Unveiling the Hidden Dynamics: *exploring causative factors and impact of employee turnover on organisational performance.*

**Dr Samuel Bangura**  
DPhil HRM (Candidate)  
Durban University of Technology Republic of South Africa

**Dr M. E. Lourens**  
Deputy Dean Faculty of Management Science Durban University of Technology. Republic of South Africa

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**ABSTRACT:** Employee turnover is a widely recognised subject in an organisational setting. Although academics and organisational human resource departments have accepted the fact that employee turnover can have a disastrous impact on the organisation, there are limited studies conducted on the causative factors and effects of employee turnover in organisations. Therefore, this study helped to highlight some of the causative factors triggering employee turnover and their impact on an organisation. In addition, the study also suggests vital strategies for mitigating and reducing employee turnover. In line with the preceding assertion, the cross-sectional qualitative study taking into consideration conference papers, government periodicals, chronological documents, and mainly secondary and primary sources were used. Online search engines such as Scopus, EBSCO, Emerald, science direct, and unrestricted web service search engines such as google scholar and Mendeley demonstrated to be valuable database resources. The finding indicated that performance appraisal feedback, job insecurity, stress and work overload, death, and compensation are significant factors responsible for employee turnover was also deduced that employee turnover can affect organisational performance through ineffectuality in the delivery of service, increase in workload, errors in work processes and reduction in sense of loyalty. However, findings also postulated that training and development, competitive benefits and compensation, effective leadership, and job satisfaction are key procedures that help in reducing and mitigating employee turnover.

**KEYWORDS:** employee turnover, organisational performance, organisational productivity, voluntary and involuntary turnover.

**JEL Classification:** J63, L22.
INTRODUCTION

Employee turnover affects employees and the performance of an organisation. When employee turnover occurs in an organisation, the need to retain employees to acquire new skills becomes critical. Companies suffer from the loss of skills that are not easily replaced and result in the same hiring costs and performance levels as employees leaving the organisation. Employee turnover is an indisputable factor associated with organisational performance.

Problem Statement

Organisations around the world are fraught with the problems of managing skilled workers due to the need for workers to move to higher-paying organisations. When an employee leaves the organisation, the remaining employees often complete additional tasks until another employee is appointed, this has a significant impact on work and performance (Ongony, 2017). In addition, it is conceivable that employee turnover can have a financial and social impact on the business, especially in recruiting and selecting new employees, taking into consideration the ongoing discussion and due to less involvement and support by top management and a lack of awareness that employee turnover impacts the productivity of the organisation. Thus, the study analyses employee turnover to help business organisations identify the factors that cause employee turnover and the effect and ways to decrease employee turnover as a vital human resource management challenge.

Significance of the Study

The concept of employee turnover is critical for organisational management and the human resource management department. This is because employee turnover influences the effectiveness of an organisation. For example, because of employee turnover organisations are required to recruit and train new employees which from the point of view of the organisational management is costly. Another negative effect of employee turnover is concerned with operating costs and the maintenance of skills which negatively affects companies in the long run (Long and Perumal, 2014). Therefore, this study is important because it will serve as a platform for organisational management and human resource management department to be able to identify the causes and effects of employee turnover and thus implement processes to mitigate and decrease it in organisations.

Scope of the Study

To achieve this, through the help of pertinent literature the study offers insight into employee turnover and key issues at stake to assist in setting the tone for readers to identify the key research issue, understudy. This resulted in a decisive assessment of the literature with a conclusion, a summary evaluation, and a recommendation on the concepts provided.

Research Aims and Objectives

To Establish an Understanding of Employee Turnover
To Determine the Causes and Effects of Employee Turnover
To Recommend Ways to Decrease Employee Turnover
LITERATURE REVIEW

Employee turnover has long been a major issue in organisational management. Al-Suraihi, Samikon, Al-Suraihi, and Ibrahim (2021) show that the phenomenon of employee turnover is seen as a long-term problem that affects the performance and profitability of organisations. Hence it is important to understand the causes, effects and recommend ways to mitigate them.

Definition of Employee Turnover
The need for a skilled workforce has plunged organisations into competition the need to hire and retain the best employees has now become a necessity. In line with the preceding assertion, various authors have defined employee turnover. Drafke and Kossen (2002) assert that employee turnover is concerned with the extent of movement in and out (of employees) in an organisation. Therefore, Ivancevich and Glueck (1989) affirmed that employee turnover is the resultant exit of some employees and the entrance of others to the organisation.

