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## The Impact of Employee Turnover on Organizational Performance: A Case Study of Mada Walabu University, Bale Robe, Ethiopia

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### ABSTRACT

This research focuses on the impact of staff turnover on organizational effectiveness and performance in Mada Walabu University. High staff turnover rates may jeopardize efforts to attain organizational objectives. In addition, when an organization loses a critical employee, there is a negative impact on innovation, consistency in providing service to primary users may be jeopardized and major delays in the delivery of services to customers may occur. The research design used in this study was the descriptive approach, which allowed the researcher to use semi-structured questionnaires when collecting data. The survey method used in this study because the target population only composed of 425 employees. The study employed Purposive, Simple Random sampling and Convenience sampling techniques. A high response rate of 100% obtained using the personal method of data collection; questionnaire structured in a 5-point Likert scale format. Furthermore, the study interviewed human resource head and ten voluntary employees by convenient sampling techniques. The study finding suggests that high labor demand and job opportunities in the market, lack of opportunity for career advancement in the organization, Unsatisfied with working condition and no involvement in decision-making, are the foremost causes of employee's turnover on organizational performance. The study finding also showed that staff turnover causes loss of some of the very experienced and skilled employees, reduction in work productivity and quality of services rendered as well as it causes too much wastage of resources when new staff settles and lose public confidence in the operation of the organization. In order to return the reduced university's capacity in terms of national attrition rates, higher education access target, quality education assurance, significant community and technology transfer and standardized research-based problem-solving culture due to staff turnover.

**Keywords:** Employee, Impact, Turnover, Mada Walabu University, Performance, Ethiopia, and Academic staffs.

### INTRODUCTION

In this world of globalization there are growing changes and challenges in the society in which we live and in which our work organizations operate. There are also growing changes and challenges taking place inside work organizations themselves. These changes and challenges are having an impact upon the

management of people in work organization and the performance of these organizations on the one hand and upon the environment in which work organization must exist on the other hand (Ngirwa, 2005). Labour turnover is one of the challenges that faced the work organization and have impact in the performance of those organizations. The concept of employee turnover represents one of the themes in the analysis of the

world of work among scholars in the field of management, organization behavior, and human psychology. It refers to the process whereby employees leave the organization. It can also be referring as a degree of individual movement across the membership boundary of a social system (Hammermesh and Rees, 1984). According to Muhammad; Employee turnover in organization is one of the main issues that extensively affect the overall performance of an organization (Ubagu and Gbuushi, 2020). It is often suggested that organization should be adopt the clear Standard Operation Procedures (SOP's) that decrease the gap among the top management and the middle management in order to identify and resolve the issue of employee turnover in the organization (Muhammad *et al.*, 2013).

The Ethiopian Government has the vision of vastly increasing the numbers of students within HEIs and increasing the numbers of universities and university colleges in the country. It intends to simultaneously expand the intake of the existing higher institutions and open 12 new university colleges within the same, short, timescale as well as ensuring quality of education. But Ethiopian universities suffer a shortage of academic staff. It is estimated that 70% of faculty in the new universities are only qualified to bachelor degree level. The government is trying to overcome the problem of the chronic shortage of qualified academic staff by establishing a massive Programme of in-country provision of masters and PhD programmer, supported by the more established universities in the country and foreign universities (MoE, 2003).

Meanwhile, university managers are challenged to find non-monetary means to reward staff, such as motivational strategies and staff turnover. In higher education institutions, the importance of academics for quality education is indispensable. The members of the academic staff are central to the successful accomplishments of the missions and responsibilities mandated to higher education institutions and goals set to be achieved by them (Altbach, 2006). As to Stromquist (2007), professors are central actors in higher education institutions, mainly because they are the ones who engage in the knowledge production and

transmission that constitute the central and prior missions of such organizations. Moreover, results of empirical studies conducted by different researchers (Ayalew, 2007; Brook, 2007; and Demissu, 2007; Habtamu, 2007; Tesfaye, 2007; Teshome, 2007; Wana, 2007) revealed that due to insufficient salaries the academic staff in public universities of Ethiopia are forced to engage in private consultancy or extra teaching to supplement their insufficient salaries. According to the research conducted in 10 agricultural colleges, 82% of employees in the colleges have an intention to leave their current job. Thus, the efficiency and performance of public universities of Ethiopia in general and Madda Walabu University in particular are highly affected by employee turnover. To achieve mission and vision of the university, many have been sent to short- and long-term training program either in the country or abroad for masters and PhD Degrees. On the other hand, unless organizations retain workers for a reasonable period, they are unlikely to be able to provide the quality services required to remain competitive. Fast turnover of academicians affects both the faculties and the university. For faculty members that leave their employment, it cannot be easy to learn new job specific skills and find different career prospects. Universities will also lose job-specific skills, which will be disruptive to their teaching/learning, as well as to their service rendering processes. Subsequently, fast turn-over of faculty increases the cost that the universities incur in their human resources development activities (Hailu *et al.*, 2013).

