ASSESSMENT OF EMPLOYEE TURNOVER ON ORGANIZATIONAL EFFICIENCY: A CASE STUDY OF INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE (ILRI)

BY

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UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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A Research Project Report Submitted to the Chandaria School of Business in Partial Fulfillment of the Requirement for the Degree of Master of Science in Organizational Development (EMOD)

UNITED STATES INTERNATIONAL UNIVERSITY-AFRICA

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DECLARATION

I declare that this project is my original work and has not been submitted to any other college or university for academic credit.

Signed: ______________________ Date: ______________________
Ruth Nyaga (ID 643961)

This project has been presented for examination with my approval as the appointed supervisor.

Signed: ______________________ Date: ______________________
Dr. Kefa Njenga

Signed: ______________________ Date: ______________________
Dean, Chandaria School of Business
ABSTRACT

The general objective of the study is to assess the impacts of employee turnover on organizational efficiency, a case study of ILRI. The study was guided by the following specific objectives; to evaluate the actual reasons for employee turnover at ILRI, to assess the impact of employees’ turnover on organization efficiency at ILRI, to determine the possible mitigation of reducing employee turnover at ILRI. This research employed a descriptive research design since the study intendeds to gather quantitative and qualitative data that describes the nature and characteristics of the impacts of employee turnover on organization efficiency. The target population for the study comprised a total of 420 employees working at ILRI Offices in Nairobi. Stratified sampling was employed in this study. The target population was divided into three categories namely; Top management staff, middle level management staff and lower management staff. Primary data was collected using structured questionnaires. The collected data was analysed using SPSS and presented in form of figures and tables.

The study found out that the organization was experiencing high cases of employee turnover. Most respondents indicated that lack of retention strategies affected organization productivity to a great extent. Most respondents felt that the organization had employed various measures to manage employee turnover. High rate of employee’s turnover impacted negatively on organization productivity since most of the experienced and highly productive staffs were lost and it took a long time before the newly recruited staff. Lack of staff training denied the employees with an opportunity for skills development and this encouraged most of the employees to leave the organization and seek jobs in organization that offered career development opportunities. Organization management was not commitment to employees’ skills development and this hampered exposure of employees.

The study concluded that causes of employees turnover that impacted negatively on organizational productivity included; lack of employees retention strategies, low level of employee motivation, lack of career development opportunities and poor work environment.

The study recommended that the organization human resource management should employ strategic strategies such as increased salaries and remuneration, providing recognition, and
individual growth opportunities. The organization human resource management should provide open communication, offer employee reward program, offer recreation facilities as well as various gifts.
ACKNOWLEDGEMENTS

Foremost, I would like to express my sincere gratitude to my supervisor Dr. Kefa Njenga for giving me the required guidelines all the way till I was through. My fellow classmates who assisted me in various ways cannot be forgotten since their contribution had a positive impact in the research study. I can’t also forget the entire management of United States International University - Africa for their cooperation towards providing library facilities where I accessed much information concerning this research project.
DEDICATION

The document is dedicated to my daughter Keziah Makena for her encouragement and support throughout this process.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Employee turnover refers to the rate at which an employer gains and loses employees, how long the staff tend to leave and join the organization (Armstrong, 2006). In his book, Horton (2007) states that it is becoming a major issue for the organizations especially for the low cadre jobs. There are many contributors to this scenario that are significant to the employee turnover. Such aspects can stem from both the company as well as the employees (Izzack, 2010). The employers are more concerned with the turnover as it impacts negatively and a very expensive aspect of the business world (Thomas, 2003).

According to Martin (2005) when employees leave the company, the employer has to incur a considerable amount of direct and indirect expense. The costs of employee turnover can be staggering ranging from consuming quite a substantial amount of annual wage that an employer would otherwise pay to its workforce (Linda, 2002). The costs of employees turnover normally includes; advertising expenses, headhunting fees, resource management expenses, loss of time and efficiency, work imbalance, and employee training and development expenses for new joiners (Harrie, 2002). The company may quarterly calculate employee turnover rates to meliorate the factors causing the turnover (Miller, 2006). If the company determines the most common causes of employee turnover, it would certainly be able to take the necessary steps for recruiting and retaining well-qualified personnel (Armstrong, 2006).

According to Martin (2005) a huge concern to most companies is that employee turnover is a costly undertaking especially in organizations that thrives and values viability of the business. Employees’ wages, company benefits, employee attendance, and job performance are all factors that contribute to employee turnover (Dessler, 2009). According to Murphy (2009) companies take a deep interest in their employee turnover rate because turnover affect the running of the business by creating disruptions which results to reduced production and profits of the organization. Replacing an employee demands that time should be taken to induct the new employee on new roles and responsibilities which is a cost to the
organization (Anthony, 2006).

These expenses of staff turnover facing organizations include the cost of training and development, loss of efficiency, new hires and customer retention. Depending on the industry, and the job role, the annual wages and salaries range between 30-200% of a single employer (Trevor, W. (2004). This is more impactful on the lower paying jobs and they tend to cost companies less per replacement of an employee than do higher paying job roles. However, they incur the cost more often. For these reasons, most companies focus on employee retention strategies regardless of pay levels (McClelland, 2003).

According to Oregon (2004) most companies find that employee turnover can be reduced when issues affecting employee’s morale are addressed. This is mainly through offering employees benefits such as reasonable flexibility with work and family balance, performance reviews, and performance based incentives, along with traditional benefits such as paid holidays or sick days (Murphy, 2009). The extent to which a company will go in order to retain employees depends not only on employee replacement costs, but also on overall performance of the company (Phillip, 2009). If a company is not getting the performance it is paying for, replacement cost can be an enormous price to pay in the long run (Bratton, 2003).

According to Blahna (2005) high turnover can be a serious obstacle to organizational efficiency, quality, and profitability of firms of all sizes. For the smallest of companies, a high turnover rate can mean that simply having enough staff to fulfill daily functions is a challenge, even beyond the issue of how well the work is done when staff is available (Richard, 2008). Turnover is no less a problem for major companies, which often spend millions of dollars a year on turnover-related costs (Miller, 2006). For service-oriented professions, such as management consulting or account management, high employee turnover can also lead to customer dissatisfaction and turnover, as clients feel little attachment to a revolving contact (Brian, 2009). Customers are also likely to experience dips in the quality of service each time their representative changes (Miller, 2006).
Horton (2007) uses cross-section study of the inter-industry variation in male and female employee turnover in UK manufacturing companies. The number of discharges over four weeks found very high. The annual rate of employee turnover was estimated by taking an average of the quarterly observations. This shows a wide variation, the annual male employee turnover rate was lowest at 8.5 per cent in Mineral Oil Refining (262) and highest at 77 per cent in Jute (415) in American corporate companies. Similarly the female rate ranged from 12.4 per cent in Mineral Oil Refining to 81.9 per cent in Fruit and Vegetable Products (218). The male employee turnover rate across all manufacturing was 29.9 per cent. Employee turnover is clearly greater among females. Seven in every ten MLHs had a female rate in excess of 40 per cent.

Miller (2006) uses multinational cross panel regressions to explore the extent of employee turnover in the organization which may trim down growth and development of any organization and the overall economy. His paper finds a substantial impact of employee turnover on economic growth based on data from East Asia, Africa, South Asia and the Middle East. His results suggest that employee turnover in education and management has a direct impact on economic growth through throbbing change in management lowering the average quality of human capital.

According to Robbins (2003), staff turnover is costing South African organizations millions of rands in decreased efficiency. Staff turnover is estimated at 40 billion rands a year. The cost of staff turnover and the impact thereof on productivity alone is enough to depress any human resource manager and the organization. There might be a delay of service delivery while waiting for the replacement staff to arrive. In addition, there might be production losses while assigning and employing replacement staff (Ziel & Antointette, 2003). Often the organization experiences a waste of time due to inexperienced replacement of staff. Management and other staff spend valuable time not doing their job but trying to orientate the replacement staff.
1.2 Problem Statement

Employee turnover can be harmful to a company’s efficiency if skilled workers often leave the organization and the work population contains a high percentage of novice workers (Armstrong, 2009). According to a research study carried out by the Ministry of Energy in conjunction with the United Nation Development Program (Maxwell, 2010), statistics revealed that for the last 2 years, more than 35% of employees working for private sector organizations exited to other companies. The efficiency of many organizations have thus been threatened by huge costs/expenditure incurred on recruitment and selection of new staff to replace the work force gap created by the leaving employees (Premeaux, 2000).

In the recent past, there has been noticeable decline in the efficiency of many organizations in especially from the private sectors (Ali, 2010). According to Fredrick (2010), the contribution of private sector Organizations towards the growth and development of Kenyan economy has declined compared to the previous decade where private sector had a strong positive effect on Kenyans economy. This downward trend according to (Edward, 2010) has been influenced by high level of employee turnover that impacts negatively on organization efficiency.

According to Maxwell (2010), a key problem to employees’ turnover is that the organization loses the most experienced and skilled staff that the organization had invested heavily in training on various organization job task functions. This therefore means that, the organization must incur huge costs in terms of time and finance to train the newly recruited staff in order to make them effectively adapt to organization working environment and demonstrate the required skills and experience.

