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RESEARCH ARTICLE

**JOB SATISFACTION AND EMPLOYEE TURNOVER IN KERIO VALLEY
DEVELOPMENT AUTHORITY IN KENYA**

Micah OnyiegoNyakego and Prof. Leonard S. Mulongo

Department of Development Studies, Moi University P.O. Box 3900-30100, Eldoret, Kenya

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***Corresponding Author**

Micah OnyiegoNyakego

Employee turnover is one of the biggest challenges in many organizations and more so in Kenya. With the increasing competition among the organization they have to refocus on various strategies aimed at address the cause of high employee turnover rates. various factors have been observed as to why employee leave for other organizations, there seems to be a gap as to why this trend still continue to persist in developing countries especially Kenya. This study sought to establish the relationship between job satisfaction and employee turnover in Kerio Valley Development Authority (KVDA). The Situational Occurrence theory as propagated by Quarstein, McAfee, and Glassman (1992) and the descriptive research design were employed in the study. A sample size of 120 employees was selected using stratified random sampling technique. Data was collected through questionnaires, interview schedules and observation checklist. The collected data was analyzed descriptively so as to obtain the frequencies and percentages, inferential tests such as Spearman Correlation were used. The findings of the study pointed out that most of the employees at KVDA were dissatisfied and demotivated due to poor communication channels in the organization. The study recommends that the organization needs to review its communication structure strategies and formulating standards to ensure they are both interactional communication. The study suggests that further studies should be undertaken in other study areas in Kenya, other sectors of the economy to validate this finding as the study was limited to descriptive analysis so as to ascertain whether similar findings are obtainable of turnover.

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Introduction

In the Kenyan public sector, employee retention is one of the most critical issues facing organizational managers as result of skilled manpower, economic growth and high employee turnover (Michael, 2008). The success of any organization depends on its human resource capital for the organization to perform effectively and efficiently. It is because of this background that employees are very critical to the success or failure of any organization for this case the Kenyan public sector.

Employee turnover is the rotation of workers around the labour market between firms, jobs and occupations and between the states of employment and unemployment (Abbasi & Hollman 2000). Turnover is defined as a ratio

of the number of organizational members who have left during the period being considered divided by the average number of people in the organization during the period (Price 1977).

The turnover means that an organization may gain a new knowledge employee who can become its competitive advantage. The loss of knowledge is a threat for the organization which increases the significance of knowledge continuity. There is dire need to encourage employees to remain in the organizations and to increase productivity beyond that which is at a minimum accepted standard using scarce resources (Kimanthi, 2000).

Employee turnover rates are considered to be one of the persistent problems in organizations (Armstrong, 2009). Pine (2000) has observed that “The most serious issue for employees today in all industries is hiring and keeping qualified and capable employees”.

The employees are crucial to the organization since their value to the organization is essentially intangible and not easily replicated (Meaghan & Nick, 2002). Thus managers must recognize that employees are major contributors to the efficient achievement of the organizations’ success (Abbasi & Hollman, 2000). Managers in organizations should control employee turnover for the benefit of the organizations’ success.

On the other hand, Mullins (2000) has observed that staff turnover can lead to increased direct costs including advertising, interview time and administrative expenses and supervision and training. It also has a disruptive effect of the use of managerial time. Another intangible cost is the effect of high employee turnover on the morale, motivation and job satisfaction of staff and on the level of organizational performance and customer satisfaction. Many organizations are concerned with the process of recruitments and selection which is not only time consuming but very expensive in terms of advertising costs, agency fees, screening, testing assessment, background checks, interviews, and travel and relocation costs (Kharti, Fern & Budhwar (2001) have observed that high turnover has been found to be a major source of poor morale among the employees in many organizations and this shows that there is an association between high turnover and the level of morale of staff in an organization

While health turnover is good for an organization as it is likely to introduce new ideas and techniques that can move the organization to greater levels of success. Turnover on the other hand, can be costly for an organization (Hellman, 1997) as employees who leave the organization can cause disruptions in the operations, work team dynamics and unit performance. In Japan the turnover rate differs with that of America because the Japanese organizations are unwilling to terminate jobs of employees who in return become loyal to their own firm (Yoder & Staudohar, 1982) Africa case is that unemployment levels have been on high increase. Nigam & Singer (1974) pointed out that people may not have alternatives of employment opportunities and not easy to give up their jobs and employees leaves their jobs for various reasons some which include organizational and social aspects like marriage where an employee leaves to join his or her family

