

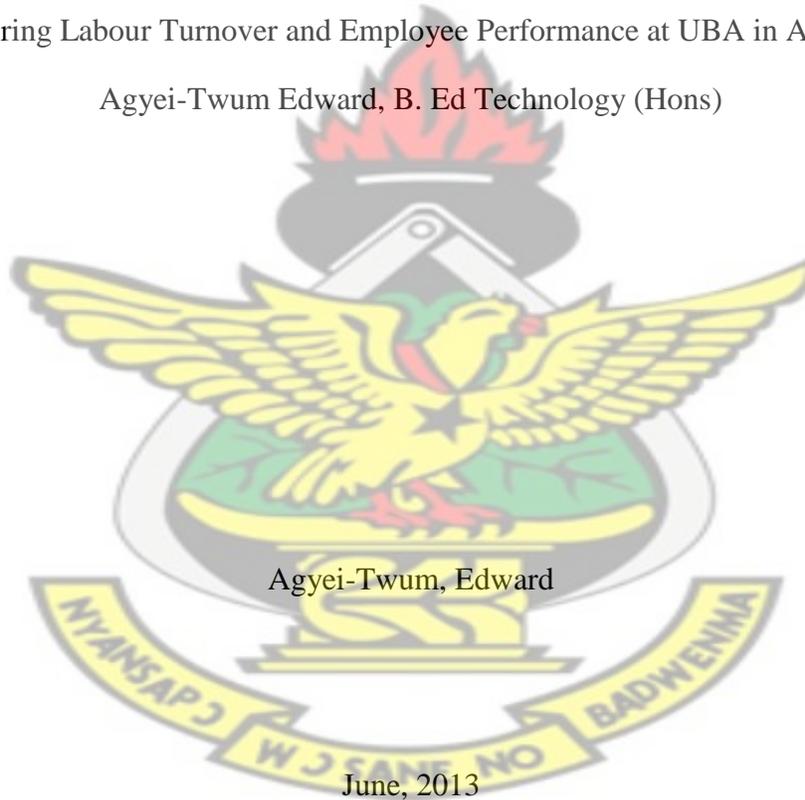
KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COLLEGE OF ART AND SOCIAL SCIENCES

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Exploring Labour Turnover and Employee Performance at UBA in Ashanti Region.

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**EXPLORING LABOUR TURNOVER AND EMPLOYEE PERFORMANCE AT UBA IN
ASHANTI REGION**

By

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A Thesis submitted to the Department of Managerial Science, Kwame Nkrumah
University of Science and Technology in partial fulfillment of the requirements
for the degree of

MASTER OF BUSINESS ADMINISTRATION (HRM OPTION)

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DECLARATION

I hereby declare that this submission is my own work towards the Masters of Business Administration and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text.

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Date

DEDICATION

This work is dedicated to my lovely wife Mrs. Christiana Agyei-Twum, my parents, my siblings and my wonderful friends especially Thomas Appiah for their prayers and support in my education.

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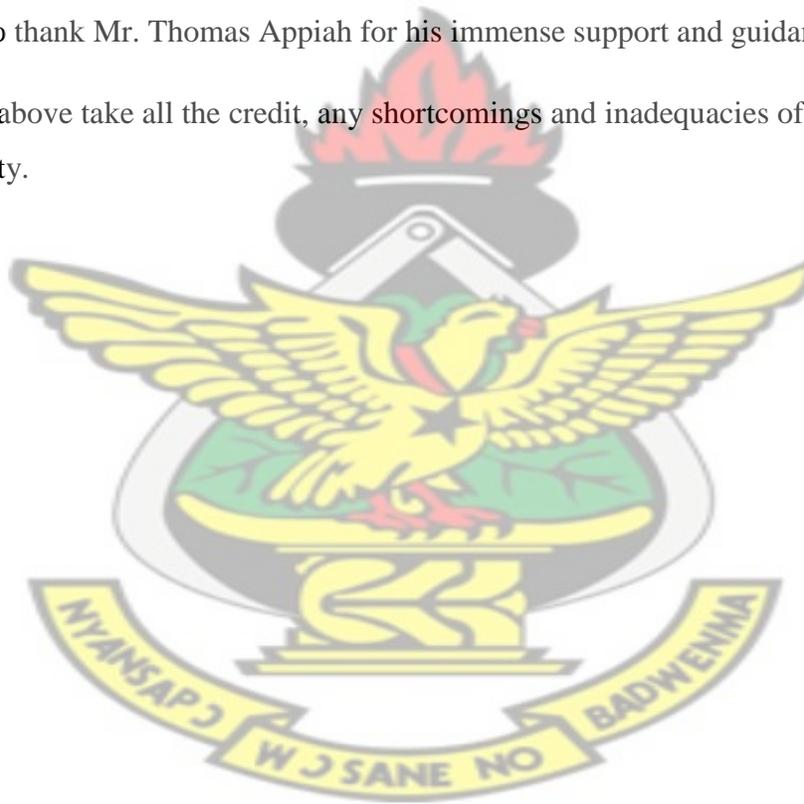
ACKNOWLEDGEMENT

I thank the Almighty God for having made it possible for me to complete this thesis successfully. To my supervisor Rosemary Boateng Coffie Mrs., a lecturer at the KNUST School of Business. I express my profound thanks for her invaluable comments and guidance at every stage leading to the successful completion of this study.

Furthermore, I am grateful to the staff of [United Bank for Africa (UBA)] for their kind assistance in my search for the relevant materials for this study and all staff that assisted me in gathering the data needed for this thesis, especially Eunice Osei.

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In all, while the above take all the credit, any shortcomings and inadequacies of this study are my sole responsibility.



ABSTRACT

Organisations all over the world strive to keep their employees, especially the experienced and dedicated ones. This is because organisations believe in the normal saying that: the devil you know is better than the angel you do not know. This maxim suggests that employers will be better off working with their existing employees than new recruits. The study was conducted to explore the labour turnover situation in the Ashanti regional branches of United Bank for Africa (UBA). Specifically, the study examines the causes, effects, and challenges of labour turnover. Also, the study sought to ascertain the relationship between salary levels and employees intentions to quit the bank. The two main sources of data used for the study were primary and secondary. The primary data refers to the data obtained from interviews and questionnaires that were administered to workers and management staff of the bank. The secondary sources of data were obtained through journals, textbooks and annual reports of the Bank. Convenience sampling was used to select respondents for the study. The result of the study indicated that poor compensation package, lack of respect for workers and lack of career development opportunities are the main causes of labour turnover in the bank. Also, the study established that high labour turnover in the bank has negative effects on the performance of employees. The study concluded by recommending efficient and effective measures which the UBA in particular and other banks in general can adopt in order to maintain their existing employees so that productivity could be sustained.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter seeks to introduce the research study by looking at the background of the study, the statement of the research problem, research objectives, and research questions, justification of the study, the scope and the organization of the main chapters.

1.1 Background of the study

Employee turnover in the retail workplace has become an important area of research from both a theoretical and a practical standpoint. It is important from a theoretical perspective, in understanding how the underlying causes of turnover can provide insights into how to control the growing problem and where a retailer's specific turnover problems lie. However, from a practical standpoint, learning how to minimize the turnover of skilled employees is crucial from the business expense side. Retailers in the twenty-first century must be able to keep knowledgeable and experienced employees working in their organisation. This problem is even more critical in today's retail world considering unemployment rates are hovering near a 30-year low.

Labour turnover is one of the most pressing issues in the banking industry of Ghana. According to Price (1977) employee turnover is the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period.

Employee turnover has been shown to be critical to the development and the accomplishment of the organisation's goals and objectives. According to Chiboiwa et al. (2010), one of the most important drivers of productivity and sustainable economic growth in both developed and developing economies is the quality and stability of its workforce. It has been argued that intellectual capital is what defines a company's competitive edge. It is therefore not surprising that many organisations identify competent and experienced employees as their strength when doing their SWOT analysis.

In the current "Knowledge Era," intellectual capital is what defines a company's competitive edge. Intellectual capital is the unique knowledge and skills that a company's work force possesses. Today's successful businesses win with innovative new ideas and top-notch products and services - all of which originate in the knowledge and skills of employees (Harvard Business School Press, 2002). The loss of talented employees may be very detrimental to the company's future success. Outstanding employees may leave an organisation because they become dissatisfied, under paid or unmotivated (Coff, 1996). A high employee turnover rate may negatively affect the smooth operations of the business and create uncertainties among workers. In view of this, it has been argued consistently that employers must aim at retaining their competent and experienced employees to maximize productivity and ensure smooth business operations. Making a frantic effort to retain experienced and competent employees implies reducing employee turnover. Retention is the converse of turnover where turnover is the sum of voluntary and involuntary separations between an employee and his or her company, (Harvard Business School Press, 2002). A high turnover rate implies that the separation between employees and their company is relatively high. The cost of an employee turnover has been captured by Kay (2000), who described costs as in "...advertising and recruiting expenses,

orientation and training of the new employee, decreased productivity until the new employee is up to speed, and loss of customers who were loyal to the departing employee”.

The various costs and expenses mentioned above opens another area of concern which is productivity. When there is high level of employee turnover in an organisation, most of the workforce is at an entry level stage of production. A very high cost is associated with large numbers of employees who have not accomplished full productivity. Thus, a high employee turnover, if left unchecked, will undermine the productivity of the workforce and render the business less profitable.

In view of the costs associated with high employee turnover, organisations must endeavour to reduce labour turnover to the barest minimum. Reducing labour turnover involves putting the necessary measures in place to ensure motivation and job satisfaction of employees. Motivated and satisfied employees are more likely to stay in the organisation and contribute their quota to the achievement of organizational objectives. The motivational style adopted by the organisation to decrease turnover must be one that achieves expected result. Many organisations are unable to decrease employee turnover because of the motivational styles used. Weinberg (1997) argued that most companies relied in the past on two traditional strategies for managing turnover. First, they raised wages until the situation stabilized. If that did not work, they increased training budgets for new hires and first-level supervisors. These solutions do not work anymore. A holistic approach is therefore needed to motivate and retain competent and experienced workers in the organisation.

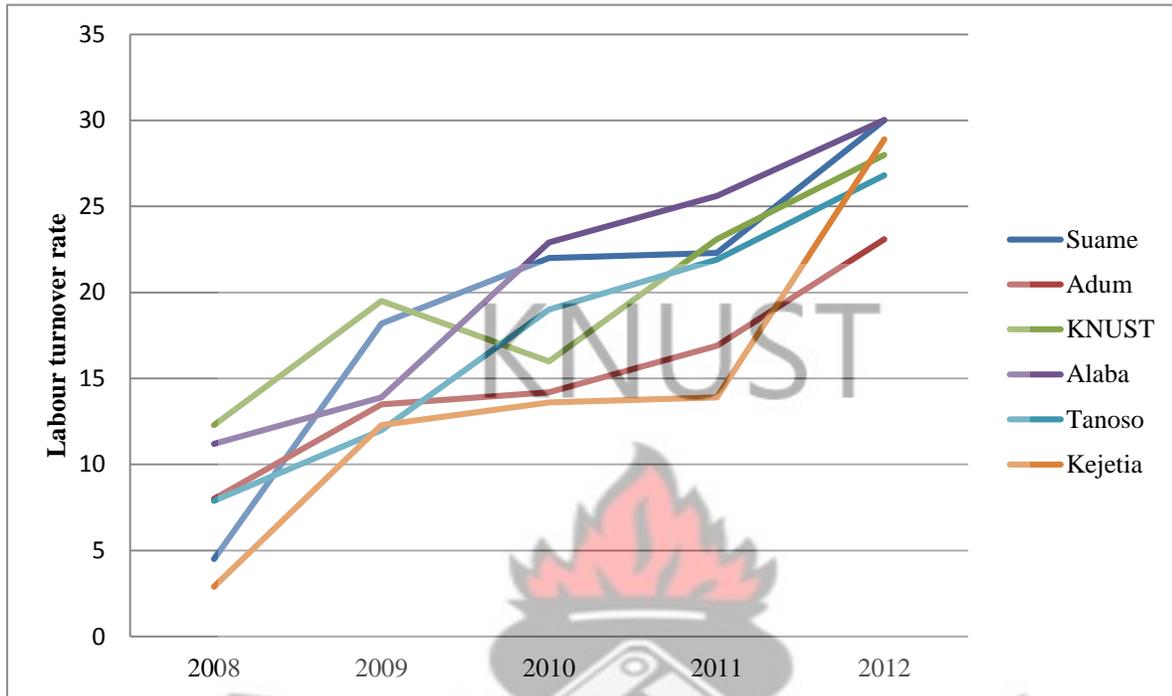
1.2 The statement of the problem

The Ghanaian economy of today is as changing as ever. Organisations are more than ever compelled to deal with new forms of employment and new perspectives on the way they do business. Employee turnover is not a new issue. It is relevant today and its importance will even be greater in the future (Philips & Cornell, 2003). Philips and Cornell further explained that the awareness of the issue has heightened in the last decade and from all indications, the problem will be more serious in the future decades. It is clear from all indications that managing employee turnover is a constant concern for any organisation.

