Journal Of Harmonized Research (JOHR)

Journal Of Harmonized Research in Management 2(1), 2016, 01-15



ISSN 2454-5384

Original Research Article

REWARDS, JOB SECURITY AND EMPLOYEE TURNOVER IN PARASTATAL ORGANIZATIONS IN UGANDA: A CRITICAL EXAMINATION OF CIVIL AVIATION AUTHORITY

Kayondo William, Dr Kyamanywa Teopista, Siminyu Jacob Shems

School of Management and Entrepreneurship, Kyambogo University P.o. Box 1, Kyambogo Uganda

Abstract: - This study investigated factors influencing employee turnover in the Uganda public sector; taking a case study of Civil Aviation Authority. Specifically the study objectives were to: investigate whether rewards given to staff in the form of salaries and incentives influence employee turnover, examine whether job security affects employee turnover and assess whether employee involvement has a bearing on employee turnover in Civil Aviation Authority. The findings revealed that rewards, job security and employee involvement have a significant effect on employee turnover at the Uganda Civil Aviation Authority. It was established that an increase in remuneration and job security significantly reduce employee turnover. On the basis of the findings it was recommend that Uganda Civil Aviation Authority improves rewards in the form of staff remuneration and fringe benefits. It was also recommended that workers' jobs should be guaranteed so as to curb staff turnover which was quite rampant at the time of the study.

Key words: Remuneration, job security, employee turnover, parastatal organization

Introduction: Employee turnover is becoming a serious problem in today's corporate environment. The cost of this phenomenon to a good number of firms is very high and significantly affects the financial performance of these organizations. Labor turnover begins with employee dissatisfaction, thoughts of quitting,

For Correspondence:

t_kyamanywa@yahoo.co.uk Received on: December 2015

Accepted after revision: January 2016 Downloaded from: www.johronline.com undertaking a job search, evaluating aspects of the job and culminating into a decision to quit (Abelson & Baysinger, 1984).

Historically employee turnover, which arises from intention to quit according to Zimmerman and Danold (2009), has over time been of concern as it reduces the organization's competitive position. Intention to quit which gives to labor turnover phenomenon is not new as it dates back to 1910 (Eichengreen, 1989). Employee turnover has been recognized as a major managerial concern in contemporary work organizations (Pfeffer and Sutton, 2006).

According to Revill, the causes of employee turnover are; Morale, job satisfaction, promotion prospects, inadequate salaries (Revill, 1987). More responsibilities and working conditions, (Bryant, 1987). These personalities attribute employee turnover to supervision, personnel policies, and dislikes for job, poor working conditions, unequal workloads and job security. There are numerous reasons that drive employees to look for alternative employment. According to Ramlall (2003), Daniels (2003), Hirschfield (2006), Welch (2008), Charney (2008) and Maturo (2007), employees often consider the following as reasons for leaving the company:

employee is dissatisfied with compensation and/or monetary benefits they are receiving from the company, inadequate opportunities for training and development and an unchallenging working environment. Lack of career advancement opportunities where an employee reaches a ceiling in their advancement within a company, they will start looking for a new job. Lacks of recognition, the overwhelming majority of people who leave any company do so because of the way they are treated. Surveys consistently show that more than 40 percent of people, who leave do so because they feel underappreciated for their contributions (Daniels, 2003). Ineffective leadership and lack of trust in senior management, employees do not know what is expected of them and this leads to low performing teams. Inadequate emphasis on teamwork, by nature, people tend towards human interaction, and a solitary position can become Nonflexible work schedule, much boring. emphasis is placed on family and balance between work life and personal life. Too long time spent commuting. People do not want to sit in traffic for hours, low overall job satisfaction. In America according to United States Bureau of Labor statistics (2005), the US national turnover rate is 3% per month or 36% per annum yet replacing employees may be costly in recruiting and training employees to obtain satisfactory levels of performance over time.

In South Africa according to the national remuneration guide survey, the average staff turnover in South African companies was 12.3% in 2006. (Deloit & Touche February 2007).

In East Africa, especially in Kenya very little has been documented about the causes of labor turnover, however in a recent study; Best practices found that the aggregate annual turnover of employees for the pharmaceutical and biotech industries in Kenya was 14.2%. However, such rates of employee turnover affect organizations in terms of measurable financial costs as well as intangible knowledge-based and productivity costs.

Given such detrimental consequences it is hardly surprising that a great deal of research has been conducted at identifying salient predictors of turnover (Holtom etal, 2008). Civil Aviation Authority as a public sector organization is also experiencing a high level of employee turnover to the other competing employers like United Nations among other organizations. After being trained expensively and attaining the required skills, some employees resign when they are needed most. Thus the awareness of the importance of employees staying with an organization is evident (Brayfield & Crockett, 1955).

