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Attributes affecting Labor Turnover in Public Organizations, Tanzania

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Abstract

Due to the increase in workforce turnover in public organizations, especially between 2020 and 2022, the study attempted to look into the factors driving this phenomenon. The Tanzania Revenue Authority (TRA) in Singida was the site of the study. The precise goals of the study are to determine how labor turnover affects organizational performance, assess into the reasons behind TRA's personnel turnover, and pinpoint labor turnover-related patterns and actions. There were 32 staff in the study sample. Utilizing a case study methodology, the research included purposive and simple random sampling procedures, as well as questionnaires, interviews, and documentary reviews to gather data. An exploratory sequential research design was used to assess the data because the study employed a mixed technique. The investigation found that TRA had a notable tendency of labor turnover in 2021. The research claims that in 2021, the organization experienced a significant labor turnover rate, especially among junior staff members who were searching for green pastures. The problem stems from headhunting, transfers, friction, and high expectations from junior staff. The study found that poor performance, an overwhelming workload, poor service delivery, and low profitability to compensate for the losses of departing employees were among the repercussions. The government should improve working conditions in public organizations so that employees can work in an environment that is comfortable, safe, and healthy, per the study's recommendations. In order to accomplish the organization's goals, employees must also follow its policies, procedures, and regulatory frameworks. Management or leaders must also try to improve performance by rewarding and promoting their employees. The sample size was one of the study's drawbacks; smaller sample sizes increase the likelihood of chance results and lower the study's statistical power. Because research sometimes needs to be finished by a specific date, whether that date is established by academic calendars, funding cycles, or other situations, resource limitations include time limits. The study suggests that in order to ascertain whether the problems at Singida TRA can have an impact on other TRAs, future research should collect data from several TRAs. Additionally, instead of using two research approaches like this study did, researchers should try to use a bigger sample size.

Key Words: *Attributes, Labour Turnover*

1. Introduction

Organizations allocate financial resources to the development of their employees through induction, training, career development, and promotions, all of which aim to retain staff within the organization. However, employee turnover remains a significant challenge for organizations at the global, regional, and local levels. All types of organizations, regardless of size, are affected by turnover. A global report by an (2019) revealed that the average labor turnover worldwide was 6.2% for voluntary departures and 5.8% for involuntary separations. For an organization to thrive, several critical elements are necessary, including strong leadership that starts at the top and is focused on achieving optimal outcomes. Another vital element is a well-structured organization and effective management practices (Chiat & Panatik, 2019). Additionally, the organization must have employees who possess the

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necessary skills, knowledge, experience, and attitudes to perform at a high level and contribute to achieving the organization's goals and maintaining sound financial performance. These components and principles apply across all types of businesses, companies, organizations, professional firms, or non-profit entities (Dwomoh, 2019).

Employee turnover refers to the movement of individuals into and out of the workforce within an organization during a given period (Sandhya, 2024). It can also be described as the ratio of employees who leave an organization within a specified time frame, relative to the average number of employees in that organization during the same period. Departures from an organization can occur through resignation, retirement, redundancy, termination, or death (Dwomoh, 2019). Gonzalez (2020) suggests that an annual turnover rate of around 26% is considered typical, while a turnover rate of 32% or higher is seen as a serious issue that could lead to the organization's collapse. For instance, New Zealand is noted for having the highest turnover rates in the Asia-Pacific region. A high employee turnover rate represents a significant loss for an organization, as it invests substantial resources into developing its employees' skills, only for them to leave and take their expertise to competitors. Furthermore, organizations with high turnover rates face increased risks of poor long-term performance. In the past six years, public organizations in Tanzania have experienced a loss of approximately 100,000 jobs.

Tanzania consists of both public and private sector organizations operating in various industries with considerable productivity. These organizations employ a range of staff, including full-time, permanent, part-time employees, volunteers, and others, depending on their specific policies. Employees play a crucial role in ensuring that the organization's goals and responsibilities are met through productive output. Additionally, parastatal organizations in Tanzania have also struggled with high employee turnover rates. For example, Chintamancee (2023) noted that several parastatal entities face high turnover rates due to factors such as low wages and poor working conditions, especially in local government agencies. Public educational institutions like VETA and NIT also face significant turnover challenges for similar reasons. These are not the only factors contributing to high staff turnover.

