

# Factors of Knowledge Workers Retention in Organization

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**Abstract** -The research papers analyzed and revealed the factors that can lead to the influences of retention workers in the organization. Quantitative study has been used and 130 sets of questionnaire been distributed to 130 employees in engineering based organization at various working position. The study has successfully provided the empirical evidence on the association of Knowledge Worker Retention with its corresponding antecedent's factors that are Motivation, Job Satisfaction, and Payable Satisfaction among the workers in engineering based organization. There is a significant level correlation between variables in Knowledge Worker Retention, and its antecedents are all tested satisfactorily. The research finding could be helpful for understanding the situations and challenges in retaining the knowledge worker in the organization generally.

**Keyword:** Motivation, Job satisfaction, Payable satisfaction, Knowledge worker, Retention

## I. INTRODUCTION

One of the greatest historic concerns about the workplace and organization is how to improve and sustain the productivity growth. It is important for the organization to look in depth at the knowledge worker retention for assured their competitiveness in the industry. Peter Drucker (1968) was mentioned knowledge workers are the man and woman who apply ideas, concept and information in their productive work.

**Manuscript received March 23, 2015.**

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In order to retain the knowledge worker, organization also should understand more on employee attitudes and their tendency towards their work, where on which factors in an employee's work environment caused satisfaction or dissatisfaction. Mohammed Ali et al., 2009 has stated an employee's knowledge leaves the organization with them. Levy, 2011 has mentioned people have joined and left organizations from their inception. All organizations face the risk of losing knowledge in a world of layoffs, retirements, staff turnover, mergers and acquisitions, which could affect their sustained competitive advantage (Martins & Meyer, 2012). In order to make the productivity and profit growth, the organization must have the strategy in order to retain the talented employee or also known as 'knowledge worker'. Martins & Meyer (2012) mentioned there has been growing concern in the business and organizational sector that organizational knowledge can be lost through the exit of employees. Generally, if the knowledge can be retained, knowledge worker contributions will serve to expand the knowledge assets of a company. Tsoukas and Valdimirou, 2001 been cited by Daghfous, Belkhodja, & Angell (2013) has stated the organizational knowledge of the workers evolve through collective understanding among members of the organization during the process of carrying out their work. and the organizational knowledge is the ability members of an organization have developed to draw distinctions in the, in particular concrete contexts, by enacting sets of generalizations whose application depends on historically evolved collective understandings. Knowledge retrieval is an essential step in knowledge management and retention (Mohammed Ali et al., 2009). Levy, 2011 has explained that there is thus a vast amount of knowledge to be transferred; and, dealing with knowledge retention is usually the first significant act symbolizing the change these people are to experience.

## A. Results Of Related Study

Researcher has come out with the study in Hong Kong and China on retaining and motivating the employees in order to look out for the compensation preferences (Chiu, Luk & Tang, 2002). In Hong Kong, the five most popular compensation components offered to the employee are base salary, merit pay, year-end bonus, annual leave and mortgage loan. In China, the result suggests base salary, merit pay, and year-end bonus are the most important

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compensation components in retaining and motivating supervisors and employees. As the result of this study, in retaining and motivating the staffs, the preferences are basic and variable payment, pensions, Insurance, leave, allowances, and social benefits.

The retaining issues studies were extended to other regions of the world including Irish. Researcher has come out with the descriptive study that accesses impact of training on employee retention and examines the relationship between organizational commitments to training and benefits accrued (Acton & Golden, 2003). From a company and employee perspective, training and development of company employees are essential for organizational operation and organizational advancement. Retention of employees and the retention of value skill sets is important to continued business achievements. Knowledge preservation within the organization leads to the successful retention of employees. Employee turnover may lead to a loss of human resources weakening competitive positions. As results, the study demonstrates that organizational attitudes and provision for training relate positively to employee expectations and requirements.

