mean value and standard deviation of autonomy

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
A1	42	3.71	0.891
A2	42	3.45	1.064
A3	42	2.19	0.969
A4	42	3.50	0.917
A5	42	3.31	1.047
Average	42	3.23	0.686

One (A5) of the five statements has a mean value close to three indicating neutral. The highest mean value was 3.71 for statement A1: **Employees in the organisation have enough autonomy to do their job without continual supervision to do their work.** Statement A3 displayed a mean value of 2.19 indicating that employees disagree with the statement and mostly feel that they are not allowed to make decisions without going through elaborate justification and approval procedures. The other statements' (A2 and A3) means ranged between neutral and agree, 3.45 and 3.50 respectively. The standard deviations ranged between 0.891 and 1.064. With the most varied responses received for statement A2: **The organisation allows employees to be creative and try different methods to do their job.** 

## 4.6.2 Innovativeness

Question 6 to 14 in section A (Annexure A) determine the level of innovation experienced by the respondents within the organisation. Table 4.11 provides the mean values and standard deviations for the statements measuring innovativeness, as well as factors.

Table 4.11: Mean value and standard deviation of innovativeness

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
A6	42	3.48	1.042
A7	42	3.67	0.979
A8	42	3.90	0.821
A9	42	3.83	0.935
A10	42	3.50	0.917
A11	42	3.40	0.912
A12	42	3.88	0.916
A13	42	3.57	1.016
A14	42	3.43	0.770
Average	42	3.63	0.678

All of the statements for innovativeness' mean values were between 3 and 4, indicating neutral or agree.

Five of the statements received a score below the average mean ( $\bar{x}=3.63$ ): On average, respondents felt neutral regarding the statements the organisation regularly introduces new courses/services/products/processes ( $\bar{x}=3.48$ ), over the past few years, changes in our courses, processes, services and products have been quite dramatic ( $\bar{x}=3.50$ ), in the organisation there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented ( $\bar{x}=3.40$ ) and the organisation seeks to maximise value from opportunities without constraint to existing models, structures or resources ( $\bar{x}=3.43$ ). Respondents agreed that the organisation has a widely held belief that innovation is an absolute necessity for the organisation's future ( $\bar{x}=3.57$ ). The highest mean average was for statement A8 ( $\bar{x}=3.90$ ) stating that the organisation has increased the number of courses/services/products offered during the past few years.

The standard deviation measured between 0.77 and 1.042.

## 4.6.3 Risk-taking

Question 15 to 19 in section A (Annexure A) measures the level of risk-taking experienced by the respondents within the organisation. Table 4.12 provides the mean values and standard deviations for the statements measuring risk-taking.

Table 4.12: Mean value and standard deviation of risk-taking

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
A15	42	3.43	0.590
A16	42	3.38	0.909
A17	42	3.57	0.941
A18	42	3.24	1.165
A19	42	3.07	1.068
Average	42	3.34	0.659

All the mean averages for the statements measuring risk-taking was between 3.0 and 3.5, only statement A17: Owing to the environment, the organisation believes that bold, wide-ranging acts are necessary to achieve the organisation's objectives, was above 3.5 with a mean value of 3.57. This shows that most respondents mainly responded as being neutral to each statement, seeing that the average mean is 3.34. There was very little variation for statement A15: When confronted with uncertain decisions, our organisation typically adopts a bold posture in order to maximise the probability of exploiting opportunities, with a standard deviation of 0.590. The rest of the standard deviations measured between 0.909 and 1.165, indicating more varied responses.

#### 4.6.4 Proactiveness

Question 20 to 23 in section A (Annexure A) measures the level of proactiveness experienced by the respondents within the organisation. Table 4.13 provides the mean values and standard deviations for the statements measuring proactiveness.

Table 4.13: Mean value and standard deviation of proactiveness

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
A20	42	3.19	0.917
A21	42	3.19	0.862
A22	42	3.71	0.918
A23	42	3.69	1.000
Average	42	3.45	0.780

All four statement were rated above 3, with 2 of the statements rated above 3.5. The organisation continuously seeks out new courses/services/products/processes was scored at 3.71 (with a standard deviation of 0.918), showing that respondents were in agreement but that there were varied responses, and the organisation continuously monitors market trends and identifies future needs of customers at 3.69 (with a standard deviation of 1.000 the highest within this section). The lowest standard deviation was 0.862, which still exhibited variance in the responses from the participants.

# 4.6.5 Competitive aggressiveness

Question 24 to 27 in section A (Annexure A) measures the level of competitive aggressiveness experienced by the respondents within the organisation. Table 4.14 provides the mean values and standard deviations for the statements measuring competitive aggressiveness.

Table 4.14: Mean value and standard deviation of competitive aggressiveness

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
A24	42	3.40	0.857
A25	42	3.38	0.936
A26	42	3.31	0.715
A27	42	3.48	0.862
Average	42	3.39	0.625

This section consisted of four statements each with a mean value lower than 3.5 and higher than 3. The average mean was 3.39, thus most respondents experienced neutral feelings towards the statements. The standard deviation reported in this section was the lowest of all the entrepreneurial orientation variables, ranging between 0.715 and 0.936. The organisation effectively assumes an aggressive posture to combat trends that may threaten our survival or competitive position revealed the lowest standard deviation of 0.715 with the least varied response.

## 4.6.6 Entrepreneurial orientation combined results

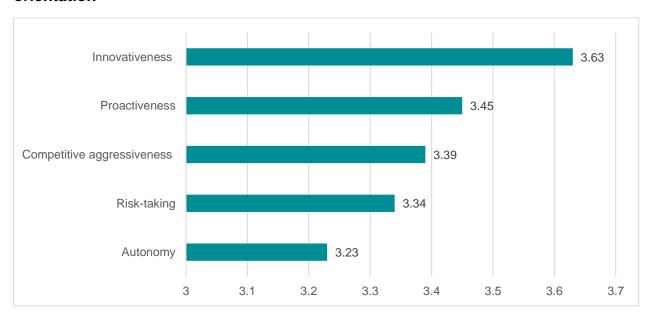
Questions 1 to 27 in section A (Annexure A) measures the overall level of entrepreneurial orientation experienced by the respondents within the organisation. Table 4.14 provides the mean values and standard deviations for the statements measuring overall entrepreneurial orientation.

Table 4.15: Entrepreneurial orientation combined results

Variable	Sample (n)	Mean (x)	Std. Deviation (s)
Autonomy	42	3.23	0.686
Innovativeness	42	3.63	0.687
Risk-taking	42	3.34	0.689
Proactiveness	42	3.45	0.780
Competitive aggressiveness	42	3.39	0.625
Average	42	3.41	

The combined mean value for the entrepreneurial orientation constructs were 3.41, indicating a neutral or positive opinion with regards towards entrepreneurial orientation within the organisation. The mean values are presented in a bar chart, ranging from highest to the lowest in Figure 4.4.

Figure 4.4: Graphical representation for the mean values of entrepreneurial orientation



Innovativeness had the highest mean value ( $\bar{x} = 3.63$ ) and autonomy the lowest mean value ( $\bar{x} = 3.23$ ). the standard deviation of the constructs varied between 0.625 (competitive aggressiveness) and 0.780 (proactiveness).

## 4.7 ANALYSING AFFECTIVE COMMITMENT

Section B of the questionnaire (refer to Annexure A) was compiled to gather data from the sample to measure the participants' affective commitment. It consisted of 8 questions that assessed the intermediate variable: affective commitment. Each of these statements was measured using a five point Likert scale, as discussed in Table 4.9.

The combined and individual results of each statement will be discussed. The data gathered is used to determine whether affective commitment is statistically significantly influenced by the independent and dependant variables.

Question 1 to 8 in section B (Annexure A) measures the level of affective commitment experienced by the respondents within the organisation. Table 4.15 provides the mean values and standard deviations for the statements measuring affective commitment.

Table 4.16: Mean value and standard deviation of affective commitment

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
B1	42	3.29	1.195
B2	42	3.50	1.018
B3	42	3.55	1.173
B4	42	3.45	1.273
B5	42	3.50	1.132
B6	42	3.48	1.194
B7	42	3.79	1.071
B8	42	3.45	1.064
Average	42	3.50	0.960

All eight statements in section B had a mean value of between 3 and 4, with an average mean of 3.5. The organisation has personal meaning for me exhibited the highest mean value of 3.79, second highest was: I feel as if the organisation's problems are my own ( $\bar{x} = 3.55$ ). I would be happy to spend the rest of my career with the organisation presented the lowest mean value ( $\bar{x} = 3.29$ ). High standard deviations were reported within this section ranging between 1.064 and 1.273, with an average of 0.960

the highest average in the entire questionnaire. This proves that the answers from respondents were quite diverse.

## 4.8 ANALYSING JOB SATISFACTION

Section C of the questionnaire (refer to Annexure A) was compiled to gather data from the sample to measure the participants' job satisfaction. It consisted of 20 questions that assessed the intermediate variable: overall job satisfaction. Each of these statements was measured using a five point Likert scale, as discussed in Table 4.9.