The impact of employee turnover has received considerable attention by senior management, human resource management professionals, and industrial psychologists. Scholars agree that the impact of staff turnover varies from organization to organization. To some extent there are also arguments that can be made in favour of a certain level of staff turnover. Torrington, Hall & Taylor (2005) has observed that organizations need to be rejuvenated with “fresh blood” from time to time if they are to avoid being stale and stunted. They have observed further that a degree of turnover helps managers to keep firm control over labour costs more especially organizations which are subject to regular and unpredictable changes in business levels.

If some level of staff turnover is beneficial to an organization, a high level can impact negatively on the performance of the organization. Khatri *et al.* (2001) observed that high employee turnover could influence the performance of organizations and has the potential to cause high loss of human resource and low productivity levels leading to high technology loss.

In the recent past researchers have been considering the alternative ways to understand how employee turnover process is enacted and what organizations, managers and employers can do to prevent flight of competitive human capital (Harman, Tee, Mitchell, Felps & Owens, 2007). Significant amount of literature has examined the effects of employee turnover and its cost to the organization. In addition, researchers have investigated causes and consequences of employee turnover and retention (Hale, 1998; Lake, 2000; Abbasi & Hollman, 2000; Backman, 2000; Khatri *et al.*, 2001; Hussain, Asmat, Saeed & Rafiq, 2012; Khan, Rehman, Rehman, Safwan & Ahmed, 2011). Most of the research studies have concentrated on the development of the detailed list of predictors and antecedents of employee turnover and tested employee turnover theories in Western cultural work settings by ignoring the developing countries such as Kenya. Furthermore, previous researches have missed out to look at interrelationship of Human Resource Management (HRM) practices, organizational culture, and attitude of immediate boss on employees’ intentions to quit, especially in context of developing countries such as Kenya. This constitutes a serious academic and research gap in the literature thus calling for more attention and more robust research contribution in

the field of management research. The literature on the current state of employee turnover and retention in Kenya is limited. Therefore, deficiencies in the literature necessitated putting in rigorous research contribution to better understand 'ways and means' to manage employee turnover and retention in Kerio Valley Development Authority. Consequently, this study attempted to examine how job satisfactions determine the employee turnover at Kerio Valley Development Authority and recommended solutions to the problem.

1.1 Statement of the Problem

Employee turnover rates at Kerio Valley Development Authority have been on the increase, an indicator depicting lower levels of job satisfaction. KVDA performs an economic development role in bringing the regions where it operates to the main stream of national rate of economic development, by implementing projects such as flood control, water supply for irrigation, provision of hydropower and environmental conservation. The exit of highly skilled personnel has negatively impacted KVDA overall performance and service delivery in terms of job skill disruption, production and costs of hiring and training of new employees.

1.2 Research Objective

The general objective of the study was to establish the extent to which job satisfaction influences employee turnover in Kerio Valley Development Authority.

1.3 Limitations of the Study

The geographical expanse of the study area was a challenge, giving rise to time and financial resource constraints. However, the researcher requested the station managers of Kerio Valley Development Authority to allocate dedicated days during which all respondents within each station were given time to fill the questionnaires.

1. Materials and Methods

According to Mitra *et al* (1992) employee turnover is one of the aspects most studied in organization research but very little is known regarding possible causes of turnover among professionals. On the other hand, Shaw *et al.* (1998) argue that there is no standard reason why employees leave organizations. However, numerous studies (Amah, 2009; Armstrong, 2009; Mullins, 2000 and; Kharti, Fern & Budhwar, 2001) have attempted to pin several factors as influencing turnover in organizations. Lucas (1995) observed turnover to be highest amongst the newly employed employees. He added that the newly recruited employees seem to have higher perception and expectations from new jobs, impatience and other personal ambitions which are rarely achieved with time. This leads to job dissatisfaction and eventually these employees changing jobs.