According to Phillip (2009) employees turnover influences allocation of the job tasks functions to inexperienced employees who lacks technical knowhow on effective execution of organization services, this greatly degrades the quality of organization services and as result, low level of customer satisfaction is realized. The organization sales revenue declines and this lowers the level of organization efficiency.
According to Paul (2009), as result of increased level of employees’ turnover rates, many organizations have turned on application of various employees’ retentions strategies such as employees’ benefits, increased remuneration and offering of various employees rewards. This however has led to increased organization expenditure and realization of a declined profit margin (Duncan, 2008).

For the last 3 years, ILRI has experienced an increased rate of employees’ turnover and this had a negative impact on organizational efficiency. In the year 2010 alone, the employees’ turnover was 25% and the organizational efficiency dropped with 6%. Previous studies undertaken by Ali (2010), Fredrick (2010), Edward, (2010), Premeaux, (2000), Paul (2009), Duncan (2008), Maxwell (2010) and Phillip (2009) only highlighted evidence on the existence of employee turnover problems but did not offer any practical solution on how organizations should manage turnover to realize increased organizational efficiency. This has hence created a major knowledge gap on employee turnover management hence this study aims to fill the missing gap by determining the impacts of employee turnover on organization efficiency with a specific reference to ILRI. The findings obtained influenced towards coming up with effective recommendations on how organizations should minimize employees’ turnover rates and realize increased efficiency.

1.3 Purpose of the Study
The overall objective of the study was to assess the impacts of employee turnover on organizational efficiency.

1.4 Research Questions
The study sought to answer the following research questions

1.4.1 To evaluate the causes of employees’ turnover?
1.4.2 To assess the impact of employees’ turnover on organizational efficiency?
1.4.3 To determine the mitigating strategies of reducing employees’ turnover?
1.5 Significance of the Study

1.5.1 Researchers and Academicians

The findings of this study are expected to be of great significance to various researchers involved in human resource development research activities. The documented report of this study will be easily acquired from the library and it will equip the learners with more knowledge and skills on factors contributing to employee turnover in all NGO’s and other private sector organizations. The study will further make a myriad of contributions to the literature on employee turnover which will be part of articles useful by researchers who want to further this study and to other wider stakeholders in the academic circles.

1.5.2 NGOs

The study will be of great significance to the all NGO’s and all organizations since it will highlight some of the critical challenges hindering increased growth and development in organizations of any kind. ILRI through various stakeholders will hence facilitate development of operational policies that influence increased rate of staff retention in the organization.

1.5.3 Other Organizations

The findings of this study are of great significance to not only NGO’s but all organizations in the country since by using the analyzed results, human resource managers in all organizations will be in a better position to understand the causes of employee turnover rates and be conversant with the best staff retention strategies to manage high staff turnover rates.

1.6 Scope of the Study

The study was confined to ILRI headquarter offices situated in Nairobi to enable the management to disclose much information concerning the employee turnover problems. The data collection period was between May and June 2015.

1.7 Definition of Terms

1.7.1 Employee Retention

This is an effort put in by the employers in an attempt to keep employees in the
organizations (Spencer, 2001).

1.7.2 Employee Turnover
Employee turnover refers to the rate at which an employer gains and losses employees (Armstrong, 2006).

1.7.3 Motivation
Motivation is defined as a psychological force that determines the direction of a person's behavior in an organization, a person's level of effort and a person's level of persistence (Gareth, 2008).

1.7.4 Organizational Efficiency
The capacity of an organization, institution, or business to produce desired results with a minimum expenditure of energy, time, money, personnel, materiel (Mesh, 2012)

1.8 Chapter Summary
The chapter gave the background of the study and how employee’s turnover affects the organizational efficiency. It has also gives the reasons why employee turnover should be of concern to the organizations and why measurers needs to be put into place to curb this problem. To assist in unraveling this, the research questions have been stipulated with a clear focus on where the research will be based.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This section reviews the relevant literature to form a basis for the study. It evaluates both the theoretical literature and the empirical literature on the impacts of employee turnover on organization efficiency.

2.2 Causes of Employee’s Turnover

2.2.1 Lack of Training and Development
According to Paul (2004), training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including "human resource development", and "learning and development. New-hire Induction and staff development are two essential requirements for job preparation which are mandatory from the employers. The preparation of the job starts from recruitment (Bratton, 2003). Those employees who begin their jobs without any form of orientation are most likely unaware of workplace policies and procedures that they can benefit from. Additional training throughout the employment relationship helps the employee to update skills and become more productive and produce efficient workforce. When employees lack the training necessary to become more productive, their performance suffers and they will either leave of their own volition for jobs that provide training and employee support or they will be terminated for poor performance (Armstrong, 2003).

Trevor, (2004) stated that the best strategies for workforce retention generally include a combination of positive reinforcement, creating a satisfying working environment, paying employees well, and offering financial incentives and bonuses. On the other hand Braton (2003) stated that best employee retention strategies include benefit plans such as health insurance, paid sick leave, and vacation. These views were supported by Anthony (2006) who affirmed that employees becomes more satisfied with their work and are less likely to leave since better work environment and employees benefits empower them to affect positive changes within an organization.
Moureen, (2004) posed that solid workforce retention plan can create a productive business atmosphere, reduce turnover rates, and contribute to the success of any organization. Employees who feel valued and appreciated will usually go above-and-beyond the call of duty to ensure the success of their employers. Many employees who decide to leave their current employers and seek jobs elsewhere do so because they feel they are being micromanaged. To avoid this common problem, the employers should empower staff members by encouraging their contributions and allow them to take the lead role on projects. This, in turn, often leads to innovative ideas that can boost efficiency, improve morale, and increase a company’s bottom line (Georgi, 2004).

Spencer, (2001), contended that, in order to retain employees and reduce turnover, managers must learn to align their goals with the end goals of employees. By aligning the rewards and needs of employees, managers can determine the proper reward system to most effectively increase job satisfaction of employees. These views were supported by Trevor (2004) who emphasized that valence is the degree to which the rewards offered by an organization align with the needs employees seek to fulfill. High valence indicates that the needs of employees are aligned well with the rewards system an organization offers. Conversely, low valence is a poor alignment of needs with rewards and can lead to low job satisfaction and thereby increase turnover and decrease retention.

According to Dubois (2004), staff retention has a direct and causal relationship with employee needs and motivation. Applying a motivation theory model, such as Maslow’s Hierarchy of Needs, is an effective way of identifying effective retention protocol.

**2.2.2 Lack of Employee Motivation**

Armstrong, (2003) contends that motivating employees can be a manager's biggest challenge. Employee motivation is a key to the overall effectiveness of an organization. An understanding of the applied psychology within a workplace, also known as organizational behavior, can help achieve a highly motivated workforce. Fair promotion conducted on bases of performance greatly motivates employees and a key demotivating factor to employees is failure by the organization management to carry out promotion on basis of performance and merit.
Georgi, (2004) affirmed that proper job description influences development of clearly defined employees roles and responsibilities and this eliminates cases of over tasking employees hence improving the level of employee motivation, existence of ineffective employees roles and responsibilities overburdens most of the organization employees and leaves some employees with little role to play in execution of organization functions.

Paul (2004) argued that job rotation helps employees to develop adaptive since employees who are not exposed to job rotation programs lacks an opportunity of learning adaptive skills when exposed to work in different environment. Dubois (2004) on the other hand argued that management that is not committed in offering praise and recognition to deserving employees leads to lack of rewarding of hard working employees and this lowered the morale of most employees.

According to Buttrick (2009) two types of behaviors can occur during motivation: intrinsically motivated behavior and extrinsically motivated behavior, intrinsically motivated behavior as behavior that is performed for its own sake, the source of the motivation is actually performing the behavior, and motivation comes from doing the work itself and extrinsically motivated behavior as that performed to acquire material or social rewards or to avoid punishment and thus employees who are working purely for monetary purposes are an example of extrinsically motivated (Dubois,2004)

Murphy, (2009) affirmed that application of ineffective performance appraisal systems influences rewarding of non performing employees since they are rated to be the best and this demotivates most of the hardworking employees whose efforts are not recognized. In the motivation equation, input, performance and outcome are key factors that contribute to high motivation. Inputs are anything an employee contributes to the job or organization, such as time, effort, education and experience. Outcomes are anything an employee gets from a job or organization, such as pay, job security and benefits. Organizations hire based on inputs. High performance levels contribute to the organization's efficiency, effectiveness and overall goals. Managers use outcomes to motivate people to contribute inputs.

Gollwitzer, (1999) Team building helps to increase employee motivation since it provides employees with working environment that allows employees to interact and learn from each
other. Several theories exist regarding motivation such as expectancy theory, need theories, equity theory and goal-setting theory are each different interpretations within motivation. Expectancy theory suggests that high levels of motivation occur when employees believe they can get the task done, believe they are capable of performing at high levels, and desire the outcomes. For example, pay or bonuses can be a desired outcome.

Moureen, (2004) indicated that application of clear communication channel helps in building strong level of interaction between organization employees and this acts as a core motivating factor. Trevor (2004) who emphasized that equity theory suggests that managers promote high levels of motivation by ensuring people believe in the outcomes. For example, salaries are distributed in proportion to inputs, such as time and effort. Goal-setting theory suggests that specific and difficult goals lead to high motivation and success on the other hand Thomas (2003) affirmed that Abraham Maslow's theory states that human beings have wants and desires which influence their behavior. Only unsatisfied needs influence behavior.