Most banks in Ghana find it extremely challenging to retain their competent and valuable employees in the face of fierce competition. This situation is worrying because it makes it difficult for such banks to remain competitive and stay profitable in business. Even though employee turnover is a widely researched area, not much work has been done to investigate the phenomenon in the banking industry of Ghana. This study, therefore, is intended to investigate the problem of high labour turnover in the banking industry, using UBA as a case study.

UBA was used as the case study because of the increasing labour turnover it has been confronted with over the past few years. According to figures obtained from the branches of UBA in the Ashanti region, labour turnover rate has been increasing over the past five years (see figure. 4.1). The study, therefore, seeks to explore the causes, effects and the challenges faced by management as far as this phenomenon is concerned.

Figure 4.1 Trend of labour turnover rates in UBA (Ashanti)



Source: Labour Turnover data from UBA

1.3 Objectives of the study

The research has a general objective of investigating the extent of employee turnover in the banking industry using United Bank of Africa (UBA) as a case study. In attempting to arrive at the overall objective, the study will examine the following specific objectives.

- (1) To identify the causes of labour turnover in UBA
- (2) To identify the effects of labour turnover on UBA
- (3) To investigate the challenges faced by UBA in its quest to reduce labour turnover
- (4) To ascertain the effect of labour turnover on employee performance

1.4 Research Questions

The study will attempt to meet the objectives discussed above by answering the following research questions.

- (1) What are the causes of labour turnover in UBA?
- (2) What are the effects of labour turnover in UBA?
- (3) What are the challenges facing UBA in reducing labour turnover?
- (4) How does labour turnover affect employee performance in UBA?

1.5 Justification of the study

Employee turnover is a widely researched topic (Griffeth & Hom, 2001). Organisations recognize employee potential and invest into its employees through training and development and other means in order to maintain and retain them within the organisations. Therefore organisation and its management should take measures towards reducing employees' turnover (Ongori, 2007). In order to do so, organisations should understand the reasons towards employee turnover and take measures toward employee retention. United Bank of Africa (UBA) was chosen because of its big size and most importantly the changes it has undergone, due to the seemingly high labour turnover in its Ashanti regional branches. It is believed that this research would provide the needed valuable information to the bank so as to cut down on its high labour turnover.

The lessons drawn from this study will help bank managers in particular and organisations in general to understand the reasons for high employee turnover and measures that can be employed to deal with the menace.

1.6 Scope of the study

Due to the broad nature of the subject, the study was limited to UBA bank in the Ashanti region of Ghana. Also due to time constraint, the study may be unable to capture all there is to be studied in this subject areas. Again, the study examines voluntary labour turnover in the bank rather than total labour turnover. It is the researchers hope that other writers will also take an aspect of study to develop further.

1.7 Limitation of the Study

The research took a long time to complete because staff and branch managers of the bank were always busy to attend to the research instruments. Nevertheless, the researcher managed to complete the work on schedule.

1.8 Organisation of the Study

The first chapter deals with the introductory section, which details the background to the study, the problem statement, objectives and significance of the study. The second chapter focuses on the review of relevant literature on labour turnover. The third chapter details the methodology adopted for the study: the population, sample, research design, and instrument for data collection and data collection procedures which would comprise of both primary and secondary data. The

fourth chapter presents the findings and of the study. The final chapter constitutes the conclusions and recommendations based on the analysis made.

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CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Employee turnover has been and will continue to be an important management issue for organisations of all sizes (Lee & Mitchell, 1994). It is therefore not surprising that the turnover literature has a well established history (Price, 1977; Cotton & Tuttle, 1986; Steel & Lounsbury, 2009). Employee turnover has become an important area of research from theoretical and practical perspective. From a theoretical standpoint, it provides ways of understanding the underlying causes of employee turnover. However, from a practical standpoint, learning how to minimize the turnover of skilled employees is crucial in reducing employee replacement costs (Keaveney, 1992). Also, decreasing employee turnover retains knowledgeable and experienced employees for the benefit of the organization. This chapter reviews relevant literature on the concept of employee turnover; with emphasis on the definition of key terms and concept as well as theories explaining the concept of employee turnover.

2.1 Concept of Employee turnover

To better understand the implications of turnover, one must understand how turnover is defined. "Employee turnover is a ratio comparison of the number of employees a company must replace in a given time period to the average number of total employees. A huge concern to most companies, employee turnover is a costly expense especially in lower paying job roles, for which the employee turnover rate is highest. Many factors play a role in the employee turnover rate of any company, and these can stem from both the employer and the employees. Wages, company

benefits, employee attendance, and job performance are all factors that play a significant role in employee turnover. Companies take a deep interest in their employee turnover rate because it is a costly part of doing business." (Beam, 2009). Price (1977) also defines employee turnover "as the degree of individual movement across the membership boundary of a social system" (p. 4).

Employee turnover has been one of the most studied subjects in organisational behavior literature (Schwab, 1991), yet continues to elude any concrete conclusions. The concept of turnover is the sum of voluntary and involuntary separations between an employee and his or her company. (Harvard Business School Press, 2002)

Macy & Mirvis (1976) states that turnover is "any departure beyond organisational boundaries" (p. 224). Mobley's (1982) definition most accurately reflects the conceptual position of this study. Mobley states that turnover is "the cessation of membership in an organisation by an individual who received monetary compensation from the organization" (p.10).

The employee turnover rate is usually calculated by dividing the number of employees separated from the company they were working for by the base number of jobs during the period. Employees who transfer to other positions within the same organisation are not considered in the calculation, as well as those who retired, had their job phased-out or were terminated due to downsizing.

Turnover rates for employees can be measured and compared over time and across companies using what is commonly referred to as the employee turnover index.

The index is calculated as follows:

$$TTR = [S/N] \times 100$$

Where;

TTR= total turnover rate

S= number of employees separated in the period

N = average number of employees in the unit in the period

2.2 Types of Turnover

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There are some models that explain various types of labour turnover. The first model categorizes turnover as either voluntary or involuntary. Voluntary turnover suggests a situation where the employee chooses to leave the organisation. On the other hand, involuntary turnover occurs when employees have been forced to leave.

Dalton, Krackhardt, and Porter (1981) expand the traditional method of categorizing employee turnover as a voluntary or involuntary, by dividing voluntary turnover into functional, beneficial to the organisation, and dysfunctional, detrimental to the company components. By separating voluntary turnover into functional and dysfunctional components, Dalton made the case that in fact turnover of the poorly performing employees might actually result in positive effects for the employer.

However, Jackofsky (1984) criticizes this model by explaining that modeling turnover in this manner can vary significantly from an employee viewpoint to that of the employer. Below average performers may be forced out of an organisation with threats of firing or with unattractive hours or assignments, yet if the employee initiates the terminations they are recorded

as voluntary. These types of employee initiated resignations are not truly a function of the employees desire to leave and, therefore, should be treated separately (Jackofsky, 1984).

Another model of turnover (Dalton et al cited in Abelson, 1987) differentiates employee turnover in terms of avoidable and unavoidable turnover. This categorisation, he believes, can help organisations to understand voluntary turnover more fully. Avoidable reasons include employees leaving to find better pay or working conditions elsewhere, problems with management or leaving for better career opportunities. Unavoidable reasons - which are beyond the organisation's control - include, for example, an employee having to move because of relocation by a spouse or leaving to fulfill family or caring responsibilities.

Ulschak & Snowantle (1992) also categorize turnover in terms of job-related, non-job-related, and lack of fit within the organisation. According to them, Job-related turnover includes employees who left the organisation due to reasons that were somewhat within the control of the employer. Such factors would include dissatisfaction with working conditions, supervising conflicts or salary discrepancies. Non-job related turnover occurs when an employee leaves the organisation due to things in the employee's personal life that impact their performance in the workplace. Examples of these would be relocation, family problems, marital issues, emotional instability or mental health, addictions, and chemical abuse. The third type of turnover is due to the employee's lack of fit within the organisation. Examples of this type of turnover would include employees who were so uncomfortable in the work environment that they could not continue the employment. The discomfort may be due to many reasons. Possibly they are not fully qualified and they are having difficulty fulfilling the position, or perhaps the employee is qualified but does not work best in the work environment he or she is being placed in. These are just a few examples of an employee's lack of fit within the organisation.

2.3 Causes of labour turnover

Employee turnover is a much studied phenomenon. There is a vast literature on the causes of voluntary employee turnover dating back to the 1950s. By developing multivariate models that combine a number of factors contributing to turnover and empirically testing the models researchers have sought to predict why individuals leave organisations. Many studies are based on only a small number of variables which often only explain a small amount of variability in turnover. A recent study of turnover by Boxall et al (2003) in New Zealand confirmed the view that motivation for job change is multidimensional and that no one factor will explain it. The following are some of the well known causes of employee turnover.

2.3.1 Lack of effective employee orientation

An employee's first year with an organisation can be a difficult time for everyone involved (Gray, 2005). The first few month's challenges and struggles can lead to numerous problems for the employee including lack of job satisfaction, poor performance, and work withdrawal. These employee challenges, in turn, lead to challenges for the employer, the biggest of which being employee turnover. Employee turnover increases as employees feel they are not valued, or are put in positions where they can't possibly do their jobs. Orientation shows that the organisation values the employee, can help provide tools necessary for succeeding in the job. Failure of the organisation to effectively orient new employees may lead to high labour turnover since they may feel dissatisfied with the job.

2.3.2 Lack of retention strategies

Philip (1990) put forward a recommendation on giving special priority to the provision of learning opportunities aimed at developing the skills, knowledge and capabilities of employees at work. He believes that, there should also be room for career growth and advancement within the organisation so as to encourage employees' retention. From his contribution it is realized that employees can only stay with an organisation that provides them with opportunities for learning, growth and development. As Smith (2001) unambiguously states: "Make no mistake about it: all organisations will do a better retention job by spending more resources on training and development. A business that provides education and training will be more competitive and productive and will win the loyalty of its workforce". The fact that training and development are so enthusiastically embraced as key factors to good retention is no doubt due to the fact that well-developed training programs are becoming ever more essential to the ongoing survival of most modern companies, whether or not retention is an important issue to that company. To the extent that operational paradigms such as "The Learning Organization" or the "Knowledge-Based Organisation" continue to take hold in the contemporary business world, training is only likely to become more important.

Meyer et al (2003) suggest that employee learning — which encompasses training and development but is also related to socialization within the workplace — contributes to retention by (i) building employee commitment through a show of support, (ii) providing employees with the means to deal with stress related to job demands and change, (iii) serving as an incentive to stay, and (iv) creating a culture of caring.

Lawler (2008) emphasized that employee retention matters, as, organizational issues such as training time and investment, and costly candidate search are involved. Hence, he perceived that failing to retain a key employee is a costly proposition for any organization. Kay (2000) describe costs as in “...advertising and recruiting expenses, orientation and training of the new employee, decreased productivity until the new employee is up to speed, and loss of customers who were loyal to the departing employee”.

