Career Development And Talent Retention In Private And Public Universities In Ogun State, Nigeria

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Abstract: The study examined the interface between career development and talent retention. Cross-sectional survey research design was adopted through the use of validated questionnaire. The study employed stratified sampling technique to cover private and public universities situated in Egba, Ijebu, Remo, and Yewa/Awori in Ogun State with a sample size of 1303 respondents. The questionnaire construct, content validity and reliability were conducted. Regression analysis was conducted to draw inference in relation to effect. The study provided both theoretical and statistical evidences to show that career development has positive and significant effect on talent retention in the surveyed universities in Ogun State, Nigeria having yielded a coefficient of correlation ($r^2$) = 0.453 and coefficient of determination ($R^2$) of 0.205. It was concluded that career development affects talent retention, and recommendation made with focus on career progression.

Keywords: Talent retention, Career development, Human capital, Intellectual property, Team trust

1. INTRODUCTION

Human capacity development policies and practices are instrumental to workforce retention, but the organisational ability and strength to sustain career development and capacity building has triggered employees’ turnover in most workplace. Talented employees’ retention is confronted with myriad of challenges due to side-attractions and head-hunters in today’s business world. Proprietors, management and other employers of labour acknowledge this reality as orchestrated by organisational lack of focus on employees’ career development (Kossek, Lobel & Brown, 2005). In this regard, studies in the area of career development have examined such characteristics in relation to organisational behavioural outcomes and performance (Akinpelu & Oyetunji, 2016; Armstrong, 2006; Channar, Abbassi & Ujan, 2011; Dessler, 2008). Ascendancy to the higher managerial position is a subtle challenge of deliberate retention of talented employees (Hoobler, Lemmon & Wayne, 2011; Dessler, 2008). Kossek, et al. (2005) explains four main stereotypical reasons why certain gender is considered not fit for the highest echelon of their career. These are: glass ceiling, pipe line argument, genetic predisposition, and 21st century work structure. The assumptions have consequential effect on talented employees’ retention and organisation longevity.

One of the challenges faced by public and private institutions is the inability to strengthen its bond with core employees through career development. In some private organisations, employment casualization has dominated the practice and policies, hence fuelling exodus of talented workers. Short-term employment seems to have replaced the regular status but lacking the legal rewards attached to regular employment. Casual employees are made to undergo career degradation, unattractive payment, exclusion from association and other rewards. Inability to develop career path prevents talented employees from reaching the pick of their profession to secure fulfillment and purpose as noted by Akinpelu and Oyetunji (2016). Moreover, recent studies have revealed difficulty in the retention of talented employees since several employees are lured and hired with better rewards (Armstrong, 2006; Dessler, 2008; Michael & Crisp, 2009; Michael, 2008). The after-effect has been industrial espionage and loss...
of intellectual property. Hence, competitive advantage is eroded when talented employees exit and create disconnection with the market within which it operates (Michael, 2008). It is based on this reasoning that the researchers examined the effect of career development on talent retention in universities in Ogun State, Nigeria.

II. LITERATURE REVIEW

The scholarly argument for talented employees retention is anchored on intellectual capital perspective (Becker, 2000), resources based view (Penrose, 1959), and the reasons stated by Harvard Business Essential i.e. the need for growth on intellectual capital, the occasional relationship that connects talented employee and customer satisfaction, financial cost of employees turnover, and lack of interruption of competitive goods and services (Chitra, 2013). In addition, Armstrong (2006 & 2010) and Becker (2000) emphasised the effect of intellectual capital as human intangible assets to organisation longevity and financial success. Abbas and Hollarman (2000) indicate that in an instance of losing a talented employee by an organisation, it becomes a disadvantage to innovation, consistencies in providing quality services become vulnerable, and major setbacks in services rendered to customers. These negative effects emerged since talented employees are the progenitors of knowledge, innovation, and creativity that constitute the main advantages of an organisation over its rivals. From the foregoing, talented employees retention is fundamental to organisation’s competitiveness (Rath & Rath, 2014).