Globalization plays an increasingly significant role in employee relocation, with workers moving voluntarily or involuntarily, often in search of better opportunities. This study aims to investigate the

factors driving labor turnover in public organizations in Tanzania. It is widely believed that many workers move to other employment opportunities seeking better conditions. The rapid rise in employee turnover across both public and private sectors in Tanzania has raised major concerns, prompting many organizations to seek solutions (Chintamane, 2023). In general, when an organization loses employees, it loses both talent and expertise. The extent and nature of this skills gap are critical issues for management, as they affect productivity, service quality, and the organization's profitability. The costs associated with replacing employees can be substantial, and the challenge of hiring and training new staff can be significant, particularly since the departing employees often take years of industry-specific experience with them.

Although the Tanzanian government has implemented various measures to reduce turnover in public organizations such as creating career advancement opportunities, introducing performance management systems like OPRAS, providing training, and offering competitive salaries and benefits there are still gaps that need to be addressed. For instance, according to the Tanzania Employment and Labor Relations Act No. 6 of 2004, employees are free to move between institutions with minimal procedures. However, the Bureau of Statistics (2023) reported that from 2021 to 2023, labor turnover rates remained high. Samasonok (2024) pointed out that factors like poor communication between management and staff, a lack of incentives, and the absence of training programs contribute to high turnover in Tanzanian organizations. Furthermore, Ibrahim et al. (2021) found that low salaries, particularly for graduates in the banking sector, play a significant role in driving employees to seek alternative employment. This study aims to examine the factors contributing to labor turnover at TRA-Singida, considering that issues such as low salaries and insufficient incentives persist, despite the government's efforts to address them by providing competitive pay.

The Tanzania Employment and Labor Relations Act No. 6 of 2004 stipulates that employees have the right to move freely between institutions, without facing complicated procedures. By reviewing existing studies, it is clear that limited research has been conducted on the factors influencing labor turnover in Tanzanian public sectors, and no studies have yet focused on turnover at TRAs. Studies by Kilumile (2019), Guyo (2018), and Upendo (2019) have identified financial factors like low remuneration, delayed payments, and unfair treatment as contributing to turnover. However, these studies often overlook psychological factors, such as employees' high expectations and headhunting. Therefore, there is a need for further research to understand the factors driving labor turnover at

TRA-Singida, which can serve as a representative case for other TRAs in Tanzania, as no prior studies have been conducted in this area.

1.1 Objectives of the Study

- i. To identify trends and efforts towards labor turnover at TRA-Singida
- ii. To explore reasons for labor turnover at TRA-Singida
- iii. To determine the effect of labor turnover on organization performance.

2. Literature Review

The main objective of Abraham Maslow's theory, which focused heavily on people's innate desires, was to address the psychological needs of workers. The idea states that an employer has five tiers of human criteria for their employees. Self-actualization, social, psychological, safety, and esteem are some of these levels. All of these levels are useful in determining the kind of motivational stimulation that managers need to employ as strategic "pulling" elements to attract and retain employees in any particular firm, whether it be public or private, claim Ihensekien and Joel (2023). Picture 2.1 below illustrates the Maslow Hierarchy of Needs.



Figure 2.1 Maslow's Hierarchy of Needs

Source: Ihensekien Orobosa, (2025).

Maslow proposed that lower-level needs must be fulfilled before higher-level needs can be addressed in order to motivate workers. These needs should be organized into a hierarchy, and only when lower-level needs are fully met will employees be motivated to pursue the next level of needs within the hierarchy (Robbins, 2002).