The study was guided by motivation theories from which the study topic was drawn. reason for using theories is to validate them (Swason, 2000, cited by Romlall (2004). The theories that guided the study were Abraham Maslow's hierarchy of needs and Herzberg's two These theories expound on factor model. people's needs and they explain behavior of individuals to attain their needs and satisfy them. Civil Aviation Authority was established in 1991 with the mandate to streamline and operate the most effective and efficient Civil Aviation in Uganda. It is therefore responsible for Entebbe Airport and Aerodromes in Gulu, Arua, Soroti, Kasese, Kisoro, Moroto, Tororo, Mbarara, Kidepo, Pakuba and Jinja. By 2013 it boasts of a workforce of 794 employees on permanent basis. Its mission is to maintain the highest standard of

safety, security and service in Civil Aviation (CAA Business Plan 2002/03-2006/07). The objectives of the organization among others include developing and promoting safe, regular, efficient air transport in and outside Uganda, to maintain revenue by providing facilities, services and well-motivated workforce to develop Entebbe Airport into a hub and to promote tourism. Civil Aviation Authority focuses its attention on the development and retention of its employees by offering policies in recruitment, training, promotional opportunities through the various ranks and the other fringe benefits.

Despite the efforts undertaken by Civil Aviation Authority management in employee retention strategies which include among others; annual salary increment, guaranteeing loans for workers, training and promotional opportunities, medical care, over time payment, transport allowance, Civil Aviation Authority continues to register high rates of turnover (*CAA Human Resource Department 2013*). Employee turnover has been increasing steadily from 3.6 in 2006 to 7.93% in 2009.

Despite the employee retention strategies such as annual salary increments, medical care among others, that Civil Aviation Authority management has put in place to foster the wellbeing of its staff, employee turnover rates have persistently remained on the rise. So far there has been no notable study that has been conducted to establish the factors influencing employee turnover at Civil Aviation Authority. This paper explores whether the possible causes of employee turnover in Uganda using Civil Aviation Authority as a case study to represent other public sector organizations.

Literature Review: Theoretical frame work; Maslow's theory of human needs

The study was guided by Abraham Maslow's theory of hierarchy of needs of 1940's which assumes that human needs are arranged in a hierarchy of five (5) important levels (Moorhead 2007, Rees & Porter 2008). In the first level, Maslow put basic physiological needs that included water, air, shelter, food among others.

He observed that after these are fulfilled, psychological needs set in that include the following; safety of the person, his property and that of his job. Possibly employee job security can be guaranteed through practices such as training and development, promotion, pension plans, among others. The third need is of a social nature that includes having a sense of belonging and acceptance in a given work environment through friendship among others. Self-esteem needs set in that included a job title with a significant status, having a company car among others. Self-actualization then sums it all that includes employee ability to contribute to social needs - hence a feeling of achievement and satisfaction.

Maslow postulates that each need level must be satisfied before the level above it can become important. However if the previously satisfied level set of needs becomes deficient again, the individual returns to that level (Armstrong 2008). Herzberg's two factor theory: Herzberg's Duo factor theory explains about the motivation factors that are intrinsic to the work itself; aspects like recognition, achievement, advancement and growth, and responsibility. The hygiene factors are extrinsic to the work itself such as pay and job security, working conditions, supervision, interpersonal relationships and company policies. Hence summarizing the two factors as satisfiers and dissatisfies. (Griffin & Moorhead 2007).

If the organization over emphasizes the hygiene factors and under plays the motivation factors, employee turnover will become inevitable. It is therefore important to balance the two sets of factors in order to curb employee turnover.

Factors Influencing Employee Turnover

Remuneration: According to Armstrong (2008) employee reward management is about how employees are rewarded in accordance with their value to an organization. It is concerned with both financial and non-financial rewards and embraces the philosophies, strategies, plans and processes used by organizations to develop and maintain reward systems. Attention should not only be given to performance related pay as the

only motivator but also the non-financial approaches motivate and recognize to (Armstrong, 2012). If the reward system is deemed to be unrealistic and unfair, it may have negative effects on retention of employees. Employees also care about being paid salaries and wages comparable to those being paid to others in similar positions making comparable contributions. When employees feel their pay is fair and comparable to what other employees offer, having interesting and meaningful work in acceptable conditions, supported by good management practice, the prospect of making little money in another organization is not enough to pull them away Branham (2005). Although most employees cite better pay, benefits or career advancement as their reasons for changing jobs, those are seldom the primary reasons people leave their positions and venture back out into the job market. These are most acceptable credible reasons to state because they require no additional explanation.

Salaries and Employee Turnover: Robbins (2000) asserts that money is important to the employees; it is a medium of exchange. Axial and Abiola (2004) and Armstrong (2012) note that money may in itself has no intrinsic meaning, but it acquires significant motivating power because it comes to symbolize so many intangible goals. According to a study by Mabonga (2009, and earlier observation advanced by Gieter et al (2006) and Matheauer (2006), regarding rewards and human resource retention on Donor funded HIV/AIDS NGOs, low pay increases employee exit and hence low rate of employee retention. A study carried out by Ernest and Young (2007) concludes that recruitment and retaining key personnel is a single largest concern of about 4000 fastest growing companies and organization in the world. Balunywa (2007) states that employee retention is about motivating staff and it covers both psychological aspect of the employee (their perception, goals and behavior) and physical aspects of employee which has to do with work environment.

Fringe Benefits and Employee Turnover

Benefits are those elements of remuneration given in addition to basic pay/ salary (Cho et al. 2006). A recent study by Cho et al. (2006) investigated the relationship between the use of human management practices and organizational performance. It found that companies providing incentive plans to employees are more likely to experience lower turnover rates among nonmanagerial employees. The authors theorize that a firm would further reduce its turnover rate if it applies reward systems in the form of incentive plans to more employees across the organization. Beardwell (1997),identified holiday entitlements, health care, office accommodation, housing, educational course and discount on company products, subsidized meals and pension schemes as employee benefits. Cole (2003) contrasts that most benefit plans do not permit an employee to choose his or her preferred range of benefits but these benefits are generally offered on a take-it or live-it basis.

