

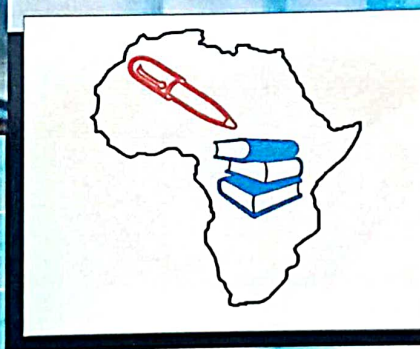
SAHEL ANALYST JOURNALS



AFRICAN JOURNAL *Of* **MANAGEMENT**



VOL. 2 NO. 2, SEPTEMBER 2017



**A publication of Department of
Business Administration**

University of Maiduguri, Nigeria

ISSN No.:1118-6224

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EMPLOYEE TURNOVER AND ORGANISATIONAL PRODUCTIVITY IN SELECTED BANKS IN ILORIN METROPOLIS: AN EMPIRICAL INVESTIGATION

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Abstract

Employee turnover is one of the challenging issues affecting the productivity of many organisations, as the performance of these organisations depends on their employees' productivity. Therefore, this study was designed to: examine the effect of employee turnover on organisational productivity and determine the relationship between job satisfaction and employee turnover. The research design employed for this study is survey method and the population comprised staff members of the selected banks in Ilorin metropolis. Data were collected from One hundred and Sixty-three (163) employees of the selected banks and the study employed questionnaire instrument for data collection. Hypotheses were tested using multiple regression and correlations in analysing the study variables. The findings of the study revealed that employee turnover affects organisational productivity at ($p=0.000<0.05$) because when there is a high rate of employee turnover, organisational productivity will definitely slow down. The correlation analysis established an inverse relationship between job satisfaction and employee turnover (-.829) which is significant at 5% level. The study concluded that improvement in job satisfaction, career development opportunities, good working environment, reducing cultural differences and adequate rewards contributed significantly to the success of the organisations. The study, therefore, recommended that Management should be committed to the well-being of the employees in order to boost organisational productivity and ensure that there is hazard-free and safe environment for them to operate

Keywords: Employee turnover, Productivity, Organisation, Job satisfaction, Organisational productivity.

Introduction

Employee turnover has become a very serious issue for many organisations because every organisation depends on its employees to achieve its goals (Richard, 2011). Productivity is a very significant issue for an organisation because there are several

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factors on which the productivity of an organisation mostly depends. One of such factors is employees' turnover which is considered to be one of the challenging issues facing the banking sector in Nigeria. The impact of turnover has received considerable attention by management, human resources professionals and industrial psychologists in the literature. It has proven to be one of the most costly and seemingly intractable human resource challenges confronting the sector (Hassan & Shamsuzzoha, 2011). The practice of human resource management is to develop policies and provide the technical competence needed to attract, retain, compensate, develop the quality workforce and maintain a culture within which organisation productivity can be achieved (Testa, 2008). Human resources management is also concerned with how people are employed and managed in an organisation (Armstrong, 2009).

Human resources represent one of the most valuable resources of an organisation and indeed an organisation is not worth its name without human resources. The term human resource management is widely used in the business circles, especially in the banking sector. This is because getting and keeping good workers is at the centre of human resource management and equally critical to the success of every organisation. Maintaining employee is about providing working conditions that are worker-friendly, workers' involvement in decision making, payment of good salaries, recognition for good performance and so forth. Many financial institutions are increasingly finding it difficult to maintain permanent employees but rather use them as the casual or contract workforce in an effort to achieve a high level of productivity (Augustine, 2011).

Employee turnover has been attributed to many factors which can be clustered into two components. Firstly, the workplace and its environment which includes opportunities for promotion, benefits, wage, job security, work hours, work pressure, professional development and training and management. Secondly, personal needs and satisfaction component which involves the balance between personal interests and job characteristics, career development and planning, job satisfaction and family factors (Albattat, Som & Helalat, 2014).

Employee turnover affects both workers and organisations. Workers experience disruption, the need to learn new job-specific skills and find different career prospects (Clark, 2004). Organisations, on the other hand, lose job-specific skills, suffer disruption in operation and incur the cost of hiring and training new workers. It is believed that an organisation is a system with various parts which work together as a whole. In the spirit of teamwork, employees get to perform best after working together for a while, and any employee turnover tends to affect the organisation negatively. The issue of employee turnover attracts a reasonable percentage of attention in organisations because turnover rate in Nigeria banking sector has affected the productivity rate of a number of banks in Nigeria financial industry. Many studies such as (Barrows, 1990; Hogan, 1992; Wasmuth & Davis, 1993) contends that high turnover rate has negative effects on the profitability and threatens the sustainability of organisations if not managed properly.