There is a study of barriers to the recruitment and retention of supervisors/managers in the Scottish tourism industry (Martin, Mactaggart & Bowlen, 2006). The primary objective of the paper was to examine, from the supervisors/managers' perspective, the impacting factors and barriers to the recruitment and retention in the Scottish tourism industry. As highlighted, this research provides insights to tourism practitioners in understanding and tackling the problem facing tourism employment in Scotland. Martin, Mactaggart & Bowlen tends to find out the three factors. There are working conditions, development of tourism supervisor/manager, and the image of the tourism industry lead to the recruitment and retention.

Kelley, Blackman & Hurst (2007) seeking to identify the relationship between learning organizations and retention of knowledge workers. From the analysis of the survey showed evidence of a relationship between learning organization disciplines and turnover intent. There are six facets of job satisfaction. There are comforts, challenge, and reward, relation with co-worker, resource adequacy, and promotion.

Landsman (2007) also has reviewed the supporting child welfare supervisors to improve worker retention. This paper describes the implementation of a federally funded child welfare training initiative designed to improve worker retention largely through developing, implementing, and evaluating a statewide supervisor training program in a Midwestern state. Unique to this collaborative effort was involving all child welfare supervisors in identifying needed content components, developing competencies, and conducting self-assessments. The ecological approach suggests that individual workers are affected by the environment in which the organization exists. Social exchange views intra-organizational relationships, such as those between workers and their supervisors. Empowerment is described as a multi-level construct, applicable at the individual, organizational, and community levels. Sociological

research on work and organizations has made important contributions to understanding the ways in which organizational structures influence job satisfaction, commitment to the organization, retention and intentions to stay longer in the organization.

## II. RESEARCH FRAMEWORK MODEL

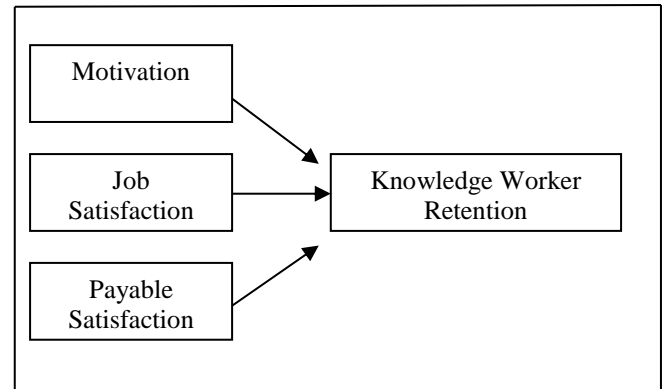


Fig 1: The Research Framework Model

The proposed research model and framework has been extracted and adopted based on the 5 previous research papers before. The motivation, job satisfaction, and the payable satisfaction will be the facets and independent variables for the study.

### A. Purpose

The purpose of the research is to investigate factors that contributed to the retentions of knowledge workers in organization.

### B. Research Methodology

There are about 130 sets of questionnaires were distributed to the workers in an engineering organization at various working position. Organization in engineering discipline was chosen as sample of research because turnover among workers in engineering discipline is high. The questionnaire used 5 Likert scale format as a measurement of analysis.

## III. FINDINGS AND DISCUSSIONS

Table 1 presented the descriptive statistics of variable Motivation. Most of the respondents have selected option 3 in the likert scale (3=Neutral, 4=Agree, 5=Strongly Agree) in the questionnaire. The value of mean motivation has been computed has shown in table 1.