2.2.3 Lack of Career Development

According to the U.S. Department of Labor, (2009) 64 percent of Americans who leave their jobs say they do so because they don't feel appreciated. Gupta (2008) reported that almost 70 percent of people in the United States say they receive no praise or recognition in the workplace. A study by Chartered Institute of Personnel Development (2009) found out that, in UK, employee turnover is extremely costly to companies with large numbers of employees. In the banking industry, employee turnover can also mean the loss of valuable customer relationships. Understanding this, Zions Bank traditionally monitored employee satisfaction using periodic paper-based surveys and by encouraging employees to manually submit comments and suggestions (Chartered Institute of Personnel Development, 2009).

A study by Robert (2007) found out that, fair pay is a major part of any employee turnover management strategy employed by many organizations. Workers will not be motivated to stay in a job where their skills are underappreciated and underpaid. In times of economic difficulty for a business, workers may also be more likely to stay on with a job if it is clear that everyone in the company is taking a fair share of cutbacks; if managers are buying new cars and bragging about bonuses while lower-level employees are subject to furloughs and
pay cuts, loyalty will quickly vanish (Robert, 2007).

A study by Miguel (2008) suggested that providing opportunities for career growth can also help increase staff retention levels. Good employees often have great ambition, and need to have the opportunity to learn and grow in order to stay motivated. Keeping a great employee in a low-level job because of his or her superior work is a good way to lose him or her; chances are, someone else in the industry will recognize the employee's skill level and be only too happy to offer more money and a more responsible position (Abraham, 2009). Hiring for upper level positions from inside a company can be a good way to ensure that people are motivated to stick around (Miguel, 2008). Miguel (2008) suggested that employees can be motivated by things like staff suggestion boxes, employee of the month competitions, and other small concepts. While these can be useful as part of an overall workplace strategy, they can appear disingenuous, cheap, and condescending if employees do not already feel respected and important to the company. It is important to avoid gimmicks that give the appearance of motivation while serious workplace conflicts are unaddressed.

According to Armstrong (2003) Lack of potential for advancement or promotions has caused many mid-level executives to leave companies. They prefer companies where there is career mobility and increased compensation packages. Companies need to evaluate and analyze their succession planning policies in a way that is deemed to be fair and based on performance.

Organizations should seek to manage employees’ perceptions of career opportunity if they wish to retain career-oriented employees. If organizational career paths do not lead to opportunities that match those desired by employees, they may choose to look for alternative jobs in the hopes that another organization will offer more desirable job paths. Given the high costs associated with staffing and turnover, expenditures for development support may be well justified, but only when employees perceive that there are career opportunities within the organization that match their career goals and interests (Cascio, 2003).
In another contribution Donald (1999), explained that existence of career development opportunities like staff training in organizations helps to minimize employee turnover rates. This view was supported by Harris (2002) who affirmed that in every organization, there are generally two groups that direct the career development process: upper management and human resource personnel. Managers, for example, might have the responsibility of making sure the needs of a business coincide with the employee’s career goals to achieve an overall balanced work atmosphere. They will often identify the skills, experience, and knowledge employees need in order to provide their best possible work.

Cascio, (2003) poses that Human resource (HR) personnel are often responsible for providing career development information programs for employees and offering of study leave to employees helps to promote career development in organization. Professional networking is usually important, and as a result, employees might get tools to start networking from the HR department. HR managers also usually provide a compensation structure that compliments business needs but also allows individual career growth. For example, employees who have exhibited a certain improvement or growth in needed skills might be promoted and given a raise.

Moureen (2004) argued that organization that does not undertake employees mentoring and coaching lowers the level of skills development amongst employees and this limits employees from developing their careers. It is also essential for employees to maintain a good rapport with their supervisors and company executives, so they will be among the first people considered for promotions. Utilizing employee career development strategies, proactive, motivated workers are often able to reach their goals and enjoy a high quality of life. In some situations, human resources may also be responsible for providing the actual training with employees. Career development plans can start from the time an employee begins work.

2.2.4 Work Environment
Employees must have the necessary tools to perform their duties. This includes the proper equipment, machinery and computer technology as well as adequate lighting, work space and ergonomically-correct seating. Poor working conditions due to physical elements lead to low productivity and overall job dissatisfaction. The latter, particularly when left
unaddressed, leaves employees feeling unappreciated and they ultimately leave (Bratton, 2003).

According to Moureen (2004) work environment is also one of the main causes for employee turnover. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they jump from company to company in just a few months. If they find an appropriate work environment in a specific company, they may work in the same organization for several years.

Homer, (2007) contends that safe working environment leads to increased level of employees’ job satisfaction and helps the origination to retain employees for a long time. Unsafe working environments like non-standard work environments have a wider range of types and styles. Some nonstandard environments have a lot in common with standard ones. For instance, in the case of a construction site, there is no activity without the workers and it is typically empty when no one is working. On the other hand, this environment is often outside and temporary, two factors that separated it from a common office.

Horton, (2007) argued that work environment is often described as good or bad. A good environment is a place where the workers feel at ease and appreciated. Workers in these sorts of environments are often more productive and happy. A bad work environment is a location where the worker feels under-appreciated, threatened or unsettled. Due to the nature of these environments, there is often a high worker turnover rate, and the workers typically fail to live up to their potential.

Spencer (2001) Poor furniture and working equipment lowers the level employees’ job satisfaction and this plays a role towards realization of increased employee turnover rates.

Company policy regarding employee behavioral expectations should be created and enforced in compliance with the law. Any complaints, either from employees or customers, should be handled promptly and in accordance with the law. Employees who behave in any way that could endanger anyone should be warned or terminated as required to both follow legal handling of the situation and ensure a safe work environment for everyone (Spencer, 2001).
Breugh, (2000) argued that lack of open office layout leads to isolated working environment that lowers hinders employees from interacting freely with the other and hence influences cases of employees’ turnover. Also to make work environment suitable, organization should be prepared in case of an emergency situation. A first aid kit and emergency food and water supplies should be stored accessibly with the items changed periodically to ensure freshness. Emergency preparedness drills and meetings can help your company work towards a safe work environment as would be possible in cases of a natural disaster such as a flood.

Trevor (2004) stated that electrical and other hazards should be avoided in the workplace through proper maintenance. Equipment should be regularly serviced and precautions such as wearing safety goggles or other gear including helmets, gloves or steel-toed work boots should be enforced by your company. A safe work environment is something that the company as well as its staff should constantly be focused on achieving. Existence of well-equipped first aid kit portrays ability of organization to handle emergency cases such as accidents in the work place and this instill confidence amongst employees.

2.3 Impact of Employees’ Turnover on Organization Efficiency

2.3.1 Increased Customer Dissatisfaction

According to Homer (2007) states that staff turnover is costly and disruptive. It reduces the outputs and is disruptive as it requires the schedules and programmes to be modified. It causes the organization to lose a lot of money because they have to employ other staff to come and help. There are a number of reasons that contributes to the rate of turnover in companies and they vary. They both stem from the company the employees. Turnover is a very expensive aspect to companies, the reason the employers gives it importance (Oregon, 2004).

According to Namhoon (2009), Employers incur considerable direct and indirect expenses when employees leave the company. Among other costs, they include, advertisement, headhunting fees, resource management expenses, time and efficiency and cost of training and development. The company needs to frequently examine the costs of turnover and
create mitigation. If the company determines the most common causes of employee turnover, it would certainly be able to take the necessary steps for recruiting and retaining well-qualified personnel.

According to Miller (2006) employee efficiency is an outcome of the employee's knowledge, capability, motivation, workplace environment, etc. Generally, efficiency is defined as "output gained from the fixed amount of inputs". Likewise, employee efficiency is the output gained by the inputs of the employee, with a goal to bring out profit to the company and to the employee himself. Enhancing an employee's efficiency is not only dependent on the inputs of the employee, but also by the aid provided by the organization and the nature of workplace environment.

According to Catano, Darr & Campbell, (2007) measuring employee efficiency is to calculate an employee's qualitative and quantitative work, it can be calculated on a monthly basis, yearly basis or by daily assessment. Before measuring an employee's efficiency, it is necessary to determine what are outputs to be measured (Cascio, 2003). According to Duncan (2008) if an employer expects too much output from the employees, they will find shortcuts to achieve the expected benchmark and as a result, quality will suffer. Conversely, if less efficiency is expected, the company's overall performance will decline because of inefficient use of available resources (Buttrick, 2009). If a manager wants to measure employee's efficiency in the organization, he needs to know how to use certain basic software tools such as bar graph, pie chart, spreadsheet (Horton, 2007).

Blashka (2007) contended that efficiency is linked to employee morale. When employees are happy at work they have more motivation, which increases efficiency. Poor morale causes employees to be disengaged. A study done by the Corporate Executive Board says that because employee engagement is down there has been a 5% decrease in efficiency. If employees are not given the proper resources to do their jobs easily and efficiently, their efficiency will suffer. QuoStar Solutions, a technology consulting service, states that innovative technology is one way that employers can boost efficiency. Having automated, electronic processes for certain tasks can free up employee time so that they can maximize their efficiency with other tasks. There are ways to tackle low efficiency. According to Tech
Republic, efficiency can be combated by installing monitoring software that tracks what employees do all day long. This will eliminate wasted employee hours spent surfing the Internet or talking to friends over email and instant messaging (Blahna, 2005).

2.3.2 Disruption to service delivery

As the labor market continues to tighten, employers are increasingly concerned about maintaining a stable workforce. They need competent, dedicated, and effective workers to serve their customers to fulfill their missions. Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers. It is frustratingly difficult to find, recruit, and hire the caliber of employees that companies desire today (Gupta, 2008).

