TALENT RETENTION AND EMPLOYEE INNOVATIVENESS OF CONSTRUCTION COMPANIES IN RIVERS STATE, NIGERIA

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ABSTRACT

This study examined and analyzed the relationship between Talent Retention and Employee innovativeness of construction companies in Rivers State. The objective of the study was to examine the relationship between Talent Retention and Employee innovativeness in construction companies Rivers State. The study adopted Quasi-experimental research design method. The main data collecting instrument used in the study was questionnaire. Cronbach Alpha Coefficient technique was used. Descriptive and inferential statistics, using Pearson’s Product Moment Correlation Coefficient to analyze the data, with the aid of Statistical Package for Social Science version 22.0. The population is 250. The findings revealed that there is a strong positive and significant relationship between Talent Retention and Employee Innovativeness of Construction Companies in Rivers State. The study concludes that Construction companies should improve in retaining the most talented employees that will lead to an increase in creativity and proactiveness in the companies. This study recommends that construction companies should make use of talent retention strategies to recruit, retain and develop the most talented employee available in the job market to enhance employee innovativeness in the organization.

Keywords: Talent Retention, Employee Innovativeness, Proactiveness, Creativity

INTRODUCTION
As stable jobs belong to the past and most professions and the majority of individual tasks are now the issue of concern in the society, talent retention can be seen as essential determinants of innovation and organizational mechanisms to enhance and support employee innovativeness. A prominent research concept claims that sustained competitive advantage can only be achieved through idiosyncratic and inimitable internal assets, in this regard, Pfeffer (1994) has stated that human resources (HR) can be considered as the organisations’ greatest asset since they comprise of an organisations’ intangible, irreplaceable and unimitable resources. However, fierce competition and greater employment fluidity have made getting and retaining this important asset a major challenge for the organisations (Fegley, 2006). Whenever an organisation loses a critical employee, there occurs a negative impact on innovation and perhaps, there are chances of inconsistency in providing services, slow implementation of new programs, and major delays in the delivery of services to customers (Abbasi and Hollman, 2000). It is assumed that unnecessary employee turnover often have extreme consequences and it may endanger efforts to attain organisational objectives as well. (Ghosh 2013) opine that employee departure causes drop in productivity levels and simultaneously, increases the cost. They believe that it may benefit competitors as they can secure an edge by potentially gaining these human assets. On the same line, Juhdi (2013) state that losing good employees leads to reduction in productivity and quality which in turn, can adversely hamper an organisation’s competitive advantage. Even the most proficient organizations unable to bear the damages, if the failure occurs in implementing effective employee retention strategies (Gbervbie, 2010). Retaining talented employees has been established as a key ingredient for achieving competitive advantage particularly in knowledge based organizations (Bhatnagar, 2007). Srivastava and Bhatnagar (2008) believe that a well-defined and well executed retention strategy definitely yields competitive advantage to the organisations, by gaining an understanding of the importance of the retention concept.
**Purpose of the study**

The purpose of the study is to examine the relationship between talent retention and employee innovativeness in construction companies in Rivers State Nigeria. This is to be accomplished through the following objectives:

1. To examine the relationship between talent retention and proactiveness of construction companies in Rivers State, Nigeria.
2. To examine the relationship between talent retention and creativity of construction companies in Rivers State, Nigeria.

**Research Questions**

In assessing the relationship between the study variables, the following research questions are structured to guide the process and investigation:

1. What is the degree of relationship between talent retention and proactiveness of construction companies in Rivers State, Nigeria?
2. What is the degree of relationship between talent retention and creativity of construction companies in Rivers State, Nigeria?

*Fig. 1: Conceptual Framework of Talent Retention and Employee Innovativeness*
LITERATURE REVIEW

Theoretical Foundation

The underpinning theory for this study will be anchored on the population ecology theory. Population ecology theory is a model that highlights the role of environment in determining the survival of organization, the selection of talented employees, new and different organizational forms in the level of populations of organizations. Population ecology theory proposes that change occurs at the population level and is a result of the process of organizational selection and replacement (Carroll, 1988). An individual organization’s survival is then based on environmental selection of those organizations that best fit their particular localized environment.

In ascertaining populations of organizations, the problem of setting population boundaries needs to be considered, one of the most widely used methods follows from the pioneering work of Hannan & Freeman (1977). Organizations adapt to their environment, and become institutionalized by retaining and reproducing their form. This in turn promotes growth and survival as long as the environment does not change. This institutionalization creates inertial forces against organizational change that does not allow the organization to adapt to changing environment rendering the reliability and routines to be ineffective (Hannan & Freeman, 1984).