The Motivation-Hygiene Theory, also known as the "Two-Factor Theory," was introduced by Frederick Herzberg in 1966. This theory focuses on factors that contribute to job satisfaction and dissatisfaction. Herzberg, in agreement with various studies by other scholars, identified factors that influence workplace satisfaction. These factors are categorized as "Motivational Factors" and "Hygiene Factors." Herzberg's research involved interviewing employees who were dissatisfied and unmotivated in their work environments. In 1959, he and his colleagues published the two-factor model, which was later developed into the Two-Factor Theory, influenced by Maslow's Hierarchy of Needs (Bundtzen, 2021). Herzberg's hypothesis was that job satisfaction and dissatisfaction are influenced by two distinct sets of factors, leading to further studies to examine whether satisfaction or dissatisfaction was primarily driven by the work environment.

Herzberg proposed that there are factors contributing to both positive and negative attitudes toward work. He classified these factors into two categories: motivation factors and hygiene factors. Motivation factors are intrinsic to the job, while hygiene factors are external. In this context, intrinsic factors enhance satisfaction, while extrinsic factors can diminish it (Bundtzen, 2021). He emphasized that workers should be provided with favorable working conditions. Hygiene factors include a conducive work environment, compensation, security, company policies, and interpersonal relationships (Bundtzen, 2021). The absence of effective hygiene factors, such as salary and other benefits, should be addressed to ensure parity with other organizations offering similar rewards. Herzberg believed that the status of employees should be maintained and organized accordingly to ensure job security, creating a supportive working environment (Donnel, 2021). This theory is relevant to this study as it illustrates how hygiene factors like job security contribute to positive working conditions, thereby enhancing job satisfaction.

Shija (2020) conducted a study at the Immigration Headquarters in Dar es Salaam to identify the factors contributing to employee turnover. Using a cross-sectional survey design, the study sampled 70 respondents. The findings identified several factors leading to employee turnover, including poor

work environment, low salaries, inadequate incentives, lack of training programs, and poor communication between employees and supervisors. Kilumile (2019) studied labor turnover in Tanzania's banking sector, using a sample size of 120 respondents and a case study approach. The study revealed that low salaries and insufficient income, particularly for graduate employees, played a significant role in employees seeking employment opportunities elsewhere. Kilumile also highlighted that many commercial banks in Tanzania offer better services and benefits to experienced employees, neglecting the educational qualifications of workers, which undermines the competitiveness of the labor market, particularly for graduates.

Guyo and Mwangi (2018) conducted a study to assess the causes and impacts of labor turnover in the construction industry, using a case study design and a sample of 100 respondents. The study found that turnover in the construction sector was primarily driven by low remuneration, poor working conditions, unfair treatment from supervisors, and poor communication between management and staff from different departments. They recommended that organizations raise employee wages, improve working conditions, and ensure better communication regarding human resource policies to reduce turnover rates.

Watrous (2022) studied labor turnover in non-profit organizations, focusing on middle-level officers in Tanzanian NGOs. The research found that key factors contributing to turnover among middle-level officers included poor working conditions, long working hours without proper compensation, lack of training and career development opportunities, and poor relationships with management. Other factors included lack of control over work, feeling bored with repetitive tasks, job insecurity, more competitive compensation packages offered elsewhere, and concerns about the future of the organization.

Upendo (2019) investigated the causes of employee turnover in Tanzania's private sector, specifically among commercial chambers. The study found that factors such as poor human resource policies, lack of career development, and inadequate rewards and recognition were significant contributors to employee turnover. The studies reviewed indicate that employee perceptions of their work can change over time, influenced by factors such as economic conditions, lifestyle, and technological advancements. These limitations highlight the need for further research on the factors contributing to

labor turnover in Tanzania's public sector, particularly within TRA, as turnover factors may vary across organizations and may be influenced by other organizational-specific factors.