Stability in a company's workforce has a number of advantages for the company's health, for workers, for customers, for suppliers, for investors, for the industry, and for the economy at large. If the workforce is stable, management can invest its energy in moving the company forward. Leaders are not distracted by the need to continually hire new (replacement) employees, so they can concentrate on product/service development, marketing, quality and process improvement, and investment of surplus funds. They aren't required to staff their human resources department to feed "the revolving door. Stable workforce employers have a greater potential of strong profits (Edwin, 2005).

Dempsey (2003) asserts that staff turnover may have devastating effects on service rendered by the organization and these may bring deficits in meeting customer demand. This leads to customer irritation and increase in complaints. Dubois (2004) states that organizations that create work environments that attracts, motivate and retain hard working individuals will be better positioned to succeed in a competitive environment that demands quality and cost efficiency. Edwin, (2005) also agree that it is critical to understand that interdependent relationship exists between employee satisfaction and customer satisfaction and that the organization needs to focus on both these components.
2.3.3 Increase in work load for employees

Horton, (2007), states that the escalation in the rate of labor turnover is a major concern for businesses and is clearly impacting on organizational performance. High level of stress leads to employees making unnecessary mistakes/accidents and low morale leads to them not caring about what they do. Staff turnover breaks the team spirit and group cohesion, which is necessary for the successful and smooth running the business. Gupta (2008) states that “the real cost of staff turnover leads to lowered morale among other employees who must shoulder the workload, lost revenue from sales not made, the loss of customers who fled to competitors for better service”. The morale of staff may be lowered because work overload, overtime work, substitute personnel and working with fewer staff than required is problematic. This causes an increase in errors during the performance of activities and results in poor service.

2.4 Determine the mitigating strategies of reducing employees’ turnover

2.4.1 Working Environment

According to Martin (2005) Human resource is very essential in running any business, without which there would be no success. However, employers are faced with the dilemma of turnover as employee average stay in the company is 23-24 months. according to the 2006 Bureau of Labor Statistics (Izzack,2010) According to Harrie (2002) the Employment Policy Foundation states it costs the employer an estimate of $15,000 per head, including separation costs, paperwork, unemployment; vacancy costs, including overtime or temporary employees and replacement costs including advertisement, interview time, relocation, training and decreased efficiency when colleagues depart (Horton, 2007). Providing a stimulating workplace environment, which fosters happy, motivated and empowered individuals, lowers employee turnover and absentee rates. Promoting a work environment that fosters personal and professional growth promotes harmony and encouragement in all levels of organization (Martin, 2005).

According to Linda (2002) one of the largest factors that determine employee turnover rates
is the workplace atmosphere. Employees need to feel respected and important to the business, as opposed to expendable. How managers and supervisors behave towards employees is of particular importance, since many employees will have to deal with management on a daily basis and may rely on them for workplace reviews, raises, and requests for vacation or sick leave. Training managers to treat employees with respect and conduct business in a transparent manner can be a major factor in keeping good workers on the job.

In Kenya, a study by Edwin (2005) suggested that to manage employee turnover organizations should analyze and alter their work procedures and policies in a way which would enable employees to use their full potential and even gain significant work experience. There are many cases where employees have left the company due to non-projects or assignments which do not require their full potential. Employees would certainly leave if they don't get experience and are just placed on the 'bench'.

These are some of the principal causes of employee turnover which can surely be avoided by the organizations after taking some necessary steps to better their in-house services towards employees. However, there are many more causes which contribute to employee turnover; such as lack of employee motivation, work pressure, job stress, partiality and favoritism, employee egos and attitudes, poor employee management, etc (Edwin,2005).

### 2.4.2 Training

According to Robert (2006) continual training and reinforcement develops a work force that is competent, consistent, competitive, effective and efficient, beginning on the first day of work, providing the individual with the necessary skills to perform their job is important. According to Fredrick (2010) before the first day, it is important the interview and hiring process expose new hires to an explanation of the company, so individuals know whether the job is their best choice. Networking and strategizing within the company provides ongoing performance management and helps build relationships among co-workers (Gareth,2008). It is also important to motivate employees to focus on customer success, profitable growth and the company well-being. Employers can keep their employees
informed and involved by including them in future plans, new purchases, policy changes, as well as introducing new employees to the employees who have gone above and beyond in meetings. Early engagement and engagement along the way, shows employees they are valuable through information or recognition rewards, making them feel included (Edward, 2010). According to Baker (2007) when companies hire the best people, new talent hired and veterans are enabled to reach company goals, maximizing the investment of each employee. Taking the time to listen to employees and making them feel involved will create loyalty, in turn reducing turnover allowing for growth.

Johnston, (1997) argued that organization that is not committed to employees skills development discourages exposure of employees to career development programs and this contributes to realization of increased staff turnover. Regardless of company leadership, employees have the primary responsibility to make sure their career development goals proceed how they want them to. Typically, employees assess what they want from their job currently, as well as in the future. Employees often work with their supervisors to figure out what training, professional development, or continued education options are available to them

Buttrick (2009) observed that sometimes, career development is explored by people who are not employees of a business. Instead, these people might be interested in creating a set of guidelines to help them to choose a career and get hired by a desired company. This typically involves a self-assessment in which a person usually considers things that he or she is naturally good at or has experience in. Organization that sponsors employees to attend seminars and short term courses outside the organization provides employees with an opportunity for career development.

2.4.3 Remuneration

Remuneration is the most common cause of the employee turnover rate being so high. Employees’ value jobs that compensate them well (Gupta, 2008). Companies that do not offer good salaries, tend to face the highest turnover. To avoid this scenario, companies should strive to be competitive enough in order to retain qualified and talented personnel.
Unsatisfactory performance appraisals are also one of the reasons for employees leaving a company (Brian, 2009).

Gupta (2008) affirmed that employees always flock to companies who offer more benefits. There are many employees who are not aware of the benefits that are provided to them in their compensation package. The employers need to reduce their bureaucratic procedures in order for the employees to receive the best available benefits without any difficulty. They should make a note of what all benefits other organizations are providing, which may attract their current employees (Gupta, 2008).

A study by Nelson (2009) found out that salary scale is the most common cause of the high employee turnover rate in many microfinance institutions in Africa. Employees are in search of jobs which pay well when microfinance institutions which they are working for don't offer good salaries, they tend to hunt for jobs that pay them considerably well. In order to resolve this problem, the employers should make it a point to offer salaries that would be competitive enough to retain and attract well-qualified and talented personnel. Unsatisfactory performance appraisals are also one of the reasons for employees leaving a company.

Abraham (2009) found out that employees always flock to companies who offer more benefits. There are many employees who are not aware of the benefits that are provided to them in their compensation package. The employers need to reduce their bureaucratic procedures in order for the employees to receive the best available benefits without any difficulty. They should make a note of what all benefits other organizations are providing, which may attract their current employees.

Richard (2008) found out that the prime reason why many mid-level executives leave the organization is lack of potential opportunity for advancements or promotions; they prefer other companies which may provide them with higher posts and increased compensation packages. The companies need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance.

A study by Trevor (2004) found out that work environment is one of the main causes for
employee turnover. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they jump from company to company in just a few months. If they find an appropriate work environment in a specific company, they may work in the same organization for several years.

2.4.4 Communication

Staff turnover can also have a negative impact on other employees by disrupting group socialization processes and increasing internal conflict, which can lead to triggering additional absenteeism. In addition, the interpersonal bond that is developed between employees is central to the communication patterns that are characteristic and unique to any organization. People grow professionally and personally, and good employers are able to accommodate these changes in the circumstance. A highly satisfied workforce is far more capable of meeting organizational goals and customer needs than an apathetic and uninspired one (Martin, 2005).

Employers who communicate regularly with employees lessen the risk of creating a workforce that feels undervalued and unappreciated. Keeping employees informed about organizational changes, staffing plans and fluctuating business demands is one way to ensure employees remain with the company. Neglecting employee concerns about job security through lack of communication or excluding employees from discussions that can affect their job performance, such as policy or procedural changes, negatively impacts the way employees view their employer. Their views transform to dissatisfaction and finally low productivity due to low morale and disengagement (Miguel, 2008).

To solve staff turnover problem, Zions Bank selected Employee Voice and Employee Pulse from Allegiance, Inc., the premier provider of Enterprise Feedback Management solutions that link feedback to profits (Spencer, 2001). An on-demand, open communication system facilitates continual input from employees and helps to measure their stress levels and passion for their work. Staff turnover measurement tools provide information to help improve workplace culture, create greater employee loyalty, and reduce employee turnover
2.5 Chapter Summary

This chapter discussed the literature review of the research study, literature review provided the study with an explanation of the theoretical rationale of the problem being studied as well as what research has already been done and how the findings relate to the problem at hand. The literature was reviewed from, journals, published books and internet. The chapter explained the theoretical orientation, empirical review and conceptual framework.
CHAPTER THREE

3.0 RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter describes the research design that was used during data collection sampling methods and techniques that were followed. This chapter also describes the research instruments and data analysis tools and methods as well as the tools used in reporting.

3.2 Research Design

The study adopted a descriptive research design since the study intendeds to gather quantitative and qualitative data that describes the nature and characteristics of the impacts of employee turnover on organization efficiency. According to Sekeran (2003), descriptive research design is type of design used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation. Mugenda and Mugenda (1999) describes descriptive research as including surveys and fact- finding enquiries adding that the major purpose of descriptive research is description of the state of affairs as it exists at present. The study considers this design appropriate since it facilitated towards gathering of reliable data describing the true characteristics of the impacts of employee turnover on organization efficiency, a case study of ILRI.

