IS CAREER MANAGEMENT THE PANACEA TO RETAINING VITAL STAFF?

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ABSTRACT

A continuing organizational issue for the management of human resource has been the retention of vital employees. As organizations battle to get the most from their existing people in an environment characterized by skill shortages, the role of human resource practices in fostering employee engagement and commitment is paramount. As firms and employees struggle to find a balance between career longevity and flexibility, the traditional role of career management as an inducement for individuals to stay with the firm is questioned. This paper reports the findings of an Australian study, which examined the current relationship between human resource management practices and the retention of vital employees working in nine organizations. Although past research has pointed to career management as a retention strategy tool, this research specifically points out that selection practices, remuneration and recognition are key factors which influence employee commitment and thereby retention. The findings of the study have salient implications for human resource academics and practitioners.

KEYWORDS: vital employees, organizational commitment, retention strategy, career management

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INTRODUCTION

A continuing organizational issue for the management of human resources has been the retention of their vital employees. As organizations battle to get the most from their existing people in an environment characterized by skill shortages, the role of human resource practices in fostering employee engagement and commitment is paramount. As firms and employees struggle to find a balance between career longevity and flexibility, the traditional role of career management as an inducement for individuals to stay with the firm is questioned.

Traditionally, within the employment relationship, employees exchanged their loyalty and hard work for the promise of job security. In the contemporary environment, changes in organizational structure towards more flexible work practices and the decline in job security have altered the psychological contract between employer and employee (Allan, 2002; Wiens-Tuers, 2001). The new form of psychological contract is visible in placement practices, which see organizations focus on non-core and part-time workers to gain flexibility at lower cost (Cappelli, 1999; Kalleberg, 2000). Because of these organization-wide changes, the essence of attachment between employer and employee has changed.

Current employers emphasize "employability" rather than long-term loyalty in a specific job (Cappelli, 1999; Ko, 2003). The trend these days seems to be geared towards having a 'career portfolio' (a series of job held by an employee) (Handy, 1995; Hays & Kearney, 2001). Replacing the old employment deal, the new psychological contract suggests that the employer and the employee meet each other's needs for the moment but are not making long-term commitments.

It is suggested therefore, that commitment to one's professional growth (or the adoption of personal career management strategies) has replaced organizational commitment (Bozeman & Perrewe, 2001; Powers, 2000). Instead of job security, employees now seek job resiliency; opportunities for skill

development, and flexibility in order to quickly respond to shifting employer requirements (Barner 1994). Employees seem to take greater responsibility for their own professional growth in order to increase their career marketability and welcome the idea of the boundary-less career (Finegan, 2000).

Hence, the role of formal organizational career management programs in retaining core staff is questioned. Whereas in the past organizations have sought to adopt such programs in the belief that they will benefit not only individual performance but also increase employee commitment (see Hall, 1976; Shore, Barksdale, and Shore 1995), the assumptions upon which career management programs are based have been shown to produce negative consequences. Certainly, concerns about the returns from heavily investing in career development have led some organizations to question whether traditional career management programs should be maintained (Sturges, Guest, Conway & Mackenzie Davy, 2002).

LITERATURE REVIEW

Career management (or organizational career management) has been described as a series of formal and less formal activities designed and managed by the organization to influence the career development of one or more employees (Arnold, 1996). Whilst career management and career self-management (which is under the control of the individual) are not mutually exclusive, successful career management programs are based on the following assumptions: individuals involved in career planning will more likely achieve personal aspirations; clarification of organizational plans and individual opportunities will reduce anxiety and frustration in employees, leading to more positive attitudes toward career progress and organizations; and providing career relevant information and assistance will narrow an employee's career focus and bind them more closely to the organization (Ganrose & Portwood, 1987).

These assumptions are quite simplistic and can have negative consequences. For instance, greater effort in career planning can raise levels of expectations, but does not guarantee advancement in an organization. Unless an organization can meet these aspirations for the future, individuals may seek opportunities elsewhere to justify the effort they have expended. Greater certainty about career plans may backfire if individuals discover that their career plans may not match up with available organizational opportunities. This mismatch may lead to lower levels of satisfaction and may ultimately affect commitment and thereby retention.

Moreover, if individuals have knowledge of alternatives, and these alternatives match up with organizational plans, more organizationally desirable outcomes (i.e. greater performance, job satisfaction and commitment) may be achieved. However, if the solutions offered by the organization do not match those an employee values, the individual may search for alternative career paths external to the current employer.