Beside of limited impact turnover study at faculty level in this institution and high Governmental focus area of Strategy; the impact of employees' turnover on the organizational performance in Madda Walabu University is being one area of study to narrow the gap of the problem. Therefore, to minimize the impact of employees' turnover on organizational performance, it is necessary to analyze the trend of employees' turn over across years is a pillar in achieving such desired strategies of the country in general and minimizing the effects of turnover of the institution in particular. In this perspective, the researcher intends to examine the impact of employees' turnover on organizational performance in case of Madda Walabu University.

Hence, this study focuses on the impact of employees' turnover on the organizational performance in Madda Walabu University. The University is one of the recently founded (1997E.c) institutions of public higher education in the Ethiopia. However, Madda Walabu University makes an effort on training of employees, because of multiple reasons educated and skilled employees of the University are leaving their job and join other similar institutions or other organizations these have an ultimate impact on organizational performance. Therefore, the purpose of this study is to investigate impact of employees' turnover on organizational performance of Madda Walabu University.

### Objectives of the Study

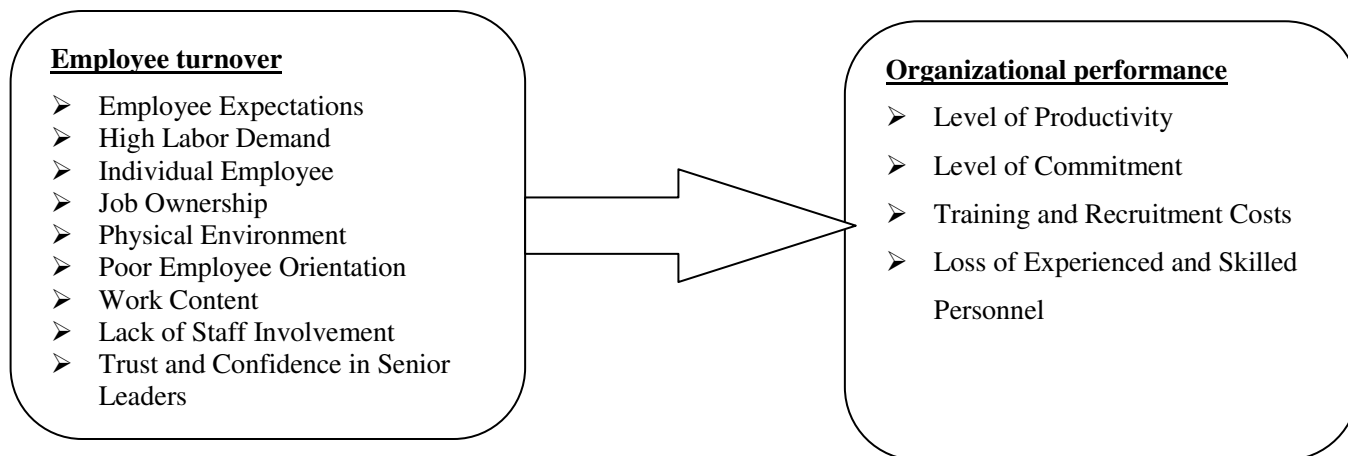
The general purpose of this study is to investigate the impact of employees' turnover on organizational performance specifically in Madda Walabu University. The Specific objectives of the study are –

- To analyze major factors that leads to employees' turnover in Madda Walabu University.

- To assess the availability of retention strategies adopted by Madda Walabu University.
- To analyze the trend of employees', turn over across years (2010-2015).
- To identify the effect of employees' turnover on performance of Madda Walabu University.

### Conceptual Framework

Hence, to frame the above research questions the study used the following conceptual frame work to show what are the effects of turnover on performance of Mada Walabu University as reviewed from different literatures? According to Carrel *et al.* (2000), staff turnover may be caused by Employee Expectations, High Labor Demand, Individual Employee, Job Ownership, Physical Environment, Poor Employee Orientation, Work Content, Lack of Staff Involvement, Trust and Confidence in Senior Leader, low remuneration, job dissatisfaction and unfair treatment. Staff turnover costs may be estimated to include separation, replacement, recruitment and training costs. Thus, if management were aware of the causes of staff turnover, they could try to resolve them.