The combined and individual results of each statement will be discussed. The data gathered is used to determine whether job satisfaction is statistically significantly influenced by the independent and dependant variables. Question 1 to 20 in section C (Annexure A) measures the level of job satisfaction experienced by the respondents within the organisation. Table 4.16 provides the mean values and standard deviations for the statements measuring job satisfaction

Table 4.17: Mean value and standard deviation of overall job satisfaction

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
C1	42	4.05	1.035
C2	42	3.83	0.794
C3	42	3.90	0.878
C4	42	3.62	0.909
C5	42	3.67	1.223
C6	42	3.83	0.986
C7	42	3.60	1.061
C8	42	3.71	1.066
C9	42	4.21	0.750
C10	42	3.62	0.795
C11	42	3.93	1.045
C12	42	3.38	1.324
C13	42	3.05	1.081
C14	42	2.81	0.969
C15	42	3.31	1.093
C16	42	3.40	1.014
C17	42	3.40	1.231
C18	42	3.64	1.032
C19	42	3.38	1.058
C20	42	3.83	1.080
Average	42	3.61	0.637

Section C presented a more diverse range of responses with mean values varying between 2.81 for the statement: **The chances for advancement on the job** (which was mentioned as one of the concerns at the organisation in paragraph 2.6) - the only value under 3, and 4.21 for the chance to do things for other people. The average mean for this section was 3.61, showing that respondents' answers leaned more to agreement than neutrality. **Being able to keep busy all the time** was the second highest mean value ( $\bar{x}$  = 4.05). The standard deviations were once again quite diverse with values fluctuating between 0.750 (the chance to do things for other people, also the highest mean value) and 1.324 (the way the organisation's policies are put into practice). The data set had an average standard deviation of 0.960, which can be considered as fairly high.

#### 4.9 ANALYSING INTENTION TO LEAVE

Section C of the questionnaire (refer to Annexure A) was compiled to gather data from the sample to measure the participants' intention to leave the organisation. It consisted of 6 questions that assessed the dependent variable: intention to leave. Each of these statements was measured using a five point Likert scale, as discussed in Table 4.17.

Table 4.18: Five point Likert scales for intention to leave

D1	Never	15	Always
D2	To no extent	15	To a very large extent
D3	Never	15	Always
D4	Never	15	Always
D5	Highly unlikely	15	Highly likely
D6	Never	15	Always

The combined and individual results of each statement will be discussed. The data gathered is used to determine whether intention to leave is significantly influenced by the intermediate and dependant variables.

Question 1 to 6 in section D (Annexure A) measures respondents' the intention to leave the organisation. Table 4.18 provides the mean values and standard deviations for the statements measuring intention to leave.

Table 4.19: Mean value and standard deviation of intention to leave

Question number	Sample (n)	Mean (x)	Std. Deviation (s)
D1	42	2.62	1.035
D2	42	3.24	0.958
D3	42	2.83	0.908
D4	42	2.62	1.035
D5	42	2.52	1.234
D6	42	3.43	1.016
Average	42	2.88	0.829

Section C presented the lowest mean values of the entire data set. Values ranged between 2.52 (how likely are you to accept another job at the same compensation level should it be offered to you) suggesting that most respondents answered unlikely to the statement and 3.43 (how often do you look forward to another day at work) suggesting that respondents felt neutral or in agreement with the statement. The two second lowest mean values of 2.62 was experienced with the statements: How often have you considered leaving your job and how often do dream about getting another job that will better suit your personal needs? Both these statements' responses leaned more too neutral. The standard deviations were once again more diverse with scores between 0.908 and 1.234. The highest standard deviation of 1.234 for question 5 in section D (how likely are you to accept another job at the same compensation level should it be offered to you?) displayed the most varied responses, but had the lowest mean value.

## 4.10 MULTIPLE REGRESSION ANALYSIS

The primary objective of the study is to ascertain whether there is a significant relationship between entrepreneurial orientation, affective commitment, job satisfaction and employee retention, and to provide suggestions on how to improve employee retention within Potchefstroom Academy and SAAHST.

Levine, Stephan, Krehbiel and Berenson (2011:556) explain that a multiple regression analysis is done to measure the influence that two or more independent variables have on the dependent variable.

A multiple regression analysis was conducted to determine the relationship between the independent variables (entrepreneurial orientation consisting of autonomy,

innovativeness, risk-taking, proactiveness, and competitive aggressiveness), the intermediate variables (affective commitment and job satisfaction) and the dependent variable (intention to leave).

## 4.10.1 Influence of entrepreneurial orientation on affective commitment

A multiple regression analysis was conducted to determine the influence of the independent variable entrepreneurial orientation (consisting of autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness), on the intermediate variable affective commitment of the respondents. Each of the five constructs of entrepreneurial orientation's influence on affective commitment were measured via a multiple regression model. The results are presented in Table 4.20.

Table 4.20: Multiple regression results: the influence of entrepreneurial orientation on affective commitment

Model	Unstandardized Coefficients		Standardized Coefficients	<i>t</i> -value	n lovol	
Wodei	В	Std. Error	Beta	t-value	<i>p</i> -level	
(Constant)	0.145	0.690		0.210	0.835	
Autonomy	0.066	0.207	0.047	0.318	0.752	
Innovativeness	0.626	0.298	0.442	2.102	0.043	
Risk-taking	-0.168	0.223	-0.115	-0.753	0.456	
Proactiveness	0.537	0.215	0.437	2.497	0.017	
Competitive aggressiveness	-0.124	0.206	-0.081	-0.602	0.551	

 $R^2 = 0.565$ 

A  $R^2$  of 0.565 was calculated and indicates that 56.5% of the variation in affective commitment can be explained by the variables of entrepreneurial orientation (autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness). Only two of the variables innovativeness (p=0.043) and proactiveness (p=0.017) statistically significantly influenced the affective commitment of the participants. The other p-values varied from 0.456 to 0.752.

Thus, only two of the hypotheses H<sub>1</sub>: There is a significant relationship between innovativeness in the organisation and employees' affective commitment and H<sub>2</sub>: There is a significant relationship between proactiveness in the organisation and employees' affective commitment were confirmed.

The following hypotheses were rejected:

H<sub>3</sub>: There is a significant relationship between risk-taking in the organisation and employees' affective commitment.

H<sub>4</sub>: There is a significant relationship between autonomy in the organisation and employees' affective commitment.

H<sub>5</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' affective commitment.

# 4.10.2 Influence of entrepreneurial orientation on overall job satisfaction

A multiple regression analysis was done to determine the influence of entrepreneurial orientation consisting of autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness (the independent variable), on overall job satisfaction (the intermediate variable) of the respondents. The impact of each of the five constructs of entrepreneurial orientation on overall job satisfaction were also measured.

Table 4.21: Multiple regression results: the influence of entrepreneurial orientation on overall job satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	<i>t</i> -value	<i>p-</i> level	
	B Std. Error		Beta			
(Constant)	1.196	0.505		2.371	0.023	
Autonomy	0.222	0.152	0.238	1.461	0.153	
Innovativeness	0.476	0.218	0.507	2.188	0.035	
Risk-taking	-0.111	0.163	-0.114	-0.681	0.501	
Proactiveness	0.063	0.157	0.077	0.400	0.692	
Competitive aggressiveness	0.036	0.151	0.035	0.238	0.813	

 $R^2 = 0.473$ 

The R<sup>2</sup> of 0.473 indicates that 47.3% of the variation in overall job satisfaction can be explained by the variables of entrepreneurial orientation (autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness). Innovativeness with a p-value of 0.035 is the only variable that statistically significantly influenced job satisfaction. Autonomy had the second lowest p-value of 0.153, however it does not have a statistically significant influence on overall job satisfaction.

Only H<sub>6</sub> (there is a significant relationship between innovativeness in the organisation and employees' overall job satisfaction) were confirmed.

The following hypotheses were rejected:

H<sub>7</sub>: There is a significant relationship between proactiveness in the organisation and employees' job satisfaction.

H<sub>8</sub>: There is a significant relationship between risk-taking in the organisation and employees' job satisfaction.

H<sub>9</sub>: There is a significant relationship between autonomy in the organisation and employees' job satisfaction.

H<sub>10</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' job satisfaction.

# 4.10.3 Influence of entrepreneurial orientation on intention to leave

Lastly, the influence of entrepreneurial orientation and each of its variables namely: autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness on intention to leave were measured with a multiple regression model. In this case, entrepreneurial orientation is the dependent variable and intention to leave the independent variable.

Table 4.22: Multiple regression results: the influence of entrepreneurial orientation on intention to leave

Model	Unstand Coeffic		Standardized Coefficients	<i>t</i> -value	n lovel	
Model	В	Std. Error	Beta	t-value	<i>p</i> -level	
(Constant)	5.672	0.611		9.277	0.000	
Autonomy	-0.125	0.184	-0.104	-0.683	0.499	
Innovativeness	-0.305	0.264	-0.250	-1.159	0.254	
Risk-taking	0.097	0.197	0.077	0.493	0.625	
Proactiveness	-0.542	0.190	-0.509	-2.843	0.007	
Competitive aggressiveness	0.011	0.183	0.009	0.063	0.950	

 $R^2 = 0.543$ 

A R<sup>2</sup> of 0.543 was computed and implies that 54.3% of the variation in intention to leave can be clarified by the variables of entrepreneurial orientation (autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness). Proactiveness (p=0.007)

proving that it has a significant impact on the intention to leave. The other four variables p-values range from 0.254 to 0.950, indicating that there is no significant influence between these variables (autonomy, innovativeness, risk-taking and competitive aggressiveness) and intention to leave. Only one hypothesis could be proven (H<sub>13</sub>: There is a significant relationship between proactiveness in the organisation and employees' intention to leave).

## Thus, the following were rejected:

- H<sub>12</sub>: There is a significant relationship between innovativeness in the organisation and employees' intention to leave.
- H<sub>13</sub>: There is a significant relationship between proactiveness in the organisation and employees' intention to leave.
- H<sub>14</sub>: There is a significant relationship between risk-taking in the organisation and employees' intention to leave.
- H<sub>15</sub>: There is a significant relationship between autonomy in the organisation and employees' intention to leave.
- H<sub>16</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' intention to leave.

Williams (2015:3) explain that when conducting a multiple regression with a small sample size, and using two different operationalisations of the same concept such as proactiveness and innovation which are constructs of entrepreneurial orientation, there is a possibility for multicollinearity. For this reason, the researcher also included Spearman's correlation coefficient which measures of the strength of a monotonic relationship between corresponding data (Statstutor, s.a.).

