

THE IMPLICATIONS OF EMPLOYEES TURNOVER IN NIGERIAN HIGHER EDUCATION

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Abstract

Many researchers have conducted empirical researches on the impact of high turnover on productivity. Employee turnover in higher education has been one of the most critical issues for many years. Both practitioners and researchers dedicated huge efforts and time to identify and understand the ways to reduce employee turnover. Many works on employee turnover focus on the issues of high employees' turnover and how to manage it within many sectors. However, there are wider ranges of research to evaluate the effects and causes. The question of the relationship between turnover and productivity is the focus of the research and ask the question "is the productivity slowdown due to a high turnover rate of workers? Is high turnover rate an indicator of poor performance?" Qualitative method was used and relying on interview and Kwara State University as a case study. It was found that an institution with low turnover rate may still experience low productivity. It was discovered that low turnover is not an indication of high performance and productivity. The research also revealed that turnover intention can also slow productivity and turnover is high in academic staff compared to non-academic staff. It is therefore recommended that an exit interview should be conducted for any staff leaving the service of the institution with a view to determining the immediate and remote causes of leaving the service.

Introduction

The most important resource in any organisation is the human. Employees in organisations are responsible for making the difference in the services provided. They can either deliver good or bad service and this is where the competitive edge comes from which will invariably affect all the stakeholders in the organisation. In order to have good services and high productivity employees' satisfaction within their post and the company they work for is very important (Andrews, 2009). Contrary to the assumptions made in some previous studies about job satisfaction, productivity and high labour turnover, the relationship might be different with low labour turnover and yet low productivity and high job satisfaction.

The performance of the employees in relation to organisational objective is a major concern of the management. Management therefore have different strategies that will enhance employees performance and different measures to measure employees' performance. The concept of measuring performance has received a great deal of scientific attention in the last 20 years (Cohen and Bailey, 1997). With so many different approaches to work performance

to pin down, what is important to measure in an organisation is difficult to determine. The quality of personnel employed has direct relationship with their performance

The quality of personnel in the organisation is very important because for able to survive in a highly competitive environment, organization is highly dependent on the quality of its personnel. They will be good in their job and their input will increase productivity. The quality of the personnel may arise from their academic qualification, skills acquired from past experience or creative and innovative mind.

However, to have quality personnel may not guarantee productivity but the commitment of such personnel towards their work is equally important. A committed employee performs his work diligently and beyond expectation of the management. In order to increase the commitment of its personnel, it is important for an organisation to employ high-performance personnel. This will have a multiplier effect on productivity. It will increase the productivity of the employees. The management tries to increase labour productivity by increasing the commitment of its personnel (van der Meer and Ringdal, 2009).

LITERATURE REVIEW

Employees turnover in the words of Agnes (2012) 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. It can also be viewed as the rate of movement of employees in and out of an organisation. To Mobley (2010), turnover is the complete discontinuance of membership in an organisation by the person who received monetary compensation from the organisation.

Pelit et al. (2010) define turnover as “the ratio of the number of organisational members during the period being considered divided by average number of people in that organisation during the period.” In an attempt to further defined labour turnover, Rampur, (2010) gave it a wider definition. To him, labour turnover is the movement of employees out of the organisation. One fundamental fact common to all the definitions is that labour turnover is the rate at which employees jump from one organisation to another and this could be as a result of many factors which can emanate either from the employer or the employee.

However, Griffin and Moorhead (2010) suggest that empowering employees through participative management enhance employee involvement as well as motivation. Moorhead (2010) claim that getting employees to participate gives them the influence to make decision regarding their career. Moreover empowering employees allow them to make decision within the area of their authority and responsibility, solve problem and set their own objectives.