Job security

Promotion and Employee Turnover: Every employee has the dream of social recognition and accomplishment to achieve. Promotion fulfills the desire for achieving distinction and craving for social approval. Wayne, (1998) argues that promotions help satisfy employee needs for security, belonging and personal According to Howard (2008), individuals often feel that they have not been treated fairly if they work for so long without promotion. Lomony (2000) asserts that employees become restless when kept for long in one position leading to speculation and friction that can possibly affects employee retention. Principally, employees become restless when kept for so long in one position when actual placement is done, speculation and strife are possible consequently resulting into employees' turnover. Social support has been shown to play an important role in mitigating employee turnover.

Training and Employee Turnover:

One of the benefits of training in an organization is attracting high quality employees by offering

those learning and development opportunities increasing their level of competence and enhancing their skills, thus enabling them to obtain more job satisfaction to gain higher rewards and to progress within the organization (Amstrong 1999). An employee who claims training is therefore claiming a future and is more likely experience job satisfaction. to Organizations whose staff dart gets blurred therefore tend to suffer great deal of labor turnover as employees switch off psychologically (Lamony, 2000). It is further argued that organizations that invest less that 3% of their payroll will see twice the turnover of those that invest 6% (Burbank, 1999). Leaving alone training of employees, employers should understand that one way to nurture good people is to recognize that higher achievers require a job that stretches their talents (Hay, 2002).

Recognition and Employee Turnover:

is a tool widely used Recognition organizations to motivate their employees. Outstanding employees expect their effort to be acknowledged by the organization (Armstrong, 1997). People need to know not only how well they have achieved their objectives or done their work but also that their achievements are appreciated. This may therefore lead to employee's intention to guit and labour turnover. Robbins (2003) argues that recognition and acknowledgement from the supervisors is consistently found to be among the most important motivator to employees. He further suggested that rewarding behavior recognition immediately following that behavior is likely to encourage its repetition and this is linked to re-enforcement theory.

According to Lamony (2000), social recognition and a sense of accomplishment are dreams that every employee wants to achieve. Howard, (2008) stated that employers should be creative and not think that rewards take place of recognition. He describes recognition to be about noticing and articulating value, therefore as an employer, there is need to recognize and appreciate employee's contribution. According

to Ang. (2002), long term commitments can be attained in an environment that allows employees to meet their personal goals and those of organization which are in support of one another. Such flexibility provides a homely working environment to which the employee feel attached and this can reduce employee turnover.

That other than rewards, other factors may lead to employee turnover. Dibble (1999) stresses that some employees may end up quitting because they are not well treated. Rather than attempting to reduce staff turnover by seeking employees whose individual characteristics match those employees that are likely to stay, they should focus on organizational characteristics which can better be more easily controlled by administrators (Mitchell *et al.*, 2000).

Employee involvement: According to Moorhead (2007), employee involvement in their work can also play an important role in motivation and it is mostly enhanced through participation management and empowerment. Benson *et al* (2006) high involvement work practices are a specific set of human resource practices that focus on employee decision making, power, access to information, training and incentives.

Participation and employee turnover

Moorhaed (2007) asserts that participation entails giving employees a voice in making decisions about their own work. According to Firth, Meelor, Moore and Loquet (2007), lack of commitment within the organisation and job dissatisfaction could be reasons why employees quit. Insufficient information on how to perform the job adequately, unclear expectations of peers and supervisors, ambiguity of performance evaluation methods, extensive job pressures, and lack of consensus on job functions or duties, may cause employees to feel less involved and less satisfied with their jobs and careers, less committed to their organisations, and eventually to display a propensity to leave the organisation (Tor and Owen, 1997).

A study by the US Department of Labor (1993) on high performance work practices revealed that involving employees in decision-making, goals

and the direction of an organization through participation in teams will help produce job satisfaction and reduce turnover. Employees have a strong need to be informed. Organisations with strong communication systems enjoy lower turnover of staff (Labov, 1997). Employees feel comfortable to stay longer in positions where they are involved in some level of the decision-making process. In the absence of openness in sharing information and employee empowerment, the chances of continuity of employees are minimal.

Methodology

Research Design: The study adopted correlative research design with a view to establish the relationship between independent and dependent variables. This study adopted a cross-sectional survey design across departments and both quantitative and qualitative data collection approaches were used. approaches were chosen because they supplement each other. Quantitative approach provided the hard data while qualitative approach provided in depth explanations needed to answer research objectives and questions (Mugenda Mugenda, 1999). Quantitative approach reduces the problem of reliability caused by extreme subjectivity in the qualitative approach. The quantitative approach enabled the collection of numerical data in order to explain, summarize, understand, predict or control the phenomenon of The researcher obtained generalized interest. findings on the factors influencing employee turnover and found out their relationship. Questionnaires were used to collect quantitative data while interview guide was used to collect qualitative data.

Area of Study: The study was conducted at Civil Aviation Authority head offices and terminal building of Entebbe International Airport Katabi Sub-county Wakiso District.