The strength of the correlation between the variables can be measured using the following guide in Table 4.23.

Table 4.23: Guide for interpreting correlation strengths

Indicate	Indicates practical significance of relationship or effect sizes				
0.1	small, no practical significant relationship				
0.3	medium, practical visible relationship				
0.5	large, practical significant relationship				

Source: Ellis and Steyn (2003)

The Spearman's correlation coefficient results are presented in Table 4.24

Table 4.24: Correlations between the independent, intermediate and dependent variables

		Affective commitment	Overall job satisfaction	Intention to leave
	Correlation Coefficient	.466**	.492**	462**
Autonomy	Sig. (2-tailed)	.002	.001	.002
	N	42	42	42
	Correlation Coefficient	.605**	.662**	575 <sup>**</sup>
Innovativeness	Sig. (2-tailed)	.000	.000	.000
	N	42	42	42
Risk-taking	Correlation Coefficient	.458**	.456**	417**
	Sig. (2-tailed)	.002	.002	.006
	N	42	42	42
	Correlation Coefficient	.684**	.594**	678**
Proactiveness	Sig. (2-tailed)	.000	.000	.000
	N	42	42	42
Competitive aggressiveness	Correlation Coefficient	.252	.383 <sup>*</sup>	350 <sup>*</sup>
	Sig. (2-tailed)	.108	.012	.023
ayyıcəsivelicəs	N	42	42	42

<sup>\*\*\*</sup> p-values are reported for completeness sake but will not be interpreted since a convenience sample instead of a random sample was used.

By evaluating the Table 4.24, it is evident that the following variables present large or practical significant relationships:

- Innovativeness presents a large positive correlation with affective commitment (0.605), overall job satisfaction (0.662) and a large negative correlation with intention to leave (-0.575).
- Proactiveness presents a large correlation with affective commitment (0.684), overall job satisfaction (0.594) and a large negative correlation with intention to leave (-0.678).

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

<sup>\*</sup> Correlation is significant at the 0.05 level (2-tailed).

Thus, the following hypotheses are proven:

- H<sub>1</sub>: There is a significant relationship between innovativeness in the organisation and employees' affective commitment.
- H<sub>2</sub>: There is a significant relationship between proactiveness in the organisation and employees' affective commitment.
- H<sub>6</sub>: There is a significant relationship between innovativeness in the organisation and employees' overall job satisfaction.
- H<sub>7</sub>: There is a significant relationship between proactiveness in the organisation and employees' job satisfaction.
- H<sub>12</sub>: There is a significant relationship between innovativeness in the organisation and employees' intention to leave.
- H<sub>13</sub>: There is a significant relationship between proactiveness in the organisation and employees' intention to leave.

There is a medium, practical visible relationships between the following variables:

- Autonomy presents a medium to large correlation with affective commitment (0.466), overall job satisfaction (0.492) and a medium to large negative correlation with intention to leave (-0.462).
- Risk-taking presents a medium to large correlation with affective commitment (0.458), overall job satisfaction (0.456) and a medium to large negative correlation with intention to leave (-0.417).

Seeing that all the above correlations are bigger than 0.3, and fall closer to 0.5 than to 0.3, it can be argued that the following hypotheses can be accepted:

- H<sub>3</sub>: There is a significant relationship between risk-taking in the organisation and employees' affective commitment.
- H<sub>4</sub>: There is a significant relationship between autonomy in the organisation and employees' affective commitment.
- H<sub>8</sub>: There is a significant relationship between risk-taking in the organisation and employees' job satisfaction.
- H<sub>9</sub>: There is a significant relationship between autonomy in the organisation and employees' job satisfaction.
- H<sub>14</sub>: There is a significant relationship between risk-taking in the organisation and employees' intention to leave.

H<sub>15</sub>: There is a significant relationship between autonomy in the organisation and employees' intention to leave.

Only competitive aggressiveness presented a medium, practical visible association with overall job satisfaction (0.383) and a medium negative association with intention to leave (-0.350). Therefore, the following hypotheses can be accepted:

H<sub>10</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' job satisfaction.

H<sub>16</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' intention to leave.

However, competitive aggressiveness showed a small to medium, association with affective commitment (0.252). Thus, the only hypothesis that is rejected is:

H<sub>5</sub>: There is a significant relationship between competitive aggressiveness in the organisation and employees' affective commitment.

From the above data, the conclusion can be drawn that there is a significant relationship between entrepreneurial orientation in the organisation and employees' intention to leave (H<sub>11</sub>).

#### 4.11 SUMMARY

Chapter 4 revealed the empirical study's results and discussion. An explanation was provided of the data gathering process, and gave information on the questionnaire that was used. The questionnaire was utilised to investigate the relationship between entrepreneurial orientation and its five variables, affective commitment, job satisfaction and intention to leave. A breakdown of each of the sections of the questionnaire was provided.

The sample consisted of employees working for Potchefstroom Academy and SAAHST. The questionnaire was distributed via email to 48 respondents, but only 42 successfully completed the survey.

The sample's demographic data was analysed according to age (ranging between 21 and 66), gender (male = 16.7%; female = 83.3%), race (White = 95.2%; Indian = 4.8%), highest academic qualification (Diploma = 40.5%; Senior Certificate = 19%; Post

Graduate Degree = 19%; Certificate = 11.9%; Degree = 9.5%), years of experience (ranging between 1 and 46 years), years at the organisation (ranging between 1 and 35 years), at which organisation the respondent is employed (Potchefstroom Academy = 42.9%; SAAHST = 28.6% business subsidiaries = 28.6%), occupational level (skilled workers = 54.8%, semi-skilled workers 14.3%; mid-management consists = 14.3%; senior management = 11.9%; top management = 4.8%), job description (education = 42.9%; administration 28.6%; business subsidiaries = 28.6%).

The Cronbach alpha coefficients were calculated to determine the reliability and internal consistency off the various factors of the measuring instrument. Autonomy, innovativeness, competitive aggressiveness, proactiveness, risk-taking (entrepreneurial orientation), affective commitment, intrinsic satisfaction, extrinsic satisfaction, overall job satisfaction and intention to leave was investigated. It was found that three of the variables had a value above 0.7, five had a value above 0.8 and two had a value above 0.9, concluding that all variables' reliability was satisfactory.

Each statement within the questionnaire was rationalised and the mean value and standard deviation for each separate variable and their individual statements were provided. Innovativeness had the highest mean value of  $\bar{x}=3.63$ , and overall job satisfaction ( $\bar{x}=3.61$ ) the second highest. The mean values of proactiveness  $\bar{x}=3.45$ ; competitive aggressiveness  $\bar{x}=3.39$ ; and autonomy  $\bar{x}=3.23$  was just above 3. The combined result for entrepreneurial orientation was  $\bar{x}=3.41$ . Affective commitment was calculated at  $\bar{x}=3.50$ . The lowest mean value was that of intention to leave  $\bar{x}=2.88$ .

The multiple regression models showed moderate R<sup>2</sup> values. A R<sup>2</sup> of 0.565 was calculated and indicates that 56.5% of the variation in affective commitment can be explained by the variables of entrepreneurial. It was found that 47.3% of the variation in overall job satisfaction can be attributed to the variables of entrepreneurial orientation. Lastly, 54.3% of the variation in intention to leave could be clarified by the variables of entrepreneurial orientation. It was found that only proactiveness had a significant influence on the respondents' intention to leave.

Finally, a Spearman's correlation coefficient was conducted between the independent, intermediate and dependent variables. Innovativeness and proactiveness showed a large

correlation with both the intermediate variables (affective commitment and overall job satisfaction) and a large negative correlation with the dependent variable (intention to leave). The rest of the variables indicated a medium to large correlation with the intermediate variables (affective commitment and overall job satisfaction) and a medium to large negative correlation with the dependent variable (intention to leave). Only completive aggressiveness exhibited a medium correlation with overall job satisfaction and a medium negative intention to leave. However, competitive aggressiveness showed a small to medium correlation with affective commitment.

The final chapter will use the results found in chapter 4 to draw conclusions, highlight limitations and make recommendations for future studies.

# **CHAPTER 5**

# **CONCLUSION AND RECOMMENDATIONS**

#### 5.1 INTRODUCTION

Chapter 5 serves to conclude and deliberate on the findings of the empirical study from chapter 4. Practical recommendations to implement entrepreneurial orientation among Potchefstroom Academy and SAAHST personnel, as well as how to use it as a strategy to curb employees' intention to leave the organisation.

The conclusions were followed on how the study contributed to the body of empirical research on entrepreneurial orientation and human resource retention, as well as its implications in tertiary education and the limitations to the study.

The chapter will conclude with an evaluation of the objectives set out in chapter 1 and offer recommendations for future research.

## 5.2 CONCLUSION REGARDING THE EMPIRICAL STUDY

This section consists of drawing conclusions from the results obtained in chapter 4. Firstly, the conclusions were represented on the response to the questionnaire and the demographic information of the respondents. Thereafter the Cronbach alpha coefficients were assessed to give an indication of the reliability of the measuring instrument.

The mean values and standard deviation of the different variables namely entrepreneurial orientation, affective commitment, job satisfaction and intention to leave were evaluated. Lastly, the researcher reported on the multiple regression analyses that was conducted and deductions were made with regards to the results.