2.8 Conceptual Framework

The conceptual framework is a research tool that helps in evaluating and analyzing the relationship between independent and dependent variables (Kothari, 2004). It illustrates how independent variables influence the occurrence of dependent variables. For this research, the conceptual framework is based on Herzberg's Two-Factor Theory and Maslow's Hierarchy of Needs. The framework for this study is outlined Figure 2.1:

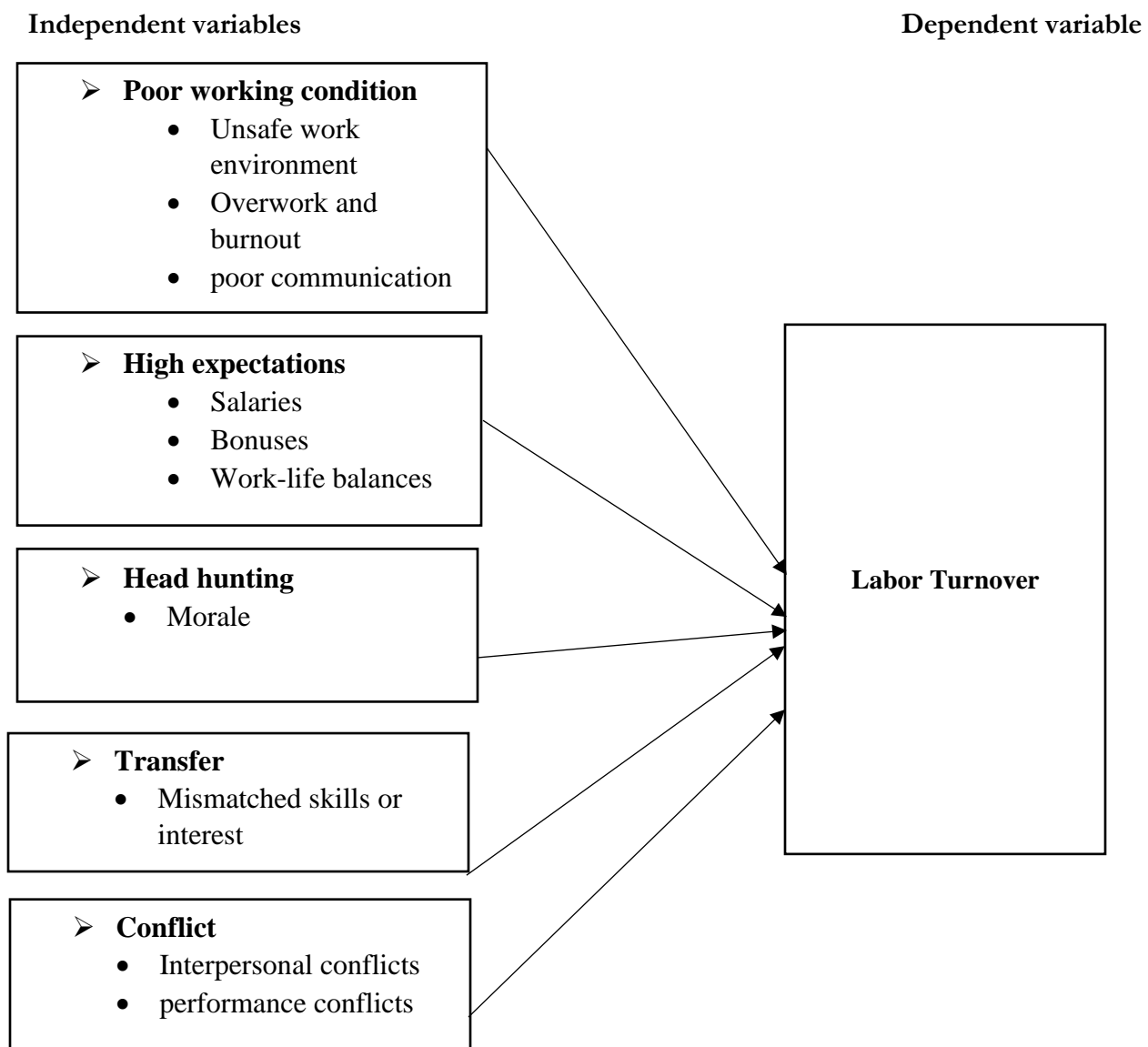


Figure 2.1 Conceptual framework

3. Research Methodology

The study sample consisted of 32 responders. Utilizing a case study methodology, the research included purposive and simple random sampling procedures, as well as questionnaires, interviews, and documentary reviews to gather data. An exploratory sequential research design was used to assess the data because the study employed a mixed technique. The Statistical Package for Social Science (SPSS), which allows researchers to perform descriptive statistics like frequency distribution and percentage, which are used to summarize the data and provide sample characteristics, was used to analyze four data points that were obtained using questionnaires.