Whilst such outcomes might work in the positive if those individuals the firm would rather leave do so, this outcome has serious implications for retaining vital staff, which is described earlier as a central role of career management programs. In fact, such outcomes have led a number of firms to query whether they should maintain the more traditional career management system or if they should allow great career self-management at the risk of losing vital staff. Organizational commitment, it appears, is at the centre of this dilemma both in shaping the reactions to career management practices and as indicator of the impact of these practices (Sturges et al., 2002).

Commitment is a belief which reflects "the strength of a person's attachment to an organization" (Grusky, 1966, p. 489). Researchers have suggested that reciprocity is a mechanism underlying commitment (Angle & Perry, 1983; Scholl, 1981) and that employees will offer their commitment to the organization in reciprocation for the organization having fulfilled its psychological contract (Angle & Perry 1983; Robinson, Kraatz & Rousseau, 1994). By fulfilling obligations relating to, for example, pay, job security,

and career development, employers are creating a need for employees to reciprocate, and this can take the form of attitudinal reciprocity through enhanced commitment and consequently influence employees to stay with the organization (Becker & Huselid, 1998; Cappelli, 2000; Furnham, 2002; Oakland & Oakland, 2001; Wagar, 2003)

Previous studies on the concept of commitment (see Mowday, Porter & Steers, 1982; Meyer & Allen 1991) have substantiated that employee commitment to the organization has a positive influence on job performance and a negative influence on intention to leave, or employee turnover. In addition, empirical evidence also strongly supports the position that intent to stay or leave is strongly and consistently related to voluntary turnover (e.g. Dalessio, Silverman & Schuck, 1986; Griffeth, Hom & Gaertner, 2000; Lambert, Hogan & Barton, 2001; Mathieu & Zajac, 1990). Of the three commonly cited components of commitment, (i.e. continuance, normative and affective) affective commitment is the most studied dimension (Aven, Parker & McEvoy, 1993; Dunham, Grube & Castaneda, 1994). Affective commitment is considered to be an affect-focused attitude towards the organization, which represents an emotional bond between an employee and his or her organization (Allen, 1996). Individuals possessing high levels of affective commitment identify with, are involved in, and enjoy membership in the organization, and are therefore more likely to remain with the organization.

Ulrich (1998) has suggested that engaging employees' emotional energy gains commitment toward the organization. The most fundamental of those processes thought to influence affective commitment is an employee's personal fulfillment based on met needs and positive work experiences (Meyer & Allen, 1997). Although employees may develop affective commitment through relatively unconscious associations with positive work experiences (classical conditioning) of which organizational career management activities is a component (see Sturges et al., 2002), research suggests that affective commitment can be consciously influenced by human resource practices such as collaboration and team work, high autonomy job design, training and development, rewards, and participation in decision making (Agarwala, 2003, Meyer & Allen, 1997, Ulrich, 1998). Despite substantial literature on HRM "best practices and high performance practices," there is little consensus among researchers and practitioners as to precisely which HRM practices effectively combat attrition of the vital employee group (Becker & Gerhart, 1996; Marchington & Grugulis, 2000; Parker & Wright, 2001; Pfeffer, 1998; Wagar, 2003).

Reviews of the diffusion and penetration of high performance work practices in organizations (Pils & Macduffie, 1996; Wood & de Menezes, 1998) indicate that a fragmented and ad hoc approach prevails. For example, the Wood and de Menezes (1998) study revealed different patterns in the use of high performance work practices in firms. Most firms invested only in skill formation and direct communication, which can affect job related commitment to a limited extent. There were great variations when it came to performance appraisal, reward systems and information disclosure that have immense potential to influence commitment to the organization.

Several studies of progressive HRM practices in training, compensation and reward have revealed that these can lead to reduced turnover, absenteeism, better quality work, and better financial performance (Arthur, 1994; Davies, 2001; Delaney & Huselid, 1996; Macduffie, 1995; Snell & Dean, 1992; Tower Perrin, 2003). Overall, studies at the organization level suggest that such motivation-oriented human resource activities are more likely to be associated with perceived organizational support and commitment than skill oriented activities (Delery, 1998; Huselid, 1995; Whitener, 2001). This has an implication for the role of career management practices which is primarily based on skill oriented activities.

A challenge for human resource practitioners is to design holistic systems that influence commitment and promote positive work experiences. This is similar to the idea that it is necessary to implement "bundles" of human resource management practices (Macduffie, 1995; Youndt, Snell, Dean & Lepak, 1996) to positively influence organizational performance (Huselid, 1995).