Source: organized from different literature

**Fig 1:** Conceptual framework relating employee turnover and Organizational performance.

Additionally, labor turnover is costly and unproductively time consuming, and it is responsible for the early cycle of recruitment employment orientation production, resignation that is detrimental to the reputation of organizations which are entangled in it (Henry, 2007).

### Operational Terms

*Academic staffs* in this study refer all employees (except medical Science and foreign academic staff) whose primary assignment is instruction, research, or public service. *Employee turnover* is to mean the rotation of workers around the labor market, between firms, jobs and occupations, and between the states of

employment that can occur in any organization might be either voluntary or involuntary. But this study considers only voluntary turnover which occurred when an employee leaves by choice (Mathis and Jackson, 2006).

### Description of the Study Area

The study is conducted in Mada Walabu University which is one of the recently founded (1997E.c)

institutions of public higher education in the Ethiopia and is located in south eastern Ethiopia, Bale Zone at robe about 430 km away from the capital city of the Country. For the purpose of this study, only academic staff of the university is considered. Therefore, the target population of the study is 595 academic staff who is on duty in robe campus of which 425 are local academic staff.

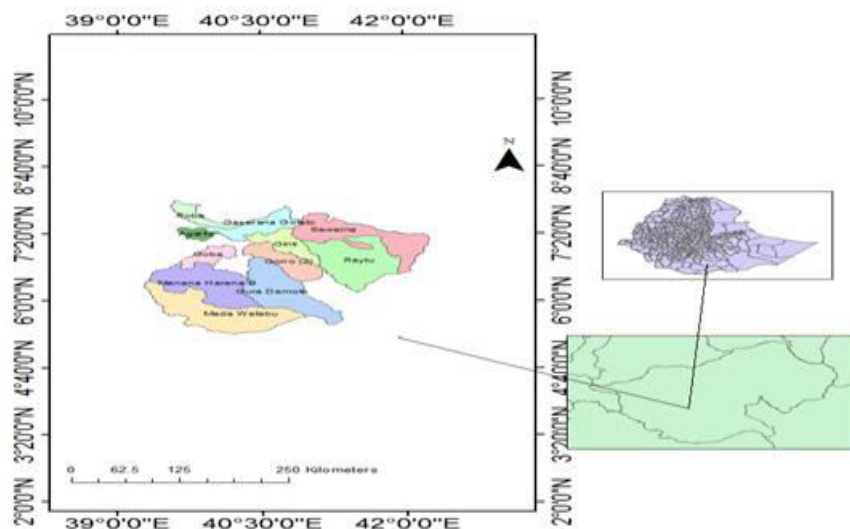


Fig 2: Map of the study area.

## MATERIALS AND METHODS

In order to fulfill the research objectives, it is important to design that the data collected to be both accurate and relevant. Since this study attempts to investigate the impact of employees' turnover on organizational performance, a descriptive design approach was used in this study. In the data sources, the study used both the primary (questionnaires and in-depth interview) and secondary data sources. Hence, for the primary data's, the researchers prepared and conduct semi structured interviews to department heads, school directors and personnel administration director of the university. A self-administered mix of Five Point Likert's Scale questionnaires (closed/open ended) was prepared and distributed to academic staff on duty and ten (10) voluntary exit academic staffs. Furthermore, for secondary data source the study used organization figures, reports, past research and statistics from the government agencies, journal to supplement the primary data.

### Study Population

The study population includes 425 local academic staffs of Mada Walabu University on duty at Robe campus. The study population also includes ten (10) voluntary exit employees include from the total number of 59 staff those who have resigned in 2016 Academic year. The researchers know them in term of where they are currently working and live.

### Sampling Technique

The study employed Purposive, Simple Random sampling and Convenience sampling techniques. First, the academic staffs of the university who are on duty identified purposefully. Moreover, recent name list of Academic staff taken from the University that used as a sampling frame for the study. Then, from the listing, Simple Random sampling procedure employed to identify the respondents for data collection. Furthermore, the study also selected ten (10) voluntary exit employees who resigned from 2010 to 2015 selected by convenient sampling techniques because

the researcher knows them in term of where they are currently working and live. Therefore, getting them for interview by telephone and send questionnaires through email made practical.

