Staff Turnover and Organizational Performance of Selected Private Hospitals in Kilifi County, Kenya

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ABSTRACT

The performance within most of the private hospitals in Kilifi County has been deteriorating as more of its staff is leaving the private hospitals in search of the county government jobs. The study took a look at the results of personnel turnover on the organizational performance of chosen private hospitals in Kilifi County. The specific goals that assisted the research study were to evaluate the impact of voluntary turnover, involuntary turnover, functional turnover and dysfunctional turnover on the organizational performance. Theories utilized consisted of equity theory, human capital theory expectancy theory and balance score card model. The study embraced the descriptive research study design. The reliability of the survey was tested utilizing a pilot study. Main data was gathered utilizing close-ended questions. The study utilized a population of 53 top and middle-level managers in 6 private hospitals in Kilifi County. The sample size was accomplished using Stratified sampling. The population studied was subdivided into three strata; personnel supervisors, administrators and assistant administrators and departmental heads. SPSS was utilized to examine the information. The findings of the study developed that the four types of turnover under investigation had either a weak or moderate relationship with organizational efficiency. The study, for that reason, concluded that voluntary and practical turnover favorably relates with the organizational efficiency of the personal medical facility while both uncontrolled turnover and inefficient turnover negatively related with the organizational performance of the personal healthcare facilities in Kilifi County. Based on the conclusion, the study recommended that management should improve employee compensation and offer training to their employees as they contribute to employee voluntary exit. Management should put measures in place to reduce cases of indiscipline and fraud which causes involuntary turnover among the employees. Measures should also be implemented to help improve the health of the staff and reduce stress levels. Concerning functional turnover, the study recommended that private hospitals should have a good system of employment that promotes the retention of good performers and the release of poor performers. Finally, the study recommended that dysfunctional turnover should be avoided as it negatively affects organizational performance. Measures should, therefore, be put in place to discourage the departure of competent and high performing employees.

Key Words: Staff Turnover, Voluntary Turnover, Involuntary Turnover, Functional Turnover, Dysfunctional Turnover, Organizational Performance, Private Hospitals in Kilifi County, Kenya

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1. Introduction

The organizational performance is based on how effective and efficient the organization remains in accomplishing its objectives (Sabir, Khosa, Ahmad & Bilal, 2016). The employees are essential in realizations of the goals of the organization and when employees stop working, the organizations reduce in its financial performance (Mwangi, 2018). A lot of economic resources are used by organizations to recruit, train, develop, maintain and retain the employees. Staff member efficiency implies performing responsibilities effectively and effectively to satisfy agreed job objectives (Nyaga, 2015). The ability to efficiently manage staff member efficiency can cause increased margin, expense savings, client market, fulfillment, or growth share (Pattni 2018). The concept of turnover has been studied widely, but researchers have been unable to come up with a singular explanation as to why employees leave their jobs (Vuyisile, 2016). According to Anzazi (2018), it is difficult to pinpoint one specific cause of turnover and several factors have been proven effective in studying employee turnover. The term turnover describes the number of employees who willingly exit a group or the organization within a particular period (Muigai, 2014). Voluntary turnover takes place when a staff member willingly resigns or leaves the organization at his or her own will (Mwangi, 2018). According to Vuyisile (2016), uncontrolled turnover takes place when a staff member leaves his or her position unwillingly due to the company's decision to release him or her responsibilities and may be due to offense of the work environment policies, bad efficiency and slow down of the service in its efficiency (Moon, 2017).

According to Ahmed et.al (2016) in a case of the telecommunication sector in Pakistan showed that voluntary turnover leaves the organization with substantial direct expenses relating to recruitment and selection of other employees and it caused a negative impact to the effectiveness of the employees. Fanou (2018) concluded that voluntary and involuntary turnover reduces the competitive advantage. Moon (2017) revealed that involuntary turnover had a negative impact on other workers by interfering with group socialization procedures and increasing internal conflict, which causes triggering extra absenteeism, thus decreasing the performance within the US federal government. Maryam (2016) highlighted that personnel turnover decreased the efficient service delivery to the clients and reflected a negative image to the Barclays bank Limited in Tanzania. Amponsah-Tawiah, Ntow and Mensah (2016) showed there a direct impact of staff turnover on the financial efficiency of the performance of the private hospitals in Ghana. According to Vuyisile (2016), personnel turnover triggers a reduction in effective service delivery to the clients in the home affairs in the Eastern Cape Province in South Africa.

