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Retention of Employees through Career Development, Employee Engagement and Work-life Balance: An Empirical Study among Employees in the Financial Sector in Djibouti, East Africa

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Abstract

Retention of employees has gained the attention of organisations due to the impact of human resources on organisation success and competitive advantage. The purpose of this study was to investigate the influence of employee engagement, work-life balance, and career growth on the retention of employees in the financial sector in Djibouti. In this quantitative study, a survey method has been used to collect data from 100 respondents. A self-administered questionnaire with closed-ended questions was distributed based on convenience sampling. Multiple regression analysis has been used to examine the impact of the independent variables on retention. This research revealed that employee engagement and career development had a positive and significant relationship with employee retention. Employee engagement had the strongest impact on employee retention, while the impact of career development was much smaller. However, the results revealed that work-life balance had an insignificant relationship with employee retention. This may be due to other more significant factors. These results will provide a better understanding of human resource professionals with additional insights into the impact of employee engagement and career development on retention practices. The results of this study indicate that employee engagement is considered as a central factor for employee retention. Also, Human Resource managers should put the effort into retention policies relating to the career development of employees. Although prior research has investigated a number of these issues, this study was the first to combine employee engagement, work-life balance, career development, and retention of employees in Djibouti into one study.

Keywords: Employee engagement, Work-life, Career growth, Retention, Career development

Introduction

Djibouti is a small country that has a strategic location at the intersection of the Gulf of Eden and the Red Sea (Central Intelligence Agency, 2020). It has a total area of 23,000 sq.: KM and a population of 921,000 (Central Intelligence Agency, 2020). Djibouti is a growing county with and the per capita Gross Domestic increased by 3.1 per cent on average per annum from 2001 to 2017 (The World Bank, 2018). The GDP in 2017 was \$3.64 billion, and the GDP per capita

was \$3,600 (Central Intelligence Agency, 2020). Djibouti has a labour force of around 300,000 and a high unemployment rate of 40%. The financial sector in Djibouti consists of 12 banks with increasingly active portfolios across several sectors. The banking sector in Djibouti includes both Islamic and conventional banks that have grown significantly in recent years (Ali, 2018). The financial sector in Djibouti is undergoing continuous modernisation and digitalisation with assistance from the World Bank and the Central Bank (Oxford Business Group, 2020). According to Ali (2018), the financial sector of Djibouti accounts for 97 per cent of financial assets and 13 per cent of GDP (Ali, 2018). The insurance sector accounts for an additional 2.5% of assets, while microfinance is responsible for the remaining 0.5%. (Oxford Business Group, 2020). The arrival of foreign banks in Djibouti has increased competition in the local market. Therefore, organisations need to implement Human Resource practices that facilitate and improve employee engagement and other employee benefits that will lead to success and sustainment of competitive advantage (Albrecht et al., 2015).

The retention and turnover of employees have gained the attention of employers who are taking it seriously because it is crucial for sustaining competitive advantage (Kyndt, et al., 2009). As stated in the report published by Work Institute (2019), attracting and keeping employees is essential for organisations. The retention of skilled employees is crucial because their knowledge and core competencies are crucial for the organisation to sustain competitive advantage (Kyndt, et al., 2009). The cost of employee turnover is high, and it affects the organisation performance (Work Institute, 2019). The turnover cost may average around one and half times the individual's total annual compensation. (Cappelli and Keller, 2013). Furthermore, the cost of replacing an employee is also high, and it is estimated to be around 90 to 100% of the employee's annual salary. According to the report by Work Institute (2019), voluntary turnovers increased by 7.6% in 2017, but the preventable causes of turnover are also growing. The increase in employee's turnover, adds significantly to the operating cost of companies and affects their growth and profitability. Spain and Groysberg (2016) also highlighted that the high turnover of employees results in low performance. Also, organisations with low turnover and retention of high performers can be at a considerable advantage. One of the reasons contributing to the failure of organisations is the high turnover rate of employees (Joshi & Ratnesh, 2013). Employee turnover affects organisation performance, and profitability and organisations must understand why employees stay or leave organisations.