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2.3.2 Lack of training and career development

Martin (2003) detected a complex relationship between turnover and training. He suggested that establishments that enhance the skills of existing workers have lower turnover rates. The means that if employees are not properly trained and given career development, then they are likely to leave the organisation. However, turnover is higher when workers are trained to be multi-skilled, which may imply that this type of training enhances the prospects of workers to find work elsewhere. The literature on the link between lower turnover and training has found that off-the-job training is associated with higher turnover presumably because this type of training imparts more general skills (Martin, 2003).

2.3.3 Quality of supervision and Leadership

The nature of supervision at the workplace has implications on labour turnover. According to Debrah (1993) a supervisor with poor interpersonal skills and who is also inflexible very quickly drives employees away.

Various findings clearly demonstrate an area of opportunity for the company to provide support and trainings to their managers to better manage their work force. In addition, the review of literature on interpersonal theories of leadership like leader-member exchange (LMX) theory also have concluded to find that employees usually develop positive attitudes and experience higher levels of motivation when they receive help and support from their managers/supervisors. (Gerstner & Day, 1997)

Lindgren and Togerö (1997) distinguish a number of reasons for employees leaving organizations.

- Retirement
- Down-sizing
- Attractive alternatives
- Changed requirements
- Sudden disappointments
- Nature of work

One main reason is that people retire on a regular basis. This is unavoidable by its nature and knowledge disappears unless the organisation chooses and is able to retain that knowledge in some repository. Stories are often possessed by the organisation's veteran and transferred to other individuals by storytelling.

Further, people leave organisations due to down-sizing. Business process re-engineering and other attempts to streamline organisations have triggered many organisations to sack employees.

The use of information systems has made access to top management easier and hence a lot of middle managers have been found redundant. The loss of middle managers may be a problem since these people often have important knowledge about past experiences and how to put people together.

Employees also leave because they find other jobs more attractive. This attractiveness can be caused by better benefits and salary or a better work culture. It is often the most competent and socially able people that leave, in worst-case to a competitor's organisation. As the employees develop, they change, as does the organisation. Sometimes the job requirements change from what was originally required. If the individuals do not find any challenges in their job they are likely to find it boring and quit.

According to Rampur (2009) the most common reason for employee turnover rate being so high is the salary scale because employees are usually in search of jobs that pay well. Those who are desperate for a job may take the first one that comes along to carry them through while searching for better paying employment. Also, employees tend to leave a company because of unsatisfactory performance appraisals. Low pay is good reason as to why an employee may be lacking in performance. (Rampur, 2009)

2.4 Costing turnover

Companies take a deep interest in their employee turnover rate because it is a costly part of doing business" (Beam, 2009). Companies incur direct and indirect expenses, which include the cost of advertising, headhunting fees, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. These expenses can add up to

anywhere from 30 to 200 percent of a single employee's annual wages or salary, depending on the industry and the job role being filled (Beam, 2009).

The extent of the impact of turnover on an organisation cannot be fully understood if there is no attempt to quantify the costs. The more complex approaches to costing turnover give a more accurate and higher estimate of the costs. Such approaches often take into account the costs associated with lost productivity (ie the productivity of a new employee during their first few weeks or months in the role and that of designees during the notice period) and the effect on morale of the remaining workforce.

The UK Chartered Institute of Personnel and Development (CIPD) suggests that because of the difficulties involved in estimating and quantifying some of the indirect costs many organisations prefer to take a 'not less than' approach in attempting to cost turnover. According to the CIPD (2004), it is possible to compute a 'not less than' figure by working out what it costs on average to replace a leaver with a new starter in each major employment category. This figure can then be multiplied by the crude turnover rate for that employee group to calculate the total annual costs of turnover. The CIPD suggests that the major turnover costs are:

- administration of the resignation (including exit interviews)
- recruitment costs (including advertising)
- selection costs
- costs of cover (temporary employees or overtime) during the vacancy period
- administration of recruitment and selection process
- induction training for new employees.

In any successful business, owners and managers must control expenses to increase profits. Understanding the importance of how employee turnover relates to the expense and implications on a business is essential in all business, not excluding retail. Managing turnover can also be a cost-effective way for retail management to show their commitment to the organisation (Gardner, 1986). Strategies for effectively managing turnover necessitate both prediction and the previous explanations of how turnover works.

Financial costs of turnover to organisations are often significant and poorly understood. According to Schwab (1991), there are two categories of costs that are attributable to turnover. These categories, known as hard costs and intangible costs, need to be factored into the overall cost of turnover. The first category of financial costs, known as hard or tangible costs or expenses are associated with recruiting (advertising), selecting and training new associates. These costs included expenses and manpower. A manager spending time in the hiring process could otherwise be devoted to managing everyday functions.

Large companies also require additional staff to process the significant number of applicants because of the constant turnover. This also drains profits and could indicate a weak employee selection process. Hard costs have been estimated between \$800 and \$1200 per new hire. Thus, a specialty store with positions for ten sales associates and a turnover rate of 120% will need 12 new hires each year, at a cost of approximately \$10,400. Intangible costs.

The second type of costs, known as intangible costs, is more difficult to quantify. They are incurred when missed sales occur due to lack of experience in new sales associates, or overall efficiency and worker morale. The reduction of store profit attributed to turnover due to sales and overstaffing varies depending on length of time sales associates require to adapt to their new

environment. Typically sales efficiency is measured by sales per hour and is considered to be at 55% after one month, 70% in the three to six month period and jumps to 100% after the ten month mark of company service. Analyzing this data would suggest that an inexperienced sales associate would lose 10% of the sales dollars that a veteran could have sold (Gardner, 1986). Unless these causes of turnover are identified, low morale may lead to more negative consequences, such as tension with management and disruptive behavior. Feedback from employees and executives must occur on a regular basis and must be used to assess the workplace environment for identification and correction. This could also be critical in solving or preventing workplace violence.

Cascio (1995) breaks turnover costs into three broad areas: separation costs, replacement costs, and training costs. Costs associated with separation include administrative processing and exit interviews. The most apparent cost of turnover, for researchers and practitioners alike, is the administrative one. Replacement costs are typically associated with job posting and advertising, interviews, testing, travel, and moving expenses. Training costs include formal and informal activities, materials, and management time. Other miscellaneous costs could occur in the standard “out-processing” costs for employees that are leaving (Mobley, 1982). These costs may increase if the turnover is generated by downsizing and requires premium severance packages. Also, if the turnover is the result of involuntary termination there may be additional administrative costs to document just cause, along with possible legal fees if the employee claims to have been the victim of discrimination or unfair practices. Cascio (1995) notes that turnover is “now estimated to cost as much as \$75,000 in the case of a middle manager, and 3 to 5 times annual salary for a CEO” (p. 311). Cascio (1991) cites turnover for automobile salesperson’s costs, on average, \$18,000 per employee. Additionally, Cascio (1995) cites a study

by Weekley and Champagne in 1983 that found that the cost for releasing a manager of a large retail department store to be over \$11,000.

Phillips (1990) studied his company's turnover, citing nine categories of potential cost. He found five variables related to inefficiency: inefficiency of the incoming employee, co-workers closely associated with the position, departing employees, those closely associated with departing employees, and the job vacancy itself. The remaining variables were made up of out-of-pocket processing costs, HR department costs, non-HR processing costs, and relocation costs. He found that for the typical employee with an annual salary of \$38,900 the company incurred \$58,100 in costs.

2.5 Positive Consequences of Turnover

The upside of employees leaving, and then returning, from an organisational point of view, is that it refreshes the blood of the organisation and can bring information from the outside world. This counteracts the homogeneity in the organisation (Hamel and Prahalad, 1994).

Always striving for a low ratio may be a short-sighted strategy since a low turnover rate may also imply stagnation, destructive engrained mental models, and a low degree of innovation within the organization. These are crucial factors for the organisational long term survival. A certain level of turnover is healthy. Payroll and related reductions, voluntary parting of poor performers, improvements in innovation and reductions in stagnation are all benefits of a certain level of turnover (Dess and Shaw, 2001)

The major good of having an employee turnover is thus that fresh ideas and competencies run into the organisation. These new ideas augment the knowledge base of the organisation and

thereby increase the organisation's ability to take effective action. This idea is supported by Hamel and Prahalad (1994) who argue that a modest level of turnover, seen through the analogy of genetics as crossbreeding, can alter the organisation's genetic code. They explain how any organism, even companies, must have a minimum of genetic diversity to survive in the long run.

Although turnover in the banking industry is generally considered by industry experts to be too high most bank managers agree that not all turnover is bad. Some situations occur where an employee is not well suited to the organisation and it is better for the individual and the company for that person to leave. Dalton and Todor (1979), responding to researchers' continued emphasis on the negative aspects of turnover, took a unique and positive look at turnover. They commented, "from an organisational standpoint, turnover costs may be misrepresented because of a failure to account for the benefits as well as the costs of turnover" (p. 231). The possible benefits of turnover depend on the job, the extent to which it demands physical or psychological abilities and on who actually leaves (Staw, 1980). Staw comments that "turnover rates do not, as a statistic, provide such information". (1980, p. 261)

Depending on the level of the position, replacements may infuse the organization with new skills and knowledge, and give the organisation the ability to make use of new technology (Mobley, 1982). Referring to previous research, Muchinsky and Morrow (1980) note that, "there exists some evidence that higher amounts of managerial turnover produce higher amounts of innovation of new ideas and procedures and, by bringing in new blood and new ideas, succession can vitalize the organisation so as to enable it to adapt more adequately to its ever-changing internal demands and environmental pressures" (p. 281). Mobley concurs, noting that replacements may "stimulate changes in policy and practice" (1982, p. 33). Replacements may also be "more highly motivated than the old employee" (Staw, 1980, p. 259) and high stress

positions that can lead to employee burnout might particularly benefit by fresh, motivated replacements.

Thus, from the above discussions, it can be concluded if a better replacement for a poorly performing employee could be found, the organisation would achieve a positive net impact, possibly in productivity, employee morale, or other tangible benefits.

2.6 Theories explaining employee satisfaction in the workplace

Employee satisfaction is seen as a key determinant of employee turnover. Whether an employee will continue to stay in the organisation or quit can be explained by the satisfaction they derive from their job. Motivational theories can be used to explain the concept of job satisfaction and employee turnover. Whether an employee stays long in an organization or leaves immediately depends upon his or her motivation at work. Motivation may be defined as psychological force that determines the direction of a person's behaviour in an organisation, a person's level of effort and a person's level of persistence in the face of obstacles. (Direction of a person's behaviour may include among other things their decision to either stay in the organisation or quit). Motivation can be used to explain why people behave the way they do in organisations. For instance, the behaviour of a hardworking bank manager to tender in his resignation letter may be explained by the theories of motivation.

2.6.1 Herzberg's two factor theory

Herzberg's two factor approach to motivation is a popular theory of motivation. The theory is also known as motivator-hygiene thesis. This theory implies that there are two different sets of

factors, hygiene and motivators or satisfiers, which affect individual motivation and job satisfaction (Ott, 1989). Herzberg discovered that there were certain factors associated with job satisfaction (motivation factors) which are those factors that are related to the content of one's job and are necessary to maintain a reasonable level of motivation among employees. A completely different set of factors are associated with dissatisfaction which are referred to as hygiene or maintenance factors.

The theory attempts to explain satisfaction and motivation in organisations by stating that satisfaction and dissatisfaction are driven by different factors (that is motivation and hygiene factors) respectively. Motivators are those aspects of the job that make people want to perform and inform their decision to stay or quit an organisation. These motivators are considered intrinsic to the content of the job and include variables such as achievement, recognition, the work itself, responsibility, advancement, and growth. Conversely, dissatisfying experiences, called "hygiene" factors, largely results from extrinsic, non-job related factors such as company policies, salary, co-worker relations and supervisory styles. Herzberg argues that eliminating the causes of dissatisfaction (through hygiene factors) would not result in a state of satisfaction; instead, it would result in a neutral state. Satisfaction and motivation would occur only as a result of the use of intrinsic motivational variables.

