Int Journal of Social Sciences Management and Entrepreneurship 7(1): 553-566, 2023



ISSN 2411-7323 www.sagepublishers.com © SAGE GLOBAL PUBLISHERS

# THE INFLUENCE OF EMPLOYEE TURNOVER ON PERFORMANCE OF REGIONAL DEVELOPMENT AUTHORITIES IN KENYA: A CASE OF TANA AND ATHI RIVERS DEVELOPMENT AUTHORITY

### <sup>1</sup>Njoroge Jane, <sup>2</sup>Dr. Misango Sedina

<sup>1</sup>Scholar, Master Degree in Human Resource Management, Mount Kenya University

<sup>2</sup> Senior Lecturer, School of Business and Economics, South Eastern Kenya University, Kenya

# ABSTRACT

Tana and Athi Rivers Development Authority has throughout the past three years, encountered an expanded pace of employee' turnover and this adversely affected hierarchical performance. The adverse consequence incorporates interruptions to support conveyance, organization's internal cycles take more time and expansion in client disappointment and gripes. This study targeted to bridge the niche by evaluating the influence of employee turnover on association execution in reference to Tana and Athi Rivers Development Authority. Specifically, the study sought to examine how employee retirement influences TARDA's performance, to determine how employee resignation influences TARDA's performance. This study was based on Hertzberg two factor theory, and Affective Events Theory. The study used descriptive research design. The unit of analysis was Tana and Athi Rivers Development Authority while the unit of observation was done on 131 employees in their headquarters in Nairobi. Yamane formula for calculating sample size was used. The sample size of the study was 99 subjects. This study used stratified random sampling technique. Senior management, middle management, low management, and non-management formed the strata. The study collected data using semi-structured questionnaires. The researcher carried out a pilot review to pretest the legitimacy and reliable quality of the exploration instruments. A pilot study was conducted on 9 employees (10% of the sample size). Descriptive statistics analysis comprised of frequencies, mean, standard deviation, percentages, coefficient of variation, and one sample t-test to explore underlying characteristics of organizations and respondents. Inferential statistics included coefficient of determination, simple linear regression analysis and multiple linear regression analysis. The findings were presented in tables and figures. The study found that retirement negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. Also, employee resignation negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. The study thus recommends management of Tana and Athi Rivers Development Authority to implement retirement strategies that will help the company deal with loss of employees due to The various retirements the organization should have in consideration include retirement. traditional retirement, semi-retirement, and temporary retirement. They should also think of various ways they can reduce the rate of employee resignation. This includes revising their compensation which is the main reason why employees consider resigning.

Key Words: Employee Turnover, Employee Retirement, Employee Resignation

#### **INTRODUCTION**

Employee turnover is a major challenge in many associations. Through the globalization period, the major factors of rivalry in organizations and their performances is how to manage employee turnover rates. All around the world, there is an increase in issues of enrollment and staff maintenance (Hee, and Ann, 2019; Alison and Rosalie, 2015; Oladapo, 2014; Armstrong, and Taylor, 2014). Worker abilities, talent, and length of practice remain fundamental in the governance of organizations. Using human resource management, an association can make and support human capital as a competitive advantage (Aamir, Hamid, Haider, &Akhtar, 2016). Employee turnover appears to be one of the fundamental issues that widely influence the general performance henceforth the seriousness of association; it is one of the most costly and troublesome labor force difficulties confronting associations (Chiedu, Long, &Ashar, 2017).

According to Haider, Rasli, Akhta, Yusoff, Malik and Aamir (2015); (Yamamoto, 2011), employee turnover can adversely influence the competitive advantage gained by effective human capital management. High level of employee turnover will lead to the reduction in organizational and employee performance hence increase in recruitment and training costs (Chen, Lin, & Lien, 2010). According to Wangiri (2015), organizations face a higher cost due to worker turnover. This is in accordance with the review done by Lavania (2011) on personnel enlistment and maintenance: A key for overseeing ability in advanced education.

#### **Global Perspective of Employee Turnover**

GLA University findings revealed that lost talent in a firm could cost about 70% and 200% of the annual income of the turnover workforce. Akrani (2011) asserts that organizations can incur both direct and indirect costs due to staff turnover. Caplan (2011) states that based on a research done by CIPD, the UK turnover statistics were at 15.7% costing it an average of £6,150 for every talent lost.

Khatri, Budhwar and Chong (2010) indicates that significant associations in Asian nations along with Singapore, South Korea, Taiwan, Malaysia, and Hong Kong had been managing difficulties as a result of worker turnover. In line with employment hard work facts Korea (2016), facts indicates that the typical variety of worker turnover between 2011 and 2015 turned into 3.6% within the creation enterprise; lodging and food transporter had 5.2% and commercial enterprise centers control and business aid offerings have been at (3.9%). According to Smith (2009) organizations spend over USD 200 billion yearly selecting and evolving staff. Meudell and Rodham (2010) contend that during u.s. turnover charge in medical services quarter would achieve 29% in 2020.