### Sample Size Determination

For Descriptive research design based on a simple random sampling, the sample size required calculated according to the following formula (Krejcie & Morgan, 1970).

$$s = \frac{x^2NP(1 - P)}{d^2 (N - 1) + x^2P(1 - P)}$$

$s$  = required sample size.  $X^2$  = the table value of chi-square for 1 degree of freedom (3.841),  
 $N$  = the population size (425),  $P$  = the population proportion (assumed to be .50) and  
 $d$  = the degree of accuracy (.05).

$$\begin{aligned} s &= \frac{3.841 * 425 * 0.5(1 - 0.5)}{(0.05)^2 (425 - 1) + 3.841 * 0.5(1 - 0.5)} \\ &= \frac{408.1063}{1.060 + 0.96} = \frac{408.1063}{2.02} \\ &= 202.03 = 202 \end{aligned}$$

Accordingly, the study took 47.5 % i.e. 202 sample from a total number of 425 academic staffs in the University and adding 10 % i.e. 20 samples for the probability that individual not respond to the questionnaire we get a total sample size of 222academic staffs i.e. (52.24 %) from a total number of 425 academic staffs.

### Data Analysis

This research employed both qualitative and quantitative research techniques to analyse the data. Quantitative data analysis carried out using graphs, tables', frequencies distribution, and percentages, descriptive statistics, time series analysis and regressions analysis of Statistical package of Social Science (SPSS) software to determine the effect of turnover on organizational performance. Time series arise as recordings of processes, which vary over time. The main goal of a time series analysis used to analyze the trend of employees' turn over across years (2010-2015). Hence, its importance to use correlation to understand trends over time. The information obtains through interviews reported through narrative

descriptions to complement those that collected through questionnaire (Hossain *et al.*, 2019). Finally, conclusions and recommendation presented based on research findings and preceding facts.

### Validity & reliability of data collection instruments

Furthermore, the validity of the instruments was assured with the help of pilot testing by taking 10% (i.e. 20) sample respondents. In addition to this, to avoid non return questionnaires by engaging adequate enumerators. In order to assure the reliability data collected with different instruments was crosschecked. Accordingly, data collected through questionnaire, field observation and interview was triangulated. Moreover, the Purpose of the study clearly explained to respondents and data collected from the respondents based on their consent and their names and responses kept confidential, organization requested formally through official letter. Furthermore, this study carried out original research work and acknowledges all sources of materials dearly.

## RESULTS AND DISCUSSION

### Characteristics of the Study Population

As shown in **Table 1** below, 88.30 % of respondents participated in this study were male employees and the remaining 11.70% of respondents were female employees. Furthermore, the majority of respondents 107 (48.20%) and 55.4 % of the respondents who participated in this study were between the ages 20-29 years old and Married in their marital status, respectively.

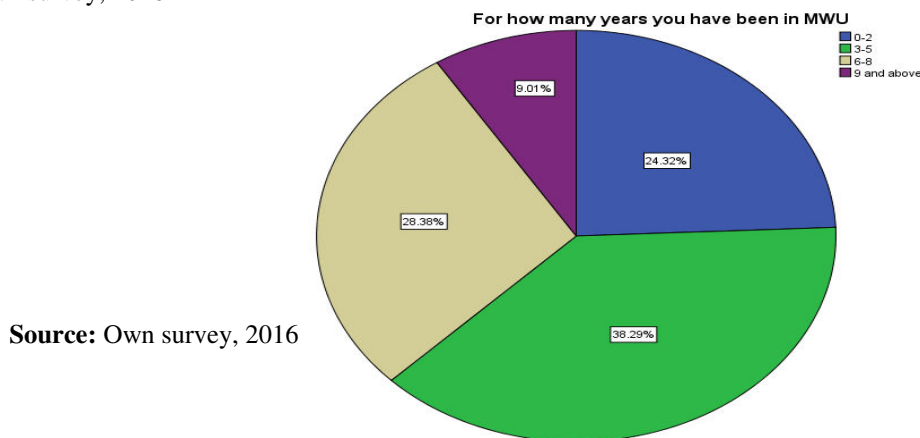
In educational status, the majority (65.3 %) of employees have a Master's degree in their Education level, few (1.8%) of these employees have PhD their highest qualifications and the remaining with a reasonable number (32.9%) in possession of Bachelor's degrees. Given the varied the position or title of experts the largest proportion of the respondents (96.8%) were lecturers followed by 3.2% of Asst. Professor. So as to analyze the cause and effects of staff turnover employees whether Madda Walabu University is their first employer organization or not and duration of services is captured as the results displayed in the **Table 1** below.



