Knowledge and Influencing Factors of Employee Retention

By

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Abstract

Due to the current economic recession, employee retention has become a significant challenge which will require the focus and consideration of many Companies. Some companies intend to improve their profit through reducing cost of employees but keep productivity of employees. Of necessity, this strategy leads to a difficulty in holding onto a talented workforce. Ericsson Company is a leading company in the IT industry worldwide and this company continues to require large numbers of employees with specific skills and knowledge in each department to maintain its competitive position and in order to expand and develop its national business.

The main objective of this study is to review the previous literatures and research about employee retention from the perspectives of employee motivation, work-life balance and organisation culture. Moreover, the intention is to explore the extent in which these three issues impact on employees in Ericsson Company and how that Company manages to deal with client retention in these challenging times.

This research was collected through the use of qualitative data and also by conducting face-to-face interviews. The dissertation shall primarily focus on the above three factors with a view to discussing how those factors influence and affect employee retention at present in Ericsson Company. Through a review of the interview summaries collected, a clear analysis will emerge regarding the relationship between these three factors and employee retention.
Declaration

I hereby declare that this dissertation is the result of my own investigation, acknowledgement of other sources have been given in the bibliography, this dissertation has not already been accepted in substance for any degree and is not being currently submitted in candidature for any other degrees. This dissertation is being submitted in partial fulfillment of the requirements for the degree of Master in Human Resource Management.

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Chapter 1 - Introduction

Ongoing developments in information sciences, technology and the globalisation of the world economy have contributed to the significant onward march of the knowledge economy. In turn, the competition and development of the global economy has impacted on human resources by increasing competition in that area also. In reality, human resources play an important role in promoting the development of the knowledge economy. Therefore it can be stated that the core of economic development is the talent base, in particular talent which has specialized knowledge and this is the primary resource within the era of knowledge economy (Truong, Van der Heijden and Rowley, 2010).

1.1 Background

In the early stages of HR, employee retention was relevant to the cost of turnover. Wille (1994) outlined that the beginning of the employee retention strategy is to understand the cost of turnover. In his opinion, employee retention is not only associated with the cost of turnover but also involves nonmonetary costs relevant with subjective perceptions of the organisation. Wille indicated that management must understand changing the work force to reduce the losses of employees. He found that listening to their employees and appropriate techniques were able to help organisations to gain an understanding of employees. Wille also pointed out that organisations need to select the people with the appropriate skillset or talent for the particular work environment from the outset, and considered this to be the most effective way of holding onto employees. Earlier, Charof (1991) when
considering the challenge facing employers in recessionary times, or where new, competing job opportunities occurred in an expanding market, agreed with Wille when he outlined how to attract talented employees from available resources and then strategised on how to keep them. As will be seen from the above, therefore, it is essential that organisations recruit and select the right people from the beginning.

The 21st century could be described as the age of talent competition. Taylor (2010) put forward an opinion that it is difficult to develop and achieve an effective workforce in many circumstances. An organisation needs to hire people from the employment market, which compelling them compete for talent with other people who also have the skills and knowledge. So it is essential for an organisation to develop a strategic approach to attract and retain talented employees. However, Kavitha and Geetha (2011) argued that it is very common that the organisations lose their talents nowadays. Although they have a large amount of employees, the qualities are deficient. Employee retentions has become one of the leading challenges that how they retain talented employees in modern organisations. The recession can be another main reason that organisations are difficult to maintain talented employees. For instance, organisations want to reduce employees’ wages or hours to save profits, which may have great impact on the degrees of employees’ satisfactions. Furthermore, Yamamoto (2013) indicated some different factors affecting employee retention in recently years after researched 400 employees. The factors involved as following:

- Employees’ perceptions on the commitment: a high level of commitment from employees to an organisation will encourage employees’ participation in management as well as high performance work practices.
- Employees’ attitudes toward retention: It can be classified into two aspects, which are competency and intention aspects. The competency aspect of attitudes toward job specialties, the self-efficacy must be considered.
- Job specialties: it indicates a high level of experience and knowledge in
particular fields.

Yamamoto’s opinion addresses more attention on the relationship between employees’ perceptions of human resource management and their retention. Hence, a number of factors are likely to impact on employee retention in an organisation.

Taylor (2010, p2-3) stated that “resourcing and talent management as a distinct and coherent area of human resource management (HRM)” He established that the basic and main objectives of the HR functions are the mobilization of the workforce. Organisations are willing to make people altogether those who with necessary skills, knowledge, attitudes and experience so as to achieve their goals. In addition, the further objective is to keep talented employees as long as they can. Taylor (2010, p2-3) also stated, “As the skills that employers seek become more specialized, employment markets have tightened, leading to increased sophistication in the area of resourcing and talent planning”. Therefore, it is unavoidable that some people will become surplus to requirements and / or become redundant from the organisation due to lack of skills or knowledge. At the same time, employees may seek a more comprehensive benefits package when they are looking for jobs, such package to include the employer branding, work-life balance, job design and other requirements.

To maintain talented employees, organisations need to understand the factors which may influence an employee’s decision to leave or to stay. Pilbeam and Corbridge (2010) outlined that to identify the reasons why people leave is of assistance in being able to fully understand the retention issues in organisations. The main causes of employee turnover can be divided into four aspects. Taylor (2010) found that the four categories are pull factors, push factors, unavoidable turnover and involuntary turnover. Both Pilbeam and Corbridge (2010) thought it useful in an analysis of the reasons for employees leaving is to identify the pull and push factors, taken together with other unavoidable reasons, such as a
changing domestic environment or relocation with partners. Pilbeam and Corbridge further pointed out that exit interviews are an important process enabling the collection of information about why people leave.

According to Taylor’s (2010) major explanation for turnover, pull and push factors can be understood as following:

- **Pull factors** - this is the positive attraction of alternative employment. Employees are happy in their jobs and fully satisfied with their existing organisations but they may still search for other better opportunities. This may involve a higher rate of pay, better long-term career opportunities, more job security or other types of benefits. It is important to identify their employees’ real value and to address what they are seeking to fulfill in their careers, so that then organisations can strive to provide what is needed to retain their talent base.

- **Push factors** –these occur when there is something wrong with the existing employment which makes the employee more open to seeking out other jobs with better benefits and with a view to improving their working life. Push factors can be that employees disagree with a change in structure, where there is an unsatisfactory organisational culture or it may be that there is a straightforward personality conflict with colleagues. In those circumstances, employees will leave when they source more suitable opportunities. An organisation may need to set about improving the fairness of its operation or focus more specifically on improving the quality of its employees working life.

To further understand pull factors and push factors at work, Taylor (2010) provided a detailed explanation. Organisations require not only to reduce quit-rates but also need to enhance job satisfaction where pull factors are at work.
It is necessary to find out what employees are looking for in their careers, to assess their real value, and thereafter, organisations need to do their best to provide what is necessary. Where push factors are involved, an organisational response should be to ascertain and then address the root causes for dissatisfaction. It may mean that organisations need to pay more attention to improving the quality of working life or indicate that an examination of the organisational policy should be carried out with a view to improve the fairness of its operation. However, most organisations aiming to strengthen the attractive pull factors so as to reduce the attractive push factors are aware that it is inevitable that there will be employee loss for reasons outside of the organizational control or influence.

1.2 Different Views on Employee Retention

Many reasons make people leaving an organisation. For example, job related stress, lack of job security and personal dissatisfaction. Different career fields have different impact factors. Taylor’s research (2010), this identified four categories and organizations need to understand these factors more clearly, which are pull factors, push factors, unavoidable turnover and involuntary turnover. Contrarily, some researches established that retention is not an unsurprisingly occurring phenomenon in any organisation. Therefore, it is difficult to identify the specific factors which determine the rate of employee retention, and more helpful to explore factors that have a great effect on employee retention so as to keep or improve it.

According to Fink (2011), employers will face a new challenge in selecting the right people who can meet organisations’ needs under the competitive conditions. The most ideal employees need to be identified, skillfully placed in the right position and developed. Moreover, Fink proposed a new idea that organisations should focus on hiring employees who are dedicated to their work, will work with passion and also be motivated to help their employers succeed. To prove this
point, Fink suggested that personality testing is needed because testing provides critical insights through offering basic recommendations on how employees can meet requirements of their motivation and therefore best contribute to the success of the organisation. After the top objectives for retention throughout the organisation are identified, Fink thought that organisations should offer training and organisational development to improve employee retention. Fink’s opinions are quite different to those of previous researchers, with his emphasis on personality testing as a solid foundation for employee retention.

Furthermore, Goldman (2009) had previously introduced the similar concept. It indicated that companies can identify which of their current employees might have the natural strength or potential leadership style needed in particular operations through personality testing. Leadership skills are the ultimate elements of the motivation process, whilst the combination of training and testing can play an important role in building organisational leadership to lead to greater productivity and quality. Goldman also thought that employee retention is not only in itself the real goal and that it should be married with the concept of retaining the right kind of employees who with the skills and knowledge that will help them to grow into greater responsibilities and therefore enlarge their respective contributions. As will be seen, using personality testing can assist organizations to discover unexpected leaders who may be capable of inspiring others to change and improve.

Cardy and Lengnick-Hall (2011) focused on the perspective of a customer-based model affecting employee retention in organisations. It is more about employees’ value to organisations than other outside factors that influencing people decide to stay or leave. They focused on factors that management are able to control and may affect workers to stay or leave with organisations. The customer-based approach to employee retention here focused on exploring why people voluntarily remain in a job? The model underlying this method is the employee equity model.
Therefore, organisations pay attention from different aspects in order to strive to improve employee retention. Another different point of view expressed by Holtom, Mitchell, Lee and Eberly (2008) indicated that turnover and retention are not simply two sides of the same construct. The factors which might lead employees to stay may also be different from the factors which lead employees to leave an organisation. After they reviewed the evolving literature, they found that more predictors such as the availability of job alternatives, finding new jobs and adjusting to new situations or dissatisfaction with an organisation’s commitment to their employees may trigger an employee’s departure from the job.

1.3 Objectives and Main Research Questions

This study seeks to explain the knowledge of employee retention and the factors influencing the ability of organisations to retain talented employees and considers the methods which organisations may utilise to retain their workforce. Through analysing the different aspects and factors which are involved with a view to indicating the current situation relevant to employee retentions and based on the analysis results to identify methods of handling and managing employee retention.

The literature researched mainly focused on the following:

- The knowledge and implications of employee retentions
- Employee motivations
- Work-life balance
- Organisational cultures

The objective of this study is to identify the reasons which may cause talented people to leave their organisations and what methods those organisations can utilize to retain talented employees. Motivation, work-life balance and organisational culture are the three major aspects which will be considered and the study intends to analysis the impact of employee retention more specifically in the Ericsson organisation. It is also intended to explore whether these three factors
continue to have an impact on employees’ retention, which is also the objective of this research.

The main research question of this study is to discuss motivation of employees, work-life balance and organisation culture, how these three factors affect employee retention in Ericsson. Firstly, understanding their current working situation and what kinds of factors such as motivation systems influence employees in the workplace. Then, to explore how management teams focus on developing a work-life balance policy and a motivated working environment to maintain the optimum degree of employee loyalty. Lastly, analysing Ericsson’s culture and how they ensure employees are influenced by it. It is obvious that many factors could affect why people choose to remain or depart from a company. The above three main factors have been the focus of numerous researchers previously. However, given the lapse of time and a changing society, these factors may require a fresh review to consider whether they are still important criteria for today’s crop of employees when they are seeking a job.