According to Mwangi (2018), remuneration, working hours and profession chances were favorably related to the efficiency in the public health centers in Kenya. Momanyi and Kaimenyi (2015) showed that supervisory elements contribute to nurse turnover, nurse promotion practices and effectiveness of personnel development programs were positively related to nurse turnover. Pattini (2018) concluded that a good management style, conducive work environment and rewarding sound system lowers the employee turnover and increases the organizational performance in the case of Airtel Kenya Limited. Muigai (2014) reported that loss of efficiency resulting from the turnover of staff members might account for additional turnover costs that decrease the financial ability of the personal companies in Kenya. Thuita (2018) revealed that turnover among the employees in the Nyeri county government made it very difficult for the county to carry out its operations hence reducing the performance within the county.
The organizational performance is the actual results or output of an organization as measured by its intended results. According to Thuita (2018), the organizational performance consists of financial projections, internal processes, learning and growth of the employees. Based on Moon (2017), financial projections include the return of the assets, profit and investment return, market share and the sales return. Moreover, the performance of the organization can be established through the growth of the employees that is achieved through human resource development and establishing favorable working conditions (Lejaras, 2014). Besides, the performance of workers in the establishment can be seen by how proficient an association is in accomplishing objectives and destinations. Vuyisile (2016) reported that the internal process is fundamental and is based on the efficiency in production that can depend on the introduction of the new technology to the methods of production. Lots of companies recently have utilized the well balanced scorecard method to handle an organization's efficiency whereby efficiency is estimated and followed in different angles, for example, monetary execution, social responsibility and customer satisfaction (Pattni, 2018). The performance of workers in the private hospitals in Kilifi has actually ended up being required because of the expanding issue of human resource and laborers specialists about the degree of yield gotten from laborers in the hospitals (Ngui & Maina, 2019). The private hospitals within Kilifi County need to work on the mechanisms to reduce the turnover within the organizations that will cut down on hiring costs and thus improve their performance.

Arrangement of fair responsive quality and reasonable social insurance administrations has been constrained by lacking wellbeing workforce and facilities according to Kilifi County KCIDP (2013-2017). This shows a gap that must be filled if the County government has to reach its vision of becoming a “leading, prosperous and secure county for high-quality life”. The role of the private sector in supplementing the government effort in achieving its healthcare plan cannot be overemphasized as the new constitution that was promulgated in 2010 gives the citizenry the ideal to quality medicinal services administrations, including conception human services. With the government effort in achieving its healthcare plan, they recruit staff and mostly from the private hospitals.

Human resources professionals take the term ‘employee turnover’ as a description of the rate at which employees leave their jobs thereby warranting replacement (Kreitner, 2003). Both public and private organizations depend on the competence of their workforce so as to compete fairly in the market. Unfortunately, managers are increasingly having difficulties retaining top performers (Gillingham, 2008). However, turnover also helps to correct mistakes made during recruitment. This is referred to as functional turnover. Functional turnover revamps stagnating businesses: it is excessive turnover that destabilizes the workforce. A number of organizations can attribute their success to being able to retain employees. Such organizations have elaborate training, reward, development and motivation systems which enhance employees’ work interest and commitment to the organization. A committed workforce is a consistent one. According to Griffeth and Hom (2001), the ability to retain human resources is a primary way of ascertaining the stability of an organization.

Voluntary turnover alludes to when representatives quit, that is the point at which they choose to cut off their association with the employer. Voluntary turnover frequently brings about withdrawing workers relocating to contending firms, making a considerably increasingly basic circumstance since this information would now be able to be utilized against the association. Voluntary turnover has in actuality been quickening over the previous decade as late examinations have demonstrated that representatives, all things considered, regularly switch bosses (Kransdorff, 1996). Senior administrators therefore have to think about repercussions of voluntary turnover, and promptly make unforeseen plans. Something
else, senior administration might be gotten ill-equipped if (or when) their best entertainers leave.