3.3 Population and Sampling Design

According to the ILRI Human Resource Management, the total number of employees working in the organization is 420. The target population was a total of 420 employees working at ILRI Nairobi. The study considers a case study of ILRI since its one of the NGO organizations that has been experiencing employees’ turnover challenges.

The organization strategic location in Nairobi and organization structure makes it suitable to gather reliable and accurate information that reflected the impacts of employee turnover on organization efficiency. The study targets staff in the three management categories since they have witnessed various efficiency problems as result of employees’ turnover rates. The target population was divided into three categories as shown in Table 3.1.
Table 3.1: Population Distribution

<table>
<thead>
<tr>
<th>Population category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Management Staff</td>
<td>30</td>
<td>7</td>
</tr>
<tr>
<td>Middle Level Management</td>
<td>70</td>
<td>17</td>
</tr>
<tr>
<td>Lower Management</td>
<td>320</td>
<td>76</td>
</tr>
<tr>
<td>Total</td>
<td>420</td>
<td>100</td>
</tr>
</tbody>
</table>

3.3.1 Sampling Design

Mugenda & Mugenda, (2003) suggests that for descriptive studies at least 10% - 20% of the total population is enough. The study applied a stratified random sampling technique to select a sample size of 42 respondents. According to Dempsey (2003) stratified sampling is considered appropriate since it gives all respondents an equal chance of being selected as a study respondent and thus it has no bias and eases generalization of the obtained findings (Peil, 2005). Stratified random sampling was used to group respondents into three strata’s namely; top management, middle level management and lower management.

3.3.1.1 Sampling Frame

According to Mugenda & Mugenda, (2003), a sampling frame is a comprehensive list of all sampling units, which a sample can be selected. The sample selection and size is shown in table 3.1. The list containing the names of the respondents in the respective three population categories were sourced from the organization Human resource department and were used as the sampling frame for the study. The sample population of the study was 10% of the total target population as shown in table 3.2.
3.3.1.2 Sampling Technique

The study applied a stratified random sampling technique to select a sample of 42 respondents. According to Dempsey (2003) stratified sampling is considered appropriate since it gives respondents an equal chance of being selected as a study respondent and this it has no bias and eases generalization of the obtained findings. Stratified random sampling ensures inclusion, in the sample, of sub groups, which otherwise would be omitted entirely by other sampling methods because of their small number of population (Kothari, 2003). Stratified random sampling was used to group respondents into three stratas namely; top management, middle level management and lower management.

3.3.2.3 Sample Size

Sample size is the number of observations used for calculating estimates of a given population. In this study, the researcher will use a stratified sampling procedure to pick the sample for the study (Orodho, 2003). The target population was divided into subgroups and respondents picked randomly from each group. A sample size of 10% was justifiable since according to Orodho (2003) 10%-20% of the sample gives unbiased representation of all respondents’ opinion in the target population and this assists in generalization of research findings when the study design is descriptive.
3.4 Data Collection Methods
The study used questioning method to collect data. According to Kothari (2003), questioning method assist in collection of accurate and reliable information since respondents answer questions freely without any influence.

3.5 Research Procedures
The researcher collected both primary and secondary data for this study. The researcher collected primary data at source while secondary data was collected from published reference materials such as reports and journals.

3.6 Data Analysis Techniques
It is anticipated that the study generated both quantitative and qualitative data. Descriptive statistics data analysis method will be applied to analyze numerical data gathered using closed ended questions. The Statistical Package for Social Sciences (SPSS) computer software will be used for analysis to generate data array that will be used for subsequent analysis of the data. SPSS Version 17 has got descriptive statistics features that assist in variable response comparison and gives clear indication of responses frequencies. The data will be cleaned, coded, categorized per each of the research variables and then analyzed using descriptive analysis such as percentage mean and STD deviation. Pearson correlation will be carried out to establish the relationship between the research variables. The findings will be presented using tables, since tables are user friendly and shows response frequencies as well as percentages of the respondents’ opinions on the impacts of employee turnover on organization efficiency, a case study of ILRI. Qualitative data analyses method will be applied to analyze the data gathered using open end questions where the respondents give their personal opinions on the impacts of employee turnover on organization efficiency, a case study of ILRI.

3.7 Chapter Summary
This chapter discussed the research design and methodology of the study; these entails the methods and procedures that assist the researcher in identifying the sources of data, the sampling method to be used, the sampling design and sample size. It further showed the data collection methods to be used, techniques, instruments and procedures. It also explained the data analysis, interpretation and presentation methods. The chapter also
explained ethical issues to be applied.

CHAPTER FOUR

4.1 RESULTS AND FINDINGS

4.1 Introduction
This chapter explains the processes, techniques and procedures adopted to analyze, present and interpret data gathered using the questionnaires. The chapter elaborates quantitative data analysis, cross tabulation tables, percentages and means scores on impacts of employee turnover on organizational productivity, a case of International Livestock Research Institute (ILRI)

4.2 Response rate
To determine the number of the respondents who filled and submitted back the questionnaires, an analysis of the response rate was conducted. Table 4.1 presents that the response rate was 42 respondents which was 70% of the total sample size. The response rate of 70% was considered appropriate since according to Mugenda and Mugenda (2003) a response rate of 30-50% of the total sample size provides enough data that can be used to generalize the characteristics of a study problem as expressed by the opinions of few respondents in the target population. The study hence considered the 70% response suitable for analysis of impacts of employee turnover on organizational productivity.

<table>
<thead>
<tr>
<th>Table 4.1: Response Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
</tr>
<tr>
<td>Response</td>
</tr>
<tr>
<td>Non response</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

4.3 Demographic Information

4.3.1 Age of the respondents
The study aimed to establish the respondent’s age groups and hence asked respondents to state their age category. The findings were presented in figure 4.1.
Figure 4.1: Age of respondents

The figure 4.1 shows that majority (48%) were between 31-40 years, 31% between ages 41-50 years, 9% between 18-30 years and 12% of the respondents were within the age bracket of 51 years and over. This showed that majority of the respondents were old and had stayed in the organization for a long time hence they understood the problems that influenced most of the employees to leave the organization.

4.3.2 Highest Education Level

The study sought to determine the highest education level held by the respondents and hence requested the respondents to indicate their highest level of education qualification. The findings were presented in table 4.2.

Table 4.2: Highest Education Level

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secondary level</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>College level</td>
<td>11</td>
<td>26</td>
</tr>
<tr>
<td>University level</td>
<td>19</td>
<td>45</td>
</tr>
<tr>
<td>Professional Qualification</td>
<td>9</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>42</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Table 4.2 shows that majority (45%) of the respondents had university education level, 26% had college education level, 7% had secondary education level and 22% had professional qualifications like certified public accountants (CPAK) and certified public secretaries (CPS). This indicates that most of the respondents were academically qualified in their respective job undertakings and hence understood the factors influencing employees turnover in the organization.

4.3.3 Working Experience
The study sought to establish the working experience held by the study respondents and hence requested the respondents to indicate their working experience. The findings were presented figure 4.2

<table>
<thead>
<tr>
<th>Working Experience</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 yrs</td>
<td>5</td>
<td>12%</td>
</tr>
<tr>
<td>6-10 Years</td>
<td>12</td>
<td>29%</td>
</tr>
<tr>
<td>11-15 years</td>
<td>17</td>
<td>40%</td>
</tr>
<tr>
<td>16 yrs and above</td>
<td>8</td>
<td>19%</td>
</tr>
</tbody>
</table>

Table 4.2 Working Experience

The figure 4.2 shows that majority (40%) had a working experience of 11-15 years, 29% had 6-10 years, 19% had 16 years and above and 12% had less than 5 years. This indicated that most of the respondents had along working experience and had experienced the impacts of employee turnover on organizational productivity.
4.3.4 Actual Reasons for Employees Turnover  
Cases of employee turnover

The study wanted to find out if the organization experienced organization experience cases of employee turnover and thus asked the respondents to indicate if the organization experienced cases of employee turnover. The findings were presented in table 4.3.

Table 4.3: Cases of employee turnover

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>37</td>
<td>88</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>Total</td>
<td>52</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.3 shows that majority (88%) of the respondents felt that the organization experienced cases of employee turnover and only 12% of the respondents who answered disagreed with the majority and answered no. The majority of the respondents explained that lack of adequate reward incentives and bonuses lowered the level of employees’ motivation leading to realization of increased employees’ turnover rates.

4.3.5 Rating the level of employee turnover in the organization

The study sought to determine the level of employees’ turnover in the organization and hence asked the respondents to rate the level of employees’ turnover. The findings were presented in figure 4.3.
Figure 4.3: Level of employee turnover in the organization

Figure 4.3 shows that majority (59%) of the respondents rated the level of employees turnover in the organization to be high, 17% indicated that the level of employee turnover was average, 10% rated the level of employee turnover to be very high, 9% low and 5% very low. The respondents explained that the offered remuneration packages were not sufficient enough to influence most of the employees to remain working in the organization and there also lacked employee’s benefits such as transport and housing allowance.