Reasons for Labour turnover

Employees leave an organisation for a number of reasons, including but not limited to: compensation, Job demand, work environment, dissatisfaction with the job, dissatisfaction with the organization, Inability to cope with responsibility, moving out of the area, retirement, Inability to get on with colleagues and line managers, career development or career change and domestic reasons. Among those reasons for employees' high turnover rate is job satisfaction and this also has a direct impact on attracting job retention and reducing turnover. As Chon and Maier (2010) explained that high employee turnover damaged employees' morale which leads to reduction in service quality.

Job Satisfaction- Some of the principal factors that could be responsible for employees' turnover include job satisfaction, compensation, job demands, work environment, career growth opportunity, job challenges etc. Gibson et al (1998) describe job satisfaction as an “employee's indication of personal welfare associated with performing the job allocated”

while Chiang and Jang (2008) expresses that job satisfaction is a “function of extrinsic and intrinsic outcomes (rewards) provided by the job”. Mudor and Tooksoon (2011) argued that employee’s jobs satisfaction can derive from many things such as salary, their relationship with their managers as well as the quality of the environment in which they work. Mullins (2001) stated that employees who are unsatisfied in their workplace sometimes may chose to stay in the organisation but their performance may affect the whole organisation.

According to Snow and Yanovitch (2010), employees’ job satisfaction increases performance with reduction of turnover. Furthermore; satisfied employees makes workplace more pleasant for all, as well as reducing absenteeism and grievances. Chon and Maier (2010) propose that customer satisfactions are linked to retention problems and morale in an organisation. Consequently the major aspect of human resources management plans in the organisation are growth and development, employee job contentment, involvement, training and motivation.

Compensation- compensation is one of the oldest and commonest factors responsible for employees’ turnover. Manu et al (2012) concludes that employees quit from organisation due to economic reasons. While Hissom, (2013) argue that the most common reason for employees turnover rate being so high is salary scale since employees are usually in search of jobs that pay well. Undoubtedly, in a situation whereby two employees perform the similar work with similar responsibilities and yet one of the employees is at advantage when it come to remuneration obviously the employees that is at disadvantage will surely be looking for a better offer. It is not uncommon to find out that organisations that pay less will have a higher labour turnover than those that higher.

Job Demand- This is another variable that can affect the rate of labour turnover in an organisation. The amount of labour needed in an organisation will fluctuate with the demand for the final product or service, labour turnover and absenteeism among personnel. In an attempt to outperform their competitors and also increase their level of profit most especially to reduce overhead costs, management set some unbelievable targets for their staff that make some of them go to any length so as to meet the target. This also leads to increase in work load and which some staff may not be able to cope and will prefer to leave the employment.

Work environment- If working conditions are substandard that lacks some basic facilities such as safety provisions, restrooms and adequate lighting employees obviously will not be willing to put in their best. Labour turnover particularly arises from unhappiness from job place. The state of the mind of the employees will affect their behaviour. The behaviour and attitude of employees has great influence on customer perception and satisfaction of service quality. In other word, employees that provide high quality of service create excellent experience for the customers.

Rampur (2010) concludes that employees also push to leave job due to the dissatisfaction in their present workplace. In a similar vein, Hissom, (2013) argue that employees are more likely to stay in an organisation that the working environment is predictable and conducive.

Career growth opportunity- Rampur, (2010), states that employees prefer other companies which may provide them with the higher posts and increased compensation packages. While Europhia (2008) asserted that career growth is much more important than salary in Europe or America but it is counted equivalent to salary in Asian context. An employee who is stagnant in a particular position for a very long time without promotion will obviously not be satisfied with his job.

There is often a desire to seek a causal link between factors responsible for turnover and productivity through quantifying factors and measuring their impacts on productivity (Paul W. Chan and Ammar Kaka, 2007)

Labour productivity

High productivity in any organisation is a reflection of the performance of its employees. Organisations put in place different strategies to achieve high productivity through highly motivated employees. The issue of generating better productivity and quality relationship is actually people oriented, human resource factor (Sauian, 2002). Organisational productivity indicates the efficiency with which input is turned into output in an organization (Mathew, 2007) Fachin and Gavosto (2010) define labour productivity as value added per worker.

