The perceived impact of effective compensation designs and personal values on employee commitment within different brands in an organization

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DECLARATION

I declare that *"The perceived impact of effective compensation designs and personal values on employee commitment within different brands of an organization"* is my own work, that it has not been submitted before for any degree or examination in any other university, and that all the sources I have used or quoted have been indicated and acknowledged as complete references.

Lyndall De Jager

Date: 23 March 2023

Signature:

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ABSTRACT

An organization ultimately requires its employees to be committed and loyal. In order for organizations to keep up and increase their performance. It is preferable for organizations to have employees who are commitment to the jobs and their organization. The purpose of the study is to determine the relationship between compensation, personal values, and organizational commitment, and to establish the relationship between these variables. The main purpose of this study was to discover firstly which components of a compensation package results in employee commitment and whether compensation satisfaction as well as personal values results in employees being more committed to an organization. The study was based on different brands of an organization. The research was conducted based on the sequential explanatory research design which is a mixed method. Firstly, a quantitative data collection took place, and thereafter a qualitative study commenced. The data analysis was performed using SPSS and ATLAS.ti. The research results indicated that there were large significant correlations between compensation and values as well as with commitment and compensation. Furthermore, correlation between values and commitment was found to be small to medium, although it was found that values do contribute to commitment in a unique sense. The study concluded that most common commitment found within this study was not continuance commitment, but information provided confirmed that there was affective commitment.

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CHAPTER ONE

INTRODUCTION AND BACKGROUND OF THE STUDY

1.1 Introduction and background

The success and effectiveness of most organizations in the 21ˢᵗ century is a function of the calibre and attributes possessed by their employees. One of these important attributes pertains to the commitment of the employees to the organization. An organization inherently requires its employees to be committed and loyal in terms of their roles, their functions, and their contribution to the effectiveness and the existence of the company. Organizations do not recruit talent with the intention to have employees resign or leave the organization. Generally, commitment refers to the state or quality of being dedicated to a cause or an activity, but this definition is only a vague description of the depth of 'commitment'. Not only can the quality of commitment be practiced in one's personal life but in the workplace as well. With this in mind, the components of personal life commitment vary from organizational commitment and of course there are similarities between the two

The occurrence of organizational commitment is not a random variable it depends on a myriad of factors such as job satisfaction. Several studies in literature have documented the importance of job satisfaction in influencing employees' organizational commitment (Coetzee, 2005, Grego-Planner, 2019). However, due to the complexity of the working man, job satisfaction alone may not necessarily lead to commitment. Employees may be motivated by different facets of job satisfaction such as the salary and the fringe benefits while others' commitment is influenced by opportunities for personal development. A typical example of this would be a senior manager of an alcohol beverage company may stay committed to the organization due to its salary package and benefits but on the other hand he or she may also intend to quit due to religious beliefs or his value systems. Another example of the above is whereby an employee is committed to an organization not due to the salary and benefits but rather due to the fact that their values and upbringing is of the nature that they stay committed though unhappy. A final example would be whereby an employee is satisfied with both their salary packages as well as their value system.

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Today's corporate world is extremely competitive, business models are evolving; and technology is taking over the world. In order for an organization to continuously achieve success and to drive profits, each employee needs to be committed, not only to the organization but to its objectives as well (Coetzee, 2005). For example, job satisfaction as a means to build organizational commitment has evolved vastly over the last few years. Factors that may have resulted in job satisfaction 10 years ago might possibly not result in the same job satisfaction in current times. A strong dimension of job satisfaction is compensation satisfaction. There are many other factors that may contribute to employee commitment to an organization, for example an employee' personal values and characteristics; or the employee may fear changing organizations due to anxiety that emanate from delving into the unknown. In the past the loyalty of employees was achieved through job security (Coetzee, 2005), and currently there are many other factors such as fair remuneration, time off, benefits, etc.

As mentioned before there is a wide range of research studies that established that there are three different types of organizational commitment and different ways in which an employee can be committed to an organization. The three different types of commitment are: affective commitment, continuance commitment and normative commitment (Becker, et al., 2004; Meyer, 2004). The main differences in these three types of commitment are the mind sets that drive the commitment. In other words what led these employees to become committed to their organization? The three types of commitment are described below:

- Affective commitment refers to an employee's emotional attachment to the organization and how he or she identifies with the organization; and how much he or she is involved with the organization.

- Continuance commitment refers to the cost involved when an employee leaves the organization. In other words the employee feels guilt for having to leave an organization after what the company has done for him or her (Coetzee, 2005). Another example of this is where the employee has a sense of guilt about the cost involved for the company to replace him or her.

- Normative commitment refers to when an employee does not want to leave the company because he or she feels obligated to continue employment as the consequences of leaving are too large to bear (Coetzee, 2005). An example of this
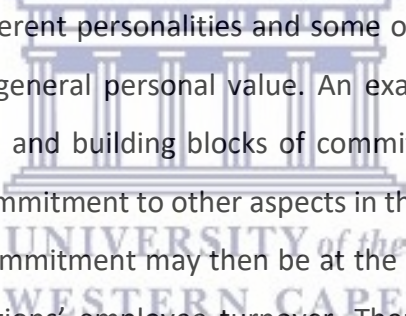
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would be to give an employee rewards in advance or paying for training (Coetzee, 2005). An employee may join an organization based on a trainee management program or sales management programme. Their contract may include a clause that states that he or she may not leave the organization within a certain period and that resignation or dismissal may result in debt to the company. Companies include clauses of that nature due to the investment they put into the development of the employees. This then causes an employee to be committed to the organization whether he or she wants to be there or not.

Studies have confirmed affective commitment as the most beneficial and effective in terms of job performance, organizational citizenship, and attendance (Mahembe & Engelbrecht, 2013; Meyer, 2004). Further research speaks to a term called organizational citizenship behaviour which is seen in light of the term organizational commitment. When an employee has organizational citizenship behaviour it means that he or she is whole heartedly a member of the organization and that employee is involved and voluntarily undertakes actions that are not just to their benefit but to the benefit of the organization as well (Grego-Planner, 2019). Research was conducted to determine how organizational commitment affects Organization citizenship behaviour and it was found that organizational commitment has constantly been found to be the most significant determinant of organizational citizenship behaviour (Grego-Planner, 2019). There are many benefits of having employees in an organization that are committed. Such employees have higher job performance, they are more productive and more satisfied within their jobs (Grego-Planner, 2019). Looking at the larger picture, the organization in total is then more productive and achieves higher profits and thus reduces employee turnover (Grego-Planner, 2019).

1.2 Problem Statement

Organizational transformation is rapidly taking place in all organizations in the form of both total transformation and departmental transformation. Organizations are evolving and transforming day by day. Some organizations are battling to stay abreast of the new world of works, the new technologies and business process while other are thriving and responding well to these disruptors. In order for organizations to keep up and increase their performance, organizations are resorting to having more committed employees to boost their success rates

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given the ever-changing environment. Having committed employees who can take these transformational steps and evolving leaps of faith may be more beneficial to the company than to have a high employee turnover making it hard for change to take place effectively. Some organizations are struggling to retain employee hence making it quite tough to respond to disruptors or implement effective change management. In order for organizations to increase their capacity to respond to the external environment, it requires not only a good company strategy but also the correct employee commitment. But not every employee is committed for various reasons. The issue is what results in organizational commitment? And how does an organization ensure that their employees are committed for the right reasons for the benefit of the organization. As stated above there are three different types of commitment to an organization and this basically has to do with the thinking process or the mindset that employees have of the organization. Therefore one needs to discover how to get employees to have affective commitment to an organization which is the most beneficial commitment an employee can have.

An organization consists of different personalities and some of these personalities may not value commitment as a basic general personal value. An example of this may be that an employee lacks the foundation and building blocks of commitment in their personal lives, which may result in a lack of commitment to other aspects in their lives such as their job, and relationships among others. Commitment may then be at the bottom of their priorities and this may increase an organizations' employee turnover. Therefore whether an employee values commitment in their personal lives may impact whether or not they value commitment in an organization or to the organization.

The main aim of this study is to investigate what leads to organizational commitment in terms of remuneration packages and personal values and whether it has any impact on an employee commitment. It is important that employers understand what will result in an employee remaining with an organization and to implement strategies that will lead to high levels of organizational commitment.

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1.3 Research Questions

Below are the main and specific research questions that will be answered at the end of this study.

1.3.1 Main Questions

- Is there a relationship between compensation structures and employee organizational commitment?
- Are there specific compensation components that result in organizational commitment?
- Do employees' personal values have an effect on employee organizational commitment?
- Is compensation structures more of a determining factor than employee's personal values when it comes to organizational commitment?
- Is it important for employees' values to be aligned to an organization to result in organizational commitment?

1.3.2 Specific Questions

- What are the top five compensation components that employees perceive as most influential to their commitment to the organization?
- How do employee benefit structures impact employee retention such as vehicle benefits, housing benefits, and bonus benefits?
- Would employees of a company prefer to find their own medical aid and pension fund, or do employees perceive the company's medical aid and pension fund the most beneficial
- What are perceived as the most important benefits employees require to become or remain committed
- What is perceived as more important: for employees to have a more cash on their compensation package, or more benefits
- Does organizational commitment result from personal commitment and personal values

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- Can employees be committed to their organization and not value personal commitment

- Are employees willing to work for an organization where their values are not aligned with the organization's values

- Is it more common to have more affective committed employees or continual committed employees?

- Did the international pandemic (Covid-19) hinder or increase their compensation satisfaction and in turn increase/decrease their commitment to their organization

1.4 Research Objectives

There are many different contributing factors to organizational commitment, for example job satisfaction, compensation satisfaction, job security, autonomy, personal characteristics, loyalty etc. Below the main research objectives and specific research objectives will be discussed around this subject

1.4.1 Main Research Objectives

At the end of this research study, the relationship between compensation satisfaction, personal values as well as organizational commitment, ought to be confirmed. The purpose of this study is not only to determine the relationship between compensation, personal values, and organizational commitment- but rather to get a more in-depth sense of *how* these variables relate. The main objective of this study is to discover firstly which components of one's compensation structure results in employee commitment; and whether an employee's personal values in relation to organization commitment results in higher organizational commitment.

The focus of this study will be around the components of compensation/remuneration structures and benefits and how the structure impacts on the employee in terms of their commitment.

Commitment to an organization can be related to both aspects of compensation as well as employees' personal values. The second part of this study is to establish whether the personal values of an individual employee have an effect on his/her commitment to an organization.

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Moreover in regard to personal values the study aims to determine whether the alignment of one's personal values and organizational objectives result in organizational commitment.

1.4.2 Specific Research Objectives

The specific aim of the research is to establish which components of the compensation structures and benefits result in organizational commitment and whether or not there are specific rewards, or components that are more significant for organizational commitment than others. Furthermore, the aim of the research is to determine how one's personal values in terms of commitment impact on organizational commitment. Lastly, the aim of the study is to determine the variable that influences organizational commitment the most and whether or not organizational strategies are to be targeted at personal values rather than compensation structures. So firstly does compensational structures result in organizational commitment (and how); then does personal values impact organizational commitment (and how); and finally between the two independent variables which one is perceived as more significant to increase employee retention.

1.5 Significance of Research

Organizational development and the ever-changing transformational nature of organizations are becoming more and more prevalent. Organizational development practitioners have an aim to make organizations more effective, to make employees more productive, and to make the organization more adaptable to change. These changes are intentional with the aim of improving an aspect, department and or the entire organization. The idea of this is not to write about organizational development but rather to determine how organizational commitment affects organizational development practitioners and the fulfilment of their duties. Change is better implemented when an organization consists of committed employees. The functionality of that organization is automatically better. The question is, how is that commitment determined and is that commitment the correct type of commitment that drives employees positively?

Once it is established and found how employee remuneration positively affects employee commitment and once it found how to match employee values and company values- then

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organizations will have a much better chance of having employee commitment and thus the organization will have a lower staff turnover, more productive employees, healthier employees and the organization will drive higher profits. On the other hand, if employees are driven by negative enforcements or a type of commitment that has a negative connotation, it will result in the inverse. The company will then not be able to effectively implement change and their growth or performance will then decrease.

The proposed research will be beneficial to remuneration committees of different organizations as it may guide them as to which benefits and structures of compensation will be most effective in retaining employees and developing organizational commitment within the organization. It will further assist employers in developing retention strategies and to determine the focal points of employee retention strategies.

1.6 Outline of the study

The outline of the thesis consist of five chapters.

Chapter 1: This chapter presented an overview of the study, the problem statement, research objectives, as well as the significance of the study.

Chapter 2: This chapter presents the literature review guiding the study in terms of the conceptualization of the variables used in the study as well as what other scholars have written on the topic of the current study.

Chapter 3: Research methodology – This chapter provides the details pertaining to the methods used for the data collection, sampling method used as well as how the data will be analysed and the ethical considerations that were observed during the data collection process.

Chapter 4: Presentation of results – the results from the qualitative and quantitative data collected for the study are presented in this chapter.

Chapter 5: Discussion, conclusions and recommendations - A detailed discussion of the findings of the study is done in this chapter. The recommendations for practice are also provided in this chapter.

1.7 Summary

The core objective of an organization is to be successful, productive, and profitable. With the ever-changing environment and the evolution of organizational development strategies within the country and the HR field, it is of great significance that appointed talent is committed to the organization. Employee commitment is essential for when change takes effect and when change is implemented. It is believed that it is easier to implement change with committed employees than to implement change in an organization that has high employee turnover. The research to be conducted has a specific aim to discover which components of compensation designs, and personal values, result in employee commitment to an organization.

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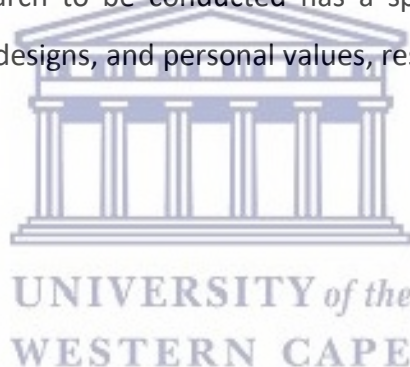
CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

There is a large body of literature defining organizational commitment and the factors influencing commitment. It is important to reiterate that the purpose of this study focuses on organizational commitment and specific factors influencing organizational commitment, with a specific focus on compensation and an individual's personal values. AL- Jabari and Ghazzawi (2019) indicated that there are many articles regarding different causes of commitment but some have not received enough attention from researchers. The review of the literature aims to highlight different and similar definitions of the variables that different authors investigate and publish. Not only will the different arguments be highlighted but the similarities regarding the dependent variable (organizational commitment), and the two independent variables (compensation, and personal values) in the workplace. These are the three variables to be discussed, defined and described. In addition the relationship between the variables will be explained as a result from historical findings.