An employee leaving a firm for whatever reason must have an effect on the organisation's productivity and the people that compose it. Employee turnover is expensive from a business point of view and voluntary quits which represents an exodus of human capital investment from organisations and the subsequent replacement process entails manifold costs to the organisations. These replacement costs include, for instance, a search of the external labour market for a possible substitute, selection between competing substitutes, induction of the chosen substitute, formal and informal training of the substitute until the workforce attains performance levels equivalent to the individual who quit (John, 2000).

Every organisation wishes to have high productivity, fewer turnovers and to be profitable. Managing employee turnover successfully is a must to achieve the set goals. Employers must recognise the changing attitude of employees in line with changing jobs to curtail employee turnover problems. The research is designed to assess the impact of employee turnover on organisational productivity in selected banks in Ilorin metropolis.

Research Questions

- i. Does employee turnover have any significant effect on organisational productivity?
- ii. Does job satisfaction have any significant relationship with employee turnover?

Objectives of the study

The main objective of this study is to assess the impact of employee turnover on organisational productivity in selected banks in Ilorin metropolis.

Other specific objectives are to:

- i. Examine the effect of employee turnover on organisational productivity;
- ii. Determine the relationship between of job satisfaction and employee turnover;

Research Hypotheses

H₀₁: Employee turnover does not have a significant effect on organisational productivity.

H₀₂: There is no significant relationship between job satisfaction and employee turnover.

Literature Review

Employee Turnover

Employee turnover is the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment, and retaining employees remains a primary concern for many organisations in these days of intellectual property concerns (Abbasi & Hollman, 2000). One way to understand turnover is by explaining the difference between push and pull factors. 'Push' factors cause individuals to look for another job, for instance, as a result of dissatisfaction with working conditions. 'Pull' factors draw employees towards another organisation (for example, higher salary or better benefits) (Chabaya, Geoffrey & Molotsi, 2014). The term "turnover" is defined as the ratio of the number of organisational members who have left within the period being

considered divided by the average number of people in that organisation during the period (Price, 1977)

Employee turnover also refers to the rate at which people leave an organisation, sometimes known as 'labour turnover', 'wastage' or attrition (Hedwiga, 2011). Marisoosay (2009) contends that in human resources context it refers to the relative rate at which an organisation gains and losses its personnel. Loquercio, Hammersley and Emmens (2006) contend that employee turnover is the proportion of employee leaving in a given time period but prior to the anticipated end of their contract. According to Hom and Griffeth (1994), employee turnover is a voluntary termination of members from organisations. Rajeev (2014) contends that employees' turnover refers to being both "the entrance of new employees into the organisation and the departure of existing employees from the organisation". Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained and this replacement cycle is known as turnover, according to Woods, as cited in Ongori (2007). The inflow of manpower is referred to as accession and the outflow e.g. separation (leaving). Separation may be in the form of quits, discharges, layoffs, retirements, leaves of absence and even death. Accession, on the other hand, has to do with replacements and new hires. However, for the purpose of this study, the term 'leaving' and 'separating' are used to imply termination of an employment contract with a particular organisation.

Causes of Employee Turnover

Turnover basically arises from dissatisfaction from job place for the individual employee. But being dissatisfied with a job is not the only reason why people leave one organisation for another. If the skills that they possess are in demand, they may be lured away by higher pay, better benefits or better job growth potential. That is why it is important to know and recognise the difference between employees who leave the job because they are unhappy and those who leave for other reasons (Hassan & Shamsuzzoha, 2011).

There are two major reasons why turnover is a central issue in the field of human resources management (HRM) across the globe. First, turnover is related to low organisational knowledge, low employee morale, low customer satisfaction, high selection costs and high training costs (Staw, 1980; Talent, 2004). Studies have also shown that high employee turnover is related to lower organisational productivity (Glebbeek & Bax, 2004; Huselid, 1995; Phillips, 1996). Second, the decision to turnover is often the final outcome of an individual's experiences in an organisation (Hom & Griffeth, 1995).

Several studies such as selection (Barrick & Zimmerman, 2005; Meglino; Ralin & DeNisi, 2000), training (Glance, Hogg & Huberman, 1997) and coaching/monitoring (Lankau & Scandura, 2002; Luthans & Peterson, 2003; Payne & Heffman, 2005) have used turnover as a criterion to evaluate the effectiveness of various organisational processes. Thus, understanding the factors that influence turnover gives organisations the opportunity to reduce selection and training costs, increase employee morale, customer satisfaction, and enhance organisational productivity.