2.6.2 The Equity theory

The equity theory on job motivations also provides an insight into the concept of employee motivation and turnover. Adams (1963) introduced the equity theory, which seeks to maintain equity between the input that employees bring into a job (e.g. education, time, experience, commitment, effort, skills, tolerance) and the outcome they receive from it (e.g. promotion,

recognition, increased pay, praise) against the perceived inputs and outcomes of other employees ('referent' others). Adams explained that if employees feel that their inputs are fairly rewarded by outputs (the fairness benchmark being subjectively perceived from market norms and other comparable references) then generally they are happier in their work and more motivated to continue inputting at the same level. On the other hand if employees feel that their ratio of inputs to outputs is less beneficial than the ratio enjoyed by 'referent' others, then they become de-motivated in relation to their job and employer. A de-motivated employee is more likely to leave the organisation.

Handelsman (2009) explains that when two or more employees perform similar work and have similar responsibilities, differences in pay rate can drive lower paid employees to quit. In a like vein, if you pay less than other employers for similar work, employees are likely to jump ship for higher pay, if other factors are relatively equal.

Thus, failure of the organization to initiate a reward structure that promotes equity and fairness may lead to high rates of employee turnover.

2.6.3 The expectancy theory

Vroom (1969) in Ott (1989) propounded the expectancy theory. The theory states that an employee will be motivated to exert a high level of effort when he or she believes that effort will lead to good performance appraisal, and followed by organisation reward which is something of value. Vroom's theory may be useful for understanding employee turnover. Employees whose good performances are not met with organisational reward may find no need to remain in the organisations.

2.7 Reducing labour turnover using retention strategies

In view of the importance employers place on employee retention, many strategies have been developed to ensure that employees are retained as long as possible. Deji (2010) confirms the fact that there are so many strategies that organisations can utilize to retain good and committed employees for as long as desired. Wingfield and Berry (2001) believes that employees may be retained using the '3Rs'; Respect, Recognition and Rewards. For an employer to keep employees and keep satisfaction high, the organisation must implement each of the 3Rs. The pyramid below shows the pyramid of the 3Rs.

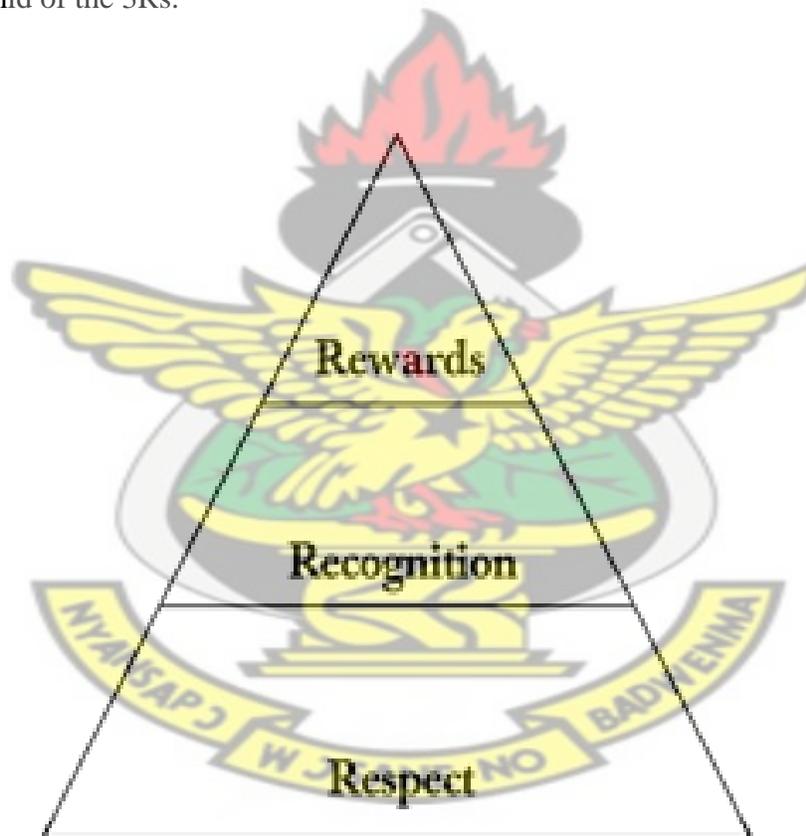


Figure 2.1: Wingfield and Berry's 3Rs of employee retention.

2.7.1 Respect

Respect is esteem, special regard, or particular consideration given to people. As the pyramid above in figure 1 shows, respect is the foundation of keeping employees. Recognition and rewards will have little effect if the organisation fails to respect its employees. According to Gregory Smith (2001), reward and recognition should not be the sole objective of the organisation in its attempt to retain skilled and experienced employees. Smith believes that employees should not be robbed of the intrinsic motivation of pride and self-respect. Treating employees with respect and dignity is critical to retaining good workers, especially in a better job market. Employees who do not feel treated with respect by their employers are over three times more likely to intend to leave their jobs within two years than those who feel they are treated respectfully, according to a survey by Sirota Survey Intelligence and the authors of "The Enthusiastic Employee." 63% of those who do not feel treated with respect intend to leave within two years, vs. only 19% of those who feel they are shown respect. The group proposes the following as the ways employers can show workers respect:

- (a) Recognizing employees for their accomplishments and providing them with the freedom to use their judgment
- (b) Soliciting, listening to, and acting on work-related ideas from employees, such as input on how to get the work done
- (c) Encouraging innovation and ideas on new and better ways of doing things
- (d) Providing employees with helpful feedback and coaching on how to perform more effectively
- (e) Valuing people as individuals, and giving them a sense of being included
- (f) Appreciating diverse perspectives, ideas, and work styles

(g) Encouraging full expression of ideas without fear of negative consequences

(h) Listening to, and fairly handling, employees' complaints

2.7.2 Recognition

Key employees must be recognized for their contributions to the growth and success of the organization. Recognition is a strong motivator because craving motivation is a normal human need. Many problems with retention and morale occur because management is not paying attention to people's needs and reactions. Research indicates that employees welcome praise for a job well done as much as they welcome a regular paycheck. Durbin (2004), claim that employees tend to regard compensation as an entitlement, whereas recognition is perceived as a gift. When employees perceive recognition as a gift, they are more likely to give off their best and remain loyal to the goals and aspirations of the organisation. Bielaszka-DuVernay (2007), believes that what's meaningful to one employee versus another can vary significantly. He therefore suggests that effective recognition must be tailored to the individual. An outstanding advantage of recognition, including praise, as a motivator is that it is no cost or low cost, yet powerful (Dubrin, 2004). According to Dubrin, an effective recognition award possesses at least one of the following qualities:

- It has symbolic meaning.
- It inspires pride of ownership.
- It helps to reinforce the philosophy or identity of the giver.

2.7.3 Reward

One of the traditional ways of managing employee retention is through reward system (Thilakasiri 2010). William and Werther, (1996). Deji, (2010) explained that reward constitutes what employees receive in exchange for their contributions to the organization. According to them this reward could come in form of salary, promotion, bonuses and other incentives. The rewards are intended to motivate them to get the work done in the organization. As with many other authors, Harris and Brannick (1999) offer the general principle that “What get rewarded gets done,” and they emphasize that principle must be connected to the organisation’s core culture. Rotundo (2002) argues that reward systems ought to be a significant sphere of innovation for employers. The increasing diversity of the workforce, she says, suggests the need for more creative approaches to tailoring the right rewards to the right people. It is clear that rewards—as part of a more comprehensive effort at keeping workers or adopting good workplace practices—can contribute to increased retention.

2.8 Developing effective retention strategies to reduce employee turnover

For a company to be able to retain its valuable employees, it must develop effective retention strategies. Byrnes (2002), notes that there are five essential steps for a company to develop an effective retention strategy. First, a corporate values system must be defined based upon the organization’s values and vision. These values must guide the company and identify those employees desiring to move in the same direction. Next, trust must be established within all parts of the business. “Security comes from trust and trust comes from honesty and communication. The bottom line is that employees want to know their employer will be straightforward with

them...Establish a process for sharing important information related to your business with your employees” (Byrnes, 2002, P. 4). Third, assess employee priorities through surveying. The answers will allow an organization to structure effective reward programs, thus increasing employee satisfaction. Fourth, Byrnes recommends doing industry homework. Companies need to understand competitors’ compensation and benefit programs. A clearer understanding of what is expected by employees within the industry provides the company the opportunity to increase satisfaction. Finally, the creation of a compensation and benefit package, supportive of company values and employee needs, is essential.

2.9 Benefits low employee turnover

The benefit of retaining competent and talented employees cannot be underestimated. Employee satisfaction and retention are closely linked to customer satisfaction. Mark Parrott (2000), Anderson and Sullivan (1993) and Rust and Zahorik (1993) believe that, there is a straight line linking employee satisfaction and customer satisfaction. Thus, high satisfaction has been associated with retention of both customers and employees. This means that if employees are satisfied and are retained in the organisation, it goes a long way to also retain loyal customers who are loyal to specific employees in the organisation.

Again, high employee retention reduces recruitment cost and other costs inherent in the process of acquiring new employees. Lawler (2008) emphasized that employee retention matters, as, organisational issues such as training time and investment, and costly candidate search are involved. Hence, he perceived that failing to retain a key employee is a costly proposition for any organization. Kay (2000) describe costs as in “...advertising and recruiting expenses, orientation and training of the new employee, decreased productivity until the new employee is up to speed,

and loss of customers who were loyal to the departing employee”. Based on the statements by Lawler and Kay, it is important that organisations retain their skilled and experienced employees to avoid or reduce the costs of recruiting new workers.

2.10 Employee turnover in the banking industry.

According to Abbasi et al (2000) employees are seen as major contributors to organisations competitive advantage. He therefore proposed that for the competitive advantage to be maintained, labour turnover should be discouraged by management. The banking industry in any economy is considered as crucial and as such poor performance of the industry can have a diverse effect on the economy as a whole. Amediku (2008) observed that labour turnover in the banking industry in Ghana though has not been stable; it has a lot of cost implications to the industry. Taking training cost, cost associated with exit interview, cost of replacing new employees and cost of gossip of the turnover which involves employee saying negative things about the company cannot be overlooked. This means that if Banks in Ghana are to remain competitive, they should know that such costs although cannot be avoided as labour turnover is not avoidable as far as death is concern; efforts should be made to mitigate these costs by retaining employees in the organisation. This actually proves that for Banks in Ghana to remain competitive due to financial liberalization that has brought so many competitors in the sector, they need to retain their existing employees who have been trained very well and are offering services to the satisfaction of their customers.

According to Dwomoh and Kwakye (2012) Labour turnover has been proven to have a significant relationship with performance of Banks in Ghana. They recommended that Banks in Ghana need to find all possible means to maintain their existing employees in order to continue

the relationship they had already established with customers. Though there are various ways by which management of Banks in Ghana can get employees to be loyal to the organisation, but what is most important is that Banks in Ghana need to encourage open door policy so that their employees can put before them what management need to do in order for them to get motivated in rendering excellent services to customers

2.11 Effect of Turnover on Employee Performance

Labour turnover does not only affect the profitability of organisations, it also affects the performance of employees. When a staff leaves the organisation, virtually all the work that is undertaken by that worker to is either shared or transferred to the remaining staff. In situations where the organisation has a lean staff, the work usually becomes overburdening to the remaining staff. For instance, Tyson and Fell (1986) explained that staff turnover increases work for the remaining staff and overburdens their efforts. They further explained that the increased workload affects the performance of the remaining workers because some of the jobs are not done well, and staff and customers know it is not being done well.

Tyson and Fell (1986) further explained that when workers leave the organisation, customers are the first to observe that work is not being done well. In most cases, the new employees are not efficient, or no so familiar with procedure.