Involuntary turnover is whereby an employee is fired or laid off. Involuntary turnover also includes situations where the employee leaves so as to take care of a sick loved one or to relocate with the wife/husband to a different area (Boxall & Purcell, 2003). Another cause of turnover may be the death/incapacitation of a workmate which increases job stress and workload (Aftab & Javeed, 2012). Functional turnover can help diminish imperfect hierarchical execution (Johnson et al., 2000), intemperate turnover may hinder efficiency. The consequences may be the loss of business and connections, as well as non-achievement of the association's goals. To intensify the negative symptoms of turnover, not the majority of the withdrawing workers are viewed as imperfect entertainers.

Dysfunctional turnover (for example great entertainers leave, terrible entertainers remain) diminishes advancement, postpones administrations, torpids execution of new projects, and declines efficiency (Abassi and Hollman, 2000). Such movement can profoundly influence the company's capacity to flourish in the present aggressive economy; leaving even the most driven firms unfit to prevail because of the powerlessness to hold the correct representatives. In the event that it is assumed that the sharpest and most capable workers are frequently the most upwardly portable, at that point solid associations may end up incapable to realize procedures and complete key business exchanges in the event that they don't proactively deal with their turnover. Tawfiq hospital found within Malindi town with about 150 staff, owned by Tawfiq Muslim Youth which is a community-based organization with a 55-bed capacity. The Star hospital is also based in Malindi Town but privately owned, has a 30-bed capacity, Meridian hospital is also found Malindi town is privately owned also and has a bed capacity of 50 while Afya international hospital is found in the outskirts of Malindi town has a bed capacity of 50. The new Wanainchi Hospital in Kilifi has a bed capacity of 30 and is based in Kilifi town. The hospitals have been progressing well with increasing demand for their services from the community and beyond the county. Kilifi county private hospitals receive referrals from two nearby, Lamu and Tana-River Counties. These referrals showed a good indication of service delivery and good income to the hospitals (Ireri, 2018). There was increased employment of human resources that is nurses, subordinated, medical officers and administration personnel. Equipment’s for usage with the staff was also improved and purchased.

2. Statement of the Problem

The performance within most of the private hospitals in Kilifi County has been deteriorating as more of its staff is leaving the private hospitals in search of the county government jobs (Odhiambo & Mars, 2018). The county governments are in dire need to employ more staff to reduce the ratio of doctor to the patient, which, according to WHO (2018), is one doctor for every 16,000 patients. Also, more staff are needed in the public hospitals to help improve healthcare delivery and align to Kenya Health Policy 2014–2030, that looks to guarantee a critical decrease in the general sick wellbeing in the Kenyan populace by accomplishing reductions in transmittable illnesses by 48 percent and this has further increased the movement of the doctors to the public hospitals from the private hospitals (Ireri, 2018). However, the previous studies present the knowledge gaps with the current research. For instance, Momanyi and Kaimenyi (2015) presented a conceptual gap since specific objectives of the study was to take a look at whether supervisory elements contribute to nurse turnover, the impact of nurse promotion practices on turnover and to evaluate the efficiency of personnel development programs on nurse fulfillment and examine if nurse payment and reward practices influenced nurse turnover in PCEA Chogoria Hospital. Also, Mwangi
(2018) presented a conceptual and methodological gap given that the particular objectives of the research study were to examine the influence of compensation, working hours and career opportunities on the performance and the research study design was exploratory. Anzazi (2018) presented the contextual and conceptual space given that the study figured out the effect of worker benefit management, effect of employee career growth management, and employee health and wellness and worker motivation on organizational performance at Telkom Kenya restricted in Nairobi County. The current study. These studies did not examine the effects of staff turnover on the performance of selected private hospitals in Kilifi County. Therefore, the lack of empirical evidence in Kenya on the effects of staff turnover on the performance leaves a vast knowledge gap which this study sought to fill. Therefore, the study examined the effects of staff turnover on the performance of selected private hospitals in Kilifi County

3. Objectives

The general objective was to examine the effects of staff turnover on the organizational performance of selected private hospitals in Kilifi County.