A number of employee retention-commitment models particularly advocate the advantages of high involvement or high commitment human resource practices in enhancing employees (Clarke, 2001; Mercer, 2003; Parker & Wright, 2001). Previous work (see Arthur, 1994; Becker & Gerhart, 1996; Huselid, 1995; Shaw, Delery, Jenkins & Gupta, 1998) indicated that high-involvement work practices will enhance employee retention. The identified HR practices included selective staffing, competitive and equitable compensation, recognition, and comprehensive training and development activities (career development, challenging opportunities) (Macduffie, 1995; Snell & Dean, 1992; Youndt et al, 1996).

Recent studies suggest that there is a set of best practices for managing employee retention (Baron & Kreps, 1999; Clarke, 2001; Mercer, 2003; Tower Perrin, 2003; Watson Wyatt, 1999). Chew and Entrekin (2004) highlight eight key factors influencing retention. These factors were identified via an in-depth Delphi study involving a panel of experts comprising of academics, HRM practitioners and industrial psychologists followed by a series of in-depth interviews with HR managers of 12 Australian organizations. These HRM retention factors were categorized into two bundles: 1) HR factors (person organization fit, remuneration, career management, challenging opportunities) and 2) organizational factors (leadership behavior, teamwork relationship, company culture and policies and satisfactory work environment). Similarly to Fitz-enz (1990), this study concludes that retention management of employees is influenced by several key factors, which should be managed congruently and thereby implies that both organizational factors and human resource practices may influence commitment.

However, which factors have more explanatory power in influencing organizational commitment? Is career management the panacea to retaining critical staff? To date this question has not been explored. This study therefore, aims to investigate the impact of these practices in influencing organizational commitment via a hierarchical regression analysis.

THE STUDY

The sample population used in this study consisted of core employees of nine large Australian organizations. Vital employees were defined as permanent or core workers with the following key characteristics: 1) possess knowledge, skills and attributes (KSA) aligned with business operation and direction, 2) are central to productivity and wellbeing of the organization, 3) provide a competitive edge to the organization, 4) support the organizational culture and vision and 5) possess KSA that are relatively rare or irreplaceable to ensure the success of the organization (Allan & Sienko, 1997; Chew, 2003; Gramm & Schnell, 2001). The participating organizations were from various industry sectors which included health-care, higher education, public sector and private sector (manufacturing, engineering, high technology etc). A total of 456 respondents completed surveys were received, resulting in a 57 per cent response rate. The average age of respondents was 40-49 years, and participants had an average of 8-12 years of organizational tenure. Fifty-five per cent of the sample was male and 94% had tertiary qualifications.

Measures

The choice of variables reflects the view that both organizational factors (organizational bundle) and human resource practices (HR bundle) influence commitment perceptions of vital employees. All items were scored along a seven-point scale, ranging from (1) strongly disagree to (7) strongly agree. The organizational factors bundle was measured by four variables: leadership behavior, teamwork relationship, organizational culture and the work environment.

Leadership behavior was measured via a four-item scale. The scale consisted of items adapted from two validated scales: (1) the Multifactor Leadership Questionnaire devised by Bass and Avolio (1990), which

measured transformational leadership and (2) the eight-item scale by Hartog, Van Muiijen and Koopmen (1997) which measured inspirational leadership. The adapted scale used in this study measured leadership behavior in terms of leadership effectiveness, extra effort and leadership satisfaction. Teamwork relationship was measured via a four-item scale developed by Bass and Avolio (1990). Items tapping: team leadership and relationship of employees and peer leadership, were included in this study.

A five-item scale modified from The Organization Profile Questionnaire (Morita, Lee & Mowday, 1989; O'Reilly, Chatmen & Caldwell, 1991; Sheriden, 1992) and developed by Broadfoot and Ashkanasy (1994) was used to measure organizational culture. The scale measures the degree the organizational structure limits the action of employees, and focuses on the influence of policies and procedures, and tests organizational goal clarity and planning.

Work environment was measured via a seven-item scale designed to measure humanistic and socialization features, physical work conditions and organizational climate (Broadfoot & Ashkanasy, 1994; Cammann, Fichman, Jenkins & Klesh, 1979; Smith, 1976). The human resource bundle was measured by four practices relating to: selection; remuneration and recognition, opportunities for training and career development, and job design. Selection was measured via a four item scale developed by Netemeyer, Boles, Mckee and McMurrian (1997). This construct reflects the person-job fit element of selection (Cable & Judge, 1997).