Target Population: The population under study included the current serving Civil Aviation Authority staff and those who left from 2006 to 2009 from which a sample size of 143 people was be obtained from all ranks in one strata of

the Directorate of Airports and Aviation Security. Although Civil Aviation Authority has staff for up country Aerodromes, this study excluded them in consideration of time and financial constraints. **Sampling Technique:** The sampling techniques used were stratified random and purposive sampling. The population was divided into five strata basing on seniority from top managers, middle managers, supervisors to those who left and operational staff. The sampling was none biased with both male and female having equal chances of being selected. Key informants were selected using snow ball method.

Sample Size: The researchers sought to establish the sample size of respondents to participate in the study. The sample size was determined using Krejcie and Morgan table in Amin (2005), according to the formula in the table with a total population of 215, the appropriate sample size would be 143 respondents. Under simple random sampling all the staff members in a given category had equal chances of being selected to participate.

Research Instruments: Structured questionnaires were used and these were self-administered to selected respondents covering middle managers, supervisors and operational staff on remuneration, job security employee involvement and turnover.

Interview guides: Interview guides were used for the selected key informants that included senior managers and those who had left.

Pretesting (Validating and Reliability): In order to make sure that quality and relevant data was collected, the research instruments were presented for reliability and validity as follows.

Data Analysis: Sekaran (2003) regards data analysis as evaluation of data. It is the process of systematically applying statistical and logical techniques to describe, summarize and compare data. This included data processing, analysis and presentation. The questionnaires were checked for errors and entered in SPSS 10.0 a computer package for analysis of quantitative data. The relationship between independent variables of remuneration, job security, employee

involvement and the dependent variable of employee turnover were analyzed using regression analysis. The data was interpreted and presented using tables, graphs and charts to depict the relationship.

There after data was examined, compared, contrasted and interpreted using graphs and charts to establish the pattern and trends emerging from the data with reference to remuneration, employee involvement and job security. Qualitatively data from the key informants was presented against the objectives and analyzed using explanations and drawing examples from the field per variable. Quantitatively the study mainly drew averages, percentages from the sets and use cross tabulations to compare the study variables.

Remuneration, Job Security, Involvement, Commitment and Employee Turnover

Scores: Scores on all variables under study were calculated to measure their current level in the organization. They were calculated basing on Zikmund (2000). They were measured by summing up the numbers representing the responses on each of the items measuring the variable. Remuneration was measured on a continuous scale of 11 to 55, job security was measured on a scale of 10 to 50, involvement was measured on a scale of 4 to 20, commitment was measured on a scale of 5 to 25 and turnover was measured on a scale of 5 to 25. The values are indicated below.

Table 1: Descriptive statistics showing scores on variables (N=92)

| Statistics | remuneration | J. security | Involvement | Turnover |
|----------------|--------------|-------------|-------------|----------|
| Mean Scores | 34.2 | 34.9 | 12.4 | 18.2 |
| Mean response | 3.17 | 3.08 | 3.06 | 3.91 |
| Group Median | 37.0 | 37.1 | 14.6 | 17.3 |
| Std. Deviation | 8.9 | 10.6 | 12.5 | 5.7 |
| Minimum | 10.00 | 10.00 | 5.00 | 15.0 |
| Maximum | 47.00 | 50.00 | 15.3 | 23.1 |

Source: Primary data

As indicated in the Table 1 above, remuneration was generally low. The mean score was 34.2 (sd=8.9) compared to the median = 37 and the mean response was 3.17. Given the facts that the standard deviation was large (sd=8.9), it implies that there was a wide variation in the responses on level of remuneration hence contributing to a low mean scores in the variables. For Job security, the mean score was 38.4 (sd=10.6) compared to the median = 37.1 and the mean response was 3.08. In the case of job involvement, the mean score was 12.4 (sd=12.5) compared to the median = 14.6., while the mean response was 3.06. In case of employee turnover, the mean score was 18.2 (sd=5.7) compared to the median=17.3 while the mean response was 3.91. The fact that the standard deviations in all the independent (remuneration, job security and involvement) variables were very large means

that there were wide variations in the responses contributing to low mean scores. The higher mean score and mean response on the dependent variable points to an inverse relationship between the independent variables and dependent variable. This implies that as remuneration, job security and involvement increase, employee turnover reduces. This conclusion was explored using inferential statistics in the sections below. Each of the three independent variables was regressed on the dependent variable.

The influence of Remuneration on employee turnover in Civil Aviation Authority

The first objective of the study was to establish the influence of Remuneration on employee turnover. Linear regression was done and remuneration scores were regressed on employee turnover scores. Finding revealed that remuneration was rather low (Mean score= 34.2), compared to the highest expected value of 55.

According to Cohen (1988, 1992).

r = 0.10 (small effect) explains 1% of the total variance.

- r = 0.30 (medium effect) explains 9% of the total variance.
- r = 0.50 (large effect) explains 25% of the total variance.

Table 2: Showing Regression Results of Remuneration and Employee Turnover

| | R | Adjusted R | В | Beta | |
|---------|--------|------------|-------|------|----------|
| R | square | square | | | P-value. |
| -0.654* | .330 | .327 | 1.020 | .754 | .002 |

Values significant at 0.05 level (2-tailed).