4. Results and Discussion

The study's findings and their application to TRA regarding the variables affecting employee turnover in Tanzanian public sectors. The analysis of the findings was centered on the specific objectives. The chapter was divided into two major sections. The first half discusses the participant's background, while the second part presents the information gathered by TRA staff.

4.1 Background information of participant

Sn	Category	Frequency	Percentage (%)
1.	Gender of Respondents		
	Male	14	43.75
	Female	18	56.25
	Total	32	100
2.	Age		
	18-25	1	3.125
	26-35	15	46.875
	36-45	10	31.25
	46 and above	6	15.75
	Total	32	100
3.	Length of Service		
	0-2	8	25
	3-5	13	40.625
	6-10	6	18.75
	10 and above	5	15.625
	Total	32	100
4.	Level of Education		
	Certificate	00	00
	Diploma	16	50
	Degree	14	43.7
	Masters	02	6.25
	PhD	00	00
	Total	32	100

4.1.1 Gender

This study explores the gender distribution of the respondents. Both male and female participants were included in the study to prevent any gender bias. The findings showed that 68.75% of the respondents were female, while 31.25% were male. The data in Table 4.1 reveals that the majority of the respondents were female, compared to the male respondents. This indicates that the study successfully avoided gender bias, as both male and female participants were considered, and their views were equally taken into account.

4.1.2 Age

The study aimed to identify the age groups of the respondents, which was important for understanding their capabilities. The results, as shown in Table 4.2, highlighted the distribution of ages among the participants. Most respondents (17 or 53.125%) were between the ages of 26 and 35, while 15 respondents (46.875%) were between the ages of 36 and 55. The data also showed that 1 respondent (3.125%) was aged between 18 and 25, and 6 respondents (18.75%) were over 46 years old. This suggests that the majority of participants were in the 26 to 35 age group, which is common in organizations, as many individuals in this age bracket are still exploring new opportunities and seeking career growth. This finding aligns with Ton's (2013) study, which identified that younger employees often have higher turnover rates as they are in search of better opportunities. This age group tends to have higher ambitions and aspirations.

4.1.3 Education Level

The education level of the respondents was assessed to determine their formal educational qualifications. The study found that 16 respondents (50%) had completed a Diploma, 14 respondents (43.75%) had obtained a Bachelor's degree, and 2 respondents (6.25%) held a Master's or postgraduate degree. According to the data in Table 4.1, the majority of participants had a Bachelor's degree, followed by those with a Diploma. This indicates that the level of education is a significant factor influencing labor turnover. The study observed that a higher level of education in an organization correlates with higher voluntary turnover, as employees with higher qualifications are more likely to leave in search of better-paying jobs and improved working conditions. Upendo (2011) also highlighted that employee retention and turnover are influenced by demographic factors such as income, education level, age, and work experience. Employees with higher qualifications tend to find it easier to secure employment elsewhere.

4.1.4 Work Experience

The study also sought to understand the respondents' work experience within the organization. It was found that most participants had been with the organization for a considerable period of time, providing a true reflection of their experiences. The study revealed that 19 respondents (23%) had 6 to 10 years of work experience, 5 respondents (15.625%) had between 3 and 5 years, 5 respondents (15.625%) had more than 10 years, and 3 respondents (9.375%) had less than 3 years of experience. From Table 4.1, it can be inferred that most of the respondents had less than 5 years of experience, indicating that many employees at TRA are likely to seek employment elsewhere. Employees with more years of experience tend to report greater job satisfaction compared to those with less experience.