Job satisfaction has been defined differently by several authors. Houe (2006) has defined job satisfaction as the "feelings that an individual holds towards his or her job". It is a set of favorable or unfavorable feelings and emotions with which employees view their jobs (Luthans, 2002: 121 & Nel *et al* (2004:587)). There is concern in the existing literature concerning whether job satisfaction is to be investigated as a global variable or a multifaceted variable. However, job satisfaction is a multi-faceted phenomenon in relation to the employees' expectations of their work place and measuring job satisfaction requires a multidimensional approach (Brief, 1998). Brief (1998) opined that measuring job satisfaction globally entails asking "How satisfied are you with your job in general?" and that the question has its advantages and disadvantages. For instance one its advantages is that measurement is efficient, has a test retest reliability and gives an overall impression of the employees level of contentment. However the measure tends to ignore critical aspects related to the job that would have been measured if a multifaceted measure of job satisfaction such as the job description index (JDI). Glick (1992) measures facet-specific job satisfaction across the facets of co-workers, pay, opportunities for promotion, supervision and work.

Weisberg & Kirsschnbaum (1991) in their study established that high and moderate levels of job satisfaction are similar in their impact upon turnover intent; however lack of job satisfaction "drastically raises a moving intent. Weisberg have further observed that it may not be necessary for employees to obtain high levels of job satisfaction to reduce their intentions to leave the organization.

Chew (2004) observed that compensation provides recognition but other forms of non-monetary recognition are vital for example from managers, team members, peers and even customers. Employees at KVDA are core and their contribution in the organization should be overtly made known for them to feel valued. Therefore from the reviewed literature it is postulated that extrinsic factors such as employee compensation, work environment and equity distribution greatly affect an employees' job satisfaction while at the work place. Likewise, intrinsic factors including promotional opportunities, training and development and recognition determine employee turnover as they

affect employee job satisfaction and eventually intent of turnover as this intent is the precursor to the actual turnover.

The study used the situational occurrences theory of job satisfaction which was proposed by Quarstein, McAfee and Glassman (1992). The theory has two main components namely situational characteristics and situational occurrences. Examples of situational characteristics are pay, promotional opportunities, working conditions, company policies, and supervision. Individuals tend to evaluate situational characteristics before they accept a job. Situational occurrences tend to be evaluated after accepting a job. Situational occurrences could be positive or negative. Positive occurrences include giving employees some time off because of exceptional work. Negative occurrences include rude remarks from coworkers or unclear job descriptions. Quartstein *et al.* (1992) hypothesized that overall job satisfaction is a function of a combination of situational characteristics and situational occurrences. According to this study, a combination of situational characteristics and situational occurrences can be a stronger predictor of overall job satisfaction than each factor by itself.