2.2 Organizational Commitment

According to Parashakti, Nashar, and Usliawati (2017) organizational commitment is defined as the degree to which employees believe and accept the organization's goals and their desire to remain with the organization instead of leaving to work for a different organization. Moreover Commitment refers to the attachment of a person on the achievement of organizational goals (Supriyanto, 2016). There are many factors that affect Organizational Commitment in general, these include organization culture, working relationships, management style of employers, personal characteristics and working environment (Daniel, 2019).

Human resources (HR) play an important role in retaining employees and structuring remuneration in a way that it is market related (Tentama, 2015). One of the critical responsibilities of human resource (HR) managers is to understand the factors that create

employee commitment, and thereafter use that information to increase employee retention and productivity (AL- Jabari & Ghazzawi, 2019). Employees who are committed to an organization and their jobs are willing to put their best performance and are usually engaged and involved; in turn this ensures that the organization achieves its goals (Daniel, 2019). Therefore organizational commitment can be defined as the degree in which an employee is willing to maintain membership due to interest and association with organizations goals, values, and objectives (Daniel, 2019). Vizano et al. (2020) concurs that HR is a very important factor in the effectiveness of an organization and HR is required to contribute to achieving the organizations goals. There are many factors that influence achieving organization objectives whereby organizational commitment is one of the core influential factors as well as compensation (Vizano et al., 2020). Both these factors play a role in determining the performance of employees and according to Vizano et al. (2020), high performance result in higher efficiency, high effectiveness and high quality.

Riana and Wirasedana (2016) defined organizational commitment as a reflection of loyalty from employees and the continuous process where employees express their interest, continuous success, and improvement to the organization. Vizano et al., (2020) concurred and defined organizational commitment as the level at which an employee feels loyal to a particular organization. Riana and Wirasedana (2016) further indicated that organizational commitment is an individual's attitude that includes: strong desire to be part of the organization, strong desire to act in the best interest of organization, strong belief in the organization, and can accept the value and goals of the organization.

Riana and Wirasedana (2016) further stipulate that commitment means for the employees to not only stay in the organization for a longer time, but also to give their best efforts and be loyal to the organization. Employees with high organizational commitment will show better performance, lower turnover intentions, and higher attendance records (Riana & Wirasedana, 2016). In addition, Vizano et al. (2020) explains that organizational commitment speaks to the degree to which an employee believes in and accepts the goals of the organization and still has the desire to remain with the organization. Similarly AL- Jabari and Ghazzawi (2019) define organizational commitment as the intensity of an employee's identification with an organization, and an employee's involvement in that particular

organization. In other words, how strongly does an individual identify or relate to an organization and how involved that individual is in that organization. AL- Jabari and Ghazzawi (2019) further stated that organizational commitment refers to an employee's identification with the organization's values and goals.

Further arguments brought forth were that organizational commitment is related to an employee's attitude towards the organization and how much that employee relates to the organization's vision (Riana & Wirasedana, 2016). Committed employees are more likely to show higher productivity, better customer service and lower employee turnover (Riana & Wirasedana, 2016). Similarly Vizano et al. (2020) highlighted that organizational commitment is the psychological relationship of an employee to the organization and it includes contribution, loyalty, and trust from the employees. In conjunction Organizational commitment relates to a high desire to share and sacrifice for the organization thus Supriyanto (2016) defines organizational commitment as how strongly the employee feels committed to the organizational goals. Supriyanto (2016) further stated that employees who have high organizational commitments will be more motivated to get involved in organization and to achieve goals.

As stated above, organizational commitment is an attitude approach that focuses on the way in which individuals think about their relationship with the organization, by aligning their vision, mission and goals with the organization. As cited in Vizano et al. (2020), Salam and Sahrah (2019) stated that organizational commitment is a form of psychological actualization that describes the bond between an employee and the organization, and contains thoughts of considering whether or not to stay at an organization. In conjunction to this ,the understanding of the employees' psychological attachment to the organization that is based on one's attitude, organizational identification or involvement, and loyalty, is imperative for understanding the subject of organizational commitment (Porter, Steers, Mowday, & Boulian, 1974; Singh & Gupta, 2015). Porter et al. (1974) developed the idea of employee attitude as a perspective that includes either a psychological or an affective relationship between the employee and the organization, which is dependent upon the employee's identification with, and involvement in, the organization. This is where the exchange theory of employees came about (Porter et al., 1974). Accordingly, Porter et al. (1974) employee commitment was

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defined as "an attachment to the organization, characterized by the intention to remain in it; an identification with the values and goals of the organization; and a willingness to exert extra effort on its behalf. Individuals consider whether their personal goals and values align to those of the organization, and if so, there is a greater likelihood of loyalty and attachment of the individual to the organization (AL- Jabari & Ghazzawi, 2019)

Vizano et al. (2020) cited Mowday Ali, et al., (2011) stating that organizational commitment is the belief an employee has in the organizational values, a willingness to do business for the organization, loyalty to the organization, and the belief someone has in the goals of the organization- leading them to remain at that organization. Organizational commitment could also serve as a predictor of employee effectiveness in carrying out the mission and vision of the organizational leadership (AL- Jabari & Ghazzawi, 2019). According to AL- Jabari and Ghazzawi (2019) If employees are not vested in an organization were offered other opportunities, or alternative benefits, they would be willing to leave the company despite other factors.

Employees who are committed have a sense of purpose and in turn this may help them to value and advance organizational goals and objectives (AL- Jabari & Ghazzawi, 2019). AL-Jabari and Ghazzawi (2019) further states that organizational commitment is a spontaneous, organic process that develops through the association of an individual to the organization. Moreover other authors held that individuals were committed to an organization only so far as they held a
particular position in the company (AL- Jabari & Ghazzawi, 2019).

As cited in Vizano et al. (2020), Meyer and Allen (1984) defined Organizational commitment as a person's feeling of dedication to work in the organization, a willingness to work hard and an intention to keep working in the organization.

Concurrent to the exchange theory development of Meyer and Allen, O'Reilly (1989) defined organizational commitment as an individual's psychosocial connection to an organization, which included an employee's job involvement, loyalty to the mission or goals of the job or the profession, and a willingness of an individual to exert further effort on behalf of the

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organization. If an employee accepted that his or her personal values were adequately reflected in the work of the organization, there was a greater likelihood of remaining loyal to the company over longer periods of time. (AL- Jabari & Ghazzawi, 2019)

As a result of the study, Meyer and Allen (1984) viewed employee commitment as being two-dimensional. The first dimension, referred to as the affective dimension, is defined as the positive identification with, attachment to, and involvement with the organization (Mahal, 2012; Meyer & Allen, 1984). The second dimension, referred to as the continuance dimension, is defined as the extent to which an employee feels committed to his or her organization as a construct of his or her compensation (AL- Jabari & Ghazzawi, 2019)

On the other hand other authors viewed employee commitment as three-dimensional- Vizano et al., (2020) as well as Parashakti, Nashar, and Usliawati, (2017) highlighted the three (3) indicators of organizational commitment, as follows

- Affective commitment whereby employees will remain with an organization and become a part of the organization because they want to or have the desire to.
- Continuous Commitment, which can be described as when an employee is committed based on cost awareness whereby risks are considered should they leave the organization. These employees stay in an organization because they need to.
- Normative Commitment, which means that employees will stay with an organization because they have to.

2.2.1 Affective Commitment

AL- Jabari and Ghazzawi (2019) defined affective commitment as an emotional attachment to the organization such that the strongly committed individual identifies with, is involved in, and enjoys membership within the organization- and further noted that an individual's attitude is directly related to whatever personal values they bring to the organization. How individuals identify and involve themselves within an organization exemplifies the relative strength of affective commitment. According to Vizano et al. (2020) Organizational Commitment that develops well for employees is affective commitment. Moreover affective commitment, is the psychological construct that forms the basis of commitment (Cohen,

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2007). Cohen (2007) made a distinction between affective commitment based on instrumental considerations that is defined as the general expectation of benefits and rewards for job performance and affective commitment based on psychological attachment, which includes a moral obligation to the organization. Parashakti, et al. (2017) defined affective commitment as to when an employee has a psychological attachment to an organization based on feelings. There are perceived benefits of such commitment (Parashakti, Nashar, & Usliawati, 2017).

2.2.2 Continuance commitment

The second dimension, as developed by Meyer and Allen (1991), relates to a cost-benefit analysis of the employee, such as the loss of economic investments and difficulties in finding a new job. Whether the employee remains with a company is evaluated in terms of the perceived costs of leaving (AL- Jabari & Ghazzawi, 2019).

Organizational members develop commitment because of the positive extrinsic rewards obtained without necessarily identifying with the organization's goals and values. The continuance dimension of employee organizational commitment is often the primary factor in an employee's cost-benefit analysis of remaining with the organization. AL- Jabari and Ghazzawi (2019) investigated which dimension of organizational has the greatest influence on the decision to leave an organization, and CC did not appear to be related to employee retention. The strength of continuance commitment is determined by the perceived costs associated with leaving the organization. If the perception exists that the costs leaving are too high, then the individual is likely to remain. Individuals may consider the costs of leaving too high solely because they are attached to accumulated investments they could lose, such as pension plans, seniority, or organization-specific skills. Conversely, when given better alternatives, with lower perceived costs, employees may leave the organization. The need felt by individuals to stay within an organization are profit based, associated with continued services, while the termination of benefits is a cost associated with leaving. (AL- Jabari & Ghazzawi, 2019). Continuous commitment on a different note refers to a psychological attachment to an organization because of the cost that they would incur should they leave

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the organization. This study will make reference to all three the above dimensions in order to conclude the study.

2.2.3 Normative commitment

Normative commitment refers to when employees are committed to an organization because they feel they have a moral obligation to maintain the relationship with the organization (Parashakti, Nashar, & Usliawati, 2017).

(Vizano et al., 2020) states that in order to build strong commitment and develop a strong retention strategy, it is essential to investigate what results in organizational commitment, to determine what causes employee turnover. It is important for organizations to have a strategy to respond to competition and also to retain staff in order to be successful consistently (Tentama, 2015). In order for an organization to be successful is dependent on employee performances and commitment (Tentama, 2015). Vizano et al. (2020) defines turnover intention as the willingness or desire of employees to leave an organization by choice. Allen (2008) conducted a study to determine why employees are not committed to an organization and what potentially causes turnover and seven (7) causes were identified, namely:

- Supervisor bias
- Pay inequity
- Less interesting jobs
- Performance pressures
- Blocked careers
- Unsupportive co-workers
- Sexual harassment

According to Allen (2008) Most of the causes above can be corrected with training or with HR practices (example compensation schemes, sexual harrassment policies, performance management etc). Moreover, research states that when an organization develops retention strategies that consideration should be given to generational differences (Allen, 2008). It was found was employee turnover declines with age and that different generations look for

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different things in their professional lives (Allen, 2008)- Generation X (born 1965- 1970s) values rewards, technology and work life balance which will keep them committed to an organization whereas Generation Y (born 1980s to 2000s) tend to change jobs frequently. Allen (2008) further provides an example that younger employees may value advancement and work life balances more than older employees, thus causing them to leave an organization quicker than an older employee. (Supriyanto, 2016) further concurred and stated that younger employees are more committed to their individual interest rather than the success or the achievement of organizational goals, therefore generational differences in employees' reason for leaving may be essential.

2.3 Compensation

Compensation has evolved immensely over the last few decades. At first, employees were paid only with cash- Salary or wages, with no modern day benefits workers and their families had the risk of sickness, unemployment and old age in terms of finances (Moehrle, 2003). In other words employees were not offered medical aid, pension fund, unemployment insurance fund, disability benefits etc. This changed over the years when organizations started to incorporate non-cash benefits into compensation packages. Organizations embarked on incorporating different compositions of cash compensation and non-cash compensation. Benefits then accounted for almost one filth of the salary (Moehrle, 2003). Salaries evolved from being just a salary to total rewards (Sedlak, 2015). Total Rewards embodied the holistic approach to work related returns (compensation) and was described as tools to attract, motivate, engage, and retain employees (Sedlak, 2015). According to Sedlak (2015), the way payment was structured affected the competitive advantage of the organization whereby employees look for jobs with better returns. Management started to look at remuneration as an investment and is now a tool for organizations to achieve their goals. Sedlak (2015) indicated that the next step will be optimization of reward packages to adapt it to human perception.

One of the most complex functions of the human resource manager is compensation. According to Adenike (2009) Organizations may regard employee compensation as a top priority, and with good reason of course. The compensation system and policies serve as one

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of the most important factors for attraction, employee retention as well as motivation (Adenike, 2009). Organizations are not only concerned about compensation as a cost of employment but also because it is a determinant factor when it comes to taking a job, leaving a job, and one's performance (Adenike, 2009).

Compensation is further of great significance to employees as much as it is to organizations for the reason that impacts their lifestyle, and their self-esteem. Employees particularly are concerned that they are paid fairly and adequately (Adenike, 2009). There are many reasons why employees regard compensation as vital and these reasons can be viewed from different perspectives. Employees regard compensation as important for the economic and political role that it plays (Adenike, 2009)- it is said that if employees are not compensated or compensated fairly, many people will not work (Adenike, 2009). On the political side, compensation or money affects one's influence and power. Socially compensation is very important as money may classify people in different classes as it speaks to the status of people (Adenike, 2009). In any organization one's position influences one's salary grade which in turn determines an individual's social status. In addition to this, money has a psychological impact on employees as well. How an employee perceives their salary can impact whether or not an employee will be motivated to deliver and perform in line with the attainment of high productivity and profitability (Adenike, 2009). Moreover, how employees perceive their compensation will reinforce positive attitudes and behaviour in a manner that will benefit the organization (Adenike, 2009).