Rodriguez (2008) claims that employees feel a sense of lack of growth when they are not competing favourably with their industrial peers in promotion opportunity and career advancement. Kyndt, Dochy, Michielsen and Moeyart (2009) also reaffirm that career growth is central to individual’s identity. Moreover, Collin (2009) has also discovered that learning and work-related identities are correlated in many ways, noting that employees’ identities are formed by their individual’s learning process. This suggests that, besides the relationship between career development and work-related identity, there also exists a relationship between organisational commitment and learning processes. Once talented employees noticed deficiency in career growth processes of their organisation, they take advantage of better learning and growth opportunities that come their way.

According to Greg (2006), employee’s career advancement needs to be formalised, organised and planned for to accomplish the balance between requirement of organisation workforce and individual career needs. Greg (2006) and Armstrong (2010) affirmed that employees work for certain motives and this ought to be achieved by the work they do. The fast spreading awareness makes it certain that talented employees can give leading edge to organisation in the labour market, if today’s human resource managers can identify developmental strategies that can boost employees commitment to organisation’s vision and values needed to sustain competitive advantage (Jena & Pradhan, 2014). To strengthen this bond with employees, organisation must invest on their career development (Hall & Moss, 1998; Hsu, Jiang, Klein & Tang, 2003; Steel, Griffeth & Hom 2002; Woodruffe, 1999). It must create promotion opportunities within and provide training and skills development to improve employability on the internal and or external labour markets (Butler & Waldrop, 2001).

To gain competitive advantage, career development should have mutual advantage that gives imperative outcomes to both employers and employees (Hall, 2002; Kyriakidou & Ozgilgin, 2004; Prince, 2005). Investment in employee training and career development was considered important in employee retention. Organisation has the reason to invest in training and developing employees from whom it expects returns on investment (Messmer, 2000). Meanwhile, according to Clarke (2001), organisations are to intensify commitment on the development of talented employees through proficiency analysis; employees’ interests, development and multisource appraisal of capabilities, and formulation of plans for action. Wetland (2003) suggests that industries and individuals should invest in human capital in form of training, since training enhances the skills of employees. According to Goldstein & Ford (2002), organisation training programs enhance the skills of newly hired employees. In response to this assertion, Wang and Noe (2010) posit that employees acquisition of new knowledge and skills necessary for incumbent job, promotes knowledge sharing and organisational learning.

On the other hand, Nguru (2014) comments that organisation often delays employees’ training program to determine their personal value and interest in the culture of the organisation and to detect turnover intention. Nzuve and Njambi (2015) in their study of influence and performance reaffirm that training provides soft and hard skills to employee to help rectify deficiencies in performance, while development provide the skills and abilities needed by the organisation in the future. Development of skill consists of improving interpersonal communication, technological knowledge, problem solving skills, and basic literacy skills. Garg and Rastogi (2006) explain the essentiality of feedback in today’s organisations competitive environment by stating that the more exposed an employee in his/her career, the better the performance to meet the global challenges of the market place.

Bishop (2002) opines that larger manufacturing and unionized firms have the tendency to provide training to employees as did multi-established firms with flexible production approaches. Black and Lynch (1996) as well establish that, larger companies with high performance, and those organisations which spend more physical resources on training have the higher tendency to retain their talents. Firms in market with prompt technical advancement and output progress trained more than those firms which have not been confronted by any competitor in last decade. Lee, Singram, and Felix (2015) reinforce that training is a sign of organisation’s commitment to employees. Training also reflects organisation’s strategy that is based on value adding. Leading organisations recognise that comprehensive range of training, skill and career development are the key factors of attraction and retention of talented employees (Accenture, 2001).