The specific objective were:

i. To assess the effect of voluntary turnover on the organizational performance of private hospitals in Kilifi county.

ii. To establish the effect of involuntary turnover on the organizational performance of private hospitals in Kilifi county.

iii. To analyze whether functional turnover affects the organizational performance of private hospitals in Kilifi County.

iv. To evaluate the effect of dysfunctional turnover on the organizational performance of private hospitals in Kilifi County

4. Theoretical Review

A number of theories explain the nature of employees in relation to their performance; the following were some of the theories that were used in this research study. They include: Equity Theory, Human capital theory, Expectancy theory and Balance Score Card

4.1 Equity Theory

Equity theory was developed by John Stacey Adams in 1963. According to the theory, people’s contribution to a business is determined by their perception of how fair their compensation is. The theory further shows that employees in an organization will have the tendency to compare their pay with others if similar qualifications in other organizations. If they feel they are paid fairly, they will not leave. However, if they perceive unfairness they may tend to seek opportunities elsewhere (Adams, 1963). A proper reward system is therefore essential in keeping quality employees loyal to the organization. Also, access to career advancement opportunities should be determined by the fulfillment of goals and objectives. In this way, organizations can encourage employees to work better thereby improving the general performance of the organization (Lovegrove & Fairley, 2017).

Moreover, according to Miles, Cromer and Narayan (2015) people’s perception of equity is affected by several psychological and demographic factors thereby making it too complex to measure accurately. Also, according to Ryan (2016) people cannot react similarly to perceive equitable or inequitable behavior since each person has a different preference for the equity. The theory is relevant to the current study since it’s clearly outlines that employees are more averse to leave an organization when their needs are not satisfied. Therefore, the theory is
pertinent to staff turnover where turnover expectation can be viewed as a result of apparent imbalance by a worker.

The equity theory is relevant to the current study and it clearly asserts that groups that develop systems for equitable sharing of rewards are the ones that will get the most rewards. The theory develops that making equitable behavior more profitable than inequitable behavior; groups can encourage members to be more equitable. According to Roche (2016), employees are more likely to exhibit equitable behavior if they feel that their contribution is valued by the manager. This fosters equity within a team. Inequitable behavior within teams breeds stress. The equity theory argues that the individual who gets too much will be just as stressed as the individual who gets too little. The individual with too little is likely to feel humiliated and upset while the individual who gets too much may feel guilty (Ederer & Manso, 2013). The theory was applicable to the current study and it informed the variable functional turnover.

4.2 Human capital Theory

The human capital theory arose from the works of Adams Smith (1776) and Alfred Marshal (1890). It has been backed by several authors such as Theodore Schultz, Jacob Mincer and Gary Becker. The theory suggests that highly skilled employees are efficient while lowly skilled employees are not. Further it suggests that highly skilled employees are paid more. As an individual’s level of education rises, so does his income. According to Krasniqi and Topxhui (2016) income levels are largely related to education and health levels. Education plays a significant role in development, even in developing nations such as Kenya (Green et.al, 2017). Uneducated people are more likely to be economically oppressed and are limited to casual jobs which cannot sustain them. They often lack the resources with which to speak against the injustices and can therefore not fight for their rights (Pasban & Nojedeh, 2016).

Furthermore, Quintana, Mora, Pérez and Vila (2016) opposes the human capital theory by arguing that it is neither easy to determine nor measure non-monetary benefits of education (NMBs). Quintana, Mora, Pérez and Vila (2016) defines NMBs as educational results whose total significance on the economy cannot be measured fiscally. Vila (2019) argues that the fiscal benefits of NMBs must be taken into account when studying educational investment and planning. Moreover, the critics of the human capital theory such as Vyas and Bob (2019) argue that the labour market allocates individuals to jobs that are most suitable for their skills and abilities since the labour markets operate logically and accurately to establish particular forms of human capital. Schooling is seen as a machine; children go in and come out with a sufficiently enhanced level of human capital.

From an association's point of view, representative turnover demonstrates lost firm-explicit learning, aptitudes, and capacities that have been gained after some time and controlled by the individual who left the association (Lee & Whitford 2016). Human capital hypothesis battles that representative turnover is in every case exorbitant on the grounds that it can hurt an association. The theory becomes relevant to the study since it gave ideas as to why the company should consider motivating employees within the organization. The organization should establish a mechanism that will promote the employees and encourage them to work more difficult and enhance their efficiency. The theory was appropriate to the current research study and assisted to inform the variable of voluntary turnover. The theory clearly postulated that the approach of motivating workers leads to an improvement in employee performance, which may lead to improved productivity.
4.3 Expectancy Theory

This theory was conceptualized by Nyle Jones, Basil Georgopolous and Gerald Mahoney. In 1957, the trio conducted a study into organizational behavior in the University of Michigan. In 1964, Victor H. Vroom put this theory forward while examining the factors that motivate decision making. The model was then expanded in 1968 by Lawler and Porter. The expectancy theory argues that workers give the effort that they feel is equal to the compensation they will receive. Compensation structures apply this theory by ensuring employees are paid based on how they perform. Employees strive to attain their individual targets when there is a possibility of pay increase and promotion. On the contrary, they will be less committed if compensation and promotion opportunities are too low. Factors such as self-esteem also play a significant part in expectancy (Barba-Sánchez & Atienza-Sahuquillo, 2017).