Types of Employee Turnover
Rendering to Mkhize (2016) employee turnover from an organisation is mainly possibly to voluntary or involuntary turnover. In line with the preceding statement, it can be deduced that employee turnover is mainly classified as voluntary or involuntary turnover.

Voluntary Turnover
Premised on the ongoing discussion, Alony (2015) states that employee turnover is linked to an uncontrollable loss of talent and information which comprises diverse assets which may have long time impact on organisational performance. Abdali (2011) averred that voluntary turnover is a type of turnover in which the employee exercises the choice of leaving the organisation of their own volition.

Involuntary Turnover
Arokiasamy (2013) suggests that involuntary turnover is associated with a turnover that occurs in a situation such as incapacity, talent deficiency, death, and retirement. An overview of involuntary turnover has been provided by Curran (2012) asserting that this type of turnover is concerned with a natural occurrence wherein employees have no choice in the conclusions of their contract. Examples of such are but are not limited to employer-initiated termination, mortality, and illness.

Effect of Employee Turnover on Organisational Performance
Employee turnover can have a negative impact on organisational performance. Many researchers have found that employee turnover can have a significant impact on an organization's productivity if not properly managed. (Mohsin, Lengler and Aguzzoli, 2015). Also, when understanding the impact of employee turnover, it is important to realize that the phenomenon has two dimensions, organisation and employee impact. From an organizational perspective, employee turnover can lead to ineffective service, which can reduce the self-confidence of other employees, and furthermore, poor performance in working hours can lead
to overtime wages incurred during working hours, paid work. (Yezina, 2014). When employee turnover occurs in an organisation, the remaining employees may need new skills. As a result, organisations suffer from the loss of skills that cannot be easily replaced and bear the cost of hiring and employment levels (Ogony, 2017).

In the continuity of the decision-making process, employee turnover affects the performance of the employees remaining in the organisation as it increases their workload. According to the findings of Butali, Wesang’ula, and Mamuli (2013), employee turnover affects remaining employees and can lead to serious errors due to overwork. These ideas are inspired by Becker, Huselid, Pickus, and Spratt (1997), who argue that employee turnover can lead to errors in the business process. This may be because the buyer does not have the skills to do the job or is overworked. Given the ongoing debate, it is safe to assume that the drop in employee morale associated with employee turnover can lead to reduced commitment to the company and thus loss of workplace responsibility. As a result, employees feel isolated. (Kunu, Mahama, Boahen and Denu, 2017).

**Causes of Employee Turnover**

Employee turnover is defined as a circumstance wherein organisation employees leave an organisation thereby harming both employee and organisational performance. Rendering to Nasurdin, Tan, and Khan, (2018) employee turnover is one of the major impediments to attaining the required scale of productivity for organisations. Performance appraisal feedback, job security, stress and job-related overload, death, challenging work, and lack of recognition are factors that increase employee turnover.

**Performance Appraisal Feedback**

Performance appraisals are given to the employees by the managers and organisations find it easier to give positive and appropriate feedback on performance than to criticize poor performance. Generally, the performance review given to employees is inconsistent with the job because the job is not regularly discussed between employees and management, which leads to dissatisfaction and can cause employees to leave the job. (Khihama and Wainaina, 2019).

**Job Insecurity**

Employee turnover is a challenge for organisations concerned about job insecurity. Greenhalgh and Rosenblatt (1984) define job insecurity as a feeling of being unable to maintain sustained performance in a threatened job situation. Putra and Suana (2016) refer to concerns about the future of work as job uncertainty and point out that employee dissatisfaction and lack of self-confidence affect people’s work, which often leads to more stress (Hanafiah, 2014).

**Stress and Work-Overload.**

Employees perform poorly or averagely due to stress and overwork issues. Stress and overwork cause employees to change their minds, which will be seen as employee turnover for many jobs in the future (Hakro, Abbasi & Mahesar, 2021).
Death
Mote (2014) clarifies that the death of an employee working in an organisation means a decrease in the workforce of the organisation. The employee's contract is terminated, and the staff is vacated. Deaths are classified as accidental departures.

Compensation
Bestowing to Ogora and Muturi (2015), income includes monetary rewards or other benefits that company employees receive in return for their work. Kwamboka (2015) argues that if employees are satisfied with the wages, they receive from the company they work for, they will stay there for a while. If workers are not satisfied with their wages, they quit and look for better jobs.

|--------------------------|---------------------------------------------------------|-----------------------------------------------------|

- Performance Appraisal Feedback.
- Job Insecurity.
- Stress and Work-Overload.
- Death.
- Compensation.