According to Aldrich and Pfeffer (1976), the population ecology model does not deal with single organizational units but is concerned with forms or populations of organizations. Donaldson (1995) identified three different elements in their literature: the root biological metaphor, historical population ecology, and population arithmetic. Hannan and Freeman (1977) say that population ecology emphasizes the broader perspective of populations, holding that adaptation of a population of organizations comes about by the environment.
selection for survival those organizations which are well adapted and rejecting those organizations which are maladapted.

**Talent Retention**

The term employee retention is referred to be the ability of an organization to retain its employees within the organization in the long run. It can be measured in simple statistics like percentage and considered as the outcome or in terms of efforts made by employer to keep employees within the organization, in this sense it is considered to be the strategy. It is therefore advisable that every organization should maintain its best performers especially in today’s competitive economic arena where competitors are observed to poach employees from each other (Hall, 2005).

Mokaya (2014), explain that when an organization cannot retain its employees, such action lead to high costs associated with employee turnover including additional burden on the remaining staff, recruitment and training costs. As a result, it is important that firm adopt Human Resource Management Strategies that make the best use of employees and retain talent. Retention of employees is very important because if the talented employees of the organization leave the organization in large numbers, it directly affects the cumulative performance of the employees as well as the profitability of the organization. Employee turnover is important to individuals, organizations and society (Ngo, Lau & Foley, 2008). From the organization perspectives, employee turnover may lead to disruption of service to clients. The extra time and money spent on recruitment and training of the replacement and the added stress of more work for the remaining staff during the interim are a few of the consequences suffered by the organization when turnover occurs.

Whenever an organization can retain its employees for long periods of time, the organization benefits as the employees think of the long term goals of the organization that they could
achieve as opposed to look for new opportunities out there. The employees are more focused and thus are able to perform better in their roles and the assigned tasks (Hall, 2005). As organizations continue to pursue high performance and improved results through talent management, they are taking a holistic approach to talent management. Agrela (2008) states the need to focus on the factors that affects employees’ performance improves due to gaining experience as they have worked for a long time in the organization and they are conversant with the organizational culture and processes.

Studies suggests that employees retention strategies which satisfy the needs of all the employees and enhances the ability for companies to adapt to changes in organizations and the trends in modern retention go beyond the traditional salary and benefits package but looks at motivating the employee in a wholesome way (Thomas, 2000).

**Employee Innovativeness**

Employee innovativeness refers to employees propensity to innovate, and can be conceived as a complex behavior consisting of generation of ideas, promotion and realization with the aim of meeting organizational goals in novel way (Kenter, 1988; Scott &Bruce, 1994). Individuals or group of people undertake innovative activities with the intention to drive anticipated benefits for innovative change. Creativity is central to innovativeness, but the concepts are not synonymous. Innovation can be seen as a successful and intentional implementation of creativity, which is more subjective and context specific by its nature (Miron, 2004).

Employee innovativeness requires that the individual is both able and willing to be innovative. With respect to abilities, above average general intellect, certain cognitive capabilities, general skills, task and context. What specific knowledge, facilitates innovativeness. (Barron & Harrington, 1981; Taggar, 2002). Beyond knowledge and skills, innovativeness requires intrinsic motivation and a certain level of internal force that pushes
the individual to persevere in the face of challenges inherent in the creative work (Shalley & Gilson, 2004). Moreover, the internal force keeps the employee going even when the challenges are successfully overcome. It is about a positive tension and desire to excel. Consequently, employees’ initiative, flexibility, perseverance and willingness to go beyond their actual goal accomplishment in order to come up with novel and organizationally beneficial ideas characterize innovativeness, as it is so context and problem specific. Innovativeness is therefore largely about discretionary extra role behaviours that go beyond the formal job requirements in complex’ willingness to go extra mile (Wolfe, 1994; Rermamoorthy, Flood & Sardessai, 2005).

**Proactiveness**

Proactiveness refers to anticipatory action that employees take to impact themselves and or their environments. Existing research provides extensive evidence of the different ways in which employees express proactive behavior include seeking feedback, taking initiative in pursuing personal and organizational goal (Frese & Fay, 2001), activity adapting to new environments (Saks & Ashforth, 1996).