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A second reason is that human resources are the backbone of an organisation (Gerhart & Milkovich, 1990, Pfeffer 1998). Moreover, the continuing prosperity of a firm is likely to be enhanced by employees who hold attitudes, value and expectations that are closely aligned with the corporate vision (Borman & Motwidlo, 1993; Cable and Parsons 2001; Feldman, 2003; Spector, 1997). It implies that hiring capable people is an attractive point of departure in the process, but building and sustaining a committed workforce is more likely to be facilitated by the employment of sophisticated human resources management (HRM) infrastructure (Schuler & Jackson 1987, Beechler, Bird, & Raghuram, 1993).

There are other factors that contribute to employee turnover (Ibrahim, Usman & Bagudu, 2013). Prominent among them are:

Job satisfaction: Job satisfaction has been found to be one of the causes of employee turnover where employees having job dissatisfaction leave their current employer easily (Abdali, 2011, & Mobley, 1997). The relationship between job satisfaction and employee turnover is reciprocal to each other and this relationship is high when the unemployment rate is low in a society and similarly low when employment rate is high (Abdali, 2011, Spector, 1997). Although financial incentives will encourage employees to stay over the short-term, over the long-term, they need opportunities for growth (Tyani, 2001).

Economy: Most employees leave one job for another due to the availability of higher paying jobs. Obviously, in a growing economy, the availability of alternative jobs plays a role in turnover. Most employees may tend to leave their present jobs to better-paid jobs (Ibrahim, Usman & Bagudu, 2013).

Characteristics of the job: Some jobs are intrinsically more attractive than others. A job's attractiveness will be affected by many characteristics, including its repetitiveness, challenges, dangers, perceived importance, and capacity to elicit a sense of accomplishment. Such characteristics as short contracts may pose a danger of being out of employment within a short notice (Taylor, 1998)

Unrealistic expectations: Another factor is the unrealistic expectations and general lack of knowledge that many job applicants have about the job at the time they receive an offer. When these unrealistic expectations are not realised, the employees become disillusioned and decide to quit (Chabaya et al., 2014)

Unequal or substandard wage structures: Inequity in pay structures or low pay is a common cause of dissatisfaction and make some employees quit. Again, a new worker may wonder why the person next to him is receiving a higher wage for what is perceived to be the same work (Ibrahim et al., 2013)

Personal factors include such things as changes in family situation, a desire to learn a new skill or trade or an unsolicited job offer. In addition to these personal factors, there are also trait-based or personality features that are associated with turnover. These traits are some of the characteristics that predict job performance and counterproductive behaviours such as loafing, absenteeism, theft, substance abuse on the job, and sabotage of employers' equipment or operation. These traits can be measured and used in employee screening to identify individuals showing a lower probability of turnover (Chabaya et al., 2014).

Organisational Productivity

The term productivity has become the 'watchword' for progress in an organisation. Drucker (1982) contends that organisation must control the wealth-producing resources to discharge its purpose of creating customers. This is the administrative function of business in its economic aspect, it is called productivity. Productivity is the amount of output created by one unit of a given factor of production over a stated period of time. It expresses the marginal relationships of inputs to outputs and measures the economic efficiency of production/operation (Drucker, 1982).

In an organisation, productivity is a measure of the ability to create goods and services from a given amount of labour, capital, materials, land, resources, knowledge, time, or any combination of these factors.

Factors Affecting Organisational Productivity

There are three basic resources available to an organisation: physical, financial and human. But the emphasis of this study is on the human resources. That the employees have a great impact on productivity has already been stated. However, there are four definitive factors that affect an organisation's productivity. These include environment, organisation, management and employee-related factors. No one can control the environmental factors; therefore, the organisation must always be flexible in adapting to them. An organisation's structure is influenced by the environment in which it operates; that environment also has a substantial impact on employees. Obviously, managerial style determines much of the organisation's effectiveness, because it affects employee attitude and reaction. These four definitive factors interacting within the organisation determine its ultimate effectiveness, productivity and profitability (Richard, 2011). These factors are:

Environmental Factor: The environment in which an organisation operates affects its level of productivity. An organisation's environment consists of geographic/physical, political and economic factors. The physical location of a firm has a political and social impact on the organisation and on its employees; it affects their cost of living, where they live, their means of transportation and many other aspects of their day-to-day lives and reduces productivity.

The political environment has obvious implications. For instance, in the area of human resources alone, government regulations have increased dramatically over the past few decades, as witnessed by the enactment of new environmental protection laws. Economic conditions have dramatic effects on an organisation and on its human resource function. The degree of a firm's economic stability affects management's decisions regarding staffing, growth and so on. Economic conditions, both immediate and projected, also have an impact on the operation and the labour marketplace.

In some organisations, the labour union's influence on organisational productivity has been substantial. Work rules, wages and benefits, work conditions, and other matters may be set by a union contract. As a result, management may have a different jurisdiction over job flexibility and employee policies. Changes in the condition of the labour market are also economic factors that require the attention of the human resource unit. The environmental factors have a great impact on the organisation's

productivity; ultimately, an organisation's survival may hinge upon its ability to adapt to its environment.