The natural beginning of an employee-employer relationship starts off with an offer letter that details the compensation (Daniel, 2019). Employees usually accept job opportunities based on the compensation being offered to them (Daniel, 2019). According to Osibanjo, Adeniji, Falola, and Heirsmac (2014) compensation is defined as direct or indirect compensation rewards for work done received by employees in order to retain these employees and keep them satisfied. Compensation plays a key role and is said to be the core of the employment relationship (Gerhart, Minkoff, & Olsen). Decisions around compensation in an organization may influence the employer's ability to compete for employees in the labour market to attract and retain hence the importance around it (Gerhart, Minkoff, & Olsen, 1995). Similarly to (Osibanjo, Adeniji, Falola, & Heirsmac, 2014) both definitions include

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that the purpose of compensation is to reward and retain. Based on Gomez-Mejia and Welbourne (1988) reference is made to the compensation strategy as the competitiveness that represents the total pay package in relation to the competition. Gomez-Mejia and Welbourne (1988) states that setting pay rates higher than the market will usually enhance a firm's ability to attract and retain and it will possibly make employees feel part of an elite group.

Daniel, (2019) Suggested that by the process of developing an appropriate compensation management system allows an organization to provide tangible/fixed value as well as intangible value to employees. According to Tentama (2015), financial as well as non-financial compensation has a great influence on both employee performance and Organizational Commitment. Similar to Osibanjo, Adeniji, Falola, and Heirsmac (2014) it is said that designing a compensation program is significant in HR management because it has a direct influence on employees' satisfaction and their performance. Compensation refers to the rewards given by the organization to employees for their performance.

According to Tentama (2015) compensation may include salary, wages, bonus, life and health insurance, social assistance, pension, leave, vacation, growth/development, educational grants, car allowance, house subsidies etc (Tentama, 2015). Different organizations may use different compensation structures, different pay systems and different pay practices (Gerhart, Minkoff, & Olsen, 1995). For each organization it is different due to the difference in revenue, profits, and industry (Gerhart, Minkoff, & Olsen). Not only does it differ from organization to organization but also from job to job or grade to grade (Gerhart, Minkoff, & Olsen, 1995).

Each compensation package should comprise different components. In other words there may be a different mix of benefits versus actual cash (Gerhart, Minkoff, & Olsen, 1995). According to (Gerhart, Minkoff, & Olsen, 1995), a good compensation strategy rests on its fit with other HR strategies and the fit with the organizational strategy. Proper compensation systems may boost employees' desire to stay with the organization and increase job satisfaction (Kee, Ahmad, & Abdullah, 2016). Research has previously found that there is a

significant relationship between financial compensation (salary, bonus, merit pay) and organizational commitment (Kee, Ahmad, & Abdullah, 2016).

Direct compensation refers to wages, salaries, bonus, or commission whereas indirect compensation may include medical aid, petrol allowance, car allowance, annual leave, and housing allowance, meal allowance, incentive bonus, shift allowance, holiday premium (Osibanjo, Adeniji, Falola, & Heirsmac, 2014). This may differ from organization to organization as some organizations have a guaranteed incentive bonus and others a non-guaranteed bonus system.

One's "pay-cheque" is a way to communicate the value and importance of their input to the organization (Osibanjo, Adeniji, Falola, & Heirsmac, 2014). According to the instrumentality theory, remuneration is a source of power and a means of employees acquiring necessities and luxuries (Osibanjo, Adeniji, Falola, & Heirsmac, 2014). Remuneration further ensures the willingness and commitment to excel on the job which in turn results in employee retention. A compensation package must be attractive and according to Osibanjo, Adeniji, Falola, and Heirsmac (2014) compensation is a symbol of what an organization believes is valuable and what value an organization sees in you. Therefore it is of great significance to note that compensation is not only about the money, but also other factors such as standard of living and lifestyle (Osibanjo, Adeniji, Falola, & Heirsmac, 2014).

According to Osibanjo, Adeniji, Falola, and Heirsmac (2014) it has been emphasized that compensation must be designed properly and carefully with a specific intention to satisfy and retain employees. Some studies have indicated that an effective compensation strategy is one where the salaries paid is market related to the same/similar job in other organizations. Other studies may disagree that this is the only way employees will be satisfied with their compensations packages. There are many different theories around compensations namely: Expectancy theory, Equity theory, and agency theory) the expectancy theory as stated above which refers to when employees are rewarded in future for specific goals or targets (Gerhart, Minkoff, & Olsen). These goals are pre-determined and if there is a match between the reward and goals obtained, it will result in satisfaction (as per the theory) (Gerhart, Minkoff, & Olsen, 1995). The equity theory on the other hand suggests that employees will feel more

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satisfied with their compensation packages if it relates or is on the same level as someone at a different organization or if he or she gets out what they have put in (Gerhart, Minkoff, & Olsen, 1995). If the "return on investment" is satisfactory then employees are more likely to remain at an organization (Gerhart, Minkoff, & Olsen, 1995)

The relationship between compensation and organizational commitment: According to Daniel (2019), compensation management positively influences organizational commitment. It was furthermore found that compensation management leads to better performance, improved management, good working relationships amongst employers and employees, and increased organization commitment (Daniel, 2019). Daniel (2019) further states compensation management aims to satisfy employee needs and if employee needs are met, they become satisfied with the work, and when they are satisfied they would want to achieve more in order to earn more, and they would also want to remain loyal and commit to the organization that looks out for them (Daniel, 2019). This may be viewed as a pattern and cyclical method of how compensation is related to organizational commitment. According to Daniel (2019) there is a strong direct relationship between compensation and organizational commitment.

Compensation is a systematic approach to providing monetary value to employees in exchange for work performed as stated above (Patnaik & Radhi, 2012). An effective compensation management system will boost performance and increase organizational commitment. Compensation may positively and negatively affect an employee's work performance based on its structure. Patnaik and Radhi (2012) indicates that compensation is an integral part of human resources management as an approach to improve productivity. Compensation management deals with the design implementation and compensation system to enhance performance.

According to Patnaik and Radhi (2012) the success or failure of an organization hinges on the ability to attract, develop, retain, and diversity. Furthermore compensation management implies having a compensation structure where employees who perform better are paid more than the average performing employees. In contrast linking this back to previous literature, the equity theory indicates employees feel more satisfied if they are paid equally according to the market and job performance (Patnaik & Radhi, 2012)

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With regards to developing a compensation strategy- each organization has a different compensation scheme which is suited to the vision, mission and goals of that particular organization Vizano et al. (2020). A target retention strategy refers to compensation strategy for a specific group of people or for a specific department (Allen, 2008). Allen (2008) states highlights ways in which organizations can retain employees, one of which is to incorporate performance based rewards and to (Allen, 2008). Therefore you can explicitly link rewards to retention (Allen, 2008)

According to Riana and Wirasedana (2016), there is a relationship between good performance and an organizations compensation system. Compensation should be structured in a way that employees are satisfied so that it impacts performance positively (Riana & Wirasedana, 2016). Furthermore it is important that the compensation strategy is in line with the overall organisation's strategy. Riana and Wirasedana (2016) further added that one of the significant ways that company management can improve motivation, and performance is the use of compensation. Allen (2008) though argues that pay levels and pay satisfaction are only modest predictors of people's turnover decisions, and thus, you need to carefully consider how you use rewards to retain employees.

Vizano et al. (2020) Cited (Kadarisman, 2012) where wage is defined as the remuneration of workers based on their status as an employee contributing to the success of the organization. Vizano et al. (2020) further indicates that a company has a wage level and that wage level is critical to the organization as it impacts on the organization's capacity to recruit, retain skilled employees, and the organization's competitive position in the market.

Three objectives can be accomplished through a good payroll strategy, namely: to attract employees, to retain current employees and to prevent high employee turnover, maintain current workers at a standard of salary and to prevent expensive employee turnover (Vizano et al., 2020)

(Vizano et al., 2020) Stated that with adequate compensation, an employee will perform better which in turn is in favour of achieving organizational goals. As cited in (Vizano et al.,

2020) (Murty & Hudiwinarsih, 2012) highlights that compensation may serve as a tangible measure individual value for the organization. . The provision of compensation is a strategic human resource function that has a significant impact on other human resource functions (Vizano et al., 2020).Previous studies have shown that organizational loyalty neutralizes the ability to quit (Vizano et al., 2020).

In general, employee performance is influenced by commitment from the employees themselves and compensation (Vizano et al., 2020). As cited by Vizano et al. (2020) Asbari (2019) Further indicated that when an employee is satisfied with their compensation, it significantly affects their organizational commitment implying that members who are paid better in organization will show more willingness to identify and engage in their work. In addition, an adequate compensation system, especially in relation to employee performance, should be owned by organizations with higher environmental uncertainty (Vizano et al., 2020). As cited in (Vizano et al., 2020) According to Pramono (2014), the key to organizational success depends entirely on employee commitment to the organization.

Gomez-Mejia and Welbourne (1988) states that a compensation strategy is the range of pay choices available to management that may, under some conditions, have an impact on the organization's performance. Allen (2008) states that rewards can be tailored to meet individual needs as each employee's preference may differ, in other words certain employees value rewards and others not. Internal compensation structures, fair compensation, and tailored rewards may result making an organization competitive in talent attraction (Allen, 2008).

According to Trevor (2008), compensation is designed as a means of aligning a company's employees to the strategic direction of the organization, gain competitive advantage, and to promote shareholder value. Trevor (2008) further indicated that, strategically designing compensation may not always have positive outcomes and that there are risks involved when mismanaged. If compensation is managed improperly, a number of negative outcomes may result, ultimately diminishing company performance and destroying value in place of creating it (Trevor, 2008). On the contrary there are many benefits of strategic compensation designs such as improved performances, satisfied employees, higher productivity, increased

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competitive advantage and organizational commitment (Trevor, 2008). Adenike (2009) identified characteristics of good compensation tools. Adenike (2009) mentioned that Compensation tools must focus on the behaviour required by the employee and indicate a clear expectation of action and desired outcomes (Adenike, 2009). Adenike (2009) further states that compensation must be perceived as meaningful and valuable by the employee in order for him/her to perceive their effort as worthwhile. It is required of organizations to retain its market competitiveness in order to achieve its objective of retaining employees (Adenike, 2009). Compensation programmes are one of the most powerful tools available to organizations (Adenike, 2009).

As previously mentioned Compensation can be categorized as direct and indirect compensation. Osibanjo et al. (2014) notes that a study was held and noted that employees will remain with an organization as long as it serves their self-interest better at one organization than the other (Adeniji, Falola, & Heirsmac, 2014; Osibanjo et al., 2014). In other words, employees that feel their expectations are met more at one organization will stay at that organization rather than to leave. There are different types of components and it can be categorized in financial and non-financial compensation (Osibanjo, Adeniji, Falola, & Heirsmac, 2014). According to Daniel (2019) compensation represents both intrinsic and extrinsic rewards.

Compensation does not necessarily refer to financial cash payment. The difference between salary and benefits is important in this study due to having to determine which between the two (if not both) results in organizational commitment. Falola, and Heirsmac (2014) states that a salary is a fixed or guaranteed regular monthly or annual gross payment that varies between hierarchy of job positions, employee to employee, and companies to companies. Furthermore (Osibanjo et al., 2014) also describes incentives as awards that are given for the accomplishment of predetermined goals that are directly related to an organization's success (Osibanjo et al., 2014). Incentives are usually in place to motivate employees and an employee will perform in a certain way as it is directly linked to the outcome (Osibanjo et al., 2014). On a different note, where the expectancy and the performance do not match up, then dissatisfaction may occur leading to employee turnover (Osibanjo et al., 2014). According to Osibanjo, et al. (2014) fringe benefits can be seen as supplementary in nature and are

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provided to organizations without considering their performance such as leave allowances, bonuses and educational assistance.

Adenike (2009) mentions that compensation is only a small influencer of organizational commitment but other authors tend to disagree. For example, Vizano et al. 2020) argues that the key factor for creating work fulfillment is satisfaction regarding the amount of pay. Compensation satisfaction thus plays a part in influencing the attitude of an employee at work.

An argument raised by Vizano et al. (2020), in an effort to manage turnover intention levels, employers are expected to not only pay attention to employee compensation, because based on the results of this study conducted by (Vizano et al., 2020), compensation does not have a significant effect on employee turnover intention, it is necessary to integrate the compensation management policy with efforts to increase or manage the organizational commitment of its employees. Adenike 2009) on the other hand stated compensation plays a significant role in organizational commitment as it serves as a trade-off between labour and loyalty for financial and non-financial compensation but financial rewards are no longer enough to retain employees. (Adenike, 2009). The cost of employment is one of the most expensive costs and therefore it is important to have effective designs and implementation thereof (Adenike, 2009).
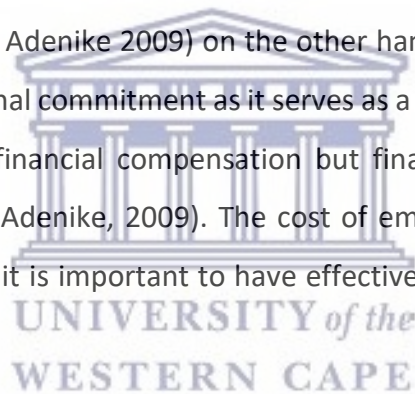
2.4 Personal values in the workplace

Organizational commitment can be affected by employees' personal characteristics such as age, race, education, experience and background. It was found that more experienced and older employees who are satisfied with their personal levels of work performance tend to exhibit higher levels of organizational commitment than employees with less experience and low satisfaction in performance (Allen, 2008). This implies that older people tend to be more committed to an organization than younger employees (Allen, 2008).

Personal values indicate a person's general preference towards their work lives. Panahi, Preece, and Zakaria (2016) compiled a list of definitions and concepts around personal-

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organizational values. Values can be defined as concepts of beliefs about desirable behaviours that transcend specific situations, guide selection or evaluation of behaviour and events, and are ordered by relative importance (Panahi, Preece, & Zakaria, 2016). Furthermore, values can be considered as the characteristics of both individuals and the organization (Panahi, Preece, & Zakaria, 2016). At the individual level, personal value can be defined as what a person wants out of his work in general, and also what components of a job are important to their job satisfaction (Panahi, Preece, & Zakaria, 2016). Furthermore, personal values may also be defined as beliefs about desirability of specific outcomes of working.

