



## The Nexus Between Nursing Employee Retention and Organisational Performance in the Private Healthcare Sector in South Africa: Are Retention Strategies Effective?

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**Abstract:** The healthcare sector is facing a persistent shortage of nursing employees. Despite the importance of the private healthcare sector in South Africa, there is limited research focusing on this shortage of nursing employees. The purpose of this study was to establish the relationship between employee retention strategies and employee retention among nursing employees in the private healthcare sector and to determine the effect of employee retention on organizational performance. A quantitative research approach was applied among 226 nursing employees in two provinces of South Africa. Data were analyzed using SPSS version 28, employing multiple regression analysis. The findings revealed that retention strategies have a significant relationship with employee retention. In addition, employee retention has a significant effect on organizational performance in the private healthcare sector in South Africa. The study contributed to nursing employee research in the private healthcare sector where such research has been limited. The private healthcare sector in South Africa adopts strategies that may promote employee retention as this is crucial for the performance of organizations. It is imperative that the healthcare sector adopts appropriate strategies to retain nursing employees as they are indispensable for the care of patients, which may lead to savings on recruitment costs.

**Keywords:** nursing employees; employee turnover; competitiveness

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## 1. Introduction

Nursing employees are important for the performance of any healthcare sector organization. In other words, any organization's failure or success in the sector depends on its ability to attract, retain and reward nursing employees as they are an indispensable resource (Kurdi et al, 2020). Accordingly, the main challenge facing managers besides other responsibilities of managing, is to use strategies to retain nursing employees in the apparent globalized competitive labor market (Bharath, 2023). Evidence indicates that employee retention has the potential to improve organizational performance, which ultimately boosts customer value (Suprapto et al., 2023). The retention of skilled employees can be considered an important advantage for any organization. Employee retention is preferable to hiring a new employee as a substitute for an effective one (Kurdi et al., 2020). Surprisingly, despite the important role of the private healthcare sector, there is limited research in the sector in South Africa, as most studies on health matters tend to focus on the public sector. Although the National Health Insurance (NHI) has been legislated, the private sector will continue to form part of the broader healthcare service for the foreseeable future.

Several reports indicate that employee migration and turnover in the health-care sector are increasing at a rapid pace (Bharath, 2023) and there is no evidence that the private health sector is immune to this. Therefore, adopting effective employee retention strategies remains critically important for the private healthcare sector organizations to attain their strategic objectives. Nurses are rightly considered the primary human resource who enable the private healthcare sector organizations to provide important services (Suprapto et al., 2023). Among others, nursing employees are important because they ensure that the private healthcare sector's organizations deliver a high-quality service (Marufu et al., 2021). It is not surprising that some scholars view the healthcare sector as nurse-based because nursing employees are always at the forefront of healthcare (Werfalli, 2023). During the COVID-19 pandemic, nurses received praise and encouraging messages as they worked closely with the sick and risked their own lives (Kim et al., 2020).

It is regrettable that although nurses are an integral part of the healthcare sector, they seem not to be appreciated as there is lack of growth in the profession (Gulzar et al., 2024). This lack of growth has resulted in shortages of nurses, which is further compounded by other constraints, including funding (Werfalli, 2023). In South Africa, like elsewhere in the world, the shortage of nurses is not only a public sector phenomenon as nurses engage in what is known as moonlighting in the private

sector. According to Engelbrecht et al. (2019), moonlighting is widespread as many as 28% of nurses of the public sector in South Africa engage in this practice in the private sector. Based on this, one can conclude that like the public sector, the private sector experiences nursing staff shortages. Also, a study by Haine et al. (2025) in South Africa reveals that the private sector nurses reported higher levels of alcohol use and post-traumatic distress syndrome (PTSD) than those who are employed in the public sector. This is not surprising since there is an association between overworking and other stress factors and workers' health and well-being (Takahashi, 2019).

