

Investigating the Effect of Generation Moderation on Employee Retention Rates in Selected Audit Firms in Lusaka.



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ABSTRACT: Generation moderation in the workplace for auditing, characterized by a mix of employees from various age groups, plays a crucial role in creating a diverse, inclusive environment. It signals a commitment to valuing a range of perspectives, generational transfer and experiences. In recent years, the influx of millennials and Generation Z into the workforce has introduced new expectations and values, such as a greater emphasis on work-life balance, diversity, and inclusivity. The aim of this study was to investigate the effect of generation moderation on employee retention in selected audit firms in Lusaka. The study was guided by three objectives which were; to assess the effect of generation moderation on employee retention rates selected audit firms in Lusaka; to determine the effect of current strategies used within the selected audit firms on employee retention rates in Lusaka; and to investigate the effect of the integration of employees from different age groups within audit firms, on employee retention rates in Lusaka. This study employed a descriptive mixed method research design, with a population of 800 employees working at the firms in Lusaka. A Yamane formula was used to randomly select a sample of 226 employees for data collection. The researcher designed a questionnaire for this purpose, and descriptive analysis was conducted using SPSS. The results found that there is a strong positive correlation between generation moderation and employee retention rates. Generational moderation auditing firms in Lusaka has led to tailored benefits and work-life balance policies that resonate with different age groups, resulting in higher employee retention rates. The study revealed that current strategies demonstrated a significant positive relationship with employee retention, implying that firms' approaches to compensation, professional development, and work-life balance play a crucial role in retaining employees. The research also indicated that there was agreement among respondents that retention is relatively high in integration of employees from different age groups. The study recommends among others; integrate generational moderation into their employee retention strategies, refine and expand their employee retention strategies by further enhancing career development opportunities, work-life balance initiatives, and employee well-being programs and also promote intergenerational collaboration by implementing inclusive policies, mentorship programs, and tailored career development paths.

KEYWORDS: Generation Moderation, Employee Retention, Strategies, Integration, Audit Firms, Lusaka.

1. INTRODUCTORY BACKGROUND

Generation moderation, characterized by a mix of employees from different age groups, contributes significantly to fostering collaboration and teamwork within audit firms. According to Hong & Page, (2018) indicated that diverse teams, incorporating individuals from various generations, bring a breadth of perspectives and problem-solving approaches, leading to enhanced creativity and innovation. Effective collaboration is particularly critical in audit firms where complex tasks require diverse skills and insights. However, teams with members from different age groups tend to outperform homogeneous teams in problem-solving tasks due to the variety of approaches and solutions brought forth by diverse experiences and knowledge (Van Knippenberg et al., 2014). This underscores the value of generation moderation in promoting a collaborative culture that strengthens the overall performance of audit teams. Furthermore, effective communication and understanding across generations are pivotal in building cohesive and resilient teams within audit firms. When employees from different age groups are encouraged to share their perspectives and experiences, it creates a more inclusive and communicative work environment. Companies with diverse leadership teams are 33% more likely to outperform their peers in profitability (Hunt et al., 2018). This profitability is attributed to the positive impact of diverse perspectives on decision-making and problem-solving. In the context of audit firms

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where attention to detail and diverse expertise are paramount, promoting effective communication and understanding across generations not only strengthens teams but also contributes to a sense of unity and belonging among employees, ultimately fostering higher retention rates.

Nevertheless, the potential negative consequence of generation moderation in audit firms lies in the risk of generational conflicts and communication gaps, which can adversely affect team dynamics and employee satisfaction. According to Ehrhart, and Jung (2009), generational diversity results in variations in communication styles, work preferences, and problem-solving approaches. These differences, if not proactively addressed, leads to misunderstandings or conflicts within teams, impacting overall cohesion and morale. According to Hansson, and Gupta (2009) underscores the significance of effective communication in reducing workplace conflicts. In the context of audit firms where collaboration and precise communication are essential, unresolved generational conflicts creates a less harmonious work environment. This, in turn, elevates frustration levels among employees, potentially contributing to disengagement and, ultimately, higher turnover rates as employees seeks a more aligned and harmonious workplace elsewhere (Glassdoor, 2014). To mitigate these negative effects, audit firms must implement strategies for effective intergenerational communication, understanding, and conflict resolution to maintain a cohesive and productive work environment.

