To stay or leave: Motives behind the decisions of graduate programs' trainees' in European and Russian companies*

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This paper investigates the problem of retaining business school graduates after they have completed a trainee program in a company. Often when a company invests in training programs for young graduates, the company's management expects that a graduate will remain with the company for a long time. But in some cases, the trainees decide to leave. This research shows the different perceptions among the trainees and the company of motives or reasons for such a decision. The main findings also indicate a significant difference in the graduates' preferences in the countries being compared and suggest a list of motives that drive such decision making. Furthermore, managerial applications are given and the possible approaches for future discussions are suggested.

Die Studie untersucht das Problem vieler Unternehmen, nach dem Ende eines hauseigenen Trainingsprogramms die Trainees zu halten. Wenn ein Unternehmen in ein Traineeprogramm für junge Absolventen investiert, erwartet es, dass die Absolventen danach für längere Zeit im Unternehmen bleiben. In manchen Fällen entscheiden sich die Trainees jedoch, das Unternehmen zu verlassen. Diese Studie zeigt die unterschiedlichen Wahrnehmungen der Trainees und der Unternehmen hinsichtlich der Motive oder Gründe für eine solche Entscheidung. Die Ergebnisse zeigen auch einen signifikanten Unterschied in den Zielen der Absolventen in unterschiedlichen Ländern. Auch wird eine Liste von Motiven erstellt, die eine solche Entscheidung befördern. Des Weiteren werden Anwendungsmöglichkeiten für die Betriebsführung und mögliche Ansätze für die weitere Diskussion aufgezeigt.

Key words: Talent retention, graduates, trainee programs, Russia, Europe

Theoretical background

Nowadays, many researchers and practitioners agree that human capital is a key factor behind business success. The latest research has come to the conclusion that in the last two years the biggest problem for senior HR management has been employee retention. It becomes more evident that employee retention has become their most challenging task.

Talent retention is a complicated process which involves not only keeping the employees but also identifying their key talents within the organization and understanding their motivation (Cappelli 2000; Alman 2008; Anderson 2008; Cappelli 2008). Only establishing a relationship with the key talents can make these individuals perceive themselves as part of long-term collaboration with the organization and commit themselves to a particular company (Cappelli 2000; Alavi et al. 2006; Cappelli 2008; Cattell 2008). The problem of employee commitment has been discussed a lot in scientific literature. One of the most interesting approaches is to explain how employees' values affect their organizational commitment. The researchers' general idea is should employees' values correlate with those of the organization and if the organization helps the employee to obtain what is valuable for him, an employee will behave positively towards the organization and commitment will be higher than if the opposite is true (Miller 2002; McGee 2006; Likierman 2007). It was proved that values have a direct impact on behavior and in some cases not only to person's behavior but also to work behavior (Brown 2003; Dempsey 2007; Campos 2007). Further research identified how values affect the behavior of individuals, groups of people and organizations. In recent papers some pan-cultural types of values are more powerful than others, for example, universalism, benevolence and self-direction were found (Kyle 2005). Some researchers argue that a company that shares the same values as an employee will be certainly perceived positively by its employees and consequently will get greater performance and improve motivation (Ghoshal 2005; Galagan 2008). Thus organizational commitment can be defined as a psychological link between the employee and the organization that makes it less likely the employee will voluntarily leave the organization. This involves three main components of commitment: continuance (perceived cost of leaving a company), emotional attachment to organization and normative (obligation to remain in an organization) (Garavan/Murphy 2001; Lamberg 2008). It was proved that if the company promotes vision, self-direction, humanity and universalism it affects positively normative and effective organizational commitment (Dunn 2006; Kumar/Giri, 2009). Payne and Huffman (2005) found that not only consistency with employees' values but also some special activities implemented while integrating an employee into an organization have a positive influence on organizational commitment. Factors included job complexity, a wide range of responsibilities and mentoring. They studied deeply the impact of mentoring on an employee's organizational commitment. Mentorship is understood as "an

intense interpersonal exchange between a senior experienced colleague (mentor) and a less experienced junior colleague in which the mentor provides support, direction, and feedback regarding career plans and personal development" (Aronoff 2004). The idea that someone will help a new-coming employee to socialize is widely implemented. It is a proved fact that mentoring has an adverse effect on employee turnover intentions and willingness to quit the company (Aronoff 2004; Muehleman 2007).

Furthermore, Payne and Huffman (2005) evaluated the conditions of mentorship and type of mentorship support. Their conclusion was that mentees whose mentors were supervisors showed a higher degree of affective commitment than those who had nonsupervisory mentors. Afterwards, Payne and Huffman (2005) conclude that supervisors' mentorship shows more impact on commitment which enables management to make supervisors mentorship official in the company. The researchers warn that obligatory supervisors' mentorship can easily become a formal procedure which will not affect commitment positively (Cappelli 2000; Aronoff 2004; Payne Huffman, 2005).

Another concept that it has to be referred to in order to evaluate the factors influencing organizational commitment and therefore have high importance for employee retention strategies design is so called "work-life conflict". Work-life conflict is a clash emerging when the carrier (work) life of a person pressures his personal (outside work) life (Dulac et al. 2008; Garg/Rastogi 2009). In most cases work-life conflict leads to turnover, reduced performance, and lower organizational commitment (Cappelli 2000). It was noted that in most cases work-life conflict emerges when actions taken by management are treated by an employee as unfair. It was found that procedural justice has a direct impact on employee attitudes, behaviors, as well as organizational commitment (Cappelli 2000; Laff 2006; Kole 2007; Whitney 2007).