All of this information can assist readers to systematically understand how organisations maintain employee retentions and what type of employees they really require, especially during a period of recession. In fact, some organisations complained that it is hard for them to retain employees in this environment. Furthermore, much research has been based on identifying the reasons why people leave and stay in organisations, with a view to analysing the research to assist organisations in strengthening employee retentions in order to meet their demands and also meet their employees’ expectations in the era of the knowledge economy.

1.4 Background of Ericsson

Ericsson is a company that consists of mobile and fixed network infrastructure, software, telecom services and broadband and so on. Ericsson has over 110,000
employees around the world with customers in more than 180 countries. Ericsson was founded in 1876, is headquartered in Stockholm, Sweden. Ericsson treats its employees as its most valuable asset. The vision of Ericsson is “prime driver in an all-communicating world” through technology, sustainable business solutions and innovation. So the main questions which will be focused upon are, how does Ericsson go about attracting and retaining talented people at a high level to expand its business, why do people choose to stay or leave the company and what other factors impact on the retention of employees (Ericsson, 2012).

1.5 Overview of Research Project Structure
This section is a brief shown the main contents in each chapter, which included:

● Literature review
This chapter focuses on reviewing previous researches and literatures that related to employee retention. This section will be classified into four different parts as:
  ● The knowledge of employee retention
  ● Employee motivation
  ● Work-life balance
  ● Organisation culture
It is believed that this will assist the reader in understanding the main thesis of this research.

● Research method
This chapter outlines the main methods, theory and application in this research and also explains the reasons for each choice. For example, why interview research was selected, why qualitative method was chosen and how to design the interview. In addition, the main limitations concerning this research also will be considered in this section.
• **Findings**

The main objective of this chapter is to sort out and summarise the main findings from interviews. Due to the data of interviews collected from different interviewees, the information will be classified into three main subjects and then will be analysed in the following chapter.

• **Discussions**

This chapter will relate back to the previous chapter of Findings to analyses the information collected, and also will support the previous literature review chapter. Thematic analysis is the main method to identify and analyse the data collected with a view to assisting readers in their understanding of the situation in Ericsson.

• **Conclusion**

This chapter aims to show the conclusions reached overall by virtue of the research and through all of the previous chapters in order to achieve the objective of this paper. In addition, some recommendations for further research projects will be included. The Researcher trusts that this information will assist other people in related areas.
Chapter 2 - Literature Review

2.1 The Knowledge of Employee Retention

To explore what factors influence employee retention, it is important to review previous researchers’ literatures on this topic and also topics related to this study. There are three main areas of research, which are employee motivation, work-life balance and organisation culture.

Firstly, McKeown (2002) outlined his opinion about employee retention, which focuses primarily on retaining people who are the best performers and not those with a lower performance. McKeown said that there was no precise definition of employee retention because people’s perception of retention varies. But McKeown (2002, p2) found that some managers explained employee retention as “reducing the employee turnover rate to an acceptable level whilst others think retention is about compensation and benefits, moreover, some think of it as a component of culture, that is, how people are treated within the organization.” According to a survey across the United States which involved around 1000 organisations, over 89% of those organisations declared that employee retention had become a strategic business issue. Fifteen elements were found in corporate retention programmes, as follows:

- Innovative compensation and benefits packages
- Effective rewards and recognition
- Performance management, aligning employee goals with business goals
- Strategies for increasing employee satisfaction
- Measures of employee satisfaction
- Career planning
- Work-life strategy
• Building new-hire commitment
• Competency-based strategies
• Employee needs
• Mentoring programs
• Defined role of corporate culture
• Use of coaching for career development
• An employee strategy to support growth and loyalty
• Merger and acquisition retention strategy

It also outlined that to retain younger workers, organisations should be open to offering them alternatives and to search for exciting or entertaining opportunities which will expand their knowledge, skills and interests (Arthur, 2001). At the same time, Browell (2003, p5) stated that the definition of employee retention is “Keeping those members of staff that one wants to keep and not losing them from the organisation for whatever reason, especially to the competitors.” Browell also further explained that the key employees who hold positions are critical for the success of the organisation.

According to Kavitha, Geetha and Arunachalam’s research, they found that employee retention has become one of the most pressing issues for human resource professionals facing a company in recent times. Employees increasingly leaving an organisation create a weak loyalty index in the organization. Kavitha, Geetha and Arunachalam also stated that “Employee retention is the conscious and deliberate effort to retain quality individuals on the company payroll.” In other words, a successful organisation seeking to reduce the drain of company profits, are better to reduce the rate of employee turnover. Furthermore, Ratna and Chawla (2012) argued that retention is more important than hiring, even though hiring knowledgeable people is essential for an employer. Employee retention also indicates taking the appropriate measures to encourage people to stay in the organisation as long as they can. Ratna and Chawla stated their opinion that “The process of employee retention will benefit an organisation as the cost of
employee turnover adds hundreds of thousands of money to a company’s expense.” It also means that if a company has a higher employee retention rate, it will motivate potential employees to join the company. However, Mohlala, Goldman and Goosen (2012) pointed out those different factors which may impact on employee retention after a review of some literatures, particularly within the information technology industry, which included: not defining desirable salary, lack of employee development, advancing technology and high employee turnover. They suggested that organisations are well advised to consider these factors as the foundation for the retention strategy.

To understand the relationship between work-life balance and employee retention, Messmer’s (1999) summarised the opinion at an early stage that more and more people are concerned with the quality-of-life and corporate environment problems than before. After he carried out an executive survey among 1,000 executives, Messmer found that a growing number of organisations are aiming to improve the rate of employee retention by providing such perquisites as additional vacation time, flexible work time or other opportunities. From Birak’s (2008) research, it presented an idea that work-life balance has become one of the focus topics. Birak also found that organisations need to face the challenge of how to balance their employees’ work time and personal time. The areas Birak focused were employee retention, work-life balance, organisational change and leadership. Birak thought that the issue of work-life balance has become more important because of the increasing numbers of women in the workplace. It is believed that social and demographical changes are raising considerations about the quality of life, and how the time we spend at work has impacted on our personal lives in terms of spirituality, family and health.

But Gering and Conner (2002) introduced their opinion that it is important for organisations to retain good employees and employees will choose to stay only if their employers treat them as valued contributors. Furthermore, where the
organisation also improves benefits it improves employees’ loyalty. Boyens (2007) indicated that two of the most difficult matters for most organisations to solve are retaining and motivating employees after he did research in the area. Organisations cannot develop a business successfully if they lack good workers and this lack will involve them in the rehiring process constantly, which may lead to a high degree of employee turnover. So the author thought that organisations should first focus on the reasons why people leave and how to retain and motivate employees. Boyens’ opinion raises a new point of view that employee motivation also impacts on employee retention. Ramlall (2004) further outlined that motivation is relevant in the development and implementation of employee retention practices. Using a variety of motivation mechanism to improve the working life of employees, such as initiating various reward systems, in turn boosts the contribution of knowledge in economic growth. However, Zareen, Razzaq and Ramzan (2013) pointed out their differing view to the effect that the main way to retain talented employees is to focus on their performance as it brings organisational loyalty, satisfaction, job involvement and motivation. They thought that employee retention is the ability of an organisation to retain their employees. If organisations have higher retention of employees, they will gain higher involvement and motivation follows. Zareen, Razzaq and Ramzan also mentioned that employee retention plays an important role in enhancing the employees’ performance and improving organisational productivity.

Furthermore, Denton (1997) outlined an opinion which considered benefits may be quite different to the traditional benefits after he carried out some research. In particular, he highlighted the benefit of availability of child-care, tuition assistance programs, flexible work hours or discounts on services. But Mendonsa (1998) put forward a different idea that many people leave a company not only for the money. A single person may desire a better paycheck somewhere else or threatens to quit if a company cannot offer to match. But benefits and compensation may be the key factor in the final decision-making process. Rosenfeld and Ritter (2000)
illustrated that organisations have recognised the values and behavioural changes showed by the current generation of employees in the past decade. They found, thirty years ago, an implicit psychological contract between employees and employers which engenders in workers a loyalty to the company, which is in exchange for benefits, economic security and promotions. In today’s highly competitive labour market, benefits and compensation definitely are the major part of making people remain in their employment. Compensation is really important but is not the only factor. People still need a comfortable place to work. Organisations which acknowledge these important needs and plan to create a stimulating work environment and a culture of organisational community have an advantage. The effect on Employees may be that they have a strong sense of belonging to the organization when they feel valued and appreciated. Employees are not only more effective but also more likely to remain in place. There are many reasons that leading talented employees leave a company and salary can be an important factor. Kavitha, Geetha and Arunachalam (2011) found that in many studies, human resources managers have evaluated changes in the cost of turnover between 50% and 500% of the outgoing employee’s annual salary. They also indicated that there are six main ways to retain employees, and these are communication, recruiting, pay, benefits, training and job satisfaction. They also recommended that management should strategically plan towards employee needs with specific retention programs.

According to Wood’s (1994, p4) research, it stated that “people are the most important resource in any organization.” Hiring the right people in right positions is also important to enable organisations to improve employee retention. However, most people were not staying in the right positions which mean that inept employees lead to inept organisations. The rate of employee turnover, profitability, customer satisfaction and the extent to which the particular job matches the employee, are influenced by the process of employee selection and placement. The main way to retain the best group is by the selective retention of
employees. In other words, the management should strive to reduce the numbers of lost employees who have higher competent performances. To allocate funding to the sales force, to redefining a company’s strategic plan or to set cost targets for product development, talent is the key to winning. Because people make it happen. Therefore, McNally (2011) found some ways of retaining valued employees, such as designing a compensation programme to reward valued employees, career opportunity, development and growth paths they need to develop, encouraging work-life balance and good communication. McNally stated that “Give your most valued employees the best opportunities, coaching and rewards, knowing that the key to your company’s success is their retention.” According to early research by Hale (1998), wherein it was outlined from the results collected that 86% of employers said it was difficult to attract new employees, and 58% of organisations complained that they had difficulty in retaining their employees. Even when the rate of unemployment is high. Therefore, more and more organisations are starting to specifically focus on keeping their best employees. Some years later, Bhatnagar (2007) further put forward a similar opinion, to the effect that due to the competition in the marketplace, there was a shortage of availability of highly talents and skills employees, and most organisations have to prioritise finding and retaining talented people. It is believed that organisations are continuing to seek and retain the best employees.

Organisational cultural is one of factors which affect employee retention. Chatterjee (2009) found other causes also, such as organisational culture and the quality of employees have a significant impact on employee retention and to create employee satisfaction is dependent on organisational culture. According to Chatterjee’s study, it is obvious that overall satisfaction with organisational culture plays an important role to employee retention. Birak (2013) further explained that implementing organisation change helps to improve employee retention. It can be transformational change from physical or structural changes and change in mindset, which also means these changes related to changes in organisational
culture. However, Bigliardi, Dormio, Galati and Schiuma (2012) outlined the main result of a research that showed that a bureaucratic organisational culture has a negative impact on knowledge workers’ job satisfaction, and innovative or supportive organisational culture has a positive effect. In addition, they found that the leader of the organisation and the influence of each member of the organisation are the main variables affecting organisation culture. In fact, there are still other areas which relate to employee retention in organisations such as employee relations, pay and benefits, trust in senior management and even factors focusing on areas like market equity, retention bonuses, incentive pay and other kinds of monetary costs (Ryan, 2000).