**Table 1:** Demographic characteristics of the Study Population.

Variable	Responses	Count	N %
<b>Sex</b>	Male	196	88.3
	Female	26	11.7
	<b>Total</b>	<b>222</b>	<b>100.0</b>
<b>Age</b>	20-29	107	48.2
	30-39	92	41.4
	40-49	23	10.4
	<b>Total</b>	<b>222</b>	<b>100.0</b>
<b>Marital Status</b>	Single	99	44.6
	Married	123	55.4
	<b>Total</b>	<b>222</b>	<b>100.0</b>
<b>Education Level of Expert</b>	Degree	73	32.9%
	Masters	145	65.3%
	PhD	4	1.8%
	<b>Total</b>	<b>222</b>	<b>100.0%</b>
<b>Position or Title</b>	Lecturer	215	96.8
	Ass. professor	7	3.2
	<b>Total</b>	<b>222</b>	<b>100.0</b>
<b>Is MWU your first employer</b>	Yes	189	85.1
	No	33	14.9
	<b>Total</b>	<b>222</b>	<b>100.0</b>
<b>For how many years you have been in MWU</b>	0-2	54	24.3
	3-5	85	38.3
	6-8	63	28.4
	9 and above	20	9.0
	<b>Total</b>	<b>222</b>	<b>100.0</b>

Source: Own survey, 2016



Source: Own survey, 2016

**Fig 3:** Length of Service of Respondents (In Percent).

Accordingly, 85.1% of the respondents replied that Madda Walabu University as their first employer organization. Few 14.9 percentage respondents had been working in other Organization previously. Furthermore, most of the respondents replied that they leaved their previous organization due to better salary, and high future educational chances, followed by health condition, harsh climatic aspects, and remoteness of the work areas. Given the varied number of years in service at the university, the UniversePG | [www.universepg.com](http://www.universepg.com)

proportion of employees with service (3 up to 5years services) accounts 38.29% which is higher than that of employees with few years of service (less than 2 and 9 and above years).

**Major Factors that lead to turnover in Madda Walabu University** - The reliability of an instrument refers to its ability to produce consistent and stable measurements. The study conducted a pilot and the results are presented in **Table 2** below. The findings

of the study in **Table 2** indicated that Employees turnover causes had a coefficient of 0.80, Turnover Retention had a coefficient of 0.94, and Employees turnover Effects had a coefficient of 0.95. All variables depicted that the value of Cronbach's Alpha is above value of 0.7 thus. The total numbers of respondents who participated in this study and satisfactorily completed the questionnaire were 222, which is 100% response rate. Furthermore, Mean and Standard Deviation has been employed to analyses the ten possible causes of turnover of Academic staff of

the organization. The descriptive table result clearly shows on average most of respondents perceived causes of turnover on organizational performance. As we can see, from the possible causes of questions in the category, majority score above three scales (as described in **Table 2** - the mean index of cause 3.09) which implies the agreement level of participants in the study. Based on the result of inferential statistical analysis, the research found employee's turnover has a significant cause on performance of the organization.

**Table 2:** Reliability Test and Average Mean Index Statistics.

No	Variable	C. Alpha	N	Number of items
1.	Employees turnover causes	0.80	10	Test Scale= 0.538 mean(*)
2	Turnover Retention	0.94	10	Test Scale = 1.079 mean(*)
3	Employees turnover Effects	0.95	14	Test Scale = 0 .879 mean(*)
Variable		Mean	N	
Index of Causes		3.09	222	
Index of Retention		3.91	222	
Index of Effect		4.07	222	

\* Unstandardized items

**Table 3:** Mean and Standard deviation Summary of causes of Turnover on organization.

Causes of Organizational Turnover	N	Mean	Std. Deviation	Mean Rank
There is high labour demand and job opportunities in the market	215	4.00	1.158	1 <sup>st</sup>
In my organization there is no opportunity for career advancement	215	3.85	1.194	2 <sup>nd</sup>
I am not satisfied with working condition	215	3.76	1.436	3 <sup>rd</sup>
I am not involved in decision making	215	3.47	1.497	4 <sup>rt</sup>
Work burden is the cause of staff turnover	215	3.36	1.506	5 <sup>th</sup>
My input is not appreciated	215	3.30	1.483	6 <sup>th</sup>
There is a lack of employee assistance programmes	215	3.29	1.447	7 <sup>th</sup>
I am satisfied with management support in work place	215	2.17	1.286	<3.09
Job training and career advancement are given in a fair manner	215	2.15	1.263	<3.09
I am satisfied with the salary i am getting in my organization	215	2.14	1.340	<3.09

**Source:** own survey, 2016

It could be noted from **Table 3**, high labour demand and job opportunities in the market, lack of opportunity for career advancement in the organization, unsatisfied with working condition and no involvement in decision-making, are the foremost causes of turnover of academic staff on organization performance. Working conditions include the organization of the work such as working hours, work schedules, work shifts, overtime, daily and weekly rest

periods, emergency work, weekend work and holidays to mention just a few (Nel *et al.*, 2004). Furthermore, Work burden as the cause of staff turnover, lack of appreciation of input and lack of employee assistance programmes are the next foremost causes of turnover on organization performance.