Organisation factors: An organisation's structure, technology, and climate affect its efficiency, productivity, and profitability. These profound influences must be considered and handled by the human resources professionals.

Structure, size and complexity: The organisation might be a conglomerate or a single ownership venture. The three factors determine the practical limits to the degree of its specialisation and the extent of its formalisation. Human resources policies and practices need to be tailored to the size and complexity of the organisation. The size and make-up of the human resources department must reflect the organisation's structure.

Technology: (Degree of specialisation) Also to be considered is the technical level of an organisation's operations. A certain degree of research and development is needed to retain market viability. Employees must be skilled in varying degrees. These factors present both staffing and training challenges for the human resource department.

Climate: an organisation must choose whether it is an employee-centered, that is, encouraging employees to achieve results. It must consider its reward systems, providing a positive climate for employees, communicating information and making decisions. The human resource professionals must be part of an organisation's climate determination. If they are not, they cannot command a position strong enough to implement the policies generated by that climate.

Managerial style: Every organisation has at its core, a management style either consciously adopted or naturally evolved. Whether task-oriented, democratic, laissez-faire and "laid back" or authoritarian, whether it strives to maintain the status quo by being reactive or become innovative and proactive, the organisation's managerial style has a direct effect on its employees and or its human resource department's ability to design and implement policies and procedures for them. In addition, the questions of who sets the goals and makes decisions, how resources are acquired and used, what style of motivation is favoured (carrot or sticks), whether the information is communicated through an open network, how change is instituted, all significantly influence the human resource function.

Employee attitude and reactions: Employee attitudes have the strongest effect on the organisation's productivity. Because employees are the means by which the organisation's goals are achieved, they drive a firm's success or failure. Employees' abilities and motivation are as important as their educational levels. To some extent, workers effectiveness is also conditioned by their political, social, personal and religious beliefs, factors which can be intensified either positively or negatively by management policies and practices.

Relationship between Turnover and Productivity

Turnover deeply relates to the productivity of an organisation. Employee turnover can hamper the overall productivity of an organisation and it is often a symptom of other difficulties. Productivity is the measure of an organisation to achieve its targeted goals with the means of the workforce, authority's strategies, machinery and equipment. Authorities must have plans to increase their productivity. The operations of a service organisation may be hampered due to employee turnover because a small

percentage of turnovers may cause a considerable amount of disruption to a firm, particularly dysfunction turnover. Turnover directly affects organisational productivity. It causes a replacement which is costly and time-consuming. So many formalities have to be followed to replace a person. During that time, the operation is hampered to a great extent (Hassan & Shamsuzzoha, 2011).

There are also other difficulties during the replacement of workers (Taylor, 1998). Some of these are:

- (i) The newly replaced employees may not be efficient like the previous one. The newer one takes time to be easy with the new system, with the co-worker, and to be habituated with the new environment.
- (ii) During the time of replacement, the co-workers face problems due to the vacancy. After the replacement, the co-workers have to spend time on their task to help the new worker.
- (iii) Some organisations lament on the turnover tendency of the worker that affects their productivity. For instance, a worker may get assurance from another organisation for joining and the joining date may be after one month later. Then the worker gives up concentration at work. At that time, the productivity of the organisation falls.
- (iv) Newly appointed employees may not be trained properly for the new position and may need a time – consuming period of training to work effectively and settle down in the new job place.
- (v) There may be cultural differences between a new employee and the departing one which slows down his/her job performance. The demographic position also influences employees' performance and characteristics.

Theoretical Framework

Equity Theory

The equity theory suggests that motivation is moderated by the perceived fairness or discrepancy between personal contribution and reward related to others. It focuses on people's feeling of how fairly they have been treated in comparison with the treatment received by others. There are two dimensions of equity process. The ratio of a person's outcome to inputs – people often think in terms of the ratio of their personal outcomes to work input. That is, their perception of equity depends on how they answer the questions, what is the payoff to the employee? (in term of status, benefit, recognition, money, promotion and job assignment). External comparison – people also compare their own outcome/input ratio to those they perceive for other people doing comparable work. These comparisons may be made in three levels – comparison to specify another individual in terms of reward and recognition. Firstly, a comparison can be by referring to another group where workers might think one unit is getting much better treatment than the other unit. This comparison recognises that there are differences in payoff and the group is getting a better deal. But it does not indicate that better treatment is the result of better performance. Secondly, an employee might compare themselves to co-workers or colleagues in a similar position in other organisations or compare their present job with their past jobs. Thirdly, the common comparison is across gender within the same occupation, where women often experience discrepancies of earning less pay than men. This theory affects motivation whenever people perceive a meaningful difference in personal or

group outcome and then adjust behaviour or perception to reduce the gaps (Robbins & Judge, 2009).