2.2 Employee Motivation

Robbins (1993) identified that motivation can be understand as when people are willing to exert high levels of effort toward organisational goals but the prerequisite for such efforts need to meet individual needs. Ramlall (2004) reviewed theories of employee motivation and found employee motivation had an impact on employee retention and other behaviours in organisations. The author explained that the ‘needs’ here can be seen as the internal state so that some results appear attractive and unsatisfied needs may create tension within the individual. Hence, employees who are motivated should know how to relieve any tension arising so that they are enabled to exert effort in meeting their particular goals. In other words, motivation may have an impact on employee commitment in the organisation which may affect employee retention also. Clayton indicated that key skills, employee motivation and attendance in organisations are the main operational issues which may influence directly on business performances, productivities and costs of the organisation (Clayton, 2006).

Hitt, Black and Porter (2012) introduced a motivation theory named expectancy theory from Victor Vroom which is based on people’s expectation. This theory
simply explores the concept that there are two kinds of beliefs which impact on the amount of effort people will choose to put forth. One belief is effort-to-performance (E → P) and the other one is called instrumentality belief, performance-to-outcome (P → O). The third important variable in this theory is the valence (V), or the anticipated value people attach to an outcome. It should be used as:

\[ \text{Effort} = (E \rightarrow P) \times (P \rightarrow O) \times V. \]

According to the expectancy theory, Hitt, Black and Porter (2012, P268) stated that “these three variables are multiplied to determine the level of effort, a low value of any one of the three would result in very low motivation.” They also introduced another motivation theory named need hierarchy theories from Abraham Maslow. Maslow’s hierarchy of needs consist of:

- **Self-actualisation**: fulfillment and nature of the individuals and the achievement.
- **Esteem**: self-esteem, self-worth, self-regard, and the esteem, value and regard of others.
- **Social**: the need to belong, to love and be loved, to interact with others.
- **Safety**: the need for protection and security.
- **Physiological**: the need for shelter, survival, food and drink.

The essence of Maslow’s need hierarchy theory is stated that “People will first attempt to fulfill basic needs, such as physiological and safety needs, before making efforts to satisfy higher-order needs, such as social and esteem needs.” The main way to understand a person’s motivation from a need hierarchy perspective is to recognise the person’s most basic need that is not yet met. Once the need has been satisfied, however, it ceases to be a motivator unless its fulfillment is threatened again. Two-factor theory is also related to motivation which found by American psychologist Frederick Herzberg. This theory is paying attention on the dissatisfaction between factors that can increase job satisfaction.
(motivator) and those that can prevent dissatisfaction but cannot improve satisfaction (hygiene factors). According to this theory, organisations are better to focus on improving how the jobs are structured – what they do, so as to motivate employees. In other word, focusing on hygiene factors can prevent dissatisfaction but will not affect positive motivation.

Branch (2011) recommended that to create a great workforce, organisations need to focus on efforts to improve their motivation, rewards and retention and then continuing their business growth and improvement. Branch further identified that motivation can be seen as two important factors which are their own motivation and work motivation and the quicker way to motivate and retain these people is essential. However, Skudiene and Auraskeviciene (2012) argued that work motivation is intrinsic if employees are looking for personal challenges, satisfaction of curiosity, enjoyment or self-expression. Normally, work motivation is a kind of energetic force which initiates work-related behaviour and to decide its direction, form, intensity and so on, and motivation can be a set of external and internal forces. Similarly, Gunnigle, Heraty and Morley (2011) explored the extrinsic factors, specific pay, are the major parts to analyse employees’ motivation which can be seen as traditional approaches. Whereas exploring the motivation of individual employee’s satisfaction will be influenced by a myriad of factors. They also found the following factors influence employees’ motivation:

- Personal characteristics: values, attitudes, etc. biographical profile (sex, age, background)
- Job: intrinsic and extrinsic outcomes (nature of job, responsibilities, etc.)
- Work environment: organisational climate and personnel policies (work design, supervisory style, social relation)

Gunnigle, Heraty and Morley further stated that “motivation theory bases its analysis of worker performance on how work and its rewards satisfy the individual employees’ needs.” Generally, if these needs are satisfied, employees
will be motivated to work at a high level of performance. However, if not, their performance will be less than satisfactory.

DeVoe and Prencipe (2001) carried out research which found that communication is the key to motivation and that clear communication makes employees feel connected especially as things will change as time moves on. Employees are not motivated to their fullest potential if they feel disconnected in a company. They also found from some experts in IT companies that it was better to involve their employees in discussion on how change can be implemented most effectively. But, Kalimullah, Yaghoubi and Moloudi (2010) noted that motivation means to push, move or influence people to proceed to fulfill a want. The factors influencing employees’ motivation are reasonable salary, fringe benefits, rewards, benefits and leadership and others. Therefore, organisations are able to successfully improve their organisational effectiveness and organisational performances if they gain more employee motivation. Moreover, Iqbal, Yusaf, Munawar and Naheed (2012) reviewed and evaluated the area of motivation over a 12 year period. They identified that motivation can be understood as moving people from a state of dullness to interest, and it is also a force to give a path to behaviour and employee motivation so as to contribute towards the performance of employees. They found that there was a mixed trend in the articles which came out about motivation in 2007, and most of the articles were published in the year 2011. The main research issues they explored related to motivation through ‘motivation and performance (10=33.3%),’ ‘motivation elements (20%), motivation and culture (13.3%)’ and other topics included ‘personality and motivation’, ‘motivation and leadership’ and ‘others’. Similarly, Manzoor (2012) further explained that organisations need to develop their rules, policies and organisational structures in order to give their employees more space to work and support them in the fulfillment and achievement of their work, so as to improve employee motivation.
2.3 Work-life Balance

Tratt (2000) outlined that due to the rising competition among organisations to attract and retain talented employees, the result has been the development of a new trend of working life benefits. To maintain a competitive advantage in the labour market, organisations have to develop work-life balance in their employee retention strategy. Feldstead, Jewson, Phizacklea and Walter (2001) further defined work-life balance as “the individual’s ability, irrespective of age and gender, to find a life rhythm that allows individuals to combine their work with other responsibilities, activities or aspirations.” Chao (2005) found that organisations should give their employees more flexibility to balance their work and life and they can gain better performances and higher retention rates in return. Accordingly, the author cited from Spherion’s annual Emerging Workforce Study that it appeared that 60% of employees of all ages indicated the important factors affecting retention are flexibility and time. Deery (2008) explored the relationship between employee retention and work-life balance and its impact on employees’ determination whether to stay or leave an organisation. They focused on the roles of work-family conflicts, job stresses and other kinds of job characteristics on important decisions that may influence their employees intending to leave the organisation. According to their previous research, the degrees of conflict between work and family also related to the levels of support their employees receive, together with job satisfaction and organisational commitment and employee turnover.

Curry (2005) indicated that work-life balance may be the most important thing that organisations can provide to their employees in the light of increased revenue pressures and workloads. It is obvious that if work-life balance benefits work output in the organisation, then this can be a retention initiative but most employees declared that the support for work life balance in their organisation has decreased from previously. The author also outlined that organisations should
understand creating balance for their employees is one important way to increase employee retention. Parkes and Langford (2008) further carried out research which assessed 16,000 employees in Australia and found that work-life balance is important for engaging and retaining employees in the context of other aspects of organisational climate. They identified work-life balance can be understood as an individual’s ability to meet their work and family commitments, as well as other non-work responsibilities and activities. Hence, they asserted that work-life balance will impact on the retention and motivation of talented employees which have been made basic on anecdotal. Parkes and Langford also found that work-life balance is more important for older employees, women and the younger workers. They thought that to encourage work-life balance in a company involves a consideration of the strongest variables, the length of working hours. Longer and more intense working hours can be attributed to high commitment management practices but also may attract higher levels of work-family conflict. However, Branch (2011) argued that promoting great work-life balance was not only the main aspect need to enhance employee retention. It is believed that estimating the rate of compensation, defining career paths for advancement and other kinds of factors also have the effect of motivating people. Branch also pointed out, organisations should make sure the levels of compensation are maintained within a competitive range even in difficult economic times. In addition, it is important to consider the balance for their employees between professional work and personal fulfillments, and in doing so they will engender a stronger sense of commitment to the organisation.

Stum (1998) put forward his opinion about the necessary ingredients for employee retentions from Aon Consulting, and these five drivers of retention are as following:

1. **Organisational culture:** to create a fearless cultural in an organisation means to assess the ability and willingness to encourage honest, confrontational and open communication.
2. **Job satisfaction**: job satisfaction has been a recognised driver of organisation performance for 25 years and there is a strong correlation to commitment. To ensure selection and assessment processes that putting the right people in the right places.

3. **Opportunities for personal growth**: personal growth can be found in task forces, expanded responsibilities, conferences and job sharing. To make sure they provide a valuable learning experience when they reviewing the current performance management process.

4. **Organizational direction**: this is the key driver to retention because employees want to gain confidence about and believe in their future of the company. It is better to understand the mission, vision and strategies of the organisation and building enthusiasm and consensus through employee participation will work towards meeting a company’s goals.

5. **Recognition of work-life balance needs**: employees may care about what the company could do to show the support of work-life balance issues.

According to the above information, Stum (1998) indicated that work-life balance factor is most significantly has impact on commitment of labour forces, which are also important to personal and family life. In addition, Stum suggested that organisations should show their support of work-life balance issues to their employees carefully, it is better consistent with the overall culture that values work-life balance. Bond (2004) explored the previous study research in UK and found that organisational culture is an important factor has more impact on achieving work-life balance for their employees than formal policies in an organisation. Bond also suggested creating a work-life balance culture which extended to contain support from organisation and valuing of employees’ work and non-work lives gathering together, and then to reduce conflicts between work and family for their employees.

According to a research conducted by Dex and Scheibl (2001), the authors
thought that introducing work-life balance practices in an organisation leads to enhanced organisational outcomes, for example will increase recruitment and retention, reduced turnover and / or reduced absenteeism. David, Eugenia and Gabriel (2012) explored whether the main benefits of encouraging work-life balance will enable organisations to retain skilled workers, increase profitability and reduce cost through better productivity. In contrast, the lack of workers’ balance may seriously effect on society. For example, women may put off marriage and maternity so as to strengthen their professional careers first. Therefore, organisations can provide or introduce work-life balance practices to avoid the negative consequences of conflict between employees’ work and family. They explained that the objective of work-life balance policies should be to permit employees to increase their life quality by spending more time to different kinds of activity. For example: resting or social life, family care duties or training courses.

2.4 Organisational Culture

Schein (1984, P9) stated that cultural can be defined as “a pattern of basic assumptions – invented, discovered or developed by a given groups as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid, and therefore to be taught to new members as the correct way to perceive, think, and feel in relation to those problems.” Schein also introduced a model with three levels of cultural as following:

- **Level 1:** Visible artefacts (behaviours) – easily identifiable physical manifestations of culture.
- **Level 2:** Values – those ideas that govern behaviour and explain the behaviour of a group.
- **Level 3:** Basic assumptions (Beliefs) – preconscious, ‘take for granted’ assumptions that are the essence of culture.
Daft (1994) further defined organisation culture is a series of three core elements: values, beliefs and behaviours, and these are reflected in languages, rituals, legends and language. But most academic writers think that this is too superficial to understand the dynamism and complexity of culture. Thus, a definition of culture should be both pluralistic and holistic. For example, Ogbonna and Harris (2002a, P34) stated the definition of culture as “the collective sum of beliefs, values, meanings, assumptions that are shared by a social group and that help to shape the ways in which they respond to each other and to their external environment.”