Several factors contribute to the retention of employees. The factors include communication, reward program, career development and performance-based bonus (Sandya and Kumar, 2011). Bibi, Ahmad and Majid (2018) pointed out that compensation, training and development, and performance appraisal had a positive influence on the retention of employees. Kundu and Lata (2017) stated that to retain employees, organisations must provide a supportive work environment. Career and professional growth are identified as one of the determinants of employee commitment and retention (Naim and Lenka, 2018; Herman, 2005). Naim and Lenka (2018) stressed that competency development is one of the critical determinants of employees' commitment which in turn leads to intention to stay. Providing support through work-life balance also decreases the intention to quit by employees (Osman, 2013; Mita, Aarti & Ravneeta, 2014). Deery and Jago (2014) pointed out that work-life balance is a critical factor driving the retention of employees and more research is required to develop strategies. Employee engagement is another crucial determinant and a study by Balakrishnan, Masthan, and Chandra (2013) confirmed that employee engagement is a predictor of employee retention. However, further investigations on employee retention need to be done to understand this complex phenomenon (Kossivi, Xu, and Kalgora, 2016).

Past research has revealed that employee replacement costs are high, and there are other effects on organisations such as profitability and performance. Therefore, given the substantial costs

associated with employee turnover, this study is justified. Although past research has identified several predictors of employee retention there is a dearth of research on the combined influence of employee engagement, work-life balance, and career development on employee retention in the financial sector in Djibouti. The purpose of this paper was to examine the impact of employee engagement, work-life balance, and career development on employee retention. The results will provide new insights for organisations and researchers on the retention of employees.

Literature Review

Employee Retention

Employee retention is a complex concept that has gained prominence and importance among researchers and organisations. It is a multidimensional construct that has been defined in different ways (Mita et al., 2014; Bidisha and Mukulesh, 2013; Hausknecht, Rodda and Howard, 2009). Employee retention refers to retaining employees for a maximum period with the current organisation (Bidisha and Mukulesh, 2013; Hausknecht, Rodda and Howard, 2009). Hausknecht, Rodda and Howard (2009) explained that employee retention is the action taken by organisations to motivate and influence employees to function at the optimum level for a more extended period. From another perspective, Chiboiwa, Samuel, and Chipunza (2010) defined retention as a step taken to minimise competent employees from leaving. This definition stressed on competent or talented employees. Singh and Dixit (2011), stated that retention encompasses the strategies and practices employed by an organisation to get employees who keep them in business to stay in an organisation for a more extended period. Similarly, Johnson (2000) referred to retention as the organisation ability to hold on to employees that they are keen to retain. Hence, it implies that retention is strongly applied to talented employees in organisations. From the organisation perspective, most definitions point towards the development of policies and processes to motivate or influence employees to remain with the organisation. From employee loyalty perspective, Huang et al. (2006), stated that retention is related to employee's intention to remain loyal to their current organisation. Therefore, employee retention is a strategy that organisations use to hold on or retain a productive workforce to meet their operational requirements (Mita et al., 2014).

Researcher and scholars have identified several factors that contribute to the retention of employees. A holistic approach to retain employees as stated by Munish and Agarwal (2017) encompasses training and development, compensation, quality of work-life, work policies and arrangements. From the employee's perspective, Hytter (2007) pointed out that constructs like loyalty, trust and commitment are predictors of employee retention. Also, factors related to the workplace that encompasses leadership, career development, work-life balance, training and development and rewards have an indirect influence on employee retention (Hytter, 2007). Pritchard (2007) further added that to retain employees, organisations need to focus on training and development. Other determinants of employee retention are organisational factors such as appreciation and work pressure, employees learning attitude, seniority and self-perceived leadership skills (Kyndt, Filip Dochy et al., 2009). The retention factors can also differ among different generations. For generation Y, Aruna and Anitha (2015) identified mentoring, career development, job satisfaction, inclusive style of management, work environment and nature of working style as the factors that influence their retention. Therefore, there is a myriad of factors that contribute to the retention of employees.