## 5.2.1 Survey responses and demographic information

The following conclusions were made with regards to the participants' responses to the questionnaire and the demographic information they provided:

- The researcher used a convenience sample of 48 participants for the study. Only
  42 of the participants completed the survey successfully. All 42 completed
  questionnaires were used for the study, which represents a response rate of
  87.5%.
- Almost half of the respondents (42.9%) was age 30 or younger. Ages between 31 and 40 represented 33.3% of the sample, and 23.8% of the respondents were between the ages of 41 and 66.
- The distribution between males and females were skewed seeing that 83.3% was female and 16.7% male.
- The representation for the different racial groups were very low, as 95.2% of the sample was white, and the remaining 4.8% Indian. Neither Black, Asian or Coloured was represented in the sample.
- A total of 40.5% of the sample's highest academic qualification was a Diploma,
   19% a Certificate, a Post Graduate Degree was held by a further 19%, 11.9% had
   a Senior Certificate, and only 9.5% a Degree.
- Most of respondents only had 5 years or less work experience (38.1%), were 31% had between 21 and 46 years of experience, and the remaining 26.1% had between 6 and 20 years of experience.
- A staggering 71.1% of the participants have only been at the organisation 5 years and less. 28.9% has been working for the organisation between 6 and 35 years, and 9.5% had missing values.
- Potchefstroom Academy employs the highest number of personnel in the sample (42.9%), were both SAAHST and the business subsidiaries each represent 28.6%.
- The occupational levels were broken down into 54.8% being skilled workers, 14.3% semi-skilled workers, mid-management consisted of 14.3% of the population, senior management 1.9% and lastly, top management only 4.8%.
- From the sample 42.9% of the respondents work in education, 28.6% in administration and the remaining 28.6% for one of the business subsidiaries.

## 5.2.2 Reliability of measuring instrument

The various factors measuring instrument's reliability and internal consistency was determined by calculating Cronbach alpha coefficients. All the variables (autonomy, innovativeness, risk-taking, proactiveness, competitive aggressiveness, affective

commitment, overall job satisfaction and intention to leave) were calculated. Autonomy, risk-taking and competitive aggressiveness had a Cronbach alpha value of between 0.7 and 0.8. Innovativeness, proactiveness and intention to leave's values were above 0.8, where affective commitment and overall job satisfaction represented values above 0.9.

All the variables represented Cronbach alpha values above 0.7 indicating that they were acceptable and reliable.

## 5.2.3 ANALYSES OF AFFECTIVE COMMITMENT

Section B of the questionnaire measured the participants' affective commitment with 8 statements. It consisted of 8 questions that assessed the intermediate variable: affective commitment. Each of the statements were evaluated with a five point Likert scale (where 1 = strongly agree; 2 = disagree; 3 = neutral; 4 = agree; 5 = strongly agree).

Half of the statements had a mean value between 3 and 3.5 of which all but one was above 3.4, the remaining 50% had values between 3.5 and 4. The highest value reported was for question B7: the organisation has personal meaning for me (3.79). The mean value for all the statements were 3.5 indicating that respondents were mainly in agreement with most of the statements. The lowest mean of 3.29 indicated that most participants felt neutral about to spending the rest of their career with the organisation.

The R<sub>2</sub> conveyed high values of 1.064 and 1.273, with an average of 0.960 the highest average in the entire questionnaire, which shows that there were discrepancies between the respondents 'answers.

Zehir *et al.* (2012:927) believe that committed employees show entrepreneurial behaviour and De Clercq *et al.* (2010:99) add that affective commitment can result in the realisation of entrepreneurial orientation. Lastly, it was proposed by Bulut and Alpkan (2006:67) an entrepreneurial environment will contribute to commitment and job satisfaction, which will be discussed in the following section.

## 5.2.4 ANALYSES OF JOB SATISFACTION

Twenty items were used to measure overall job satisfaction (section C) with the same five point Likert scale as affective commitment. The mean values for this section was the most diverse ranging from 2.81 to 4.21. 55% of the statements were between 3.5 and 4; 10% above 4 and 35% between 2.8 and 3.49. Respondents agreed with 65% of the statements, and felt neutral towards 35% of the statements. Job satisfaction received the second most positive feedback from all the variables with a mean of 3.61, after innovativeness.

The only value rated under 3 was for the statement: **chances for advancement opportunities**. This was also one of the factors identified by the researcher in chapter 2 as one of the reasons employees leave the organisation. Noordin (2009:122) suggests that job satisfaction, retention and commitment amongst academic staff are essential, and the prospect of advancement can improve job satisfaction amongst academic staff, which can lead to retention (Saba & Iqbal, 2013:4). Naicker (2014:18) explains that by empowering employees through intrapreneurship, can reduce their intention to leave.

## 5.2.5 ANALYSES OF INTENTION TO LEAVE

Section C of the questionnaire measured participants' intention to leave the organisation through six statements each measured with a five point Likert scale. Intention to leave measure the lowest values of all the variables, but seeing that most of the statements were negative, this could be expected, and seemed as a positive reaction. How often have you considered leaving your job presented a mean value of 2.62 indicating that most employees sometimes consider leaving current employment and gave the same rating to how often do you dream about getting another job that will better suit your personal needs. Respondents answered that their personal needs were moderately satisfied by their job, and that they were not very often frustrated when not given the opportunity at work to achieve their personal work-related goals. Most participants experienced neutrality towards the possibility of accepting another job at the same compensation level if offered to them. The sample indicated that they sometimes look forward to another day at work.

Considering the above data, it can be concluded that most employees at some time or another have considered leaving the organisation.

Seeing that entrepreneurial orientation was used as the independent variable in the multiple regression models and Spearman's correlation coefficients, it will be discussed last, and provide the results to the proposed hypotheses.

## 5.2.6 ANALYSES OF ENTREPRENEURIAL ORIENTATION

Section A of the questionnaire measured the respondents" perceived entrepreneurial orientation of the organisation. 27 Statements measured the five variables (autonomy, innovativeness, risk-taking, proactiveness, competitive aggressiveness) of entrepreneurial orientation. Each of the statements were evaluated with a five point Likert scale as with both affective commitment and overall job satisfaction.

Conclusions were drawn for each of the five independent variables as well as the combined results for entrepreneurial orientation, which is set out below.

## 5.2.7 Autonomy

Five statements were used to measure the level of autonomy experienced by the respondents within the organisation. Autonomy received an overall mean value of 3.23, indicating that most respondents felt neutral towards each statement. The highest mean value of 3.71 was perceived towards the statement; **Employees in the organisation have enough autonomy to do their job without continual supervision to do their work**, indicating that most respondents agreed with the statement. The lowest mean value was reported for the statement **employees in the organisation are allowed to make decisions without going through elaborate justification and approval procedures**. This showed that most employees disagreed with the statement, and that this could reduce the level of autonomy experienced within the organisation.

The multiple regression analysis was conducted and found no statistically significant relationship between autonomy and affective commitment, overall job satisfaction, nor intention to leave. This resulted in the rejection of H<sub>4</sub>, H<sub>9</sub> and H<sub>15</sub>.

Seeing that a convenience sample instead of a random sample was used and consisted of a very small sample, Spearman's correlation coefficient was conducted and found that there was a medium to large, practical visible relationships or correlation between autonomy and affective commitment (0.466); overall job satisfaction (0.492); and a medium to large negative correlation with intention to leave (-0.462).

The correlations were bigger than 0.3, and fell closer to 0.5, resulting in the argument that the following hypotheses can be accepted:

H<sub>4</sub>: There is a significant relationship between autonomy in the organisation and employees' affective commitment.

H<sub>9</sub>: There is a significant relationship between autonomy in the organisation and employees' job satisfaction.

H<sub>15</sub>: There is a significant relationship between autonomy in the organisation and employees' intention to leave.

As mentioned in the literature review, Iverso (1999:403) and Udo *et al.* (1997:917) are of the opinion that employees' intention to leave an organisation is significantly decreased with the introduction of autonomy.

## 5.2.8 Innovativeness

Innovativeness scored the highest from all the entrepreneurial orientation variables with a mean value of 3.63. The findings indicated that respondents felt that the organisation places a strong emphasis on continuous improvement in courses/service delivery/processes ( $\bar{x} = 3.88$ ) and that the organisation has increased the number of courses/services/products offered during the past few years ( $\bar{x} = 3.90$ ). Even though innovativeness proved to be the highest rated variable in entrepreneurial orientation, all reported values still fell between 3 and 4, showing that there is still room for improvement.

A multiple regression analysis was conducted to determine the relationship between innovativeness, affective commitment, job satisfaction and the intention to leave. The following was reported:  $H_1$ : There is a significant relationship between innovativeness in the organisation and employees' affective commitment with a p-value of (p=0.043).  $H_6$ : There is a significant relationship between innovativeness in the organisation and

employees' overall job satisfaction (p-value = 0.035). However, it was found that there was no significant relationship between innovativeness and intention to leave (p-value = 0.254). Rejecting hypothesis  $H_{12}$ .

Spearman's correlation of coefficients came to the same conclusion that innovativeness presents a large association with affective commitment (0.605), overall job satisfaction (0.662), but was in contradiction with the above statement that there was no significant relationship between innovativeness and intention to leave. A large negative correlation was found with innovativeness and intention to leave (-0.575), thus proving H<sub>12</sub>: There is a significant relationship between innovativeness in the organisation and employees' intention to leave.

Osman *et al.* (2015:98) explain the importance of innovation to bring about job satisfaction which will impact employee's happiness and lead to retention. This indicates the importance of innovativeness for employees to experience job satisfaction which in turn can curb their intention to leave the organisation.

## 5.2.9 Risk-taking

Out of the five statements used to determine the risk-taking propensity of the organisation, owing to the environment, the organisation believes that bold, wide-ranging acts are necessary to achieve the organisation's objectives, was rated the highest with a mean value of 3.57. The overall mean value was 3.34 signifying that most respondents were of a neutral opinion towards the organisation's propensity to take risks. The overall standard deviation was also quite low (0.659).