Equity also refers to the allocation of rewards in direct parity with the contribution of each employee to the organisation (Robbins & Judge, 2009). Equity theory focused on organisational justice, which concerns with how employees view fairness in places of employment (Robbins & Judge, 2009). Distributive, procedural and interactional are the three types of organisational justice that firms must embrace in order to have happy and productive employees. *Distributive justice* deals with the employees' concerns about the fairness of outcomes they received. One of the biggest reasons for issues with employee productivity or morale is when employees feel that their firms lack fairness. *Procedural justice* is concerned with how employees view the fairness of the process of how the outcome is decided. *Interactional justice* deals with how explanations are communicated as well as the fair treatment of sensitivity towards employees. Interpersonal and informational are the two types of interactional justice. Interpersonal justice looks at sensitivity and fairness in how information is communicated to an employee. Informational justice relates to the quality of the explanation that is given to employees.

Equity theory reminds us that employees see themselves and the way they are treated in terms of their surrounding environment, team, system, etc. not in isolation – and so they must be managed and treated accordingly. This study, therefore, suggests that employees will experience an emotional imbalance when not adequately motivated and experience cultural differences which further result in job dissatisfaction and exit from the workplaces in many organisations. There are numerous methods that an employee can employ to correct inequity feelings. These include reducing inputs, increasing outcomes, changing perceptions of self, changing perceptions of others, changing the comparisons method and leave the situation (Moorhead & Griffin, 2009). Ultimately, if these methods do not obtain the desired outcomes, an employee becomes de-motivated and may quit their job. The motivation of each employee will also depend on the manner in which the organisation is managed.

Intellectual Capital Theory

This theory is guided by the principles of intellectual capital theory. Intellectual capital is viewed as the key source of wealth creation and hence it is logical that organisations pay close attention to the effective management of such capital (Marti, 2009). The intellect is viewed as an intangible asset in an organisation. Although intangible assets cannot be touched, they can be identified and reasonably classified (Marti, 2009). In a similar note, Sveiby (2001) came up with three intangible assets in an organisation and these are assets of individual competence, assets of internal structure and assets of external structure.

Assets of individual competencies refer to aspects such as education, experience, know-how, knowledge, skills, values and attitudes. The firm does not own those assets, but the use of those assets is accessed by the organisation's hiring of employees. This asset is also known as human capital (Marti, 2009). Human capital has been found to be appropriate in examining organisational-level consequences of

voluntary employee turnover (Dess & Shaw, 2001). "Human capital is the knowledge possessed by employees and aggregated at the organisational level in terms of their combined competence and experience" (Massingham, 2008). In other words, the theory suggests that when an employee exits, it implies the exit of specific functional expertise, experience, skills and contacts. Such a situation produces two direct impacts namely: decreases organisational output/quality of service and decreased organisational productivity (Droeg & Hoobler, 2003).

Assets of an internal structure refer to the firm's formal and informal organisational structure, working methods and procedures, research development systems, management systems and culture (Marti, 2009). Such assets are owned by the organisation and some can be legally protected. This type of asset is also known as a structural asset. However, the voluntary exit of an employee affects the stability of such assets. The third type of assets is the assets of external structure. This refers to the firm's portfolio of customers (e.g. goodwill) and its relationship with outside stakeholders as well as its image. These assets are owned by the organisation and some can be legally protected. These assets are also known as relational assets. Although these assets are owned by the organisation, their operational value and stability could be affected by employee turnover.

Intellectual capital theory points out some types of losses experienced by organisations due to voluntary exits and these include: lost human capital, lost social capital, lost structural capital and lost relational capital. Therefore, this study is influenced by the strength and weaknesses of equity and intellectual capital theory because the two theories have been found to be appropriate in examining the organisational level consequences of voluntary employee turnover.

Empirical Review

Tiamiyu and Disner (2009) conducted a research in USA on 'A Study of Voluntary External Turnover of Internal Auditors': the study aimed at determining which factors are relevant to the voluntary external turnover of internal auditors. The research conducted on literatures on audit and voluntary turnover where it indicates that job dissatisfaction, organisational commitment and alternative job opportunities are relevant to voluntary turnover of employees. In the research, members of St. Louis chapter in USA were surveyed to determine the relevance of these factors to the voluntary external turnover of internal auditors for the last five years. The result of Tiamiyu and Disner on voluntary external turnover suggested that the availability of alternative job opportunities is more significantly related to voluntary turnover of internal auditors than their job satisfaction and that organisational commitment is not significantly relevant to voluntary turnover of internal auditors. Therefore, management should be paying attention to the results of the annual salary survey of internal auditors conducted by entities to ensure that the salary of their auditors is at par with their counterparts in the organisations. This will reduce the tendency for their auditors to leave voluntarily due to availability of alternative jobs. This study could serve as a useful tool for management to promote the retention of employee or to facilitate a functional turnover of internal employees.