At an organizational level, values can be seen as the defining characteristics of the organization culture, and the characteristics of the organization that guide behaviours and actions. There have been different measures put in place to evaluate personal and organizational values (Panahi, Preece, & Zakaria, 2016). One of the measures utilized to determine the fit was the commensurate measurement whereby employees have to identify their values and the organization values and then determine or establish what the fit is and where it matches (Panahi, Preece, & Zakaria, 2016).When there is a positive match between personal values and organizational values it reaps extensive benefits such as better performance on both individual and organizational level (Panahi, Preece, & Zakaria, 2016). When there is a conflict between personal and organizational values it may affect job satisfaction negatively (Panahi, Preece, & Zakaria, 2016). The fit between the two is thus important (Panahi, Preece, & Zakaria, 2016).

Allen (2008) states that when an employee makes a sacrifice in terms of their jobs, it represents forms of value that the employee would have to give up should he or she decide to give up or leave their job. Such sacrificed may or may not include financial rewards, a positive work environment, growth opportunities, status and a sense of belonging etc. Therefore employees who perceive leaving as too much of a sacrifice are more invested in an organization and more likely to stay (Allen, 2008).

2.5 Employee retention and compensation

Observers noted that talent scarcity is looming and that this may result in difficulty finding the right people with the right skills for an organization (Allen, 2008). By understanding the factors influencing why people leave an organization, it will provide better insight as to why people stay, as well as what impacts these decisions (Allen, 2008). According to the theory of equilibrium, employees stay with an organization for as long as the incentive/compensation/opportunities (such as satisfactory pay, good working conditions, and developmental opportunities) are equal to or greater than the contributions (time, effort) required of the person by the organization (Allen, 2008). Moreover, these judgments are affected by both the individual's desire to leave the organization and the ease with which he or she could depart (Allen, 2008).

Research indicates that certain turnover influences affect job satisfaction and organizational commitment. For example if an employee has low satisfaction and commitment it may lead to the initiation of the withdrawal process, including the thoughts of quitting, job searching, comparison of alternative opportunities, and the intention to leave (Allen, 2008).

Allen (2008) further states that an employee's decision to leave an organization increases when they have multiple alternatives that are more attractive compared to their current role. Therefore, managers who are concerned about retention will thus keep tabs on alternative opportunities in order to remain competitive in the market (Allen, 2008). There is plenty of research that focuses on why people leave an organization due to the assumption that understanding why people leave will help retain them. But it is further as important to understand why people stay (Allen, 2008).

Based on the arguments presented above, the following relationships were postulated:

Hypothesis one: Compensation affects employee commitment
Hypothesis two: Personal values affect employee commitment

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2.6 Conclusion

This chapter provided as overview of the research literature on compensation designs; compensation designs in relation to organizational commitment; personal values as a determinant of employee commitment; and employee commitment. Each variable was defined, explored, and discussed in length to gain an overview and background of the constructs. In the discussion, the relationship between the variables were explored which resulted in the above hypotheses being formulated. The following chapter will address the research methodology that was embarked on to test the hypotheses and assess the detail of the relationship between variables.

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CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The previous chapters included the background of the study, the objectives of the study as well as a literature review of the variables. This chapter provides an overview of the research methodology used in this study. The research methodology describes the methods used to answer the research question and meet the research objectives. This chapter outlines the population and sample, the research method, the data collection as well as the analysis methods.

3.2 Research philosophy /paradigm

In this study, the basic metatheoretical perspective was the pragmatism research philosophy. The pragmatism philosophy recognizes that there cannot be just one point of view when interpreting research (Research, n.d). Pragmatism is all about what works and is oriented towards solving practical problems in the real world. Many researchers have stressed that pragmatism can provide a philosophical justification for the mixed research approach, and it supports using the 'what works 'approach. Pragmatism does not only justify the mixed method but also opens choices to the researcher. As cited in Maarouf (2019) it was stated that pragmatism allows the researcher the option to conduct quantitative, qualitative or mixed (which ever serves the research purpose)

According to Maarouf (2019), quantitative and qualitative methods are no longer seen as two opposite methods. As cited in Maarouf (2019):

> "they represent two ends of a continuum as a study can be seen as more quantitative than qualitative or vice versa. The mixed research approach is in the middle of this continuum"

With the pragmatic paradigm, there is an assumption that the use of mixed methods provides a holistic understanding of the research problem other than using just one method (Maarouf, 2019). Further to this, the pragmatic approach suggests that there are different ways of

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viewing and interpreting the world and therefore different approaches will provide a broader understanding of the problem being investigated (Maarouf, 2019). Pragmatism is not only utilized for research processes, but it further has the potential to enable organization action and aid change management (Understanding Pragmatic Research. n.d.). In addition to this, it was found that pragmatism works for organizational processes as views, people's ideas and beliefs as tools for problem solving (Understanding Pragmatic Research, n.d.)

Given the nature of the research study, the pragmatic approach was more applicable and beneficial to the study as it allowed for a broader and holistic result rather than restricting the result to qualitative or quantitative.

3.3 Population and sampling design

Organizations are often divided into departments or brands that will have different compensation designs based on the nature of their jobs, level of seniority, and job grades. Some Moreover, different brands and departments have a different rate of employee turnover, and some organizations are more successful than others due to various reasons. Because of the aforementioned, it was decided that the study should be based on different brands/departments where there are different compensation and benefit packages, and where cultures and values differ. This will ensure that the results can be more broadly applied rather than just to one department.

The study will only include employed individuals working in management, lower management, and non-management positions in different brands.

There are different levels in an organization: Lower level, middle level and top level (Boundless. (n.d.). Lower-level employees were excluded from the study and only middle to top level employees will be investigated. Specific respondents within the above-mentioned groups were not selected and anyone who was willing to participate could participate. The quantitative sample investigated was 153 lower and non-management. Six senior management participants were interviewed for the qualitative component of the study.

The sampling method that was employed is the probability sampling method which indicates that everyone stands an equal chance of being included in the final subject. The technique

that was employed is the stratified random sampling. Stratified random sampling involves dividing the population into homogeneous groups and taking a simple random sample in each subgroup. Stratified random sampling assures to represent not only the overall population, but rather or also key subgroups. In my research there are three sub groups: Senior management, lower management and non-management. Stratified random sampling has more precision in statistics given that the groups are homogenous. Therefore, the sample will be representative of the population.

3.4 Research Plan and Design

In this study a mixed method was used to conduct the research which is described as using both quantitative and qualitative data collection and analysis. The mixed method research design consists of multiple methods of research that combines the use of quantitative and qualitative data collection techniques and analytical procedures (Saunders, Lewis, & Thornhill, 2016). There are different ways to go about conducting a mixed method study. In this study, the *sequential explanatory research design was used*. A sequential explanatory research design is a quantitative research design followed by a qualitative research design. A quantitative research design was the first strand of the research whereby a Likert scale questionnaire was distributed to 153 non-management and lower management. Thereafter the qualitative strand of the research took place with 6 senior managers to enhance the richness of results. In-depth interviews were conducted whereby information and knowledge was be gained on the topic.

Using a mixed method has many different advantages as well as disadvantages. One of the advantages of using the mixed method is that the strengths of the individual methods are combined into one and highlighted when using the mixed method (Ltd, 2022). Furthermore, when using the mixed method, researchers are to use the numbers found in the quantitative research to add precision to the words obtained through narratives and interviews (Ltd, 2022). The mixed method affords the researcher the ability to use the strength one method to counter the weakness of the other (Ltd, 2022). It compliments each other.

Although it seems there are only advantages to the mixed method as it cancels out one another, there are alternatively weakness. One of the weaknesses are that the mixed method

is time consuming, more expensive and can sometimes be too much for one researcher (Ltd, 2022).

The advantages of the mixed method prevailed upon the selection of a method and therefore was the most appropriate method for this study revolving around an organization.

3.5 The research instruments

The research instrument that was used for the qualitative part of the mixed method was interviews. Interviews focus on understanding individuals' experiences and reflections of their experiences (Jackson et al., 2007). According to Jackson et al. (2007), the qualitative research design relies on the participants to give an in-depth response to open ended questions in regard to their experiences whereas quantitative research responses are forced choice and close ended (Jackson et al., 2007). With qualitative data, the researcher will obtain much more information about a phenomenon, although results will not be generalized to a population (as it would with quantitative). Hence another advantage as to why a mixed method was selected, to eliminate major disadvantages the methods have. Quantitative research, on the other hand, though speaks to the relationship between two variables (Jackson et al., 2007).
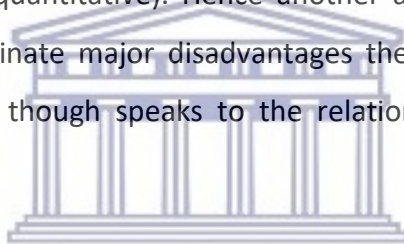
MOS transcription Company, (2022) highlighted a few advantages of using interviews as a method of qualitative data collection which speaks to the reason as to why interviews were conducted:

- Data is unique and directly from the source
- Provides nonverbal clues such as body language
- Provides an in-depth view
- Questions can be modified and followed up on for more information
- Eliminates non- responses from participants

The research instrument for the quantitative strand of the study was the four-point Likert scale. Likert scale is a set of statements (items) whereby participants have to indicate their level of agreement (from strongly disagree to strongly agree) on a metric scale (Joshi et al.,

2015). One of the advantages of the Likert scale is that they do not expect a yes or no but allows for degrees of opinion (Joshi et al., 2015). Another advantage is that the Likert scale data can be analysed with ease (Joshi et al., 2015).

3.6 Data collection Procedure

The Likert scale questionnaire for lower and non-management was distributed electronically using Google forms and Outlook forms. Questionnaires 143 responses were obtained using these platforms and 10 were hardcopy (Total 153 participants). Each participant completed the questionnaire on an average of 11 minutes. To investigate different departments and brands, it was necessary to have different networks in the organizations to gain access to participants. Interviews were conducted face to face, in different locations. The duration of each interview was between 20 to 30 minutes Interviews were transcribed thereafter and coded for interpretation.

3.6.1 Quantitative data collection

Hypotheses were drawn based on the data collected in the qualitative and a Likert scale questionnaire was then developed for non-management and lower management employees. The first section was based on the perception around compensation packages and its relationship with their organizational commitment. The second section was based on their values and how this may impact on their organizational commitment. The research method used is the descriptive applied research whereby the questionnaire approach was used. The questionnaire approach was chosen as it is less time consuming and much easier to quantify given the fact that non-management and lower management is a much larger component of an organization than what management is (in most organizations).The type of questionnaire that was most suitable to employ was the closed ended questionnaire using the Likert scale.

3.6.2 Qualitative data collection

Data collection for this current study was done through in-depth interviews. The conducted in-depth interviews with purposively selected participants. The purpose was to gain an understanding of participants' perspectives. An interview scheduled was developed which

consisted of 15 questions, in order to gain an in-depth view into the perceptions that senior management have of compensation components and their perception around how these compensation components can result in organizational commitment. All interviews were recorded and thereafter transcribed. The second half of interview focused on the participants' values and how this may affect their organizational commitment. The reason for selecting interviews as a means to obtain data was to have an in-depth response from participants that cannot be reviewed or altered. Responses were more descriptive during interviews than what it would be during a closed ended questionnaire. Interviewees could respond most honestly without altering their initial responses. In principle, an interview is a conversation in which there are two parties (interviewer and interviewee) deliberating on a topic of interest. There are 4 phases when conducting interviews:

Planning phase: Formulating relevant questions, designing motivating questions, and establishing   a communicative atmosphere.

Doing phase: Delivering the question, listening to the interviewee, observing the interviewee's non-verbal behaviour, evaluating the response, probing these, and recording the information.

Analysis phase: Transcribing the interview, making interview records, analyzing one's own interviewer behaviour,

Reflecting phase: Identifying information gaps, preparing for the next interview,

In this study, the semi structured interviews were held face to face. Semi-structured interviews focus on predetermined questions, but the order can be modified based upon the interviewer's perception of what seems most appropriate. Question wording can be changed, and explanations given; inappropriate questions for a particular interviewee can be omitted, or additional ones included. Six participants were interviewed

3.7 Data analysis

According to Shava et al. (2021), it is crucial to use the appropriate data analysis technique in order for a qualitative research study to be successful. Qualitative data analysis is further described as a method to classify oral and written materials (obtained through interviews for example) into identified categories (Shava et al., 2021). Moreover, qualitative content

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analysis involves a process designed to condense raw data into categories or themes based on valid inference and interpretations (Shava et al., 2021)

In the given study, data analysis took place after interviews were conducted. All interviews were recorded, and notes were taken on paper. Interviews were then transcribed using TEMI and transcriptions were verified and compared to notes to ensure no content was lost,- especially with interviews conducted in Afrikaans. Themes were then identified which are the main headings in the findings of this study.

For interviews- an interview guide/schedule was used which kept the participant in line with the topic and prevented the participant going off course. For the data analysis, the ATLAS- ti software tool was used and thereafter findings were interpreted.

In this study there two different types of data analysis were used because it was a mixed method study.

Quantitative: The data analysis study took place using the Statistical Package for Social Sciences (SPSS) to make sense of the data. All closed ended questionnaires will be captured on a spreadsheet and exported into SPSS to generate outputs. In order to determine the relationship between variables being compensation, organizational commitment, and personal values. Item and dimensional analyses were performed on the data to determine the reliability of the instruments developed for use in this study as well as the number of dimensions in each of the subscales. The Pearson correlation technique was subsequently used to determine the nature of the relationships among the variables used in the study.

Qualitative: Qualitative data that collected using interviews was coded and analysed using ATLAS.ti version 22.