Also, turnover lowers the productivity in the organisations that are affected. According to Armstrong and Baron (1998) high employee turnover brings about decreased income due to reduced productivity. In organisations where they operate with optimal number of employees,

departure of one employee greatly affects the output of the whole organisation as it affects the processes

Becker et al, (1997) observed that departure of one staff may lead to errors in the work performed by those taking over. This may happen either because the one taking over lacks the requisite skills to perform the job or is overburdened by work in his or her substantive position.

High staff turnover creates an impression that things are not okay. In organisations where there is discontent among the workers, many of them work to exit to other places. Exit of workers lowers the morale of the remaining lot since they feel that they are left behind to suffer.

Baron, Hannan and Burton (2001) have also established that high labour turnover affects performance of employees in their study of Hi-Tech start-ups in California in the 1990s. Again, Mefford (1986) who studied the concept of labour turnover in multinational manufacturing firms concluded that high labour turnover has a negative impact on employee and firm performance.

2.12 Challenges in Managing Labour Turnover

Reducing labour turnover or retaining experienced and dedicated workers is the topmost priority of every organisation seeking to gain competitive advantage. However, organisations face some challenges in their quest to effectively manage labour turnover (Barney, 1991; Wernerfelt, 1984)

Some of the challenges are examined below:

2.12.1 High Salary Demands of Employees.

Workers are employed to work for the organisation at a fee. Workers must be compensated for the services they render to the organisation. One of the challenges faced by organizations in managing labour turnover is the amount of compensation that is mostly demanded by employee. Some of the employees demand higher wages that is beyond the affordability level of the organisation. Barney (1991) observed that in all organisations, there is a salary budget that can be raised to a certain level. Retention becomes a problem when an employee quotes an exceptionally high figure beyond the budget of the organisation and is just not willing to compromise. Thus, when employees demand more than the organisation can pay, it becomes a challenge for such an organisation to retain employees

2.12.2 Challenges in stopping people from looking for change

Organisations try their possible best to hire employees from their competitors and thus provide lucrative opportunities to attract them. As employees stay long in the organisation, they look for change. According to Barney (1991), when employees are bent on changing their present jobs, it becomes a big challenge for the organisation to persuade such employees to stay on

2.12.3 Unrealistic expectations from the job also lead to employees looking for a change.

According to Wernerfelt (1984), there is virtually no solution to unrealistic expectations. An employee must be mature enough to understand that one can't get all the comforts at the workplace just like his home. Individuals from different backgrounds come together in an organisation and minor misunderstandings might arise but one should not make an issue out of it.

An individual must not look for a change due to small issues. One needs time to make his presence feel at the organisation and must try his level best to stick to it for a good amount of time and ignore petty issues.

KNUST



CHAPTER THREE

METHODOLOGY AND ORGANIZATIONAL PROFILE

3.0 Introduction

This chapter presents the methods for collecting data. It also provides the information about how the collected data was analysis. Also, this chapter justifies the various methods used for the study. Finally, the chapter shows an overview of the data collection procedure that is conducted to answer the research question and the overall purpose.

3.1 Research Design

The methodology of a research is very important as not only do the validity and reliability of the results of the study depend on it, but also the extent of replication and generalization of the study. According to Schaefer and Lamn (1995), a research design is a detailed plan or method for obtaining data scientifically. Research designs require creativity and ingenuity. The choice of the research design and methodology will therefore influence cost of the study and the time needed to collect the results of the research. This is why methodology is very important in the research study process and can never be overlooked.

In gathering data for this study, the researcher used both quantitative and qualitative methods (mixed methods) in order to complement the weaknesses and strengths of each of the methods (Yin, 1994). Smith (1981) explained that quantitative and qualitative data collection techniques

and analysis procedures have their own strength and weaknesses. Using the mixed method will help the researcher to benefit from both methods as explained by Yin.

The study used survey approach in carrying out the investigation. According to Saunders et al (2007:144), the survey strategy allows you to collect data which you can analyze quantitatively using descriptive and inferential statistics. The import of using this approach is that it measures relationships and attributes which will help in making the analysis and discussions of findings from the study more effective and presentable.

3.1 Sources of data

Data sources can be categorized as being primary or secondary sources, Alan et al., (2000). Primary data come from an original source and are collected with specific questions in mind which are designed in questionnaires form. Secondary data represent previously recorded data collected for another purpose or as part of a regularly scheduled data collection procedure, Alan et al., (2000). In conducting this study, both primary and secondary sources of data were exploited

3.1.1 Primary data

Primary data are data from original source. In other words, it constitutes the first-hand information collected from the field that has not been used before. They are usually collected through the use of questionnaires, interviews, and observations. For the purposes of this study, primary data was collected using questionnaires and interview guide. The primary data enabled the researcher to obtain first-hand information on the labour turnover in UBA.

3.1.2 Secondary data

Secondary data, also known as ‘second hand’, are data which already exist and might have been used for a different purpose. The research used secondary data in the form of report, books and thesis to obtain addition information that was essential for the successful conduct of the study. For instance, reports from the human resource department regarding turnover and employees motivations schemes were collected for the study. Also existing literature sources such as books, journals and annual reports were tapped into to gain ample understanding of the study at hand.

3.2 Study Population

According to Mason et al (1999) the population of a research is the collection of all possible individuals, objects or measurements of interest. Busha and Harter (1980) also defined a population as a set of persons or objects that possesses at least one common characteristic. Proper identification of the population of the research in question will help in narrowing down to the specific objects that are the subject matter of the investigation. The population for the study consist UBA workers in the Ashanti region of Ghana. The research categorized the population into senior management and current staff of the bank being studied. The population was chosen because the researcher believes that the population selected will be able to provide the information needed to conduct the research. The table below shows the categorisation of the population.

Table 3.1 Number of workers at UBA in Ashanti region (As at Dec, 2012)

Category	Number of workers
Senior management	15
Staff	80
Total	95

Source: Researcher's construct

3.3 Sampling Techniques

A study sample refers to a subset of the population that the researcher is interested. A sample is selected with care to ensure that the population under study is fairly represented. Saunders et al. (1997) explained that the size of the sample and the way in which it is selected will inevitably have implications for the confidence one can have in the data collected and the extent to which one can generalize. According to Saunders et al. (1997) purposive sampling enables one to use his or her judgment to select cases that will best enable him answer his research questions. For the purposes of this study, purposive sampling technique was used to get access to the right information from the right respondent or office, namely management staff and workers.

According to Nwana (1992) and Saunders (1990) if the size of the population is a few hundreds, a minimum of 40% will be appropriate sample size; if several hundred, a minimum of 20% is acceptable; if few thousands, a minimum of 10% is acceptable; and if several thousands, 5% will do. Based on the size of the population, a sample of 50 staff and 10 senior management staff were used for the study. The table below shows the population and sample size of the study.

Table 3.2 (population and sample for the study)

Category of workers	Population	Sample
Senior management	15	10
Staff	80	50
Total	95	60

Source: Researcher's own construct

3.4 Data collection instruments

There are various instruments that could be used to collect data from the sampled elements within the population. Some of these instruments include questionnaire, interview and observation. The instruments used for collecting data for the study consisted of self-administered questionnaires and interview. These instruments were used based on the nature of the data required for the study.

3.4.1 Questionnaire

The questionnaire method is popular it allows for the collection of large amount of data from a sizable population in an economical way (Saunders et al. 1997). According to them, the standardized nature of questionnaires allows for easy comparison. The questionnaire for the study was designed for the workers of the bank. The questionnaire instrument is shown in Appendix 1.

3.4.2 Interview

The in – depth interview schedule was conducted for the management staff of the banks. Interview method was employed in this research to collect more information from management concerning the challenges they face in their attempt to retain employees. Thus, the interview was used as a form of triangulation. This is because, where a quantitative study has been carried out, qualitative data can be used to validate particular measures or to clarify and illustrate the meaning of the findings, and to see whether their experiences concur with the ratings on the measure (King, 1994). Also it was used to determine whether the respondents' (current and former) expressed views were consistent with their questionnaire responses and finally to assist in interpreting and explaining the findings using the interview data.

Interview guide was administered to the management of the various banks. The interview afforded the researcher the opportunity to obtain an in-depth understanding of the problem of labour turnover facing the bank.

3.5 Data analysis techniques

The Data collected using the questionnaires were analyzed using the Statistical Package for Social Sciences` (SPSS). The collected data was first numbered, coded and entered into the SPSS software. The questions, which were mainly multiple response types, were analysed using multiple response set frequency tables. The variables of a multiple response set are coded as dichotomies or categories. The results from the analysis were presented using graphs, charts and frequency tables.

The open-ended items on the questionnaire and the responses from the interview schedules have been transcribed and discussed to support the results from the quantitative analysis.

All interviews were digitally recorded (with the consent of the participants) and transcribed verbatim by the researcher. To analyse the owner-manager and employee interview responses, the transcripts and hand-written notes were read repeatedly and key ideas and statements were highlighted and reflective comments made in the margins. Content analysis was used to aid in the classification of the textual interview data into four broad categories.

3.6. Profile of United bank of Africa (UBA)

3.6.1 History Background

United Bank for Africa (Ghana) Limited was initially incorporated and registered as Standard Trust Bank Ghana Limited at the Registrar General's Department. In December 2004, the Bank of Ghana issued the then Standard Trust Bank Ghana Limited with a license to operate as a universal bank making us the first bank to be licensed under the Banking Act 2004 (Act 673) and the nineteenth bank to be licensed in Ghana. United Bank for Africa (Ghana) Limited is a subsidiary of the African Banking giant – United Bank for Africa Plc, Nigeria which has presence in Cayman Islands and New York – USA. It is jointly owned by Ghanaian and Nigerian individual and corporate investors. The bank started with the initial capital base of US \$10,000,000 (ten million US dollars), which is far in excess of the Bank of Ghana requirement for a Universal Banking.

3.6.2 Staffing situation

As at the end of January 2013, the total number of workers (both management and ordinary) in all the branches of UBA in Kumasi stood at hundred (100).

3.6.3 Main activities carried out

Currently, the bank offers the following services: customer account, savings account, fixed deposit, savings, international fund transfer, loans, overdraft facility, salary workers loan, corporate loans among others. Their value propositions are geared towards identifying customer needs and expectations and providing value adding solutions for those needs. The overriding goal is to be in the forefront of banking innovation, defining the industry landscape and creating value for all our stakeholders.



CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULT

4.1 Introduction

This chapter outlines the data analysis and interpretation of results for the study. The findings are presented in a form of pie charts, bar graphs and frequency tables to make it easier for data obtained to be understandable. In addition, the researcher solicited the opinions of top management, through interview, on the subject of high labour turnover. Their responses to major questions are captured in a tabular form. The information ascertained was based on the responses from the questionnaires distributed to the employees and the interview conducted on top management of the various branches.

The study which aims at exploring labour turnover in UBA branches in the Ashanti region was conducted using fifty (50) respondents sampled from all UBA branches in the region. The branches and the number of employees sampled are as follows: Suame 10(20%), Adum, 12(24%) Kejetia 10(20%), Alaba 8(16%) Tanoso, 5(10%) and KNUST, 5(10%). In addition, the branch managers and 4 key officials were interviewed to ascertain a broader view of labour turnover in the bank.

4.2 Background information of Respondent

The study examined the background information of the respondents. The background information solicited included respondents experience with the bank and respondent's intentions

to leave the bank. Table 4.1 shows the information gathered on the background of the respondents.