The multiple regression discovered that there was no significant relationship between risk-taking and either the intermediate variables (affective commitment and job satisfaction) or with the dependent variable (intention to leave). Nevertheless, risk-taking offered a medium to large association with affective commitment (0.458), overall job satisfaction (0.456) and a medium to large negative correlation with intention to leave (-0.417). Accepting H<sub>3</sub>, H<sub>8</sub> and H<sub>14</sub>.

Even though most organisations might be risk averse, or allow employees to take risks, the above findings show how important it is for both organisations and employees to be able take calculated risks to improve overall entrepreneurial orientation within organisations so that entrepreneurial orientation can be used as retention strategy. Osman *et al.* (2015:95-96) and Tremblay *et al.* (2002:2) state that by promoting an entrepreneurial culture and risk-taking will result in challenges within the workplace which will lead to higher career involvement and in turn retain employees.

#### 5.2.10 Proactiveness

Proactiveness was measured using four statements and the mean value was calculated as 3.45, the second highest mean value for the entrepreneurial orientation constructs. Even though proactiveness had the second highest mean, there is still substantial room for improvement seeing that most participants leaned more towards neutral regarding the proactiveness of the organisation. The respondents mostly agreed that the organisation continuously seeks out new courses/services/products/processes and continuously monitors market trends and identifies future needs of customers.

It was found that there was a significant relationship between proactiveness in the organisation and employees' affective commitment (H<sub>2</sub>) and employees' intention to leave (H<sub>12</sub>).

Spearman's correlation of coefficients also indicated a large association with affective commitment (0.684), overall job satisfaction (0.594) and a large negative correlation with intention to leave (-0.678).

As highlighted in Chapter 3 by Hayat and Riaz (2011:88-99), in the educational environment proactiveness necessitates lecturers to consider the needs of students and act accordingly by setting the course objective and ensuring that assessment methods and communication align with these objectives. They further explained that this will ensure a conducive learning environment and assist lecturers to be able to anticipate problems and handle them accordingly. By not improving proactiveness within the organisation will not only be detrimental to the organisation and students, but will also decrease employees' propensity to stay with the organisation as substantiated by Osman *et al.* (2015:95) who believe that there is a positive relationship between proactiveness and retention.

## 5.2.11 Competitive aggressiveness

All five of the statements measuring competitive aggressiveness was rated between 3 and 3.5. Even though respondents felt neutral to all statements, the statement with the highest mean value was that **the organisation knows when it is in danger of acting overly aggressive** ( $\bar{x} = 3.48$ ). The standard deviation was the lowest of all the entrepreneurial orientation variables, ranging between 0.715 and 0.936.

No significant relationship with competitive aggressiveness was reported from the multiple regression analysis. The Spearman's correlation coefficients presented a medium, practical visible relationship with overall job satisfaction and a medium negative intention to leave, with an insignificant relationship with affective commitment (0.252). Thus,  $H_{10}$ : there is a significant relationship between competitive aggressiveness in the organisation and employees' job satisfaction and  $H_{16}$ : there is a significant relationship between competitive aggressiveness in the organisation and employees' intention to leave was accepted.  $H_{5}$  (there is a significant relationship between competitive aggressiveness in the organisation and employees' affective commitment) was rejected.

Fariss and Wales (2012:308) and Gurbuz *et al.* (2009:83) believe that competitive aggressiveness is vital for organisations to stay competitive in the market. Even though competitive aggressiveness cannot be directly linked to retention, Osman *et al.* (2015:99) explain that employees with the ability to plan and implement strategies are crucial for organisations and can encourage a competitive environment to reinforce retention.

## 5.2.12 Entrepreneurial orientation combined results

Autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness all contributed to the combined results of entrepreneurial orientation with an average mean value of 3.39. Seeing that the mean value is below 3.5, it indicates that most of the sample were neutral towards the degree of entrepreneurial orientation displayed by the organisation. Thus, for the organisation to use entrepreneurial orientation as retention strategy, the organisation will have to exert considerable effort to improve entrepreneurial orientation amongst employees.

As mentioned with each entrepreneurial factor, significant correlations were found with all the factors and the intermediate and dependent variables, except for competitive aggressiveness. Therefore, the conclusion was drawn that there is a significant relationship between entrepreneurial orientation in the organisation and employees' intention to leave (H<sub>11</sub>). This was substantiated in the literature review by Thibault (2016:45) who found that by providing academics with advancement opportunities and leadership roles outside the classroom and introducing entrepreneurial orientation within an institution can be linked to a reduction in employees' intention to guit.

#### 5.3 CONTRIBUTIONS TO THE STUDY

The results provide a clear link between entrepreneurial orientation and human resource retention within Potchefstroom Academy and SAAHST. Thus, the researcher is of the opinion that if the organisation accepts this theory and implements the recommendations, that employees can experience advancement opportunities through entrepreneurial orientation, which will reduce their intention to leave. This will also ensure that tacit knowledge is kept within the organisation and lead to future growth and sustainability.

#### 5.4 RECOMMENDATIONS

From the above findings it is evident that entrepreneurial orientation has not been effectively introduced within the organisation. For the research model to be successfully implemented attention will have to be given on how to address this concern and apply autonomy, innovativeness, risk-taking, proactiveness and competitive aggressiveness, to instil higher levels of affective commitment and job satisfaction so that employees' intention to leave the organisation is reduced.

Recommendations and actions are suggested for the successful implementation of the research model as outlined below.

#### **5.4.1 Affective commitment**

The results displayed reasonable levels of affective commitment with a mean value of 3.50. This means that employees perceive an emotional connection with the organisation and had a sense of staying at the organisation, which is affirmed by the fact that respondents agreed with statement the organisation has personal meaning for me. The lowest rated statements were that respondents could not necessarily see themselves staying with the organisation for the rest of their career. They also felt quite neutral

about being more attached the organisation as they could be to another and experiencing a strong sense of belonging.

Kahler Slater, Inc. (2011:7-15) explains that the best way to create a sense of belonging amongst employees is the organisational culture. They further explain that this can be achieved by having a visible spirit that consists of everything including office location, furniture and signage; emotional engagement through internal and external brand alignment; areas were employees can come together and experience camaraderie and lastly ensuring the organisation has a strong mission, good leadership and celebrate accomplishments.

A survey is being done by the organisations' alumni which can offer insight on the emotional attachment experienced by ex-students with the organisation and can assist with improving the overall culture.

#### 5.4.2 Job satisfaction

Job satisfaction received a mean value of 3.61, showing that most participants experienced some level of job satisfaction within the organisation. Remuneration and the freedom to use one's own judgement were issues raised. As mentioned previously the main concern among respondents was advancement opportunities. This was also proven to be one of the reasons past employees left the organisation. This is one of the reasons the proposed research model is so important, because it can offer a way for personnel to experience personal growth and advancement in the organisation with the introduction and improvement of entrepreneurial orientation.

For the organisation to improve job satisfaction these elements should be addressed, remuneration policies need to be revised maybe by affording different types of incentives and employees need to know to what extent they can use their own judgement when completing tasks to improve autonomy.

#### 5.4.3 Overall entrepreneurial orientation

The five elements Autonomy, innovativeness, risk-taking, proactiveness, and competitive aggressiveness resulted in a mean value of 3.39 for entrepreneurial orientation. It can be

concluded that a moderate level of entrepreneurial orientation is apparent at the organisation, though there is a lot of room for improvement seeing that respondents leaned more to a neutral feeling with regards to this variable. Responses were quite consistent with mean values ranging between 3.23 and 3.63, and standard deviations ranging between 0.625 and 0.780. Therefore, the organisation can benefit by improving entrepreneurial orientation practices.

Innovativeness received the highest mean value with ( $\bar{x}=3.63$ ), showing overall agreement with the statement. The second highest value was 3.45 for proactiveness, followed by competitive aggressiveness ( $\bar{x}=3.39$ ), risk-taking ( $\bar{x}=3.34$ ) and autonomy being the lowest value of 3.23 which all leaned more to neutral feelings with regards to the statements.

The strongest factors namely innovativeness and proactiveness can be used as a starting point to improve overall entrepreneurial orientation within the organisation. What is quite interesting is that risk-taking and autonomy received the lowest ratings. Autonomy is a crucial element in job satisfaction and to reduce employees' intention to leave, thus requires substantial improvement going forward. **Employees in the organisation are allowed to make decisions without going through elaborate justification and approval procedures** produced the lowest mean value of 2.19, proving employees' disagreement with the statement, and can obstruct development of autonomy within the organisation.

The second lowest was risk-taking and issues raised with this variable included: **The term** 'risk-taker' is considered a positive attribute for employees in our organisation ( $\bar{x}$  = 3.07), and employees in the organisation are often encouraged to take calculated risks concerning new ideas ( $\bar{x}$  = 3.24).

Seeing that the organisation is a tertiary institution controlled by legislation, the organisation might be hesitant to allow employees to make decisions without justification and to take calculated risk in order to protect the organisation. This could explain the lower scores in both autonomy and risk-taking. However, as clarified by Hayat and Riaz (2011:86), allowing lecturers to take calculated risks can influence the retention of students and retain employees. Lumpkin, *et al.* (2010:251) add that autonomy can

increase the level of competitiveness and encourage new ventures, the improvement of organisational processes and practises, which will aid in the development of entrepreneurial orientation and lead to retention of staff.

One of the recommendations would be to introduce a new key performance area for all staff members that allow and incentivise them to act entrepreneurially. Examples of how employees can act more entrepreneurially include providing staff members with the ability to introduce new short courses that can be offered outside working hours and offer higher commission as additional remuneration and incentive. Or allowing employees to work within their profession e.g. photography lecturers being able to do photoshoots for outside clients and being paid commission in addition to their basic salaries for these jobs. Somatology or Hairdressing lecturers can also offer their services at the business subsidiaries and Interior Design lecturers can consult for outside clients. This can also create brand awareness for the organisation and offer employees personal growth and the opportunity to stay up to date with industry trends and latest technologies.