#### **Regional Perspective of Employee Turnover**

According to Rijamampianina (2015) staff turnover is costing South African organizations millions of rands in decreased efficiency. Staff turnover is estimated at 40 billion rands a year. The cost of staff turnover and the influence thereof on productivity alone is enough to depress any human resource manager and the organization. There might be a delay of service delivery while waiting for the replacement staff to arrive. In addition, there might be production losses while assigning and employing replacement staff (Ziel & Antointette, 2003). Often the organization experiences a waste of time due to inexperienced replacement of staff. Management and other staff spend valuable time not doing their job but trying to orientate the replacement staff.

Farid (2014) conducted a study on an assessment of the influence of employee turnover on organization performance in Barclays Bank Tanzania. It was established that employee turnover

increases workload and reduces efficiency. It was recommended that: for an organization to improve its performance, employees should be paid market rate salary and rewarded once they achieve their goals. According to Wangiri (2015), organizations face a higher cost due to employee turnover. This is in line with the study done by Lavania (2011) on faculty recruitment and retention: A key for managing talent in higher education.

### Local Perspective of Employee Turnover

Kuria, Odingi & Wanderi (2012) inspected aspects promoting the staff rate of leaving in three-and five-star lodgings in Nairobi, Kenya. The absence of a balance between the activities employees engage in at work and other life activities is a major factor influencing the worker turnover rate. In such a way, suggestions were made requiring organizations to establish a conducive workplace environment to retain skilled and talented employees. Also, to remain competitive, companies must workers who are engaged, furnished with powerful abilities, and participated in their work.

According to Edwin (2015), it was recommended that managing worker turnover requires that organizations examine and change their working strategies and approaches to permit employees to achieve their maximum potential and gain additional work experience. In most instances, workers choose to leave an organization for another because they were assigned tasks that do not utilize their full potential. Therefore, workers would surely leave in the event that they did not gain insight and were essentially sidelined.

According to Levine and Prietula (2012), when the organization shows commitment in the form of rewards and employee development, employees are willing and committed to repaying the organization through high performance. It makes employees feel motivated to work towards achieving organizational goals, even if they are high-level goals, and also leads to an increase in their affective engagement (Latham, 2016).

### **Statement of the Problem**

In the last 3 years, TARDA has seen an increase in employee turnover, which negatively impacted the company's performance. Adverse effects include delays in the delivery of service, in house functions consume more time when newly employed talents are in control, huge workloads for remaining employees if the lost talents are not replaced immediately or replaced at all, and increased consumer dissatisfaction and complaints (Daltonl & Meschl , 2009). Others include losing customers, reduced productivity, and spending significant time and effort training new employees. In 2017 alone, employee turnover was 25% and organizational performance declined by 6%.

Workforce turnover in the organization could counter the productivity, especially when talented personnel leave the organization regularly. In such a way, the organization will have a worker population containing new employees (Onkelinx, Manolova, & Edelman, 2016). Tanwar and Prasad (2016) findings indicates that close to 49 million workers anticipated leaving their current working environment worldwide by 2021. The productivity of numerous associations has accordingly been compromised by the gigantic expenses/costs of enlisting and choosing new workers to supplant the labor force gap made by the leaving workers (Kwartier, 2015; Mayhew, 2015). Employee turnover has increased and this event has undermined effective and efficient service delivery, resulting in dismal performance by state-owned enterprises (Otieno, 2016).

Previous studies by Maryam (2014), Obiero (2014), Msafiri (2016), Mohamed (2016), Nangami (2014), and Luciana (2015) have just featured proof for the presence of worker turnover issues, yet no practical arrangement is presented on how associations ought to oversee income to

acknowledge expanded organizations efficiencies. This has thusly made a significant information hole about the effect of worker turnover on organization execution. Subsequently, the research expected to explore and explain the hole through surveying how worker turnover influences organization execution with specific reference to TARDA.

### **Purpose of the Study**

The general goal of the research was to examine the influence of employee turnover on performance of Regional Development Authorities in Kenya: a case of Tana and Athi Rivers Development Authority (TARDA).

In particular, the research intended to attain these objectives:

- 1. To examine how employee retirement influences TARDA's performance.
- 2. To determine how employee resignation influences TARDA's performance.

# LITERATURE REVIEW

### **Empirical Literature**

### **Employee Retirement**

In South Korea, Kim and Cho (2016) conducted an examination of the study to examine individuals' point of view on the peak salary system, together with the occupation performance, work satisfaction and the dependability of workers. The study findings presented three critical money related factors, including employee compensation, motivational factors and benefit gains, influencing the employees' attitude towards any top wage framework. There is an adverse influence on the attitude towards the compensation framework when changes in the financial variables such as pay cuts occur. Non-financial related factors including verbal, position or the occupational status saw that work significance and hierarchical responsibility have also been shown to be significant elements influencing perspectives towards the top compensation framework. The study concluded that the application of the system takes into account work inspiration, fulfillment and dedication or the expectation to leave the organization among older workers. The study suggested the need to develop viable administration and public approaches for the compensation and benefits framework without compromising inspiration, fulfillment and steadfastness.