According to Lloyd and Mertens (2018) the expectancy theory is scientific in nature as it clarifies concepts surrounding effort, performance and motivation. The validity of the theory is diminished by the fact that organizations compensate employees according to skills, effort, job complexity and seniority. Koontz and Weihrich (2016) argue that critics should clarify why a big portion of the workforce exhibit low effort. Additionally, according to Baumhof, Decker, Röder and Menrad (2017) reported that the theory is more complex as opposed to Maslow and Herzberg approaches because it acknowledges the significance of certain needs and motivations. The theory also attempts to unite the objectives of the organization with those of the individual. The expectancy theory is also weak because of its assumption that all requirements are available; this is not always true. To perform well, people must have the ability, resources and opportunity. For instance, genetics can limit performance (Walker, 2016).

The expectancy theory remains critical to the study and management of motivation despite criticism that it is not reliable on its own. The expectancy theory is helpful to managers because it gives insight into the psychology behind motivation. Perception, beliefs and thinking affect how employees will perform or behave. Therefore, the expectancy theory assists managers in the study of organizational behavior (Matsumoto, 2017). The expectancy theory breaks down the concept of motivation into stages that are more easily understood. It relates performance to effort, performance to compensation and compensation to individual targets. It assists managers to develop an environment and culture of motivation (Baciu, 2018). The expectancy theory affirms that turnover intentions can be associated with the expectations of employees on issues of benefits, training, working conditions and acknowledgment. The management effort to assess and please expectations of their employees can be considered as retention strategy especially for talented employees leading to a good performance of the organization. Therefore, the theory informed the variable involuntary turnover.

4.4 Balance Score Card Model

The Balanced Scorecard was developed in the USA in the 1990s by Kaplan & Norton (1992), as a result of the necessity that was realized to measure more than just financial performance, because it was observed that financial result was a product of the past performance, not necessarily influencing future performance and therefore fell short of the requirement of how to deal with the future. The theory states that the performance of an organization should be measured through financial and non-financial measures. The balanced scorecard theory measures performance in four various point of views, i.e. financial, customers, internal procedures, and learning & growth (Kaplan, 1992). Vision and strategy occupy the centre stage in Balanced Scorecard Model, performance management system, Kaplan & Norton.
(1992) because the executives of the organization appreciate their importance in the implementation process since they are involved.

In spite of the well balanced score card model being exceptionally known to business and tremendously being dependable to the organizations, it faces criticism from the scholars. For Panda and Leepsa, (2017) develops the design deals with various deterrents like information asymmetry, exchange, rationality and misstatement cost.

However, balance score card model is relevant to the study and it establishes that customer satisfaction focuses on the people who actually access hospital services. With customer satisfaction come internal hospital processes which look at how well the firm is operating. This is all about efficiency, saving time and reducing waste. Kaplan and Norton (1992) establishes that balanced scorecard goals help supervisors make better allotment and focusing on choices, enabling them to see precisely which initiatives are necessary for satisfying organizational objectives. Even more, balanced scorecard integrates reviews and feedback from customers, internal procedures, and growth. From these arguments, the model becomes relevant to the current study and it informed the variable dysfunctional turnover.

5. Empirical Review

Ahmed, Sabir, Khosa, Ahmad and Bilal (2016) carried out a research study to have a look at the effect of employee turnover on organizational efficiency in Tele communication sector of Pakistan. The findings of the research study exposed that staff member turnover relying on elements such as firm stability; pay level, industry, work guidance, training and circumstance have considerable result on organizational performance. The outcomes of the research study even more revealed that voluntary turnover leaves the organization with big direct expenses relating to recruitment and selection and time which have an unfavorable effect to the effectiveness of the staff members. The study presented a contextual gap with the current study since it was conducted in Tele communication sector of Pakistan while the current study was done in a hospital context.