To improve innovation and assist with further entrepreneurial ventures, monthly brainstorming sessions (or think tanks) could be held to develop new ways of performing tasks or even to introduce new procedures or courses. Further to this, interdepartmental brainstorming sessions can be held on a weekly basis to give feedback and create an atmosphere to induce or inspire innovation. This will also afford staff and the organisation the opportunity to act proactively and could possibly create competition between employees and departments to come up with the best ideas or practices, improving overall competitiveness.

#### 5.4.4 Intention to leave

Most participants indicated that they sometimes consider leaving the organisation ( $\bar{x}$  = 2.62) and dream about getting another job that will better suit their personal needs ( $\bar{x}$  = 2.62). Respondents felt that their personal needs were moderately satisfied by their job, and that they sometimes look forward to another day at work. To ensure a happy workforce and reduce employees' intention to leave, the above statistics should be fairly alarming to the organisation. Though it might be common for workers to feel this way, it can result in loss of tacit knowledge and reduce performance due to staff turnover. The main reason for conducting this study was to find a way to reduce employees' intention

to leave the organisation. Thus, it is recommended that the organisation employ entrepreneurial orientation as retention strategy and that consideration should be given to the recommendations in paragraph 5.4.3 to improve overall entrepreneurial orientation.

Lastly, it is recommended that the survey is completed on a yearly basis to ascertain whether the variables' results show improvement and whether overall entrepreneurial orientation, affective commitment and job satisfaction has improved and if this reduced employees' intention to leave the organisation.

#### 5.5 ACTION PLANS

The following action plans can be considered to introduce the recommendations that was provided in paragraph 5.4.

# 5.5.1 Supporting and ensuring high levels of affective commitment among employees

The organisation should focus on the following aspects to improve and ensure affective commitment:

- 1. Fostering good relationships with management, which can be achieved by allowing accessibility to management and having an open-door policy. This is already in place between management and the head of departments, but is not necessarily in place for lower level employees. Head of departments must also encourage their department's staff to be part of the decision-making process and involve them in the planning and development phase. This can be done by giving each staff member certain responsibilities that they should fulfil and report to management. This will make them feel included and more involved.
- Establishing clear policies and procedures that are understood by all employees.
   Employees can also be involved in the upgrade and improvement of policies and procedures through brainstorming sessions so that they better understand and support these policies and procedures.
- 3. Providing organisational support to employees (i.e. appropriate and adequate resources) and encouraging research and development. This can include allowing staff to develop themselves through further training and offering a platform for

- research within the institution, whether it involves starting to write articles for journals or in house publications.
- 4. Acknowledge employee concerns and suggestions and act upon it accordingly by implementing a workable grievance procedure, one that can be acted upon.
- 5. Encourage team work within departments and address issues that affect the harmony and effectiveness of the team. Realise the importance of not overlooking what seems like small issues that ultimately result in the unhappiness on employees as a whole.
- 6. Create a pleasant work culture which employees buy into. Employees need to feel an integral and valuable part of the organisation's growth. Recognise that every individual contributes a unique set of skills to the company and allocate tasks and responsibilities to employees that best utilize their skills. Open honesty about the company's future goals, projects and growth opportunities when shared with employees creates a unified goal and commitment.
- 7. Creating a caring, friendly and collaborative environment to work in. This can be achieved by having monthly socials or activities between departments to encourage getting to know other employees that do not directly work with each other.

#### 5.5.2 Supporting and ensuring high levels of job satisfaction among employees

The organisation should focus on the following aspects to improve and ensure job satisfaction:

- 1. Empower employees through giving them the ability to work within their profession and it will create opportunities for personal growth.
- Provide employees with clear job descriptions that include the ability to further their opportunities within the organisation such as creating additional short courses and acting entrepreneurially.
- 3. Salary increment through new commission structures and incentives.
- 4. Improve employee company benefits through the possible introduction of medical aid and pension schemes.
- 5. Encourage personal development. Discuss employees' future plans and goals and how the company can help them achieve personal growth.

- 6. Allowing employees to constantly update their skills and gain personal growth. This can reduce the feeling of employees that they are stagnating within the organisation.
- 7. Explaining to employees how policies and practices are put into place and providing them with the understanding on how and when they can use their own judgement without constant justification from supervisors.
- 8. Implement effective stress management and stress burnout policies. Realise that some job functions are more physically demanding than others and enforce measures to gain the best from employees.

# 5.5.3 Supporting and ensuring high levels of entrepreneurial orientation among employees

Actions to improve entrepreneurial orientation include:

- 1. Opportunities should be created for employees to improve their entrepreneurial skills. This can include an introductory training sessions to all employees on how to act entrepreneurially within the organisation and what opportunities are currently available within the organisation e.g. allowing employees to work within their profession. It can address the lack of progression/promotion opportunities as most of the respondents were discouraged by it.
- 2. As mentioned in paragraph 5.4 brainstorming sessions should be held monthly to improve innovation and assist with further entrepreneurial ventures. It is advisable that employees should be encouraged to come up with at least one new process/service/course every year.
- 3. Even though employees should conform to policies and procedures, employees should be allowed to introduce or suggest alternative work measures for daily tasks. This will provide a higher sense of autonomy and job satisfaction. It can be done at the monthly brainstorming sessions as mentioned above.
- 4. To improve proactiveness students, parents and alumni could be consulted to voice their wants and needs. This can be conducted by providing them with feedback forms and could enable the organisation to anticipate future needs and introduce new actions.
- 5. Provide opportunities for employees to show full responsibility of tasks from start to finish without needing constant approval. This will allow employees to show ownership, initiative and responsibility of their projects and duties.

 Tertiary education market trends must also be monitored and benchmarking must be conducted interdepartmentally and among external competitors. This will also improve competitive aggressiveness among staff, departments and of the overall organisation.

All the above action plans will also address employees' intention to leave the organisation and should curb this trend, seeing that the research hypothesis proved that there is a significant relationship between entrepreneurial orientation, affective commitment and job satisfaction. This is summarised in Table 5.1.

Table 5.1: Action plans to improve affective commitment, job satisfaction and entrepreneurial orientation

Action	Timeframe	Person	Method of
	Affective com	responsible	implementation
Accessibility to     management and     having an open-door     policy.	Continuously.	Management and HOD's.	Sharing responsibility and active involvement.
Establishing clear     policies and     procedures.	Yearly.	Management and HOD's.	Circulating documentation for employee input.
3. Providing organisational support to employees.	Continuously.	Management, HR and HOD's.	Yearly budget for training and development.
Acknowledge     employee concerns     and suggestions.	Continuously.	Management, HR and HOD's.	Implementing a workable grievance procedure.
5. Encourage team work within departments.	Continuously.	Management, HR and HOD's.	Address and resolve issues that affect the harmony and effectiveness of the team
6. Create a pleasant work culture through unified goals and commitment.	Continuously.	Management, HR and HOD's.	Honesty about the company's future goals, projects and growth opportunities.
7. Creating a caring, friendly and collaborative environment.	Continuously and monthly.	All employees.	Monthly socials or activities between departments.

Job satisfaction								
Empower employees     by being able to also     work within their     profession.	Continuously.	Management, HR and HOD's.	Implementation of new KPA's.					
2. The ability to further their opportunities within the organisation such as creating additional short courses and acting entrepreneurially.	Continuously.	Management, HR and HOD's.	Implementation of new KPA's.					
The ability for employees to increase their remuneration.	Continuously.	Management and HR.	Revisit incentive schemes, encourage and implement.					
4. Improve employee company benefits.	Annually.	Management and HR.	Implement medical aid and pension scheme.					
5. Encourage personal development.	Annually.	Management, HR and HOD's.	Annual meetings with employees to discuss future plans and goals and how the company can help them achieve personal growth.					
6. Reduce stagnation within the organisation.	Continuously.	Management, HR and HOD's.	Update employee skills and further internal opportunities.					
7. Explaining to employees how policies and practices are put into place.	On employment at the organisation.	Management, HR and HOD's.	Initial training and introduction when employees are employed.					
8. Reduce stress and burnout.	Continuously.	Management and HR.	Implement effective stress management and stress burnout policies.					
	Entrepreneurial (	orientation						
Introductory training sessions on how to act entrepreneurially.	Yearly.	Management and HR.	Beginning of the year training sessions.					
Improve innovation and assist with further entrepreneurial ventures.	Monthly.	All employees.	Brainstorming sessions.					
The ability to introduce or suggest	Monthly.	All employees.	Brainstorming sessions.					

alternative work measures for daily task.  4. Consult students, parents and alumni to voice their wants and needs.	Quarterly or bi- annually.	Management and HOD's.	Feedback forms or questionnaires on Google Forms.
5. Allow employees to show ownership, initiative and responsibility of their project and duty.	Continuously.	Management, HR and HOD's.	Provide opportunities for employees to show full responsibility of tasks from start to finish without needing constant approval.
6. Monitoring tertiary education market trends and benchmarking interdepartmentally and among external competitors.	Interdepartmentally on a quarterly basis. Among competitors at least yearly.	Management, HOD's and employees.	Interdepartmentally can be based on student numbers profit and new innovations. For benchmarking against competitors, key success factors need to be identified and measured.

To ensure the successful establishment and implementation of the above-mentioned action plans within the organisation, the following golden rules can be applied (Van der Merwe, 2015:31-32):

- Commitment from all managerial levels.
- The identification of risk profiles and focus areas.
- Flexibility and competitiveness through applicable technology.
- Training of employees on how to act intrapreneurial and develop and implement business plans.
- Understanding customer needs and wants by being more involved with consumers.
- Introducing lean principles by being more productive with less resources.
- Developing a support structure within the organisation for entrepreneurship.
- Introducing appropriate incentives and remuneration.
- Developing systems for evaluation and implementation.