4.3.6 Reasons of employee turnover in the organization
The study sought to determine how the respondents agreed on the reasons of employee turnover in the organization. The findings were presented on table 4.4.
## Table 4.4: Reasons of employee turnover in the organization

<table>
<thead>
<tr>
<th>Reasons of employee turnover in the organization</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Retention strategies causes employee turnover in the organization</td>
<td>4.3333</td>
<td>.57027</td>
<td>.325</td>
</tr>
<tr>
<td>Low level of employee motivation causes employee turnover in the organization</td>
<td>4.0714</td>
<td>.74549</td>
<td>.556</td>
</tr>
<tr>
<td>Lack of career development opportunities causes employee turnover in the organization</td>
<td>4.1190</td>
<td>.63255</td>
<td>.400</td>
</tr>
<tr>
<td>Poor work environment causes employee turnover in the organization</td>
<td>3.7857</td>
<td>.81258</td>
<td>.660</td>
</tr>
</tbody>
</table>

As can be observed in Table 4.4, a mean of 4.33 indicates that the respondents agreed that lack of retention strategies causes employee turnover in the organization, a mean of 4.07 presents that respondents agreed that low level of employee motivation causes employee turnover in the organization, a mean of 4.11 shows that respondents agreed that lack of career development opportunities causes employee turnover in the organization, a mean of 3.78 presents that respondents neither agreed or disagreed that poor work environment causes employee turnover in the organization.

### 4.3.7 Impact of Employees’ Turnover on Organization Productivity

Effect of employees’ turnover affect the organization productivity

The study sought to determine on whether employees’ turnover affected the organization productivity and thus asked the respondents to indicate if the employees’ turnover affected the organization productivity. The findings were presented in figure 4.4. below.
Figure 4.4 Effect of employees’ turnover affect the organization productivity

Figure 4.4 shows that majority (82%) of the respondents felt that employees’ turnover affected the organization productivity and only 18% of the respondents who disagreed with the majority and answered no which shows that employees turnover greatly contributed to organization productivity.

4.3.8 Rating the level of organization productivity when employee turnover is high
The study asked the respondents to rate the level of organization productivity when employee turnover is high and the findings were presented in table 4.5 below.

Table 4.5: Rating the level of organization productivity when employee turnover is high

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>High</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Average</td>
<td>22</td>
<td>48</td>
</tr>
<tr>
<td>Low</td>
<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Very low</td>
<td>10</td>
<td>22</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>46</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
Table 4.5 shows that majority (48%) of the respondents rated the level of employees’ turnover in to be average when the level of employees turnover was high, 22% of the respondents rated the level of employees’ turnover in to be very low when the level of employees turnover was high, 17% low, 9% high and 4% indicated that level of employees’ turnover did not much effect on productivity

4.3.8 Extent to which the causes of employees turnover affected organization productivity
The study to indicate the extent to which the causes of employees turnover affected organization productivity. The findings were presented on the following table 4.6 below

Table 4.6 Extent to which the causes of employees turnover affected organization productivity

<table>
<thead>
<tr>
<th>Causes of turnover</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Retention strategies</td>
<td>4.6429</td>
<td>.61768</td>
<td>.382</td>
</tr>
<tr>
<td>Low level of employee motivation</td>
<td>4.3571</td>
<td>.85029</td>
<td>.723</td>
</tr>
<tr>
<td>Lack of career development opportunities</td>
<td>4.3810</td>
<td>.73093</td>
<td>.534</td>
</tr>
<tr>
<td>Poor work environment</td>
<td>4.0476</td>
<td>.98655</td>
<td>.973</td>
</tr>
</tbody>
</table>

Table 4.6 shows the mean standard deviation and variance results on the extent to which the causes of employees’ turnover affected organization productivity. A mean of 4.64 indicates that the respondents indicated that lack of retention strategies affected organization productivity to a great extent, a mean of 4.35 presents that respondents expressed that low level of employee motivation affected organization productivity to a great extent, a mean of 4.38 shows that respondents expressed that lack of career development opportunities affected organization productivity to a great extent and finally a mean of 4.04 indicated that poor work environment affected organization productivity to a great extent which shows that
lack of motivation had little significant effect on employees turnover.

The table 4.7 further shows that a low variance and standard deviation was obtained on all the causes of employees’ turnover and this demonstrates that the respondents’ answers were reliable and accurate and demonstrated the extent to which the causes of employees’ turnover affected employees’ productivity.

**4.3.9 Possible Solutions of Reducing Employees Turnover**

The study asked the respondents to indicate if there were measures employed by the organization to manage employee turnover. The findings were presented in table 4.7 below.

**Table 4.7: Measures employed by the organization to manage employee turnover**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
<td>76</td>
</tr>
<tr>
<td>No</td>
<td>11</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.7 shows that majority (76%) of the respondents felt that the organization had employed various measures to manage employee turnover and only 24% of the respondents who disagreed with the majority and answered no which shows that the organization had put measures in place to address turnover problems although it was not effective.

**4.3.10: Rating the effectiveness of the employees’ turnover management strategies**

The study asked the respondents to rate the level of the effectiveness of the employees’ turnover management strategies and the findings were presented in figure 4.5 below.
Figure 4.5: Rating the effectiveness of the employees’ turnover management strategies

Figure 4.5 shows that majority (47%) of the respondents rated the effectiveness of the employed employees turnover management strategies to be low, 30% of the respondents rated the level of effectiveness of the employees’ turnover management strategies to be average, 14% rated the level of effectiveness of the employees’ turnover management strategies to be very low and 9% rated the level of effectiveness of the employees’ turnover management strategies to be high which shows that the organization lacked in place effective employees’ turnover management strategies.

4.3.11 Extent to which the possible solutions for managing employee turnover could affect organization productivity

The study used a likert scale of (1 = not at all, 2 = small extent, 3 = moderate extent, 4 = large extent, 5 = very large extent) respondents were asked to indicate the extent to which the following possible solutions for managing employee turnover could affect organization productivity. The findings were presented on the following table 4.8 below
Table 4.8 Extent to which the possible solutions for managing employee turnover could affect organization productivity

<table>
<thead>
<tr>
<th>Causes of turnover</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing employee remuneration</td>
<td>4.8571</td>
<td>.35417</td>
<td>.125</td>
</tr>
<tr>
<td>Offering employee benefits</td>
<td>4.7143</td>
<td>.45723</td>
<td>.209</td>
</tr>
<tr>
<td>Career development programs</td>
<td>4.2381</td>
<td>.87818</td>
<td>.771</td>
</tr>
<tr>
<td>Better working conditions</td>
<td>3.6190</td>
<td>1.22877</td>
<td>1.510</td>
</tr>
</tbody>
</table>

Table 4.8 shows the mean standard deviation and variance results on the possible solutions for managing employee turnover could affect organization productivity. A mean of 4.87 indicates that the respondents indicated that increasing employee remuneration could affect organization productivity to a great extent, a mean of 4.71 indicates that the respondents indicated that offering employee benefits could affect organization productivity to a great extent, a mean of 4.23 indicates that the respondents felt that career development programs could affect organization productivity to a great extent and finally a mean of 3.61 indicates that respondents felt that better working conditions could affect organization productivity to a moderate extent.

The table 4.9 further shows that a low variance and standard deviation was obtained on all the possible solutions for managing employee turnover could affect organization productivity and this demonstrates that the respondents’ answers were reliable and accurate and demonstrated the extent to which the possible solutions for managing employee turnover could affect organization productivity

4.3.12 Effect of the Strategies in Managing Employees Turnover

The study aimed to find out if the employed employees’ turnover management strategies in the organization helped in minimizing the rate of employee turnovers rates in the
organization. The findings were presented in table 4.9 below.

**Table 4.9  Effect of the Strategies in Managing Employees Turnover**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>17</td>
<td>43</td>
</tr>
<tr>
<td>No</td>
<td>23</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Table 4.9 shows that majority (57%) of the respondents felt that the employed employees’ turnover management strategies did not help in minimizing the rate of employee turnovers rates in the organization and only 43% of the respondents who felt that the employed employees’ turnover management strategies helped in minimizing the rate of employee turnovers rates in the organization.

4.3.13 Extent of the effect of the employed employees’ turnover management strategies on realization of increased organization productivity

The study asked the respondents to rate the extent of the effect of the employed employees’ turnover management strategies affect realization of increased organization productivity and the findings were presented in figure 4.6 below.

![Figure 4.6: Extent of the effect of the employed employees’ turnover management strategies](image)

**Figure 4.6: Extent of the effect of the employed employees’ turnover management strategies**
Figure 4.6 shows that majority (36%) of the respondents indicated that the employed employees’ turnover management strategies affected realization of increased organization productivity to a small extent, 23% indicated to a moderate extent, 21% stated not at all, 13% felt that the employed employees’ turnover management strategies affected realization of increased organization productivity to a large extent and 7% indicated to a very large extent, this shows that the organization lacks in place effective employees turnover management strategies.

4.4 Chapter Summary
In this chapter the researcher has provided the findings with regards to the information issued by the respondents. The initial section provides the results in terms of the demographic information which is followed by findings with regards to the research objectives. The next chapter offers the conclusion, summary as well as the discussions and the recommendations.
CHAPTER FIVE

5.0 SUMMARY, DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
This chapter discusses the major findings of the study, draws its conclusion and presents practical recommendations against the backdrop provided in the literature review on the impacts of employee turnover on organizational productivity, a case study of International Livestock Research Institute

5.2 Summary
Most respondents indicated that the organization was experiencing high cases of employee turnover. The level of employee’s turnover was indicated by majority of respondents to be high. Majority of respondents indicated that lack of retention strategies causes employee turnover in the organization. Most respondents felt that employees’ turnover affected the organization productivity. Most respondents rated the level of employees’ turnover in to be average when the level of employee’s turnover was high. A mean of 4.64 indicates that the respondents indicated that lack of retention strategies affected organization productivity to a great extent, a mean of 4.35 presents that respondents expressed that low level of employee motivation affected organization productivity to a great extent, a mean of 4.38 shows that respondents expressed that lack of career development opportunities affected organization productivity to a great extent and finally a mean of 4.04 indicated that poor work environment affected organization productivity to a great extent.