A study conducted by Haan and Prowse (2014), conducted a review assessing primary models of life cycle of work, retirement, and utilization choices of people in Germany. The evaluation discovered an increasing retirement age by 3.76 years or reducing the annual worth of public annuity benefits by 26.8% would counterbalance the duty outcomes associated with expected increases in life expectancy over the course of the following 40 years. It was reasoned that people will forfeit 8.51% of gauge utilization to stay away from the decrease in yearly annuity worth, and raising retirement age edges will bring 87.7% of people what is happening while at the same time advancing position fulfillment and representative maintenance.

Solem et al. Syse, Furunes, Mykletun, De Lange, Schaufeli, and Ilmarinen (2016) inspected how retirement anticipates the worker conduct, resolutions indicating plans for retirement impacted their job satisfaction and employee maintenance choices. The study additionally tracked down barely any distinctions in sexual orientation, yet in the wake of controlling for confounders like pay, kind of work, and schooling, the outcomes recommended that female laborers would in general resign later than male employees.

Ongaki and Otundon (2015) express plans for retirement as a "push" factor for non-work among older employees, thus pension frameworks and approaches are a "pull" factor. Additionally, the research shows that annuity benefits will generally haul older laborers to move out of organizations prior to the ordinary and determined age of retirement. Be that as it may, accessing the retirement benefits to the very established workers makes it a pull factor in retirement. Ojwala (2016), indicates that worker advantages ought to incorporate benefits plans for representative monetary security after business. He adds that alluring annuity plans draw in and hold top notch 18 specialists since they keep up with serious degrees of complete compensation. In addition, the Kenya employment act additionally expresses that a business should furnish representatives with benefits plans.

In Nigeria, Dugguh and Iliya (2018) examined impacts of retirement anticipates on worker execution in privately established associations. The review inspected the impact of retirement anticipated on worker execution. The review used the survey research design. The investigation discovered that great annuity plans influence worker execution in concrete assembling organizations in Nigeria. The review presumed that retirement plans motivate employees to improve their job performance. The paper recommended defined contribution plans because they have a significant impact on worker work execution, representing 21.7% of all representative advantage plans presented by the organization, with a connection coefficient of 0.466. In addition, the research suggested different plans that could affect representative execution in confidential area associations in Nigeria.

In Kenya, Njoroge and Kwasira (2015) led a concentrate on the impact of remuneration and award on worker execution at Nakuru County Government. The point of the review was the effect of pay and pay on worker execution in Nakuru County. The review followed an illustrative exploration plan. The outcomes showed that there were areas of strength for association between pay and prize for worker execution in the Nakuru County Government. The review presumed that the adopted compensation strategy, where compensation is based on knowledge, was effective and positively impacted employee motivation to proceed with their investigations, which thus would further develop worker execution. The review suggested preparing needs and other non-money related reward practices to further develop representative execution

# **Employee Resignation**

Different researchers and authors use different terms to describe terminations, such as Employee turnover, turnover, resignation, migration, succession, etc. Zhang (2016) conducted an evaluation on worker turnover impacting elements and control measures in China. The study looked for factors influencing employee turnover and proposed countermeasures based on individual variables, hierarchical and work elements, social and monetary elements. The study concluded that worker turnover is a significant field in human asset management research.

Kossivi, Xu and Kalgora (2016) directed a research on the Deciding Variables of worker Maintenance. The review utilized a descriptive research design. The investigation discovered that advancement prompts opportunities, remuneration, and balance between work and life activities, managing and leading, workplace environment, social help, independence, preparing and improvement were the top reasons for termination. The study comes to the conclusion that further investigations into employee retention are necessary in order to better understand this complicated field of human asset management. The review prescribed further examination to more readily furnish associations with the information expected to further develop their maintenance limit. Hasan et al., Subhani, Zubair, Shakeel and Shahid (2011) did a study on Managerial Handling of Employee Resignation on Work Environment. The study focused on the ways of handling employee's resignation .The study employed a cross-sectional research method. The study outcomes recommend the establishment of a relationship between managerial handling of employee resignation and work environment

### **Theoretical Literature**

# **Equity Theory**

In 2000, Stacy Adams established a theory known as equity. The theory explains the insight individuals adopt depending on how they are treated in contrast with others. Individual inspiration depends on what a worker accepts is fair contrasted with others (Obiero, 2014). As indicated by (Gogia, 2010), equity hypothesis centers around how employees' work remuneration in the work environment associates with the endeavor by representatives to lessen the subsequent feeling of shamefulness. People need to be compensated reasonably for their commitment contrasted with different workers. A person's way of behaving, mentality, and inspiration influence them in light of their convictions about what is or alternately is somewhat ridiculous. Workers are compelled to look for better open doors at different organizations when they believe they are being dealt with unjustifiably.

As pushed by Adams (2005), two types of equity are common: distributive justice, used to manage decency in which representatives have a feeling of remuneration for their commitment steady with and comparative with others; Procedural reasonableness and procedural equity tends to regions, for example, advancement, execution evaluation, discipline where individuals feel they are being dealt with decently. Sensations of feeling, for example, procedural decency and relational elements are firmly related. Msafiri (2013) identified five factors that contribute to perceptions of procedural fairness. These are sufficient consideration of employees' points of view, suppressing personal prejudice against employees, consistent application of criteria to all employees, giving employees timely feedback on the outcome of decisions, and adequately explaining the decisions made to employees.