Work-life Balance and Employee Retention

Managing work and home responsibilities have gained prominence amongst employees, practitioners and academics (Jones, Burke, and Westman, 2013). There is an ongoing debate

amongst scholars and academicians on what exactly is work-life balance. The simplest definition of work-life balance is the nonexistence conflict between work and family role, which refers to the coexistence of work and family roles experienced by an employee (e.g., Quick, et al., 2004). A more precise definition by Hill et al., (2001) states that work-life balance is achieved when an employee can simultaneously balance the emotional, behavioural and time demands of work-related and family responsibilities. Work-life balance has also been used interchangeably with work-life conflict. As stated by Kumarasamy, Pangil, and Isa (2015), work-life balance refers to a situation where an employee minimised the conflict between work and family responsibilities and tasks. Work-life balance can also be viewed from an organisation perspective or employee perspective. From the organisation perspective, work-life balance refers to a situation where an organisation provides work and employment to individuals and simultaneously allows time for family matters and responsibilities (Galea et al, 2014). From the employee perspective, Greenhaus and Allen (2011) explained that an employee would feel balance when he or she senses balance from work and family roles in their life. Lockwood (2003) added that work-life balance from the employee perspective is the dilemma faced by an employee in handling work obligations and family responsibilities. From an organisation perspective, work-life balance is the task of creating an organisational culture in which employees can focus on their jobs while at work and manage family responsibilities (Lockwood, 2003).

In the current environment, managing work-life balance is becoming one of the critical issues for both employees and organisations, which is supported in a study by Deery and Jago (2014) which revealed that work-life balance has emerged as a critical predictor when addressing issues related to employee retention (e.g., Deery and Jago, 2014; Kar and Misra, 2013). Another study by Mita, Aarti and Ravneeta (2014) found a direct relationship between employees' work-life balance and decision to stay with the current organisation. The work-life balance was also stated by Qu and Zhao (2012) as one of the critical predictors of retention of talented staff. Similarly, Kar and Misra (2013) found the work-life balance policies were related to employee retention. Kar and Misra further added that a work-life balance supportive culture that is characterised by work time and work-life flexibilities contribute to a better work-life balance. Cegarra-Leiva, Sánchez-Vidal, and Cegarra-Navarro (2012) argued that it is the work-life balance culture and not work-life balance practices that determine job satisfaction and employee retention. A work-life balance culture that provides emotional support to employees will lower their intention to leave the organisation (Osman, 2013). Most of the past studies point towards the critical role of work-life balance in today's environment and it is posited in this study that:

H1: Work-life balance is related to the retention of employees in the financial sector in Djibouti.

Career Growth and Retention of Employees

Career growth is defined in different ways by scholars and academicians. It is a multidimensional construct that encompasses the attainment of career goals, development of abilities and promotion opportunities (Weng et al. 2010). The conceptualisation of career growth and career development has been used interchangeably. According to Brown and Brooks (1990), career development is a lifelong process where employees get ready to choose, are choosing and continue to make choices from among several jobs that are available during their lifetime. The career growth has been referred to as subjective measures of an individual's career during his or her employment across organisations (e.g., Ng, Eby, Sorensen, and Feldman, 2005). Patton and McMahon (2014) also agreed that career development is not just a person's occupation but involves his or her whole life. Patton and McMahon (2014) stated

that the vital elements of career development include the employee's environment, interaction, and change. However, Weng and McElroy (2012) referred to career growth as growth within the employee's current organisation rather than the career growth during the employees entire working life. Weng (2010) stated that the four dimensions of career growth were the realisation of career goals, development of professional ability, promotion opportunities and compensation. The Social Exchange Theory can explain the association between career growth and employee commitment and intention to stay. According to this theory, the employees will reciprocate over time to the benefits and services provided by the organisation by having a higher level of commitment (Blau, 1964).

Several studies have identified the positive and direct relationship between job retention and career development (e.g., Rolfe, 2005; Herman, 2005). Studies by Cardy and Lengnick-Hall (2011) and Kroon and Freese (2013) pointed out that career development can lead to an increase in employee's intention to stay with the current organisation. Nouri and Parker (2013) explained that career growth opportunities are viewed as a benefit by employees. The support for the relationship between career growth and retention or turnover intention is found in several other studies (e.g., Yang et al. 2015; Weng & McElroy, 2012). Another study by Aruna and Anitha (2015), identified career development as one of the factors that contributed towards the retention of employees. A study by Chen et al., (2016) revealed that career growth was a positive predictor of job satisfaction and inversely related to the turnover intention of employees. According to another study by Yang et al. (2015), the increase in retention of employees is due to career growth opportunities in organisations. From the cost perspective, employees will remain with the current organisation if the opportunity cost related to quitting is considerable (Weng and McElroy, 2012). Kohlmeyer et al. (2017), added that employees who believe that the organisation provides career opportunities have higher commitment levels, and they are less likely to leave the organisation. Most of the past studies point towards the critical role of career growth among employees, and it is posited in this study that:

H2: Career growth is related to the retention of employees in the financial sector in Djibouti.