It was concluded from the literature reviewed that employee retention ratio is inversely related with training (Becker, 2000): the higher the rate of turnover, the lower the
volume of training and sustained by Armstrong (2006 & 2010). This statement is based on the opinion that, the longer the worker stays in organisation, the higher he/she would acquire higher amount of training. Frazis and Speltzer (2005) found that employees working in organisations that have low turnover rate normally spent 59 per cent time on formal training from total training period as compared to organisations that spent 18 per cent and have high turnover rate. According to Frazis and Speltzer (2005), employees’ training is likely to increase productivity if it consists of skills related to the organisation’s value chain. Organisations that have greater productivity will also likely to increase employee’s wages beyond their expectation thus enhance employees’ retention. In summary, career development helps to lower turnover rate which is considered vital in employee retention (Wetland, 2003).

The theoretical perspective is anchored on Finnegan Rethinking Retention Theory (2009). Finnegan (2009) derives the Rethinking Retention Model by identifying strategies that would make retention, productivity, and other important metrics achievable in an institution. One of the strategies is a call to hold supervisor/manager accountable for achieving retention goals. Finnegan (2009) believes that talent retention goal is made difficult when best performers are denied career advancement opportunity in the workplace. He maintains that supervisors need to be saddled with retention responsibilities in their different units and be held accountable for any unwarranted turnover. The theory emphasises on the intent career advancement through trust with the team as the basic function of the supervisor. The theory believes that building trust and loyalty in the workplace is related to career prospect, social capital, communication, recognition and development of employees and the organisation. Invariably, career development and talent retention demand high level of trust among superiors and subordinates. Kyndt, et al (2009) shows a positive contribution of employees’ career development to employees’ retention. The result of Kyndt, et al (2009) is consistent with Lee, Singram, et al (2015) who established that personal career development offers new possibilities by enhancing employees’ retention. Similar to this study is the work of Rita (2013) on the role of talent management and organisation performance, which found that learning and development in organisations is a constant struggle viewed as an administrative exercise rather than competitive advantage.

### III. METHODOLOGICAL APPROACH

The research adopted cross-sectional survey research design. The design allowed and dictated appropriate statistical tools and the architectural framework. The study covered private and public universities in four geographical zones of Ogun State namely; Egba, Ijebu, Remo, and Yewa/Awori. It involved the academic and non-academic staff private and public universities in Ogun State, Nigeria. Due to larger population pool, stratified sampling technique was adopted to select six notable universities (private and public) totalling 6457 across four zones as target population. Slovin (1992) formula for calculating sample size for finite population was adopted with the acceptable error limit of 0.025 on the basis of 95% confidence level amounting to sample size of 1282. Further, anticipated non-response rate outlined through 10% mark-up was added, making the adjusted sample size to be 1410. Out of 1410 copies of questionnaire distributed, 1306 copies were duly completed and returned. Research instrument’s content and construct validity tests were conducted. The Cronbach’s Alpha Co-efficient of 0.737 and 0.790 were obtained for the constructs of talent retention and career development respectively. Simple regression equation was developed and data analysis conducted. The ethical requirements were acknowledged and respected.

The econometric equation is stated thus;

\[ Y = \text{Talent Retention (TR)} \]

\[ Y = f(X) \]

\[ Y = \text{Talent Retention (TR)} \]

\[ X = \text{Career Development (CD)} \]

\[ \text{TR} = \beta_0 + \beta_1 \text{CD} + \mu \]

Where

\[ \text{TR} = \text{Talent Retention} \]

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**Dependent Variable**

\[ \beta_0 = \text{Constant term} \]

\[ \beta_1 = \text{Coefficient of Career Development} \]

\[ \mu = \text{Error Term (Stochastic variable)} \]