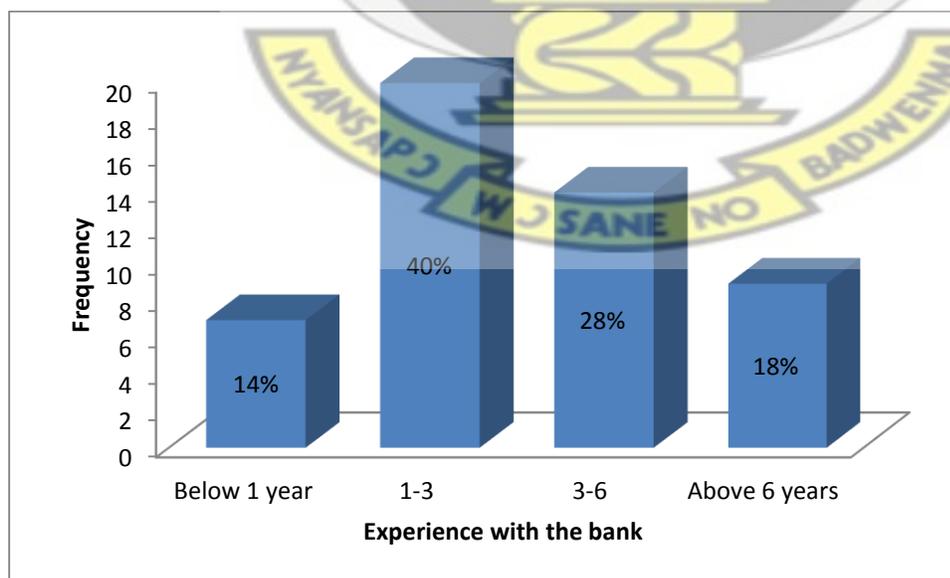
Table 4.1 Background information of Respondents.

Variable	Frequency	Percentage (%)
Experience with the bank		
below 1 year	7	14
1-3	20	40
3-6	14	28
Above 6years	9	18
Intentions to leave		
Yes	29	58
No	21	42

Source: Field Data, 2013

4.2.2 Experience with the bank.

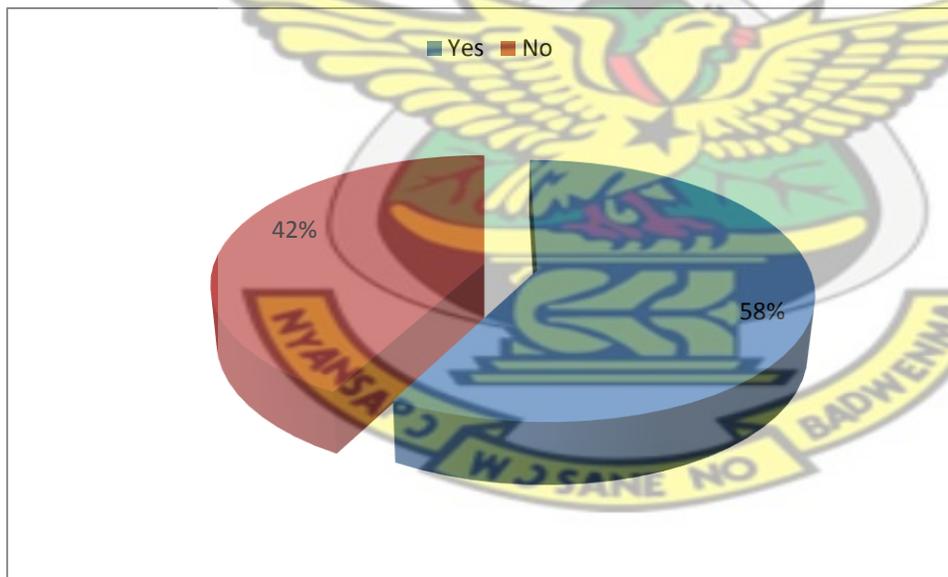
Figure 4.1 Experience levels of employees



Respondents were asked to indicate how long they have worked with UBA. They were given three responses to tick the appropriate responses relative to them. The results, as indicated in table 4.1, shows that 7(14%) of the respondents have less than one year experience with the bank while 20(40%) and 14 (28%) have between 1-3 years and 3-6 years experience respectively with the bank. Also, 9(18%) of the respondents have more than 6 years experience with the bank. The result indicated that, majority of the respondents have been in the bank for at least one year and are therefore qualified to provide information on labour turnover in the bank.

4.2 Workers intentions to leave

Figure: 4.2 Employees' intentions to leave



Source: Field Data, 2013

The researcher solicited the views of respondents on whether they have any intentions to leave or quit working for the bank. The result, as indicated in figure 4.2, shows that majority of the respondents 29(58%) have the intentions to leave, while the remaining 21(48%) have no

intentions to that effect. The result shows a serious problem of labour turnover in the bank. With most of the workers having the intentions to leave, it implies that if management does not holistically address the causes of the high labour turnover in the bank, the problem will continue to exist into the foreseeable future.

4.3 Major causes of high labour turnover in UBA (Research Q1)

Labour turnover is caused by multiplicity of factors. One of the objectives of the study was to examine the causes of high labour turnover in UBA. In meeting the stated objective, the respondents were asked to choose from various suggested causes of the high labour turnover. In addition to the suggested causes, they were asked to state any other causes of high labour turnover in their branches. A multiple response frequency table was constructed to ascertain the number (%) of respondents who selected a particular cause or causes. The responses are presented in table 4.2 below;

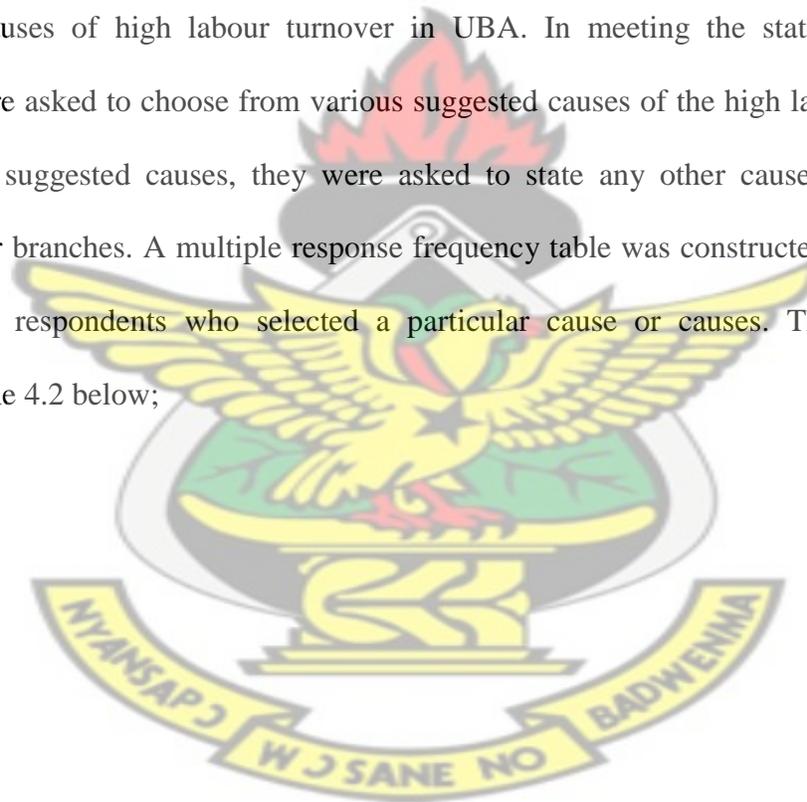


Table 4.2 Causes of labour turnover in UBA(Ashanti)

Causes of high labour turnover	Responses (N)	Responses (%)	Percentage of cases (%)
Lack of competitive reward system	42	21.8	84.0
Lack of respect for workers.	36	18.7	72
Poor attitude of supervisors towards workers	24	12.4	48
Lack of career development opportunities	16	8.3	32
Poor internal social tie	16	8.3	32
Neglect of workers in decision making	17	8.8	34
Poor working conditions	16	8.3	32
Improper dismissal of workers	11	5.7	22

Source: Field Data, 2013

The result indicated that majority of the respondents 42 (84%) identified lack of competitive reward system as a major cause of labour turnover in the bank. This was followed by lack of respect for workers, 36 (72%) and poor attitude of managers/supervisors towards employees, 24 (42 %). The others are poor career development opportunities, 16(32%), poor internal social tie, 16(32%), neglect of workers in decision making, 17(34%), poor working conditions, 11(22%) and improper dismissal of workers, 11(22%).

4.3.1 Causes of high labour turnover in UBA (Interviewee responses)

Branch managers and other key officials of the bank's branches in Kumasi were interviewed to find out their opinion about the causes of labour turnover in the bank. These interviewees were selected because they are usually involved in conducting exit interviews for those who leave. Their responses has been captured, synthesized and presented below:

(1) Inadequacy of compensation and reward schemes

According to the interviewees, most of the exit interviews conducted indicates that workers leave the bank because the compensation/salary they receive is inadequate. Most of the workers leave to seek better opportunities elsewhere. Majority of the interviewees agreed with this position but were quick to add that some of the workers demand outrageous salaries that the company cannot simply afford.

(2) Working conditions

A section of the respondents explained that exit interviews indicate that some of the workers leave because of the stress they experience in working for the bank. Most of them are unable to withstand the rigorous work carried out in the bank.

(3) Career development

According to the interviewees, most of the voluntary turnovers are as a result of career development issues. Employees expect to develop their capacity to take up bigger challenges in the bank. Unfortunately, it is difficult to rise through the ranks in this bank. Some of the employees therefore, leave to companies they believe will offer them better career prospects.

(4) Poor employee orientation

Most of the employees are not well oriented to take up the banking job. Most of them accept the opportunity to work for the bank with very high expectations. Unfortunately, if their expectations are not met they begin to have problem with the banks and subsequently resign.

(5) Poor Attitude of some Workers

Internal misunderstandings were also identified by the respondents as one of the causes of high labour turnover in the bank. The branch managers especially explained that they often have to settle disputes among workers due to some misunderstandings relating to their jobs. Those employees who are unable to bear the internal problems quits.

5.3.2 Implications of the results of the causes of high labour turnover

The study found that one of the major causes of labour turnover in the bank is poor remuneration and compensation package. For instance, with regards to the respondents to the questionnaire, about 84% of the employees surveyed identified poor compensation package as a major cause of labour turnover. The interview responses obtained by the researcher also revealed that poor salary and remuneration is a contributory factor to the high labour turnover in the bank.

The finding concurred with Gupta and Shaw (2001) who argued that pay (Salary) is the most important factor for employees to stay on. They further explained that, employees who are poorly compensated and rewarded for their effort are likely to leave their jobs in search of better remuneration. Also the study is in line with Manuet al. (2004) who explained that employees quit from organisation as a result of economic and financial reasons.

Lack of respect for employees, according to the study, is also a major contributory factor to the high labour turnover. For instance the study found that 74% of the respondent identified lack of respect as a major course of labour turnover. This finding is in consonance with Wingfield and Berry (2001)

Recognition and rewards will have little effect if the organization fails to respect its employees. He believes lack of respect for employees will apparently lead to labour turnover. Smith (2001) also asserts that reward and recognition alone cannot be sued to keep employees. Failing to respect employees is enough to make them quit. Smith believes that employees should not be robbed of the intrinsic motivation of pride and self-respect. Treating employees with respect and dignity is critical to retaining good workers, especially in a better job market. Employees who do not feel treated with respect by their employers are over three times more likely to intend to leave their jobs than those who feel they are treated respectfully.

Other factors such as poor career development and poor working conditions are other factors that cause labour turnover, according to the study.

4.4 Effect of high labour turnover in UBA (Research Q2)

The research also solicited the views of Respondents on the effects of labour turnover in the bank. Respondents were given options to select what they see to be the factors that affects labour turnover in the bank. The respondents were allowed to select as many options as possible. The multiple response frequency table (Table 4.3) below provides the various responses to the question.

Table 4.3 Effect of Labour turnover on the operations of UBA

Effect of high labour turnover	Responses	Percentage (%)	Percentage of cases (%)
Cost involved in recruiting and training new workers	37	27%	74%
Reduction in employee morale	26	19%	52.0%
Reduction in productivity	29	21.2%	58.0%
Job insecurity	24	17.5%	48.0%
New workers not adapting quickly	21	15.3%	42.0%

Source: Field data, 2013

The result revealed that 37(74%) of the respondents identified cost as one of the main effects of high labour turnover. This cost may arise from recruitment and training expenses for new employees.