3.8 Credibility of the instrument(s)

Given that the research study utilizes a mixed method, one needs to looks at the credibility of both instruments for quantitative and qualitative, respectfully. For the qualitative instrument the trustworthiness of the instrument is considered, whereas for the quantitative

instrument the reliability and validity is to be considered. There are four aspects of trustworthiness:

Trustworthiness of data for qualitative:

Credibility and Trustworthiness Credibility asks the "How congruent are the findings with reality?" (Stahl & King, 2020). Further to this, credibility occurs when participants recognize the research findings as their own experiences, in other words it is established through the view of the participants (Trochim, n.d)

Transferability: Transferability refers to the degree to which the results of qualitative research can be generalized or transferred to other contexts or settings (Stahl & King, 2020). Transferability refers to the results being transferable from one context to another (Trochim,n.d)

Dependability: As with the reliability of the quantitative data, dependability refers to the degree in which the results are the same when conducting the same study twice (Trochim, n.d)

Confirmability: Refers to the extent of how close the results gets to the objectives of the research. (Stahl & King, 2020). It also refers to how the results can corroborate with others and confirmed by other research (Trochim, n.d).

3.9 Ethical Considerations

In this study there were certain ethical considerations taken into account that will be discussed below.

3.9.1 Confidentiality

In the given investigation the respondents were not compelled to state their names or their positions. Respondents may prefer to remain anonymous. Furthermore, there was no mention of the company's name in order to not implicate any entity or persons.

3.9.2 Informed Consent

All respondents received an informed consent form that required all participants' signatures before conducting the interviews, and before completing the questionnaire. No persons were forced into participating in the study. The informed consent indicated that each participant should answer questions truthfully based on their personal opinions and that the exercise was completely voluntary. The informed consent form was obtained from participants by means of a letter communicating the essential information pertaining to my research. The time allocated and submission methods were also indicated on the informed consent form. Confidentiality will be maintained throughout the study and respondents were informed before-hand that there will be no implications to their job.

3.10 Conclusion

In this chapter the research methodology used was discussed. The research design as well as the procedures to collect and analyses were detailed as well as the sampling procedures. The data collection procedures were further described and outlined. Lastly, the way that data will be evaluated was addressed and the research instruments were described. In the following chapter the results will be presented and discussed.
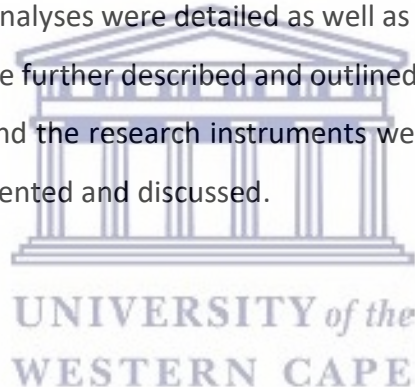
CHAPTER FOUR

PRESENTATION OF THE RESEARCH FINDINGS

4.1 Introduction

In this chapter the results of the research study based on the statistical analysis of the data collected from the research participants are presented. Participants were required to complete questionnaires whereby 153 responses were obtained. Further to this, interviews were conducted with six participants to answer the research questions guiding the study.

The objective of this chapter is to present the statistical data with outputs obtained through two different programmes. The programme used for the quantitative research is the Statistical Package for Social Sciences (SPSS), and the programme used for the qualitative strand is the ATLAS.ti. The quantitative data is presented first. Before the analyses and interpretation, this chapter will address the problem of missing values in the quantitative study followed by a discussion of the item and dimensional analysis.

4.2 Missing values

In quantitative data analysis, missing data is usually a common occurrence when self-reporting instruments such as questionnaires are used. Missing values, also known as missing data, occur when you do not have a response to a certain question from a participant (Bhandari, 2022). Data can go missing due to incomplete data entry, equipment malfunctions, lost files, and many other reasons (Bhandari, 2022). The missing values can have a significant effect on the conclusions drawn from the data. For this research study, there were a few missing values found. In this study the problem of missing values was addressed using the multiple imputation method available in the PRELIS option contained in the LISREL 8.80 software. The sample size of 153 responses was retained for quantitative data.

4.3 Item Analysis

The objective of conducting an item analysis was to identify and exclude items not contributing to the internal consistency of the total scale or subscale. For this research study, the item analysis using SPSS Reliability procedure (SPSS Inc, 2022) was executed on the items

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and dimensions used to measure the variable under investigation. The item analyses in the given study was on three dimensions: Commitment, Compensation; and Personal Values.

4.3.1 Commitment

When interpreting the reliability of a scale, Cronbach Alpha values above .70 are considered reliable (Nunnally, 1967; Nunnally & Bernstein, 1994). Thus, with the reliability analysis of the *commitment* subscale with a Cronbach alpha of .58 is below the cut-off level of .70. The Corrected Item-Total Correlation column provides insight into how much each item correlates with the total score. Items with corrected item-total correlation values less than .30 are a cause for concern as they might be measuring something different from the scale as a whole. Based on the Corrected Item-Total Correlation column as shown in Table 4.1, item B20 is below the .30 level. However, its deletion will not increase the Cronbach's alpha of the scale. It was therefore decided to retain the item as the scale is short. The inter-item correlations are ranging from .10 to .43. Cohen (1988) provided some guidelines for interpreting the correlations between items: small r= .10 to .29; medium r= .30 to .49; and large r=.50 to 1.0. Therefore, using these guidelines the correlations between the items is ranging from small to medium.
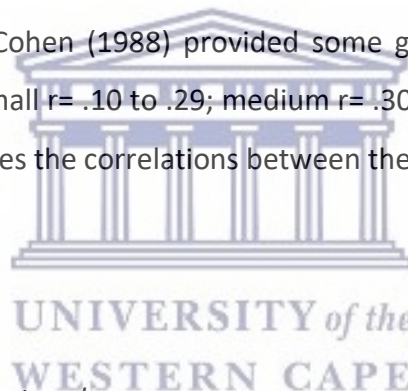
Table 4.1

The reliability of the commitment scale

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.576	0.605	4

Inter-Item Correlation Matrix

	B20	B22	B23	B27
B20	1,000	0.451	0.148	0.101
B22	0.451	1.000	0.285	0.250
B23	0.148	0.285	1.000	0.427
B27	0.101	0.250	0.427	1.000

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
B20	8.31	7.977	0.256	0.205	0.576
B22	8.40	7.426	0.427	0.268	0.490
B23	8.73	5.240	0.442	0.217	0.430
B27	8.76	4.878	0.397	0.201	0.492

4.3.2 Compensation

The Cronbach alpha of .85 was obtained for the Compensation scale. The Cronbach's alpha value is above the cut-off level of .70 which is adequate. The Corrected Item-Total Correlation column provides insight into how much each item correlates with the total score. Items with corrected item-total correlation values less than .30 are a cause for concern as they might be measuring something different from the scale as a whole. Based on the Corrected Item-Total Correlation column as shown in Table 4.2, items B1, B2 and B5 are below the .30 level. These were subsequently excluded from the study.

Table 4.2

Compensation reliability output

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.852	0.859	24

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
B1	71.18	153.769	0.280	0.422	0.850
B2	71.32	152.180	0.201	0.291	0.852
B3	71.44	151.867	0.303	0.499	0.849
B4	71.27	152.974	0.363	0.536	0.849
B5	71.92	152.262	0.192	0.407	0.853
B6	71.38	150.869	0.343	0.475	0.848
B7	72.27	135.687	0.517	0.527	0.842
B8	71.87	145.706	0.439	0.457	0.845
B9	71.18	153.515	0.386	0.597	0.849
B10	72.45	143.578	0.436	0.353	0.845
B11	71.24	152.487	0.357	0.480	0.849
B12	72.06	145.266	0.400	0.427	0.846
B13	72.03	144.769	0.435	0.319	0.845
B14	72.20	148.224	0.338	0.335	0.848
B15	72.35	135.519	0.523	0.543	0.842
B16	71.84	147.067	0.365	0.431	0.848
B17	72.05	146.636	0.342	0.238	0.849
B18	72.54	136.210	0.576	0.561	0.839
B19	72.68	135.601	0.621	0.566	0.837
B21	71.46	150.618	0.502	0.666	0.846
B26	72.42	137.456	0.559	0.493	0.840
B29	72.33	138.498	0.484	0.455	0.843
B30	72.73	150.477	0.294	0.293	0.850
B32	72.29	141.380	0.579	0.520	0.840

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4.3.3 Personal values

The Cronbach alpha of .498 was obtained for the Personal values scale. The Cronbach's alpha value is below the cut-off level of .70 which is inadequate. The Corrected Item-Total Correlation column provides insight into how much each item correlates with the total score. Items with corrected item-total correlation values less than .30 are a cause for concern as they might be measuring something different from the scale as a whole. Based on the Corrected Item-Total Correlation column as shown in Table 4.3, Items B24 was identified as a poor item and was removed. The scale reliability coefficient improved slightly but was still below the acceptable Cronbach alpha level with a coefficient of α=.514.

Table 4.3

The personal values reliability output

Reliability Statistics		
Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0,498	0,491	4

Item-Total Statistics					
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
B24	7.80	6.781	0.177	0.047	0.514
B28	7.83	5.024	0.369	0.162	0.347
B34	8.35	5.767	0.319	0.114	0.402
B35	8.24	5.198	0.305	0.121	0.415

4.4 Correlation analyses

Pearson correlations were performed on the data to determine the extent to which compensation, values and commitment are related. Before a regression analysis is

performed, the assumption of an existing relationship among the variables should be determined. Table 4.4 presents the Pearson correlational output. The correlations are all statistically significant at the 0.01 level and range from medium to large according to Cohen's (1988) guidelines for interpreting the strength of the relationships among variables.

Table 4.4

Bivariate correlations among the variables used in the study

Scale	Mean	SD	1	2	3
TCOMPENS	68.17	12.12	**.854**		
TVALUE	7.80	2.60	.541**	**.514**	
TCOMMIT	11.40	3.15	.648**	.486**	**.576**

N = 153.

Cronbach's alpha coefficients are presented diagonally and in bold. 1= Compensation (TCOMPENS), 2 = Value (TVALUE), 3 = Commitment (TCOMMIT)

**p* < .001 (Two tailed)

Cohen's (1988) guidelines were used to interpret the Pearson correlational output. According to Cohen (1988), *r* coefficients between .10 to .29 indicate a small correlation; between .30 to .49 denote a medium correlation while those between .50 and 1 indicate a large correlation. Significant large correlations were found between compensation and values as well as between commitment and compensation while the correlation between values and commitment was medium (see Table 4.4)
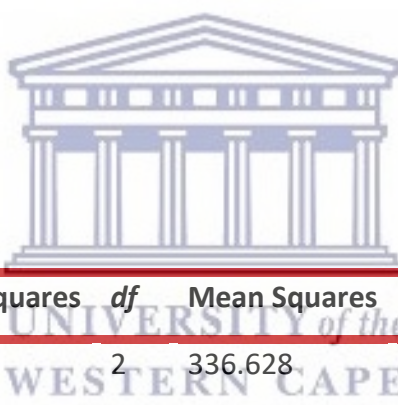
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Table 4.5

Model summary

Model	*R*	*R²*	Adjusted *R²*	Standard error of the estimate
	.668	.446	.438	2.363

The next step after the Pearson Correlational analysis was to determine the extent to which compensation and values predict commitment. This was achieved through the use of linear multiple regression analysis. Table 4.5 depicts the model summary results. The R value of .668 indicates a high degree of correlation, whilst the R^2 or adjusted R^2 value indicates how much of the total variance in commitment is explained by the model. It shows that the model explains 44.6% of the variance in commitment.

Table 4.6

Analysis of variance

Model	Sum of Squares	*df*	Mean Squares	*F*	Significance
Regression	673.256	2	336.628	60.297	.001[b]
Residual	837.424	150	5.583		
Total	1510.680	152			

Dependent variable: Commitment. Predictors (constant): Compensation and Values. *df*, degrees of freedom; *F,* variance of the group means. [b] The regression model is statistically significant at *p =0.000* (*p < 0.001*).

The analysis of variance table (ANOVA) tests the null hypothesis that multiple R in the population equals 0, which reports how well the regression equation fits the data (that is, predicts the dependent variable) (Pallant, 2010: 161). The regression model is statistically

significant at $p = 0.000$ ($p < 0.001$) indicating that the model significantly predicts Commitment (see Table 4.6).

Table 4.7

Regression analysis: Compensation, values and commitment

Model	Beta	t	Significance	Collinearity Statistics Tolerance	Variance Inflation Factor
TCOMPENS	.544	7.53	.001	.707	1.414
TVALUE	.191	2.649	.009	.707	1.414

Dependent variable: TCOMMIT

Compensation (TCOMPENS); Value (TVALUE); Commitment (TCOMMIT)

The next step was to determine whether compensation and values predict commitment. Tolerance and VIF values indicate whether the variables are correlating too high (above $r = .90$) hinting at multicollinearity. Tolerance values less than .10 indicate that the correlation among the variables under study are high, suggesting the possibility of multicollinearity. The Variance inflation factor (VIF) values above 10 would indicate multicollinearity. Table 4.7 indicates that both the Tolerance and VIF values are within the acceptable range.

The significance column in Table 4.7 indicates that both compensation and values are making a statistically significant and unique contribution to commitment. Compensation accounts for 54.4 percent of the variance ($\beta = 0.544$; $t = 7.53$; $p < .001$) while values account for 19.1 percent of the variance ($\beta = 0.191$; $t = 2.649$; $p < .001$).

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4.5 QUALITATIVE ANALYSES OF RESULTS

4.1   Qualitative Research Results

The research study utilised the mixed research approach, which included the use of both quantitative and qualitative research methods. Qualitative data for the study was collected using in depth interviews from six participants. Given that the qualitative analyses have been concluded and findings have been deducted, the qualitative data will now be explored in terms of answering the main research questions. The qualitative results were meant to address the following research questions:

1. How Do Employee Benefit Structures Impact Employee Retention Such as Vehicle Benefits, Housing Benefits, and Bonus Benefits?
2. What is perceived as more important, for Employees to have a More Cash on their Compensation Package, or More Benefits?
3. What are the top 5 compensation components that employees perceive as most influential to their commitment to the organization?
4. Does organisational commitment result from personal commitment and personal values?
5. Did the COVID-19 pandemic hinder on increase employee compensation and in turn increase or decrease their commitment to the organisation?
6. Would employees of a company prefer to find their own medical aid and pension fund or Do employees perceive the company's medical aid and pension fund most beneficial?