**The Availability of Retention Strategies Adopted in the University** - Concerning retention strategies, respondents were provided ten possible employees

retention strategies opinion responses. Among the attitudinal questions raised for the respondents in this study includes employees must be recognized when they achieve goals, establish a reward system, employees feel Valued, work relationship between employees, employee must be paid well, provide

positive working environment, establish a series of values as the basis for organizational culture and do organizations have develop specific competencies provide performance feedback and design an individualized career development plan to reduce turnover.

**Table 4:** Descriptive result of Employees Turnover Retention Strategies Aspects.

Variable	Responses	Count	N %
Employees must be recognized when they achieve goals.	Strongly Disagree	20	9.0%
	Disagree	16	7.2%
	Neutral	24	10.8%
	Agree	54	24.3%
	Strongly Agree	108	48.6%
	Total	222	100.0%
Establish a reward system for long term services	Strongly Disagree	12	5.4%
	Disagree	20	9.0%
	Neutral	31	14.0%
	Agree	71	32.0%
	Strongly Agree	88	39.6%
	Total	222	100.0%
Develop specific competencies, provide performance feedback and design an individualized career development plan	Strongly Disagree	28	12.6%
	Disagree	10	4.5%
	Neutral	25	11.3%
	Agree	66	29.7%
	Strongly Agree	93	41.9%
	Total	222	100.0%
Employees Feel Valued	Strongly Disagree	27	12.2%
	Disagree	13	5.9%
	Neutral	23	10.4%
	Agree	39	17.6%
	Strongly Agree	120	54.1%
	Total	222	100.0%
Work relationship between employees must be improved	Strongly Disagree	20	9.0%
	Disagree	17	7.7%
	Neutral	28	12.6%
	Agree	52	23.4%
	Strongly Agree	105	47.3%
	Total	222	100.0%
Provide employees with a way to balance the professional and personal aspects of their lives	Strongly Disagree	19	8.6%
	Disagree	12	5.4%
	Neutral	39	17.6%
	Agree	76	34.2%
	Strongly Agree	76	34.2%
	Total	222	100.0%

Source: own survey, 2016



**Table 4** above highlights that, a total of 72.53% (48.2%+24.33%) of respondents strongly agreed and agreed that employees must be recognized when they achieve goals followed by a total 71.62 % (32.0%+39.6%) of respondents strongly agreed and agreed that have to establish a reward system for long term services. The table above also revealed that, two employees retention strategies opinion score similar 71.62 % responses lies in the Agree & Strongly agree criteria i.e. organizations have develop specific competencies, provide performance feedback and design an individualized career development and making employees feel valued will contribute to enhance retention capacity of Universities and increase their willingness to stay long in their organizations. Moreover, a total of 70.72% (23.4+47.3) of respondents agreed and strongly agree that working relationship between employees must be improved, followed by 152(68.4%) provide employees with a way to balance the professional and personal

aspects of their lives. Therefore, professional personal aspect balance is positively associated in retaining employees for long period of time rather than turnover decision.

**The Impact of Staff Turnover on the Organization Performance** - Furthermore, Mean and Standard Deviation has been employed to analyses the Impact of Staff Turnover on the Organization Performance. The descriptive table result clearly shows on average most of respondents perceived impacts of turnover on organizational performance. As we can see, from the possible impacts of questions in the category, the majority score above 4 scales (as described in **Table 2** - the mean index of Impact 4.07) which implies the agreement level of participants in the study. Based on the result of inferential statistical analysis, the research found employee’s turnover has a significant impact on performance of the organization.

**Table 5:** Mean and Standard deviation Summary of Turnover Impact on the organization.

<i>Impact of Staff Turnover on the Organization Performance</i>	N	Mean	Std. Dev	Mean Rank
It causes in loss of some of the very experienced and skilled employees	222	4.25	1.247	1st
High staff turnover causes reduction in work productivity.	222	4.21	1.253	2nd
High staff turnover causes reduction in the quality of services rendered.	222	4.16	1.142	3rd
High staff turnover causes too much wastage of resources when new staff	222	4.16	1.307	4th
It cause in lose public confidence in the operation of the organization	222	4.13	1.288	5th
High staff turnover breaks team work within the organization.	222	4.04	1.304	6
Employees tend not to give off their best at the workplace	222	4.02	1.267	7
High staff turnover increasing work stress to present workers.	222	4.01	1.251	8
Employees spend too much time in training new staff member.	222	4.00	1.301	9
High staff turnover cause employee not to meet their deadlines.	222	3.98	1.153	10
Staff turnover disrupts service delivery.	222	3.97	1.173	11
Staff turnover causes a decline in services provision.	222	3.96	1.161	12
High staff turnover increases work load for each employee.	222	3.91	1.216	13
Staff turnover results in loss of customers.	222	3.80	1.225	14