Also 29 (58%) of the respondents identified reduction in productivity a key effect of the high labour turnover in the bank. The other effects are reduction in employee morale, 26(52%), reduction in productivity, 29(58.0%), job insecurity, 24(48%) and inability of new recruits to adapt quickly to the activities of the bank, 21(42%).

4.4.1 Effects of Labour Turnover (Interview Responses)

Also, to complement the responses from the workers, branch managers and key personnel (HR managers, and operations managers) were interviewed to solicit their opinions on the effect of labour turnover on the bank. Their responses are synthesized and captured in table below.

Table 4.4 Responses from interviewees on the effects of labour turnover in UBA

Respondents	Responses
Respondent 1	<i>The problem labour turnover is indeed having a negative impact on the operations of the bank because the experienced workers are constantly leaving the bank and those who are employed to replace them are not very experience. This has affected the productivity of the bank. For instance the time it takes a teller to serve a customers increased, compared to the period we were not experiencing high labour turnover.</i>
Respondent 2	<i>Yes, it is having a negative impact on our operations. The branch is losing most of its customers because of the problem. Most of the new employees are not competent enough and that has affected customer satisfaction. Also, productivity has gone down as a result of the problem. Again, the morale of workers is at all time low.</i>
Respondent 3	<i>Yes, workers are not motivated enough to give off their best due to the low remuneration and conditions of service. This is having a negative effect on productivity.</i>

Respondent 4	<i>Most of our experienced workers are leaving and this is serious because they have been in the bank for so long and therefore understand how the bank operates. Now that they are leaving, our operations are slow</i>
Respondent 5	<i>The turnover has affected the quality of service at the bank because the time it takes new employees to process customer demands has increased. This is as a result of their inexperience</i>
Respondent 6	<i>It is having a negative effect on our finances because the cost involved in recruiting and training new employees is very huge. Also, most of the new employees that are recruited to replace those who leave are not experienced in the area of banking. This is making our operations difficult</i>
Respondent 7	<i>It has reduced the profit of the bank because of recruitment expenses and other training costs.</i>
Respondent 8	<i>We incur direct and indirect expenses, which include the cost of advertising, headhunting fees, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. This is a serious negative effect on our operations</i>
Respondent 9	<i>Activities in departments where labour turnover is high hangs or come to a standstill until a new person is hired and trained to take up vacant positions.</i>

Source: Author's field survey: 2013

4.4.2 Implications of the results on the effect of labour turnover in the bank.

From the responses obtained, both from employees and management, it became evidently clear that cost of recruiting and training new employees as a result of the high labour turnover, was identified as major problem affecting the bank.

The processes leading to recruitment and training of new employees may have negative effect on the finances of the bank. As a result of high labour turnover, the bank will have to frequently spend money advertising for new employees and training them when they once gain employment. This finding concurs with Lawler (2008) who posits that labour turnover is costly because of the cost involved in searching for new candidates. Kay (2000) also believes that labour turnover affects the financial position of firms. For instance, he describes costs as in "...advertising and recruiting expenses, orientation and training of the new employee.

Also, the result revealed that the high labour turnover is having a negative impact on the productivity of the bank. For instance, managers have to frequently spend time that would otherwise be used to engage in productive ventures on activities relating to recruitment. Also, the new recruit may take time to adapt to the operations of the bank, which may affect productivity in the short-run. The findings concur with Kay (2000) who explains that productivity is affected when there is high labour turnover. Kay explained that until the new employee is up to speed productivity in the firm is reduced.

According to some of the interviewees, the high labour turnover affected the customer base on some of the branches of the bank. Most of the workers leave because they are not satisfied. Employee satisfaction has effect on customer satisfaction as identified by Parrott (2000), Anderson and Sullivan (1993) and Rust and Zahorik (1993). The authors believe that there is a straightline linking employee

satisfaction and customer satisfaction. Thus, high employee satisfaction has of both customers and employees. This means that if employees are satisfied and are retained in the organisation, it goes a long way to also retain loyal customers who are loyal to specific employees in the organisation.

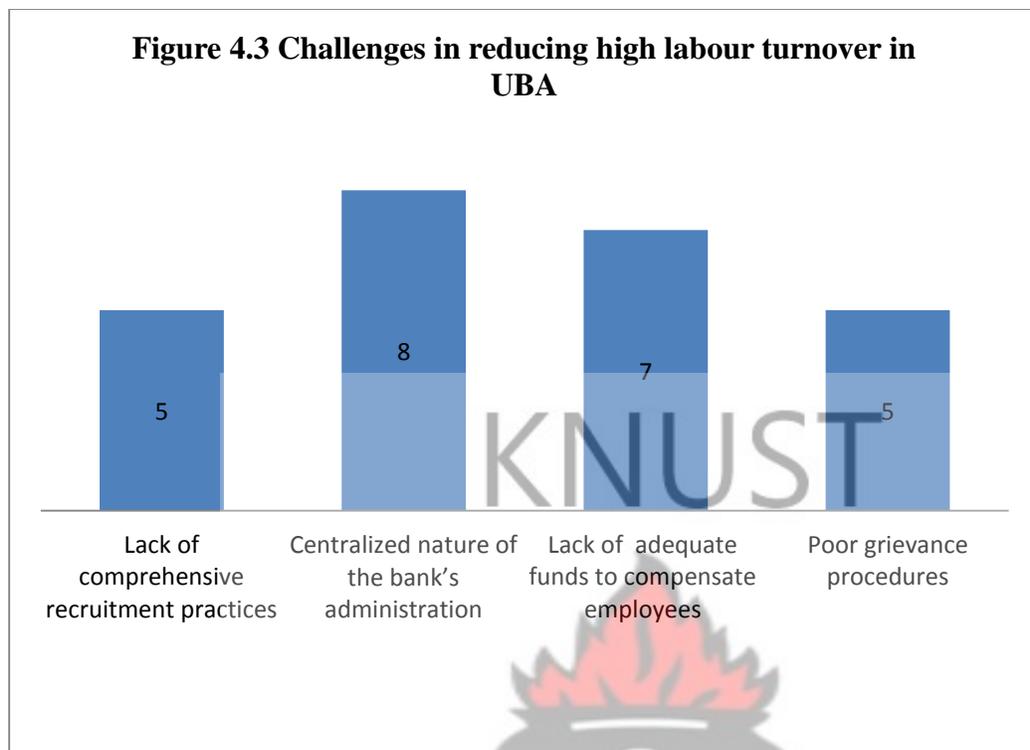
4.5 Challenges in reducing labour turnover in the bank (Research Q3)

Banks invest substantial amount of money on their employees in terms of induction and training, developing, maintaining and retaining them in their organisation. Because of this, managers at all times must strive to reduce labour turnover. However, managers are faced with some challenges that militate against their quest to reduce labour turnover. The researchers sought to examine some of these challenges faced by UBA. The researcher interviewed branch managers to solicit their view on the challenges.

Throughout the interview, four key challenges hindering the bank's efforts aimed at reducing the high labour turnover was identified. These challenges are;

- Lack of comprehensive recruitment practices
- Centralized nature of the bank's activities
- Lack of adequate funds to remunerate workers
- Poor grievance procedure

The responses have been synthesized and presented in figure 4.3



Source: Field Data, 2013

Figure 4.3 above shows that the main challenge facing the bank's branches in the Ashanti region in their quest to reduce labour turnover is the centralized nature of the bank's operations. In figure 4.3 above, eight (8) out of the 10 respondents identified this as a challenge. The respondents explained that most of the decisions concerning employee welfare, remuneration and human resource practices are taken at the headquarters rather than at the branch level. They explained that this makes it difficult for them to intervene to address issues affecting employees' welfare and remuneration.

Also, the second biggest challenge has to do with inadequate funds to provide competitive compensation package for workers. Seven (7) out of the 10 respondents admitted to this challenge. Most of them explained that the bank, as compared to its bigger counterparts, is not

very financially sound to provide juicy remuneration packages for employees. This forces some of the workers to seek higher remuneration elsewhere.

Again, lack of comprehensive recruitment practices was identified by some of the respondents (5 out of 10) as a challenge facing the bank's quest to reduce labour turnover. They explained that most of the branches don't have human resource managers to undertake effective recruitment. This makes it difficult to recruit competent and experienced workers who understands and appreciates the bank's philosophy.

Lastly, poor grievance procedure was also identified as a challenge. Respondents who identified this challenge admitted that the bank lacks competent human resource practitioners to resolve amicably grievances that emanates from the branches. They further explained that, the inability of the bank to effectively and efficiently handle grievances is one of the causes of the high labour turnover in the bank.

4.6 The Effect of Labour Turnover on the Performance of Employees in the Bank (Research Q4)

High Labour turnover does not only affect the financial position of the affected organisation. It has impact on the performance of existing workers. The researcher sought to investigate the effect of high labour turnover on performance of employees in UBA braches in the Ashanti region. In doing this, branch managers and human resource practitioners of the various branches were interviewed. In addition, employees were asked to explain how the high labour turnover has affected their performance. The result of the responses are presented as follows

Table 4.5 Has the high labour turnover affected your performance?

Response	Frequency(N)	Percent(%)
Yes	34	68.0
No	16	32.0
Total	50	100.0

Source: Field data, 2013

Table 4.6 above shows the responses given by respondents on whether the high labour turnover in the bank has affected their performance. The result revealed that 34(68%) of the respondents admitted that their performance are affected by the high labour turnover. However, 16(32%) of the respondents explained that the high labour turnover has not in any way affected their performance in the bank. The findings show clearly that labour turnover has effect on the performance of worker.

Further, respondent who admitted to the fact that labour turnover is having effect on their performance were asked to explain their positions. Four main effects were recognized from their responses. These are low worker morale, difficulty for existing employees to adjust quickly with their new counterparts, inefficiencies due to increased workload and Gaps in the social groupings of employees.

Low Morale

Respondents who identified this effect explained that when their close counterparts leave, it dampens their spirit and make them less productive. Most of the respondents explained that as their friends and long-term partners leave, it affects their morale because they feel that they are

left behind to endure the problems in the organisation. Some of the respondents also explained that the high labour turnover indicates that things are not too well with the company and that they have to find alternative sources of employment elsewhere. This has a negative effect on performance.

The end result of these effects is that it de-motivates remaining workers, leading to low productivity and performance. Also, employees develop negative attitude towards the organisation and are discouraged from giving off their best.

Difficulty in adjusting quickly with new partners (workers),

According to the respondents, when long-term work partners are replaced with new employees, it takes time to adjust with their speed. Since the banking business thrives on team work, the inefficiency of new partners (workers) affects their performance. As explained by a respondent; sometimes you have to wait for new employees who are slow to finish whatever they are doing before you can continue. This is a real problem because you end up doing less than what is required of you”

Inefficiencies due to increased workload

Some of the respondents explained that the high labour turnover put enormous pressure on the remaining workers since they have to do more work than usual. Until new employees are recruited, exiting workers are forced to do so much within the shortest period of time, leading to tiredness and inefficiencies. As explained by one of the respondents; “because of the high labour turnover, we are sometimes overburdened with a lot of work. As a result of this, we make

mistakes that can easily be avoided. Making mistakes in the banking business can be very serious”

This sentiment concurs with Derek et al, (2008) who observed that high turnover increases the workload of existing workers, creating imbalances both in human resources available and allocation of duties. This, they explained, creates an environment prone to mistakes being made by the remaining staff. The end result is lowered performance and inefficiencies. Sparrow (1996) also explained that workers who work hard are usually affected the more as a result of increased work generated by high staff turnover. According to the responses obtained from the respondents, high turnover increases errors and omissions at work due to excess workload heaped on remaining workers.

Gaps in the social groupings

“It can be hard to lose relationship with long-term work mates”. This is a sentiment that was expressed by one of the respondents. Most of the respondents explained that the high labour turnover has created gaps in the social groupings in that close friends depart frequently, making the working environment bored, uninteresting and less sociable. This they believe has affected the performance of the workers.