Sangaran and Jeetesh (2015) on the hospitality sector in Kuala Lumpur assess the determinants of Job satisfaction and the decision of an employee to quit therefore creating a situation of Turnover. The research revealed that Job Performance influenced Turnover where Choice of Work doesn't and the main factors of Job Satisfaction that lead to turnover were Wages/ Salary and Opportunity for advancement/Career progression.

Abassi & Hollman (2000) in their studies concluded that the lower level of compensation is the cause of employee turnover. The study further highlight that improper recruitment, bad working conditions, less compensation has a negative effect on the employee turnover, Opkara (2002) in the study found that there are the certain factors that influence the level of job satisfaction of the employee. These are the compensation, promotion opportunities, the work itself, relationships with co-workers and the supervision. Sokoya (2000) reported the public sector managers on determinants of job satisfaction and it was concluded that the job satisfaction level of employee is significantly impacted by the compensation practices in the organisation.

Samuel and Ikemefuna (2012) examine job satisfaction and employees' turnover intentions in Total Nigeria PLC in Lagos State. The paper highlights and defines basic concepts of job satisfaction and employees' turnover intention. It specifically considered satisfaction with pay, nature of work and supervision as the three facets of job satisfaction that affect employee turnover intention. To achieve this objective, authors adopted a survey method by administration of questionnaires, conducting an interview and by reviewing archival documents as well as a review of relevant journals and textbooks in this field of learning as means of data collection. Four (4) major hypotheses were derived from literature and respective null hypotheses tested at .05 level of significance It was found that specifically, job satisfaction reduces employees' turnover intention and that Total Nigeria PLC adopts standard pay structure, conducive nature of work and efficient supervision not only as strategies to reduce employees' turnover but also as the company retention strategy.

Methodology

The population of this study comprised of employees of Money Deposited Banks, namely; United Bank for Africa Plc (UBA) and Guaranty Trust Bank Plc (GTB). The rationale for selecting these Banks was borne out of fact that UBA (is a combination of old UBA, Standard Trust Bank and Trade Bank after consolidation in 2009) while GTB is the lead Bank among the new generation Bank and both deserve empirical investigation on how employee turnover affect the workload and product or services without comprising the large patronage. United Bank of Africa Plc. (UBA), has six (6) branches with eighty-four (84) staff strength and Guaranty Trust Bank Plc. has five (5) branches with seventy-nine (79) workforce, therefore, One hundred and Sixty-three (163) workers represent the population of the study. The study adopted a proportional allocation of the stratified random sampling technique.

Primary data were used; the data were collected through administration of questionnaire from the employees of the selected banks. The questionnaire was the instrument used to elicit information from the employees of the selected banks in

Ilorin metropolis. A five-point Likert scale was adopted. Which has Strongly Disagree = SD (1), Disagree = D (2), Undecided = UD (3), Agree = A (4), Strongly Agree = SA (5). Regression and correlation analysis was adopted to test the hypotheses. Correlation, ANOVA and multiple regression were used to test the hypotheses under the null form. Objective 1 is accomplished by using multiple regression and ANOVA was used to test for the significance of overall regression parameters. Partial correlation was used to accomplished objective 2 under the controlled of two variables. The regression analysis was not only used to explore the relationship between two or more variables but also indicate the direction at which predictors under study contributed significantly to the dependent variable.

Regression analysis has been used to measure the impact of the dependent variable (organisational productivity) on the independent variables (employee turnover, workload, employee working environment, motivation, cultural difference, employee commitment & Career development opportunities). The multiple regression models are:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e_i \dots \dots \dots (1)$$

Hence the functional form equation is specified below;

$$Y \text{ (ORP)} = \beta_1 \text{EMT} + \beta_2 \text{EWL} + \beta_3 \text{WKE} + \beta_4 \text{CUD} + \beta_5 \text{EMM} + \beta_6 \text{EMC} + \beta_7 \text{CRD} + e_i \text{ (2)}$$

Where:

Y= organisational productivity (dependent variable)

α = Y (intercepts),

β_{1-7} are the regression coefficients

X_1 = EMT = Employee Turnover

X_2 = EWL = Excessive Work load

X_3 = WKE = working environment

X_4 = CUD = Cultural differences

X_5 = EMM = Employee motivation,

X_6 = EMC = Employee commitment; and

x_7 = CRD = Career development

e_i is stochastic term which when low, the R and R^2 is high indicating a significant of the predictors in the model.

Data Analysis and Discussion of Findings

This section presents findings obtained from statistical analysis of the data gathered through self – administered the structured questionnaire, and test of hypotheses was conducted using multiple regression and correlation analysis.

Hypothesis I

H_{01} : Employee turnover does not have a significant effect on organisational productivity.