Githinji (2016) completed an examination to investigate the effect of turnover on fiscal proficiency of private security business in Kenya. The particular destinations of the exploration study were the immediate consequence of laborers turnover, aberrant result of staff turnover on the budgetary adequacy of individual security organizations in Kenya and the moderation strategies for the individual security organizations have set up to deal with work force turnover perils. The point by point examine study style was utilized for the examination study. The discoveries of the exploration study appeared there is an immediate impact of laborers turnover on the money related proficiency of the individual security organizations in Kenya. The results of the research study similarly exposed there was a statistically considerable inverted connection in between monetary performance and turnover result on recruitment expenses. The study presented a conceptual and contextual space because the study analyzed the impact of workers turnover on monetary proficiency of individual security business and the particular goals of the exploration study were the effect of direct staff turnover and circuitous staff turnover on the money related effectiveness of private security firms in Kenya and the relief procedures of the individual security firms have set up to oversee work force turnover risks in Kenya.

Mwangi (2018) conducted a research study to examine the influence the worker turnover on the performance at a public hospital in Kenya. The specific objectives of the study were to analyze the impact of compensation, working hours and profession opportunities on the performance. The research study design was exploratory. A purposive tasting technique was utilized to pick individuals. The findings of the research study revealed that remuneration;
working hours and profession chances were favorably related to the efficiency in the public health centers in Kenya. The research study presents a conceptual and methodological gap given that the particular objectives of the research study were to examine the influence of compensation, working hours and career opportunities on the performance and the research study design was exploratory.

Momanyi and Kaimenyi (2015) conducted a research study to analyze the elements triggering high nurse turnover in mission hospitals in Kenya in a case of PCEA Chogoria Medical Facility. The particular goals of the research study was to have a look at whether supervisory elements add to nurse turnover, the effect of nurse promotion practices on turnover, to assess the performance of workers development programs on nurse fulfillment and examine if nurse payment or benefit practices impacted nurse turnover. The findings of the study showed that supervisory elements contribute to nurse turnover, nurse promotion practices and efficiency of personnel development programs were positively related to nurse turnover. The study presented a conceptual gap since specific objectives of the study was to take a look at whether supervisory elements add to nurse turnover, the impact of nurse promotion practices on turnover, to assess the performance of personnel advancement programs on nurse fulfillment and analyze if nurse payment or benefit practices affected nurse turnover. Fanou (2018) conducted a study with particular goals to evaluate the effect of voluntary turnover on competitive benefit, effects of uncontrolled turnover on competitive advantage and the impact of management styles on the competitive advantage. The research study concluded that uncontrolled and voluntary turnover decreases competitive advantage. The study presented a conceptual and contextual gap since the study examined the effect of voluntary turnover on competitive advantage, effects of involuntary turnover on competitive advantage and the effect of management styles on the competitive advantage.

Vuyisile (2016) carried out a study to analyze the impact of staff turnover on authoritative proficiency and worker productivity at the branch of house issues in the Eastern Cape Province. The examination study uncovered that laborers turnover enacts decrease in effective help shipment to the clients and shows ineffectively on the picture of the Department. The examination proposed that the company should pay its employees a marketable wage, benefit and establish profession development chances for its employee. The exploration study shows a contextual gap since it was done to investigate the effect of work force turnover on hierarchical effectiveness and staff part proficiency at the branch of home issues in the Eastern Cape Province. Maryam (2016) tried to analyze the impact of staff part turnover on business effectiveness in Barclays bank Tanzania Limited; investigate the segments for laborers turnover in Barclays bank Tanzania Limited lastly prescribe strategies that can be utilized to decrease the significant level of colleague Turnover in Barclays bank Tanzania Limited. The discoveries of the examination study featured that high specialists turnover expands work to show staff individuals in Barclays bank Tanzania Limited The exploration study suggested that undesirable working relationship may in like manner be the angle for representatives turnover in Barclays bank Tanzania Limited.

Anzazi (2018) performed a research study to examine employee turnover on organizational efficiency in the telecommunication industry in Kenya. The specific objectives of the study were to figure out the result of worker reward management, effect of worker profession development management, worker health and safety and worker inspiration on organizational performance at Telkom Kenya limited in Nairobi County. The findings of the research study revealed that reward management, profession growth management, employee health and safety and staff member inspiration have a positive influence on the organizational performance at Telkom Kenya restricted in Nairobi County. The study presented the contextual and conceptual space given that the study figured out the effect of worker benefit
management, effect of employee career growth management, and employee health and wellness and worker motivation on organizational performance at Telkom Kenya restricted in Nairobi County.