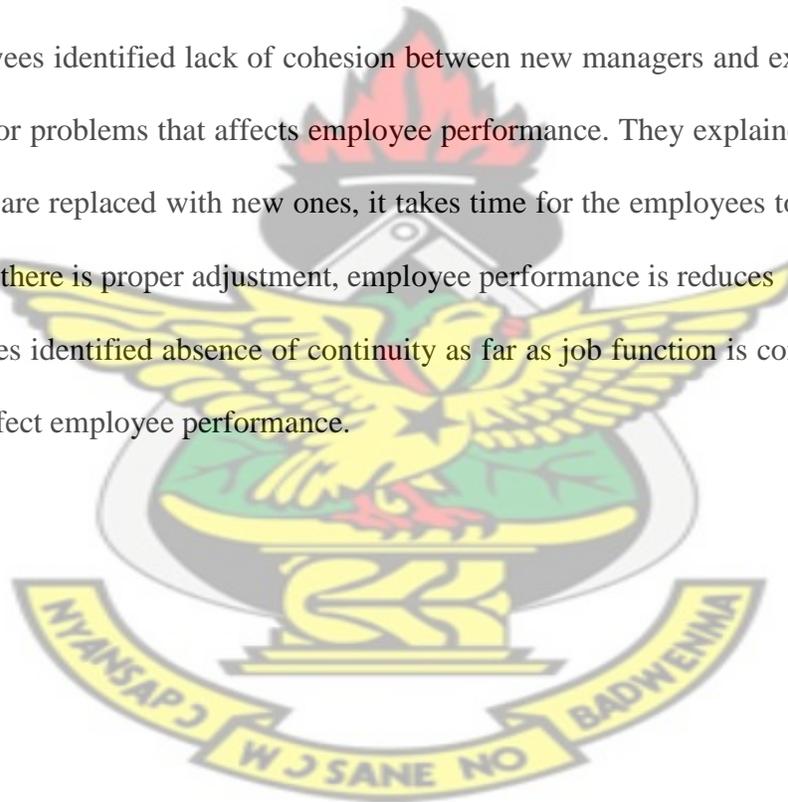
4.6.1 Effect of labour turnover on the performance of employees (Interview responses)

As explained earlier, branch managers and top officials were asked to explain how the high labour turnover in their branches has affected the performance of employees. Most of their responses are similar to those expressed by the other employees.

First, interviewees identified inefficiencies of new employees as a major problem affecting employee performance in the bank. They explained that new employees are usually not experience enough to efficiently undertake tasks assigned to them, resulting in mistakes and serious errors in their undertakings. This is confirmed by Armstrong (2001) who observed that long-term employees most often have higher productivity and efficiency than their newer counterparts. He explained that long-term employees have considerable length of experience with the firm as compared with new employees. Thus, a firm facing high labour turnover is likely to have lower employee performance.

Second, interviewees identified lack of cohesion between new managers and existing employees as one of the major problems that affects employee performance. They explained that when new exiting managers are replaced with new ones, it takes time for the employees to adjust to his/her policies and until there is proper adjustment, employee performance is reduces

Third, interviewees identified absence of continuity as far as job function is concerned as one of the factors that affect employee performance.



CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter deals with summary of study, conclusion and recommendations. The conclusions are made based on the analysis and the literature review.

This study sought to look at the labour turnover in UBA branches in the Ashanti region. Specifically, the study emphasized on the causes of increasing labour turnover rate in the bank as well as the effects and challenges associated with labour turnover. Also the study specifically examined the effect of high labour turnover on the performance of employees of the bank. The summary of findings are presented below

5.2 Causes of labour turnover in UBA (Ashanti)

Based on the results obtained in chapter four, the major causes of high labour turnover in UBA are poor compensation package for employees and lack of employee involvement in the decision process of the bank. In addition to these major causes, the following are some of the other causes of the high labour turnover in the bank

- Poor career development and progression
- Poor social tie
- Poor attitude of management towards employees

- Poor employee orientation

5.3 Effect of high labour turnover on the bank

After investigating the effect of high labour turnover on the activities of the bank, the following were ascertained:

First, the major effect of high labour turnover on the bank is the cost involved in recruiting and training new employees. The study found that the bank incur a lot of cost to replace existing employees. In addition to this major effect, reduction in productivity and job insecurity on the part of employees were also identified as some of the negative effects of high labour turnover in the Bank

5.4 Challenges in dealing with the problem of high labour turnover in UBA

The study found out that, as far as salary increment and other compensation packages are concerned, the branch managers are handicapped. Major decisions with regards to financial benefits of employees are mostly taken at the central level but not at the branch. This makes it difficult for branch managers to comprehensively reward employees who are exceptional in the delivery of their duties.

Another major challenge finding was that, the branches lack qualified human resource managers to handle issues pertaining to employee recruitment and retention.

Thirdly, poor grievance procedures were also identified as a major challenge of labour turnover in the bank.

5.5 Effect of high labour turnover on the performance of employees in UBA

In examining the effect of high labour turnover on the performance of employees in the bank the following were found.

- Inefficiencies of new employees undermines their performance
- Lack of continuity in operations affect general employee performance
- Low morale of remaining workers dampens their spirit and makes them less productive
- Increased workload as a result of high labour turnover overburdens existing workers, reducing their performance and productivity

5.6 Conclusion

There are many causes of employee turnover in organisations. Most of these can be prevented by the organisation (employer). Offering competitive salaries along with good benefits can most likely lead to a reduction in labour turnover. Also the opportunity for advancement and promotions will also help. Most employees seek for jobs that can help them to eventually advance in. In order for management to reduce labour turnover to the barest minimum, all factors that makes the workers comfortable and happy must be taken seriously.

5.7 Recommendations

First, employee's dissatisfaction with compensation can be effectively dealt with if management compensates employees with the highest possible wages. The study also established that the major causes of employee turnover is the lack of respect for employees, poor career development

opportunities and lack of shared decision making between the employees and the management. In view of these findings, the study recommended that, management should endeavour to involve workers in the decision making process. This will make them feel part of the decision making process of the bank. .

Second, the study recommended that, the management should improve the internal working environment so as to retain more workers. Subsequently, training policies as well as creation of flexible working hours would encourage more workers to view banking job as long term careers like in other industries.

Third, career development programs must be organized to enhance the development of workers in the bank.

Fourth, the bank must institute a committee to undertake some analyses to determine the nonmonetary interests and preferences of its key employees, and then attempt to meet these preferences in action.



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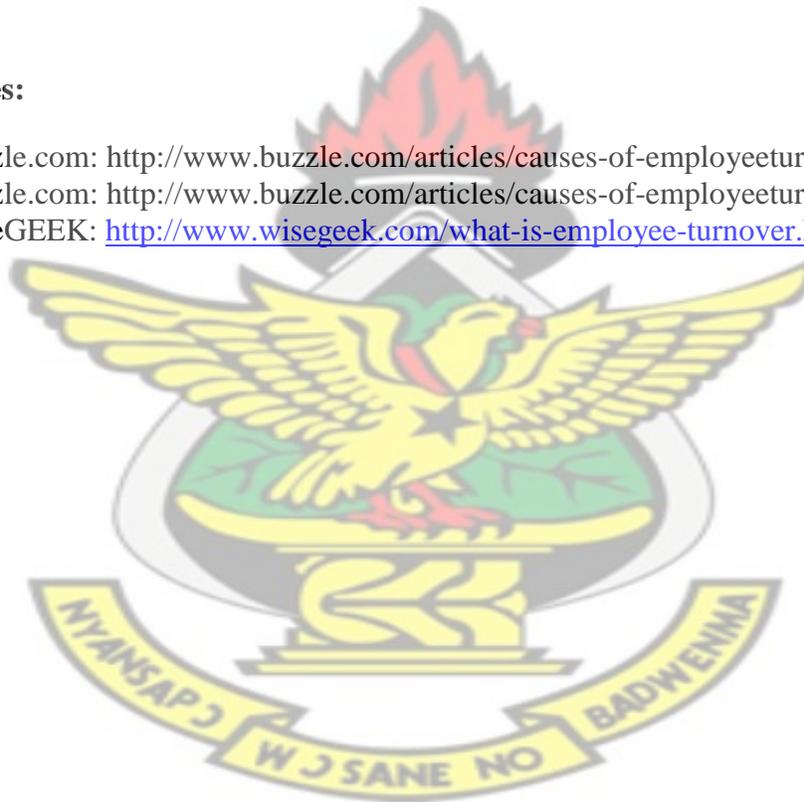
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Appendix 1: Questionnaires

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COLLEGE OF ART AND SOCIAL SCIENCE

KNUST SCHOOL OF BUSINESS

Dear Respondent,

I wish to introduce myself to you as a Master of Business Administration (MBA) student of the School of Business, Kwame Nkrumah University of Science and Technology. As part of the programme, I am required to write a thesis entitled 'Exploring labour turnover at UBA in the Ashanti Region'. Your organization has granted me permission to use it as one of my case study organizations. Consequently, sampled employees, of which you are a member, are required to fill in the following questionnaire. I would be most grateful if you could please spare some few minutes of your precious time to answer all the questions that follow. You are assured that all the data/information you provide would be treated with utmost confidentiality. I thank you in advance for your co-operation. Please answer the questions by ticking in the box [] provided, or alternatively, please write in the space provided.

Thank you.

BRANCH:

Section A: Background of Respondents

1. How many years have you been working for the bank?

Less than 1year [] 1-3 Years [] 3-6 Years []

2. Your current salary level(Gh¢)

300-700 [] 701-1100 [] Above 1100 []

Section B: The set of questions below are to investigate the cause of labour turnover in your organization

3. In your candid opinion, what do you think are accounting for the high labour turnover rate in your bank? Please tick all that apply.

- Lack of respect for workers []
- Poor career development opportunities []
- Poor attitude of supervisors towards workers []
- Lack of respect for workers []
- Poor internal social tie []
- Neglect of workers in decision making []
- Boring and routine nature of the job []
- Improper dismissal of workers by management []
- Poor working conditions []
- Others (specify).....

Section C: The set of questions below are to investigate the effects of high labour turnover in your organization.

4. In your opinion, what are the effects of high labour turnover in your bank?

- Reduction in productivity []
- Low morale of workers []
- Job insecurity []
- Cost involved in recruiting and training new workers []
- Inability of new workers to adapt quickly in the organization []

Others: please specify -----

Section D: The set of questions below are to investigate how labour turnover can be reduced.

5. What factors do you think can be done to reduce labour turnover?

- employees job satisfaction []
- Better compensation package []
- Employees motivation and career prospect []
- Employees training and development []
- Employees recognition []
- Employees achievement and advancement []

6. In your candid opinion, is the bank doing the right things to reduce labour turnover?

Yes [] No []

Section E: Effect of labour turnover on performance

7. Has the high labour turnover in the bank affected your performance?

Yes [] No []

8. If yes to question 7, in what way(s) has it affected your performance?

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Appendix 2: Interview Guide

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY

COLLEGE OF ART AND SOCIAL SCIENCE

KNUST SCHOOL OF BUSINESS

Dear Respondent,

An academic research is being conducted to understand Labour turnover in your organization. You can contribute to make this study a success by providing responses to the questions in this instrument. All information you provide will be treated confidentially and shall be used for academic purposes only.

Thank you.

- 1. What in your opinion are the main causes of turnover in your company?**
- 2. What is your company's long-term strategy as far as reduction in the rate of labour turnover is concerned?**
- 3. Is labour turnover a major challenge to the bank? Please tell me such challenges**
- 4. If labour turnover is a major challenge in your bank, what are the short-term and long term policies you have implemented to address these challenges?**
- 5. Is the problem of labour turnover having a negative impact on the operations of the bank?**
- 6. If yes, what are some of the visible effects you can share with me?**
- 7. What do you think are some of the main causes of the high labour turnover at the Bank?**

8. What are the strategies you are putting in place to reduce turnover?

9. Have those strategies worked so far or they are yet to yield result?

10. Has the high labour turnover in your organization affected the performance of the employees?

12. If the high labour turnover has affected employee performance, in what ways do they manifest?

KNUST