## 2. Literature Review

The private and public healthcare sectors in South Africa serve approximately 16% and 84% of the population, respectively (Mhlanga, 2021). In other words, individuals with sufficient financial means can access health services of a first-world class in the private healthcare sector, whereas those who cannot afford private care primarily rely on government for healthcare services (Michel et al., 2020). According to the Institute of Economic Justice (IEJ) (2019), there are more than 200 private hospitals in South Africa. It is important to note that the private healthcare sector is profit-driven and there is no limit on what the practitioners may charge patients (Michel et al., 2020). Despite the staff shortages, the South African private healthcare sector ranks on par with some of the developed nations such as Sweden and Switzerland (Burger & Christian, 2020).

### 2.1. Turnover Among Nursing Employees

The phenomenon of turnover among nurses is a global problem. Rawashdeh and Tamimi (2020) highlight that in Jordan, the high turnover rate among nurses is an ongoing problem for healthcare organizations. Similarly, the turnover rate among nurses in European countries ranges from 64% and above, particularly those who specialize in high care units (Aysegul et al., 2018). In the UK, it is reported that the vacancy rate stands at a staggering 50 000 and the number of nurses who are leaving nursing and midwifery council is increasing (Marufu et al., 2021). In China, as at the end of 2017, the ratio of nurses per 1 000 population stood at 2.74 due to a turnover rate of 13.24% (Li et al., 2020). According to Aysegul et al. (2018), 22% turnover rate is regarded as a minimum for nurses. In 2016, the World Health Organization

(WHO) released disturbing statistics, which indicate that the shortage of nurses across the globe amounted to 4.3 million nurses and could worsen in the coming years (Gulzar et al., 2024). A study among 23 000 nurses in 10 countries around the world revealed that 33% of those surveyed had planned to change jobs and 9% intended to leave the nursing profession altogether (Li et al., 2020). Ayalew et al. (2021) found that nine out of 10 nurses in Denmark had intended to leave the profession, while 95% of nurses in Egypt had also intended to leave.

South Africa is facing a high turnover rate as it is confronted with a myriad of nursing staffing issues. For example, the Oxfam Care4Careers report (2020) reveals that the nursing vacancy rate was as high as 35% and 17% in the provinces of Limpopo and North-West respectively. South Africa not only faces shortages but also a dwindling supply of nurses and it is projected that by 2025 the country will need an extra 16,000 professional nurses. However, in 2015, it was only able to produce 4,000 of the 15,000 required (Denosa, 2022). Also, Ayalew et al. (2021) found that 33% of nurses in South Africa intend to leave the profession. The failure to address challenges relating to the training of nurses will have a ripple effect not only in South Africa but also in the entire African continent as many students from neighboring countries study in South Africa to obtain their nursing qualifications (Armstrong et al., 2019).

Premnath (2020, p. 1112) states that “successful employee retention is essential to an organization’s strength, growth and revenue.” Igbinoba et al. (2022) affirm this view and state that the reason several organizations in the modern era insist on retaining talented employees is to achieve organizational performance. According to Nethravathi et al. (2021), the working environment is important to retain employees because if the atmosphere is pleasant the likelihood is that employees will contribute significantly to the performance of the organization. Organizational performance can be measured through financial and non-financial measures. According to Ngoc (2025), financial measures include revenue and profit, return on assets (ROA), return on equity (ROE), return on investment (ROI) and return of sales (ROS). Non-financial measures include employee and customer satisfaction, employee retention, product quality, productivity, market share, innovation and social responsibility among others. According to Tuan (2025), when organizations improve their financial performance, this may lead to the attainment of management, business and sustainability goals. Zhang et al. (2020) highlight that the non-financial and financial performance of an organization are correlated.