The behaviour reported by the agent aptly illustrates individual proactivity or self-starting, future-oriented behaviour that aims to bring about change in one’s self or the situation (Grant & Ashford, 2008; Jones, 1986; Parker, Williams & Turner, 2006b). Several studies have found that employees who are proactive in this way also perform their job more effectively (Ashford & Black, 1996; Morrison, 1993a, 1993b; Thompson, 2005). Proactivity also applies in other domains – for example, individuals can be more or less proactive in managing their career (Seibert, Kraimer & Grant, 2001), shaping their work environment, and coping with stress (Aspinwell & Taylor, 1997).
In recent time, there has been a surge of interest in proactivity at work, partly reflecting academic developments, and partly reflecting the increasing importance of this type of behaviour in today’s organizations. Academically, there has been a flurry of proactive concepts, albeit varying in whether proactivity is seen as a stable disposition (Crant, 2000), a pattern of behaviour (Frese & Fay, 2001), or as we do in this chapter, a way of behaving at work (Grant & Ashford, 2008; Parker, Williams & Turner, 2006b). As noted in a recent article entitled ‘the word is cut; we need an active performance concept for modern work places’, the current interest in proactivity is warranted given the inadequacy of traditional models that “assume that employees ought to follow instructions, task descriptions, and orders”. Practically, organizations are increasingly decentralized, change is fast-paced, there is a demand for innovation, and operational uncertainty is greater than ever; all trends that mean employees need to use their initiative and be proactive (e.g. Campbell, 2000; Wall & Jackson, 1995). Moreover, careers are increasingly boundary-less, and not confined to one organization, requiring individuals to take charge of their own careers (Mirvis & hall, 1994). Thus, for both theoretical and practical reasons, a review on proactivity is timely.

**Creativity**

Creativity is the process through which new ideas that make innovation possible are developed. Current views on organizational creativity appear to focus, largely on outcomes or creative idea. Creativity has been defined as one that is both novel and original and potentially useful or appropriate to the organization (Amabile, 1996; Mumferd & Gustafson, 1998). Additionally, at least for companies, creative ideas must have utility. They must constitute on appropriate respond to fill a gap in the production, marketing, or the administration processes of the organization. Organization creativity is the creation of a valuable, useful service, idea, procedure, or a process by individuals working together in a complex social system. Therefore, creativity could be seen as an important organizational
capability (Amabile, 1998), a possible source of organizational effectiveness (Woodman, Sawyer & Griffin, 1993), and a source of competitive advantage (Leonard & Sensiper, 1998).

According to Kampylis and Berki (2014), creativity is defined as the thinking that enables students to apply their imagination to generating ideas, questions and hypotheses, experimenting with alternatives and to evaluating their own and their peers’ ideas and processes. Kaufman and Beghetto (2009) developed four categories of creativity which help to reveal the nuances between different levels and types of creativity.

Creativity is about ‘acting with flexibility, intelligence and novelty in the everyday (Craft, 2005). This result in creating something new that has originality and meaningfulness (Richards, 2007). This everyday kind of creativity can be found in the kind of person who can resolve a complex problem at work, is a keen gardener with an eye for design, or takes creative photographs and exhibits them on a photo-sharing website.

Creativity is defined as the novel and personally meaningful interpretation of experiences, actions, and events’ (Beghetto & Kaufman, 2007). This is the kind of creativity that can be nurtured by teachers and parents, when a person demonstrates flexibility, intelligence and novelty in their thinking (Craft, 2005). It is usually applied, but not necessarily limited to children’s creativity. Creativity may not visible to outsiders and may consist purely of ideas and connections that the learner creates. As Vygotsky (1967) explains: Any human act that give rise to something new is referred to as creative act, regardless of whether what is constructed is a physical object or some mental or emotional construct that lives within the person who created it and is known only to him. Piaget suggested that to understand is to invent (1976, cited by Richards, 2007).

The foregoing argument gave rise to the following hypotheses.
**Ho₁:** There is no significant relationship between talent retention and proactiveness of construction companies in Rivers State.

**Ho₂:** There is no significant relationship between talent retention and creativity of construction companies in Rivers State.