#### 5.6 ACHIEVEMENT OF THE STUDY'S OBJECTIVES

This section will critically evaluate the research objectives that were set in section 1.3, and conclude whether these objectives were met.

#### 5.6.1 Primary objective

The primary objective of the study was to investigate if there is a positive correlation between entrepreneurial orientation, affective commitment, job satisfaction and employee retention and to provide suggestions on how to improve employee retention.

To address the primary objective secondary objectives were formulated.

#### 5.6.2 Secondary objectives

To achieve the primary objective, the following secondary objectives were addressed:

- To gain insight into the field of entrepreneurial orientation by means of a literature study.
- To obtain insight into the defining characteristics and unique dynamics of entrepreneurial orientation, affective commitment, job satisfaction and human resource retention by means of a literature study.
- To assess how strongly the organisation supports entrepreneurial orientation.
- To assess the respondents' affective commitment, job satisfaction and intention to leave.
- To validate the reliability of the questionnaire.
- To establish whether affective commitment can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.
- To establish whether job satisfaction can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.
- To establish whether an entrepreneurially orientated culture within an organisation can lead to employee retention.
- To add to the empirical body of entrepreneurial orientation and organisational behaviour in particular human resource retention research.
- To draw particular conclusions from the empirical study, and offer practical recommendations with the successful implementation of entrepreneurial orientation as human resource retention strategy.

The first three secondary objectives were achieved within the literature study that was conducted in chapter three:

- To gain insight into the field of entrepreneurial orientation by means of a literature study (section 3.2).
- To obtain insight into the defining characteristics and unique dynamics of entrepreneurial orientation, affective commitment, job satisfaction and human resource retention by means of a literature study (section 3.2 – 3.5).

The third and fourth objectives were to assess how strongly the organisation supports entrepreneurial orientation and to assess the respondents' affective commitment, job satisfaction and intention to leave. This was achieved by the completion of the questionnaire which gathered information on the respondents' views regarding entrepreneurial orientation, affective commitment and job satisfaction. The results obtained from the empirical study were presented in chapter four and concluded in chapter five.

The succeeding objective was to validate the reliability of the questionnaire measuring entrepreneurial orientation, affective commitment, overall jobs satisfaction and intention to leave. Cronbach alpha coefficients were calculated in section 4.4 for each variable and found reliable.

The following four objectives were achieved in section 4.10 by means of a multiple regression and Spearman's correlation of coefficients and was further discussed in section 5.2:

- To establish whether affective commitment can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.
- To establish whether job satisfaction can be used as intermediate variable between entrepreneurial orientation and employees' intention to leave.
- To establish whether an entrepreneurially orientated culture within an organisation can lead to employee retention.
- To add to the empirical body of entrepreneurial orientation and organisational behaviour in particular human resource retention research.

The final objective was to draw particular conclusions from the empirical study, and offer practical recommendations the successful implementation of entrepreneurial orientation as human resource retention strategy. This was accomplished in the conclusion (section 5.2) and the recommendations (section 5.4).

Therefore, it can be deduced that the primary objective, that is to investigate if there is a positive correlation between entrepreneurial orientation, affective commitment, job satisfaction and employee retention and to provide suggestions on how to improve employee retention, was achieved seeing that all the secondary objectives were addressed.

#### 5.7 SUGGESTIONS FOR FUTURE RESEARCH

Suggestions include the following:

- The findings might not be generalizable to other tertiary institutions. It is recommended that the study be replicated amongst other tertiary institutions in South Africa.
- The study can also be performed among private and public institutions.
- Another suggestion would be to duplicate the study in other countries to determine
  if similar results are obtained.
- More participants need to be included in the target population. The current study consisted of 42 participants which is a relatively small sample and does not allow for generalisation.
- Convenience sampling was used to obtain the participants. Thus, it is suggested
  that the random sampling method be used in future. This can offer a more
  representative sample of employees form tertiary institutions, which can be
  obtained by accessing the database of all tertiary institutions in South Africa from
  the Department of Education.
- The study included specific factors such as entrepreneurial orientation, with affective commitment and job satisfaction as intermediate variables and investigated whether they influenced employees' intention to leave the organisation. Additional research can investigate other factors' influence on both entrepreneurial orientation and intention to leave.

- A study that specifically includes a more representative racial sample can shed more light on how entrepreneurial orientation influences intention to leave.
- Entrepreneurial orientation and its influence on intention to leave was investigated.
   Usually perceived success is related with entrepreneurial orientation and this variable was not included in the study.
- Future studies can also consider doing studies over a period of time to assess how these factors, such as entrepreneurial orientation within tertiary organisations, improve and whether the advancement thereof leads to higher retention rates.

#### 5.8 SUMMARY

The final chapter presented conclusions and recommendations drawn from the results in chapter four. Conclusions were made with regards to the demographic information, the responses to the questionnaire and the reliability of the measuring instrument. Furthermore, deductions were made with regards to affective commitment, overall job satisfaction, entrepreneurial orientation and each of its variables, intention to leave and the results obtained from the multiple regression models and Spearman's correlation of coefficients.

Even though 48 respondents were selected to participate in the study, only 42 completed the survey successfully. The sample mainly consisted of females and were from the White racial group.

The reliability of the questionnaire was proved, seeing that all variables presented a Cronbach alpha value above 0.7.

All the selected variables (entrepreneurial orientation, affective commitment, job satisfaction and intention to leave) were reviewed in depth and correlations were found between each of the entrepreneurial orientation variables (autonomy, innovativeness, risk-taking, proactiveness and competitive aggressiveness) and affective commitment, job satisfaction and intention to leave. Only competitive aggressiveness did not display any significant correlation with affective commitment.

From the conclusions recommendations were formulated on how to achieve higher levels of entrepreneurial orientation, affective commitment and job satisfaction within the

organisation in order to curb employees' intention to leave. Action plans were also formulated to assist with the process.

The chapter was concluded through an assessment of the primary and secondary objectives and whether these objectives were achieved within the study. This was followed by suggestions for future research.

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## **ANNEXURE A**

# ENTREPRENEURIAL ORIENTATION AND HUMAN RESOURCE RETENTION QUESTIONNAIRE

The questionnaire was distributed through a link to Google forms via email.

Annexure A consists of:

- A cover letter
- General instructions
- Questionnaire: Section A to E

ENTREPRENEURIAL ORIENTATION AND RETENTION

QUESTIONNAIRE

Dear Respondent,

Thank you for your time and participation in this survey.

This survey is conducted to determine the entrepreneurial orientation and its influence on human resource retention within Potchefstroom Academy and SAAHST. This survey contributes to the dissertation as a partial completion of my MBA studies at the North-West University in Potchefstroom. The results of this study will be made available on request after the completion thereof.

This form is filled in anonymously and the information supplied on this questionnaire will be kept confidential. The results from this survey are purely for the purpose of the study and will have no effect on anyone's working environment.

The questionnaire is divided into five sections:

Section A: Evaluation of entrepreneurial orientation of the organisation.

Section B: Evaluation of employees' affective commitment.

Section C: Evaluation of employees' job satisfaction.

Section D: Evaluation of employees' intention to leave the organisation.

Section E: Provides demographical information.

Your sincerely,

Anine Wallace

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#### **GENERAL INSTRUCTIONS**

All questions or statements can be answered by marking the relevant block.

Please answer every statement and question to ensure the validity and reliability of the study.

#### **SECTION A: ENTREPRENEURIAL ORIENTATION**

The following statements concern your attitude towards the entrepreneurial orientation of the organisation.

Please rate the extent to which you agree or disagree with the following statements by making an "X" over the appropriate number on the 1 to 5 point scale next to the statement.

Please take note that 1 = Strongly disagree and 5 = Strongly agree.

1 =	2 =	3 =	4 =	5 =
Strongly	Disagree	Neutral	Agree	Strongly agree
disagree	_		_	

	STATEMENT		S	CAL	.E	
A1	Employees in the organisation have enough autonomy to do their job without continual supervision to do their work.	1	2	3	4	5
A2	The organisation allows employees to be creative and try different methods to do their job.	1	2	3	4	5
A3	Employees in the organisation are allowed to make decisions without going through elaborate justification and approval procedures.	1	2	3	4	5
A4	Employees in the organisation are encouraged to manage their own work and have flexibility to resolve problems.	1	2	3	4	5
A5	Employees in the organisation seldom have to follow the same work methods or steps while performing my major tasks from day to day.	1	2	3	4	5
A6	The organisation regularly introduces new courses/services/products/processes.		2	3	4	5
A7	The organisation places a strong emphasis on new and innovative courses/services/products/processes.	1	2	3	4	5

A8	The organisation has increased the number of courses/services/products offered during the past few years.	1	2	3	4	5
A9	The organisation is continually pursuing new opportunities.	1	2	3	4	5
A10	Over the past few years, changes in our courses, processes, services and products have been quite dramatic.	1	2	3	4	5
A11	In the organisation there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented.	1	2	3	4	5
A12	The organisation places a strong emphasis on continuous improvement in courses/service delivery/processes.	1	2	3	4	5
A13	The organisation has a widely held belief that innovation is an absolute necessity for the organisation's future.	1	2	3	4	5
A14			2	3	4	5
A15	When confronted with uncertain decisions, our organisation typically adopts a bold posture in order to maximise the probability of exploiting opportunities.		2	3	4	5
A16	In general, the organisation has a strong inclination towards high-risk projects.	1	2	3	4	5
A17	Owing to the environment, the organisation believes that bold, wide-ranging acts are necessary to achieve the organisation's objectives.	1	2	3	4	5
A18	Employees in the organisation are often encouraged to take calculated risks concerning new ideas.	1	2	3	4	5
A19	The term 'risk-taker' is considered a positive attribute for employees in our organisation.	1	2	3	4	5
A20	The organisation is very often the first to introduce new courses/products/ services/processes.	1	2	3	4	5
A21	The organisation typically initiates actions that competitors respond to.	1	2	3	4	5
A22	The organisation continuously seeks out new courses/services/products/processes.	1	2	3	4	5
A23	The organisation continuously monitors market trends and identifies future needs of customers.	1	2	3	4	5
A24	In dealing with competitors the organisation typically adopts a very competitive undo-the-competitor "posture.	1	2	3	4	5

A25	The organisation is very aggressive and intensely competitive.	1	2	3	4	5
A26	The organisation effectively assumes an aggressive posture to combat trends that may threaten our survival or competitive position.	1	2	3	4	5
A27	The organisation knows when it is in danger of acting overly aggressive (this could lead to erosion of our organisation's reputation or to retaliation by our competitors).	1	2	3	4	5

#### **SECTION B: AFFECTIVE COMMITMENT**

The following statements concern your attitude towards your affective commitment to the organisation.