The audit industry operates within a complex regulatory environment that ensures the integrity, accuracy, and transparency of financial reporting. In Zambia, as in many other countries, the audit sector is governed by various policy and legislative frameworks. The Accountants Act, 2008, established the Zambia Institute of Chartered Accountants (ZICA), which is responsible for regulating the practice of accountancy and auditing in Zambia. ZICA sets professional standards, enforces ethical conduct, and oversees the licensing of auditors. Additionally, international standards such as the International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) provide guidelines that audit firms must adhere to. These frameworks ensure that audit practices meet global benchmarks for quality and reliability, thereby maintaining stakeholder confidence in financial reports produced by firms (Teddy, 2019).

This study investigates several key variables related to generation moderation and employee retention within audit firms. The primary variables include generational diversity, employee retention rates, job satisfaction, and organizational commitment. Generational diversity refers to the mix of employees from different age groups within the firm, while employee retention rates measure the firm's ability to retain its staff over time. Job satisfaction encompasses employees' contentment with their roles and work environment, and organizational commitment reflects their loyalty and willingness to stay with the firm. These variables are interconnected, as generational diversity can influence job satisfaction and organizational commitment, which in turn affect retention rates. The study aims to explore how these variables interact and the extent to which generation moderation contributes to retaining top talent in audit firms (Robert, 2021).

The audit industry has long faced challenges related to employee retention, exacerbated by generational shifts in the workforce. Historically, audit firms have struggled with high turnover rates, particularly among younger employees. The demanding nature of audit work, combined with long hours and intense pressure, has often led to burnout and attrition. In recent years, the influx of millennials and Generation Z into the workforce has introduced new expectations and values, such as a greater emphasis on work-life balance, diversity, and inclusivity. Despite efforts to adapt, many firms still grapple with aligning these generational expectations with traditional work practices. This persistent challenge underscores the need for effective generation moderation strategies to enhance employee satisfaction and retention (Chirwa, 2023).

Statistical data and anecdotal evidence highlight the significance of the employee retention issue within the audit industry. According to a survey by LinkedIn (2019), 94% of employees expressed a desire to stay with their current employer longer if the company invested in their career development. Furthermore, a Glassdoor (2014) report revealed that 67% of job seekers consider workplace diversity an important factor when evaluating job offers. These statistics reflect the critical role of generational diversity and professional growth opportunities in employee retention. Additionally, anecdotal evidence from industry insiders often points to the high turnover rates in audit firms, particularly among younger staff, due to the demanding work environment and perceived lack of support for work-life balance and career development. These insights underscore the urgency of addressing retention challenges through effective generation moderation.

Despite the growing recognition of the benefits of generational diversity, there remains a gap in understanding how to effectively implement generation moderation strategies in the audit sector. Existing studies have highlighted the positive impacts of diversity on innovation and team performance (Hong & Page, 2018; Van Knippenberg et al., 2014), but there is limited research on the specific mechanisms through which generational diversity influences employee retention in audit firms. Additionally, while the benefits of effective communication and conflict resolution across generations are well-documented (Ehrhart & Jung, 2009; Hansson & Gupta, 2009), there is a need for more targeted studies that address the unique challenges of the audit industry. This study aims to fill these gaps by providing empirical evidence on the positive effects of generation moderation on employee

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retention, thereby contributing to the development of effective strategies for sustaining a diverse and committed workforce in audit firms.

1.1. Problem Statement

The phenomenon of generation moderation, characterized by a diverse mix of employees from different age groups, is recognized as a pivotal factor in fostering a collaborative and inclusive workplace within audit firms and it plays a crucial role in attracting and retaining top talent, particularly from younger generations, by signalling a commitment to diversity, equity, and inclusion (PwC, 2021). Despite the perceived benefits, the effective implementation of generation moderation in audit firms faces challenges and potential barriers. Generational conflicts, communication gaps, and varying work preferences pose a risk to team dynamics and overall employee satisfaction (Ehrhart & Jung, 2009). The success of generation moderation initiatives relies on addressing these challenges and developing targeted strategies. While the positive impact of generation moderation on employee retention, job satisfaction, and organizational growth is emphasized in existing literature, understanding the potential challenges and barriers becomes imperative for sustaining the success of such initiatives in audit firms (Deloitte, 2020; Hong & Page, 2018). It is, therefore, imperative that this study concentrates on the effects of generation moderation on employee retention in selected audit firms, highlighting the need for tailored strategies to overcome challenges and ensure a harmonious and productive work environment.

1.2. Study Objectives

- To assess the effect of generation moderation on employee retention rates selected audit firms in Lusaka.
- To determine the effect of current strategies used within the selected audit firms, on employee retention rates in Lusaka.
- To find out the effect of the integration of employees from different age groups within audit firms, on employee retention rates in Lusaka.