## 2.2. Employee Retention Strategies

Employee retention has become a global concern and in response, organizations are adopting various strategies to attract and retain employees (Arasanmi & Krishna, 2019). As the world becomes increasingly interconnected, managers are making significant efforts to follow the best strategies to retain good employees. Nkhapele and Thusi (2024) underscore that a strategic approach is needed to enhance the recruitment and retention of competent healthcare professionals. However, studies on nursing employees revealed contradictory findings on the effect of these strategies on retention. In Malaysia, Sija (2022) found that working environment, compensation and benefits together with work-life balance were not the determining factors to retain nursing employees whereas training and development and leadership skills of managers were found to be linked with retention. Conversely, Sommer, Wilhelm and Wahl (2024) found that, in Germany, among other factors, working conditions and satisfactory compensation contribute to the retention of nursing employees. Mumbauer et al. (2021) found that in South Africa the salaries of nurses in the private sector do not differ substantially from those of nurses in the public sector but the availability of resources in the private sector tend to result in better working conditions.

One key strategy for retaining employees is fostering a culture that supports work-life balance supportive culture which mainly relates to how organizations support and value the integration of work and family lives of employees (Lamane-Harim et al., 2023). William and Singh (2024) found a statistically significant correlation between work-life balance and non-financial performance in an organization. Similarly, in a study among a leading healthcare facility in Ghana, Yamoah (2025) found that when employees maintain a work-life balance they tend to be more productive. Compensation, including both cash and non-cash benefits, has been identified as an important retention strategy that organizations use to retain good employees. According to Sewe et al. (2018), competitive salaries and other financial rewards especially in the healthcare sector are some of the tools that are used to reward nurses and contribute significantly to good quality care. In the Oyo State in Nigeria, Akanbi et al. (2025) found that when medical personnel are compensated well, this positively influences their psychological state which may lead to lowering of turnover intentions. However, the private healthcare sector in South Africa implements the pay-for-performance as an incentive on a limited scale (Mokoena & Naidoo, 2025). Due to limited research in the private healthcare sector in South

Africa, this study aims to close this research gap and contribute to the healthcare sector literature.

Another strategy that was found to be effective in enhancing employee retention is training and development (Kumari et al., 2022). Abba (2018) asserts that the more organizations train their staff, the more they will retain them. Salami et al. (2022) posit that when organizations invest in their employees through training and development, not only employees benefit but organizations as well because these organizations tend to earn substantially more than those who do not have institutionalized training programs. Rawashdeh and Tamimi (2020) argue that training and development of employees is related to organizational performance because employee performance is improved, they become productive, the organization increase its profitability, efficiency and effectiveness.

Leadership has also been found to contribute significantly to employee retention (Walker, 2017). Leadership plays a significant role in employee retention and is also linked to productivity and profitability (Lunga & Murphy, 2023). Conversely, Moleiro et al. (2022) found a statistically insignificant relationship between leadership and employee retention. Working conditions have also been found to be among factors that play a role in the decision of employees to continue working or quitting (Kudla et al., 2024). Ashraf (2019) found that working conditions directly influence employee retention and quality of education in the private education organizations. Therefore, organizations are encouraged to foster working conditions that stimulate employees to channel their engagement in a way that would benefit the organization toward attainment of goals (Akgul et al., 2025). Chatzoudes and Chatzoglou (2022) assert that organizations should effectively maintain employees because this is beneficial for the organizational performance. This assertion affirms Kim et al. (2020) view that employee retention enhances competitiveness and the realization of organizational goals. According to Krishna and Garg (2022), employee retention benefits the organization as productivity may increase.

### **2.3. Theoretical Foundation**

Maslow's hierarchy of needs theory and Hertzberg's two factor theory underpin this study. According to Maslow's theory, a person's motivation is a consequence of satisfaction of five levels of needs. The theory has been tested in many studies and argued that employee retention can be enhanced by meeting the needs of employees at these levels. For example, Mokoka (2007) contends that health institutions that

ensure self-actualization of employees may benefit immensely in terms of growth and profitability. Similarly, Herzberg's theory contends that job satisfaction enhances retention whereas job dissatisfiers lead to employee turnover. This theory has been applied in similar studies. For example, Clayton (2018) used the theory and found that training and development were critical in retaining employees. Also, competitive salaries and other employee benefits were found to be instrumental in preventing dissatisfaction among employees. Therefore, the likelihood is that employees who are satisfied may opt to remain with the organization.