Employee Engagement and Retention of Employees

Various scholars have defined employee engagement that has recently captured the attention of researchers. Schaufeli et al. (2001), referred to employee engagement as the state of mind that is positive and characterised by vigour, dedication, and absorption. Earlier Kahn (1990) defined engagement as the harnessing of employees to their work roles. In engagement, the employees express themselves physically, cognitively, emotionally and mentally. Kahn (1990) conceptualised engagement as a relationship between the employee and his job. The job provides a platform for self-expression, and the employee uses his physical and mental abilities for the purpose. Engagement can be related to the job demands-resources (JD-R) model (Demerouti et al., 2001). According to Demerouti et al. (2001), job demands are the physical, social, or organisational aspects of the job and job resources include the physical, psychological, social, or organisational aspects of the job which enable the achievement of goals and reduces the emotional and physical cost. Hakanen and Roodt (2010) indicated that job resources are positively related to engagement. There is also some debate on the difference between employee engagement and work engagement. According to Schaufeli and Bakker (2010), work engagement refers to an employee's relationship with his or her work and employee engagement refers to relations with the organisation. Saks (2006) explained the difference between job engagement and organisational engagement. According to Saks (2006), job engagement refers to an employee's psychological presence in his or her job role and organisational engagement refers to an employee's psychological presence in his or her specific organisational role.

Past research has identified several antecedents and consequences of employee engagement. Research by Tahir (2019) revealed that employee engagement is positively related to monetary and non-monetary rewards. Alyi and Abasi (2012) found that employee engagement was positively related to distributive and interactional justice. Studies have also revealed that employee engagement is positively associated. Individual change readiness (Lee, Wang, and Liu, 2017), affective organisational commitment and job performance (Karatepe et al., 2014), personal accomplishment, identification with the organisation, willingness to exert in organisation's favour and occupational commitment (Kanste, 2011), affective organisational commitment, extra-role performance, and negatively related to turnover intentions (Karatepe, 2013) and organisational commitment (Ahuja and Gupta, 2019). Studies have pointed out the positive association between employee engagement and employee's retention (e.g., Karatepe, 2013; Malik and Khalid, 2016). The study by Malik and Khalid (2016) found an inverse relationship between employee engagement and employee turnover intention. Another study by Mendes and Stander (2011) revealed that work engagement was a predictor of employees' intention to leave. A study by Pandita and Ray (2018) concluded that synchronisation of talent management practices and employee engagement initiatives by organisations leads to talent retention. Most of the past studies point towards a positive relationship between employee engagement, and therefore, it is posited in this study that:

H3: Employee engagement is related to retention of employees in the financial sector in Djibouti.

Methodology and Research Design

Introduction and Research Design

This quantitative study is based on a positivist philosophy. This study is supported by theories, and objective knowledge is available. Therefore, the positivist philosophical approach is chosen as it allows the generalizability of observable social processes (Saunders, Lewis and Thornhill, 2016). A deductive approach was more appropriate as this study was supported by theory and hypotheses were developed to study the causal relationship between the variables. For data collection, a cross-sectional study was conducted using a survey method. Through the survey method, self-completed questionnaires were distributed to the target population. By using structured questionnaires, the perception and attitude of the respondents can be measured (Sekaran and Bougie, 2016). Nonprobability sampling was used to collect data and SPSS software was used for data analysis.

Population, Sampling and Sample Size

Saunders, Lewis, and Thornhill (2016) defined population as the elements from which a sample is taken. Fink (2003) stated that the study population as the people who are eligible to participate in a study. The target population were a 'subset of the population' which is the actual focus of the research (Kervin 1999; Saunders, Lewis and Thornhill, 2016). In this study, the target population were employees engaged in the financial sector in Djibouti. Sampling was done to select an appropriate number of elements from the population, which correctly represent the population (Sekaran and Bougie, 2016). In this study, convenience sampling was used as a sampling frame was not readily available (Saunders, Lewis and Thornhill, 2016). The sample size refers to the number of respondents or units from whom the data was collected for reliable findings (Fink, 2003). In most studies, the appropriate sample size that is larger than 30 and less than 500 is acceptable (Roscoe, 1975). The formula by Tabachnick and Fidell (2013) was used to calculate the sample size. According to this formula, the sample size must be at least " $50 + 8m$ " where 'm' is the number of predictors. Based on this formula, the

minimum sample size must be 74 respondents. For better accuracy of findings, the targeted sample size was 100 respondents.