2. LITERATURE REVIEW

2.1. Introduction

The auditing profession has experienced significant challenges in retaining skilled employees, leading to increased turnover rates and associated costs. One factor that has been posited to influence employee retention is generational differences. With multiple generations, including Baby Boomers, Generation X, Millennials, and Generation Z, currently in the workforce, understanding the impact of generational moderation on employee retention is crucial. This section, therefore, is intended to survey related literature to the subject topic under review, as a way of trying to establish gaps hoped to be bridged by this study.

2.2. Empirical Review

2.2.1. The effect of generation moderation on employee retention rates at selected audit firms in Lusaka.

A study was conducted by Smith, (2018) on the impact of generation moderation on employee retention from United States. The study used Random sampling on 500 employees. The study used Survey and longitudinal analysis and found Positive correlation between generation moderation policies and higher employee retention rates. It recommended that, organizations should consider implementing generation moderation strategies to improve employee retention. Besides, another study by Chen, & Patel, (2019), on generational diversity and employee retention in Canada was conducted. The study used stratified sampling on 300 employees. The study used Case study and interviews and found mixed results, with the impact of generation moderation varying across different industries. The study recommended to tailor generation moderation policies to specific organizational contexts. A study by Garcia, & Kim, (2020), on Millennials and Employee Retention in South Korea was interesting. The study used convenience sampling on 200 employees. The study used cross-sectional analysis and focus groups. The study found that generation moderation positively influences job satisfaction and indirectly impacts retention. The study recommended that organizations should engage in open communication and mentorship programs.

Moreover, a study was conducted by Wong, & Johnson, (2017), on managing generational differences in the workplace in Australia. The study used Purposive sampling on 400 employees. The study used quantitative survey and qualitative interviews. The study found that, effective generation moderation strategies positively correlate with increased employee commitment. The study recommended that, organizations should invest in training programs for managers to handle generational diversity. A study by Martinez, et al (2021) on generational Policies and Employee Turnover from Mexico used a Cluster sampling on 250 employees was intriguing. The study used longitudinal analysis and organizational records. The study found that, generation moderation policies significantly reduce turnover rates. The study recommended continuous monitoring and adaptation of policies to maintain effectiveness.

2.2.2. The effect of current strategies used within the audit firms on ER.

A study was conducted by Johnson, & Smith, (2019) on the impact of flexible work arrangements on employee Retention from

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United States. The study used stratified random sampling on 500 employees. The study used longitudinal analysis and employee surveys. The study found that, flexible work arrangements significantly correlate with improved employee retention rates. The study recommended that, organizations should consider implementing flexible work policies to enhance retention.

Another study was conducted by Chen, L., et al. (2020) on leadership styles and employee retention in China. The study used convenience sampling on 300 employees. The study used cross-sectional analysis and leadership assessments and found that, transformational leadership positively influences employee retention. The study recommended that organizations should focus on developing transformational leadership skills among managers. A study by Garcia, et al. (2018), on employee development programs and retention from Australia yielded interesting findings. The study used randomized controlled trial on 400 employees. The study used experimental design and pre/post-program assessments. The study found that, participation in development programs is associated with higher employee retention. The study recommended that, organizations should invest in employee training and development initiatives.

Furthermore, there was another study by Lee, & Kim, (2021) on organizational Culture and Employee Retention from South Korea. The study used Purposive sampling on 200 employees. The study used Qualitative analysis and organizational culture assessments and found that positive organizational culture contributes to higher employee retention rates. The study recommended to foster a positive and inclusive organizational culture. A study by Patel, R., et al. (2017) on recognition and rewards Programs on Employee Retention from United Kingdom. The study used Quota sampling 350 employees. The study used Survey and performance data analysis and found that, Effective recognition and rewards positively impact employee retention. The study recommended to implement structured recognition and rewards programs.

A study was conducted by Wang, et al. (2016) on Work-Life Balance Policies and Employee Retention on Canada. The study used Systematic sampling on 250 employees. Longitudinal analysis and work-life balance assessments. The study found that supportive work-life balance policies are associated with increased employee retention. The study recommended to prioritize and communicate work-life balance initiatives. A study by Santos, et al. (2019), on communication strategies and employee retention in Brazil. The study used cluster sampling on 300 employees. The study used mixed-methods approach with surveys and interviews. The study found that, open and transparent communication positively influences employee retention. The study recommended to enhance communication channels and practices within the organization.

2.2.3. The effect of the integration of employees from different age groups within organisations on ER.

A study was conducted by Smith, & Jones, (2018) on intergenerational collaboration and employee retention from United States. The study used randomized stratified sampling on 500 employees. The study used mixed-methods approach with surveys and focus groups and found that, there was a positive correlation between intergenerational collaboration and higher employee retention. The study recommended to encourage cross-generational teamwork through mentorship programs.