- Ineffectuality in the Delivery of Service.
- Increase in workload.
- Errors in work processes.
- Reduction in Sense of Loyalty.

- Training and Development.
- Competitive Rewards and Benefits.
- Effective Leadership.
- Job Satisfaction.

Proposed Conceptual Framework (2023)
Taking into consideration the ongoing deliberation on the effects of employee turnover on the organisation and the causative factors. It is no doubt fact that employee turnover can have a disastrous effect on an organisation and its employees therein, therefore it is critical to acknowledge that when well-planned and implemented numerous processes that help in decreasing and retaining employees are available for the organisational human resource management department to be used. Founded on some of the widely used methods to employ in decreasing and retaining employees in terms of employee turnover Bidisha and Mukulesh (2013), assert that when an organisation invests in training and development, this results in lower employee turnover. Training and development are an investment the organization makes in its people, giving them new skills and better abilities. Training and development encourage employees to show long-term commitment to the workplace (Mapelu & Jumah, 2013). In addition, Siregar and Maryati (2020) draw attention to the fact that the higher the wages of the employees, the higher the productivity of the employees and as the job satisfaction increases, the pressure of the employees to move to another position in the company will be reduced.
Therefore, competitive benefits and compensation are considered significant. In continuing with the discussion on methods to decrease and retain employees in terms of employee turnover effect leadership has been recognised as a significant process. A study by Lorber and Skela Savic (2012) showed that positive leadership can affect nurses' job satisfaction. It is worth noting that research on the relationship between leadership and job satisfaction needs more evidence to be more reliable. Founded on the human resource management facet, employee turnover has been recognised as one of the widely researched, and studies have postulated the linked employee turnover and job satisfaction which has been considered as one of the major approaches to reducing employee turnover and retaining employees in organisations. Chen, Cheng, Chien, and Shevlin (2010) investigated the effects of increasing employee job satisfaction and found that each of these measures was associated with a reduction in employee turnover. Their research confirmed that factors such as employee motivation, compensation, and benefits are important variables that influence employee relationship satisfaction, pressure, and staff turnover. Correspondingly, in their study in Nigeria, Mbah and Ikemefuna (2012) analysed the wage level of employees, the nature and type of transition that employees experienced, and supportive care as important factors in employee job satisfaction and turnover. Premised on ongoing deliberation effective recruitment and selection is affirmed to be a significant strategy to mitigate and decrease employee turnover. Hossain, Rahman, and Labony (2015) contend that effective hiring processes in organisations can have a positive influence on employee turnover especially if candidates are provided with information that postulates an understanding of the job and employee needs.

METHOD OF RESEARCH

The study is founded on exploratory qualitative research to understand the factors responsible for employee turnover, the effect of employee turnover, and recommended strategies that can be employed to decrease and mitigate employee turnover within organisations.

Data Collection

Conference papers, chronological documents, and mainly secondary and primary sources were used. Online search engines such as Scopus, EBSCO, Emerald, science direct, and unrestricted web service search engines including google scholar and Mendeley demonstrated to be valuable database resources. Based on the afore-mentioned, this study explores and discusses the pertinence of knowledge on the causes and effects of employee turnover on organisations, including crucial tactics for lowering employee turnover in companies. This clarifies for a reader the causes of employee turnover and how it affects the organisational output. Also, the evaluation sheds light on important tactics that human resource professionals can utilise to lower employee turnover in their firms.

Data Synthesis and Extraction

For this study, an extensive literature review process was used to measure and analyse data on the causes, effects, and processes of retaining employees in terms of turnover. Whittemore & Knafl (2005) argue that comprehensive reviews support empirical and non-experimental
research to explain the general state of the evidence. This approach was considered important for this study as it increased rigour when examining primary studies with mixed methods.