Instrumentation and Questionnaire Design

Self-completed questionnaires were used to collect data from the eligible sampling elements. The questionnaire was divided into two parts, and only closed-ended questions were included. For the first part of the questionnaire, the questions measured the demographic profile of the respondents. The second part of the questionnaire consisted of only attitude-based questions. For the measurement of the respondent level of agreement or disagreement with each question, a five-point Likert type scale was used. The questions were adapted from past studies. Employee engagement measurement has been operationalised differently by different scholars. Christian, Garza, and Slaughter (2011) in their review of employee engagement, identified six measures for engagement. Byrne (2015) in the book captioned, 'Understanding Employee Engagement, Theory, Research, and Practice' also named six measures with little variation. The Utrecht Work Engagement Scale (UWES) is used by many studies to measure employee engagement (Christian, Garza, and Slaughter, 2011). Being a popular measure, a short version of UWES was used in this study. Schaufeli, Bakker, and Salanova (2006) noted that a short version of UWES could be used as an overall or unidimensional measure for employee engagement. The questions on employee retention were adapted from a study by Kundu and Lata (2017). The questions on work-life balance were adapted from a study by Helmle, et al. (2014). The questions on career development were adapted from a study by Nouri and Parker (2013).

Data Collection and Preliminary Checking

To increase the response rate, a hybrid approach was taken for data collection. A total of 150 questionnaires were distributed electronically, and another 40 were distributed by hand. to the qualified respondents. The response rate was initially poor. A total of 72 questionnaires were received electronically, and another 35 collected through the direct distribute and collect method. Seven questionnaires were deleted due to missing data. 100 questionnaires met the target and were used for further analysis. In this study, ethical considerations were strictly observed, which encompasses the maintenance of confidentiality and privacy of the respondents.

Data Analyses and Hypothesis Testing

The first step was to get a feel of the data. The questionnaires were checked for missing data. After that, data was created in the SPSS system. Frequency distributions were done to get a feel of the data. Thereafter, the goodness of data was done to check reliability normality (Sekaran and Bougie, 2016). Hypothesis testing was based on the results of the multiple regression analysis. Descriptive statistics were also generated to describe the characteristics of the respondents.

Results

Demographic Profiles of the Respondents

Based on the gender profile, most of the respondents were male (68%). The marital status of the respondents indicates that most of them were single (62%). In terms of the employees' qualification, it was found that majority of the respondents held a bachelor's degree that accounted for (51%), followed by the master's level or higher qualification (34%). The rest had a diploma or lower qualification. Based on the age profile, most of the respondents were in the 24-35 years old group (43%), Respondents below the age of 24 accounted for 31% of

the respondents. The rest were above 35 years old. All the respondents were employed in the financial sector.

Table1: Reliability Testing

Variables	Cronbach Alpha Value (r)
Employee Engagement	.863
Work-life Balance	.738
Career growth	.823
Employee Retention	.589

Reliability Test to Measure Consistency

Reliability in this study was to measure the consistency of data provided by the respondents. The measurement was based on the value of Cronbach alpha. A Cronbach alpha value close to 1 shows high reliability. The preferred level of the Cronbach alpha value is 0.7 and above. However, the Cronbach alpha values of 0.6-0.7 indicate an acceptable level of reliability. The values of 0.8 or greater indicate good reliability (Hulin, Netemeyer and Cudeck (2001). In this study, the value of the Cronbach value was above 0.7, except for the employee retention construct that had a Cronbach alpha value of around 0.6. Therefore, the consistency of the scores given by the respondents was established.

Table 2: Kurtosis and Skewness

Variable	Skewness	Kurtosis
Employee Engagement	-.453	.454
Work-Life Balance	-.429	.557
Career growth	-.760	.445
Employee Retention	-.312	.180

Normality Test

The Skewness and kurtosis measures were used to test the normality of data distribution. The symmetry of data distribution is reflected by the skewness value. The peakedness of data distribution is shown by the kurtosis value. The acceptable cut-off values for skewness and kurtosis are between -2 and +2 (George and Mallery, 2010). In this study, all the values for skewness and kurtosis are below 1. The skewness value shows a negative skew. The values of skewness and kurtosis in this study show that the data is typically distributed.