Remuneration and recognition was measured with a five-item scale which focused on intrinsic and extrinsic rewards (Broadfoot & Ashkanasy, 1994; Cammann et al, 1979; Seashore, Lawler, Mirvis, Lawler & Cammann, 1982). Extrinsic rewards measured the employee's view of the economic rewards from his/her job. It includes pay, benefits, and job security. The scale also measured the degree to which intrinsic rewards such as recognition are present in the job.

Career management was measured via a four-item scale developed by Broadfoot and Ashkanasy (1994) which focused on whether the organization expends sufficient effort in providing opportunities for people to develop their skills, and the adequacy of the training. The five-item job design scale explored the challenge of the job via the five core job characteristics as described within the Job Diagnostic Survey (Hackman & Oldham, 1975).

Organizational commitment was measured using the abridged nine-item Organizational Commitment Questionnaire (OCQ) scale developed by Mowday, Steers and Porter (1979) in order to take into account criticism of the original 15-item scale (see O'Reilly & Chatman, 1986 and Reichers, 1985). Compared to other measures of employee commitment, the OCQ has received the most thorough and generally positive evaluation (Meyer & Allen, 1997). The scale draws, upon Angle and Perry's (1981) classification of commitment into two components: 1) affective commitment and 2) calculative commitment. Affective commitment was considered in this study.

Data Analysis Procedures

A two-step approach was undertaken for the data analysis. First, the measures used in the study were validated via a factor analytical process and the computation of Cronbach's (1951) alpha. Second, the relationships amongst the study variables were examined via the preparation of a correlation matrix and further tested via a hierarchical regression analysis.

The hierarchical regression analysis was run in order to identify which group of independent variables was more useful in predicting the dependent variable, and to eliminate those independent variables that do not provide any additional prediction to the independent variables already in the equation (Tabachnick & Fidell, 2001).

Previous studies (Macduffie, 1995: Wright, Dunford & Snell, 2001) support the notion that practices within bundles are interrelated and the combined impact of practices in a bundle could be specified in two simple alternatives: an additive approach and a multiplicative approach. Statistically, the additive combination of practices has the desirable property that the sum of normally distributed variable scores is still normally distributed, which is not true for the multiplicative product. Conceptually, a multiplicative relationship implies that if any single organizational practice is not present, the "bundle" score (and effect) should be zero. However, Osterman (1994) argues that, "although practices in a bundle are expected to be interrelated, the absence of a particular practice will not eradicate the effect of all other practices, but will weaken the net effect of the bundle" (p. 176.).

This study has adopted the additive approach in the interests of parsimony. Statistically it also makes sense to separate out these bundles in this way to show the true effect. Regression is best when each IV is strongly related to the DV but uncorrelated to other variables (Tabachnik & Fidell, 2001). Thus the regression solution is extremely sensitive to the combination of variables that is included in it. Whether or not independent variables (IVs) appear particularly important in a solution depends upon the other IVs in the set. As such, this additive approach will allow some conclusions as to the efficacy of organizational versus HR practices in impacting the retention of vital staff, whilst simultaneously examining the specific relationship between career management and commitment.

Demographic factors were included as control variables in the regression equation, as the first step. The independent variables consisted of eight factors grouped into two sets or bundles (i.e. HR factors and organizational factors). Organizational factors were entered as the second step in the equation and the human resource bundle practices were entered as the third and final step of the regression.

RESULTS

Descriptive statistics, reliabilities and correlations are presented in Table 1. The standard deviations of the main study variables ranged from 1.06 to 1.48, suggesting that none of the measures were marked by excessive restrictions in range.

The correlation matrix presented in Table 1 revealed that all independent variables have significant positive correlations with organizational commitment. The direction of the association ranged from r= 0.52 to r=0.66. These results indicate no multi-co linearity and singularity problems.

The demographic variables showed only weak associations with the commitment dimension. Occupation and industry had no significant relationship with commitment and were removed from further analysis. This result may be, in part, an outcome of the various industry groups that were represented amongst the data set (Green, 1991). However, as the size of the industry sub-sets was small, this was not analyzed further, but does present an area for future investigation.