Please rate the extent to which you agree or disagree with the following statements by making an "X" over the appropriate number on the 1 to 5 point scale next to the statement.

Please take note that 1 = Strongly disagree and 5 = Strongly agree.

1 =	2 _	2_	4 -	5 =
Strongly disagree	2 = Disagree	3 = Neutral	4 = Agree	Strongly agree

	STATEMENT		S	CAL	Е	
B1	I would be happy to spend the rest of my career with the organisation.		2	3	4	5
B2	I enjoy discussing the organisation with people outside it.	1	2	3	4	5
В3	I feel as if the organisation's problems are my own.		2	3	4	5
B4	I do not think I could become as attached to another organisation as I am to this organisation.		2	3	4	5
B5	I feel like "part of the family" at the organisation.	1	2	3	4	5
В6	I feel emotionally attached to the organisation.	1	2	3	4	5
B7	The organisation has personal meaning for me.		2	3	4	5
B8	I feel a strong sense of belonging to the organisation.	1	2	3	4	5

#### **SECTION C: JOB SATISFACTION**

The following statements concern your attitude towards your job satisfaction in the organisation.

Please rate the extent to which you feel (dis)satisfied with the following statements by making an "X" over the appropriate number on the 1 to 5 point scale next to the statement.

Please take note that 1 = Strongly disagree and 5 = Strongly agree.

1 =	2 =	3 =	4 =	5 =
Strongly	Disagree	Neutral	Agree	Strongly agree
disagree	Disagree	Neutrai	Agree	Strongly agree

	STATEMENT	SCALE				
C1	Being able to keep busy all the time.		2	3	4	5
C2	The chance to work alone on the job.	1	2	3	4	5
C3	The chance to do different things from time to time.	1	2	3	4	5
C4	The chance to be "somebody" in the community.	1	2	3	4	5
C5	The way my boss handles his/her workers.	1	2	3	4	5
C6	The competence of my supervisor in making decisions.	1	2	3	4	5
C7	Being able to do things that don't go against my conscience.		2	3	4	5
C8	The way my job provides for steady employment.		2	3	4	5
C9	The chance to do things for other people.		2	3	4	5
C10	The chances to tell people what to do.	1	2	3	4	5
C11	The chance to do something that makes use of my abilities.	1	2	3	4	5
C12	The way the organisation's policies are put into practice.	1	2	3	4	5
C13	My pay and the amount of work I do.	1	2	3	4	5
C14	The chances for advancement on the job.	1	2	3	4	5
C15	The freedom to use my own judgement.	1	2	3	4	5
C16	The chance to try my own methods of doing the job.	1	2	3	4	5
C17	The working conditions.	1	2	3	4	5
C18	The way my co-workers get along with each other.	1	2	3	4	5
C19	The praise I get for doing a job.		2	3	4	5
C20	The feeling of accomplishment I get from my job.	1	2	3	4	5

#### **SECTION D: INTENTION TO LEAVE**

The following section aims to ascertain the extent to which you intend to stay at the organisation.

Please read each question and indicate your response using the scale provided for each question: Please mark the applicable block.

D1 D2	How often have you considered leaving your job?  To what extent is your current	Never To no	15	To a very
	job satisfying your personal needs?	extent	15	large extent
D3	How often are you frustrated when not given the opportunity at work to achieve your personal work-related goals?	Never	15	Always
D4	How often do dream about getting another job that will better suit your personal needs?	Never	15	Always
D5	How likely are you to accept another job at the same compensation level should it be offered to you?	Highly unlikely	15	Highly likely
D6	How often do you look forward to another day at work?	Never	15	Always

### **SECTION E: DEMOGRAPHICAL INFORMATION**

This information is required for the statistical analysis of the different interest groups.

E1 Your age in years			
E2 Indicate your gender Male Female			
E3 Indicate your race   Black   White   Indian   Coloured   Asian   Ot	her		
E4 Highest academic qualification			
Lower than Senior Certificate (Grade 12)			
Senior Certificate (Grade 12)			
Certificate			
Diploma			
Degree			
Post graduate degree			
E5 Years of work experience			
E6 Years at the organisation			
E7 I am an employee of			
Potchefstroom Academy			
SAAHST			
One of the business subsidiaries (Cantina, Hairtrends, Tina Schöltz Day			
E8 Indicate your occupational level			
Semi-skilled (e.g. Front-line personnel, Administration, Apprentice etc.)			
Skilled worker (e.g. Lecturer, IT, Finances, Qualified therapists/hairdresse			
Skilled worker (e.g. Lecturer, IT, Finances, Qualified therapists/hairdresse Mid-management			
, <u> </u>	-		
Mid-management	-		
Mid-management Senior management	-		
Mid-management Senior management			
Mid-management Senior management Top management			
Mid-management Senior management Top management  E9 Job description			

# **ANNEXURE B**

## STATEMENTS MEASURING THE VARIABLES

AUTONOMY	Employees in the organisation have enough autonomy to do their job without continual supervision to do their work.
	The organisation allows employees to be creative and try different methods to do their job.
	Employees in the organisation are allowed to make decisions without going through elaborate justification and approval procedures.
	Employees in the organisation are encouraged to manage their own work and have flexibility to resolve problems.
	Employees in the organisation seldom have to follow the same work methods or steps while performing my major tasks from day to day.
INNOVATIVENESS	The organisation regularly introduces new courses/services/products/processes.
	The organisation places a strong emphasis on new and innovative courses/services/products/processes.
	The organisation has increased the number of courses/services/products offered during the past few years.
	The organisation is continually pursuing new opportunities.
	Over the past few years, changes in our courses, processes, services and products have been quite dramatic.
	In the organisation there is a strong relationship between the number of new ideas generated and the number of new ideas successfully implemented.
	The organisation places a strong emphasis on continuous improvement in courses/service delivery/processes.
	The organisation has a widely held belief that innovation is an absolute necessity for the organisation's future.
	The organisation seeks to maximise value from opportunities without constraint to existing models, structures or resources.

RISK-TAKING	When confronted with uncertain decisions, our organisation typically adopts a bold posture in order to maximise the probability of exploiting opportunities.
	In general, the organisation has a strong inclination towards high-risk projects.
	Owing to the environment, the organisation believes that bold, wide-ranging acts are necessary to achieve the organisation's objectives.
	Employees in the organisation are often encouraged to take calculated risks concerning new ideas.  The term 'risk-taker' is considered a positive attribute for employees in our organisation.
PRO-ACTIVENESS	The organisation is very often the first to introduce new courses/products/ services/processes.
	The organisation typically initiates actions that competitors respond to.
	The organisation continuously seeks out new courses/services/products/processes.
	The organisation continuously monitors market trends and identifies future needs of customers.
COMPETITIVE AGGRESSIVENESS	In dealing with competitors the organisation typically adopts a very competitive undo-the-competitor "posture.
	The organisation is very aggressive and intensely competitive.
	The organisation effectively assumes an aggressive posture to combat trends that may threaten our survival or competitive position.
	The organisation knows when it is in danger of acting overly aggressive (this could lead to erosion of our organisation's reputation or to retaliation by our competitors).

AFFECTIVE COMMITMENT	I would be happy to spend the rest of my career with the organisation.
	I enjoy discussing the organisation with people outside it.
	I feel as if the organisation's problems are my own.
	I do not think I could become as attached to another organisation as I am to this organisation.
	I feel like "part of the family" at the organisation.
	I feel emotionally attached to the organisation.
	The organisation has personal meaning for me.
	I feel a strong sense of belonging to the organisation.

JOB SATISFACTION	Being able to keep busy all the time.
	The chance to work alone on the job.
	The chance to do different things from time to time.
	The chance to be "somebody" in the community.
	The way my boss handles his/her workers.
	The competence of my supervisor in making decisions.
	Being able to do things that don't go against my conscience.
	The way my job provides for steady employment.
	The chance to do things for other people.
	The chances to tell people what to do.
	The chance to do something that makes use of my abilities.
	The way the organisation's policies are put into practice.
	My pay and the amount of work I do.
	The chances for advancement on the job.
	The freedom to use my own judgement.
	The freedom to use my own judgement.  The chance to try my own methods of doing the job.
	, , ,
	The chance to try my own methods of doing the job.
	The chance to try my own methods of doing the job.  The working conditions.

	How often have you considered leaving your job?
	To what extent is your current job satisfying your personal
	needs?
INTENTION TO	How often are you frustrated when not given the
INTENTION TO	opportunity at work to achieve your personal work-related
LEAVE	goals?
LEAVE	How often do dream about getting another job that will
	better suit your personal needs?
	How likely are you to accept another job at the same
	compensation level should it be offered to you?
	How often do you look forward to another day at work?