**Source:** own survey, 2016

It could be noted from **Table 5** above , loss of some of the very experienced and skilled employees, reduction in work productivity, reduction in the quality of services rendered, causes too much wastage of resources when new staff settles and lose public confidence in the operation of the organization are the foremost Impact of Staff Turnover on the

Organization Performance. Furthermore, breaks team work within the organization, tend not to give off their best at the workplace, spending too much time in training new staff member, increasing work stress to present workers and spending too much time in training new staff member are the next foremost impact of staff turnover on the organization

performance. Whereas, employee not to meet their deadlines, interrupting service delivery, a decline in services provision, increasing work load for each employee and loss of customers are the least Impact of Staff Turnover on the Organization Performance.

**Inferential Statistical Analysis Result on Effect of Employee Turnover** - Furthermore, the result of employee’s turnover causes, retention strategies and staff turnover effects on performance of organization analyzed after aggregation of all the subscales of the three variables. Besides we analyses their pair wise correlation matrix.

**Table 6:** Pearson Correlation Analysis.

		<b>Causes</b>	<b>Retention</b>	<b>Effect</b>
Causes	Pearson Correlation	1	0.88***	0.501**
	Sig. (2-tailed)		0.000	0.000
Retention	Pearson Correlation	0.88***	1	0.479**
	Sig. (2-tailed)	0.000		0.000
Effect	Pearson Correlation	0.501**	0.479**	1
	Sig. (2-tailed)	0.000	0.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed). N = 222

Source: Own Survey 2016

**Table 7:** Multiple Linear Regression Analysis.

	<b>Source</b>	<b>SS</b>	<b>df</b>	<b>MS</b>	<b>F( 4, 218)</b>	<b>=</b>	<b>587.38</b>
Model Summary	Model	3594.486	4	898.6216	Prob > F	=	0.000
	Residual	333.5136	218	1.529879	R-squared	=	0.9151
					Adj R-squared	=	0.9135
	Total	3928	222	17.69369	Root MSE	=	1.2369
Turnover Effect	Dependent Variable)						
Turnover Causes		Coef.	Std. Err.	t	P>t	[95% Conf. Interval]	
	Disagree	3.965517	0.229683	17.27	0.000	3.512833	4.418201
	Neutral	4.077586	0.114842	35.51	0.000	3.851244	4.303928
	Agreed	4.15942	0.148903	27.93	0.000	3.865946	4.452894
	Strongly Agree	4.000	1.236883	3.23	0.001	1.562221	6.437779
	Constant	3.571429	0.400976	8.91	0.000	2.781122	4.361735

Note: Turnover Causes= 1(Strongly Disagree) is used as a base level

The study sought to establish the association between the study variables. The study findings indicated that perception towards causes and Retention strategies and effects of Employee turnover were positively associated with effect of turnover on organizational performance as represented by positive Pearson coefficients of 0.51 and 0.47, respectively. Furthermore, the results revealed that the association between these predictor variables and employee performance was significant since their respective level of significance was less than 5% level of significance. The study findings imply that an increase or improvement in any of the predictor variables is

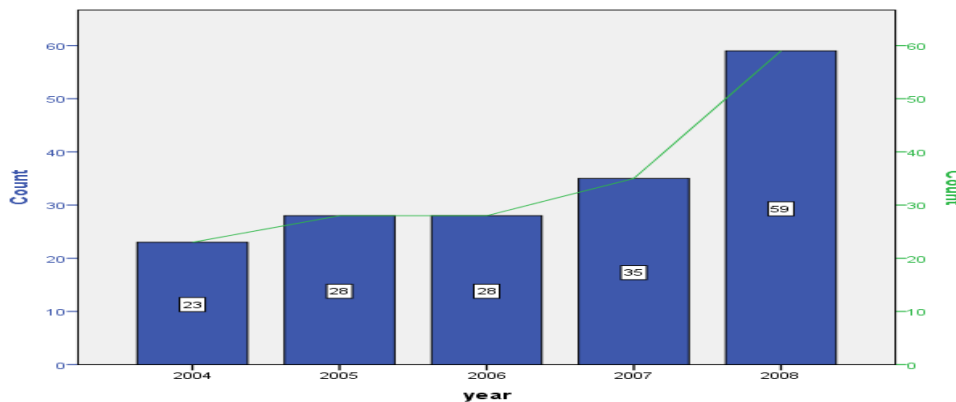
associated with an increase or improvement in performance. Furthermore, MLR were the econometric methods that used in the study to analyze the effect of employee turnover on organizational performance. Multiple linear regressions were employed to investigate whether employee turnover causes are the factors affecting the performance of the organizations in Madda Walabu University. Based on the MLR model outputs the four turnover causes level and constant (excluding the base strongly disagree) having positive sign. Which indicate the negative effect of employee turnover on performance effect? The results in **Table 7** revealed the independent variable affect the