From Chatterjee’s (2009) study, it identified that an organisational culture can be understood as a characteristic of the day-to-day environment that those people felt who work in the organisation. Chatterjee pointed out that compensations and benefits are not always the major problems have impact on employee turnovers. Organisational cultures, opportunities of career development and interpersonal relations are fast becoming the reasons why people leave their organisations. Hence, to retain employees is also means to develop the culture of the organisation. According to Chatterjee’s survey, which is about the education level of the respondents, 71% people were satisfied with their organisation culture and only 29% were dissatisfied. The main reasons for the respondents who were leave previous job, it was found that 45% people said that they changed works for better individual growth opportunities, 43% said that the important influence factor was unaccommodated organisational cultural, 9% left jobs because work-life conflict and 3% people wanted to looking for more challenging work. Therefore, organisation culture has a quite strong effect on employee retention. Beer (1980) outlined the four components of organisational cultural needed to considered as following:

✧ People. Especially expectations of employees, values, attitudes and needs.
✧ Process. People’s behaviors, interactions and attitudes that appear in the
organisations with individual, group or intergroup level.

♦ Structure. It can be seen as the channel that organisations use to design behaviour toward goals of the organisation and satisfy their employees’ need. It may contain job description, organisation structure, selection systems and other systems.

♦ Environment. The external conditions such as the organisation need to deal with its customers, government regulations, market, social culture and values in it operates.

However, in early stage, Ken and Slocum (1987) argued that organisational culture values may moderate difference in strong and weak performance retention rates. Organisations may have their cultures emphasize values in different aspects. Some organisations pay more attention on job security, teamwork, and respect for individual employees, which improving their long-term commitment and loyalty to the organisation. Other organisations put priority on individual rewards and personal initiative for complete particular work objectives, which developing a better enterprise culture. The authors also stated that “employee retention rates may be uniformly high for both strong and weak performers in some organizational cultures but in other cultures may vary greatly depending on employees' job performance.” Sheridan (1992) further explained that employee retention across the organisation may be relevant to the organisational culture due to the organisational cultural impact on its human resource strategies. For example, reward systems, selection policies and development procedures. Particular cultural values may help organisations in retaining their valued employees. By contrast, Manion (2004) declared that the culture of retention in the organisation should create an environment where employees are willing to stay. It means that they enjoy their work and have good interpersonal relationships with people they work with, and try to make it a great place to work. This is the environment that employees want. It also means to create a culture of people’s engagements and contributions. What’s more, Manion indicated that to create a good culture of
retention, organisations need to put their employees first, caring about them, meeting their needs, listening and responding, treating them with respect and supporting them.

Furthermore, Glaid (2002) found that the core values and goals, organisational structures, strategies, systems, skills and the work processed are compositions of culture. In addition, culture can be seen as both a product and a process also. Glaid outlined a different opinion that an organisational culture is related to leadership. This means that leaders first create cultures and then cultures determine the criteria for leadership, such as to decide who will or will not become a leader. Leaders create the vision for the future and lead people in achieving goals. In other words, leaders motivate followers. Lund (2003) declared that management needs to identify the common impacts of organisational cultures on employee-relations in competitive environments. It may affect different types of job satisfaction for employees, for example a fraternal relationship, respect for their employees and long-term commitment and loyalty. Therefore, employees would not choose to leave the organisation if they are gaining more satisfaction through their work and then this also impacts positively on improving employee retentions. Boyens (2007) suggested that organisations should create a good culture where all employees can thrive. Cultures have an impact on how people feel when they go to work or how they are treated in a valuable way. Organisations are capable of changing their organisational culture through creating a positive work environment, making sure to encourage a high level of employee involvement and continuous communication and other ways.
Chapter 3 – Research Method

3.1 Introduction

This chapter intends to justify and explain the choice of research techniques, strategies and approaches that was used for data collection and its analysis in this research paper. The research strategy applied the alternative research methods will be detail explained and standing out the most appropriate to this research paper. Moreover, this chapter is also intended to indicate the specific limitations, interview design and analysis, and the ethical considerations that may have arisen throughout the process of this research paper. The objective of this chapter is to provide a research framework which was used to achieve the research aims and objectives. The research objective for this paper is to investigate the factors affecting employee retention in Ericsson Company.

3.2 Methods

General speaking, research methods can be also understood as the tools for data collection. The in-depth interview method (which can also be understood as face-to-face interview) will mainly be used in this research. Typically, there are two main methods used in any research, and these are qualitative methods and quantitative methods. This paper will carry out through the research ‘onion’ which is put forward by Saunders, Lewis and Thornhill (2003) to explain and analyse at the conclusions related to the research questions and objectives.
There are six different elements in the research process, which included:

- research philosophies
- research approaches
- research strategies
- research choices
- time horizons
- data collection methods

### 3.2.1 Research Philosophy

Research philosophy can be seen as ontology, epistemology and pragmatism and it contain positivism, realism, interpretivism and axiology. Saunders et al (2009) said that pragmatism is quite important to determine the ontology, epistemology and axiology that will choose in research questions. Hence, this paper may contain
interpretivism and epistemological perspective to explain or underpin previous findings and discuss the implications, in particular factors that affecting employee retention. The purpose of this study is to conduct phenomenology research of the environment at Ericsson Company.

From the ontology view, Saunders et al (2009) explained that ontology is the focus on the nature of reality. It can be divided into two parts on different approaches. The first is objectivism which is to focus on how social entities exit independent of social actors, and the second one, subjectivism, which pays more attention to understanding the implications individuals attach to social phenomena. Subjectivism is a more suitable method to use in this paper because Ericsson is built up by individuals from different countries who may have their own thinking and behaviors, and some social phenomena could not be ignored also.

From the epistemology view, it can be combined with philosophy that which consists of acceptable knowledge in a field of study. It can be divided into two parts, the ‘resources’ researcher, also called the positivist philosophy and focus on development of knowledge; and the ‘feeling’ researcher which is adopting the interpretivist philosophy (Saunders et al. 2009). However, Horn (2009) outlined the explanation of epistemology is “the study of the creation and dissemination of knowledge in a subject area”. To understand what factors affecting employees’ retention in Ericsson Company, interpretivist and positivist will be combined to use widely in this paper to explain the knowledge and implication of employee retention.

Saunders et al (2009) has adopted a research philosophy of interpretivism as it is most suitable to her research methods and in satisfying the author’s research aims and objectives. The author believes interpretivism is most suitable as the author is conducting research with regards to individuals and understanding the difference
between the awareness, understanding and up take of private pensions between these individuals.

3.2.2 Research Approaches

As the second element of the research onion represents, research approaches has two possible approaches: deductive approach and inductive approach in which to collect data and develop theory as a result of the data analysis. According to the following explanation of these two approaches, the inductive approach will be applied to this study. Due to interview is the only method to collect data so inductive approach is easier and clear for readers to understanding the nature of problems and the objective of this research.

Deduction can be also understood as a testing theory. According to Saunders et al (2003, p86), it stated that “It involves the development of a theory that is subject to a rigorous test.” There is research to explain causal relationships between variables. Deduction does not pay much attention to what people would think of as a scientific research. It owes more to positivism.

From Horn’s opinion (2009), it indicated that induction is a kind of building theory. It also stated that “In research terms, this involves observing instances of something, looking for a pattern in the instances, building a tentative theory, and then testing that general theory to provide generalisations about behaviour”. Ghauri and Gronhaugh (2005) thought that this type of research is normally related to the qualitative type of research. It owes more to interpretivism.

In addition, Saunders et al (2009, p127) summarises the main differences between the deductive and inductive approaches to research as following:

- **Deductive approaches**
- Quantitative data collection
Scientific principles

The need to explain causal relationships between variables

Moving from theory to data

The operationalisation of concepts to ensure clarity of definition

A highly structured approach

Researcher independence of what is being researched

The necessity to select samples of sufficient size in order to generalise conclusions

- Induction approaches
  - Qualitative data collection
  - A close understanding of the research context
  - Gaining an understanding of the meanings humans attach to events
  - A more flexible structure to permit changes of research emphasis as the research progresses
  - A realisation that the researcher is part of the research process
  - Less concern with the need to generalise

3.2.3 Research Strategies

According to Saunders et al. (2007), they described that research strategies can be used for explanatory, exploratory and descriptive research. Research strategies will help to meet the objectives and answer the specific research questions. The choice of research strategies will base on the research objectives and questions, the amount time and others resources will be available, the extent of existing knowledge and the own philosophical underpinnings. They also outlined some strategies that could be used, which are experiment, survey, case study, action research, grounded theory, ethnography and archival research.
Comparing with other strategies, action research is the best one to select for use in this study. As the company is located in Athlone, the interview technique is quite suitable and easy for this research to collect the specific data needed, and specific face-to-face interviews. Interviewees are willing to talk and communicate in a private space. In addition, face-to-face interviewing is helpful to assist in concentrating on the questions with the effect of being able to gather more valuable information. Besides the interview, questionnaires are also suitable for this research. However, questionnaires may involve a long to wait for response and to affect the analysis. Interview technique is easier to control than the questionnaire technique. Therefore, interview is the only method that considered suitable to use.

3.2.4 Research Choices

Quinlan (2011) explained that quantitative approaches and qualitative approaches can be used widely in business and management research to distinguish both data collection techniques and data analysis procedures. Normally, quantitative research is used for any data collection technique or any data analysis procedure that generates or uses numerical data. In contrast, Ghauri and Gronhaug (2005) identified that qualitative research is mainly to understand and gain insights. It is also means qualitative research tends to be exploratory and flexible with emphasis on understanding, due to ‘unstructured’ issues. They also analysed that qualitative data is based on expressing meanings, results collected in non-standardized data requiring arranging into categories and analysis conducted by use of conceptualization.

This paper contains transcriptions of face-to-face interview summaries. The data is mostly based on meanings expressed and the need to analyse by the method of thematic. Therefore, qualitative data analysis procedure is the main method which will be used. It is more helpful to analysis the data in the discussion chapter.
3.2.5 Time Horizons

Saunders et al (2009) described that time horizons can be classified as cross-sectional and longitudinal. Cross sectional studies as a study of a particular phenomenon at a particular time while a longitudinal study gives a representation of events over a period of time. Due to the time constraints of this research project, a cross sectional study will be applied in this research paper.

3.2.6 Data Collection and Data Analysis

Data collection method is the final layer of the research onion. Individual in-depth interviews were used to collect data for this research. Comparing with quantitative method, qualitative method is more suitable for face-to-face interviews.

Ghauri and Gronhaug (2005) indicated that the major difference between quantitative and qualitative research is not ‘quality’ but of procedure. They stated that “Qualitative research is a mixture of the rational, explorative and intuitive, where the skills and experience of the researcher play an important role in the analysis of data. It is often focused on social process and not on social structures, which is frequently the focus in quantitative research.” They also found that there are three main components of qualitative research as below:

- Data: usually collected through observations and interviews.
- Interpretative or analytical procedure: the techniques to conceptualize and analyse the data to arrive at findings or theories.
- Report: verbal and written.