### **3. Methodology**

Cross-sectional research was followed and a causal research design adopted as it aims to establish a cause-effect relationship between variables. In accordance with the objectives of the study, a quantitative research approach was followed. A self-administered questionnaire was distributed among nursing employees in selected private healthcare institutions in the two provinces of the Free State and KwaZulu Natal where gatekeepers' permission was granted. The researchers targeted 300 nursing employees. Ultimately, data from 226 participants were analyzed. Cronbach alpha was used to establish the reliability of the questionnaire with a threshold of 0.7. Ethical clearance with number UFS-HSD 2022/0418/22 was obtained from the General and Human Research Ethics Committee of the University of the Free State.

### **4. Findings and Discussions**

Of those who participated, 74% were between the ages of 36 to 60 years, while only 26% were between 18 and 35 years. This indicates that younger nursing employees make up a relatively small proportion of the workforce. In the context of South Africa, individuals under the age of 35 are classified as youth. In terms of gender distribution, female nursing staff accounted for 89.8% of participants, with males representing only 10.2%. Additionally, the results show that 67% of participants had six or more years of work experience. Exploratory factor analysis was conducted and KMO and Bartlett's test affirmed at 0.882 and 0.000, respectively. Table 1 presents each construct's reliability and factor loadings.

**Table 1. Reliability and factor loadings**

Research constructs		Descriptive statistics		Cronbach's test		Factor loading
		Mean	SD	Item-total	$\alpha$ value	
Work-life balance	WLB5.2	$\bar{x}=2.40$	1.129		<b>0.964</b>	0.885
	WLB5.1					0.880
	WLB5.3					0.879
	WLB5.4					0.856
	WLB5.5					0.847
	WLB5.2					0.885
Leadership	L3.3	$\bar{x}=2.79$	1.219		<b>0.935</b>	0.876
	L3.2					0.869
	L3.1					0.823
	L3.6					0.820
	L3.4					0.762
	L3.5					0.643
Training and development	TD2.3	$\bar{x}=3.08$	1.267		<b>0.928</b>	0.898
	TD2.4					0.893
	TD2.2					0.834
	TD2.1					0.831
	TD2.5					0.745
Compensation	CP1.1	$\bar{x}=2.81$	1.135		<b>0.893</b>	0.852
	CP1.2					0.833
	CP1.4					0.798
	CP1.6					0.752
	CP1.5					0.746
	CP1.1					0.852
Working conditions	WC4.4	$\bar{x}=3.14$	1.055		<b>0.927</b>	0.852
	WC4.1					0.822
	WC4.2					0.786
	WC4.3					0.744
	WC4.5					0.665
Employee Retention	ER4	$\bar{x}=2.75$	1.205		<b>0.954</b>	0.945
	ER3					0.930
	ER1					0.922
	ER2					0.919
	ER6					0.899
	ER5					0.789
Organisational performance	OP1	$\bar{x}=2.99$	1.121		<b>0.929</b>	0.903
	OP4					0.897
	OP2					0.881
	OP3					0.874
	OP6					0.846

	OP5		0.769
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Pearson's correlation analysis was applied on the data to establish relationships. The results show a moderate relationship between the retention strategies and employee retention. For example, work-life balance ( $r=.415$ ), Leadership ( $r=.325$ ); Training and development ( $r=.358$ ); Compensation ( $r=.348$ ) and working conditions ( $r=.403$ ). Similarly, the relationship between retention strategies and organizational performance was moderate. For example, work-life balance ( $r=.317$ ); Leadership ( $r=.350$ ); Training and development ( $r=.276$ ); Compensation ( $r=.431$ ); Working conditions ( $r=.308$ ). Notably, employee retention ( $r=.867$ ) showed a strong relationship with organizational performance. Table 2 presents the correlation coefficients between retention strategies, employee retention and organizational performance.