**METHODOLOGY**

This study adopted quasi-experimental research design method, this involve the situation where the researcher do not have control over the environment. The sample size for this study is 154 respondents derived using Taro Yamen’s formula from the population of 250 employees of five (5) construction companies in Rivers State. Questionnaire was the main tools used to solicit the views and opinions of the participant of the variables under study. The questionnaire was subjected to face validity and reliability to ensure that the instrument is capable of doing what is expected to do. Descriptive and influential statistics was used for the data analysis and Pearson’s product Moment Correlation Coefficient (PPMCC) was used for hypotheses testing with the aid of Statistical Package for Social Science (SPSS) version 23. The Cronbach Alpha reliability test was conducted on the instrument and the instrument was confirmed to be reliable as shown in table 1.

**Table 1: Reliability statistics table for the instruments**

<table>
<thead>
<tr>
<th>Dimension/Measures of the studies Variables</th>
<th>Number of the items</th>
<th>Number of cases</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Retention</td>
<td>3</td>
<td>135</td>
<td>0.900</td>
</tr>
<tr>
<td>Creativity</td>
<td>3</td>
<td>135</td>
<td>0.904</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>3</td>
<td>135</td>
<td>0.869</td>
</tr>
</tbody>
</table>

**Source:** Research data 201

**DATA ANALYSIS AND RESULTS**

**Bivariate analysis**
The secondary analysis from the results of the hypotheses are presented with the test conducted using Pearson’s Product Moment Correlation Coefficient (PPMCC) at 95% level of confidence level which encompass the probability for either accepting or rejecting the null hypotheses formulated when \((p>0.001)\) or rejecting the hypotheses formulated when \((p<0.001).\) The test covers the two hypotheses postulated for the study.

**Test of Research Hypothesis one**

**Ho₁:** There is no significant relationship between talent retention and proactiveness in construction companies in Rivers State.

**Table 2: Correlation for talent retention and proactiveness**

<table>
<thead>
<tr>
<th></th>
<th>Talent Retention</th>
<th>Proactiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Talent Retention</td>
<td>Pearson Correlation 1</td>
<td>.974**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>135</td>
<td>135</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>Pearson Correlation .974** 1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>135</td>
<td>135</td>
</tr>
</tbody>
</table>

**.** Correlation is significant at the 0.01 level (2-tailed).

**Source:** SPSS 22 data output 2019.

From the result in table 2, it indicates that there is a positive relationship between talent retention and proactiveness. The PPMCC coefficient 0.974 indicates that the relationship is positive and is significant at \(p 0.000<0.05.\) Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected. Thus there is positive significant relationship between talent retention and proactiveness of construction companies in Rivers State.

**Test of Research Hypothesis Two**

**Ho₂:** There is no significant relationship between talent retention and creativity in construction companies in Rivers State.

**Table 3: Correlation for talent retention and creativity**
From the result in table 3, it indicates that there is a positive relationship between talent retention and creativity. The PPMCC coefficient 0.990 indicates that the relationship is positive and is significant at p<0.05. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected. Thus there is positive significant relationship between talent retention and creativity of construction companies in Rivers State.

**DISCUSSION OF FINDINGS**

In this section, an attempt is made to examine in detail what the researcher findings depicts. The study using descriptive and inferential statistical methods in examining the relationship between talent retention and employee innovativeness of construction companies in Rivers State. The findings revealed a strong, positive significant relationship between talent retention and employee innovativeness using the Pearson’s Product Moment Correlation Coefficient tool and at a 95% confidence interval. The finding of this study confirmed that, there was a positive significant relationship between talent retention and employee innovativeness of construction companies in Rivers State. Supporting this, Mokaya (2014), explain that when an organization cannot retain its employees, such action lead to high costs associated with employee turnover including additional burden on the remaining staff, recruiting and training costs. As a result, it is important that firm adopt human resource management strategies that make the best use of employee and remain talent. Srivastava and Bhatnagar (2008) believe that a well-defined and well executed retention strategy definitely
yields competitive advantage to the organisations, by gaining an understanding of the importance of the retention concept.

CONCLUSION AND RECOMMENDATIONS

This study has shown the relationship between talent retention and employee innovativeness of construction companies in Rivers State. It has shown a positive and significant relationship between the dimensions and the measures of employee innovativeness. More specifically, the study revealed the following findings: There is a strong positive significant relationship between talent retention and employee innovativeness of construction companies in Rivers State.

Having reached the above conclusions, the study recommends that;

1. The organization should recruit, develop and retain the most talented employees that will enhance innovativeness in the organizations.
2. Organization should encourage and support their employee who are seeking for career advancement that will improve their professional skill and also improve the organizations.

REFERENCES