**DATA ANALYSIS**

Employee turnover can have a detrimental effect on an organisation's capacity to compete and its ability to make money. This is because employee turnover jeopardises an organisation's human resources effectiveness and profitability. Conferring to Curran (2012), there is no universally accepted reason why employees leave their jobs, even though there is a lot of information on the subject. Therefore, it is important to identify some of the factors responsible for employee turnover in organisations. A study by Iqbal (2010) affirmed that performance appraisal and feedback lack of recognition personal factors and employee attitude, and ineffective communication are important contributing factors to employee turnover in organisations. Literature affirming some of the signification stimuli to employee turnover has been equally suggested by Anzazi (2018) stating that lack of growth and rewards (compensation) are major contributors to employee turnover therefore human resource management practitioners and managers need to be conversant with the multiple of both social and financial factors responsible for employee turnover in an organisation a concept when not well managed or mitigated can have huge impact organisational productivity. Some of the effect of employee turnover on organisational productivity has been documented by scholars. Corresponding to Abugre and Acquaah's (2022) research in Ghana analysed the relationship between co-worker relationships and employee retention. The results of this study show that peer support is negatively associated with employee turnover and that employee distrust is positively associated with employee turnover. Hyo Sun Jung and Hye Hyun Yoon (2015) confirmed that employee satisfaction is associated with negative emotions, job stress, and job satisfaction therefore the lack of these is a significant influence on employee turnover decisions. The cost of employee turnover typically includes advertising costs, fundraising costs, administrative costs, lost time and effort, absenteeism, and training and development costs for new employees (Harris, Kam-Ki, and Yi-Ping, 2002).

**DISCUSSION AND RECOMMENDATIONS**

Suffice to the ongoing statement on the cause and effect of employee turnover scholars have noted the possibility of reducing and mitigating employee turnover in organisations. Employee well-being is the state of mind they have at work. This is an important factor in running a successful and profitable organisation. Wright, Cropanzano, and Bonett (2007) define happiness as physical health. Thus, managerial support in terms of personal health is a better way to describe employee retention. By rectifying this situation, companies can achieve better employee engagement thus leading to low employee turnover and the intentions therein. In a study conducted in the American hospitality industry, employee turnover was reduced through training on corporate goals, responsibilities, rewards, employee recognition, and pay (Yao, Qiu, & Wei, 2019). Employees report that they are lazy to work if they are not satisfied with their jobs due to low wages and job security (Alola, Olugbade, Avcı, & Öztüren, 2019). A good working environment with safe working conditions and air conditioning can help employees
improve their work (Zhang, Fan, Deng, Lam, Hu, & Wang, 2019). In line with preceding assertions training and development is reaffirmed as a significant approach to employee retention in terms of employee turnover results of a comparative study by Benson (2006) show that training and development have a positive and positive impact on employee retention. When organisations invest heavily in education and training, they can often retain talent. In addition, training and development programs encourage innovation in employees, which is beneficial for the institution and the individual. Retention rates increase when employees believe they are competent. Furthermore, another important recommendation as suggested by this study is viewed through the lens of competitive rewards and benefits. Reddy (2021) states that keeping its compensation system intact with the best possible initiatives coupled with both financial and non-financial benefits helps in reducing turnover and increases retention.

Premised on the ongoing deliberation Abhamid, Pahi, Qureshi, & Arshad, (2014). stated that leaders increase employee commitment because leadership provide regular feedback positively, motivates followers, solves problems, and builds employees’ commitment to an organisation (Piccolo & Colquitt, 2006). Therefore, it is recommended that having in place an effective leadership structure can have a positive influence on employee turnover, that statement can be lined with Wang and Zhang (2014) stating that effective leadership has a positive impact on organisation commitment. In terms of job satisfaction, several approaches can be used to make employees happy. Thus, minimising employee turnover and increasing commitment. Conferring to (Chandrasekar, 2011) the quality of an employee's work environment will affect the employee's intention to leave. Vischer (2008) added that a good workplace should be important as it can provide job satisfaction to the employees.

research so that strategies that can help improve organisational performance and in help in mitigating employee’s turnover and sustaining reduction efforts therein.

CONCLUSION

The paper helped in identifying the factor causing employee turnover in organisations these are but are not limited to performance appraisal feedback, job insecurity, stress and work overload, death, and compensation. In addition, the effects of employee turnover on both employees and the organisation were averred. Furthermore, insight into the significant strategies to be used to mitigate and reduce employee turnover is suggested.

Discussion for Future Research

The purpose of this study is to understand the causes and effects of employee turnover in an organisation. It seems that employee turnover is stimulated for various as stated in the study. Therefore, organisational managers and human resources management practitioners need to understand the contemporary problems that may act as catalysts for employee turnover this can be done by having a more empirical study in the form of quantitative and mixed methods
REFERENCES


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Conflicts of Interest
There is no conflict of interest the study is purely for academic empowerment and development purposes.