As was stated at the beginning of the section, most HR top managers are now concerned with talent attraction and retention (Boudreau/Ramstad 2005; Haug 2007; Thomson 2007; Cane 2008; Cappelli 2008). The internship programs usually provide students with the relevant work experience and consider them as talent. At the same time it is a way recruiters can retain potential employees as well as giving students the opportunity to see whether this organization is suitable for their carrier objectives. Consequently, improvements made by HR managers in the field of interns may lead to a long-term collaboration with a highly committed employee (Tovey 2001; Robinson 2005; Stahl et al. 2007).

Several scholars have studied different aspects of internships. Some scholars examined factors related to the organizational commitment of undergraduate interns (Cupps/Olmosk 2008). Investigating the research concerning the early stages of organizational adaptation of new employees they found that lack of challenging tasks, support and growth opportunities lead to low organizational commitment. The aim of their study was to investigate the antecedents of

effective organizational commitment among students having internships in some companies. The results shocked the scholars:

1. the most positive effect on affective commitment was made by giving students challenging tasks,
2. supervisor support does not matter in cases where the task is perceived by an intern as challenging and useful,
3. the role of stress likewise does not matter.

This research showed correlation with findings of some other researchers (Boudreau/Ramstad 2005; Cappelli 2008) who found that the opportunity for self-concept crystallization and vocational self-efficacy was identified by students as the best internship experience. Furthermore, the combination of low supervisor support, simple tasks (clerical work) and a high level of stress reflected dramatically on interns' commitment. The level of commitment radically decreased. Gault, et al (2000) underlines that for interns best reward is an understanding of their carrier objectives and real work experience (Rob/Ferd 2003; Rothman 2003; Torp 2004).

The first attempts to investigate business schools graduates were made in 1966. In 1971 Vroom and Deci (1971) conducted research based on the theory of cognitive dissonance. Graduates had their attitudes towards their job rated immediately after graduation and 3 - 3.5 years after graduation. The authors affirmed that when a particular person has two or more mutually exclusive alternatives which are appealing but they vary in other characteristics this person will experience what is termed cognitive dissonance. This phenomenon is created by the act of choice. This is a normal state for a person who must choose among equivalent choices. Uncertainty, arising from the lack of information at the moment of decision making motivates a person to evaluate and compare a chosen alternative with possible ones. By re-evaluating all alternatives in most cases the person comes to a conclusion that the chosen alternative is more attractive then rejected ones. In this research the scholars investigated the decision making process of the students choosing among several job opportunities. Most students claimed that after making their choice the attractiveness of the chosen job was at its highest point. Factors such as career perspective, financial perspective and some other factors were considerably low comparing to the time when the choice was made.

The next time scholars investigated business school graduates was post decision dissonance theory elaborated by Lawler et al. (1975). They examined 431 former accounting students in order to find out about their post decision attitudes and behavior. The experts stated 3 main stages:

1. Attractiveness of certain companies as potential the job choice is a relevant indicator of job choice behavior of individuals.

2. Right after the job choice was made the chosen company increased in attractiveness while other companies decreased.
3. One year after job placement all companies had lower rate of attractiveness than they have had before the choice was made.

Conclusively, the attitude concerning a company's attractiveness determines job choice behavior and that job choice behavior influences post employment attitudes about the company's attractiveness (Lawler et al. 1975).

The next step towards understanding the particularities of business schools' graduates as potential employees on the early stages of career development was made by Burke (1997). Burke (1997) measured job insecurity among recent business schools graduates. Among work stressors that influence the organizational commitment, the students showed relatively low levels of self-reported job insecurity. However, business school graduates showed higher levels of job insecurity. They named this fact as one of reasons why they are dissatisfied with their jobs and more likely to intend to quit.

Chambers and Foulon (1998) looked closely at two major questions, namely *"Why would someone really good want to join your company? And how will you keep them for more than a few years?* (Chambers/Foulon et al. 1998). In order to answer the main questions of the research the authors investigated 200 young executives to find out what motivates them to stay in a particular organization and therefore what value proposition a company should create to target the desired employees. This investigation resulted in the categorization of young top-performers into four groups. The first group is called *"Go with the winner"* – the biggest group among respondents – executives who rated employer's performance and brand as the most important factor. For this group location and mission of the company have significantly lower importance then its performance. *"Big reward – big risk"* group consists of executives who put their career advancement and personal development higher then company's performance. *"Save the World"* group highlights executives who demand an inspiring mission more then personal development and compensation. Finally, *"Lifestyle"* group represents executives for whom certain flexibility has higher importance than excitement and reward; they also admitted that compatibility with their senior colleagues has more importance than company's performance. Based on the survey the understanding of these talent types seems to be absolutely necessary for the analysis of the early breakups: the mismatch between organizational and personal goals is a key factor influencing the decision whether to stay and continue career or not in an organization.