Below each research question will be answered by grouping responses in themes and subthemes. The aforementioned research questions were answered and themes were derived from responses.

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4.5.1 How Do Employee Benefit Structures Impact Employee Retention Such as Vehicle Benefits, Housing Benefits, and Bonus Benefits?

The first research question that was addressed by the qualitative component of the study was, 'How Do Employee Benefit Structures Impact Employee Retention Such as Vehicle Benefits, Housing Benefits, and Bonus Benefits?' The themes that emerged in addressing this research question are shown in Figure 4.1 below:
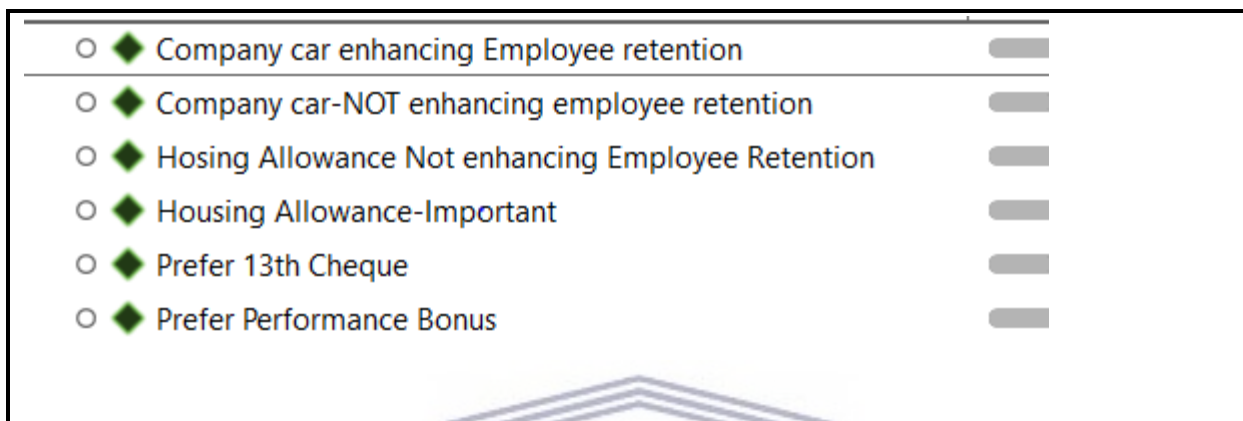

Figure 4.1. Benefits structures and Employee Retention

1) Housing Allowance: The participants were asked on their thoughts on housing allowance and whether it was a good way to make employees committed to the company. The participants had mixed feelings, with regards to the importance of housing allowance and whether it was a good way to improve employee commitment. This was shown by the following comments:

> Housing allowance would be very good. There are some people that work more than 10 years for the company but they do not have a home because they cannot afford it. There should be separation with benefits from management to staff (no rank and no bracket). Housing allowance would be better than a company car because I can take public transport (Participant 1);

> Staff are unable to qualify to get homes with their salaries and some sort of assistance should be provided for those who have shacks. Even some management cannot afford to buy a house. So, housing allowance would be great. Housing allowance is more beneficial because I can take a taxi (Participant 2) and;

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Very important especially people who have long service like 10 years plus. If you look after me I will look after you. People don't leave when they are looked after (Participant 4).

In contrary to the above participants who said housing allowance was important and key to improvement of employee commitment. Participant 5 and Participant 6 were indicated that housing allowance in some organisations were too small amounts, that could not cover their house loans, thus they were not playing any role in improving employee retention. This was shown by the following comments:

No Some companies do not give big housing allowances. remember you get taxed on housing allowance. So, it is a small amount. So, to me it is not a big retainer. If I look what my bond is then 3 and 4,000 is, is nothing, never would be enough (Participant 5);

Housing allowance is not really a retainer, it depends on the amount. If it is R500, will not work (Participant 6)

In addition, Participant 3 states that they preferred extra cash, than housing allowance.

I am not sure about housing, I am in different about it. I would rather have the extra money on my basic salary than a housing allowance. They can put the housing allowance onto my basic salary (Participant 3).

2) ***Company car***: The participants also had mixed perceptions with regards to whether the provision of company vehicle to employees was key to employee retention in organisations. According to Herzberg -Two-factor Theory, vehicles fall under the category of dissatisfiers, which, if they are not provided can dissatisfy employees but on provision, a vehicle is not a motivating factor, as it is in its own, an extrinsic factor (Armstrong, 2016). Participant 4, 5 and 6 indicated that a company vehicle provision to employees was key in enhancing employee retention in the organisation. This was shown by the following excerpts:

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Yes, it can retain employees if you get a petrol allowance. Travelling with public transport is not easy, but even a travel allowance will work (Participant 4);

Company car you can drive wherever the company maintain it. Especially now the, how expensive fuel is. Company car is definitely a greater benefit. Cause the company maintain that car, they service, they put on new tires and obviously the best quality, the best branded tires, um, the best services (Participant 5) and;

Yes, a company car can retain employees if you have the option to buy the car. Because you don't have to buy your own car. They want their own car because when they leave then what's going to happen (Participant 6)

Participant 2 and Participant 3 however argued against the provision of company cars or vehicles, as an employee retention strategy. They echoed the following sentiments:

I am fifty-fifty. Maybe the company should assist those who don't have a car and can't afford it themselves. I wouldn't say providing a company car retains employees but it does make it difficult to leave a company it makes you think twice (Participant 3) and;

No maybe a petrol allowance or an alarm call our allowance (Participant 2)

3)   *Performance Bonus vs 13th Cheque:* A 13th cheque is a bonus that is guaranteed to the employee- every year with certainty and it forms part of the employee contract. On the contrary, a performance bonus is based on an individual's performance or team performance, or the overall organization performance (RMS South Africa, n.d.). The participants were asked about their perceptions on provision of performance bonus versus the provision of the 13th cheque and which one they preferred. Participant 1, 3, 5 and 6 stipulated that performance bonus provision was better than provision of 13th cheque. The participants echoed the following sentiments:

A performance bonus is better however I was on maternity leave and did not get my performance bonus because I was not here. 13th cheque is less than performance bonus and performance will make me want to do better (Participant 1);

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Performance bonus all the way. Because it is higher. A 13th cheque is measurable (Participant 6);

Performance bonus tops everything. If you look at performance bonuses, because performance bonuses help you to achieve your KPIs. So, I would definitely prefer Performance, bonus performance (Participant 5) and;

I love a performance bonus. It makes you work harder to influence your bonus (Participant 3).

Participant 2 was however for the view that, a 13th cheque was better as it was guaranteed, whether an employee performed well or not. The participant gave the following comments:

13th cheque is better because it is guaranteed. If you don't perform or cannot be at work you will not get your performance bonus but 13th cheque is guaranteed. Performance bonus depends on other factors (Participant 2).

Despite mixed perceptions on how employee benefit structures such as vehicle benefits, housing benefits, and bonus benefits impact employee retention, the results showed that indeed, vehicle benefits, housing benefits, and bonus benefits play a major role in improving employee retention. The diagrammatic representation on how employee benefit structures such as vehicle benefits, housing benefits, and bonus benefits impact employee retention is shown in Figure 4.2:
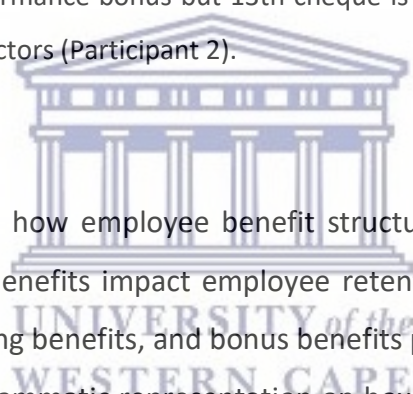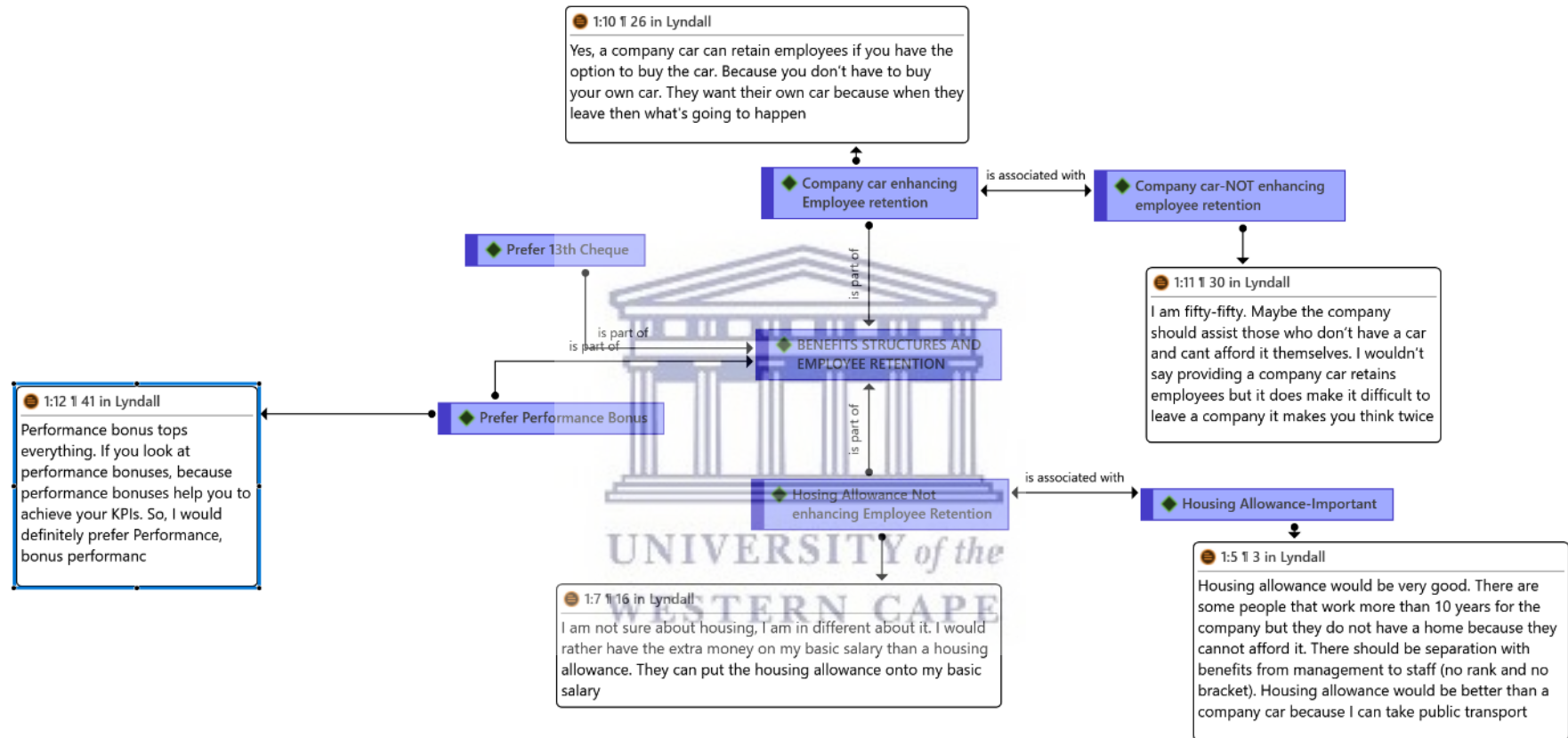
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Figure 4.2

How employee benefits structures such as vehicle benefits, housing benefits and bonus benefits impact on employee retention

4.5.2   What Is Perceived as More Important: For Employees to have a More Cash on their Compensation Package, or More Benefits

1)   Benefits vs Actual Cash: In a bid to address the research question on the top five components that employees perceive as most influential to their commitment to the organisation, the participants were asked whether they think it was better to have more benefits than actual cash on their remuneration package. Participant 1 and participant 6 were for the view that benefits were important than cash. They gave the following comments

> Benefits are not more important than cash because you know what you need to pay (Participant 1);
> Benefits are not more important than cash because you know what you need to pay. Benefits provide security and gives you comfort but cash is more important (Participant 3);
> Benefits provide security and gives you comfort but cash is more important (Participant 6).

In contrary to the sentiments echoed by Participant 1 and Participant 6, Participant 4 and Participant 5 were for the view that, both benefits and actual cash were important to employees. The participants gave the following comments

> But I want more cash so I can save more. Instead of waiting until I am 60 (Participant 4);

> Equally, they complement each other. My overtime cash and it covers my benefits (Participant 4);

> It is a 50-50 thing, benefits are not going to put food on the table. It's not going to determine my lifestyle. Benefits is not going to give me enough expandable capital on a day to day basis. So, it must be a 50-50 balance. You must have a good salary and good benefits. That's a good remuneration package. It must be equally good. Um, if you look at some of the companies that top structure its things like that where you earn a good market related salary and you have good benefits as well. But the one is not more important than the other one. It does not work that way (Participant 5).

Participant 1 argued for the need for cash than benefits when he echoed the following sentiment:

Cash. Cash. People are struggling. Give me more so that I can make due (Participant 1)

Upon investigating whether participants preferred more cash over benefits, majority of participants indicated that benefits are not more important than cash and some participants indicated that they are equally important

4.5.3 What are the top 5 compensation components that employees perceive as most influential to their commitment to the organization?