Labour productivity could be defined as the hours of work divided by the units of work accomplished (Enshassi, Mohamed, Mayer and Abed, 2007) Management also affects labour productivity. Sauian (2002) viewed labour productivity as an important element used to gauge competitiveness in producing goods and services. Productivity has always been defined as the relationship between at least two variables, i.e the relationship between the system's output and its input.

Methodology

The authors used qualitative method drawing on observation, documents and interview. This is because Qualitative research is great for addressing “how” questions—rather than “how many”; for understanding the world from the perspective of those studied (i.e., informants); and for examining and articulating processes (Pratt, 2009).The qualitative study brings out the ways the different aspects of organisational turnover tend to influence productivity (Mathew, 2007)This corroborates the finding of Kopelman et al. (1990) that goal emphasis leads to productivity by making positive self-evaluation possible. We conducted in-depth interview. The in-depth interview will allow the researcher to gain an insight into the perspectives of employees' opinion about a particular issue According to Saunders et al., (2009), interviews are useful method of obtaining information and opinion from experts during the course of research project.

The researchers adopted Kwara State University as their case study. The case study approach is appropriate because it gives individual researcher an opportunity for one aspect of a problem to be studied in some depth within a limited time scale (Bryman and Bell, 2009). Therefore, case study approach using this qualitative method has the potential to explain complex social situations (Denscombe, 2007).

Kwara State University was established in 2009. It is a research intensive University with the responsibility to conduct first-rate research and disseminate world class education and organised itself in the most efficient and effective manner that will deliver the optimum results. The vision of the University is to be foremost in expanding the frontiers of knowledge, and be most innovative in disseminating knowledge towards advancing the cause of humanity. The author used Kwara State University because of the nature of staff employed to further its vision. The University pay significant attention to the nature and kind of people that are given the responsibility to manage both the business and economic systems of Nigeria. Therefore, it requires people that have skills in managing people and experts in their field in order to fulfil its dream. Moreover, the University has low turnover rate because it is a new University of less than five years and with potential for employees' growth and development.

The researchers used random sampling to select their respondents. The criteria we used in selecting the respondents interviewed include the nature of the job (academic and academic support), Cadre (Senior and junior positions), Management level, human resource department and gender (Male and Female). Ten academic staff, ten academic support, three from human

resource department and two management staff were interviewed. This enabled us to have different perspectives and opinion regarding employee turnover, job satisfaction and productivity.

The data collected were categorised into three: Job satisfaction, turnover and productivity. Similar responses were grouped and a respondent cited to reflect the same opinion. Categorising the data enabled us to keep focus on the data collected (Denzin and Lincoln, 2002). The categorisation was done irrespective of the criteria used in the selection of the respondents.

Analysis of findings

There were various responses on job satisfaction, employee turnover and productivity. These responses differ because of the nature of the work that an employee is doing and the cadre or position of such a staff. Although, many writers believe that there is an inverse relationship between job satisfaction and turnover, yet there are also varying opinion about turnover other than job satisfaction. According Heilmann et al (2008), the discrepancies in job satisfaction may lead to eventual turnover. The analysis is therefore categorised according to the relationship among the various concepts of job satisfaction, turnover and productivity. The responses of both the academic and academic supports were discussed under the categories.

Turnover and Job satisfaction

It was found that job satisfaction may lead to turnover. Those that are not satisfied with their work are likely to leave the employment of the organisation.

According to a respondent:

“If I am not satisfied with my job, I will seek for another job. I prefer to work in a place where I will be happy with my work. I will not be happy working in a place where I don’t have job satisfaction. My happiness is my priority”. Academic Staff

However, some respondents were of the opinion that job satisfaction depends on individual. They believe that individual employees should be dynamic and make themselves comfortable wherever they found themselves. Job comfort will lead to job satisfaction and reduce the turnover rate.