Nyaga (2015) conducted an evaluation of worker turnover on organizational performance in a case of International Livestock Research Institute. Based on the findings, the research study established that turnover consisted of absence of employee retention techniques, low level of staff member motivation, lack of occupation improvement and poor workplace. The research study advised personnel management to employ tactical techniques such as increased wage and compensation, supplying acknowledgment and particular growth opportunities and to offer staff member rewards and recreation facilities along with numerous presents. The study presented a contextual gap since it was conducted in International Livestock Research Institute.

Lejaras (2014) looked into on effect of employee turnover on the performance of the organizations. The findings of the study exposed that staff member turnover impacts efficiency of the Mastermind tobacco Kenya Limited. The highest turnover rate in monetary services has excellent effect on efficiency, quality and success due to the loss of knowledge and technical abilities. The turnover rate of any company will affect the company's operation expense in investing. The study presented a contextual gap since it was conducted in Mastermind tobacco Kenya Limited. Otieno (2017) conducted a research study to take a look at the impact of the employee turnover on the organizational performance when it comes to East Africa Portland Cement Business limited. The particular goals of the study were to analyze the result of work life balance, rewards, inspiration and training on the organizational performance. The findings of the research study reported that high turnover was brought on by low work life balance, benefits, motivation and training that reduced the performance of the company. The study presented a conceptual and contextual gap since the study examined the effect of work life balance, rewards, motivation and training on the organizational performance in East Africa Portland Cement Company limited.

Moon (2017) carried out a research study to have a look at the outcome involuntary turnover rates and efficiency in the US federal government. The results of the research study exposed that uncontrolled turnover have an unfavorable effect on other staff members by impeding group socialization treatments and increasing internal dispute, which can trigger activating additional absence thus decreasing the efficiency within the United States federal government. In addition the research study exposed that social bond that is established in between employees is main to the interaction patterns that are particular and unique to any business. The research study provided the contextual gap considering that the research study was conducted to analyze uncontrolled turnover rates and efficiency in the United States federal government.

Pattni (2018) performed a research study to examine the factors of worker turnover and its outcome on organizational effectiveness in a case of Airtel Kenya Limited. The specific targets of the exploration study were to decide the level to which the executive's configuration adds to representative turnover, build up the capacity of work environment as a contributing component to worker turnover and inspect how much reward the board adds to representative turnover. The examination study concluded that good management style, conducive work environment and good rewarding system lowers the employee turnover hence increases the organizational performance in a Airtel Kenya Limited. The study provided contextual and conceptual gap given that the study was to identify the level to which management style contributes to employee turnover, the function of work environment on worker turnover and effect reward management on turnover in a Airtel Kenya Limited.
Muigai (2014) established that failure to satisfy effectiveness by workers and supervisors behavioral anticipation can result in performance of others which has an undesirable effect. The research study even more revealed that loss of effectiveness resulting from turnover of personnel members may account for extra turnover expenses that decrease the monetary effectiveness of the individual business in Kenya. The study presented the contextual gap because it was conducted to examine the impacts of personnel turnover on financial efficiency of personal firms in Kenya. Thuita (2018) carried out an examination to develop staff members with the specific goals of the impact of voluntary worker's turnover, uncontrolled worker's turnover and inefficient staff member's turnover and performance. The research study showed that County ought to ensure it keeps its staff members due to the fact that they have more knowledgeable and experienced. The research study provided the contextual gap considering that it was conducted in a county federal government of Nyeri.

6. Conceptual Framework

This section describes how different variables dependent and independent variables are interlinked. The dependent variables here include voluntary turnover, involuntary turnover, measures to be put in place and the independent variables include performance. This is given in figure 1 below.

**Voluntary turnover**
- Career change
- Training.
- Work load.
- Labor demand.

**Involuntary turnover**
- Employee Disciplinary
- Economic factors
- Health related issues
- Targets and standards

**Functional turnover**
- Departure of part time employees.
- Departure of permanent employees.
- Departure of poor performers
- Employment system

**Dysfunctional turnover**
- Cost of employees’ exit
- Skill loss
- Client dissatisfaction

**Organizational Performance**
- Financial projections.
- Performance.
- Internal hospital process.
- Learning and growth of the employees.