1) Top five Compensation Components: The third research question explored the top five compensation components that employees perceive as most influential to their commitment to the organisation. The participants responses were mixed, but all the participants mentioned medical aid as one of the top five compensation components. The participants gave the following comments:
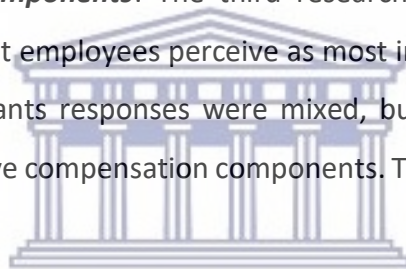
Housing allowance, medical aid, school benefits for kids, co-investment- company shares that is yours even if you leave, holiday allowance. Travelling allowance to travel wherever, and a clothing allowance (Participant 6);

Pensions fund, medical aid, company car, shares, Bonus (Participant 5);

Full medical aid paid by company; Company car; petrol allowance; housing allowance; performance bonus (Participant 4);

Provident fund; medical aid; long service recognition in the form of money bonus (any form); company car with unlimited fuel (Participant 3);

Pensions fund, medical aid, company car, shares, Bonus (Participant 5)

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2) Opinion on company benefits: Furthermore, the participants were asked about their opinion on having company benefits, the importance of company benefits, and why the company benefits were important. The participants highlighted that the company benefits were important as they covered medical aid, determine the quality of life and prepare retirement plan for the employees. The participants gave the following comments:

It is important but we need more benefits. We need an emotional benefit; medical aid only goes so far. We don't want to pay for more benefits but we need more benefits. Medical aid only goes so far. We need a shrink to provide help with life and work life. We need confidentiality, like a neutral person that can listen to our problems. We need recognition and gratitude. Our benefits are based on performance and not what you put in. We need someone to offload. We can't be there for our kids and it is not just about money. We have no time for our kids and family (Participant 1);

Yes, its important and we need more benefits because of the hours that we work. Yes, we got medical aid but the deductions do not make you comfortable. It is is a huge amount of your salary gone. Its good but you wish the benefit is actually a benefit. We need moral support and appreciation that will be a benefit (Participant 2);

Yes, it is important because it gives you a sense of belonging, shows the company cares for you and looks after you for example wellness programmes are developed (Participant 3);

Yes, who would not want company benefits. You always want to know what are your perks, what's going to happen to me when I retire. Are you going to live on SASSA money. SASSA is like R3000 and in the UK it is R7000 in rand value. My mother draws SASSA, and it is not enough. As a young adult, I cannot start a life because I must look after my mother. So yes benefits is important (Participant 4) and;

That is definitely important. Yes. Your basic salary is to determine your lifestyle on a month to month basis. Obviously pay a bond, standard of living, type of clothes, food, entertainment and that. But to have the benefits just makes the package so much more attractive. And it us a long term investment, that is bonuses, long term bonuses, shares of the company. That stuff will materialize one day you reap the benefits of it. That is why you must have company benefits. That's important. It makes you more in your field. Understand. So if you want to go

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and apply for a new job and you tell the people, listen, yeah, this is my basic salary, but, but this is my, my added benefit. It makes you more marketable because of my added benefit Yeah (Participant 5).

Participants have concurred that there are certain benefits that would impact the commitment of employees and the majority of employees mentioned pension fund, and medical aid. Moreover, all participants indicated that a bonus of some sort is perceived as one of the compensation components that results in commitment. Further to this, the benefits highlighted that was not mentioned by the majority was a "shrink" which referred to a form a counselling. Furthermore, one of the participants indicated a preferred benefit of a holiday allowance. Majority of participants indicated that having benefits is crucial as part of their compensation packages.

4.5.4 Does organisational commitment result from personal commitment and personal values?

The research explored on whether organisational commitment result from personal commitment and personal values. As literature indicated when personal values are not aligned with organizational values that it will have a negative impact on performance and job (Panahi, Preece, & Zakaria, 2016). Further to this, literature indicated that some employees remain committed to an organization because they may feel a moral obligation to the organization which speaks to their personal values (Parashakti, Nashar, & Usliawati, 2017). Below participants'' responses will be highlighted in terms of individual personal values.

1) Do Employee Commitment or lack of commitment influence whether or not to stay at the company: The participants were asked on their opinions on whether their commitment or lack of commitment influence whether or not you leave or stay at the organisation. Five participants highlighted that their commitment, do influence whether they leave or stay in the organisation. This was shown by the following excerpts:

Yes, because I am a committed person and I am still here (Participant 1);

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Yes, I am committed inside and out. Commitment comes with fear of rejection, but even if I fail I will get up again (Participant 2);

Yes, I am a penguin, I am monogamous, very committed, Yes, I think that in extreme cases I had to put aside my commitment and leave. I fell pregnant and had to leave to look after my kids and now I am back (Participant 3);

Yes, your personal commitment is your core. If I stop giving my personal commitment that means I won't give my best to be present (Participant 6)

Participant 4, however argued that their commitment, do not influence whether they leave or stay in the organisation. This was shown by the following comment:

No, your personal values do not affect work commitment. It does not affect your work. I have worked with married men that cheated on their wives but stay loyal the company. So, no. I go to the gym once a month, I cannot commit to that but I am committed to my job (Participant 4).
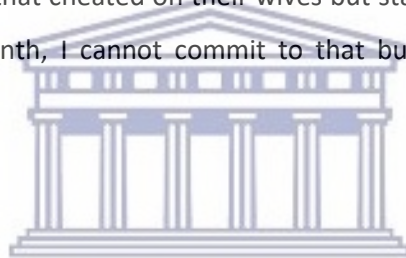
2) Are personal factors an important factor in determining whether to stay or leave the company: The participants in this study were asked on whether personal factors were an important factor in determining whether to stay or leave the company. Most of the participants were for the view that personal factors were of much importance in determining whether to stay or leave the company. The participants indicated that their lives revolve on their families and kids, thus their personal values determine the employee's commitment to stay in the organisation. The participants also highlighted the need for the company values to align to their personal values. This was shown by the following comments;

My life revolves around my kids and family. While I am working I can still provide for them so yes, my personal values affect whether I stay here or not. But if anything should happen to my family I will drop the company (Participant 1);

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Absolutely yes, you can tolerant to a certain extent to other's values. At my previous employer I could not determine what my values are. I was starting to change my values to suit the company values and it was bad. And then I left. I took an extreme decrease in my salary but I left because my values were not aligned. You can treat people that way, I just cannot deal with unfairness (Participant 3) and;

Everything you do in life is based on your personal value that values you bring into your work environment. Remember now it matters your, your work environment. So your personal values. So, if it is aligned, then most definitely you will stay with the company. Understand? If it's not aligned, then obviously it is not going to work. You can stay but you're going to be a very unhappy and miserable employee (Participant 5).

Participant 4 highlighted that personal values, however have no influence on whether to stay or leave the organisation. The participant highlighted the need, for example to accept diversity within organisations. This was mentioned in the following comment:

Yes and No. I go to church but I had to leave going to church for my job because I work Sundays. Based on my religion I don't agree with lesbian and gay but I will not leave the company because I work with lesbians or gays. No personal values don't have an effect on organizational commitment (Participant 4)
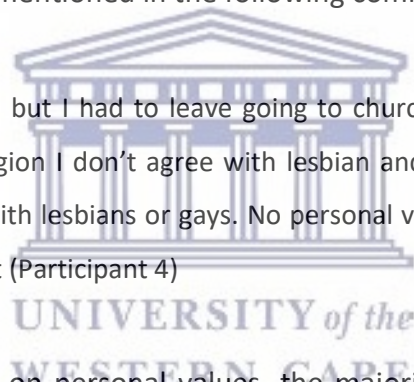
Based on the responses given on personal values, the majority of participants indicated that personal committed definitely influences organizational commitment and that if one is committed personally that they'll exert commitment at their workplace. On the contrary one participant indicated that there is no influence that that work commitment does not stem from personal commitment. In essence it was found that most participants views personal commitment and personal values as a significant contributory factor in terms of whether to leave or stay at an organization with the exception of extreme breaches of personal values.

4.5.5 Is it more common to have more affective committed employees or continual committed employees?

Affective commitment refers to when employees have a connection or attachment to the organization and they are whole heartedly invested in the organization (Parashakti, Nashar, & Usliawati, 2017). Affective commitment is further described as when an employee identifies with an organization (Parashakt, et., al. 2017). On the other end, continual commitment refers to the cost of implications that it has on the employee to leave. Employees that perceived cost of leaving too high will remain commitment based on that fact. The questions below will determine which commitment is more prevalent in the participants.

1) Do people remain in organisation for money: The use of money as a motivator in organisations is debatable. It must be noted that there are two types of incentives that can be offered to employees that is the financial and non-financial incentives. To the larger extent, money cannot be used as a motivator in organisations. This is based on the theories of motivation, for example, Maslow's Hierarchy of Needs and the Herzberg two factor theory. Both theories argued that money cannot motivate employees, but however, its absence dissatisfy and demotivate employees. The participants were asked whether they were for the opinion that people remain in the organisation for money. All the participants indicated that they do not think that employees remain in the organisation for money. This was shown by the following excerpts:

No, the fear change. People leave and come back. The grass is not greener on the other side. People have security where they currently are. Look at when, COVID happened, we are still employed (Participant 1);

No, the fear of the unknown. I left, but I came back. People don't know what they find in another company. Even if it is a better option, it is not always enough (Participant 2);

Not at all. They stay for stability. During COVID we could work from home and got paid in full, people stay for the culture, the working space, we are relaxed. No one is micro managing. I am not forced to work (Participant 4);

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No. Some of them do. People stay for money and people stay for benefits. People stay, the culture of the company for all sorts of things. I am not going to stay in a company if I earn a small salary, but it is a nice vibey company to work in., it is not going to reflect in my lifestyle (Participant 5) and;

No because there's a lot of people unhappy with other people, they stay because they want to, but they leave because of people, not money (Participant 6)

2) **Why some employees commit to the organisation and some do not**: The participants were asked on their opinion on why some employees were committed to the organisation and some leave within the first 5 to 10 years of working in the organisation. Participant 1 and 2 indicated that some employees are committed to the organisation when they see growth opportunities and career development. This was shown by the following comments:

People leave an organization because they have goals they are motivated and self-disciplined. I stayed because I saw growth. Newer blood still feels there is not much growth (Participant 1) and;

People don't always want to talk in the same job, doing the same thing, for the same money forever. Other people again stay because they are scared to leave. I started as a cashier and now I am an admin manager. I achieved more inside than outside (Participant 2).

Participant 3 was for the view that people stay in organisations because of fear of the unknown.

People who stay longer at organizations fear change and fear unknown. They like security. Rather the devil you know than the devil you do not (Participant 3)

Participant 5 brought about a very interesting aspect of age, that is Generation X and Generation Y employees having differing appetites to stay in the organisation. Participant 5 states that Generation X employees were willing to stay in organisations, than Generation Y employees. The participant echoed the following sentiment:

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It is a generation thing. I think it's a generation thing. Your older generation that's I think what they call my generation baby boomers. Your older generation, I think were more loyal towards companies than your new generation person. Your work life and company dynamics have changed over the years in such a way that they actually see a person that job hops a lot more attractive than a person is loyal to one company. That is the mindset of your new generation company. It is a generational thing. And also, what determines why people are so loyal to the company is obviously company culture. If it's a good company to work for, is there, if their job security, there is good packages (Participant 5)

Upon exploring affective and continual commitment using the above questions- results have indicated that employees do not remain committed to an organization based on the money. Therefore, continual commitment is not perceived as the most common form of commitment exerted in the participants. Participants have indicated that employees remain at an organization due their sense of belonging, or due to the fear of the unknown, or due to the security factor. Moreover, there were responses that spoke to the impact of age on whether employees are commitment- Two participants stated that certain generations would be more committed to an organization than the younger generation who are getting into the market currently. What prevailed even more was the fact that majority of employees remain in an organization due to the fear of the unknown and the fear of change.

4.5.6   Did the COVID-19 pandemic hinder on increase employee compensation and in turn increase or decrease their commitment to the organisation?

This question explored on whether the COVID-19 pandemic hindered or increased employee compensation and how did this impact on employee commitment to the organisation. The participants indicated that there were no salary disruptions in their organisation, and generally employee commitment to the organisation increased in their organisation. The participants gave the following comments:

Increase definitely because in COVID other companies retrenched and people took pay cuts we but we are still here and we got full salaries during COVID (Participant 1);

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Increased because we had security. We were dependent on the company for shelter. We sacrificed our family but their own good because we could provide (Participant 2);

It increased it because of the insecurities that was out there when Covid hit. Yeah. It reduced our labour turnover substantially. Cause the people were scared. Companies closed. So, you were happy for what you had at that particular time. Companies didn't make money. So, people were extra committed to stay in that company (Participant 5)

Increase- In our organization there was no interruption of salary and the company went the extra mile. People still got paid in COVID. Commitment could have decreased as well because people lost their jobs and had pay cuts which decreased their commitment. Commitment would take a knock if there is no surety (Participant 6)

It was found that covid 19 (the international pandemic) resulted in an increase in employee committed mainly due to the security that was offered to employees who were already working in an organization.
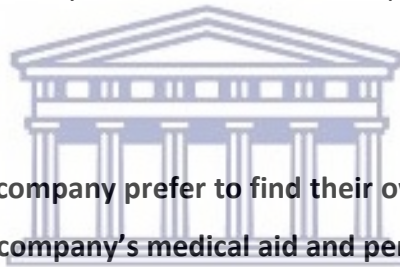
4.5.7 Would employees of a company prefer to find their own medical aid and pension fund or Do employees perceive the company's medical aid and pension fund most beneficial?

The research also explored on whether the employees perceive company medical aid beneficial or whether they prefer to find their own medical aid or pension fund. The participants were asked their opinion on funding their own medical aid and pension fund instead of their company making it compulsory to join their medical and provident fund. The participants were for the view that, they wanted to find their own medical aid but they were fine with the organisation managed pension fund.

With our medical aid we have to be hospitalized to get the benefit. Our medical aid cannot be used. The pension fund is fine. I would prefer to find my own medical aid because the medical aid doesn't cover what's important (Participant 1);

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If the company can subsidize your own private medical aid then yes it would be best to find your own medical aid. The Provident fund is fine because the company is actually assistant you. If they don't provide for a provident fund then employees will not find their own. So, the company actually helps you for future. The medical aid I am on in not inclusive, I need more coverage and funds from a company and they should relook at the type of medical aid (Participant 3);

Pension fund is fine with the company, I can see people that retired from here are satisfied. Hell NO to our medical aid. Our medical aid is messed up. You only et 3 visits to the doctor and you cant buy anything over the counter. You are not covered for maternity leave. You have to pay cash. You are only covered for a hospital plan. So I need to be hit by a bus before my medical aid covers. So I think getting your own medical aid is better, and a cheaper one (Participant 4) and;

I am going to answer you on the pensions and fund. I think it's more beneficial if your company does the pensions and fund for you. Right. Because there's an added security in it because the top bosses of the company will sit on that board of the pensions and fund to make sure that your money is protected. Like in our case, understand we have people sitting on Alexander Forbes, your principal officers and those people to make sure that you as the employee get the best possible investment and protect your money. So for, for security purpose, for pension, I would prefer in our pensions fund. Right. Okay. On the other side, medical aid, you can answer this in twofold. If your company does have a good medical aid then it is fine. Then I will go with the company medical aid. But if you look at companies with medical aid where they don't contribute the full portion, like of your most expensive comprehensive package. Then they should give you the, the option to go seek your private or personal medical aid (Participant 5).