This hypothesis was created by Stacey Adams in the mid-2000s. As Adams recognized, individual perceptions of fair treatment in social exchange can affect motivation. To decrease turnover and advance worker maintenance, the equity hypothesis ought to be applied by directors. A worker who imagines a brilliant future at the organization needs to remain and guarantee it. The country is feeling quite a bit better of preparing expenses and mind channel by seeing how previous workers beat contenders through preparing given by their unique manager and representative arrangement when workers stay. People need fair pay in contrast with others for their commitment (their performance(s) relate to the result they experience (Ongera & Juma 2015).

A person's inspiration, as recommended by equity hypothesis, depends on what s/he accepts as fair contrasted with others (Rijampianina, 2015). An employee's trade relationship or blue collar relationship is what equity hypothesis centers around, when applied to working environments too, trying to limit the subsequent feeling of treachery (Gogia, 2010). Fairness/unfairness and social relations are what justice has to do with. It is otherwise called disparity or social correlation hypothesis. Compelling supervisors have applied these perceptions to overseeing representative execution by rousing them through uplifting feedback and assessing them reasonably somewhere around one time per year. This improves performance by identifying and adapting to each employee's weaknesses and strengths.

### Hertzberg two Factor Theory

The theory was created to make sense of the variables influencing worker mentalities and inspiration at work. Herzberg led examinations, such as face-to-face inquiries, to understand what aspects workplaces causing workers to be fulfilled or disappointed. He found that factors that cause work fulfillment (persuasive variables) vary from those causes them to be disappointed (cleanliness factors). The Herzberg hypothesis (Loiseau, 2011) insinuates two critical human necessities that impact worker inspiration and perspectives: physiological requirement, which are met using monetary elements such food purchase, and asylum; as well as mental health issues to achieve and met by exercising.

This theory is applicable in the review, as it expresses how negative cleanliness aspects (like amicable legislative issues) satisfies only basic employee needs, provides exercise in terms of workflow, but does not affect motivation in any way. Persuading factors are the positive impacts, either outward or natural, that make a worker believe should improve. Outward inspirations (like acknowledgment, advancement, adaptable working hours, great culture, steady administration, and expanding liability) and inborn inspirations (like accomplishment, development, and interest) are similarly propelling (Kwartier 2015). Tana Athi and the Development Authority should implement cordial arrangements that elevate spurring factors connected with initiative style, workplace and award the executives to reinforce worker execution and in this manner hierarchical execution. These spurring factors likewise assume a part when it comes to retaining employees in organizations and thus reducing turnover.

#### **Conceptual Framework**



**Figure 1: Conceptual framework** 

### **RESEARCH METHODOLOGY**

Research design is utilized to decide an analytical methodology or procedure a researcher utilized (Cooper, Schindler, & Blumberg, 2014). The research design could as well be used a manual to gather and break down information in light of the established research questions (Saunders, Lewis & Thornhill, 2016). The research used a descriptive research design. The study focused on Tana and Athi Rivers Development Authority who's Head Quarters are based in Nairobi; this can shape the unit of evaluation. The unit of statement could be workers in an organization. According to Human Resource of Tana and Athi Development Authority (2021), there are 131 employees in the institution. Therefore, the target population was 131 staff members of TARDA. The headquarters of the firm was selected because all management decisions are made at the head office.

Yamane formula for calculating sample size established the study sample size. The research study utilized a sample size of 99 subjects accounting for 75.3% of the target population. Kothari (2018), expresses that any sample representative should be approximately 30 percent of the target population for it to be considered representative. The study used stratified random sampling technique. Senior management, middle management, low management, and non-management formed the strata. Questionnaires help collect information from participants in a research study.

A pilot study was done on 9 employees (representing 10% of the sample size like indicated by Kothari (2012) randomly selected from Kerio Valley Development Authority (KVDA). KVDA has homogenous population as that of TARDA and was used for pilot purpose to avoid bias in selecting the respondents from the same population. Descriptive statistics analysis comprised of frequencies, mean, standard deviation, percentages, coefficient of variation, and one sample t-test to explore underlying characteristics of organizations and respondents. Inferential statistics included coefficient of determination and multiple linear regression analysis.

### **RESEARCH FINDINGS AND DISCUSSION**

The target population was 131 staff members of TARDA. The research study utilized a sample size of 99 subjects accounting for 75.3% of the target population. The researcher dropped the questionnaires and agreed when to return to pick them. Out of 99 questionnaires which were distributed, 90 were duly filled and returned. According to Kothari (2012) a response rate of 50% should be considered average, 60% to 70% considered adequate while a response rate of above 70% should be regarded as excellent. This implies that the response rate of 90.9% was adequate for analysis, drawing conclusions and reporting

### **Descriptive Analysis**

In this section, the study presents findings on the second part of the questionnaire that mainly collected data on the variables (independent and the dependent) using likert scale questions. The findings are presented based on the specific objectives of the study. The study used mean (M) and standard deviation values (SD) to interpret the findings. A means value of 0-1 implied that the respondents strongly disagreed, a mean of 1.1-2.0 implied they disagreed, 2.1-3.0 suggest that they were Moderate, a mean of 3.1-4.0 suggest they agreed, and a mean of 4.1-5.0 implies the respondents strongly agreed. A standard deviation less than 2 was considered small and implied that the data points had small deviation from the mean value obtained.