**Table 2. Correlations**

		WLB	L	TD	CP	WC	ER	OP
<b>WLB</b>	Pearson Correlation	1						
	Sig. (2-tailed)							
<b>L</b>	Pearson Correlation	.000	1					
	Sig. (2-tailed)	1.000						
<b>TD</b>	Pearson Correlation	.000	.000	1				
	Sig. (2-tailed)	1.000	1.000					
<b>CP</b>	Pearson Correlation	.000	.000	.000	1			
	Sig. (2-tailed)	1.000	1.000	1.000				
<b>WC</b>	Pearson Correlation	.000	.000	.000	.000	1		
	Sig. (2-tailed)	1.000	1.000	1.000	1.000			
<b>ER</b>	<b>Pearson correlation</b>	<b>.415**</b>	<b>.325**</b>	<b>.358**</b>	<b>.348**</b>	<b>.403**</b>	<b>1</b>	
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001		
<b>OP</b>	<b>Pearson correlation</b>	<b>.317**</b>	<b>.350**</b>	<b>.276**</b>	<b>.431**</b>	<b>.308**</b>	<b>.867**</b>	1

	Sig. (2-tailed)	<.001	<.001	<.001	<.001	<.001	<.001	
**. Correlation is significant at the 0.01 level (2-tailed).								
b. Listwise N=226								

A standard multiple linear regression analysis was performed to test the effect of retention strategies on employee retention. The correlations between variables met the minimum threshold of 0.30 (Pallant, 2013). The VIF (1.000) value and tolerance value (1.000) confirm the suitability of the model. Collectively, the retention strategies accounted for 69% ( $r=.690$ ) in the variance of employee retention which is significant ( $p<0.05$ ). Table 3 presents the results of the effect of employee retention strategies on employee retention. Each retention strategy individually contributed significantly to the variance of employee retention; work-life balance ( $\beta=0.415$ ); training and development ( $\beta=0.358$ ); leadership ( $\beta=0.325$ ); compensation ( $\beta=0.348$ ); working conditions ( $\beta=0.403$ ). These coefficient values are presented in Table 4.

**Table 3. Retention strategies and employee retention**

Model Summary								
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics			
					R Square Change	F Change	df1	df2
1	.830 <sup>a</sup>	<b>.690</b>	.683	.563374 76	.690	97.781	5	220

a. Predictors: (Constant), Working conditions, Compensation, Training and development, Leadership, Work-life balance

**Table 4. Coefficients (Retention strategies and employee retention)**

Coefficients <sup>a</sup>							
Model	Unstandardised coefficients	Standardised coefficients	t	Sig.	Correlations	Collinearity Statistics	

		B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
1	Cons		0.037		0.000	1.000					
	WLB	0.415	0.038	0.415	11.05 2	0.000	0.41 5	0.597	0.41 5	1.00	1.0 0
	L	0.325	0.038	0.325	8.659	0.000	0.32 5	0.504	0.32 5	1.00	1.0 0
	TD	0.358	0.038	0.358	9.522	0.000	0.35 8	0.540	0.35 8	1.00	1.0 0
	CP	0.348	0.038	0.348	9.277	0.000	0.34 8	0.530	0.34 8	1.00	1.0 0
	WC	0.403	0.038	0.403	10.72 6	0.000	0.40 3	0.586	0.40 3	1.00	1.0 0
a. Dependent variable: Employee retention											

A linear multiple regression analysis was employed to test the effect of retention strategies on organizational performance. A moderated hierarchical multiple regression analysis was conducted to determine the effect of employee retention on organizational performance when added to the model. This is presented in Table 5 below. The collinearity statistics indicate that the tolerance value ranged between 0.310 and 1.000 and therefore above the 0.10 threshold. Similarly, the VIF value ranged between 1.000 and 3.222, which is less than 10 (Pallant, 2013).