Predictor: Remuneration, Dependent variable turnover

From the regression model summary in Table 2, the correlation (linear relationship) between turnover (dependent variable) and remuneration is indicated by r=-0.654. This implies that, generally, turnover is highly related to remuneration but in an inverse direction (Davis 1996). The relationship was significant at p-value <0.05. This means that if Civil Aviation Authority implements positive changes in remuneration, this can significantly reduce

employee turnover. The results of the regression model indicated an R-square of 33 percent. This implies that on average, increasing remuneration by 33 percent causes 33 percent reduction in employee turnover.

The aspects of remuneration that cause a reduction in turnover were explored using descriptive statistics. The findings are shown Table 3 below.

Table 3: Aspects of Remuneration that influence Employee Turnover

| Aspect | D (%) | Not Sure | A (%) |
|--|-------|----------|-------|
| Fair pay that meets all my basic needs | 55.4 | 18.5 | 26.1 |
| Good pay compared to other companies | 15.2 | 30.4 | 54.4 |
| Annually salary increment | 17.4 | 7.6 | 75 |
| Salary paid in time | 13 | 4.3 | 82.6 |
| Salary advances given | 10.8 | 10.9 | 78.3 |
| Incentive given by the company are good | 62 | 13.0 | 25 |
| Transport to and fro is catered for by CAA | 7.6 | 3.3 | 89.1 |
| Satisfied with safari day allowance given | 43.4 | 35.9 | 20.7 |
| Realistic pay for medical bills | 29.4 | 20.7 | 50 |
| Adequate time/extra hours allowance | 54.4 | 16.3 | 29.4 |
| Good mileage given compared to other companies | 39.1 | 41.3 | 19.6 |

Source: Primary data

Key: D = Disagree, NS = Not sure, A = Agree,

The findings in the Table 3 above show that about 62 % disagreed that incentives given are good, 55.4% of respondents indicated that their

pay was not enough to meet their basic needs, (54.4%) disagreed and (39%) disagreed that they are not given good mileage compared to other

companies. However, respondents agreed that the pay was good compared to that offered by other companies in Uganda 75% agreed that they are given salary increments annually and 78.3% of the workers agreed that they are allowed to get salary advance. This implies remuneration issues related to incentives and fringe benefits were insufficient and likely to lead to higher employee turnover.

The contribution of Job security on Employee Turnover: The second objective of the study was to find the contribution of Job security on Employee Turnover. Descriptive statistics had indicated lower values of job security corresponding to higher values of turnover, hence pointing to an inverse relationship. Job security scores were regressed on turnover scores. The findings are presented below.

Table 4: Showing regression results of Job security and Employee Turnover

| R | R square | Adjusted R square | В | Beta | P-value. |
|---------|----------|-------------------|-------|------|----------|
| -0.510* | .41 | .43 | 1.128 | .78 | .012 |

^{*} Values significant at 0.05 level (2-tailed).

Predictor: Job security, Dependent variable: turnover From the regression model summary in Table 4, the correlation (linear relationship) between turnover (dependent variable) and job security is indicated by r= -0.51 This implies that, generally, there is a high , but negative relationship between turnover and job security (Saunders etal 2003). The relationship was significant at p-value < 0.05. This means that if Civil Aviation Authority improves on job

security, employee turnover reduces. The results of the regression model indicated an R-square of 41 percent. This implies that on average, job security contributes 41 per cent of the variation in employee turnover.

The aspects of job security that influence employee turnover were analyzed using descriptive statistics. The findings are shown in Table 5 below:

Table 5: Aspects of Job Security that influence Employee Turnover

| Table 5. Aspects of Job Security that initialice | Employe | e i ui novei | Table 5. Aspects of Job Security that influence Employee Turnover | | | | | | |
|---|--------------|--------------|---|--|--|--|--|--|--|
| Aspect | D (%) | Not Sure | A (%) | | | | | | |
| Investment on training and development of workers | 20.7 | 16.3 | 63.1 | | | | | | |
| Formal training programs to teach new employees the skills they | 15.2 | 9.8 | 75 | | | | | | |
| need to perform their duties | | | | | | | | | |
| Good career prospects | 25 | 7.6 | 67.4 | | | | | | |
| CAA imparts new skills to me periodically | 44.6 | 15.2 | 40.2 | | | | | | |
| Training is relevant to work | 16.3 | 7.6 | 76.1 | | | | | | |
| There are opportunities for promotion in CAA | 28.3 | 16.3 | 55.5 | | | | | | |
| Promotion based on performance in CAA | 35.8 | 31.5 | 32.6 | | | | | | |
| Regular promotions | 46.7 | 30.4 | 22.8 | | | | | | |
| Good performers are promoted | 47.8 | 28.3 | 23.9 | | | | | | |
| The criteria for promotion is fair in CAA | 50 | 27.2 | 21.8 | | | | | | |
| recognition from management is present | 29.3 | 32.6 | 38 | | | | | | |
| Recognition is regularly done in CAA | 41.3 | 35.9 | 22.8 | | | | | | |
| Good performers are usually recognized in CAA | 50 | 27.2 | 22.8 | | | | | | |
| supervisor praises me for job well done | 33.7 | 16.3 | 50 | | | | | | |
| thanked and appreciated for good work | 38 | 20.7 | 41.3 | | | | | | |

Source: Primary data, **Key:** D = Disagree, NS = Not sure, A = Agree

Respondents disagreed that good performers are recognized (50%), another (50%0 disagreed that Civil Aviation Authority has a fair criteria for promotion, (47.8%) disagreed that Civil Aviation Authority promoted good performers, and (47%) disagreed that Civil Aviation Authority has regular promotions. This implies that employee recognition and appreciation of good performance in Civil Aviation Authority is low and this is likely to increase employee turnover. However, (76.1%) who agreed Civil Aviation

Authority as formal training programs to teach new employees the skills they need to perform their duties, (75%) agreed they have good career prospects, (63.1%) who agreed that Civil Aviation Authority invests in her workers.