### **Employee Retirement**

The respondents were asked to indicate whether they had a retirement plan in place. Based on the finding presented, 82.1% of the respondents indicated that they had a retirement plan in place while 17.9% indicated that they did not. Those who had no retirement plan could be because they were not permanent employees and the company does not have a retirement plan for contract employees. For those respondents who indicated that they had a plan, they were asked to specify which plan they had. The findings showed that 55.9% of the respondents had the traditional retirement, 28.8% had Semi-retirement, and 15.3% had temporary retirement. These show that there are different forms of retirement that the respondents received. It is therefore a clear indication that majority employees at Tana and Athi Rivers Development Authority opt for traditional retirement. This means that once they close the door on work they never look back. This requires saving early and often and investing prudently for growth while tapping Social Security benefits as a backstop. The goal is relatively straightforward: Save as much as possible to reach your desired standard of living during a lengthy retirement that could last decades. Few opt for semi-retirement where they typically leave their chosen career but continue to work in some form afterwards. The least chosen plan is temporary retirement where one may take several months off work, before parachuting back. Solem, Syse, Furunes, Mykletun, De Lange, Schaufeli, and Ilmarinen (2016) found that

plans for retirement impacted their job satisfaction and employee maintenance choices. Also, in Nigeria, Dugguh and Iliya (2018) found that retirement plans motivate employees to improve their job performance.

Since retirement related benefits determine worker turnover rate. Respondents were asked to indicate the extent to which they agree or disagree with the statements using the scale guidelines provided. Table 1 presents the findings obtained.

Statement Mean Std. Dev. The National Social Security Fund (NSSF) is part of the social security my organization funds. 4.000 0.699 3.998 Workers will generally claim their social security in advance ages. 0.652 3.925 Worker performance can increase through the severance pay. 0.038 Attractive pension schemes entice highly skilled workers because they sustain aggressively 3.867 0.938 competitive levels of the general compensation. My organization entirely funds my pension plan. 3.852 0.392 Worker reaction to pension variation is based on peers' perspective. 3.849 0.373 Worker performance can be increased strategically through the social security gains. 3.801 0.786 Pension inherently influence worker satisfaction and performance. 3.754 0.698 Worker compensation is not always pretty much salaries however it is likewise involved with 3.652 0.798 long term gains including pension. **Aggregate Score** 0.597 3.855

# Table 1: Descriptive Statistics on Employee Retirement

# Source: Research Data (2022)

From the findings in Table 1, the respondents were in agreement that the National Social Security Fund (NSSF) is part of the social security my organization funds (M= 4.000, SD= 0.699); that workers will generally claim their social security in advance ages (M= 3.998, SD= 0.652); that worker performance can increase through the severance pay (M= 3.925, SD= 0.038); and that attractive pension schemes entice highly skilled workers because they sustain aggressively competitive levels of the general compensation (M= 3.867, SD= 0.938). Respondents also agreed that in their organization entirely funds their pension plan (M= 3.852, SD= 0.392); that worker reaction to pension variation is based on peers' perspective (M= 3.849, SD= 0.373); that worker performance can be increased strategically through the social security gains (M= 3.801, SD= 0.786); and that pension inherently influence worker satisfaction and performance (M= 3.754, SD= 0.698). The findings also show that respondents agreed on average that worker compensation is not always pretty much salaries however it is likewise involved with long term gains including pension (M= 3.652, SD= 0.798).

The findings are consistent with those of Kim and Cho (2016) that three critical money related factors, including employee compensation, motivational factors and benefit gains, influencing the employees' attitude towards any top wage framework. There is an adverse impact on the attitude towards the compensation framework when changes in the financial variables such as pay cuts occur. It also agree with Ongaki and Otundon (2015) that annuity benefits will generally haul older laborers to move out of organizations prior to the ordinary and determined age of retirement.

# **Employee Resignation**

Respondents were asked to indicate whether they have an employee resignation plan in place. The findings showed that 70.2% of the respondents agreed that they have employees' resignation plan while 29.8% indicated that they did not have it. For those respondents who indicated that they had a resignation plan, the study sought to establish the type of plan they had. The findings showed, 70% of the respondents indicated that they had Voluntary resignation plan, 23.3% resignation plan was based on mutual agreement while 6.7% was based on forced resignation. Therefore, it is clear that majority of employees in Tana and Athi Development Authority headquarters have voluntary

resignation as their choice of resignation. The study therefore sought to establish the extent to which respondents agreed or disagreed with various statements on the worker intention to leave their organization for another. Table 2 presents the findings obtained.