According the above information, qualitative research is actually much more straightforward than may be believed. Maylor and Blackmon (2005: p221) explained that the essentials of qualitative data-gathering is “built on skills that we already possess: reading, asking questions, talking to people, participating in
everyday activities and observing what is going on around us”. The research
questions in this paper focus on more particular issues like ‘why’, ‘how’ and
‘what’, in order to allow them to express their own opinions of the company. The
process will be used in this paper is unstructured interview and discussion.
Therefore, qualitative method is the best way to do the research for this paper.

Although there have some arguments for using qualitative methods in research, it
remains attractive for many reasons. Miles (1979) stated his view that “qualitative
data are earthly, real, full, holistic, their face validity seems unimpeachable, suffer
minimally from retrospective distortion and offer many ways to assess causality in
organisational matters than arcane efforts like cross-lagged correlations”.

3.3 Interview Design

Interviews were designed to gain information from some employees in Ericsson
Company by making appointments with them. The interviews are recorded and
will change to transcript attached in the appendix with all interview questions. The
questions are most open and exploratory that they can free to express their
opinions. All questions used in this interview were designed to achieve the
research project’s aim and objectives. The questions prepared are based on the
papers reviewed in the literature review and were designed in order to make them
easy to understand and answer.

One-to-one interview is the method of conducting this interview. According to
Quinlan (2011), one-to-one interviews will helps interviewee feel open, honest,
confidential and formal during the communication process with the interviewer. It
also helps interviewee and interviewer focus on each other and it is easier for the
interviewer to gather detailed information required for the research.
This interview is not a structured interview. According to Quinlan (2011), in qualitative research, the interviews are normally loosely structured and are conducted in a flexible manner. These kinds of loose structure and flexible approach to interviews in qualitative research allows for the production of rich and complex data.

In contrast, choose interview may need to spend lots of time on transcript and check the record. It is also hard to gather enough valuable data to research requirements.

3.4 Interview Analysis

The method will be used to analyse the results of interview is thematic analysis. Holloway and Todres (2003) indicated that thematic analysis could be the basic method for qualitative analysis. Holloway and Todres (2003: p347) also stated that ‘thematizing meanings as one of a few shared generic skills across qualitative analysis”. Braun and Clarke (2006) stated that “Thematic analysis is a method for identifying, analysing and reporting patterns (themes) within data. It minimally organises and describes your data set in (rich) detail”. They further identified the strength of thematic analysis is its flexibility and it can be applied across a range of epistemological and theoretical approaches. However, if there are no concise and clear guidelines around thematic analysis, it may lead to limited and constrained results, losing this key advantage.

3.5 Ethical and Confidentiality Consideration

Saunders et al (2009, P183-184) stated that “Ethic refers to the appropriateness of your behaviour in relation to the rights of those who became the subject of your work, or are affected by it.” They indicated that access and ethics are really
important for the success of any researches. It is necessary to pay more attention on how to get access to the data required and acting ethically.

Regarding the research ethic, the exact names of interviewees cannot appear in this paper and any information obtained has been agreed with interviewees before using. Before each interview starts, they will be told that the information recorded is confidential and they will be asked to sign a confidentiality agreement letter also.

### 3.6 Limitations

Although the research results make a great contribution to the current knowledge, there are still some limitations. As the limitation of interview, the structure of interview is hardly to design very comprehensive and it also restricted by time and interviewees’ attitudes. Some people may want to hide some information to make them feel safer, therefore they may offer a little bit of information which can be used in this research. Some people may miss the objectivity of the questions and then answer in a wrong way, which also makes it more difficult to gain more useful information during the process of interview. What’s more, as women and men have different points of views on these questions, so the results may diversify. On the other hand, the results of the interview may be quite similar because they are all from similar departments and influenced by the same organisation structure.

As a limitation of the researcher, there are some biases which need to be considered. Firstly, the researcher has her own opinion about these interview questions, and the researcher will classify these questions into different parts. For example, some questions must ask each interviewee but some may choose to ask, or some questions based on interviewees’ answer to decide to ask or not. Furthermore, different researchers may gain different information as their data due
to the different perspectives. Hence, data collections of this research may be influenced by the researcher’s own perceptions.
Chapter 4 – Analysis of Findings

4.1 Introduction

In this chapter, it aims to show the findings and results from the interview of employees in Ericsson, which refer to the purpose of the thesis. The detailed summary of the interview transcriptions are contained in the appendix. The major aim of this chapter is to transfer the information collected into useful and valuable knowledge. The findings will be analysed in arrangement with the defined research objectives. The more detailed summaries about all interviews will be in the appendix section.

There are three main themes are related to all interviews through analyzing the interview transcriptions. These themes are also related to the information in the literature review, which included employee motivation, work-life balance and organisation culture.

4.2 Overall Findings from Interviews

4.2.1 Employee motivation

Question: Do you feel satisfied with your current work and which parts are the most important for your job satisfaction from motivation system in your company?

Interviewee 1: the interviewee has worked in Ericsson over 5 years and she gives 70 marks of the job satisfaction if the full mark is 100. As to her, she has great employee performance during the work because she feels strong supportive from team members and managers. Actually, the main part she concerned from the
motivation system is the salary. She prefers the higher payment rather than other aspects but the salary is not very high in this company. However, She has a strong sense that managers fully support and understand are really motivate her during the daily work.

Interviewee 2: the interviewee has worked in Ericsson around 2 years. He has a high degree of job satisfaction rate from starting till now. The main parts he satisfied are personal fulfillment and working environment. He does what he likes to do at the moment and also enjoys the process of research with team members. However, he thinks the working conditions are really important for him. For example, the foods and drinks provided by the company, if he cannot has a nice lunch that he will be passive the whole afternoon and wants to leave earlier. He prefers the workplace local and less stress so that he can does what he wants.

Interviewee 3: the interviewee has worked in Ericsson near 2 years and job opportunities are the main part influencing his motivation. He has found some opportunities he wants at the moment but it still not enough for him. He prefers more challenge and innovation jobs to meet his motivation. But he still thinks work in Ericsson is a quite good first-step into IT areas.

Interviewee 4: the interviewee has worked in Ericsson around 2 years and his job is mainly to give other departments technical support. The salary and bonus yearly are the main factors have great impact on his motivation. This is also the major aspect he really cares about for his job satisfaction.

Interviewee 5: the interviewee is a freshman in Ericsson and only start to work 1 year. He is very satisfied with his work at the moment. In his opinion, managers are willing to give the jobs he wants to do and understand his basic needs, which is the main reason that improving his motivation during the work. For example, he wanted to do programming currently and then the manager gave his a chance to
learn. However, he mentioned that salary in this company is not very high in the IT industry. But he thinks the job designs are more important for him and does what he likes makes him work harder and will motivate him to improve the performance.

Interviewee 6: the interviewee is also a freshman in Ericsson. The main factor makes he feels satisfaction is the great workplace. Colleagues and managers are all easygoing and helpful, which makes he feels comfortable and less stress during the daily work. The interviewee also mentioned that a great workplace enhances their effective management and the quality of works.

4.2.2 Work-life Balance

**Question: How is work-life balance policy in your company?**

Interviewee 1: working time flexibility in Ericsson is very good. The core working time is 9:30am – 3:30pm and most important meeting will be hold at that time. There is scarcely any conflict between job and family. She admits that work-life balance policy is very complete in Ericsson.

Interviewee 2: Due to the working time in the company is flexible and we can ask for a reasonable leave it we need, so we can balance the work and family times. Normally, we do not have overload work. This is the main features of work-life balance policy in Ericsson. For example, the interviewee can apply for work from home to finish his work if his family has important or emergency matters.

Interviewee 3: the interviewee does not have a family at the moment. According to his personal life, there is no conflict between work and his private time. He can ask for an early leave or an off-day if he has any reasonable reasons. Due to he does not have a family, he thinks it is no difference for him. However, he knows
that working time in Ericsson is flexible.

Interviewee 4: the interviewee has a high evaluation on work-life balance policies in the company. He said that they can choose work from home, come in early and go home early or come back to company later in the night to continuous the work, as long as they finish the work on time. Due to he has a family, he can ask for day-off or leave earlier if he has reasonable reasons. Therefore, he can take care of his family at the same time he completed his work also.

Interviewee 5: the flexible working time is the major feature of work-life balance. We are free to arrive from 7 am to 9:30 am, so as long as you do 8 hours during the day. Of course, we are free to leave 3:30 pm if you want. So it is a really flexible time and a very good work environment.

Interviewee 6: the interviewee will not bring the work to his life because he only gets paid in working time. Therefore, there is no conflict between his work and personal life. He always separate his working time and personal time carefully and he does not want to mix them so that he cannot enjoy his life. Ericsson encouraging work-life balance policy very well.

4.2.3 Organisation culture

Question: How the company to develop the culture through people, process, structure and environment? What do you think is the best of organisational culture?

Interviewee 1: due to the form of interviewee’s work is a team so she feels strong cooperation sprits among the team members. As her opinion, a good relationship and a high level of employee involvement make them stay in a good work environment, which also improve their work performance. She still remembers
that managers asked each team member their favorite works in the team and tried their best to make them do what they actually want to do, give them more job opportunities to learn different skills in different areas. She said that this made her felt valuable in the company. She can achieve her goals in this career planning.

Interviewee 2: the interviewee is a researcher in the company and the line manager and the project manager are fully support them to finish the work. They work as a team also and team members will share the works. He emphasizes that good communication is really helps team members to improve the quality of works and boosts team members’ cooperation. Due to the good relationship between managers and employees, they can ask to have a break when they feel tired and have a chat when they feel boring, which creating a comfortable working environment they like. Moreover, the structures of the company are quite meet their needs, for example, they have clear job descriptions for their team members and there not too many rules and policies to restrict them.

Interviewee 3: the interviewee thinks the culture of the company is fantastic. They are divided into a team and very united. He still remembered that they faced a big problem that his computer was crashed. All the system could not be used and everything had to be stopped. However, all the team members sit together to work it out without any complains. He felt very warms with their behaviours and what they did for him. The people and environment have a great impact on his feeling of the organisation culture.

Interviewee 4: the interviewee has a strong impress on the relationship in the company. People in the company are very friendly and enthusiasm, which makes the working environment quite relaxed and comfortable. In addition, the high level of employees’ involvement and strong team cooperation make them strength the quality of works.
Interviewee 5: the interviewee feels strong respecting, long-term commitment and valuable in the company. Although he just a new employee and have less experience at the moment, he gets strong support from his managers and has chance to choose the work he likes and wants to do. Currently, he learns to be a leader in his team and team members also give him support. Therefore, he thinks his career path is very clear and has a good opportunity to improve himself in this company.

Interviewee 6: the interviewee thinks that the working environment and relationship with colleagues have great impact on the organisation culture. Because people in the company are all friendly and they are willing to give you a hand on the task when you struggled, by either teaching you from their own experience or finding an expert specially to the problem you asked. He also likes the working atmosphere in this company. It is competitively healthy and he feels really comfortable when working in a place like this. He thinks that it is not only making people more united but also improving the efficiency at work.
Chapter 5 – Discussion

5.1 Introduction

This chapter aims to discuss the result of the findings and relate them back to the knowledge in literature review. Through analysing interviewees’ summaries, the author will explain the final results backup the literature review so as to find whether these three main factors affecting employees’ retention in Ericsson or not.