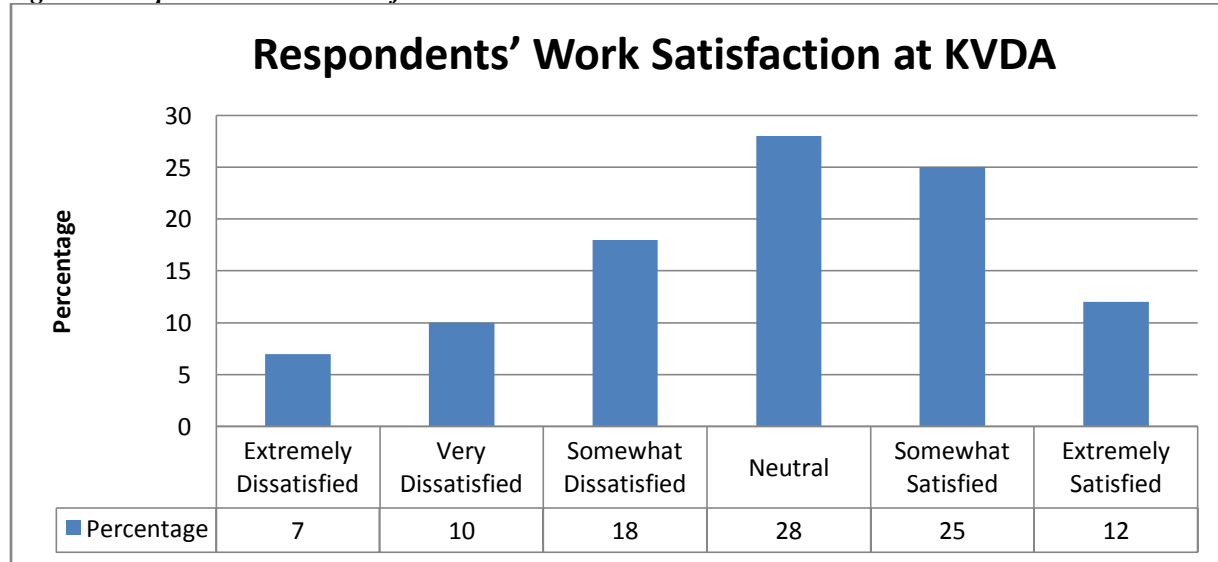
The study was conducted at KVDA and its stations located in West Pokot, Elgeyo-Marakwet, Uasin Gishu and Baringo Counties. The study adopted the descriptive survey design which Orodho (2003) states that it is a method of collecting information by interviewing or administering a questionnaire to a sample of individuals. The study selected a sample of 120 respondents from the 600 employees of KVDA. The researcher used stratified and simple random methods to get a representative sample from each of the departments.

The data was coded, entered and edited for analysis through the Statistical Package for Social Scientists (SPSS) program. Coding was done to classify responses into meaningful categories so as to bring out a pattern. Tables, narrations and charts were used to present data in form of frequencies, percentages and standard deviations. Spearman's Rank Correlation was used to test the relationship between the variables of the study.

2. Results and Discussion

The findings of the study indicate that 35% of the employees at KVDA were dissatisfied with their work. However, 37% of the respondents were satisfied with their work. Figure 1 illustrates these findings.

Figure 1: Respondents' Work Satisfaction at KVDA



KVDA managers confirmed that not all employees were satisfied with their job and the terms under which they were working. This was because of the poor working conditions which were not motivating. They also stated that those who were satisfied with their jobs despite the conditions had lower academic qualifications which limited them from pursuing alternative job opportunities elsewhere. The findings revealed that 49% of the employees were likely to leave if they found a better job elsewhere due to the poor working environment, as shown in Table 1.

Table 1: Respondents' Likelihood of Turnover

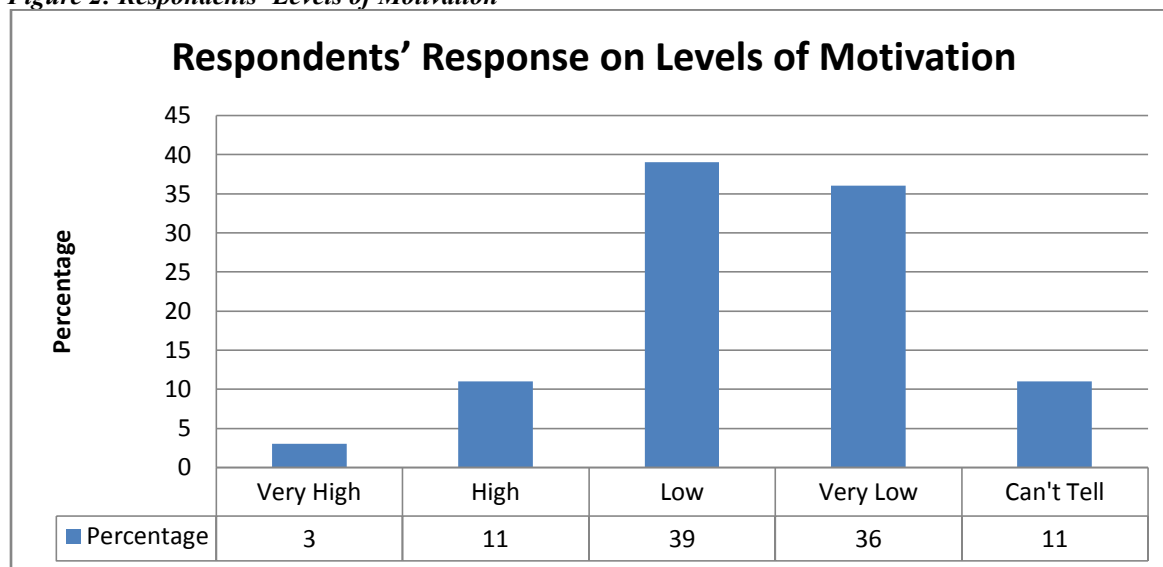
		Frequency	Percent
Respondents' Response	Strongly Agree	19	19.0
	Agree	30	30.0
	Undecided	9	9.0
	Disagree	29	29.0
	Strongly Disagree	13	13.0
Total		100	100.0