Pearson Correlation Test

The Pearson Bivariate correlation coefficient, r , measure the strength and direction of the relationship between the variables in this study. The correlation coefficient between the independent variables and the dependant variable is positive and significant. The results show that employee engagement has the strongest relationship with employee retention (Pallant, 2010).

Table 3: Pearson Correlation Coefficient

No	Variables	1	2	3	4
1	Employee Engagement	1			
2	Work-life Balance	.400**	1		
3	Career Growth	.425**	.243*	1	
4	Employee retention	.556**	.325**	.418**	1

Multiple Regression Test and Model Fit Summary

There is only one dependant variable, and multiple regression analysis was done to establish the existence or absence of a statistically significant relationship between independent variables and the dependant variables. The R-value of .599 indicates an acceptable level of prediction. The R^2 of .385 indicates that the three independent variables explained 38.5 of the variances in the dependant variable in this study (Field, 2009). The F-value is 17.870, and the F-test is significant (0.000), which indicates that the model fit is good, and the three independent variables predicted the dependent variable reliably.

Table 4: Model Fit Summary

Multiple R	.599
Coefficient of Determination (R Square)	.358
Adjusted R square	.338
F Value	17.870
Sig	.000

The standardized coefficient is the Beta value examined. In this study, all the Beta values are positive. Next, the t-value and the 2 tailed P-value was examined to test the significance level. For work-life balance, the Beta value was positive, but the t-value was lower than 1.96 and p-value was higher than 0.05 ($B = .104$, $t = 1.158$, $p > 0.05$). Therefore, hypothesis H1 was rejected. For career growth, the Beta value was positive, the t-value was above 1.96 and p-value was lower than 0.05 ($B = .212$, $t = 2.337$, $p < 0.05$). Therefore, hypothesis H2 was accepted. For employee engagement, the Beta value was positive, the t-value was above 1.96, and the p-value was lower than 0.05 ($B = .425$, $t = 4.424$, $p < 0.05$). Therefore, hypothesis H3 was accepted. The results show that employee engagement has the highest impact on the retention of employees.

Table 5: Coefficients

Model	Unstandardized coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.744	.364		2.041	.044
Employee engagement	.403	.091	.425	4.424	.000
Work-life Balance	.116	.101	.104	1.158	.250
Career Growth	.194	.083	.212	2.337	0.022

Discussion, Implications and Recommendations

The first hypothesis was to find out whether work-life balance affects the retention of employees in the financial sector in Djibouti. It was expected that in the current competitive environment, managing work-life balance is one of the critical issues for both employees and organisations (e.g., Deery and Jago, 2014; Kar and Misra, 2013), which is supported by past studies that found a direct relationship between work-life balance and retention of employees (e.g., Deery and Jago, 2014; Mita, Aarti and Ravneeta (2014). A work-life balance culture that provides emotional support to employees will lower their intention to leave the organisation (Osman, 2013). Surprisingly, the results of this study deviated from expectations and past studies. One of the reasons for the deviation may be the organisation culture. The organisation culture refers to the policies and practices that create a strong work-life balance. The organisation culture can have positive or negative effects or outcomes such as employee morale, commitment, and productivity (Cameron Quinn, 2006). It is also possible that the

organisation does not place emphasis on strong work-life balance or develop policies to promote a strong work-life balance. A study by Groner (2018) found that there was no significant relationship between organisational leadership culture and work-life balance of employees. Therefore, the leadership style and support affect the work-life balance of employees. Based on the study of the Hofstede cultural dimensions by Oopong (2013), Africans are generally a collectivist society. Therefore, they sacrifice their individual needs for the good of the group, which includes organisations they belong to. The low score for the masculinity dimension also indicates that Africans are driven by competition, achievement, and success. A high score for uncertainty avoidance also points to respect for tradition, rigid codes of behaviour and intolerance to unorthodox behaviour by employees towards the organisation (Oopong, 2013). Therefore, there is an effect of culture as shown by the cultural dimensions score on the work-life balance of employees.