**Table 2: Descriptive Statistics on Employee Resignation** 

Statement	Mean	Std. Dev.
I feel the value my organization has for me.	4.024	0.643
My plan to remain in this position for sometime	3.827	0.923
I am happy and satisfied spending my life career in the organization.	3.738	0.424
I have not developed a time frame of how long I will remain in the organization.	3.727	0.78
In case I come across another job offer, I would certainly consider it.	3.72	0.606
I am not sure whether or not to remain in this organization.	3.714	0.944
I will certainly leave my position in the near future	3.705	0.662
I am happy and contended that this organization is my place of work.	3.683	0.859
I recognize my position importance to the organization.	3.605	0.799
Aggregate Score	3.749	0.738

Based on the findings in Table 2, the respondents agreed with the statements on resignation. The respondents specifically agreed that they felt the value their organization had for them (M= 4.024, SD= 0.643); that their plan is to remain in their position for some time (M= 3.827; SD= 0.923); and that they are happy and satisfied spending their career life in the organization (M= 3.738, SD= 0.424). They were also in agreement that they have not developed a time frame of how long they will remain in the organization (M= 3.727, SD= 0.78, that in case they come across another job offer, they would certainly consider it (M= 3.72, SD= 0.606); and that they are not sure whether or not to remain in this organization (M= 3.714, SD= 0.944). Respondents also agreed that they will certainly leave their position in the near future (M= 3.705, SD= 0.662); that they are happy and contended that this organization is their place of work (M= 3.683, SD= 0.859); and that they recognize their position importance to the organization (M= 3.605, SD= 0.799).

The findings agreed with Kossivi, Xu andKalgora (2016) who discovered that advancement prompts opportunities, remuneration, and balance between work and life activities, managing and leading, workplace environment, social help, independence, preparing and improvement were the top reasons for termination. It also agrees with Hasan, Subhani, Zubair, Shakeel and Shahid (2011) that having a good relationship between managerial handling of employee resignation and work environment improves the employee intention to quite.

### **Organizational Performance**

How are these factors influenced when colleagues leave for other organizations? Please indicate the extent to which you agree with the following statements. Table

Organizational Performance Measure		
		Dev.
Adverse implications on current and new product revenue generation.	3.993	0.853
Reduced employee productivity.	3.967	0.383
Growing customer complaints and dissatisfaction.	3.964	0.896
Reduced customer base	3.934	0.627
Newly employed workers need training to understand the technical aspects of their positions.	3.899	0.621
When workers leaving the organization are not replaced immediately or at all, there is an increased workload for those left.	3.868	0.767
More resources such as time is taken in new worker orientation.	3.853	0.924
Service delivery delay due to disruption.	3.771	0.366
Newly employed workers will prolong the management of internal processes.	3.662	0.419
Ample time resource is needed from newly employed workers to learn and understand the skills needed to perform organizational roles.	3.592	0.916
Aggregate Score	3.850	0.677

 Table 3: Descriptive Statistics on Organizational Performance

Based on the findings, the respondents were in agreement that turnover has adverse implications on current and new product revenue generation (M= 3.993, SD= 0.853); reduced employee productivity (M= 3.967, SD= 0.383); growing customer complaints and dissatisfaction (M= 3.964, SD= 0.896); and results to reduced customer base (M= 3.934, SD= 0.627). They also agreed that newly employed workers need training to understand the technical aspects of their positions (M= 3.899, SD= 0.621); when workers leaving the organization are not replaced immediately or at all, there is an increased workload for those left (M= 3.868, SD= 0.767); more resources such as time is taken in new worker orientation (M= 3.853, SD= 0.924); and that it leads to service delivery delay due to disruption (M= 3.771, SD= 0.366). Respondents further agreed that newly employed workers will prolong the management of internal processes (M= 3.662, SD= 0.419); and that ample time resource is needed from newly employed workers to learn and understand the skills needed to perform organizational roles (M= 3.592, SD= 0.916).

The findings agree with those of Akrani (2011) who asserts that organizations can incur both direct and indirect costs due to staff turnover. Also, according to Rijamampianina (2015) significant staff turnover is costly prompting the efficiency adversity to push down any human asset management and the employer productiveness. There is a likely deferred or delayed service delivery while expecting for possible worker alternative to show up. It also agrees with the findings of Ziel and Antointette (2003) that there is most likely assembling negative impacts while appointing and employing substitute staff.

### **Correlation Analysis**

The study computed correlation analysis to establish the strength and direction between dependent and the independent variables. The findings were as presented in Table 4.

		<b>Organization Performance</b>	Retirement	<b>Employee resignation</b>
Organization Performance	Pearson Correlation	1		
	Sig. (2-Tailed)			
	Ν	90		
Retirement	Pearson Correlation	669**	1	
	Sig. (2-Tailed)	.001		
	Ν	90	90	
Employee resignation	Pearson Correlation	725**	.261**	1
	Sig. (2-Tailed)	.012	.301	
	Ν	90	90	90

### **Table 4: Correlation Analysis**

### Source: Research Data (2022)

The findings in Table 4 shows that retirement and organization performance have a strong negative and significant relationship (r=-0.669, p=0.001). The relationship was significant since the p-value was less than the selected level of significance. The relationship between employee resignation is also seen to be strong and negative (r=-0.725). Since the p-value (0.012) is less than the selected level of significance to be significance.