“You can always make yourself happy wherever you are working. Different works will pose different challenges because of differences in job design. It is not expected to have the same level of job satisfaction from different organisations”. Non Academic Staff

It was discovered that managing individual career as a source of job satisfaction is determine by values, interests and priority. This also depends on the type of career that an employee is pursuing. Bloisi, et al, (2003) identified four dominant career concepts. These concepts are the linear career concept which is a progressive step upward to positions of authority and responsibility. The second concept is the expert career concept, a lifelong commitment to a particular field of specialisation. The spiral career concept is movement across occupational areas and movement from one job to unrelated field is referred to as transitory career concept. According to a staff explaining his idea of job satisfaction as it relates to the nature his career. He commented:

“My priority is my career. Any job that will enhance my career progression will serve as a motivator for me and I will be committed to my job. My idea of job satisfaction has to do with opportunity to rise and become a member of the management”. Academic Staff

It was also discovered that turnover is not only an indicator of job satisfaction. Even in a low turnover organisation, job satisfaction might be lacking and this might result to low productivity and efficiency.

“There are lots of opportunities in this institution. New institution always presents an avenue to display ones’ skill and expertise because there may not be intense competition among staff as a result of few staff”. Human Resource Personnel

However, there are instances where there is job satisfaction and yet high employee turnover. It was found that some staff had job satisfaction and left the organisation. There are other factors that may be responsible for staff turnover even if there is job satisfaction. According to a respondent that just left the service of Kwara State University:

“I regret leaving this institution. The job was challenging and promising. However, I had to leave because of distance from the major town of Ilorin and Kwara State University Campus at Malete. There is few accommodation for staff in the campus otherwise, I would have preferred to stay in the quarters and solve the challenge of distance”

Turnover Intention

Job satisfaction is directly related to turnover intention and productivity. Cotton and Tuttle (1986) defined Turnover intention as an individual’s estimation of probability that they will leave an employing company. A staff with turnover intention may not be committed to the work and this might reduce his/her productivity. The turnover intention might arise for lack of job satisfaction or opportunity in a competitive organisation.

Some respondents were of the opinion that there may be intention to leave an organisation despite immense opportunity in the organisation. According to the respondent:

“A staff may have the intention to leave an institution if there are better opportunities in a similar institution that will enable the employee to actualise his or her dream. Expectation of staff may be a major factor for a staff to remain in the organisation and hence low turnover rate”. Academic support.

Snow and Yanovitch (2010) pointed out that a job expectation differs among employees. Therefore, it is important to distinguish how to cope with personal characteristics in order to satisfy them. Motivating factors of the employees will also differ.

Similarly, another respondent put it in another way and commented:

“The fact that I am here today doesn’t mean that I will not leave tomorrow. I will leave if I have a better job”. An academic support

However, some respondents pointed out that they are not searching for another job even though they have the tendency to leave the job for a better job that pay better. They explained that they are still committed to their jobs.

Job Satisfaction and Commitment to Work

Commitment to work is influenced by job satisfaction. Unsatisfied staff has the tendency not to be committed to their work but some respondents believed that it is important to be committed to ones work even if there is no job satisfaction.

A respondent said:

“I don’t have another job and I am therefore committed to my job. This is potential for progress in this institution. I don’t want to regret my actions if eventually I cannot find another job and my colleagues must have been promoted and I will remain in the same position because of lack of commitment to my work”. Academic support

Another respondent gave a different reason for one to be committed to work. There is the risk of losing the job arising from mistakes or frequent errors because of lack of commitment to work.

“Lack of commitment usually leads to many errors in ones’ work and you can be fired if you commit many errors. It is necessary to be committed to the job one is doing at a particular time”. Academic support.