Unfortunately the scholars have not looked at recent graduates as research subjects for a long time. Nowadays, the lack of studies in this area is tangible. Other research has focused on future graduates before they entered an organization (Cappelli/Neumark 2001; Brown 2003; Anderson 2008). This perspective lacks an insider perspective on what is really happening between

graduates and the companies. Recent graduates who have just completed a trainee program are a very precious source of information on the problems occurring in talent management during the first stages of talent integration in an organization (May et al. 2002).

The first study that paid attention to the phenomenon of business school graduates by academic researchers was made in 2001 by Paul Gooderham. His article "Are cultural differences in Europe on the decline?"(Gooderham 2001) represents the result of its research conducted among CEMS students all over the Western Europe and Scandinavia. The aim of the research was to investigate whether the cultural differences described by Geert Hofstede after his survey conducted between 1967 and 1973 still work. His findings were shocking: the students at leading European Business schools indicate a significant convergence of national values and that the divisions of gender are more important than those of country. The high rate of homogeneity found in this group of young professionals demonstrated in this survey created a lot of room for future research. Furthermore, the situation on labor market not only in emerging economies as Russia, but also in Europe, changing in education and preferences of business schools graduates, new management tools in modern organizations – all of that underline the importance of new research.

Research goals and questions

Starting from the idea that further investigation of the problem of graduates-employer relationships is important, we decided to analyze the problem of retaining business school graduates (young specialists) in European and Russian companies. Despite the wide range of trainee programs[1], internships, and other activities taken by the employer sometimes these activities do not lead to efficient collaboration and long-term fruitful partnership between the employee and employer. This research examines the cases when it is the employee who initiates quits.

Due to the complexity of the problem there are two subjects of the research: young graduates or students who will graduate within an academic year

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[1] Trainee programs in this context assume that the graduate student is placed into the organization for one year or more in order to be introduced into the company's activity it is supposed that after the trainee program he will continue to work in the company on the most suitable position. Often the trainee programs are based on the rotation principle.

participating in CEMS MIM[2] programs and have experience in participation in a trainee programs. The reason why a group of CEMS students is used as the subject of the research is that this particular group possesses a number of ultimate characteristics, which are important for employers, namely the best possible business education in Europe, "Best of the Best" – tough competition to be accepted to the program filters candidates, prepared to work in an international area – already have experience abroad, they are oriented to work internationally (two foreign languages are required), they have the ability to choose the employer among the most successful companies from the early stages of their careers, have internships experience, most of them are oriented to work in MNCs. Taking into consideration these qualities it can be concluded that CEMS graduates are desirable employees targeted for working in big, international companies. Nevertheless, "early breakups" are not that unusual for them.

The primary goal of the research is targeted to find the reasoning behind the decision to leave an organization. Therefore, the research aims to identify the reasons why such decisions may occur. At the same time focusing on this particular group does not restrict the practical value of the research in general. Gooderham (2001) concluded that CEMS MIM students as a particular social group reflect global trends therefore under certain conditions the transfer of the findings to a broader social group (for example students of business schools in general) is possible. As a result, it's interesting to identify several key factors that influence the business-school graduate's decision to stay in an organization or to quit.

The research questions were formulated.

Research question 1: Is there a gap in perception of decision making motives between graduates and organization?

After a set of preliminary interviews conducted with 10 recent graduates who left their companies after completing their trainee programs 10 main factors, influencing employee's decision to leave an organization were formulated. Also to create a list we focused on the existing studies (that were described in theoretical part) reflecting different motives. Therefore the second research question was:

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[2] EMS is <u>Community of European Management Schools and International Companies (CEMS)</u>, MIM (Master in International Management) is the one-year CEMS degree program is exclusive to students studying at CEMS European and worldwide Associate Academic Member schools. In the present research the students from only European countries were the object. The empirical part of the paper was done with contribution of V. Sayapina, MIB student at Graduate School of Management.

Research question 2: Main factors/triggers influencing trainees' decision to leave an organization are: insufficiently challenging job tasks, lack of personal development and perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues.

Research question 3: The reasons for quitting are different for Russian and European graduates.

Methodology

The research consists of two phases:

Phase 1. With the intention of getting an objective view on the research subject a set of companies that traditionally show interest in hiring young specialists were questioned. In total 30 companies were interviewed. Among those companies there were 20 corporate partners of CEMS known for their well developed programs for young specialists and 10 other international companies showing interest in hiring graduates. In order to obtain full information on the trainee program the interviews were conducted with either HR representatives responsible for the program or with current trainees responsible for program presentation. The goal at this stage was to describe existing graduate programs in order to create a general understanding of what does this instrument of talent management look like nowadays. After the information on the programs has been collected it will be qualified and analyzed from the point of view of a process to create a pool of high-performing talent in the organization.

Companies who took part in the survey represent a very heterogeneous set of industries such as: oil and gas, FMCG, consulting, finance and transportation. First of all it makes it possible to study a broader range of trainee programs and at the same time evaluate if there are some trends in programs within an industry which can have an impact on graduate's decision to stay in a company. This sample also allows us to assess different approaches for graduate programs. In general interviewing the companies allows us to assess more precisely the scope of the problem, meaning how often these early breakups occur and to underline how the HR department explains and deals with this problem.

Every interview consisted of three parts:

1. General description of the company: size, industry, country where it operates. At this point a few factors describing corporate culture were used: focus on teamwork or leadership, dress code, average age of employees in the company and national diversity of employees.
2. Description of the trainee program: duration, how many years ago it was launched, number of graduates hired per year, type of program: direct

entry positions [3] or rotation [4], departments where the traineeship is available, term abroad in foreign subsidiaries or other businesses, use of coaching procedures.