Table 1: Means, Standard Deviations and Correlations for all variables (n=457)

Variable	Mean	S.D.	1	2	3	4	5	6	7	8	9	10	11	12
1. Age	NA	NA	-											
2. Gender	NA	NA	0.06	-										
3. Occupation	NA	NA	0.02	0.04	-									
4. Industry	NA	NA	0.01	0.02	0.1	-								
5. Selection	4.3	1.1	-0.02	.15**	0	.17**	**0.54**							
6. Remuneration/recognition	3.98	1.2	.09**	0	0	.10*	.46**	**0.76**						
7. Career management	4.09	1.5	-0.04	.11*	0.1	.15**	.50**	.54**	**0.82**					
8. Job Design	4.75	1.2	0.04	.98*	.14*	.26**	.48**	.52**	.59**	**0.85**				
9. Leadership	3.66	1.4	0.01	.08**	0.1	.12**	.61**	.60**	.65**	.62**	**0.94**			
10. Teamwork	4.57	1.3	-0.06	0.05	0.1	0.04	.55**	.50**	.55**	.54**	.69**	0.89		
11. Organizational culture	4.34	1.3	0.04	0.08	0.1	0.02	.51**	.53**	.62**	.56**	.71**	.59**	**0.85**	
12. Work environment	4.3	1.4	0.07	.14*	.11*	0.02	.59**	.52**	.54**	.56**	.68**	.56**	.56**	**0.7**
13. Commitment	4.47	1.1	.17**	.18**	0.1	0.07	.55**	.57**	.52**	.57**	.62**	.57**	.58**	.66**	**0.8**

*Note. Coefficient alpha reliability estimates are on the diagonal and in bold. Gender was categorized 1=male, 2=female. This table presents means, standard deviations, reliability estimates and correlations of the study variables. *p<.05 **p<.01*

However, both age (r= .17, p<0.001) and gender (r =.18, p<0.001) were positively and significantly correlated with organizational commitment. Age and gender were the control variables included in the regression analyses. The results of the hierarchal regression analysis are presented in Table 2.

Table 2: Hierarchical Regression Results (standardized coefficients) with Organizational Commitment as Dependent Variable

	Commitment		
Variables	**Step 1**	**Step 2**	**Step 3**
Control Variables			
Age	.14**	.10*	.14**
Gender	.15**	.06	.07
Organizational Variables (Bundle 1)			
Leadership		.14*	.01
Teamwork		.14*	.08
Organizational Culture		.13*	.07
Work Environment		.25***	.09
HR Variables (Bundle 2)			
Selection Practices			.18***
Remuneration/Recognition Practices			.27***
Career Management Practices			.06
Job Design Practices			.07
R2	.05	.36	.44
Adjusted R2	.04	.34	.43
F	10.88***	41.47***	35.10***
Change R2		.31	.08
F for change R2		54.21***	16.81***

This table presents the regression results of organizational and HR variables on organizational commitment.
*p<.05, **p<.01, ***p<.001

Table 2 shows that the demographic features of age and gender had a significant effect on commitment in Step 1. However, this effect was rendered insignificant for gender when the organizational bundle was

included at Step 2 of the regression. Whereas the organizational factors all contributed to explaining over 30% of the variance in commitment at Step 2, no organizational factor variables showed a significant relationship with commitment at Step 3.

At initial glance therefore, it appears that human resource practices fully mediate the influence of organizational factors on commitment. The addition of the HR bundle explained a further 8% of the variance in commitment. This is an important result in that it suggests that it is HR practices which will influence commitment of vital employees rather than other organizational features. However, closer inspection of Table 2 reveals that only two HR practices, selection, and reward and recognition are statistically significant predictors of commitment. Hence, the results point out that career management practices do not impact on the retention of vital employees.

DISCUSSION

A plethora of past studies have revealed that employees interpret human resource practices as indicative of the personified organization's commitment to them (Eisenberger, Fasolo & Davis-LaMastro, 1990; Setton, Bennett & Liden, 1996). Some researchers suggest that for positive work experiences to increase organizational commitment and to reduce turnover intention, employees must believe that such experiences are a result of effective management policies and practices (Parker & Wright, 2001). As a result employees reciprocate their perceptions accordingly in their own commitment to the organization. One such effective management policy has been the role of career management in motivating and retaining staff. However, the findings of this study provided empirical evidence to support that career management is not the answer to retaining staff, rather two HR practices – selection (person-job fit) and remuneration and recognition are instrumental in influencing commitment over and above other HR and organizational factors.