4.2 Trends in Labor Turnover at TRA

4.2.1 Extent of Labor Turnover

The researcher was interested in determining the extent of turnover within TRA. Respondents were asked to assess the level of turnover in the organization. The findings showed that 5 respondents (15.625%) felt the turnover rate was high, 10 respondents (31.25%) considered it low, 5 respondents (15.625%) felt it was very high, and 12 respondents (37.5%) perceived it as moderate. The results are presented in Table 4.2.

Table 4.2: Magnitude of labor turnover

Magnitude of labor turnover	Frequency	Percentages
Very high	5	15.625%
High	5	15.625%
Moderate	12	37.5%
Low	10	31.25%
Total	32	100%

The results from Table 4.5 show that the employee turnover rate at TRA is moderate. This suggests that the organization experiences a reasonable amount of employee movement, with individuals leaving for other organizations, particularly in the private sector. According to the respondents, the moderate turnover rate is primarily driven by factors such as employees' high expectations, headhunting, and internal transfers. This finding aligns with Hedwiga's (2020) research, which

indicated that turnover within an organization negatively impacts performance and leads to additional costs, including expenses related to recruiting new employees, training, and paying for advertising and agency fees.

4.2.2 Departments with High Employee Turnover

The researcher was also interested in identifying which departments within TRA had higher turnover rates compared to others. Respondents were asked to pinpoint these departments. The study found that the Compliance Department had the highest turnover rate at 11 respondents (34.375%), followed by the Driving License Department with 9 respondents (28.125%), the Audit Department with 7 respondents (21.875%), and other supporting offices, which had the lowest turnover rate at 5 respondents (15.625%). The findings are shown in Table 4.3.

Table 4.3: Department with high rate of labor turnover

Department with high labor turnover	Frequency	Percentages
Compliance	11	34.375%
Driving license	9	28.125%
Audit	7	21.875%
Other supportive staff	5	15.625%
Total	32	100%

This finding suggests that TRA experiences higher employee turnover rates in departments such as Compliance, Driving License, Audit, and other support staff roles. The primary cause of this turnover is largely attributed to employees' expectations and goals that align more with personal aspirations, leading many to seek opportunities with better prospects elsewhere.

The results of this study are consistent with Hedwiga's (2020) research, which highlights that organizations facing high turnover rates often experience a negative impact on their performance, productivity, and overall competitiveness. A high turnover rate can undermine the morale of the remaining employees, causing a decline in their performance and ability to carry out their duties effectively. According to the TRA report (2022), employee turnover was lower from 2017 to 2019, but the trend shifted significantly from 2020 to 2022, showing a noticeable increase in turnover. Table 4.4 provides an overview of the employee turnover trend at TRA-Singida from 2020 to 2022, with various factors contributing to this rise.

Table 4.4: Trends TRA labor Turnover rate (2021-2023)

Years	2020		2021		2022	
Gender	Male	Female	Male	Female	Male	Female
Resignation	4	4	1	2	3	0
Transfer	5	3	3	2	2	3
Dismissal	2	1	0	0	1	0
Total	11	8	4	4	6	3

In contrast, the trend observed over the past three years (2020 to 2022) shows that the organization has experienced an upward trend in employee turnover. The study revealed that most resignations were from junior staff, who left their positions due to unmet expectations. "The rate of employee turnover, particularly through resignation, is higher among junior, non-technical staff compared to senior employees. This is largely driven by the high expectations these employees have when they first join the organization. Many of them believe that by working at TRA for just a few years, they will become financially successful. However, after a year of work, they realize their expectations are not met and reconsider their situation, often deciding to return to the NGOs they came from. As a result, many of them seek employment in other institutions to find greater satisfaction."

4.3 Causes of Employee Turnover

According to Matindo (2021), various factors contribute to labor turnover within organizations, and these causes can vary depending on specific circumstances such as financial conditions, demographic factors, and economic situations. The study aimed to identify the primary causes of employee turnover within the organization. Respondents were asked to provide their views on the main reasons behind turnover, and the causes they identified are summarized in Table 4.8.