3. Description of personal and professional characteristics of graduates: education, work experience, international experience, foreign languages.

All these contextual factors are necessary to describe the font on which the breakups occurred. At the end of each interview the interviewee were asked about the cases of early breakups in their companies and if those cases took place about possible reasons for it.

Phase 2. Second phase of the research consisted of 10 preliminary interviews in order to come up with research questions 2 and 3 and then a questionnaire survey in order to check research question 2 on a larger sample. The interviews and the questionnaires were conducted among CEMS Alumni who graduated 2-3 years ago and with Russian students who have a specialist or a master's degree. Since most graduate trainee programs last for 1-2 years this time frame is appropriate to follow graduates' career path right after the end of their trainee program. All ten interviewees initiated breakups with the companies after the end of trainee program. The main goal of those interviews was to find out the reasons why the breakup occurred. First five respondents were Europeans (France, Denmark, Norway, UK) and another five – Russians. This sample is targeted to reveal some trends and differences inherent to those two regional groups. Respondents were asked to name no more than five main reasons why they had left the organization. The interviews were held in English and Russian.

After completing the first ten interviews a questionnaire was developed. Then, the questionnaires were sent via internal CEMS network to 500 CEMS alumni who graduated in 2005 – 2006. The questionnaire consisted of 30 questions and mainly focused on revelation of the reasons why these graduates left the company. Questions from 1 to 5 were dedicated to general information about respondent: age, gender, educational background, year of graduation and business school identification. Questions from 6 to 25 were aimed to motives identification (namely, one motive per two questions), in the last 5 questions respondents were asked about the training programs they participated. The response rate was 73%.

Findings

The survey shows that small and medium sized companies are also interested in attracting graduates but do not launch trainee programs mostly because it is

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[3] When a trainee is hired for particular position.

[4] When company let a student try himself in different functions in order to find him the best position.

very expensive and there is no need to attract a large number of talents due to the scope of operations. As a result it can be concluded that trainee programs are a talent management tool mostly used by large companies. Eighty percent of the participants in the first part of the survey are large companies with more than 1000 employees. Ninety-five percent of them offer trainee programs for graduates.

Three companies mentioned that they are not interested in graduate trainee programs also because they perceive these programs not as a talent pool development instrument but as a method for integrating new employees into the company. Those companies highlighted that since they are small or medium companies they have much fewer issues with new employee integration in the company. At the same time out of 27 large companies 26 have launched trainee programs. Among the reasons why they launched these programs 22 answered that they are expanding their operations worldwide and therefore the need for highly qualified employees is increasing important. Half of respondents said that they hire top-performers to be competitive in already existing markets. Finally, all the big companies answered that they expect a dramatic decrease of the workforce supply in the labor market and perceive the trainee programs as their competitive advantage in contrast to other employers.

The analysis shows that most of the programs have a similar design and they vary insignificantly according to the industry. The more specific businesses need this extra time to teach industry specific knowledge, while the regularity of the financial industry allows companies to reduce the length of their training programs.

Finally existing graduate trainee programs were assessed as having a more objective view of the current situation. It was found out that involvement of high-performers in responsible positions exists in 70% of the companies, and the level of responsibility that their trainees are facing is particularly high. Nearly 50% of respondents mentioned that the job tasks of the trainees require them to take on leadership roles. The rest said that the positions do sometimes require leadership roles but that the company is more oriented to the teamwork in the graduates' tasks. Analyzing opportunity for young graduates to get feedback on their work place, the result is that 50% of the companies use coaching as a powerful tool for personal development of employees and at the same time as an instrument to integrate them into the organization. Thirty percent of the companies use 360 Degrees appraisal system for their trainees and senior managers.

As was said above, at the end of each interview the interviewee was asked about the cases of early breakups in their companies and if those cases took place, about possible reasons for it. The results show that company managers tend to list the following reasons for a graduate's unwillingness to stay at a company (the first factor is the most important):

1. job is too complicated for graduates.
2. They want only to get some practical experience and consider the company as starting point for future career. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee.
3. They are not able to understand organizational culture.
4. Low salary.
5. Working conditions: geographical location of the office.
6. No possibility to work in different countries.
7. Program design is not relevant for desired competencies' development.
8. Insufficiently challenging job tasks.
9. Lack of work-life balance.
10. Perception of lack of personal development in the future.

The differences in perception of the reasons why graduates leave companies quickly was proven by research question 1.

The second part of the research was dedicated to interviewing ten trainees who left the companies after the trainee program. The main goal of the interviews was to make a preliminary list of reasons in order to check it later on a bigger sample of respondents. Ten graduates took part in the survey, five of them were Russian and five European. At the same time these interviews gave a basic overview of what the reasons for break-ups are. The students value very highly the complexity of task they were given and the opportunities for personal development. Those findings correlate with the idea that the most positive effect on commitment was made by giving students challenging tasks. Therefore it must be highlighted that giving trainees challenging tasks motivate them to stay in an organization longer. Table 2 also shows that the reasons why graduates decided to leave in Europe and in Russia are different. European graduates show less homogeneous results while Russian show much more similarities in their answers. It is also remarkable that for Russians the possibility to work in different countries plays much more important role.