Essentially, the findings suggest that people, who are well suited for the job and/or organization, are more likely to feel attached and committed to the organization. The concept of organizational fit (Brown, 1969; Kidron 1978; Steers 1977; Weiner, 1982) identifies convergent goals and values between the individual and the organization as an important predictor of affective commitment.

Lauver and Kristof-Brown (2001) found that both person-job fit and person organization fit predicted job satisfaction; however, person organization fit was a better predictor of intention to quit. Thus, people who are not well suited for the job and /or organization are more likely to leave than those who have a good person-job or person-organization fit. Lee, Ashwood, Walsh and Mowday (1992) espoused that an employee's satisfaction with a job, as well as propensity to leave that job, depends on the degree to which the individual's personality matches his or her occupational environment. This implies that the organization should not only match the job requirements with person's KSA but should also carefully match the person's personality and values with the organization's values and culture (Kristof, 1996; Rhoades, Eisenberger & Armeli, 2001; Van Vianen, 2000).

This study also revealed that rewards and recognition play a key role in the commitment of vital staff. Studies have supported that a fair wage is the cornerstone of the contractual and psychological agreement between employees and employers (McCallum, 1998; Parker & Wright, 2001). In addition numerous recent studies have highlighted the rewards-retention link (Mercer, 2003; Tower Perrin, 2003; Watson Wyatt, 1999). In particular, studies by Bassi and Van Buren (1999); Boyd and Salamin (2001); Stein (2000) and others have revealed that companies which provide remuneration packages superior to the market for critical talent including special pay premiums, stock options, or bonuses can expect greater organizational commitment.

Although remuneration provides recognition, other forms of non-monetary recognition are also important for the vital employee group. Davies (2001) purported that employees tend to remain with the organization when they feel their capabilities, efforts and performance contributions are recognized and appreciated. Similarly, recognition from managers, team members, peers and customers has been shown to enhance commitment (Walker, 2001). Particularly important to the employees are opportunities to participate and to influence actions and decisions (Davies, 2001; Gold, 2001). Overall this finding supports that employers need to increase their commitment to the use of rewards as essential elements of talent management programs. It appears therefore that it is important for companies to use their reward budget effectively to differentiate the rewards of the top performers, thus driving an increase in the return on human capital investments.

The study also showed a significant and positive relationship between age and organizational commitment, irrespective of either organization or HR factors. This finding is consistent with previous research (Alutto, Hrebiniak & Alonso 1973; Cohen & Lowenberg, 1990). Mathieu and Zajac (1990) found that age was significantly more related to affective commitment than to continuance (calculative) commitment. Tenure was excluded from this study because studies by Meyer and Allen (1997) supported that employees' age may be the link between tenure and affective commitment. Werbel and Gould (1984) revealed an inverse relationship between organizational commitment and turnover for nurses employed more than one year, but Cohen (1991) indicated that this relationship was stronger for employees in their early career stages (i.e. up to thirty years old) than those in later career stages.

There are a number of limitations of the study however, which need to be acknowledged. It is important to recognize that other antecedents of commitment not measured in this study including the lack of available alternative employment opportunities (Meyer & Allen, 1991) and magnitude or number of investments lost in leaving the organization (Rusbult & Farrell, 1983) may impact upon the results. Future research taking into account these variables would therefore be useful. Clearly, there is a need for greater analysis of the organizational and human resources factors identified. For example, other aspects of the work environment other than those that were measured in this study, such as formalization, role ambiguity, and instrumental communication should be examined.

Furthermore, the study only examined the additive effects of the bundles, perhaps the interactive effects of the practices would provide a better and more fine-grained understanding of the interrelationships among these variables which would serve to illuminate and provide further insights for academics and practitioners. Previous research has indicated that commitment is linked to lower turnover rates (Mowday et al., 1982; Steers, 1977), and increased intention to stay with the firm (Singh & Schwab, 2000). Therefore, further studies examining this notion would also be useful. It is important to note that this study only examined a small range of industries, Future research will need to confirm to what degree the link between organizational and HR practices with commitment exists for other industries.

In conclusion, this study provides a useful platform from which to test the complex issues underlying the retention of vital staff through HR practices. The study goes some way in promoting high performance strategic human resource management practices which focus on selection, remuneration and recognition strategies as means of improving commitment to the organization. This study did reveal that these practices above traditional career management programs may assist in retaining vital staff. This is an important finding in combating the effect of the current skills shortages as organizations battle to get the most from their existing people. Strategic human resource management may then be able to tip the balance towards being perceived as a business partner.

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