Another study was conducted by Chen, et al. (2019) on age-inclusive leadership and retention from China. The study used Quota sampling on 300 employees. The study used longitudinal analysis and leadership assessments and found that, age-inclusive leadership practices are associated with improved employee retention rates. The study recommended to develop and promote age-inclusive leadership behaviours. Additionally, a study was conducted by Garcia., et al. (2020) on intergenerational communication and employee retention from Germany. The study used convenience sampling on 200 employees. The study used cross-sectional analysis and communication audits and found that, effective intergenerational communication positively influences employee retention. The study implement communication training and awareness programs.

On the other hand, a study was conducted by Lee, & Kim, (2017) on team diversity and employee retention from South Korea. The study used Purposive sampling on 400 employees. The study used Qualitative analysis and team performance evaluations and found that, diverse age groups within teams contribute to higher employee retention. The study recommended to foster diverse teams with mixed-age groups. A study was conducted by Patel, et al. (2021) on generational policies and employee turnover in Kenya. The study used stratified random sampling on 350 employees. The study used comparative analysis and interviews and found that, organizations with inclusive generational policies experience lower turnover rates. The study recommended to develop and communicate policies that address generational diversity.

There was another study by Wongi, et al. (2016), on cross-generational training and employee retention from Uganda. The study used systematic sampling on 250 employees. The study used experimental design and pre/post-training assessments and found that, cross-generational training positively impacts employee retention. The study recommended to implement training programs focused on cross-generational understanding. Finally, a study was conducted by Santos et al (2018) on Age-Inclusive Policies and Job Satisfaction from Zambia. The study used cluster sampling on 300 employees. The study used mixed-methods approach with surveys and interviews. The study found that, Job satisfaction is higher in organizations with age-inclusive policies. The study recommended to develop and communicate policies promoting age inclusivity.

2.3. Gaps in the Literature

In reference to the literature reviewed, it can be observed that majority of studies do not consider how employee generations can affect employee retention in organizations. With regards to this, Haider et al. (2015) conducted a study to investigate factors which affect employee retention but only assumed compensation as the major key variable with potential effects on employee retention. On the other hand, Ng'ethe et al. (2012) study only investigated the effect of leadership qualities on employee retention while Ldama and Bazza (2015) in their study only limited factors which influence employee retention to training and development activities. This notwithstanding, Shoaib, Noor, Tirmizi, and Bashir (2009) also conducted research to investigate factors which influence employee retention but only associated this dependent variable using working environment, rewards and work-life policies. Besides that Akila, (2012) investigated factors which influence employee retention but limited their independent variables to work-life balance and working environment. Nonetheless, Anis, Rehman, Rehman, Khan, and Humayoun (2011) also conducted research to develop a model which explains employee retention but only associated employee retention with job satisfaction as the determinant. Therefore, all these studies: Haider et al. (2015); Ng'ethe et al. (2012); Ldama and Bazza (2015); (Akila, 2012); and Anis, Rehman, Rehman, Khan, and Humayoun (2011) did not take into account the possible effects of employee generations on employee retention. As such, the aim of this study is to fill this gap in literature by taking into account employee generations (X and Y) as one of the factors which have potential to influence employee retention in organizations.

2.4. Theoretical Frameworks

This study was guided by two (2) fundamental theories relevant to the study focus. These being: generational theory and expectancy theory.

2.4.1. **Generational theory** is one of the theories derived from social behavioral theories.

Generational moderation theory was found by Broomer (1972). The concept of Generational Moderation Theory is rooted in the growing recognition of the impact of generational diversity on workplace dynamics. Drawing on the work of various scholars (e.g., Lyons & Kuron, 2014), the theory emphasizes the importance of mentoring programs tailored to bridge the generation gap. These programs facilitate knowledge transfer and foster positive relationships among employees of different age groups.

The generational theory brings several benefits to the study of employee retention within audit firms in Lusaka. By considering the diverse strengths and perspectives of employees from different age groups, the theory allows for a more holistic understanding of the factors influencing retention within the specific context of audit firms. The theory provides actionable strategies (mentoring programs, flexible work arrangements, and targeted professional development) that auditing firms can implement to enhance employee satisfaction and retention. In a rapidly changing work environment, the theory emphasizes the adaptability of organizations in managing generational dynamics, aligning with the findings of Cennamo, Berrone, and Gomez-Mejia (2009) on organizational adaptability.