Table 1: Correlations Matrix Result

	ORP	EM T	EWL	WK E	CU D	EM M	EM C	CRD
ORP Pearson Correlation	1							
Sig. (2-tailed)								
N	163							
EMT Pearson Correlation	-.800*	1						
Sig. (2-tailed)	.0							
N	163	163						
EWL Pearson Correlation	-.407**	.143	1					
Sig. (2-tailed)	.000	.068						
N	163	163	163					
WKE Pearson Correlation	.062*	.050	.050	1				
Sig. (2-tailed)	.030	.527	.526					
N	163	163	163	163				
CUD Pearson Correlation	-.156*	.446*	.148	.192*	1			
Sig. (2-tailed)	.047	.000	.059	.014				
N	163	163	163	163	163			
EMM Pearson Correlation	.113*	-.172*	.132	.628**	.072	1		
Sig. (2-tailed)	.040	.028	.092	.000	.361			
N	163	163	163	163	163	163		
EMC Pearson Correlation	.710*	-.552*	-.268**	.034	-.136	.123	1	
Sig. (2-tailed)	.000	.000	.001	.670	.085	.117		
N	163	163	163	163	163	163	163	
CRD Pearson Correlation	.487*	-.285**	-.186*	.144	.186*	.102	.163*	1
Sig. (2-tailed)	.000	.000	.018	.067	.017	.195	.037	
N	163	163	163	163	163	163	163	163

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Taking a cursory look at triangular matrix correlation above, where Pearson coefficient of "EMT" across "ORP" $R = -0.800$. This means that relationship between dependent variable (organisational productivity) and independent variable (employee turnover) is inversely related to 5% level of significance. By implication, it means 1% increase in employee turnover causes 80% reduction in Organisational productivity. All the remaining five (5) mediating factors which include; working environments (WKE), employee motivation (EMM), cultural difference (CUD), employee commitment (EMC) & career development (CRD) are significant at 5% except excessive workload which is significant at 1%. However, both excessive workload and work environment have no significant relationship with employee turnover at 5% level. This implies that exit of workers (Involuntary) which result to excessive workload was been occupied by newly replaced employees and that expected voluntary turnover as a result of unfriendly working environments does not necessarily contribute to the loss of job from the side of employees.

Table 2: ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	284.093	7	40.585	153.989	.000 ^b
	Residual	40.851	155	.264		
	Total	324.945	162			

a. Dependent Variable: Organisational productivity

b. Predictors: (Constant), Employee turnover, Excess workload, working environments, Employee motivation, Cultural difference, Employee commitment & Training

The ANOVA-test value is 153.989 is significant because the significance level is = .000 < 0.05. Therefore null hypothesis is rejected and the alternative hypothesis is accepted meaning that organisational productivity is positively related to employee turnover, workload, employee working environments, motivation, cultural difference, employee commitment & career development. This also implies that the relationship between dependent variable and independent variables is statistically significant and the regression model is fit. The fitted regression model implies that all independent variables (employee turnover, Workload, employee working environment, motivation, cultural difference, employee commitment & career development) are explaining by the Organisational Productivity (dependent variable). That is the ratio of regression sum of square (284.093) to the total sum of square (324.945) = $R^2 = 0.874$; meaning that 87.4% variation of organisational productivity is explained by employee turnover and all the remaining mediating factors and 12.6% was explained by others variables not included in this model.

Table 3: Regression Result

Model		Unstandardised Coefficients		Standardised Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.985	.324		9.206	.000
	Employee turnover	-.647	.043	-.647	-15.049	.000
	Excess workload	-.270	.039	-.217	-6.995	.000
	Working environment	.149	.056	.102	2.671	.008
	Employee motivation	.199	.045	.159	4.447	.000
	Cultural difference	-.148	.057	-.100	-2.588	.011
	Employee commitment	.309	.038	.295	8.219	.000
	Career development	.248	.045	.181	5.461	.000

a. Dependent Variable: Organisational productivity

Multiple regression was used to test the research hypothesis 1. The objective is to examine whether the independent variables: Employee turnover are capable of effectively estimating organisational productivity. The results of testing the impact of the employee turnover on organisational productivity through the mediating role of the Excessive Workload, employee working environments, motivation, cultural