Model 1 summary indicates the R square value of 0.580 for retention strategies and organizational performance as illustrated in Table 5. Employee retention strategies explained 58% of the variance of organizational performance. This effect between the various retention strategies and organizational performance was significant as the p-value is less than 0.05 ( $P<0.001$ ). Model 2 summary reflects a R square value of 0.780. In other words, with employee retention added, the variance of organizational performance changes and increased implying that employee retention influences organizational performance. This is shown by a change of statistics' output, as the R square change value is 0.200, as illustrated in Table 5.

Compensation had a significant influence ( $p<0.05$ ) and a beta value of  $\beta=0.152$ . This means that compensation contributes 15.2% in the variance of organizational

performance. Also, leadership as a retention strategy with a beta value of  $\beta=0.089$  accounted for a significant 8.9% ( $p<0.05$ ) in the variance of organizational performance. The other retention strategies made an insignificant contribution in the variance of organizational performance. For example, work-life balance with a beta value of  $\beta=0.016$  accounted for only 1.6% of the variance in organizational performance. Training and development with a beta value of  $\beta=0.011$ , accounted for a mere 1.1% in the variance of organizational performance. Similarly, working conditions contributed 1.6% in the variance of organizational performance with the beta value showing  $\beta=0.016$ . Employee retention contributes significantly to the variance of organizational performance with a beta value of  $\beta=0.803$ . This suggests a strong, positive and statistically significant relationship between employee retention and organizational performance ( $\beta=0.803$ ,  $p<0.05$ ). Table 6 presents the coefficient values of the above-mentioned effects of each retention strategy on performance as well as the effect of employee retention when added to the model.

**Table 5. Employee Retention and organisational performance (Hierarchical Multiple Regression)**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df 1	df2	Sig. F Change
1	.762 <sup>a</sup>	<b>.580</b>	.570	.65540067	.580	60.761	5	220	<.001
2	.883 <sup>b</sup>	<b>.780</b>	.774	.47554705	.200	198.878	1	219	<.001

a. Predictors: (Constant), Working conditions, Compensation, Training and development, Leadership and supervision, Work-life balance

b. Predictors: (Constant), Working conditions, Compensation, Training and development, Leadership and supervision, Work-life balance, Employee retention

**Table 6. Coefficients (Employee retention and organisational performance)**

Model		Coefficients <sup>a</sup>									
		Unstandardized Beta	Coefficients Std Error	Standardized Coefficients Beta	t	Sig.	Zero-order	Correlations Partial	Part	Collinearity Tolerance	Statistics VIF
1	Con s	.044		0.000	1.000						
	WL B	.317	.044	<b>.317</b>	7.260	<b>&lt;0.001</b>	.317	.440	0.317	1.00	1.00
	L	.350	.044	<b>.350</b>	8.016	<b>&lt;0.001</b>	.350	.475	0.350	1.00	1.00
	TD	.276	.044	<b>.276</b>	6.306	<b>&lt;0.001</b>	.276	.391	0.276	1.00	1.00
	CP	.431	.044	<b>.431</b>	9.874	<b>&lt;0.001</b>	.431	.554	0.431	1.00	1.000
	WC	.308	.044	<b>.308</b>	7.041	<b>&lt;0.001</b>	.308	.429	0.308	1.00	1.00
2	Con s	.032		0.000	1.000						
	WL B	-.16	.040	-	-		-	.027	-0.13	.643	1.555
	L	.089	.037	<b>.089</b>	2.430	<b>0.016</b>	.350	.162	0.077	.746	1.341
	TD	-.11	.038	.011	0.305	0.761	.276	.021	0.010	.708	1.412
	CP	.152	.037	<b>.152</b>	4.060	<b>&lt;0.001</b>	.431	.265	0.129	.719	1.391
	WC	-.016	0.039	.016	0.400	0.689	.308	.027	0.013	.657	1.523
	ER	.803	.057	<b>.803</b>	2	<b>&lt;0.001</b>	.867	.690	.447	.310	3.222