5.2 Discussion of Findings

5.2.1 Employee Motivation

In this section, the author intends to explore the factors may affect employees working from the motivation system. For example:

- Reward system
- Job satisfaction
- Employee commitment
- Employee performance

According to the literature, employees’ motivation can be influenced by intrinsic factors and extrinsic factors. It’s important to identify people’s expectation and basic need so as to create a great workplace. According to Gunnigle, Heraty and Morley’s findings (2011), they proposed that the traditional approaches to analyse the major parts of employees’ motivation with extrinsic factors they would normally looked at specific pay. In addition, personal characteristics, job itself and work environment are also the factors influencing employee’s motivation. They also believed that how work and its rewards satisfy each employee’s needs have a great impact on workers’ performance. At the similar time, Hitt, Black and Porter
(2012) also proposed a similar idea which related to work performance named expectancy theory. This theory focuses on people’s expectation and explores how it effect on the amount of effort that people will choose to put forth. To understand this theory, it can be seen as that the workers’ performance will depend on their effort and also affecting outcome.

In this research, it is obvious that the extrinsic factors are the main factors affecting employees’ motivation in Ericsson, which is reflected by some people continue to seek more money. Only one interviewee places emphasis on keeping seeks more personal challenges and innovation at work to meet his motivation. According to Maslow’s hierarchy of needs model, this interviewee’s requirements are quite near the high level of needs. From the view of self-actualisation, it indicates to fulfill individual’s achievement. While the other interviewees are mostly conscious of payment, work environment and job design when they choose a company. According to Gunnigle, Heraty and Morley’s findings (2011), they found that work design and supervisory style have an effect on employees’ motivation. Interviewees agreed that Ericsson Company provides suitable and challenging work which they want, and supervisors’ behaviour makes them feel strongly supportive. Comparing with the common factors, the reward system influences them significantly. Most interviewees mentioned salary as still being the first issue that would concern them, whether they are choosing to stay or leave. The interviewee 4 stated that “salary and bonus yearly are the main factors have great impact on his motivation.” However, the salary in Ericsson Company has no competition with other kinds of similar size companies. As the interviewee 1 said that “she preferred a higher payment rather than other aspects, but the rate of payment is not very high in this company”. In addition, the interviewee 5 also pointed out the similar idea that “the salary in this company is not very high in the IT industry”. It is clearly it may be hard for the company to keep employee retention because of this factor but they pay more attention on the other aspects to
attract their employee to stay. Such as offering them all kinds of job opportunities, good ideas support and by giving space to take initiative.

Moreover, it is believed that satisfying people has a great impact on workers’ performance, which is also related to employees’ motivation. From the opinion developed by Frederick Herzberg in the year of 1968, which also called two-factor theory. There are two elements contained in this theory, which named motivator and hygiene factors. The theory emphasises the dissatisfaction between factors that can improve job satisfaction and those that prevent dissatisfaction but cannot improve satisfaction. According to the findings from interviews, most interviewees are satisfied with their current work. Especially, interviewee 1 gave 70 marks for the job satisfaction if the full mark is 100. Overall, there is a very high mark. The interviewee also mentioned that she has a great employee performance during the daily work because the interviewee feels strong supportive from team members and managers. On the contrary, another interviewee pointed out that the salary is a bit dissatisfied him. The interviewee explained that the rate of salary is typically 8% below the average of IT sector. It is possible that men and women have different requirements, which have a great impact on their job satisfaction. Hence, Ericsson Company could consider focusing on hygiene factors so as to prevent dissatisfaction in future management, even if it may not affect positive motivation.

According to the report published in the year 2011, which is cited by Iqbal, Yusaf, Munawar and Naheed (2012). The result of main issues related to motivation they got is performance, motivation elements and culture, which these three issues are also the main features in Ericsson Company. Hence, these factors may continue affecting employees’ motivation. Ericsson Company creates a quite good working environment for their employees, focuses on employees’ basic needs and provides adequate job opportunities. Ericsson Company’s objective is that makes sure their employees have every opportunity to make a difference and see their efforts
through to completion. Moreover, it helps them find a motivating, challenging and rewarding environment no matter what their profession. All interviewees are satisfied with the extrinsic factors and also admit that it enhances their motivation at work. Interviewee 5 gives an example about his motivation at work. He said that he wanted to do programming currently and then the manager gave him a chance to learn how to do programing. This is a very effective way to motivate employees by meeting their basic needs.

5.2.2 Work-life Balance

Work-life balance is a common issue in today’s workplace. More and more large-size companies around the world now encourage work-life balance policies. As the definition of work-life balance introduced by Feldstead, Jewson, Phizacklea and Walter (2001), it indicated that people’s age and gender have an impact on their requirement of work-life balance. Parkes and Langford (2008) also pointed out a similar opinion that work-life balance is more important for older employees, women and the younger workers. According to the findings of this research, it is obvious that women and younger workers actually need it more than other employees. Interviewee 1 is a woman and she had a baby earlier this year. She said she felt flexible working time is really important to her because she could allocate her time as she needed. As interviewee 5 has just graduated from college and he mentioned that he would not want to bring work to his private time because he would not get paid for that. Therefore, he pays more attention to the work-life balance so that he can enjoy his private time.

What’s more, according to Chao’s (2005) research found that organisations can gain better performance and higher retention rates if they provide more flexibility to balance their work and life to their employees. In addition, the result from Spherion’s annual Emerging Workforce study showed that 60% of employees of
all ages indicated that the important factors affecting retention are flexibility and time. In this research, all interviewees are satisfied with the flexible time in Ericsson, no matter whether they have a family or not. Interviewee 4 and interviewee 5 have a similar standpoint about flexible time in Ericsson, which is that they can choose to work from, come in early and go home early, or come back to company later in the night to continue their work. The essential requirement is that they need to finish the work on time. Ericsson Company encourages employees to be driven by goals rather than tasks so they provide the flexibility for work-life balance.

To some extent, organisational culture is closely related to work-life balance. On the grounds of Bond (2004), who explored the previous study research in UK and found that organisational culture is an important factor which has more impact on achieving work-life balance for their employees. Ericsson advocates an open and non-hierarchical culture, and creates an engaging environment where its employees contribute their ideas and thoughts to the Ericsson team. Interviewees mentioned that they have a good relationship with their team members and supervisors. Interviewee 3 outlined that he still remembered they faced a problem relating to when his computer crashed and everything had to be stopped. But team members all sat together to solve the problem without any complaints, which made him feel very warm with their behaviour. This is one of the reasons which make them all behave as friends more than as superiors and subordinates. The working climate makes them feel relaxed and comfortable, which enhances their performances and retention also.

5.2.3 Organisation Culture

Daft (1994) put forward the three core elements of organisation culture are value, beliefs and behaviours. In the year of 2002, Ogbonna and Harris further presented the definition of organisation culture as ‘the collective sum of beliefs, values,
meanings, assumptions that are shared by a social group and that help to shape the ways in which they respond to each other external environment’. It is believed that organisation culture is always influenced by values, beliefs and behaviours. Boyens (2007) thought that creating a good organisation culture could help organisations make their employees thrive. Moreover, Boyens pointed out that organisations are able to change their organisational culture through creating a positive work environment, making sure a high level of employee involvement and continuous communication and other kinds of ways.

From the valuable perspective, only two employees have a strong sense of valuable in the company. They admitted that they felt a strong respecting and long term commitments with the company. Interviewee 1 said that her manager would ask each member about their favorite work they want to do and would try their best to achieve it. Manager’s behaviour makes her feel valuable in this company and make her willing to stay a place with a strong support. As Ken and Slocum (1987) indicated that organisations could create their cultures from job security, teamwork, respect for employees and improve their long-team commitment.

From the beliefs perspective, interviewees do not mention this particularly. However, Schein (1984) pointed out that beliefs could be understood as basic assumption also and it is the essence of culture. Schein further explained that the basic assumptions are invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration. It is the different ways to perceive, think, and feel in relation to those problems. Therefore, interviewees may have these kinds of beliefs themselves but it is not the main factor affecting culture in this company. From the story recounted by interviewee 3 as mentioned before, he felt a strong cooperative spirit from his team members’ behaviour, which has a great impact on his perception of the organisational culture in the company.
From the behavioural perspective, all interviewees agreed that they have good relationships with their colleagues and supervisors. In particular, they have strong impressions of team cooperation and employee involvement in teams. As Manion (2004) stated, organisations should create an environment where employees are willing to stay. This also means that they enjoy their work and have good interpersonal relationships with the people they work with, and try to make it a great place to work. It is obvious that this is still the environment employees want. More and more people want to seek enjoyable places, also to have good relationships at work. Ericsson strives to offer a stimulating work environment characterised by continuous learning and commitment to innovation. In return, their employees take pride in their work and are willing to engage and contribute in their work. One of the interviewees said that a good working environment not only makes people more united but also improves the efficiency at their work. Hence, organisational culture has a great impact on whether employees choose to stay or leave.
Chapter 6 – Conclusion

This study aims to explore the knowledge and factors that affecting employee retention in Ericsson Company from the perspectives of employee motivation, work-life balance and organisation culture.

The previous chapters focused on three main factors, which are employee motivation, work-life balance and organisation culture, and to find the relation between these three factors with employee retention so as to find out the extent of the impact on employees in Ericsson. Firstly, the author had reviewed some previous literatures about employee retention and summarised the factors related to employee motivation, work-life balance and organisation culture. Then, based on that, detailed research was carried out to examine these three factors and its effectiveness related to Ericsson and its employees.

This research was conducted using a qualitative approach as a research method, which also contains interview research. Through the analysis of different aspects and factors affecting it was sought to indicate the current situation of employee retention in Ericsson, and based on analysing the results to find out how to improve employee retention. During this research, it is clear that Ericsson has systematically striven to attract and retain their employees. The researcher found from the result of interviews that employee retention variables depend on employees’ requirements and expectancy from employee motivation, work-life balance and organisation culture. Different people have different plans and goals for their career path.

According to the findings of employee motivation system in Ericsson, it is obvious that reward system, job satisfaction, employee commitment and employee performance are the main factors have a great impact on their employees. Most
interviewees mentioned that if these kinds of factors will be met, they will be more motivated at their work. This is also supported by some motivation theories that summarized in the chapter of literature review. However, Ramlall (2004) outlined his idea after reviewing many different motivation theories, and found that there is more to a manager’s role in motivating employees than good working conditions, compensation and similar factors. In addition, Herzberg argued that employees’ jobs have to be fully enriched so that employees have the chance for recognition, responsibility, achievement, stimulation and advancement. Therefore, providing more job opportunities to employees assists in motivating them at work. Ericsson has the same viewpoint as Herzberg because it proposed a similar objective for the company, to ensure their employees have every opportunity to make a difference and see their efforts through to completion.

Moreover, work-life balance is the best factor influencing the interviewees in Ericsson. All interviewees agreed that they have high degree of satisfaction with the work-life policy in the company, which also influences their performances at work. According to Chao’s (2005) opinion which indicated in the literature review that organisation should give their employees more flexibility to balance their work and life and they can gain better performances and higher retention in return. As a result of the interviews, it is believed that Ericsson successfully implements flexibility in order to balance their employees’ work and life. Ericsson encourages flexibility for work-life balance because they prefer to be driven by goals rather than tasks.