difference, employee commitment & career development are significant at 5% level. The table 3 above shows the regression coefficients for each predictor. 64.7% decrease in organisational productivity is specifically clarified by 1% increase in employee turnover (i.e. inversely related with Beta= -0.647). 27% decrease in organisational productivity is accounted specifically by 1% increase in excessive workload as a result of an increase in employee turnover (i.e. inversely related with Beta=-0.27). Working environments is having a direct positive impact on organisational productivity, this is shown by the regression parameter (Beta= 0.149) which implies 1% increase in work environments will explain 14.9% increase in organisational productivity. Also, if employees are highly motivated by 1%, it would account for 19.9% increase in organisational productivity and vice-versa. Cultural difference, the effect of family to work relation is inversely related with organisational productivity which implies 1% increase in cultural differences in the workplace would specifically contribute to 14.8% reduction in organisational productivity (i.e. Beta=-0.148); this was a result of voluntary turnover among the employees because they are not given fair play and equal right to operate effectively. Employee's commitment to job satisfaction impacted positively to organisational productivity as shown by the Beta=0.309; this implies that 30.9% increase in organisational productivity is explained by 1% increase in employee's commitment. Finally, career development opportunities reduce the chance of employee's turnover and increase in organisational productivity as reported by Beta=0.248. Therefore, the null hypothesis is rejected and the alternative accepted. It is posited that employee' turnover and all its mediating factors have a significant effect on organisational productivity at 5% level (i.e. P-values<0.05).

Hypothesis II

H₀₂: There is no significant relationship between job satisfaction and employee turnover.

Table 4: Correlation Matrix Result

Control Variables			Employee turnover	Job Satisfaction
Motivation & Cultural difference	Employee turnover	Correlation	1.000	-.829
		Significance (2-tailed)	.	.000
		df	0	159
	Job Satisfaction	Correlation	-.829	1.000
		Significance (2-tailed)	.000	.
		df	159	0

$$R=-0.829, R^2=0.68_{(0.05)}$$

The correlation coefficient obtained in table 4 above depicts the fact that if the management of the selected Banks were able to control the cultural differences, and employees are regularly motivated, the turnover will reduce and employee job satisfaction increases and this will significantly boost employee morale and core values by increases their core performances. The implication of R=-0.829 means that

as employee turnover reduces by 82.9%, the job satisfaction increase by 1%. In another word, $R^2=0.687$ implies that 68.7% increase in job satisfaction is explained by 1% reduction in employee turnover through mediating factors of cultural differences and motivation by reducing the gaps of family-to-work relation and adequately motivate the employees at workplaces respectively. Therefore, the result proved support for the alternative hypothesis, it is posited that there is a strong but negative relationship between Job Satisfaction and Employee turnover at 5% level of significant (i.e. $P\text{-value}=0.000<0.05$).

Discussion of Findings

The objectives of this study were achieved with the analysis of the hypotheses formulated. The first objective of the study was to examine the effect of employee turnover on organisational productivity. It was confirmed by the first hypothesis that when there is a high rate of employee turnover in an organisation it will definitely reduce the volume of productivity of the organisation. In another word, employee turnover will also slow down organisational productivity. This finding is similar to that of (Tiamiyu & Disner, 2009) who found that employee turnover directly influences organisational commitment, job dissatisfaction and alternative job opportunities.

The second objective was achieved under the control of cultural differences and employees' motivation, the coefficient of $R=-0.829$ implies the greater the job satisfaction the less likely is the turnover intention, thus this work gives credence to Samuel & Ikemufuna (2012) that with a high level of job satisfaction holds positive attitude toward the job and conversely the person who is dissatisfied with the job holds negative attitude about the job. It means that employees who are satisfied with their job will retain their jobs and not quit. So increase in job satisfaction under the auspice of employee motivation and reduce cultural difference will result in a decrease in employee turnover. The implication of this result is that job satisfaction can enhance organisational productivity and reduces employee's turnover.

Conclusion

The study concluded that employee turnover is a serious issue for Nigerian banks, for steady productivity in the Nigeria financial industry, it is essential for the human resource department to maintain talented and committed skilled workforce in the organisation. Most of the time it is very difficult to regulate the turnover rate within organisations, although reduction in family-to-work relation and motivation through satisfactory pay structure helps to reduce turnover rate, a person does not stay in an organisation only for salary but he/she may stay for many other reasons such as good human relations, preferable job location, good style of management, career development progress etc. Since the productivity of an organisation depends on the expertise of its workforce, an experienced employee is an asset to an organisation. Furthermore, lack of career development opportunities, job satisfaction, good working environment, and unequal pay structuring are some of the significant factors that influence organisational productivity. If a skilled, experienced and qualified employee replaced the position of those who leave the organisation voluntarily, it will not have any significant negative impact on organisational productivity, since finding a replacement for low commitment and non-performing workers are always

easy and the excessive workload is reduced. Again career development undergoes by those new intake workers enable them to quickly adapt to the organisational work environment without problems.

Recommendations

- Based on the findings of this study, the following recommendations are made:
- i. Management should be committed to the well-being of the employees in order to boost organisational productivity and ensure that there is a hazard-free and safe environment for them to operate.
 - ii. Management should ensure fair and equitable pay-system in order to prevent high turnover. Hence, inadequate rewards lead to voluntary turnover.

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