### IV. ANALYSIS AND RESULTS PRESENTATION

The variables under consideration for demographic characteristics of the respondents comprised of institutional status of the employees namely; non-teaching (staff) and teaching (faculty) status, highest educational qualification of the respondent, and their length of service. The analyses as presented in Table 1.1 indicate that institutional employees by status, 46.2% were non-teaching staff, 53.8% were faculty. 12.3% respondents fell within the level of low level management, 30.7% middle level management, and lastly 2.8% top level management. In addition, 6% were Graduate Assistants, 17.1% were Assistant Lecturers, 10% were Lecturer II, 6.8% were Lecturer I, 9.2% were Senior Lecturers, 2.7% were Associate Professors, and lastly, 3.6% were Professors. By educational qualification, 6.4% of the respondents had O’level qualification, 9.7% OND/NCE holders, 38.2% were HND/B.sc holders, 20.7% MA/MSC/ MBA holders, 4.7% were M.Phil holders, and lastly, 22.4% respondents were PhD holders.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Characteristics</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Status in the Institution</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-teaching (Staff)</td>
<td>603</td>
<td>46.2</td>
<td></td>
</tr>
<tr>
<td>Teaching (Faculty)</td>
<td>703</td>
<td>53.8</td>
<td></td>
</tr>
<tr>
<td>Staff</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low level Manager</td>
<td>161</td>
<td>12.3</td>
<td></td>
</tr>
<tr>
<td>Middle Level Manager</td>
<td>401</td>
<td>30.7</td>
<td></td>
</tr>
<tr>
<td>Top Level Manager</td>
<td>36</td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>Faculty</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Graduate Assistant</td>
<td>78</td>
<td>6.0</td>
<td></td>
</tr>
<tr>
<td>Assistant Lecturer</td>
<td>223</td>
<td>17.1</td>
<td></td>
</tr>
<tr>
<td>Lecturer II</td>
<td>130</td>
<td>10.0</td>
<td></td>
</tr>
<tr>
<td>Lecturer I</td>
<td>89</td>
<td>6.8</td>
<td></td>
</tr>
<tr>
<td>Senior Lecturer</td>
<td>120</td>
<td>9.2</td>
<td></td>
</tr>
<tr>
<td>Associate Professor</td>
<td>35</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>Professor</td>
<td>47</td>
<td>3.6</td>
<td></td>
</tr>
</tbody>
</table>
The agreement between the existing literature and the findings of this study revealed that one of the major reasons why talented employees in most universities in Ogun State leave their employer is simply because of the institutions’ inability to attract and retain talents by encouraging them to develop their career. The study also showed that career development is germane for institutional retention challenge. This result is congruent to Arokiasamy (2013) who studied the causes and effects of employees’ turnover in the private sector in Malaysia. The study revealed the imperatives of knowledge environment where employees are made knowledgeable and perceptive of opportunities for further career development with greater work-life balance and reduced work stress.

To curb the difficulties in talent retention however, the implication to human resource managers and organisations especially in the universities in Ogun State is that, organisations or HR need to assist employees to acquire competencies in a continuous and planned manner to sharpen capabilities required in performing various duties associated with their present or anticipated responsibilities. This is because with career development, employees can develop general capabilities as individuals and mine inner potentials for organizational development. Organisations or HR managers need to understand the reality that the skills required by employees to become a supervisor will likely not be the same required to become the general manager. According to Guppal (2014), development can only occur when an employee has not yet obtained the skills demanded by particular responsibilities. Organisation and HR must therefore realise that if the employee is retained for a long time on the same job based on the skill he had already possessed, obviously no learning is taken place, which may reduce drastically the talent retention rate. Organisations and HR managers need to adopt a policy that foster proactive measures for individual employees career development in good time.