Table 4.8: Reasons of labor turnover

Reasons of labor turnover	Frequency	Percentages
High expectations	12	37.5%
Head hunting	9	28.125%
Transfer	4	12.5%
Conflict	7	21.875%
Total	32	100%

The study revealed that **high expectations** were the primary factor contributing to employee turnover, with 12 (37.5%) of respondents identifying this as a key reason. Employees leave the organization when their expectations, such as high salaries or bonuses, are not met. When their anticipated rewards are not realized, they often seek employment elsewhere to fulfill their needs for job satisfaction.

"High expectations among employees are common when they first join the organization. Many believe that within three years at TRA, they will be financially successful. However, after just one year, their expectations are not met, and they reconsider their situation, leading many to return to the NGOs they came from or seek other opportunities."
"Most staff join the organization with the expectation of high salaries compared to the work they do. When this expectation is not fulfilled, they leave and seek higher-paying opportunities elsewhere."

According to **Maslow's Hierarchy of Needs Theory**, human needs are categorized into five levels: psychological, safety, social, esteem, and self-actualization. Employers need to meet these needs to attract and retain employees. If an employer fails to meet these needs, employees may leave. Additionally, in the study by Samasonok (2024), it was noted that dissatisfaction arises when there is a lack of balance between job requirements and employee control, insufficient feedback, and limitations in decision-making freedom. Employee retention is often closely tied to the alignment of expectations with organizational goals; when expectations are unmet, employees may leave.

4.3.2 Headhunting

The study also found that headhunting was a significant cause of turnover, with 9 (28.125%) of respondents citing it as a reason for leaving the organization. Headhunters often target top-performing employees, offering them higher salaries than what they currently earn. When employees are presented with better pay elsewhere, they may choose to leave their current position.

"Some companies, particularly Chinese firms operating in our country, approach employees who are familiar with the PAYE tax return process and the e-filing system. These companies offer them higher wages to entice them to join, which leads to labor turnover."

Herzberg's Motivation-Hygiene Theory emphasizes the importance of motivating employees through training and development opportunities. Iddrisu & Mumin (2022) highlight the value of investing in current employees through internal training, rather than seeking external hires. By fostering respect and valuing employees, organizations can reduce turnover and maintain employee motivation.

4.3.3 Transfers

The study identified **transfers** as a contributing factor to turnover, with 4 (12.5%) of respondents citing it as a reason for leaving. When employees are transferred to positions that do not align with their skills or career aspirations, they may become dissatisfied and seek alternative job opportunities.

"In some cases, ineffective communication regarding the reasons for a transfer or the expectations of the new role can create confusion and frustration. If employees feel that they were transferred without adequate explanation, they may become disengaged and choose to leave the organization. Therefore, poorly managed transfers can result in increased turnover."

According to the **Motivation-Hygiene Theory**, job dissatisfaction can be exacerbated by poor communication and unclear expectations. Ibrahim (2021) notes that employees may leave if their roles do not match their expectations, which can lead to stress and work-life imbalance. This study also found that transfers, if not properly managed, contribute to employee turnover, as identified by four of the respondents.

4.3.4 Conflict

Conflict within the organization was cited by 7 (21.875%) of respondents as a contributing factor to labor turnover. When conflicts arise between employees and management, it can create a toxic work environment, leading to stress and dissatisfaction. Employees who feel unsupported or unappreciated may choose to leave, especially when managers use their authority to make life difficult for those involved in conflict.

The Motivation-Hygiene Theory also emphasizes the role of interpersonal relations as a hygiene factor. If poor communication and unresolved conflicts exist between employees and management, it can lead to turnover. Rajapakshe (2021) identified interpersonal conflict as a major factor contributing to turnover, noting that employees working in a conflict-ridden environment are less confident and perform poorly. The findings of this study align with this, as seven respondents highlighted conflict as a factor contributing to labor turnover.