It was found that highly motivated workers tend to be committed to their work and hence job satisfaction. This will also improve the worker’s productivity. “I am committed to my duty. There are many reasons for my commitment to duty. The job is designed to enable staff to learn on the job and other members in this department work as a team. Besides, there are some incentives such as sponsoring us to attend seminar and workshops. I am highly

motivated and the only way to show my appreciation to the institution is to be committed to my job". There are benefits to having a motivated and committed workforce (Locke & Lathan 1990) and many motivation theories have been used to explain turnovers and in explaining commitment as a determinant of job performance (Lane & Mathew 1987).

Turnover and productivity

Every organisation desires high productivity. This will enable them to compete with similar organisation and will improve the revenue base of the organisation. It will also enable the organisation to meet the aspiration of the stakeholder and customer needs. Turnover is seen as a disruption to productivity because of the gap that may be created when an employee leave an organisation. According to some respondents, it may take some time before the recruitment process is completed to fill the position of the staff that had left.

"Recruitment has processes and procedure. We must follow the process if we need to replace a worker. The replacement might take a little longer because the candidate must meet certain criteria for that position. In fact, after the recruitment process and a person is found appointable, he might decide to ask for extension of time before resuming. This might be due to giving notification of resignation to his previous employment. This will affect productivity in that department because a gap had been created". Human Resource Personnel

Another respondent commented on the negative impact of turnover to the remaining staff and productivity:

"It creates stress of for staff. The implication is that the workload of three staff will now be for two staff if one person should leave. The tendency is to be making mistakes arising from stress. Productivity will decline possibly because of the number of hours that must have increased. Turnover is definitely a bad thing and always affects the performance of the staff". Academic support.

Pelit et al. (2010) also argued that high turnover within an organisation may also produce a harmful impact on the performance of the organisation.

However, some respondents believed that the rate of turnover does not necessarily have negative impact on workers' productivity. Rather, it is an opportunity for the institution to inject new ideas and skills into the university system. According to a respondent:

"There are many unemployed graduates in Nigeria. There are also those that are underemployed. The employee turnover rate may not affect productivity. If one employee leaves the institution, he or she will be replaced easily and possibly get a better person". Human Resource Personnel

Another respondent supported this argument and pointed out that turnover rate of employee is not a bad thing in organisation. He argued that the most important thing is to plan and implement strategies that are competitive and which will produce workforce that are highly productive because change is part of organisational life.

"Change is inevitable and leaving an institution should not be seen as unexpected. It is part of organisational life. The institution should plan on employees' turnover and use it as strength in recruiting a better candidate and learning from past mistakes". Academic support.

"Employees can leave the service of the institution for different reasons including personal interest and we cannot hold such an employee. On our part, we have plans towards replacing a staff leaving the institution. We have data base which contains qualified candidate but were not appointed after the interview maybe as a result of the number of positions available as at that time. Such candidate can then be invited to replace the staff that had gone" A management staff

Individual employee also benefit from leaving an organisation. It was discovered that leaving an organisation might mean career progressing for the employee.

“There are lots of Universities in Nigeria today and as academic staff, the demand is always on the increase. In fact, it is not advisable to stay too long in an institution because you can apply for higher grade in another institution instead of waiting for normal three years promotion”. Academic staff

Conclusion and Recommendation

The paper has been able to examine the relationship between job satisfaction, turnover and productivity. It was able to establish that low turnover in an institution is not an indication of high performance and job satisfaction. There may be low turnover rate and employee may be lack of job satisfaction. There may however, high productivity with low job satisfaction. It was discovered that low turnover rate might be due to other factors other than job satisfaction such as high supply of labour in the country.

The introduction of functional flexibility might also improve working conditions, which could give the organization an advantage on the labour market, being able to attract better qualified personnel.

It is recommended that the institution should be conducting exit interview. This exercise will enable the institution to know the reason or reasons for an employee to leave the service of the organisation. The management can use the information from exit interview to develop strategic plans that will reduce the incidence of high turnover rate.

Job satisfaction is very important. The management should develop mechanism that will enhance job satisfaction and implement programmes that will motivate the workers.

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