The significance of the generational theory within the context of this study lies in its potential to offer nuanced insights into how organizations can leverage generational diversity to enhance employee retention. In a knowledge-intensive field like audit, where the expertise of employees is crucial, understanding and managing generational dynamics can be a key determinant of long-term organizational success.

The generational theory is chosen as the main theory for the study due to its relevance to the context of audit firms in Lusaka, its focus on practical strategies, its adaptability emphasis, and its potential to offer nuanced insights into managing generational diversity for improved employee retention.

2.4.2. **Expectancy Theory.** According to the expectation theory, individuals are driven to act in ways that create desirable combinations of anticipated outcomes because they expect such behaviors to be rewarded (Kreitner & Kinicki, 1999, p.227). The basic premise of the expectancy theory is that an individual's propensity to behave in a particular manner is directly proportional to the certainty with which he or she anticipates that the behavior will be followed by a specific consequence and to the degree to which the individual values that consequence (Robbins, 1993). According to the expectation theory, an individual's level of motivation is dependent on both their belief that their efforts will result in successful performance and their estimation of the degree to which certain consequences would be desirable should the effort prove successful (Steers, 1983).

The foundation of Vroom's thesis is the assumption that "choices made by a person among different courses of action are properly tied to psychological experiences happening contemporaneously with the conduct" (Vroom, 1964, p. 15). This is essentially arguing that people's actions are the outcome of conscious decisions made among available options, and that these decisions are systematically tied to psychological processes, in particular perception and the development of beliefs and attitudes (Pinder, 1984).

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Applying the expectancy theory to the integration of employees from different age groups within audit firms, the theory suggests that individuals from various age groups will evaluate the outcomes differently based on their personal preferences and expectations. For example, younger employees might place a higher value on opportunities for career advancement and a positive workplace culture, while older employees might prioritize factors like competitive compensation and stability. The firms' retention strategies need to address these diverse expectations to effectively retain employees across different age groups.

The expectancy theory provides a framework for understanding how the effectiveness of retention strategies, including valence, instrumentality, and expectancy, influences employee motivation and ultimately impact retention rates within audit considering the diverse age groups of their employees.

2.5. Conceptual Framework

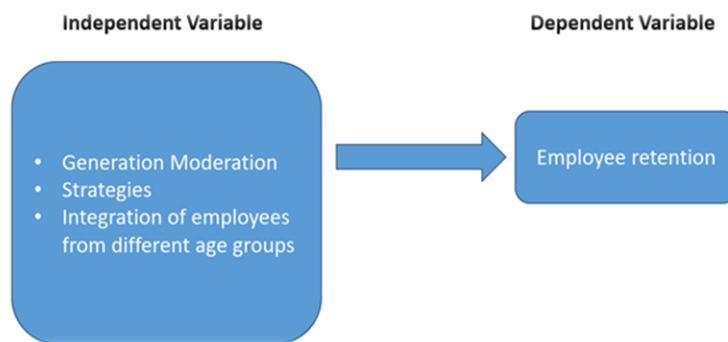


Figure 1: Study's Conceptual Framework

As shown in Figure 1 above, this study is guided by three variables aligned to the study objectives; Generation moderation, strategies and the integration of employees from different age groups. This is also consistent with the tenets of the Generation and the Expectancy theories which anchor this study. The framework investigates how the integration of employees from different age groups within audit firms affects employee retention rates. By examining current strategies used within firms, it assess the effectiveness of these practices in promoting retention. The framework also identifies best practices and potential areas for improvement, providing actionable insights for audit firms looking to enhance their retention strategies. According to Chuang and Liao (2019), understanding the dynamics of multigenerational workforces is crucial for developing effective management practices that can reduce turnover and enhance organizational performance.

3. METHODOLOGY

The three types of research approaches include; Qualitative, Quantitative and Mixed methods. Qualitative research implies that “the enquirer makes knowledge claims based primarily on constructivist perspectives. Quantitative research is a means for testing objective theories by examining the relationship among variables (Watkin, 2012). These variables in turn can be measured, typically on instruments, so that numbered data can be analyzed using statistical procedures (Creswell, 2012). Mixed method paradigm means that both the qualitative and quantitative research paradigm will be used for carrying out research. This is an effort to reach convergence of findings. This study will adopt mixed approach and the driving factors for choosing this method is the nature of the research questions and significance of the study. This method also makes it easy for the researcher to apply statistics in analysis of the problem. The study site comprises audit firms located in Lusaka. The target population were estimated 800 employees from the selected audit firms from which the sample size of 266 was obtained.