The second hypothesis was to establish the relationship between career growth and retention of employees. The results revealed that there was a positive and significant relationship between career growth and retention of employees, which means that career growth opportunities are highly valued, and employees will not leave organisations that provide career growth opportunities. Therefore, the four dimensions of career growth, namely career goals, development of professional ability, promotion opportunities and compensation are important predictors of employees' retention (Weng, 2010). The results also found the support of the Social Exchange Theory which explains that benefits and services provided by organisations which fall under the career growth opportunity in this study are reciprocated by employees through their commitment and intention to stay with the current organisation. The results are also consistent with past studies that found a positive association between career growth opportunities and retention of employees (e.g., Cardy and Lengnick-Hall, 2011); Kroon and Freese, 2013). The past studies revealed that career development could lead to an increase in employee's intention to stay with the current organisation because career growth is viewed as a benefit by employees (Nouri and Parker, 2013). Also, employees will remain with the current organisation if the opportunity cost related to quitting is large (Weng and McElroy, 2017).

The third hypothesis was to find out whether employee engagement was a predictor of employees' retention. The results revealed that there was a positive and significant relationship between employee engagement and employee's intention to stay in the organisation. The study also revealed that employee engagement had the highest impact on retention of employees in the financial sector in Djibouti. The results indicate that the employees' state of mind that is positive and characterised by vigour, dedication, and absorption will lead to their intention to stay with the current organisation (Schaufeli et al., 2001). In other words, the employee's psychological presence in his or her specific organisational role will lead to higher commitment and intention to stay, which is important for organisations to retain talented staff. The results are also consistent with other studies (e.g., Karatepe, 2013; Malik and Khalid, 2016). Besides, synchronisation of talent management practices and employee engagement initiatives by organisations is critical for talent retention (Pandita and Ray, 2018).

There were several practical implications of this study. This study provided human resource managers and leaders in organisations with additional insights about the impact of employee engagement and career development on retention practices, especially on the retention of talented employees. The study also highlighted the key role of employee engagement in the retention of employees. The results supported the notion that an engaged employee will willingly put extra effort to get work done, and this contributes to organisational success and competitive advantage. The higher level of engagement, especially among talented employees, will encourage them to stay longer and continue to contribute towards the organisation success. Organisation leaders need to understand and acknowledge that a healthy organisation need to

retain their resources. Therefore, organisations should focus more on employee engagement which should be considered as a central factor for employee retention. Organisations should develop Human Resource practices that can facilitate employee engagement and assist the organisation in sustaining competitive advantage. Furthermore, the organisation culture should provide an environment that supports and encourages employee engagement. Also, Human Resource managers should put the effort into retention policies relating to the career development of employees, which includes performance management practices and training and development of employees. In contrast, retention policies focusing on work-life balance appear to be little effective.

There were also some contributions from the theoretical and academic perspective. Although prior research has investigated several constructs that contribute towards the retention of employees, this paper was the first to combine employee engagement, work-life balance, career development and retention of employees in Djibouti into one study. The results of this study also provide new and useful insights for academicians and researchers undertaking studies relating to employee engagement and retention. Firstly, the study highlighted the critical role of employee engagement. In contrast to common belief, this study added a new dimension on the insignificant impact of work-life balance. This study found that the impact of work-life balance is insignificant compared to employee engagement. From a theoretical perspective, there are several contributions to this research. This research further added further knowledge to the existing body of knowledge. The findings are useful to academicians and future researchers.

Some limitations were noted in this study. Firstly, the study obtained data from existing employees engaged in the financial sector only. Better results can be obtained through interviews with employees leaving organisations. In this aspect, a qualitative study is recommended to obtain in-depth information from employees what are leaving the organisation. A mixed-method approach based on explanatory sequential research design is recommended. In this mixed-method approach, analysis of quantitative data followed analysis of qualitative data will provide a better explanation and interpretation of the findings. Another way is to study the documents on the exit interview with staff who have left the organisations. The exit interview can provide valuable insights into the real problems in the organisation that lead to turnover of employees. Also, future studies should cover other sectors to get a better understanding. There were also three predictors in this study. Additional factors such as leadership style and organisation support can provide a more holistic understanding of employers. One limitation of this study was the use of a self-reporting questionnaire. The correctness of the data obtained depends on the honesty of the respondents. It is recommended that future research gets more in-depth information, which is possible through an explanatory sequential mixed-method study.

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