Among others, the findings of this study revealed that the nursing employees in the private healthcare sector in South Africa comprise only 26% of the workforce who are under the age of 35 years. This finding is worrying since the healthcare sector in South Africa is experiencing staff shortages and struggles to recruit new nursing staff to meet the targets (Denosa, 2022). In addition, the study found that employee retention strategies significantly influence the retention of nursing staff in the private healthcare sector in South Africa. For example, work-life balance was found to have

a statistically significant effect on employee retention among the nursing employees in the private healthcare sector. This finding is consistent with Lamane-Harim et al. (2023) that work-life balance supportive culture can be used as one of the strategies to retain nursing employees. Similarly, the findings affirm that compensation has a significant impact on employee retention among nursing employees in the private healthcare sector. Nkgapele and Thusi (2024) highlight the importance of using competitive compensation packages to retain healthcare professionals. Also, when healthcare professionals are compensated well, they tend to remain with the organization (Akanbi et al., 2025). Furthermore, training and development of the nursing employees as a strategy adopted by the private healthcare sector in South Africa was found to be significantly influencing the retention of employees. In line with previous findings, such as Kumari et al. (2022), training and development of nursing employees was found to be one of the reasons for employees to remain with the organization. When employees are trained, they feel empowered which enhances their chances to remain with the organization (Abba, 2018).

The findings of this study also affirmed that leadership has a significant effect on nursing employees' retention. According to Mokoena and Naidoo (2025), strong leadership is needed to address healthcare workers shortages and to retain them once successfully recruited. Similarly, Walker (2017) found a significant correlation between leadership and employee retention. In their study, Nkgapele and Thusi (2024) found that poor leadership was among the factors that made it difficult to attract and retain scarce skilled healthcare professionals. Working conditions in the same way were also found to be significantly influencing employee retention among nursing employees. This finding is consistent with Kudla et al. (2024) who found a strong relationship between working conditions and employee retention. The above findings underscore the importance of retaining healthcare professionals to address the staff shortages (Matseke, 2023).

When examining the effect of retention strategies on organizational performance, the findings revealed mixed results. For example, only two strategies—compensation and leadership—had a statistically significant effect on organizational performance. This supports Sewe et al. (2018), who argue that when nursing employees are compensated well, the quality of patient care improves. Also, Lunga and Murphy (2023) found that leadership contributes significantly to the productivity and profitability of an organization. The other three retention strategies, namely working conditions, training and development and work-life balance influenced organizational performance, although insignificantly. This finding contradicts Akgul

et al. (2025) who assert that working conditions are critical for an organization to achieve its goals. On the other hand, Salami et al. (2022) argue that organizations benefit from investing in employee training and development. Similarly, Yamoah (2025) found that maintaining a work-life balance leads to employee productivity. Further research is required as there could be other factors that have not been researched.

The findings of this study affirm that retention strategies are important in retaining employees as well as contributing to the performance of the organization. Due to the demanding work and employees having to balance their family responsibilities, it is imperative that the private healthcare sector creates a working environment that considers a balance between work and family responsibilities for the nursing employees. In addition, the private healthcare sector should consider paying their nursing employees well to enhance their retention. They should also invest in the training and development of nursing employees as they are likely to remain with the organization. Leadership also is important for retention; therefore, the private healthcare sector should invest in visionary management as this has been proven that it leads to the retention of employees. Regarding the working conditions, it is evident that they play a role in employee retention, therefore they should be maintained or improved. Lastly, the effect of employee retention on organizational performance cannot be overemphasized. Retaining employees leads to productive and efficient employees as demonstrated by the findings of this study where they point to improved organizational performance. While the private healthcare section in South African may be well resourced, the issues relating to employee retention are pertinent for the sector.

Employee retention plays a meaningful role in enhancing organisational performance. Accordingly, private healthcare organisations must prioritise and implement effective strategies to retain nursing employees. Nurses form the backbone of the healthcare sector and as previously noted, the private healthcare sector will remain an integral part of South Africa's broader health system for the near future. Therefore, it is imperative that the public and private sectors collaborate on health-related matters to address shared challenges and optimise healthcare delivery.

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