### **Regression Analysis**

A multivariate analysis was conducted to examine impacts of worker turnover on organization performance on regional development authorities in Kenya; an instance of Tana and Athi Rivers Development Authority (TARDA).

### **Model Summary**

Model summary was used to establish amount of variation dependent variable that could be explained by changes in the independent variables. In this study, variation in organizational performance of Tana and Athi Rivers Development Authority as a result of changes in retirement,

employee resignation, interagency transfers, and dysfunctional turnover was sought. Table 5 presents the findings obtained.

### Table 5: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.876 <sup>a</sup>	.767	.762	.08495
a. Predictors: (Constant), retirement, employee resignation,				

# Source: Research Data (2022)

From the findings in the above Table 5, the value of R square was 0.767 which suggests that 76.7% variation in organizational performance of Tana and Athi Rivers Development Authority can be explained by changes in retirement, employee resignation, interagency transfers, and dysfunctional turnover. The remaining 23.3% suggests that there are other factors that can explain variation in organizational performance of Tana and Athi Rivers Development Authority that were not discussed in this study. Correlation coefficient (R) shows the relationship strength between the study variables. From the findings the variables were strongly and positively related as indicated r=0.876.

# Analysis of Variance

Analysis of variance is used to determine whether the model is significant; whether the model was a good fit for the data. The significance of the model was tested at 5% level of significance. Table 6 presents the findings obtained

# Table 6: Analysis of Variance

Model	Sum of Squares	df	Mean Square	$\mathbf{F}$	Sig.
Regression	0.436	4	0.109	15.585	.000 <sup>b</sup>
1 Residual	0.595	85	0.007		
Total	1.031	89			
a. Dependent Varia	ble: Organization Perform	mance			
b. Predictors: (Cons	stant), retirement, employ	yee resig	nation		

# Source: Research Data (2022)

The results in Table 6 indicate that the model was significant since the p-value (0.000) was less than 0.05 thus the model is statistically significance in establishing the combined effects of retirement, employee resignation, interagency transfers, and dysfunctional turnover on organizational performance of Tana and Athi Rivers Development Authority. Further, the F-calculated (15.585) was greater than the F-critical (2.479) suggesting that worker turnover measures (retirement, employee resignation, interagency transfers, and dysfunctional turnover) can be used to predict organizational performance of Tana and Athi Rivers Development Authority.

# **Beta Coefficients of the Study Variables**

The beta coefficients values in Table 4.15 were used to fit the regression model.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	В	Std. Error	Beta	_	
(Constant)	1.534	.154		-9.961	.000
1 Retirement	264	.050	237	-5.280	.019
Employee resignation	258	.041	175	-6.359	.000
a. Dependent Variable: C	Organization	Performance			

### **Table 7: Beta Coefficients of Stud Variables**

Source: Research Data (2022)

From the results of the Table 7 above, the regression equation model was fitted as follows:

# $Y = 1.534 - 0.264 X_1 - 0.258 X_2 + \varepsilon$

The findings also show that retirement is statistically significant in explaining organizational performance of Tana and Athi Rivers Development Authority ( $\beta = -0.264$ , P = 0.019). This indicates that retirement negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. The findings therefore suggest that a unit increase in retirement would lead to a decrease in organizational performance of Tana and Athi Rivers Development Authority. This agree with the findings of Rijamampianina (2015) that workforce turnover is most likely assembling negative impacts while appointing and employing substitute staff.

Regarding employee resignation, the findings showed that employee resignation is statistically significant in explaining organizational performance of Tana and Athi Rivers Development Authority ( $\beta = -0.258$ , P = 0.000). This indicates that employee resignation negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. The findings therefore suggest that a unit increase in employee resignation would lead to a decrease in organizational performance of Tana and Athi Rivers Development Authority by 0.258 units. The findings agree with those of Zhang (2016) that employee turnover, turnover, resignation, migration, succession have adverse effects on organizational performance.

### Conclusions

As regards conclusion, the study found out that retirement is statistically significant in explaining influence of employee turnover on organizational performance of Tana and Athi Rivers Development Authority (p-value of 0.019). This indicates that retirement negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. Based on the findings, the study concludes that a unit increase in retirement would lead to a decrease in organizational performance of Tana and Athi Rivers Development Authority.

Regarding employee resignation, the study found that employee resignation is statistically significant in explaining the influence of employee turnover in organizational performance of Tana and Athi Rivers Development Authority as explained by a p-value of 0.000. This indicates that employee resignation negatively and significantly affects organizational performance of Tana and Athi Rivers Development Authority. Based on the findings, the study concludes that a unit increase in employee resignation would lead to a decrease in organizational performance of Tana and Athi Rivers Development Authority.

### Recommendations

The study found that employee retirement had negative influence on organization performance. The study thus recommends management of Tana and Athi Rivers Development Authority to implement retirement strategies that will help the company deal with loss of employees due to retirement. The various retirements the organization should have in consideration include traditional retirement, semi-retirement, and temporary retirement.