Most respondents felt that the organization had employed various measures to manage employee turnover. Majority of respondents rated the effectiveness of the employed employee’s turnover management strategies to be low. Most respondents felt that the employed employees’ turnover management strategies did not help in minimizing the rate of employee turnovers rates in the organization. Most respondents felt the employed employees’ turnover management strategies affected realization of increased organization productivity to a small extent results on the possible solutions for managing employee turnover could affect organization productivity. A mean of 4.87 indicates that the respondents indicated that increasing employee remuneration could affect organization productivity to a great extent, a mean of 4.71 indicates that the respondents indicated that
offering employee benefits could affect organization productivity to a great extent, a mean of 4.23 indicates that the respondents felt that career development programs could affect organization productivity to a great extent and finally a mean of 3.61 indicates that respondents felt that better working conditions could affect organization productivity to a moderate extent.

5.3 Discussion

5.3.1 Causes of employees turnover

The study found out that that high rate of employee’s turnover impacted negatively on organization productivity since most of the experienced and highly productive staffs were lost and it took a long time before the newly recruited staff could learn the required competencies for executing the organization job task functions effectively. The study found out that the major causes of employees’ turnover included; lack of retention strategies, low level of employee motivation, lack of career development opportunities and poor work environment. The study found out that the organization lacked effective retention strategies for minimizing employees’ turnover rates since the reward incentives and bonuses given to employees were not adequate and did not compensate employee work performance. This was noted to lower the level of employees’ motivation and hence lead to realization of increased cases of employees’ turnover rates. This agreed with findings by Trevor (2004) that organization that lack of adequate reward incentives and bonuses lowers the level of employees’ motivation and influence realization of increased employee turnover rates.

The study found out that low level of employee motivation influenced realization of increased employee turnover rate since lack of recognition of merit and performance during promotion influenced promotion of non-performing employees and this greatly lowered the level of motivation amongst the hard working employees. This concurred with findings by Armstrong, (2003) that failure by the organization management to carry out promotion on basis of performance and merit demotivates some employees.

The study found out that lack of staff training denied the employees with an opportunity for skills development and this encouraged most of the employees to leave the organization and
seek jobs in organization that offered career development opportunities. This supported argument by Donald (1999), that existence of career development opportunities in organizations helps to minimize employee turnover rates. The study noted that employees were not provided with study leave and this hindered promotion of career development in the organization since employees were discouraged employees from advancing their education. This was in tandem with argument by Cascio (2003) that offering of study leave to employees helps to promote career development in organization.

The study noted that the organization management was not commitment to employees’ skills development and this hampered exposure of employees to various career development opportunities such as training and delegation. This confided with findings by Johnston,(1997) that lack of management commitment to employees skills development discourages exposure of employees to career development programs and this contributes to realization of increased staff turnover rates. The study revealed that employees were not sponsored to short term courses such as team building and seminars and managers failed to mentor and coach employees on various aspects of organization job task functions. This hindered employees from acquiring new skills and negatively affected career development amongst the employees.

The study found out that working environment had a significant influence on employees’ turnover rate since unfavorable working environment influenced most of the employees to seek job elsewhere. The study clearly noted that existence of safe working environment increased the level of employees’ job satisfaction and this acted as key retention strategy that minimized employee turnover rates. This agreed with findings by Homer, (2001) that safe working environment increases employees job satisfaction and helps the origination to retain employees for a long time. The study however, noted that most employees did not enjoy working in the organization since the management created bad working environment that portrayed low level of employee appreciation and this confided with findings by Horton, (2000) that work environment is often described as good or bad and a good environment is a place where the workers feel at ease and appreciated.

5.3.2 Impact of employees’ turnover on organizational productivity
The study noted that employees’ turnover impacted negatively on organization productivity. Organizational productivity since the organization lacked effective measures for managing the employees turnover challenges. It was revealed that the organization lacked effective human resource planning strategies that helped in determining future labour demands and replacement of employees during occurrence of high employee turnover rates.

The findings agree with Homer (2007) who states that staff turnover is costly and disruptive. It reduces the outputs and is disruptive as it requires the schedules and programmes to be modified. It causes the organization to lose a lot of money because they have to employ other staff to come and help. There are many aspects that play a significant role in the employee turnover rate of a particular company. Such aspects can stem from both the company as well as the employees. The employers generally give more importance to the employee turnover rate, as it is a very expensive aspect of the business (Oregon, 2004).

The findings also agree with Namhoon (2009) who argues that when employees leave the company, the employer has to incur a considerable amount of direct and indirect expense. These costs normally include advertising expenses, headhunting fees, resource management expenses, loss of time and efficiency, work imbalance, and employee training and development expenses for new joiners. The company may quarterly calculate employee turnover rates to meliorate the factors causing the turnover. If the company determines the most common causes of employee turnover, it would certainly be able to take the necessary steps for recruiting and retaining well-qualified personnel.

The findings also agree with Dubois (2004) who states that organizations that create work environments that attracts, motivate and retain hard working individuals will be better positioned to succeed in a competitive environment that demands quality and cost efficiency. Edwin, (2005) also agree that it is critical to understand that interdependent relationship exists between employee satisfaction and customer satisfaction and that the organization needs to focus on both these components.
The findings also agree with Horton (2007) who states that the escalation in the rate of labour turnover is a major concern for businesses and is clearly impacting on organizational performance. High level of stress leads to employees making unnecessary mistakes/accidents and low morale leads to them not caring about what they do. Staff turnover breaks the team spirit and group cohesion, which is necessary for the successful and smooth running the business. Gupta (2008) states that “the real cost of staff turnover leads to lowered morale among other employees who must shoulder the workload, lost revenue from sales not made, the loss of customers who fled to competitors for better service”. The morale of staff may be lowered because work overload, overtime work, substitute personnel and working with fewer staff than required is problematic. This causes an increase in errors during the performance of activities and results in poor service.

5.3.3 Strategies to Reduce Employees Turnover

The study noted that the possible strategies of reducing employees turnover in the organization included; increasing employee remuneration, offering employee benefits, exposure of employees to career development programs and provision of Better working conditions. The study noted that the organization management was not committed to employees’ skills development and this hampered exposure of employees to various career development opportunities such as training and seminars. This confided with findings by Johnston,(1997) that lack of management commitment to employees skills development discourages exposure of employees to career development programs and this contributes to realization of increased staff turnover rates.

The study agrees with Martin (2005) who argues that employees are important in any running of a business; without them the business would be unsuccessful. However, more and more employers today are finding that employees remain for approximately 23 to 24 months, according to the 2006 Bureau of Labor Statistics (Izzack,2010) According to Harrie (2002) the Employment Policy Foundation states it costs a company an average of $15,000 per employee, including separation costs, paperwork, unemployment; vacancy costs, including overtime or temporary employees and replacement costs including advertisement,
interview time, relocation, training and decreased efficiency when colleagues depart (Horton, 2007). Providing a stimulating workplace environment, which fosters happy, motivated and empowered individuals, lowers employee turnover and absentee rates. Promoting a work environment that fosters personal and professional growth promotes harmony and encouragement in all levels of organization (Martin, 2005).

The findings also agree with Robert (2006) who argues that continual training and reinforcement develops a work force that is competent, consistent, competitive, effective and efficient, beginning on the first day of work, providing the individual with the necessary skills to perform their job is important. According to Fredrick (2010) before the first day, it is important the interview and hiring process expose new hires to an explanation of the company, so individuals know whether the job is their best choice. Networking and strategizing within the company provides ongoing performance management and helps build relationships among co-workers (Gareth, 2008). It is also important to motivate employees to focus on customer success, profitable growth and the company well-being. Employers can keep their employees informed and involved by including them in future plans, new purchases, policy changes, as well as introducing new employees to the employees who have gone above and beyond in meetings. Early engagement and engagement along the way, shows employees they are valuable through information or recognition rewards, making them feel included (Edward, 2010).

Finally the findings agree with Abraham (2009) who found out that employees always flock to companies who offer more benefits. There are many employees who are not aware of the benefits that are provided to them in their compensation package. The employers need to reduce their bureaucratic procedures in order for the employees to receive the best available benefits without any difficulty. They should make a note of what all benefits other organizations are providing, which may attract their current employees. Employees prefer other companies which may provide them with higher posts and increased compensation packages. The companies need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance.
5.4 Conclusion
5.4.1 Causes of Employee Turnover

The overall objective of the study was to determine the impacts of employee turnover on organizational productivity with specific reference to International Livestock Research Institute. The study concluded that the major causes of employees turnover that impacted negatively on organizational productivity included; lack of employees retention strategies, low level of employee motivation, lack of career development opportunities and poor work environment. The manner in which human resource management employs measures to address these factors determines the state of employee turnover in the organization. However, lack of effective retention strategies for minimizing employees’ turnover leads to lack of employees reward incentives and bonuses and lack of regular increment of employees remuneration packages.