4.4 Impact of Labor Turnover on Tanzania Revenue Authority (TRA)

Hedwiga (2020) observed that high turnover rates pose a significant challenge for organizations, negatively impacting performance. The researcher sought to understand respondents' views on how labor turnover affects the overall performance of the organization. All participants in this study agreed

that employee turnover has a negative effect on the organization. Table 4.9 below presents the respondents' views on the effects of labor turnover within the organization.

Table 4.9 Effects of labor turnover at TRA

Effect of labor turnover	Frequency	Percentages
Poor performance	11	34.375%
Poor profitability	9	28.125%
Poor delivery of service	7	21.875%
Overworking	5	15.625%
Total	32	100%

Table 4.9 shows that, out of 32 respondents, 11 (34.375%) highlighted that a high rate of labor turnover has led to a decline in organizational performance. Furthermore, 9 (28.125%) respondents mentioned that low profitability is another negative impact of high turnover rates at TRA. Additionally, 7 (21.875%) respondents indicated that poor service delivery was an effect of employee turnover at TRA. Another 5 (15.625%) respondents cited that remaining employees were overworked, as the loss of staff put additional pressure on those who stayed. These employees had to take on extra responsibilities, leading to increased stress and pressure, which persisted until new recruits were hired. As a result, the remaining staff were forced to perform additional tasks within limited timeframes.

4.4.1 Poor Performance

The study revealed that 11 (34.375%) respondents believe labor turnover negatively impacts organizational performance, especially when employees with specialized skills or knowledge leave. The loss of such experienced staff can lead to a decline in the effectiveness of the remaining employees, who may struggle to perform their roles adequately.

4.4.2 Poor Profitability

The study also found that 9 (28.125%) respondents argued that employee turnover affects organizational profitability. When employees leave, the organization must spend time and resources recruiting and training replacements. This process takes time, disrupting productivity and temporarily impacting the organization's financial performance.

“As a department, labor turnover makes it difficult for us to invest time and resources into screening, interviewing, and training new hires. Instead of using our resources to contribute to national development, we are focused on filling positions.”

4.4.3 Poor Service Delivery

The findings indicated that 7 (21.875%) respondents noted that labor turnover impacts organizational performance by affecting service delivery. When employees with specialized knowledge leave, remaining employees may lack the necessary skills, leading to subpar service delivery. This issue persists until new, qualified candidates are recruited to fill the vacant roles.

4.4.4 Overworking

The study found that 5 (15.625%) respondents believed overworking was a consequence of high turnover, affecting organizational performance. Remaining employees have to assume additional responsibilities, which may lead to exhaustion. Overworked employees are less likely to perform at their best, which can further reduce organizational performance.

4.5 Strategies to Prevent Labor Turnover

The researcher asked staff what measures could be taken to prevent labor turnover, and the respondents suggested several strategies. They emphasized the need for the organization to establish strong policies, systems, and procedures to address employee turnover before the time of retirement. These policies should guide the smooth operation of the organization and improve relationships between management and staff, fostering team spirit. When fairness and transparency are prioritized, employee morale improves, and they are more likely to stay with the organization.

“Our organization offers motivation packages such as overtime and extra-duty pay. For those who work beyond regular hours, this is seen as a privilege and motivates employees to stay.”

The respondents also argued that having a clear career development path would help retain staff. When employees feel that their growth is valued by the employer, particularly in terms of skill and professional development, they are more likely to remain with the organization.

The study found that labor turnover creates numerous challenges for employers, who must consider developing new organizational systems and conducting training programs to enable existing staff to fill the gaps left by departing employees. The recruitment process also needs to be conducted more effectively to address these gaps.

Furthermore, respondents highlighted that labor turnover can result in financial losses, lower productivity, increased training costs, and greater demands on the organization. These factors collectively lead to a decrease in organizational performance. To mitigate this, respondents suggested increasing employee pay to address issues like high expectations and headhunting. Money plays a significant role in fulfilling individuals' physiological, security, and social needs, which can reduce turnover. This finding aligns with expectancy theory, which suggests that effective retention strategies are those that promote high commitment and performance. These strategies must align with organizational goals, employee trust, and overall commitment.

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