Employee Involvement and Employee Turnover The last and third objective was to measure the effect of employee involvement on employee turnover in Civil Aviation Authority. Employee involvement scorers were regressed on turnover scores. The findings are shown below.

Table 6: Showing regression results of Employee Involvement and Employee Turnover

| F | ₹ | R square | Adjusted R square | В | Beta | P-value. |
|---|---------|----------|-------------------|-------|------|----------|
| | -0.545* | .23 | .212 | 1.051 | .902 | 0.026 |

^{*} Values significant at the 0.05 level (2-tailed).

Predictor: Employee involvement, Dependent variable: Employee turnover

From the regression model summary in Table 6 above the correlation (linear relationship) between turnover (dependent variable) and employee involvement is indicated by r = -0.545. Therefore as indicated by Saunders etal (2003) for research purposes, turnover is highly related to employee involvement though in an inverse direction. The relationship was significant at p-value < 0.05. This means that if Civil Aviation Authority increases employee involvement, this

can significantly reduce employee turnover. The results of the regression model indicated an R-square of 23 percent. This implies that on average, employee involvement explained 23 percent of the variation in employee turnover.

The aspects of job security that influence employee turnover were analyzed using descriptive statistics the findings are shown in Table 7 below.

Table 7: Aspects of Employee Involvement that influence Turnover

| Aspect | D (%) | Not Sure | A (%) |
|--|-------|----------|-------|
| Participation in decision making in my department | 46.8 | 18.5 | 34.8 |
| Supervisor allows me participate in designing the operating | 46.2 | 19.6 | 33.7 |
| procedures | | | |
| Employee participation in decision making concerning pertinent | 48.9 | 21.7 | 29.3 |
| issues in CAA | | | |
| Fair participation of employees in decision making in CAA | 48.9 | 27.2 | 23.9 |
| Empowerment to set own goals in pursuance of company | 26.1 | 23.9 | 50 |
| objectives | | | |
| Freedom to solve problems within my sphere of responsibility | 18.5 | 18.2 | 63.1 |
| Degree of autonomy at work in CAA | 25 | 23.9 | 51.1 |
| Decisions respected with in my sphere of responsibility and | 21.7 | 31.5 | 46.8 |
| authority | | | |

Source: *Primary data*

Key: D = Disagree, NS = Not sure, A = Agree.

The findings in the table 7 above show that (48.9%) of respondents disagreed that they always participate in decision making in the department, (46.8%) disagreed there supervisors allow them participate in designing the operating procedures, (46.2%) were in disagreement that they are free to solve problems within their sphere of responsibility. However respondents (63.1%) agreed that they feel there is some degree of autonomy at work in Civil Aviation Authority, (51.1%) agreed that they feel empowered to set own goals in pursuance of company objectives and (50%) indicated that they feel their decisions are respected in their sphere of responsibility. This implies that the major issues with regard to employee involvement that are likely to affect employee

turnover relate to involvement in decision making and problem solving in an employee's department. This finding concurs with findings from key informants who said that generally the institution is so centralized and structured that lower cadre staffs are given limited opportunity to make decisions regarding their worker.

Multiple regressions was done to establish the overall effect of the independent variables (remuneration, job security and employ involvement) on employee turnover and the marginal change (beta value) on turn over caused by changes in each of the three organizational factors (remuneration, job security and employ involvement). The findings are shown in the Table 8 below.

Table 8: Multiple regression model showing the marginal influence of the independent variables on the dependent variable

| Variables | В | Std. error | Beta | t | sig |
|--------------|-------|------------|------|-------|--------|
| | 6.41 | 0.573 | | 9.639 | 0.000* |
| Remuneration | 072 | 0.031 | 0.32 | 2.326 | 0.021* |
| Job security | 0.016 | 0.036 | 0.49 | 0.430 | 0.041* |
| Involvement | 0.014 | 0.042 | 0.19 | 0.340 | 0.004* |

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

As indicated in the table above the marginal contribution of remuneration to change in turnover is 0.32, that of job security is .49 and involvement is 0.19. This contribution was significant at p=0.05. Multiple regression marginal contributions also concur with the regression results for individual variables. Using the multiple regression equation,

 $Y = a + b_1 x_1 + b_2 x_2 + b_3 x_{3+e}$

The fitted equation model is:

 $Y = 6.41 + 0.32x_1 + 0.49x_2 + 0.19x_3$

This implies that; **Employee turnover** = 6.41 + 0.32 remuneration +0.49 Job security +0.19 Involvement.