performance of organization with respect to individual perception level index of employee turnover effects subscale. The adjusted  $R^2$  indicates that about 92% of the variation in performance of the organization was attributed to employees turnover causes level. This true because of the  $F(4,218) = 587$  is found statistically significant at ( $p < 0.05$ ) level, which indicate the significance of the model overall explanation and fitness level. As the result reveals there is positive effect of employee turnover causes perception level

and their thought towards the effect on organizational performance.

### The Trend of Employees' Turn over Across Years

According to the interview held with human resource and department heads of the University, the number of Academic staff turnover is increasing from 2010 to 2015 G.C as the number of Academic staff who leave the institution as illustrated in the **Fig 4** below.



**Fig 4:** Trends of Academic Staff Turn Over Across Year (2010-2015)

Furthermore, respondents also asked about the existence and the trends of employees' turn over in organization. accordingly, almost all, 207 respondents about 93.2% concur to be witness for the existence of employees' turnover of which more than half 118 respondents, about 57% confirmed the increasing trends of employees' turn over. This implies that there is an increasing trend of employees' turn over existence that results a significant impacts on the university.

### CONCLUSION AND RECOMMENDATIONS

This chapter covered the conclusion and recommendations of the study findings and suggestions for further study on areas not covered by this study were also included.

### CONCLUSION

This section focuses on the conclusion of the study. The main aim of this study was to investigate the impact of staff turnover on organizational effectiveness and performance. It is noted that staff turnover has a negative impact on the organizational

performance. The survey method was employed in this research due to homogeneity of respondents. The personal method of data collection was used to administer the questionnaires to all 222 respondents from 10 Schools and 37 course teams in Madda Walabu University and a high response rate of 100% was obtained. Based on the findings, most of the respondents agreed that high labour demand and job opportunities in the market, lack of opportunity for career advancement in the organization, Unsatisfied with working condition and no involvement in decision making, are the foremost causes of turnover of academic staff on organization performance followed by Work burden as the cause of staff turnover, lack of appreciation of input and lack of employee assistance programmes. The findings of this study also identified the university's retention strategies as appreciation of employees, make employees feel valued, smooth work relationship, and establish good reward system. With respect to the trends of employees' turn over the finding conclude that there is an increasing trend of employees' turn over in the university that results a significant impact on the university performance. With regard to the

impact of Staff turnover on university's performance, majority of the respondents agreed that loss of very experienced employees, reduction in work productivity and quality of services rendering, too much wastage of resources and lose public confidence in the operation are the foremost Impact of Staff Turnover on the Organization Performance followed by breaking team work within the organization, tend not to give off their best at the workplace, spending too much time in training new staff member, increasing work stress to present workers. Hence, the study therefore makes recommendations arising from the empirical analysis, to reduce staff turnover in MWU.

### RECOMMENDATION

Based on the findings of descriptive and inferential statistical analysis, the following recommendations in terms of statistically significant turnover major factors, variables of Employees Retention strategies and high staff turnover impact were forwarded. Besides the researcher tried to relate the recommendations with National Education and Higher Education institution Academic staff Development programs (HESP, HERQA and TDP) objectives. Since the study concludes that academic staff of the university perceived insufficient salary, poor working condition, unfair training and development program, low appreciation, lack of employee assistance program, high labour demand and job opportunities in the market. Therefore, MoE, the Board of management and the university ought to revisit career advancement and job training component of the university strategic plan and modify the university level implementation strategy and the respective state higher education institutions' ministry office should consider the salary and financial benefit program in university's teachers in near future.

Since trends of staff turnover shows an increasing trend, the university and MoE should incorporate new and updated way outs to minimize the current Lecturers flow from universities to Non-governmental organizations and private sector. In order to return back the reduced university's capacity in terms of national attrition rates, higher education access target, quality education assurance, significant community

and technology transfer and standardized research-based problem-solving culture due to staff turnover. Besides University level top management, Board and higher-level sectoral advisors and planners have to start and prioritize the academic, personal, social and economic needs of university academic staff to control turnover and effectively implement education sector change and quality assurance tools (like cooperative education and organized education development soldiers of Students and teachers).

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### CONFLICT OF INTEREST

The author declares that there is no conflict of interest.

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