Organisation culture is the final factor required to be considered but this is an important issue in that it can be related to work-life balance also. According to Bond (2004), in outlining the results of his research, he found that organisational culture is an important factor which has more impact on achieving work-life balance for their employees. To explore organisation culture itself in Ericsson, the main feature is that they advocate an open and non-hierarchical culture.
Interviewees really appreciate it because they all stay at the same level and so it is easier for them to develop good relationships with colleagues and supervisors in the company. In addition, this culture of strong relationships and supports affects employees’ intrinsic motivation also.

Overall, the results of these researches meet the main objective of this study. Generally speaking, employee motivation, work-life balance and organisation culture, are closely related to each other. The research also has shown that organisations need to know how to attract and retain their employees from available resources in any recession. It is undoubtedly evident that to facilitate employee retention by building up a motivation mechanism, developing a good organisational culture, understanding employees’ expectation, creating a work-life balance workplace and other similar methods are quite effective.

6.1 Further Research Recommendations

This study only focuses on six interviewees in a company, which is chosen from the IT industry. These three main factors may not the line factors that have impact on employee retention in IT industry but the results of this research evident prove that it is still influencing employees in Ericsson. Therefore, it would be useful to conduct a research containing the same factors in other companies from different industries for future research. It may also help to compare the same factors on the impact of two companies in different industries.

In addition, there may be more other kinds of factors appeared, with the changing of society and people’s various requirements. Hence, further research could be better considered related to the situation and then decided which factors more suitable to be focused.
Reference List


Appendix

Interview Summary Form 1

Interviewer: Hi, I am Fiona. Thanks for taking time to do the interview.

Interviewee: That’s fine.

Interviewer: Before starting, I want you to know that any information you give me is confidential.

Interviewee: Ok.

Interviewer: What’s your position in the company and how long you have been there?

Interviewee: I am a tester. And I have worked in the company over 5 years.

Interviewer: Do you feel satisfied with your work?

Interviewee: Not too bad. If 100 is the full mark, I will give 70 marks.

Interviewer: OK. So which part do you like best about working in Ericsson?

Interviewee: I think is time flexible.

Interviewer: How is your salary?

Interviewee: It’s ok. After two years, the salary will increase a bit. So I think it is not too bad for me.

Interviewer: So, do you think salary is the most important for your satisfaction?

Interviewee: For me, I don’t want to join the management level, so I am quite care about my pay. But the salary in the company is good.

Interviewer: Any employers’ or colleagues’ behaviour make you feel good or
bad?

**Interviewee:** No. Because we are working as a team so our works are related. They are all very nice. Employers always support us. A good relationship among us makes us improving the quality of works and creating a high level of employee involvement. I still remember that my managers asked us what we want to do in the daily work and they did their best to arrange the works for us to meet us, which made I feel valuable in the company.

**Interviewer:** What do you mean ‘support’ here?

**Interviewee:** Normally, employers fully support us like give me feedback by emails frequently, meet our requirements and understand what we want to do. And if I want to further study in the college, the company will offer me or provide lots different internal trainings in the company either.

**Interviewer:** Ok. How do you feel employee commitment? Such as, balance between professional work and personal fulfillment.

**Interviewee:** Because Ericsson is a big company, around 800 employees. So I think it is hard for the company to fulfill each person. As my experience in the company, I did not feel personal fulfillments because we always change teams and managers, and not every manager can remember what we are really want to do. Therefore, I said I did not meet my fulfillment.

**Interviewer:** I remember you mention that the best you like about working in Ericsson is flexible. Would you mind to expand it and give more information about it?

**Interviewee:** Sure. The core working time in Ericsson is 9:30am – 3:30pm and most important meeting will be hold at that time. If any important meeting will be hold after the core working time, we have rights to choose not attend. As I am female and I got my baby this early year, flexible working time is really important for me that I can balancing my work and family. Ericsson quite encouraging
work-life balance policies.

**Interviewer:** Good. So you do not feel any job stress or family stress when you working?

**Interviewee:** Right. Because we normally work as a team so we all support each other to finish our jobs. Hence, I cannot feel any job stress at the moment. What’s more, the working hours in the company are quite flexible, so I can take care with my family if I need. This is the best thing I loved in this company. We can choose the working time we want based on the basic hours.

**Interviewer:** You mean that you are always working as a team so how do you feel the leadership in your team? Is effective leadership?

**Interviewee:** It’s very good. We have two different leaders in one team. One is line manager and another one is project manager. Line manager is only doing the management, not involved in our project work. The project leader is fully support us during the daily work. If we have any requires, the leader will do the best he can to fulfill us. Due to we are just a small team in the company, so we are friendly to each other, even after work. We always go out have a drink and chat.

**Interviewer:** Ok, the last question is what is the main reason that you will consider to leave a company?

**Interviewee:** Not offer a satisfied salary if I work in this company for a long time or I can find a better job.

**Interviewer:** Thanks for your corporation.

**Interviewee:** My pleasure.
Interview Summary Form 2

Interviewer: Hi, I am Fiona. Thanks for taking time to do the interview.
Interviewee: It’s Ok.

Interviewer: Before starting, I want you to know that any information you give me is confidential at all.
Interviewee: No problem.

Interviewer: What’s your position in the company and how long you have been there?
Interviewee: I am a researcher. And I have worked in the company around 2 years.

Interviewer: Do you feel satisfied with your work?
Interviewee: Yes. Everything is good.

Interviewer: Would you mind give me a particular one?
Interviewee: Near my home.

Interviewer: OK. Which part do you like best about working in Ericsson?
Interviewee: The working environment makes me feel comfortable.

Interviewer: So would you mind tell me that how your salary is?
Interviewee: It is not too high in IT areas but I am satisfied with my pay at the moment. Because I am not just care about the salary.

Interviewer: You said that you do not care about the salary so much and what is the most important for your satisfaction in your work?
Interviewee: I think that it is the working conditions. For example, I am really caring about the food and drink provided by the company. If I cannot have a nice lunch that I will be passive at afternoon and want to go home early.

Interviewer: Ok. Sound interesting. Any employers’ or colleagues’ behaviour make you feel good and bad during the daily working?

Interviewee: En, actually, as I am a researcher, the line manager and the project manager are fully support us to finish our work. You know we are working as a team so we have to work together and help each other in order to finish the work on time. Therefore, we are all friendly and nice to all the team members. We have a really good communication during the work which makes us understand each other easily. Even we will have some arguments among the team, sometimes, but normally it is only for the job, not for people. The working environment is comfortable, we can ask to have a break when we feel tired, we can ask to go out have a chat when we feel boring and something like that. There are not too many rules to restrict us.

Interviewer: So what do you mean ‘support’ here? Is it only managers give you fully supports?

Interviewee: Right. I think it is completely important for me. If I cannot get support from my managers, I cannot finish my job on time or I will feel unsatisfied during the work. It will make me give negative feedback also.

Interviewer: How do you feel employee commitment? Such as, balance between professional work and personal fulfillment.

Interviewee: As I am a researcher in the company. I can do what I wanted and also can choose the work I liked. This is the personal fulfillment for me. I can learn lots different technique knowledge during the work, which make me very satisfied.
**Interviewer:** Do you feel any job stress or family stress conflict during you daily working?

**Interviewee:** Not really. Due to the working time in the company is flexible and we can ask for reasonable leave it we need, so we can balance the work and family times.

**Interviewer:** How do you feel the leadership in your team? Is effective leadership?

**Interviewee:** Due to the team leader was promoted by our team members before so the leader knows what we want and need, work styles and understand what we did. He would not give us extra job stress and always communicate with us. I feel that the leader respects us so much, which makes me feel really comfortable and relax when working with the leader. This is a quite important point I think. Because not everyone wants the leader to restrict them to do the work they do not like. Therefore, the leadership in my team is very good.

**Interviewer:** OK. Last one question. Would you mind tell me that the main reason you will consider to leave a company?

**Interviewee:** Actually, I never think this question. But, if I cannot learn anymore from a company, I may consider changing a new environment. Because I like more challenges.

**Interviewer:** Thanks for your help.

**Interviewee:** My pleasure.
Interview Summary Form 3

Interviewer: Hi, I am Fiona. Thanks for taking time to do the interview.

Interviewee: It’s my pleasure.

Interviewer: Before starting, I want you to know that the objective of this research is to explore motivation, work-life balance and organisation, how these three factors affecting employees in Ericsson. Therefore, any information you give me is confidential and the information will be used in my dissertation is must be agreed with you.

Interviewee: OK.

Interviewer: What’s your position in the company and how long you have been work there?

Interviewee: I am an engineer and the main duty is technique support. I have work in this company nearly 2 years till now.

Interviewer: Do you feel satisfied with your work?

Interviewee: Yeah, pretty good at the moment for my work. I can learn new technique skills throughout the daily work.

Interviewer: So which part do you like best about working in Ericsson?

Interviewee: I think is its job opportunities. Because Ericsson is a company with long history and is a quite big company also in the world. I can learn much different knowledge. And I have more chances to improve myself at least 2 years. The company offers much training to help us to improvement so as to reach a higher level.

Interviewer: How is your salary?
**Interviewee:** Not too bad at the moment. Salary will be increased later, maybe every year or 2 years, depends on results each year.

**Interviewer:** Do you think salary is the most important for your satisfaction?

**Interviewee:** In addition to job opportunities, salary is very important for me. It is the basic and main objective of my life.

**Interviewer:** Any employers’ or colleagues’ behaviour make you feel good or bad?

**Interviewee:** They are all very nice. We are divided into a team so we have to work together to finish the job. I remember that we had a big problem before, my computer was crashed. We cannot finish the job on time. But all the team members sit together to find a best way to resolve this problem. Some of them went to find other people to help and some of them helped me to fix the system. After repaired this problem, we held a meeting also to discuss that how to prevent the similar problems happening again. All of us have no complains and any negative emotion to the team members. As a Chinese person here, I have to say that the team spirit here is really strong so I love the work environment in this company.

**Interviewer:** Ok. How do you feel the employee commitment, positive or negative?

**Interviewee:** I think is positive. Maybe my department is technique support, we need to support other departments to complete tasks, and therefore we have to get fully support from the company. This is the main reason that I feel commitment. Good relationship with team members, no overload work, satisfy payment and high job security, most work conditions are make me feel strong commitment.

**Interviewer:** Do you feel any job stress or family stress conflict during the daily working? In other words, how do you feel the work-life balance policy in your
Interviewee: I do not have a family at the moment. Comparing with my personal life, there is no conflict between work and private time. If I have any reasonable cause that I have to ask for leave, it is quite efficiency to get feedback. Therefore, job stress and family stress are not serious.

Interviewer: How do you feel the leadership in your team? Is effective leadership?

Interviewee: Actually we do not have specific leader in our team. We are all at the same level, no particular hierarchy. We only have a person that control the daily work and will give us performance appraisal results for quarterly. This is a kind of monitoring system more than a leader in a team and it work quite effective as well.

Interviewer: Now, the last question. Would you mind tell me that the main reason you will consider to leave a company?

Interviewee: I think that if I can find a better job to do the work I really like. To be honest, this work is not the first choice for me. So I will keep searching the best suitable one.