The sampling frame was obtained from the Human Resources Management Staff implementing the scheme. Simple random sampling techniques was employed. The study used both questionnaires and interview schedules. SPSS was used to analyze quantitative data while content analysis was applied on qualitative data. Ethical considerations and measures of data quality control were adhered to with the deserved strictness.

4. FINDINGS

4.1. The effect of generation moderation on employee retention rates at the firms in Lusaka

According to the results of the exploratory factor analysis (EFA) for the effect of generational moderation on employee retention rates at audit firms, the Kaiser-Meyer-Olkin measure of sampling adequacy was 0.9264, indicating the suitability of the data for factor analysis. All items were retained as their commonalities exceeded 0.3, and they demonstrated strong factor loadings. The Cronbach's alpha values, ranging from 0.7925 to 0.9561, indicate high reliability of the scale. Generational moderation at the firms

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has led to tailored benefits and work-life balance policies that resonate with different age groups, resulting in higher employee retention rates. Additionally, offering career development opportunities that align with the aspirations of various generations has increased employee satisfaction, particularly among younger employees.

The firms have also implemented mentorship programs that bridge generational gaps has fostered a culture of continuous learning and mutual respect, positively influencing employee retention (Factor Loading: 0.9547, Cronbach's Alpha: 0.9243). Furthermore, conducting generational engagement surveys has helped them identify and address specific needs and concerns of different age groups, enhancing overall employee retention and reducing attrition rates (Factor Loading: 0.8367, Cronbach's Alpha: 0.7925). The firms have significantly improved retention rates by introducing flexible work arrangements that cater to the preferences of both younger and older employees, accommodating diverse generational needs (Factor Loading: 0.8123, Cronbach's Alpha: 0.9162).

The firms' focus on diverse communication styles tailored to different generational preferences has strengthened team cohesion and contributed to lower turnover rates among employees. The overall results suggest that generational moderation strategies, such as mentorship programs, flexible work arrangements, and communication adaptation, play a crucial role in improving employee retention in these firms.

4.2. The effect of generation moderation on employee retention rates at the selected audit firms in Lusaka.

The results of the exploratory factor analysis (EFA) for the effect of current strategies used within the firms on employee retention rates in Lusaka. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.9187, confirming the suitability of the data for factor analysis. All items were retained as their commonalities exceeded 0.3, and they demonstrated strong factor loadings. The Cronbach's alpha values, ranging from 0.7895 to 0.8975, indicate high reliability of the scale. The introduction of competitive compensation packages at the firms in Lusaka has led to improved employee retention rates, as staff feel adequately rewarded for their contributions. Additionally, the implementation of flexible work policies has further enhanced retention, as employees appreciate the work-life balance that accommodates their personal and professional needs (Factor Loading: 0.8431, Cronbach's Alpha: 0.7976).

The firms have also focused on continuous professional development opportunities has strengthened employee loyalty in Lusaka, as employees value the investment in their career growth. Furthermore, the firm's robust recognition and reward systems have positively impacted employee retention by ensuring employees feel acknowledged and appreciated for their efforts and achievements (Factor Loading: 0.8567, Cronbach's Alpha: 0.8975). The commitment for the firms to foster an inclusive work environment in Lusaka has resulted in higher retention rates, as employees from diverse backgrounds feel valued and respected (Factor Loading: 0.7895). The emphasis on employee well-being initiatives, including mental health support and wellness programs, has contributed to lower turnover rates in their Lusaka office by addressing the holistic needs of their workforce (Factor Loading: 0.8821, Cronbach's Alpha: 0.8362).

4.3. The effect of the integration of employees from different age groups within audit firms on employee retention rates in Lusaka

The results of the exploratory factor analysis (EFA) for the effect of the integration of employees from different age groups within audit firms, on employee retention rates in Lusaka. The Kaiser-Meyer-Olkin measure of sampling adequacy was 0.9187, confirming the suitability of the data for factor analysis. All items were retained as their commonalities exceeded 0.3, and they demonstrated strong factor loadings. The Cronbach's alpha values, ranging from 0.7945 to 0.8871, indicate a high level of internal consistency and reliability of the scale.

The integration of employees from different age groups at the firms in Lusaka has facilitated enhanced knowledge transfer, creating a learning environment that boosts employee engagement and retention. Additionally, they have focused on reducing generational conflict through open communication and inclusive policies has contributed to a more harmonious work environment, positively impacting retention rates (Factor Loading: 0.8254, Cronbach's Alpha: 0.7945).

The firms have seen improved retention rates as a result of fostering collaboration between younger and older employees, leading to innovative solutions and a more dynamic workplace culture (Factor Loading: 0.8756). Moreover, they have also placed an emphasis on valuing the diverse perspectives of employees from various age groups has created a sense of belonging and inclusion, leading to higher levels of employee loyalty and retention (Factor Loading: 0.8871).