Results in terms of the above question indicate that participants prefer to be part of the organization's pension fund/provident. One participant particularly indicated that it may be beneficial to be on the provident fund of the organization as there are third parties negotiating deals. In terms of the medical aid aspect, majority of participants showed dissatisfaction with the medical aid of the organization and preferred to have more options in this aspect to experience the benefit.

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4.6 Conclusion

In Chapter 1 there were research questions that were highlighted to be answered. This chapter responds to the questions using the mixed method. This chapter spoke to findings on the front of the quantitative data which confirmed that there is a Significant large correlations were found between compensation and values as well as between commitment and compensation while the correlation between values and commitment was medium. When having to find participants, most participants were approached face to face and requested to participate and were prompted to find some more participants with the links provided. Further to this, upon analyzing the data derived from the interviews, there were findings based on the themes identified. In the following chapter, the discussion of the findings will take place.

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CHAPTER FIVE

DISCUSSION OF THE FINDINGS

5.1 Introduction

In the preceding chapters an overview of the research problem was presented, and a review of the literature was conducted on organization commitment, compensation, and personal values. Chapter three outlined the research methodology that was used to conduct the research as well as the results. In this chapter the findings that was presented in chapter 4 will be discussed in more detail, the limitations of the study will be identified, as well as the practical implications of the findings provided, and lastly the direction of future studies.

In the previous chapters the research questions were identified, and which are to be answered below. The main objective of the study is to discover:

(a) Which components of one's compensation structure results in employee commitment.

(b) and whether an employee's personal values in relation to organization commitment results in higher organizational commitment.

5.2 Assessment of Hypotheses

Hypothesis one: Compensations affects employee commitment

Upon statistical analyses there were large significant correlations between compensation and values as well as with commitment and compensation. Moreover, it was found that compensation makes a unique significant contribution to commitment. Similarly to what the literature has allured to where it was found that decisions around compensation in an organization may influence the exercise to attract and retain (Gerhart, Minkoff, & Olsen, 1995). In conjunction to this, according to Daniel (2019) there is a strong direct relationship between compensation and organizational commitment, which agrees with the above result.

Hypothesis two: Personal values affects employee commitment

Upon statistical analyses the correlation between values and commitment was found to be small to medium, although it was found that values do contribute to commitment in a unique sense.

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In regard to both variables, it was confirmed that there was a substantial degree of correlation between the independent and dependent variables.

Literature has indicated a slight relationship where it was stated that when there is a positive match between personal values and organizational values it reaps extensive benefits such as better performance on both individual and organizational level which leads to organizational commitment (Panahi, Preece, & Zakaria, 2016).

Therefore, Hypothesis 1 and Hypothesis 2 can both be confirmed and accepted.

5.3 Qualitative findings

To further elaborate on the confirmation of the above hypotheses, an in-depth discussion of the qualitative results will take place below based on the themes that emerged

5.3.1 Compensation

In regard to compensation there were certain research questions that were identified and answered by the responses of the participants.

Housing benefits

50% of respondents indicated that housing allowance would be a good way to enhance employee commitment. During interviews participants 1, and 2 both made mentioned of employees who may battle qualifying for a bond, and that housing allowance might assist. The other 50% indicated that housing allowance would not be on any benefit to employees due to the rand value of the allowance as stated by participant 4 and 6.

Vehicle benefits

More than 60% of respondents indicated that having a company car would be a means to enhance employee commitment to the organization. The majority of the respondents mentioned the cost of fuel and having a company car with fuel. Further to this, respondents allured to a

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travelling or fuel allowance rather than having the vehicle itself. In essence, the benefit in question spoke more to the cost associated with travelling rather than the actual asset as a benefit

Bonus incentive benefits

During interviews participants leaned more towards having a performance bonus than a 13ᵗʰ cheque. Participants indicated that performance bonus is larger even though a 13ᵗʰ cheque is guaranteed. One participant indicated that both a performance bonus as well as a 13ᵗʰ cheque is preferred to increase employee commitment.

5.3.2 Cash vs Benefits

In this study participants were asked about their preference in terms of having benefits and whether the one component is of more significance than the other. All participants indicated that benefits as part of a compensation package is important. There were no participants who stated that benefits are not important or valued; but what emerged was the cost associated with the benefit. Some participants indicated that they prefer to have a non-monetary benefit to assist them mentally or to assist their kids.

Participants were further asked whether they would prefer to have more benefits than actual cash on their salary package and the majority of participants responded in the negative. All participants provided reasons as to why they prefer cash over benefits and the majority leaned towards the fact that one cannot provide a living or pay the bills with benefits. Moreover, two participants identified a ratio that could possibly be preferred. Although it was ruled that more cash is preferred over more benefits, participants confirmed that both cash and benefits are equally important and that one cannot exist without the other.

5.3.3 Preferred Benefits

During interviews, participants were asked what their preferred benefits. Majority of the participants mentioned that the standard benefits such as your provident/retirement fund as well as medical aid. Other than these participants mentioned other benefits that may increase organizational commitment, these are tabulated below.

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Table 5.1

The preferred benefits according to the participants

P1	P2	P3	P4	P5	P6
Medical aid	Medical aid	Provident fund	Full medical aid	Pension fund	Housing allowance
A Shrink (counsellin g)	Provident fund	Medical aid	Company car	Medical aid	Medical aid
Housing	Housing allowance	Long service bonus	Petrol allowance	Company car	School benefits for kids
Car allowance	Assistance with kids	Company car	Housing allowance	Shares	Holiday allowance
Education assistance for kids	Company car	Unlimited fuel	Performan ce bonus	Bonus	Clothing allowance

Based on table 5.1 one can recognize that the most preferred benefit is medical aid as all participants mentioned it. In addition, the majority of the participants indicated that they would prefer vehicle benefits (allowance or car). The benefits that were rare and unique were found in the responses by participant 1 and participant 6 whereby the participant 1 demonstrated that having a shrink (psychologist) as a benefit would assist employees in being more committed to an organization. Participant 6 on the other hands indicated that a holiday and a clothing allowance would enhance employee commitment. Lastly, the benefit that was further preferred and mentioned quite often during interviews was assistance for kids' education or caretaking.

During interviews participants further had to indicate whether or not they would prefer to seek their own medical aid and pension fund or whether they opt to join the company's offering. All participants strongly voiced that they would prefer to belong to their own medical aid rather than the organization's medical aid. On the contrary in terms of pension fund, all participants stated that they prefer to be on the organization's pension/provident fund.

5.3.4 Personal Values

One of the research questions pertaining to personal values was to determine whether personal values has an influence on employee commitment. As found by the quantitative study above, it indicated a medium correlation. Below responses will be discussed to determine how personal values affect employee commitment.

The majority of the respondents indicated that personal commitment influences organizational commitment by stating that they are committed individuals hence their commitment to their organization. Although participant 4 disagreed with that notion and made reference to employees who are not committed in their lives but are fully committed to their work. In addition to the above, all the participants indicated that their personal values are important when deciding when to leave or stay at an organization. Participant 3 presented an example whereby she left due to her values not being aligned to the organization. The majority of the respondents indicated that their personal values play a role in terms of their commitment to an organization, although participant 4 was of the opinion that personal values do not impact organization commitment and alluded to an example whereby her religion does not agree with certain sexualities but it will not prevent her with working with such individuals.

5.3.5 Affective commitment vs Continual Commitment

Earlier in this study affective commitment was defined as when an employee identifies with an organisation and remains committed as a result of their attachment. Continual commitment was described as when an employee remains with an organization due to the cost implication should he or she leave. The objective is to determine which of the two are more common in an organization. Participants were asked whether most employees remain at an organization for their money and all participants responded "NO". Upon further enquiry, participants indicated that employees fear change and fear the unknown this is the reason why they remain in an organization. Moreover, participant 3 and participant 5 made reference to commitment being a generational aspect whereby the older generation exerts a higher level of commitment than the younger generation. Furthermore, participant 6 further indicated that employees may leave an organization due to their goals of growing in skills whereas participant 1 and 2 stated that growth happens from within your current organization.

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Overall, the most common commitment found within this study was not continuance commitment, but information provided confirmed affective commitment either.

5.3.6 Covid 19- The international Pandemic

One of the specific research questions needed to be addressed was whether Covid-19 had an impact on employee commitment and during interviews majority of participants indicated that the pandemic increased their commitment to their organization due to the security offered in their jobs, and when the effort to keep employees safe was evident. Participant 3 though indicated that her commitment to the organization decreased as a result of the perceived lack of care from the organization.

5.4 Limitations of the study

This study made use of a medium sample size whereby 153 individuals participated in the qualitative study and 6 participants in the qualitative study. Richer data could have been obtained if more qualitative and quantitative participants were used. Moreover, the quantitative study would have benefited more from more reliable and valid instruments had it been an instrument that had already been established, and previously analysed in terms of reliability. Due to the fact that the current quantitative research instrument was created by the researcher, limited the reliability of the results. Further to this, the quantitative research instrument was in English which is considered as a language barrier for individuals whose first language is Afrikaans or Xhosa.

5.5 Recommendations

There are various recommendations brought forward as a result of this study. The recommendations will be presented below:

There were various components of compensation that was researched in this study as a means to increase organizational commitment. In the preceding chapters (particularly chapter 1 and 2), the importance of employee commitment was explained and described. Two of the influences of employee commitment was explored and by the results it was recommended that organizations relook at their benefits structures. Below more detail will be provided:

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- Should an organization have housing allowance as a benefit, it is recommended that the benefit be revised and potentially be removed as a "benefit" as results have indicated that it is not quite viewed as a benefit as such

- It is recommended that organizations consider providing some sort of car or travel allowance as a benefit, whether it be in the form of a company car, a traveling allowance, or car allowance. Results in the study has brought about that employees would appreciate the travel benefits, and this may possibly increase organization commitment

- In terms of medical aid, it is recommended that organizations consider expanding their medical aid options. It was found that many employees are not satisfied with their medical aid as it does not cover what is needed. It is highly recommended that the medical options be tailor made to the needs of the employees either in a collective sense or individually. It is further recommended that should the employee medical aid not be satisfactory that employees would be given the option to find medical aid elsewhere. Finally on this matter, it is highly recommended that medical aid not be made compulsory to belong to the organizations medical aid but rather to be made compulsory to have any medical aid

- Another recommendation that emerged from the findings is that organization need to consider the ratio and percentage of benefits vs cash. Findings indicate that benefits are indeed important but it should not impact your nett salary to the extent that it does. Further to this, some participants was of the opinion that benefits does not pay the bills and that more cash is required.

- Between receiving a 13th cheque and a Performance bonus, it was recommended that organizations provide a performance bonus over a 13th cheque given that it would not only be a benefit to employees but also a large benefit to the organization. Employees would then feel a need to perform well, add value, and profits would increase. Therefore, performance bonuses would be the most influential to employee commitment. It is also recommended that attached top performance bonus- it is important to have a performance management plan in order to avoid dissatisfaction with the result of performance appraisals and performance bonuses

- In terms of recruitment and selection, there are many things to consider before hiring an employee. This study indicated a medium correlation between values and organization
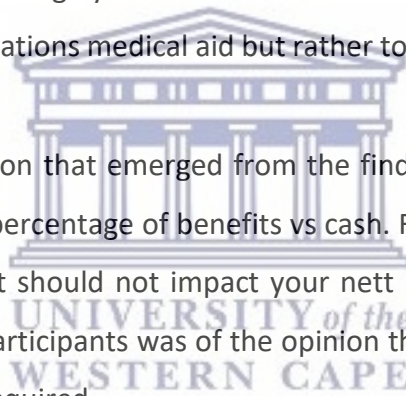
commitment, and it is recommended that when the recruitment and selection process takes place that the individual's values are aligned to the values of the organization. In addition to this that there is a culture fit.

5.6 Suggestions for future research

Further research considerations could be conducting a same or similar study within in different organizations and not just one organization. It should also be considered to increase the sample size of participants so that the results can be more generalised.

Moreover, although there are many benefits to using the mixed method. Further research should explore the qualitative more as it provides a more in depth result that organizations (small or large) can use to design and implement employee commitment strategies. Organization commitment may be viewed as a generational element but a commitment strategy may be the change factor.

5.7 Conclusion

This study investigated the perceived impact of effective compensations and personal values on employee commitment within different brands of an organization. The main objectives were to determine how exactly compensation structures relate to employee commitment, and how one's personal values influence your employee commitment. Based on the literature review in chapter 2 employee/organization commitment is extremely important to organizations especially given the ever-changing nature of the working world. There is a very heavy cost implication when it comes to employee turnover which organizations want to prevent. It is significantly beneficial for organizations to have employee commitment as it increases productivity, profitability as well as adaptability. As stated in the research methodology in chapter 3, the study was based on a total of over 159 employees from an organization whereby it was confirmed that there is a relationship between compensation and employee commitment, and a slight relationship between personal values and compensation.

The research continued with a qualitative exercise where results of the entire mixed method was discussed in chapter 4 and 5. Participants confirmed that there are certain compensation components that increase employee commitment and others that do not impact employee

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commitment. Further to this, it could be seen through responses that personal values may impact employee commitment to a certain extent depending on other factors.

There were certain challenges experienced in the study which included the reluctance to participate in the study given the time required to either complete the questionnaire or be interviewed. It was a challenge to schedule interviews with senior management as the interviews needed to take place close to the end of the first financial quarter (which appeared to be the busiest time in the organization). No other challenges were experienced.

In overall, the research results and findings provide great insight to up and coming businesses as well as to existing companies, and with the recommendations and prospects for future research, this topic has broad space to explore even further.

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