Interviewer: Thanks very much for your help today.

Interviewee: You are welcome.
Interview Summary Form 4

**Interviewer:** Hi, I am Fiona. Thanks for taking time to do the interview.

**Interviewee:** It’s fine.

**Interviewer:** Before starting, I want you to know that my research objective is to explore motivation, work-life balance and organisation culture, how these three factors affecting employee retention in Ericsson. Any information you give me is confidential so you are free to express your ideas.

**Interviewee:** Ok. I will.

**Interviewer:** What’s your position in the company and how long you have been work there?

**Interviewee:** My daily work duty is technique support. I have work in this company nearly 2 years now.

**Interviewer:** Do you feel satisfied with your work?

**Interviewee:** Not too bad. Relatively satisfy with what I do at the moment.

**Interviewer:** So which part do you like best about working in Ericsson?

**Interviewee:** To be honest, is the company. Because most people know this company around world and the working experience may help me in the future. Furthermore, the working environment, it is an internationally company and we can learn from different people from different countries.

**Interviewer:** How is your salary?

**Interviewee:** Not very high in the IT industry but I still satisfy with the payment because I will get bonus at the end of each year if I meet the goals.
**Interviewer:** Do you think salary is the most important for your satisfaction?

**Interviewee:** For me, yes. I think salary is the basic of life. Most people want to work in order to earn as much as possible to improve the quality of life. Therefore, salary is the main aspect I care.

**Interviewer:** Any employers’ or colleagues’ behaviour make you feel good or bad?

**Interviewee:** The relationship in our company is really friendly and enthusiasm. As I am an older and experienced worker in our team, I need to help and conduct some new employees to complete their works. If they have any problems or requirements, they will let me know and we can solve it together. We have strong team cooperation among us and also have a high level of employee involvement.

**Interviewer:** How do you feel the employee commitment in the company?

**Interviewee:** Not too bad. Although the payment is not the highest in IT industry but job security, work-life balance and work relations are quite well. Normally we do not have overload works need to do. So the commitment in the company is positive.

**Interviewer:** Do you feel any job stress or family stress conflict throughout the daily working? In other words, how do you feel the work-life balance policy in your company?

**Interviewee:** Work-life balance is the best part in Ericsson I think. Maybe is also good in other companies. As long as you finish your work on time, you can choose work from home, come in early and go home early or come back to company later in the night to continuous the work. It is entirely up to you. I can ask for day off or leave earlier if I need to take care of my family. It’s very flexible working time. There are not very strong job stresses on the daily work, only if we meet some thorny issues. But it is seldom meet problems like that.
**Interviewer:** How do you feel the leadership in your team? Is effective leadership?

**Interviewee:** The leadership in our team is quite effective. The leader is fully support our daily works’ requirement and meet us basic needs. I think that the main point is the leader creates a really good work environment, such as friendly relationship, good communication, respecting us and providing long-term commitment. All of these things make us feel valuable and encourage us to improve the quality of work. Furthermore, they will allow us to do the job we wanted so that we can try our best to complete the particular goals.

**Interviewer:** OK. The last question, what kinds of reason that will make you think to leave a company?

**Interviewee:** If I can find a job with higher salary, more job opportunities. Earning more money is the main factor for me, so salary is the reason I will leave a company.

**Interviewer:** Thank you for your help.

**Interviewee:** You’re welcome.
Interview Summary Form 5

Interviewer: Hi, I am Fiona. Thanks for taking time to do the interview.

Interviewee: It’s fine.

Interviewer: Before starting, I want you to know that any information you give me is confidential.

Interviewee: Ok.

Interviewer: My research topic is about employee retention and the three factors affecting employee retention in Ericsson, which are motivation, work-life balance and organisational culture. So the first question, what’s your position in the company and how long you have been there?

Interviewee: En. The work in Ericsson is very varied. It could be form documentation to different task, such as programming. I do the programming for the moment. I am working in this company one year and six days till now.

Interviewer: Do you feel satisfied with your work?

Interviewee: Yes, I am very satisfied with the work. I want to do programming and I just said that to my manager and then he gave the programming tasks to do and I like that. I can learn a lot from the work. I learned new techniques and knowledge, so it was very interesting.

Interviewer: So which part do you like best about working in Ericsson?

Interviewee: You can drink as much coffee as you want. Haha. It is just joking. Actually, I can learn a lot from different team members. We have responsibilities and we have deadlines. It is organised and we can talk easily with the product owner and different supervisor. In simple words, it’s the work environment I think. What’s more, it is very close to Athlone, it is open to a lot of nationalities inside, a
lot of people, around 1000 people onsite. Ericsson is a big and popular company and most people said that it is a good choice to start working in a company like this. The experience in this company makes the CV look better in future.

**Interviewer:** How is your salary?

**Interviewee:** The salary is not very high but you could find better in Dublin like IBM. I heard about more than 50,000 Euro per year for a starting employee but for the moment the more important for me is the work condition, which I can continue the studies further with the team.

**Interviewer:** So you mean that you do not care about the salary very much. Would you mind explain that what is the most important for your satisfaction in your work?

**Interviewee:** I chose this company even if the company pays a bit less than the other company but the working conditions are very good. You are free to arrive from 7 am to 9:30 am, so as long as you do 8 hours during the day. Of course, you are free to leave 3:30 pm if you want. So it is a really flexible time and a very good work environment. People are very friendly.

**Interviewer:** So any problem with your employee performance?

**Interviewee:** Not for the moment. For the moment as I start to learn what we are doing, it is step by step. But I have not any problem and I have the opportunities to get more responsibilities to manage people and to get more and more involved, so it is very interesting.

**Interviewer:** Is that means that you get strong support from your managers and leaders?

**Interviewee:** Yes. I have a chance to get a good team so the people in the team are my age or you age and the maximum will be around 40, so it is a very young team. People are very friendly as well.
**Interviewer:** How do you feel employee commitment at the moment? For example balance between professional work and personal fulfillment.

**Interviewee:** For the moment it is good. I work a lot just because I like what we do so I do not mind leaving work very late and come back later. But it is depends, it could be very late. Because we are using technologies, java script language and I can re-use that in my project. I can learn and reapply everything in my personal project.

**Interviewer:** What kinds of things make you feel valued in the company?

**Interviewee:** Values… For the moment, I have been taking the team leader in what we called the scrum master, and it is also a team organiser. I will have different persons under my management and I will have to ask them like where are you in your task? How long? What is your estimation? Will it take a long time? Some questions like that. It is really interesting during the process of learning.

**Interviewer:** How do you feel the work-life balance work in the company?

**Interviewee:** I don’t have a family or any person who is waiting for me, only my cat, so he doesn’t complain a lot. I can choose to work at home if I need, this is very good.

**Interviewer:** Do you feel very strong job stress during the daily work at the moment?

**Interviewee:** Not very strong. At least, you are motivating yourself to achieve at a task, it is not someone behind you that push you to do it.

**Interviewer:** Does the company give your lots chances to promote yourself?

**Interviewee:** At the beginning a promotion after one year so after one year you get promoted and what you can do is after this promotion, it depends on your work or what is your task.
**Interviewer:** As you are team leader in your team now, how do you feel the leadership? Is it effective?

**Interviewee:** It is very interesting, people do not mind even if I am one of the youngest in the team. I think the leadership in our team is quite efficient. But I am still very young and need to learn how to be a good leader. Team members will not mind if I make any mistakes. They will not get angry, they are very kind. We all have a really good communication as well. I can come to their desk at any time just have a chat with them or even during the coffee break during the work. That’s very good.

**Interviewer:** Ok. Any reason will make you want to leave a company?

**Interviewee:** Maybe the salary is low but I do not mind for the moment. The salary I could better in other companies but maybe with more stress or less quality in the work environment. For me, I feel good with the company. I do not want to leave it at the moment. If I can show you my desk, I do not have any picture but I have 24 inches screen, you could imagine this in the two screens, two 24 inches, my laptop on the side, the desk is around 1 meter long, 80cm width and the chair is very small. So it’s really comfortable and you can drink any coffee you want or whatever you like to drink.

**Interviewer:** What do you want to change or improve in the company that makes you feel want to stay longer?

**Interviewee:** I never think about it before. Of course if they can rise up the salary that it may encourage people to stay a bit longer, but for the working conditions, they are very good.

**Interviewer:** Ok. All questions are done. Thanks very much.

**Interviewee:** No problem.
Interview Summary Form 6

**Interviewer:** Hi, I am Fiona. Thanks for taking time to do the interview.

**Interviewee:** It’s Ok.

**Interviewer:** Before starting, I want you to know that any information you give me is confidential at all.

**Interviewee:** No problem.

**Interviewer:** What’s your position in the company and how long you have been there?

**Interviewee:** I am a software engineer and I have work in this company since the year of 2012.

**Interviewer:** Do you feel satisfied with your work? Why?

**Interviewee:** Yes, I am. The workplace is quite pleasant and colleagues are easygoing and helpful.

**Interviewer:** OK. So which part do you like best about working in Ericsson? Would you mind give the reason also?

**Interviewee:** En. I think is the flexible work time. We don’t have a work time restriction. Employees can come and go at any time that suits themselves best.

**Interviewer:** Do you think salary is the most important for your satisfaction? Why?

**Interviewee:** Not really. To be honest, salary is a little bit dissatisfactory for me. According to the statistics from Payscale.com, we are typically paid 8% below the average of IT sector.
**Interviewer:** So what is the most important for your satisfaction?

**Interviewee:** That could be many things. For example, creative environment, high adaptability to new technology, proper encouragement for employees learning and effective management paradigm. Generally, it is the working conditions and great working environment make me feel great satisfaction.

**Interviewer:** Any employers’ or colleagues’ behaviour make you feel good or bad? In other word, do their behaviours will effect on you employee performance?

**Interviewee:** People in the company are overall friendly. They are willing to give you a hand on the task you struggled, by either teaching you from their own experience or finding an expert specifically to the problem you asked. The working atmosphere is competitively healthy so that we all work as a team at the site. Therefore, I feel really comfortable working in the place like this. It is not only making people more united but also improving the efficiency at work.

**Interviewer:** How do you feel employee commitment? Such as, balance between professional work and personal fulfillment.

**Interviewee:** From my perspective, I am still a learner in the IT sector because of short of experience. I have had plenty of time working accompanied by the phase of self-learning. During the studying of the project, I found myself fulfilled when I made software working as I expected. So the enhancement of professionalism in fact aligns with the personal fulfillment.

**Interviewer:** Do you think work-life balance policy is important for you? Why?

**Interviewee:** I won’t bring the work to my life time because I am only paid in work time to do the job.

**Interviewer:** How do you feel the leadership in your team? Is effective leadership? Is possible that you can layout some details of it?

**Interviewee:** We don’t have a bureaucracy in the team, at least at my level.
Everything happens naturally with an effective leadership. When we have a meeting for the plan in the next a couple of weeks, everyone is welcome to express their own opinions and potential problems they may encounter. The senior engineer will decide the task allocation based on the past experience and personal capability. Training will be arranged for a particular subject if necessary. So there is no particular leadership in our team, it is more about people free to communication with their team members.

**Interviewer:** Ok, the last question. What reason that you will consider leaving a company?

**Interviewee:** Ah. It would be a higher salary from competitive, innovative and top-class company if I cannot achieve self-improvement anymore in a company.