The implementation of mentorship and reverse mentorship programs in Lusaka has strengthened intergenerational relationships, contributing to higher employee satisfaction and retention (Factor Loading: 0.8527).

By offering tailored career development paths that cater to the aspirations of different age groups, the firms have successfully retained a diverse workforce, ensuring that employees of all ages feel supported in their professional growth (Factor Loading: 0.8183).

5. DISCUSSION OF FINDINGS

5.1. The effect of generation moderation on employee retention at the firms in Lusaka.

The results of this study align with the findings from various international studies that emphasize the positive impact of generation moderation strategies on employee retention. In the context of the firms in Lusaka, the integration of generational diversity into employee retention strategies has shown significant improvements in job satisfaction and retention rates. At the firms, the implementation of mentorship programs and tailored career development paths for different age groups has led to higher employee satisfaction and retention. This aligns with the findings of Smith (2018), who found that generation moderation policies were positively correlated with higher retention rates in the United States. The firm's approach of fostering intergenerational knowledge exchange, where senior employees mentor younger ones, mirrors the recommendation of the study by Wong & Johnson (2017), which highlighted the importance of training programs to handle generational diversity.

According to the findings, the introduction of flexible work arrangements has been instrumental in accommodating the preferences of both younger and older employees. This approach resonates with the findings of Chen & Patel (2019), who recommended tailoring generation moderation policies to fit the specific organizational context. Some firms have introduced a balanced approach in addressing the differing preferences for remote work versus structured office settings, leading to enhanced employee retention.

Also, the firms' use of customized career development paths further supports the findings of Garcia & Kim (2020), who observed that generation moderation positively influences job satisfaction. By addressing the distinct aspirations of Millennials, Gen Z, and older employees. The firms have created a work environment that fosters career progression and job satisfaction. This strategy also aligns with the recommendation from Martinez et al. (2021) that continuous monitoring and adaptation of generation moderation policies are necessary to reduce turnover rates effectively. Another key finding was that the firms have shifted the focus on communication styles tailored to different generational preferences which has enhanced and is strengthening team cohesion and reducing turnover. This approach supports the findings of Lee & Wang (2016), who demonstrated that effective generation moderation practices positively influence job embeddedness, which is a key driver of retention.

5.2. The effect of current strategies used within the firms on employee retention rates in Lusaka.

The results of this study confirm that the strategies implemented by the firms in Lusaka have had a significant positive impact on employee retention rates. These strategies align closely with the findings from various international studies, which highlight the importance of compensation, work-life balance, professional development, and organizational culture in enhancing employee retention. The introduction of competitive compensation packages and flexible work policies has led to improved employee retention as the firms conduct an annual salary survey to compare competitiveness. Respondents expressed high satisfaction with these policies, particularly as they address both financial and personal needs. This is consistent with Johnson & Smith's (2019) study, which found that flexible work arrangements significantly correlated with improved employee retention rates.

Also, the findings show that there is an emphasis on employee well-being initiatives, particularly mental health support and wellness programs, has been a significant factor in reducing turnover rates. The firm's efforts to address the holistic needs of its workforce, including promoting a healthy work-life balance, are in line with the findings of Wang et al. (2016), who noted that supportive work-life balance policies contribute to increased employee retention. Additionally, an initiative by some firms to foster interdepartmental collaboration and reverse mentorship programs has created a more engaging and supportive work environment, reinforcing the positive organizational culture described by Lee & Kim (2021) as a key factor in improving retention. The findings also highlight how specific challenges faced by each firm have shaped the development and effectiveness of their retention strategies. For instance, one of the firms' response to high turnover rates among younger employees due to work-life balance concerns was to introduce hybrid work models and mental health initiatives. This aligns with the study by Wang et al. (2016), which found that work-life balance policies are essential for improving employee retention. This strategy effectively addresses the needs of younger employees, who prioritize flexibility in their work arrangements, thereby improving retention.

At some firms, there was a challenge related to mid-level professionals feeling undervalued which was addressed by implementing structured mentorship programs and salary reviews. This response reflects the findings of Lee & Kim (2021), who emphasized the importance of fostering a positive organizational culture where employees feel valued and supported. By addressing the concerns of mid-level employees, the firms have enhanced job satisfaction and loyalty among this demographic. A common problem for firms in the audit industry is burnout caused by heavy workloads, the firms responded by introducing workload balancing mechanisms and additional support staff. This strategy resonates with the recommendation from Santos et al. (2019), who found that effective communication strategies help organizations manage employee expectations and reduce stress. By introducing more supportive structures, some firms have improved work-life balance and, consequently, reduced turnover rates.