In the fitted regression model above, 6.41 is the constant. This means that, if there is no change in any of the aspects of the three aspects that influence employee turnover, in the model,

employee turnover will only change by 6.41 and remains constant. This implies that there are other factors that do interplay to influence turnover hence employee commitment as a moderating variable. The multiple regression equation further revealed that job security contributes more followed by remuneration and employee involvement contributes least to employee turnover.

Employee Commitment as a moderating factor for Employee Turnover Stability

The researcher also explored the effect of the moderating variable, employee commitment on the relationship between organizational (Remuneration, Job security and Employee involvement) and employee turnover at Civil Aviation Authority. This was done using

descriptive statistics and the findings are shown in the Table 9 below.

Table 9: Aspects of Employee Commitment that may influence the relationship between organizational factors and Employee Turnover

| Aspects | | Not Sure | A (%) |
|---|-------|----------|-------|
| | D (%) | | |
| I am willing to help the development of CAA for success | 8.6 | 12.0 | 79.4 |
| I may not leave CAA due to my interest in the job | 21.7 | 25.0 | 53.3 |
| I feel I may not CAA because of the relationship I have with my | 32.6 | 17.4 | 50 |
| colleagues | | | |
| I often tell my friends that CAA is a very good organization | 14.2 | 10.9 | 75 |
| I frequently care about the future development of CAA | 11.9 | 14.1 | 73.9 |

Source: Primary data

Key: D = Disagree, NS = Not sure, A = Agree.

In conclusion, specific objectives of the study were used to enable the researcher to find out whether the analysis met the study objectives and actually there was a strong relationship The findings in the table 9 above show that willingness to help the development of Civil Authority for Aviation success attracting friends Civil Aviation Authority (75%). As well as care about the future development of Civil Aviation Authority (73.2%), indicate significant organizational commitment that is likely to reduce the level of turnover, despite a general dissatisfaction with fringe benefits, job security and employee involvement. This implies those employees that have those who are stuck to the institution are there because of a higher organizational commitment. When this variable reduces among employees, employee turnover may significantly increase.

Between organizational factors and employee turnover, however, Job security with 41% followed by remuneration with 33% and finally employee involvement at 23% were significant factor influencing employee turnover at Civil Aviation Authority

References

 Abelson and Baysinger. (1999) Hu Armstrong, Human Resource practice 8th ed Kogan page limited London U.K Human

- resource management, 7th Ed, Kogan page, Ltd London. UK.
- Amin, M.E (2005), Social Science Research Conceptions, Methodology and Analysis Makerere University Printery, Kampala
- Amstrong, M (2012). A Hand Book of Human Resource Management Practices 8th Edition, London; Kagan Page
- Ang, A. (2002). An electric review of multidimensional perspective of employee involvement: MCB Ltd, Quebec Canada.
- Armstrong, M. (1997), Reward management: Kogan page, UK.
- Axial, C. and Abiola, A. (2004), Influence of rewards on workers performance in an organization. Journal of social science 8(1):7-12 Department of psch. Obafimi University lle-Ife, Nigeria.
- Beardwell.& Hold.(1997).Human resource management contemporary perspective,2nd edition Pitman publishing Great Britain
- Branham, L. (2005). The 7 Hidden Reasons Employees Leave. AMACOM
- Brayfield, A and Crokett, W. (1955), "Employee attitudes and Employee Performance Psychological Bulletin, Vol. 52, Pp.396-424
- Bryant and Richard J. Niehams (1987), NATO Conference on man power planning

- and organization design. New yok Plenum press.
- Capelli, P. (2000). A market driven approach to retain talent. Harvard Business Review, pp. 101-111
- Chafetz, B., Erickson, R.A., & Ensell, J. (2011). Where Did Our Employees Go? Examining the rise in voluntary turn over during economic recoveries. Deloitte Review. Retrieved August 09, 2011, from http://www.Wheredidouremployeesgo?
- Civil Aviation Authority (Business Plan 2002/3-2006/7)
- Cohen J, (1992), A Power Primer. Psychological Bulletin, 112 (1) 155-159
- Cohen J. (1988) Statistical Power and analysis for the behavioral sciences 92nd ed) New York Academic Press.
- Cole, G.A (2003). Personnel management and practice: Arlesey, Bedfordship.
- Collins, C. J and Smith, K.G (2006) "Knowledge Exchange and Combination: The role of Human Resource Practices in the Performance of High Technology Firms", Academy of Management Journal, Vol. 49 No; 3, Pp. 544-60
- Coombers, B., & Barriball, L. K. (2007). *Impact of job satisfaction components on intention to leave and turnover for hospital-based nurses*: a review of the research literature. International Journal Nursing Studies, 44, 297-314
- Daniels, A.C. (2007). How to prevent employee turnover. Retrieved 17 August, 2011, from http://www.entrepreneur.com/article/printthis/60740.html
- Davis, D. (1996), Business Research for Decision making, 4th Edition, Duxbury Press.
- Decenzo, D. (2002). Personnel and Human Resource Management, Practice Hall of India, New Delhi.