Finally, the first part of the survey 2 highlighted the factor that most students mentioned a mismatch of job task complexity and their qualification, by that it is meant that the complexity of tasks that they expected was significantly lower. Secondly, the most mentioned reason was the "lack of personal development." Fifty percent of students said that they felt like they were not using their knowledge they had got during their studies and that the tasks they perform are primitive. Both factors were mentioned mostly by Russian graduates. One of respondents explained that the company he worked for in a marketing department had a global marketing concept and all initiatives were dictated by the company's head office in France. Consequently, the marketing department was only in charge for translating non-Russian speaking commercials to Russian language and "measuring with a ruler the size of letters on the packages

after they were printed". This example shows that international companies with a domineering role in decision making are more likely to face problems when assigning tasks. The answers of Europeans were more heterogeneous. They mentioned almost all the factors but none of them was significantly dominating another.

The results of the second part of Survey 2 show that the leading factors influencing the resignations is: "The perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues". The second most mentioned factors are lack of creativity at work and work-life balance. In this study, a lack of personal development is only in third place. Poor program design and insufficiently challenging tasks are fourth. They are followed by location/working conditions. What is surprising in this survey is the lowest importance was assigned to the factor No. 10 – Initial perception of this trainee program as a first job experience. Thus, it means that most students entered the organization with an intention to stay there for a long period of time therefore the reason of early resignations must be sought inside the organization. It also means that much more attention is to be paid at the other factors that the graduates mentioned.

So, the list of motives for deciding to leave an organization can be created as following:

1. Insufficiently challenging job tasks.
2. Lack of personal development.
3. Perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues.
4. No compatibility with colleagues.
5. No possibility to work in different countries.
6. Program design is not relevant for desired competencies' development.
7. Lack of work-life balance.
8. Low salary.
9. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee.
10. Working conditions: e.g, geographical location of the office.

With the intention to find answers according to research question 3 – The reasons for early resignations differ for Russian and European graduates – let us look at the contribution made by each group of respondents to the general result. At the first glance it is remarkable that the answers of Russian respondents are much more concentrated. On the left side of the diagram (factors 1-2) nearly 100% of respondents mentioned that insufficiently challenging job tasks and lack of personal development made an impact on their decision to leave the organization. These results were expected. In the test

survey 2.1, 80% of respondents who mentioned these factors were Russian and only 10 percent were Europeans.

Answers 3 and 4 which are second most referred answers scored only one point less then answers 1 and 2. Both factors are describing the internal relations between a trainee and other employees in organization: colleagues and senior management. The fact that 85% of trainees thought that their senior manager and colleagues had not perceived them as high-potential talent and future top-managers of the organization may derive from the fact that the organization has not established a talent friendly atmosphere. Maybe not all the managers in all levels – senior and middle understand that the war for talent has already started. At the same time they may themselves be attributed to a category of poor-performers – those who demotivate and lower trainees' expectations.

Taking for granted that the mentioned above is true then – before starting the program itself management should communicate the goals and reasons for the graduate trainee program launch to all levels of the organizational structure. On another hand attitude towards trainees from their bosses gives talents a realistic view on whether the companies are willing to invest in talents future development of not. And as it was stated before the lack of personal development is mentioned as a reason for early breakup by 100% of respondents.

Looking at the factor 4 one may say that it is very much dependent on factor 3. In the context of Russian business it is very likely that most behavioral patterns and attitudes towards some events are introduced in the organization from top down. It is likely that if the senior or middle manager is not a top-performer he will probably collect under-performers around himself and probably this is a very unfavorable climate for growing talents.