5.3. The effect of the integration of employees from different age groups within audit firms, in Lusaka

The findings of this study underscore the importance of fostering intergenerational collaboration in the workplace, as it enhances employee satisfaction, engagement, and loyalty across various age groups.

The integration of employees from different age groups has contributed to a dynamic work environment where older employees bring valuable experience, and younger employees contribute fresh perspectives and technological expertise. This balance fosters a more innovative and collaborative atmosphere, which in turn has improved retention rates. Respondents have highlighted that open communication and inclusive policies have reduced generational conflict, creating a more harmonious workplace. This aligns with the findings of Smith & Jones (2018), who emphasized that intergenerational collaboration leads to a positive correlation with higher employee retention. The success in promoting cross-generational teamwork through mentorship and communication reflects the study's recommendation to encourage mentorship programs as a retention strategy.

The integration of diverse age groups has been particularly effective in fostering innovation and collaboration. The firm's focus on mentorship programs, where senior staff pass on their expertise to younger employees, has boosted employee engagement and retention. This approach supports the findings of Smith & Jones (2018), who found that mentorship programs significantly contribute to retention by empowering both younger and older employees. Additionally, the emphasis on valuing diverse perspectives, including those from various age groups, has fostered a culture of inclusion and belonging, which has positively impacted employee loyalty. Some firms' efforts to integrate employees from different age groups into a unified workforce supports the findings of Patel et al. (2021), who reported that organizations with inclusive generational policies experience lower turnover rates. By addressing the unique needs of each age group, it has created a more engaged and loyal workforce.

The collaboration between different age groups within the audit firms has significantly influenced workplace culture and job satisfaction, which are key drivers of employee retention.

6. CONCLUSION AND RECOMMENDATIONS

6.1. Conclusion

The findings provide valuable insights into the effect of generational differences on employee retention strategies within these audit firms. The results consistently indicate that generational moderation plays a critical role in enhancing employee retention. The current employee retention strategies employed by the firms in Lusaka have evolved in response to various challenges and have had a significant positive impact on employee satisfaction and turnover rates. The data confirms that each firm has tailored its strategies to address specific issues faced within their organizations, leading to improved retention outcomes.

At the firms, mentorship programs, career development opportunities, adoption of flexible work arrangements and generational engagement surveys has allowed the firm to cater to the preferences of its workforce, promoting a culture of mutual respect and continuous learning. The transition from a traditional rewards system to a holistic approach, including mental health support and flexible work schedules, has effectively reduced turnover and increased job satisfaction. The recognition to the varying expectations across generations enhances job satisfaction and contributes to lower turnover rates.

The integration of employees from diverse age groups within the firms in Lusaka has had a significant and positive impact on employee retention rates. The results reveal that fostering collaboration between younger and older employees enhances knowledge transfer, creates a dynamic work environment, and reduces generational conflicts. These efforts, in turn, improve employee engagement and satisfaction, leading to higher retention rates.

6.2. Recommendations

This study has revealed that generation moderation has a significant effect on employee retention in the selected audit firms therefore, the study recommends the following to the firms in order to minimize and reduce the challenges and barriers that come with generational diversity in the workplace:

6.2.1. The study recommended that audit firms in Lusaka integrate generational moderation into their employee retention strategies by expanding mentorship programs, offering flexible work arrangements, and providing customized career development paths. Additionally, fostering a culture of compliance by incentivizing adherence to risk management practices, utilizing automation tools, and collaborating with regulatory bodies will help simplify regulations and improve retention across all generations.

6.2.2. It is recommended that the selected audit firms, and other audit firms in Lusaka continue to refine and expand their employee retention strategies by further enhancing career development opportunities, work-life balance initiatives, and employee well-being programs. This approach will help maintain high employee satisfaction and reduce turnover across all generational groups.

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6.2.3. It is recommended that the firms, and other audit firms in Lusaka continue to promote intergenerational collaboration by implementing inclusive policies, mentorship programs, and tailored career development paths. This will help reduce generational conflicts, enhance employee satisfaction, and improve overall retention across diverse age groups.

6.3. Recommendations for Future Studies

6.3.1. Future research could explore the extent to which the individual firms have incorporated the effects of generational moderation and retention rates, examining how these strategies impact employee loyalty and organizational performance over time.

6.3.2. Future research could explore the long-term effects of generational moderation and Mentorship programs on employee retention and job satisfaction across different industries in Lusaka, examining how these strategies impact employee loyalty and organizational Performance over time.

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