Table 1: Motivation

Item	N	Range	Minimum	Maximum	Mean		StdDeviation	Variance
			Statistic	Statistic	Std Error	Statistic		
I consider myself as a self-motivated person	130	3.00	2.00	5.00	4.1154	0.04839	0.55174	0.304
It is important that I work for a	130	3.00	2.00	5.00	4.2231	0.05380	0.61336	0.376

company that allows me to use my skills and talent									
If choosing jobs, I want the jobs that allows me to be recognized for success	130	3.00	2.00	5.00	4.2615	0.04704	0.53634	0.288	
I would work harder if I know that my effort will lead to higher pay	130	3.00	2.00	5.00	4.2692	0.05098	0.58121	0.338	
I give my best effort when I know that it will be appreciated by the organization	130	3.00	2.00	5.00	4.1923	0.05579	0.63608	0.405	
Decision I make will reflect high standard that I set for myself	130	3.00	2.00	5.00	4.1923	0.05579	0.63608	0.405	
Valid N (listwise)	130								

Analysis of Standard Deviation (SD) and means value discovered appreciation by the organization is very important for retention of workers in organization. It indicated by Standard Deviation value of 0.63608 and mean value of 4.2615. Then, followed by freedom to use skills and talent and confident their effort will lead to higher pay. Analysis also revealed that the freedom for workers to set their standard of work has achieved Standard Deviation value of 0.57915 and it followed by self-motivation which has the Standard Deviation value of 0.55174. Lastly, the respondent preferred to choose their job that allows them to be recognized by the organization, which has the Standard Deviation of 0.53634.

**Table 2: Job Satisfaction**

Item	N	Range	Minimum	Maximum	Mean		StdDeviation	Variance
					Std Error	Statistic		
			Statistic	Statistic	Std Error	Statistic	Statistic	Statistic
I believe that the work atmosphere is friendly	130	4.00	1.00	5.00	3.5077	0.08190	0.93383	0.872
My superior encourages my development	130	4.00	1.00	5.00	3.5769	0.08162	0.93066	0.866
At work, my opinion seems to count	130	4.00	1.00	5.00	3.5923	0.07699	0.87777	0.770
My work activities are personally meaningful to me	130	4.00	1.00	5.00	3.8385	0.06625	0.75538	0.571
I am satisfied with the way that this organization is managed	130	4.00	1.00	5.00	2.6692	0.08695	0.99135	0.983
I am								

confident of my abilities to succeed at my work	130	3.00	2.00	5.00	4.0154	0.05236	0.59695	0.356
Valid N (listwise)	130							

Standard Deviation (SD) provides an indication of how far the individual responses to a question vary or deviate from the mean value. From Table 19, in ranking, “I am satisfied with the way that this organization is managed” has the high Standard Deviation of 0.99135, followed by “I receive adequate training to do my job well” which the Standard Deviation of 0.95670, followed by “I believe that the work atmosphere is friendly” has the Standard Deviation of 0.93383, followed by “My superior encourages my development” has the Standard Deviation of 0.93066, followed by “At work, my opinion seems to count” which has the Standard Deviation of 0.87777, followed by “My work activities are personally meaningful to me” has the Standard Deviation of 0.75538 and lastly “I am confident of my abilities to succeed at my work” which has the Standard Deviation of 0.59695.

**Table 3: Payable Satisfaction**

Item	N	Range	Minimum	Maximum	Mean		StdDeviation	Variance
					Std Error	Statistic		
			Statistic	Statistic	Std Error	Statistic	Statistic	Statistic
I receive salary on time every month	130	4.00	1.00	5.00	3.5615	0.10009	1.14122	1.302
I believe that the salary encourages my job performance	130	4.00	1.00	5.00	4.1385	0.07141	0.81416	0.663
I am satisfied with my current salary	130	4.00	1.00	5.00	3.0231	0.09550	1.08881	1.186
I believe of abilities of work will increase my salary increment	130	4.00	1.00	5.00	3.9615	0.05922	0.67518	0.456
I am satisfied with the compensation amount	130	4.00	1.00	5.00	3.5692	0.07402	0.84393	0.712
Valid N (listwise)	130							

Standard Deviation (SD) provides an indication of how far the individual responses to a question vary or deviate from the mean value. From Table 21, in ranking, “I receive salary on time every month” has the high Standard Deviation of 1.14122, followed by “I am satisfied with my current salary” which the Standard Deviation of 1.08881, followed by “I am satisfied with the compensation amount” has the Standard Deviation of 0.84393, followed by “I believe that the salary encourages my job performance” has the Standard Deviation of 0.81416, and lastly “I believe of abilities of work will increase my salary increment” which has the Standard Deviation of 0.67518.