In addition, the study found that employee resignation has a negatively influence organization performance. The study therefore recommends Tana and Athi Rivers Development Authority to think of various ways they can reduce the rate of employee resignation. This includes revising their compensation which is the main reason why employees consider resigning.

### **Suggestions for Further Studies**

This study was limited to Tana and Athi Rivers Development Authority; the study thus recommends replication of the research study in other regional development authorities in Kenya.

The study also focused on four measures which explained 76.7% variation in organizational performance; the study thus recommends a study to be conducted using other measures that can explain the remaining variation in organizational performance.

#### REFERENCES

- Aamit A, Hamid, A., Haider, M., &Akhtar, S. (2016). Work-life balance, job satisfaction and marsesnurse's retention: Moderating role of work volition. International Journal of Business Excellence, 10(2), 488-501 doi: 10.1504/UBEX 2016.079257
- Alison, A. R, & Rosalie, 1. H (2015). Work-Life Balance. Society for Industrial on Organitational Psychology, 2(5), 27-78
- Alison, A. R., & Rosalie, J. H (2015). Work-Life Balance. Society for Inchastrial and Organizational Psychology, 2(5), 27-78
- Anitha, J., & Begum, F. N. (2016). Role of organisational culture and employee commitment in employee retention. ASBM Journal of Management, 9(1), 17-28.
- Armstrong, M, & Taylor, S. (2014). Armstrong's handbook of manan resource management practice (13th ed.). Kogan Page Armstrong, M., & Taylor, S. (2014). Armstrong's handbook of human resource management practice (13th ed.). Kogan Page.
- Farid, J. A (2014) Concept Of Reward Management, Reward System And Corporate Efficiency International Journal of Economics Commerce and Management, 702), 134-197
- Hee, O. C. & Ann Y S (2019). Factors Influencing Employee Turnover in the Food Mamifacturing Industry in Malaysia bernational Journal of Academic Research in Business and Social Sciences, 9(1), 482-491
- Kagwi, WC (2018). Influence of Physical Workplace Factors On The Employees' Performance In Organizations Human Resource and Leadership Journal, 3(1), 47-61
- Kagwinia, R. L. (2014). Effect of Talent Management on Organizational Performance in Companies Listed in Nairobi Securities Exchange in Kenya Unpublished MBA Thesis, Jomo Kenyatta University of Agriculture and Technology
- Khatri, N., Budhwa, P. && Chong T. (2010.). Employee Turnover Bad Attitude or poor management? Unpublished Thesis Submitted to Cardiff University.
- Kim, Y, & Cho, C. Y (2016) Impact Of Retirement System On Job Satisfaction And Loyalty International Business & Economics Research Journal, 15(1), 45-81
- Kossivi, B., Xu, M., & Kalgora, B. (2016) Study on Determining Factors of Employee Retention Open Journal of Social Sciences, 4, 261-268
- Kuma, R. (2005). Research Methodology: A Step by Step Guide for Begirars. (2nd ed.). Sage Publication, New Delhi, India
- Kwatier, M. (2015) Is work stress the same as work pressure? 15MinutesMe.com. Retrieved on June 12, 2018, from https://www.15minutes4me.com/stress-freeis-work-stress-the same-aswork-pressure/
- Lavania, D (2011). Faculty recruitment and retention: A key for managing talent in higher education GLA University MathuraMathura Uttar Pradesh, India Akrani (2011)
- Meudell, J. A & Rodhan, K. (2010). The role of human resources in gaining competitive advantage. Journal of Human Resources Manageme, 1802) 47-61
- Robbins AY (2017) A Qualitative Study on Causes and Effects of Employee Tumover in the Hivate Sector in Malaysia Middle East Journal of Scientific Research 10011), 1532-1541
- Solem P. E., Syse, A., Furunes T., Mykletun, Y QJ, De Lange, A, Schaufeli, W. & Ilmaine J. (2016). To leave or not to leave retirement intentions and retirement behaviour Ageing & Society, 3602) 259-281
- Tanwar, K., & Prasad, A. (2016). Exploring the relationship between employer branding and employee retention Global Business Review 17,186206 doi:10.1177/09721 50916631214
- Walsh, P. (2011) Creating a "values" chain for sustainable development in dev doping nations where Maslow meets Porter Extrormers, Development and Statanability: 13, 789-805

- Wandera, H. T. (2011). The effects of short-term employment contract on an organization A case of Kenya Forest Service. International Journal of Humanities and Social Science 1(21), 184-204
- Wangiri, T. (2015) Factors influencing employee turnover in private tertiary colleges A Case of Embu College in Embu County, Kenya Unpublished Thesis Submitted to University of Nairobi.
- Yamamoto, H. (2011) The relationship between employee benefit management and employee retention. The International Journal of Human Resource Maraganas 22(17), 3550-3564
- Zhang, Y J. (2016). A Review of Employee Turnover Influence Factor and Countermeasure Journal of Human Resource and Satinability Stutes, 47), 85-91