Table 2 presents respondents' responses with regards to good communication from the management to employees at KVDA. 47% of the employees confirmed that there was poor communication between them and the management.

Table 2: Good Communication from Top Management to Employees

		Frequency	Percent
Respondents' Response	Strongly Agree	8	8.0
	Agree	29	29.0
	Undecided	16	16.0
	Disagree	37	37.0
	Strongly Disagree	10	10.0
Total		100	100.0

With regards to the levels of employees' motivation, it was established that 75% of the employees were not motivated for their work, as shown in Figure 2.

Figure 2: Respondents' Levels of Motivation

3. Conclusions and Recommendations

The study concludes that employees were dissatisfied with their work given that 75% of the respondents were not satisfied with their work. The study also concludes that the likelihood of turnover was higher due to lack of job satisfaction as this yielded a Spearman's rank correlation value of .419 as shown in Table 3.

Table 3: Correlation between Likelihood of Turnover and Job Satisfaction

Job Satisfaction Variables		Likelihood of Turnover	Respondents' Work Satisfaction
Likelihood of Turnover	Spearman Correlation	1	.419**
	Sig. (2-tailed)		.000
	No. of Respondents	100	99
Respondents' Work Satisfaction	Spearman Correlation	.419**	1
	Sig. (2-tailed)	.000	
	No. of Respondents	99	99

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

Further, there was an inverse relationship between good communication among managers and employees and the likelihood of turnover as the correlation value was -.435. The employees' levels of motivation were inversely related to the likelihood of turnover with a Spearman's correlation value of -.295. Table 4 presents this information.

Table 4: Correlation between Likelihood of Turnover, Communication and Motivation Levels

		Likelihood of Turnover	Good Communication	Levels of Motivation
Likelihood of Turnover	Spearman Correlation	1	-.435**	-.295**
	Sig. (2-tailed)		.000	.003
	No. of Respondents	100	100	99
Good Communication	Spearman Correlation	-.435**	1	.355**
	Sig. (2-tailed)	.000		.000
	No. of Respondents	100	100	99
Levels of Motivation	Spearman Correlation	-.295**	.355**	1
	Sig. (2-tailed)	.003	.000	
	No. of Respondents	99	99	99

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

The above findings imply that employees were likely to leave the organization based on the fact that they were minimally satisfied with their work at KVDA due to lower levels of motivation and poor communication structures. This supports Glick's (1992) studies which measured facet-specific job satisfaction across the facets of co-workers, pay, and opportunities for promotion, supervision and work and established that the intention to quit working was determined by various factors or facets. This, again, is supported by Kevin, Joan & Adrian (2004) when they argue that turnover process as whole and that a wide range of factors have been found best in interpreting employee turnover.

Therefore, the study recommends that KVDA should:

1. Review and formulate appropriate communication structures that are aimed to facilitate flow of communication of the organization's products and services and the role the organization plays in the marketplaces where it operates. Employees with high job satisfaction report an extraordinarily high sense of mission, vision and passion for their work. They feel their work is consistent with their values.
2. Set up strategies to motivate and build employees' competence and self-confidence through training, feedback and recognition.
3. Improve the working conditions of the employees through the provision of right working equipment and cordial work relations. Positive workplace relations have been found to enhance employees' feelings about their bosses, peers and staff mates. It also has been found to elevate employees' feelings of growth opportunity.

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