### Table 1.2: Regression Model Summary of Career Development and Talent Retention

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Adjusted R²</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.453</td>
<td>0.205</td>
<td>0.205</td>
<td>9.69486</td>
</tr>
</tbody>
</table>

**Source:** Field Survey, 2017

Table 1.2: Regression Model Summary of Career Development and Talent Retention

The coefficient of determination (R²) of 0.205 suggests that career development accounted for 20.5 percent of the variance in talent retention among Universities in Ogun State. The remaining unexplained 79.5 percent could be due to other factors that were not considered in this model. This value (20.5%) and (F-stat 337.150; p<0.05) means that there is an indication that career development of staff and faculty significantly determine the talent retention of universities in Ogun State. The agreement between the existing literature (Rodriguez, 2008; Collin, 2009; Kyndt, et. al., 2009; Rita, 2013) and this latest finding suggests that this observation is very important in retention of talents in universities in Ogun State, Nigeria. The results presented in Table 1.2 explained the robustness or fitness of the model which provided the basis for conducting the core objective of the work. The analysis of variance of simple regression that yielded F-stat value of 337.150, and was significant at 0.05 level. This implies that the explanatory variable, that is career development significantly affects talent retention, since p<0.05. Viewing this from the angle of the existing literature, the model for the assumption is well fitted and significantly predicts the changes in talent retention of universities in Ogun State, Nigeria (Channar, et. al., 2011; Hoobler, et. al., 2011). This can be further confirmed by the coefficient of determination (R²) of 0.205. Table 1.3 displays the linearity effect of the variables.

### Table 1.3: Regression Co-efficient of Career Development and Talent Retention

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Lower Bound</th>
<th>Upper Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>35.091</td>
<td>1.727</td>
<td>20.323</td>
<td>0.000</td>
<td>31.704</td>
</tr>
<tr>
<td>Career Development</td>
<td>0.478</td>
<td>0.026</td>
<td>0.453</td>
<td>18.362</td>
<td>0.000</td>
<td>0.426</td>
</tr>
</tbody>
</table>

**Source:** Field Survey, 2017

**Table 1.3: Regression Co-efficient of Career Development and Talent Retention**

The finding revealed that holding explanatory variable (Career Development) constant, talent retention would be at 35.091. The column labeled Standardized Coefficients reveals regression coefficients for career development as 0.453 (t = 18.362, p = 0.000) less than 5% level of significance. A critical review of career development coefficient in Table 1.3 established that career development had a positive and significant effect (0.453), implying that career development move in the positive direction with the changes in talent retention and that 1% unit change in career development causes units change in talent retention. Generally, this means that the higher career development is, the higher the talent retention of universities in Ogun State. Consequently, it is found that one of the major reasons why talented employees in most universities in Ogun State leave their employer is simply because of the institutions’ inability to attract and retain talents by encouraging them to develop their career. The study also showed that career development is germane for institutional retention challenge. This result is congruent to Arokiasamy (2013) who studied the causes and effects of employees’ turnover in the private sector in Malaysia. The study revealed the imperatives of knowledge environment where employees are made knowledgeable and perceptive of opportunities for further career development with greater work-life balance and reduced work stress.
V. CONCLUSION AND RECOMMENDATION

The study assessed career development and talent retention in universities in Ogun State, Nigeria. It dwells on the effect of career development on talent retention. The results suggest that career development had positive and significant effect on talent retention in Universities in Ogun State. The results of the study elicit both statistical and empirical evidences on the effect of career development on talent retention. The outcome of this research shows that career development is a true predictor of talent retention in universities in Ogun State, Nigeria. The work recommends strategic focus on career development within the general society and universities in particular. Therefore, management and HR of universities in Ogun State, together with workforce, should reach agreeable and workable terms for career planning of their staff and faculties. This would encourage skills enhancement, competence building, for talented employees of today and the future. Universities in Ogun State, Nigeria should adopt holistic approach towards talent relationship building, time consciousness, and work initiatives as a means of creating perpetual impression of unbiased and endearing work relationship in the minds of the talented employees towards retention. Meanwhile, on the part of institutions, since career development has significant effect on talented employee’s retention, the research recommends Value Based Talent Management as viable ingredient for talent retention.

REFERENCES