Table 1 hereLooking at another extreme part of the schedule the factors that were not mentioned by Russian graduates can be seen (Table 1). Factors 8 and 10 are not linked to the tasks carried out by the graduates. They are work-life balance and working conditions. Furthermore, it will be seen that especially these factors lead to early resignations among European students. It is difficult to explain the tremendous difference by something other than job market maturity. In general the factors that European students stated are more dispersed among different reasons. From another point of view it is not possible to say that they are more balanced. At first glance it looks like there is no obvious trend among them. It is striking that answers 8 and 10 which were not mentioned by Russian trainees have the highest importance for Europeans (Table 2).
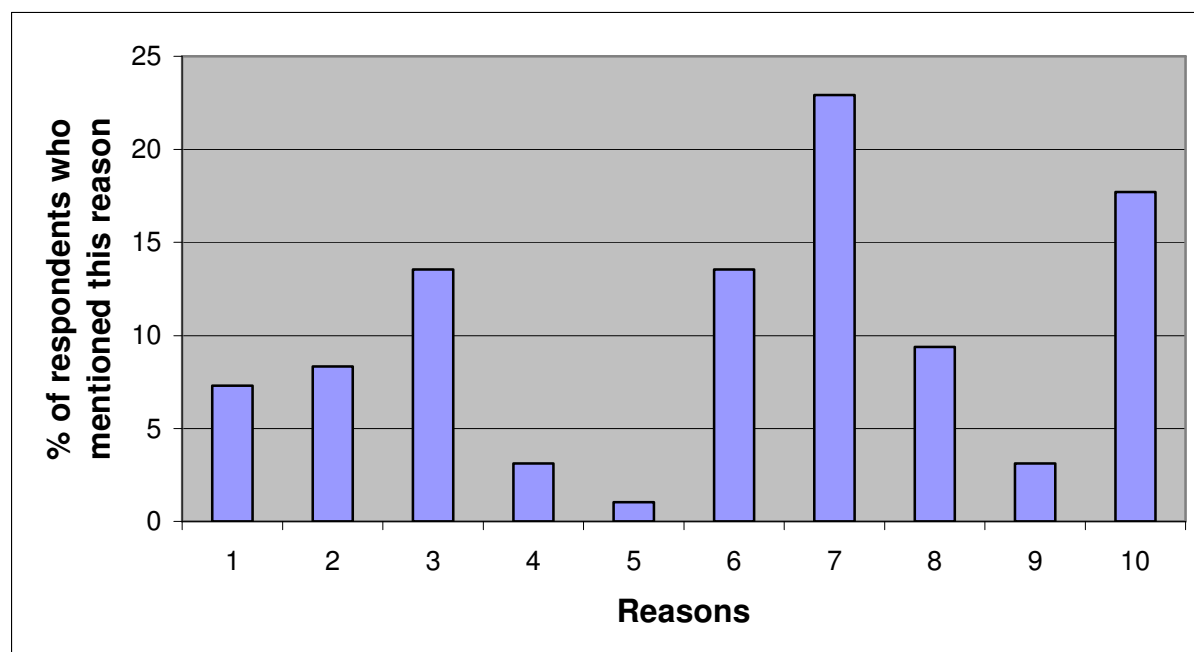
Table 1. Survey 2.2. - Russian graduates results
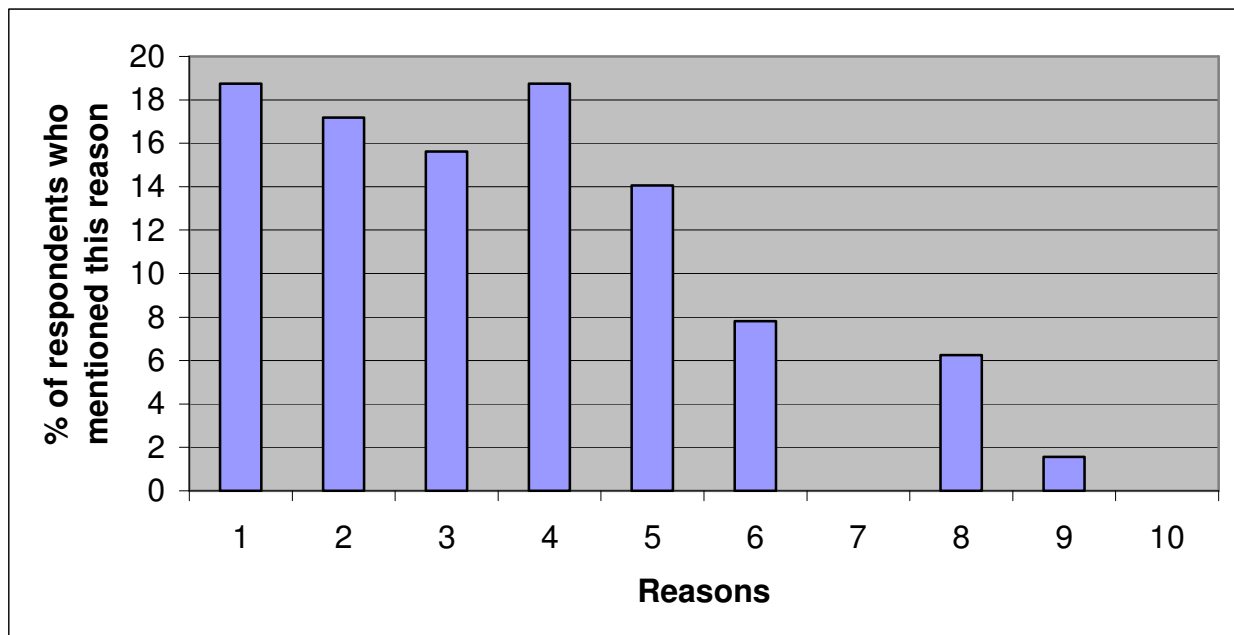
1. Insufficiently challenging job tasks
2. Lack of personal development
3. Perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues
4. No compatibility with colleagues
5. No possibility to work in different countries
6. Program design is not relevant for desired competencies' development
7. Lack of work-life balance
8. Low salary
9. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee
10. Working conditions: e.g., geographical location of the office

Some differences can be seen between answers 2, 3 and 10 which have a total weight of three points although other factors have at least five points. In comparison with other factors, factor 10 – initial perception of a Graduate trainee program as a first job experience – have a low response rate. It means that the majority of respondents did not plan to leave the organization after the trainee program. One of the possible reasons for the breakup may be found inside of the organization. The other answers possibly explain why it has occurred. For European graduates the first reason to initiate a breakup is a lack of work-life balance (it has already been stated that none of Russian graduates mentioned this factor). It is noteworthy that the response rate for this factor is the highest but there is another factor which almost reaches its score – 11. Working conditions: e.g.. geographical location of the office. Europeans are much less willing to work in unfavorable, from their point of view, conditions. An example that could be very illustrative: in one Danish company whose operations are mainly situated in a rural area of Jotland after completing the

trainee program seven out of ten trainees left. In an interview one of those trainees mentioned that it is "faraway from civilization and I felt imprisoned there". Similar answers were given by several trainees who did not want to work somewhere more that 3 hours travel from their family.