- Dibbles (1999). Keeping your valuable employees, retention strategies for your organization's most important resource, John Wileys and Son Inc.
- Eichengreen, B (1989), Unemployment and Undevelopment in Historical Perspective of Industrial Relations. University of Califonia, Barkeley.
- Emory, C.W, (1985), Business Research Methods, 3rd Edition, Irwin.
- Ernest and Young (2007), Annual report on strategic planning; Wisconsin Annual publication.
- Firth, L., Mellor, D.J., K., Moore, C.A., Loquet, C. (2007). How can managers reduce employee intention to quit? Journal of. Manage. Psychology. 19 (2), 170-187.
- Griffin, R.W and Moorhead, G. (2007) Managing People and Organisations 8th Edition Houghton Miffin Company U.S.A
- Gupta, N. and Shaw,J.(2001) Pay fairness and Employee outcomes. Exacerbation and attenuation effects of financial needs. *Journal of Occupational and Organizational Psychology Vol* 74 (3), pp 22.
- Gustafson, C.M (2002). "Employee intention to quit, a study of private club in U.S.A "International Journal of Hospitality Management" Vol. 14 No 3. Pp 106-133 MCBUP Limited
- H.K., North, N., & Stone, P.W. (2006). Nurse turnover: A literature review. International
- Hayes, L.J. (2002). O' Brien-Pallas, L., Duffield,C., Shamian, J., Buchan, J., Hughes, F., Spance, employee turnover effects on organization performance
- Holtom, B.C, Mitchell, T.R, Lee, T.W, and Eberly, M. (2008), "Chapter 5: Turnover and
- http://www.Emaraldinsight/viewcontent, Retrieved on 15th March 2013, Journal of Nursing Studies, 43,237-263

- Labov, B. (1997). "Inspiring employees the easy way", Incentive, 171(10), 114-18.
- Lamony, F. (2000). Challenges of staff retention in Directorate of District Health Services, a Dissertation Uganda Management Institute.
- Lee, G. (2001). Towards a contingent model of key staff retention: The new psychological contract reconsidered. South African Journal of Business Management, 32(1), 1-9.
- Mabonga, W.H. (2009). Employee attraction and retention in donor funded HIV/AIDS in NGOS-Kampala Uganda.
- Mathieu, J.E. and Zajac, D.M (1990), "A review of meta-anlysis of the antecedents, correlates, and cosquences of organizational commitment," Psychological Bulletin, Vol., 108, pp. 171-94.
- Mugenda, O.M. and Mugenda, A.G (1999) Research Methods; Nairobi, Acts Press.
- Netemeyer, R.G, Burton, .S. and Johnston, M. W. (1995), "A nested comparison of four models of the consequences of role perception variables". Organization behavior and Human Decision Processes, Vol. 61, pp.77-93
- Netmeyer, R.G., Johnston, M.W., & burton, S. (1990). Analysis of role conflict and role ambiguity in structural equations framework. Journal of Applied psychology, 75 (2), 148-157, incentives and human resource management tools human resource for health 4:24, Organizations most important resource, John Wileys and Son Inc.
- Preffer, J. and Sutton, R.I. (2006), Hard facts, Dangerous Halt-Truths and Absolute nonsense Profiting from Evidence-based management, Harard Business school Press Bestor, M.A
- Ramlail, R. (2004): A Review of Employee Motivation Theories and their Implications

- for Employee retention with organizations". Journal of American Academy of business, Vol.5 Nos 1/2, Pp. 52-63.
- Ramlall, S. (2003). Managing employee retention as a strategy for increasing organizational competitiveness. Applied H.R.M. research, 8(2), 63-72.
- Rees, W.D and Porter, C (2008) Skills of Management 6th ed South Western Cengage Learning.
- Retention research: a glance at the past, a closer review of the present, and a venture into the future". The academy of management annuals vol. 2 no. 1, pp. 231-74
- Rise in voluntary turnover during economic recoveries. Deloitte Review. Retrieved August 2012
- Robbins, S.P (2003). Organisation behavior, 10th ed. Prentice Hall New Delhi, India.
- Saunders, M, Lewis, P. and Thornhil, A. (2003). Research methods for Business Students (2nd ed) Harlow: Financial Times Prentice Hall.
- Sekaran, U. (2003). Research method for Business (4th edition). New York; John Wiley and sons Inc.
- Shields; M.A and Ward, M. (2001). "Improving nurse retention in the National Health Service in England: the impact of job satisfaction on intentions to quit" Journal of Health Economics Vol. 20 No.5, Pp.677-701
- Tor, G., Owen, J.E. (1997). —Assessing employee turnover intentions before and after TQM International Journal of Quality and. Reliability Management 14(1), 46-63.
- Trevor, C.O and Nyberg, A.J, (2008), "Keeping your head count when all about you are losing theirs: downsizing, voluntary turnover rates and moderating role of HR practices," Academy of Management Journal, Vol. 51. NO. 2, Pp. 259-76.
- Trochin, M.K. (2006). Research methods. Retrieved from

- http://www.socialresearchmethods.net/desty pes.php on 5th April .2009
- US Bureau of Labour stataistics 2005 retrieved from http://www.usdepartmentlabour on 5th may 2013
- Welch, J. (2008). The real reasons employees leave. Air conditioning, heating & refrigeration news, 235(2), 2. Retrieved August 17, 2011, from EBSCO Host.
- Zikmund, W. G (2000). Business research methods (6th ed), the Dryden Press , FL, USA
- Zimmerman and Danold (2009) employee retention strategies 2nd ed Pitman publishing great Britain
- http://www.access my library.com/art. Retrieved on 20th March 2013
- http://www.Employee retention strategies.com/accessed on Jan 18th 2013