5.4.2 Impact of Employees’ Turnover on Organizational Efficiency

The impact of employees’ turnover leads to loss of the most competitive and experienced staff and this influences the organization to incur huge expenditure in recruitment and training of the new employees. The new employees’ exhibits low level of effectiveness and efficiency in the execution of the organization job task functions and this lowers the performance of the individual employees that in turn lowers the level of organization productivity.

5.4.3 Mitigating Strategies of Reducing Employees’ Turnover

Increased organization productivity is determined by better service delivery, increased revenue and increased employees performance. The strategies of reducing employees turnover includes; provision of employees rewards, increment of employees remuneration, offering of employees benefits and provision of career development opportunities such as training and sponsorship for further studies in institutions of higher learning.
5.5 Recommendations

5.5.1 Recommendation for Improvement

To contribute towards realization of increased productivity, the study gave the following recommendations to manage the causes of employees’ turnover in the organization.

5.5.1.1 Causes of Employee Turnover

The organization human resource management should improve employee working environment by providing a safe and healthy working environment with modern and latest office facilities and equipment. Better office layout such as open office layout equipped with full equipped first aid kits and emergency facilities should be provided. The management should offer flexible working schedules to foster employees work life balance, acknowledgement and positive feedback should be provided to hardworking employees.

The organization human resource management should promote open communication within the organization in order to promote an amenable environment that allows workers to interact freely and give out their ideas that promote room for growth. The organization management should create partnerships by treating employees as associates in the organization in order to improve the level of employee relations within the organization. The management should drive learning through career, peer counselor seminars that enrich employees’ knowledge to avoid employee stagnation and timidity.

The organization management should offer employees professional growth through delegation and team building, encourage employee wellness physically or mentally through free subscription to a gym or a health spa. Finally, various employee benefits such as medical, travelling, holiday, scholarship and pension benefits should be provided.

5.5.1.2 Impact of Employee Turnover on Efficiency

To increase the level of employee motivation, the organization human resource management should provide open communication, offer employee reward program, offer recreation facilities as well as various gifts. A culture of open communication enforces loyalty among employees. Open communication tends to keep employees informed on key issues and most importantly, they need to know that their input are appreciated by the management.
Employee Reward Program demonstrates a positive recognition of hard working employees. Positive recognition for work boosts the motivational levels of employees. Recognition can be made explicit by providing awards like best employee of the month or punctuality award. Recreation facilities: Recreational facilities help in keeping employees away from stress factors. Various recreational programs should be arranged such as employee trips annually or bi-annually, celebrating anniversaries, sports activities, et al.

5.5.1.3 Strategies to Reduce Employee Turnover

The organization human resource management should employ strategic strategies such as increased salaries and remuneration, providing recognition, and individual growth opportunities. Exit interviews should be conducted since they provide valuable information on how to manage and retain the remaining employees.

To encourage career development in the organization, the human resource management should offer various technical certification courses that help employees to enhance their knowledge. Encourage growth and career development of employees by coaching, and by helping employees to achieve their personal goals. Annually, conduct an individual development plan and career discussions with employees and inspire supervisors in all departments to do the same. Hold supervisors in all departments accountable for supporting employee career development efforts through job rotation, cross-training, mentoring, internships, coaching, and career strategy groups. Support requests for alternate work schedules from staff members as well as support for lateral moves within your organization. Create job vacancy listings that allow for the most diverse applicant pool while honoring transferable skills.

Human resource managers should employ effective employee performance appraisal systems that evaluate employees' performance openly and fairly. It should reveal potential opportunities; define strengths, weaknesses, and employees’ career development needs. The HRM should align the current employee performance to future potential in a realistic way and use individual employee development plan as a tool for continual feedback and development.
5.5.2 Recommendations for Further Studies

The study determined the impacts of employee turnover on organizational productivity. The study narrowed its research undertakings into the causes of employees’ turnover, impact of employees’ turnover and strategies of reducing employees’ turnover. The study noted that there were other factors like organization policies and leadership styles that still influenced high rate of employee turnover. Employees’ turnover is also an area of interest that greatly determines the state of organization succession planning practices. The study also covered findings from one case study which was International Livestock Research Institute and thus it cannot be deemed to be the overall representative of all organizations in Kenya. Suggestions for further studies are hence highly recommended on effect of organization policies and leadership styles on employee turnover and on the impacts of employee turnover on organization succession planning. Further studies should also be carried out to investigate other factors that might be affecting employee turnover in organizations currently and in the future. Finally the researcher would wish studies to be conducted on application of human resource management best practices that leads to minimization of employee turnover rates and to come up with better solution to commonly experienced employees turnover problems.
REFERENCES
Chartered Institute of Personnel Development (2009) Rates of Staff Turnover, CIPD Report

52
Butterworth Heineman Oxford


March (2000)


APPENDIX I: INTRODUCTION LETTER

Dear Sir/Madam

My name is Ruth Nyaga, a postgraduate student at United State International University - Africa (USIU); I am carrying out a study on “ASSESSMENT OF EMPLOYEE TURNOVER ON ORGANIZATION EFFICIENCY: A CASE STUDY OF INTERNATIONAL LIVESTOCK RESEARCH INSTITUTE”, as partial fulfillment of my degree.

I am kindly requesting you to spare a few minutes of your precious time to fill for me the attached questionnaire as sincerely and truthfully as possible. The information given will be handled confidentially, and will only be used exclusively for research purpose.

Yours Faithfully,

Ruth Nyaga
APPENDIX II: QUESTIONNAIRE

Section 1

Personal Information

(Instruction -Tick where appropriate)

1. Age:
   - ☐ 18 - 30 yrs
   - ☐ 31-40 yrs
   - ☐ 41 –50 yrs
   - ☐ 51 yrs and over

2. Highest Education Level
   - ☐ Secondary level
   - ☐ College level
   - ☐ University level
   - ☐ Professional Qualification
     (Specify……………………………………………………………)

3. Working Experience
   - ☐ Less than 5 years
   - ☐ 6-10 Years
   - ☐ 11-15 years
   - ☐ 16 years and above

Section 2: Actual Reasons for Employees Turnover

1. Does the organization experience cases of employee turnover?
   - ☐ Yes
   - ☐ No

If Yes/No explain…………………………………………………………………………………………
2. How could you rate the level of employee turnover in the organization?

☐ Very High
☐ High
☐ Average
☐ Low
☐ Very low

3. Please indicate how you agree on the following reasons of employee turnover in the organization?

Please record your answer by ticking at the space provided, by the scale indicator.
(1 = Strongly Disagree, 2 = Disagree, 3 = Neither agree nor disagree, 4 = Agree, 5 = Strongly Agree)

<table>
<thead>
<tr>
<th>Causes of turnover</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of Training and Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of Career Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of motivations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lack of incentives and poor wages</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. If you were to leave the organization today, what could be your probable reason/s for leaving the organization?

..............................................................................................................................................................
..............................................................................................................................................................
Section 3: Impact of Employees’ Turnover on Organization Efficiency

1. Does employees’ turnover affect the organization efficiency?
   - [ ] Yes
   - [ ] No

   If Yes/No explain…………………………………………………………………………………………
   ………………………………………………………………………………………………………
   ………………………………………………………………………………………………………

2. How could you rate the level of organization efficiency when employee turnover is high?
   - [ ] Very High
   - [ ] High
   - [ ] Average
   - [ ] Low
   - [ ] Very low

3. Please indicate the extent to which the following causes of employees turnover affects organization efficiency. Please record your answer by ticking at the space provided, by the scale indicator.

   (1= not at all, 2 = small extent, 3 = moderate extent, 4 = large extent, 5 = very large extent)

<table>
<thead>
<tr>
<th>Causes of turnover</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer dissatisfaction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disruption to service delivery</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss of Customers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in workload for employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
4. What is the impact of employees’ turnover on organization efficiency at ILRI? (Explain)

………………………………………………………………………………………………
………………………………………………………………………………………………

Section 4: Possible Solutions for Reducing Employees Turnover at ILRI

1. Are there measures employed by the organization to manage employee turnover?
   - Yes
   - No
   If Yes/No explain…………………………………………………………………………..
   ………………………………………………………………………………………………

2. How could you rate the effectiveness of the employees’ turnover management strategies?
   - Very High
   - High
   - Average
   - Low
   - Very low

3. Please indicate the extent to which the following possible solutions for managing employee turnover could affect organization efficiency. Please record your answer by ticking at the space provided, by the scale indicator.

   (1 = not at all, 2 = small extent, 3 = moderate extent, 4 = large extent, 5 = very large extent)
Managing employee turnover

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive remuneration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foster employee development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Create an open communication</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have a functional Human</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resource Management Systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4. Could you briefly explain other possible solutions of reducing employees’ turnover at ILRI? (Explain)

………………………………………………………………………………………………
………………………………………………………………………………………………

5. Could you suggest how other business organizations have managed employee turnover and improve organization efficiency

………………………………………………………………………………………………
………………………………………………………………………………………………

Section 4: Effect of the Strategies in Managing Employees Turnover at ILRI

1. Does the employed employees’ turnover management strategies help in minimizing the rate of employee turnovers rates in the organization?
   - ☐ Yes
   - ☐ No

If Yes/No explain…………………………………………………………………………..
………………………………………………………………………………………………
………………………………………………………………………………………………
2. To what extent do the employed employees’ turnover management strategies affect realization of increased organization efficiency?

- Very Large extent
- Large extent
- Moderate extent
- Small Extent
- Not at all

3. Could you suggest how the organizations should improve on strategies for Managing Employees Turnover?

.................................................................................................................................

.................................................................................................................................

Thank you