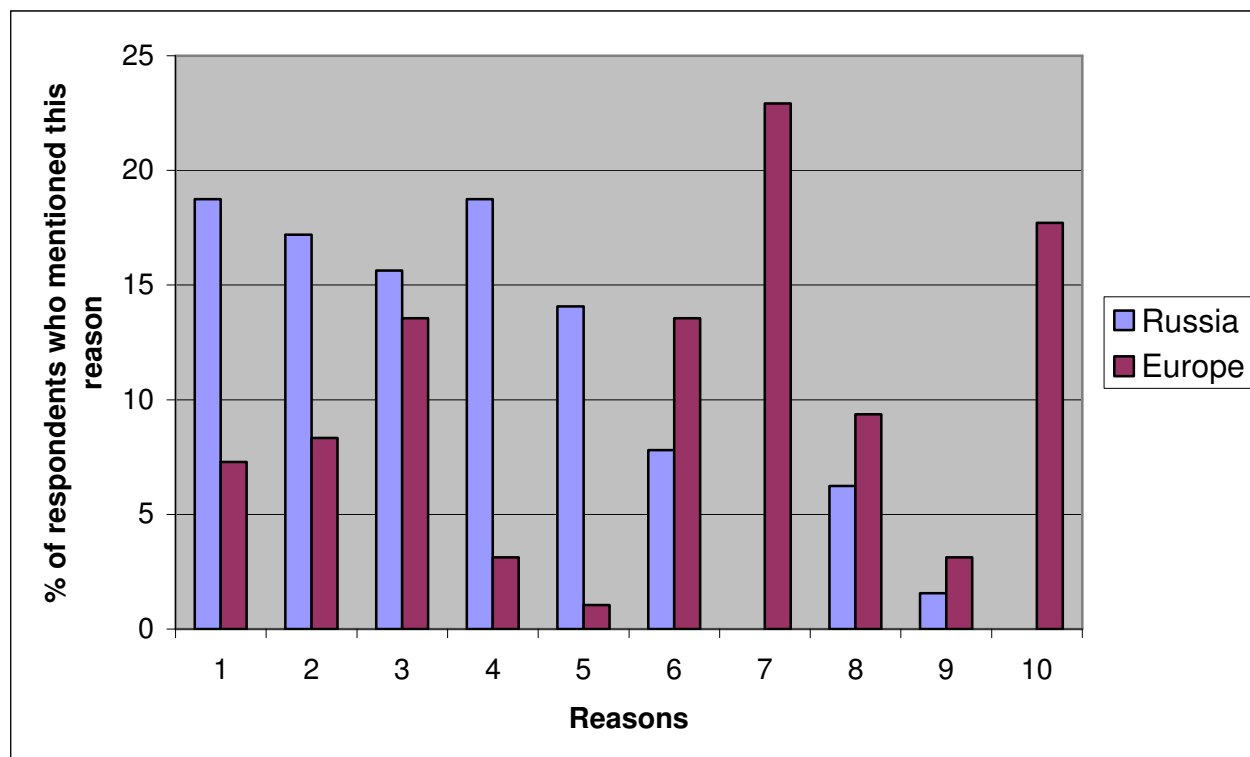*Table 2. Survey 2.2. - European graduates results*

1. Insufficiently challenging job tasks
2. Lack of personal development
3. Perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues
4. No compatibility with colleagues
5. No possibility to work in different countries
6. Program design is not relevant for desired competencies' development
7. Lack of work-life balance
8. Low salary
9. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee
10. Working conditions: e.g., geographical location of the office

Poor program design was also widely mentioned among European graduates. Some respondents said that their internship experience before was much more useful for them because the way it was designed the activities that were undertaken by companies to develop competencies were and held were significantly more valuable then those of the trainee program.

Finally, lack of personal development had a high response rate too. While designing their trainee programs companies need to pay attention to the learning objectives of the organization's talent. During the prescheduled interviews

several trainees mentioned that the company was investing in their learning but not in the area they would like to learn. Table 3 shows the comparison of European and Russian graduates' preferences in whole.

Table 3. Survey 2.2. - Russian and European graduates' results

1. Insufficiently challenging job tasks
2. Lack of personal development
3. Perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues
4. No compatibility with colleagues
5. No possibility to work in different countries
6. Program design is not relevant for desired competencies' development
7. Lack of work-life balance
8. Low salary
9. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee
10. Working conditions: e.g., geographical location of the office

The overall results show a great difference in perceptions and expectation by Russian and European graduates mostly in working internal environments. As Europeans pointed out the great attention to work-life balance, working conditions and possibility to move to other countries for job assignments, such parameters were out of high attention of Russian graduates. Also it is interesting to see that working climate and task content have more important role for Russians while European graduates were more focused on perceptions about their work and competences by senior managers and colleagues. Such

differences should be clearly understood by employers to have different views on recruitment and training processes for European and Russian graduates.

Discussion and conclusions

On the basis of the data received from the research it is possible to draw generalizing conclusions and recommendations for experts in human resource management. Our results have enabled us to diagnose the principal causes for why graduates leave companies. Furthermore, the methodology developed by us has enabled comparative analysis of the reasons for dismissals in Russia and Europe. Results, conclusions and descriptive diagnostics can form a basis for developing recommendations.