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### A. Correlation Analysis

Job Satisfaction significantly is correlated with Knowledge Worker Retention. The result of the study in table 4 found that Job Satisfaction is significantly correlated with Knowledge Worker Retention with the analysis correlation strength of 0.644 which can be regarded as strong relationship as the value is above 0.6. Job Satisfaction means the workers are really satisfied with the routine and daily job/task. They believe that the working atmosphere in their organization is friendly, their opinion seems to count, they are received the adequate training, they are satisfied on how the company is been managed, and their superior encourages for their career path development. Pay and salary also can be regarded as the most important drive in working. The result of the study found that the Payable Satisfaction is directly correlated with Knowledge Worker Retention with the correlation strength of 0.619 as shown in table 4 which can be regarded as strong relationship as the value is above 0.6. As the pay and salary is important, means that the workers are satisfied with their current salary, receive salary on time every month, believe that the salary and pay will encourage their job performance, believe that the abilities of work will increase the salary increment, and also satisfied with the compensation amount. The analyses of the research also find out correlation between Motivations with Knowledge Worker Retention. The finding suggests that Motivation is significantly correlated with Knowledge Worker Retention and the correlation strength of 0.374 as shown in table 4. The correlation is been regarded as “medium strong” as the value is between 0.3 – 0.6. The finding can be concluded that workers has the moderately consider themselves as self-motivated person, use their skills and talent, recognized for success, give full effort if been appreciated by organization, and their decision will reflect the high standard for themselves.

Table 4: Correlation between Antecedents and Knowledge Worker Retention

		Motivation	Job Satisfaction	Pay Satisfaction	Knowledge Worker Retention
Motivation	Pearson Correlation	1	0.296 <sup>**</sup>	0.352 <sup>**</sup>	0.374 <sup>**</sup>
	Sig. 2 tailed		0.001	0.000	0.000
	N	130	130	130	130
Job Satisfaction	Pearson Correlation	0.296 <sup>**</sup>	1	0.556 <sup>**</sup>	0.644 <sup>**</sup>
	Sig. 2 tailed	0.001	0.000	0.000	0.000
	N	130	130	130	130
Pay Satisfaction	Pearson Correlation	0.352	0.556 <sup>**</sup>	1	0.619 <sup>**</sup>
	Sig. 2 tailed	0.000	0.000		0.000
	N	130	130	130	130
Knowledge Worker Retention	Pearson Correlation	0.374 <sup>**</sup>	0.644 <sup>**</sup>	0.619 <sup>**</sup>	1
	Sig. 2 tailed	0.000	0.000	0.000	0.000
	N	130	130	130	130

## IV. CONCLUSION

In knowledge economy era is not easy for organization to maintain their workers with the long period. The mobility of knowledge workers is a major concern in the new economy as the loss of knowledge workers to an organization means loss of both tangible and intangible

knowledge and possibly for creating competitive advantage (Kinneer & Sutherland, 2000). The discussion explained in detailed on what factors that have contributed to such findings in which all antecedents are found to have significant correlation with Knowledge Worker Retention dimensions. The research undoubtedly has provided an important insight on how effective organization in maintaining and retaining their employees and staffs successfully. Based on the findings, Knowledge Worker Retention in Cypark Resources Berhad is accepted by its employees and staffs and three antecedents are appeared to have the significant correlation with Knowledge Worker Retention dimension. The Motivation, Job Satisfaction, and Payable Satisfaction is satisfactorily accepted and agreed by the employees and staffs as the drive in order for them to stay longer in the organization. From this result, what Cypark Resources can do is to continue and make some changing and improvement in the management especially on those 3 antecedents because it proved to be significant towards the retention of the workers itself in organization.

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