Graduate trainee programs are often implemented and adapted to keep up with other firms in the industry. The length and scope of the training is quite similar for this reason. Programs are either 12 or 24 months long and either rotational or direct placed, including a term abroad. Two of the ten graduates in the first survey said that companies used the program as an internal promotion to motivate their own employees. Knowing about the programs might increase job satisfaction, as it shows that their company's employment opportunities are in demand by highly qualified graduates. The programs are also heavily promoted at career fairs and are used extensively for corporate image. However, many programs are new or poorly developed and a certain percentage of trainees leave immediately after the program. Most graduates mentioned that the reason for their resignation was a lack of personal development. As mentioned before, most companies don't pay enough attention to these procedures. Therefore, to make programs more effective and decrease trainee turnover, companies should focus on the personal development of trainees. In general, looking at these results, it is obvious that companies are not as willing to invest in their employees as they should be to increase retention. This fact proves research question 1 in which it was assumed that lack of personal development has a direct impact on a trainee's decision to leave a company.

According to the research, the problems that graduates named are very similar from one respondent to another. In relation to career development, companies are hiring these so called 'talents' only because they have enough skills to do the job, and often not for any long-term affiliation. For this reason, it is surprising that the recruitment processes are so difficult and include the involvement of top managers, whose time is also valuable. Also, graduates are invited to the organization with the impression that they will become top managers. As the programs are so obviously poorly run, four out of five trainees leave when it is over, only benefiting from the brand of the employer in their CV. Four out of five trainees experience a mismatch of competency and job complexity. Companies need to think seriously about this issue because they are wasting resources through extensive recruitment procedures to hire the best, but

without knowing how to deal with them properly. In Europe, the reasons why they leave are much more varied and personal. Working environment is one aspect of the job that is commonly valued, however. This statement practically contradicts research question 3 which says that reasons why graduates in Europe and Russia quit are different. Practically those differences may be assessed more carefully in future research.

The results show that there are no universal solutions on how to design a trainee program so that the organization at any time has a pool of talent for development. As it logically follows from the first part of the research even a well designed theoretical model needs some adjustments when it comes to real case. Since companies in different industries choose different tools to make their programs successful, it leads to a conclusion that it is absolutely necessary to tailor best practices for a unique environment of a particular organization.

It is also very important for an organization to define a clear image of who the target talent is. It is important to create a right value proposition to attract the right graduate. The value proposition must give a graduate who wants to join the company a clear understanding of what the company offers and what it expects from him. The most basic example is a trainee who seeks work-life balance will most probably not be attracted by the Goldman Sax trainee program because it does not match his needs. This is a very basic and quite straightforward example of a right value proposition.

On the other hand, there are some tools and instruments of talent policy in the organization that can be successfully applied in all companies. According to the survey those tools are delegation of responsibility to trainees and the possibility of personal development. Conclusively, a graduate trainee program cannot exist in an organization if the entire organization is not supporting it and do not understand its importance. The trainees should be perceived by all members of organization as a future asset and as equal partners. If not supported by the employees, middle managers and trainees' bosses it will not only be successful but also very damaging because an organization's recent trainees can become the competitors' future managers.

It's also very important to think about the differences in perception of the reasons for early resignation by companies and graduates. As is shown in Table 4, there are some significant misunderstandings concerning the decision.

In this connection, it is possible to formulate one of the main recommendations: the understanding of motives of graduates by managers can significantly decrease the number of resignations after training programs. Furthermore, it's very important to define the target audience for trainee programs and create an image for the graduate of the company the graduate is working for. Special attention should be placed on the common goals that the company and the

graduate have. The attention of managers can be turned to new employees, and also motivating tools for those already working.

Table 4. Differences in perception of motives by employers and graduates

Factors (1 – most important, 10 – less important)	Employers	Graduates
1	The job is too complicated for graduates	Insufficiently challenging job tasks
2	They want only to get some practical experience and consider the company as starting point for future career. Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee	Lack of personal development
3	They are not able to understand organizational culture	Perception of a trainee as an ordinary employee and not as a high-potential talent by senior management and colleagues
4	Low salary	No compatibility with colleagues
5	Working conditions: geographical location of the office	No possibility to work in different countries
6	No possibility to work in different countries	Program design is not relevant for desired competencies' development
7	Program design is not relevant for desired competencies' development	Lack of work-life balance
8	Insufficiently challenging job tasks	Low salary
9	Lack of work-life balance	Initial perception of a trainee program as a first job experience with no intention to stay after completing the program from the point of view of a trainee
10	Perception of lack of personal development in the future	Working conditions: e.g., geographical location of the office

This research focused only on the CEMS students' career path investigation. It is obvious that not only CEMS students become trainees in international organizations. Taking this fact into account it would be interesting to compare the motives why CEMS and non-CEMS trainees leave their organizations. It is also possible to improve an existing survey and trace if there are similarities

among European countries. Consequently it would be helpful to tailor the programs for different cultural areas. It would also be very valuable to create a universal model that could be used to assess the overall trainee program efficiency and its contribution to talent management development within organizations. It is clear that a deeper study of this problem with a larger sample of graduates and companies is necessary, as this is just a preliminary study to reveal the main problem areas.

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