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*Figure 1: Conceptual Framework*
7. Research Methodology

The study adopted the descriptive research design. The most used approaches are qualitative research and quantitative research (Saunders, 2003). The researcher’s choice of design was driven by the desire to acquire useful and accurate information. This research was about staff turnover and how it affects the organizational performance of private hospitals in Kilifi County. In this study, the population comprised of private hospitals human resource managers, Administrators, assistant administrators, departmental heads and finance officers. The table below summarizes the data that was collected. The researcher used a population census and the study entailed population census of a total of 53 people. The basic method of data collection was a questionnaire. In the research, questionnaires were issued to the identified population. The researcher only used the closed ended questionnaire. There were four sections with closed questions. The first part captured the general information of the hospital such as residency in the business, number of workers, level of representative turnover and money related execution status. The subsequent area contained inquiries with respect to the impact of willful turnover on authoritative presentation. The inquiries in the third segment identified with an automatic turnover on authoritative execution. The last section asked questions on functional and dysfunctional turnover. Annual report, journals and published materials related to the issue in the research were taken into account as the second hand of information. The information was collected via polls. The polls were gathered and coded into SPSS programming which was utilized to draw surmising from the recorded information. This included spellbinding measurements for instance recurrence appropriation tables. The point of utilizing illustrative insights is on the grounds that it empowers a scientist to seriously depict a circulation of scores or estimation utilizing measurements/lists. The information gathered was lined up with the examination questions and targets so deduction could draw for far-reaching perceptions and exchange that lead to valuable ends and proposals for the exploration study. The inferential insights incorporated Pearson's connection and relapse investigation. So as to set up the factual importance of the free factors on the needy variable a numerous straight relapse investigation was utilized.

8. Data Analysis Results

Table 1 shows the results of the Pearson Moment Correlation analysis.

Table 1 Correlations

<table>
<thead>
<tr>
<th></th>
<th>Organizational Performance</th>
<th>Voluntary Turnover</th>
<th>Involuntary Turnover</th>
<th>Functional Turnover</th>
<th>Dysfunctional Turnover</th>
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<td>47</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>Pearson Correlation</td>
<td>.215**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>.046</td>
<td>47</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Involuntary Turnover</td>
<td>Pearson Correlation</td>
<td>.078**</td>
<td>.605**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>.031</td>
<td>.000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The table illustrates weak positive correlation between voluntary employee turnover and organizational performance in private hospitals in Kilifi County as shown by $r=0.218$. Involuntary turnover was also found to have a weak positive relationship with organizational performance ($r=0.078$). The third independent variable functional turnover had a moderate positive relationship with organization performance as shown by $r=0.401$. Lastly dysfunctional turnover had a weak positive relationship with organizational performance as shown by $r=0.111$. The results are in agreement with Anzazi (2018) who revealed that reward management, profession growth management, employee health and safety and staff member inspiration have a positive influence on the organizational performance.

The results for multiple regression analysis were presented in the following three tables. The results are shown in Table 2.

**Table 2 Model Summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.416a</td>
<td>.173</td>
<td>.095</td>
<td>.46853</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Dysfunctional Turnover, Functional Turnover, Involuntary Turnover, Voluntary Turnover

The relationship between the variables under examination is shown by R which is the correlation coefficient. There is, therefore, a moderate relationship as shown by R=0.416. The adjusted R square indicates that there was 17.3% variation of organization performance as a result of a change involuntary turnover, involuntary turnover, functional turnover and dysfunctional turnover. The remaining 82.7% is the contribution of other factors affecting the performance of the private hospital in Kilifi County which the current study did not focus on. In order to establish whether the model was a good fit, the study computed analysis of variance (ANOVA). The findings are presented in Table 3.

**Table 3 ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1.934</td>
<td>4</td>
<td>.484</td>
<td>2.203</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>9.220</td>
<td>42</td>
<td>.220</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>11.154</td>
<td>46</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Organizational Performance

b. Predictors: (Constant), Dysfunctional Turnover, Functional Turnover, Involuntary Turnover, Voluntary Turnover
The findings in table 3 show that p-value (0.045) is less than 0.05 the selected level of significance and therefore the model was a good fit. It can, therefore, be concluded that voluntary turnover, involuntary turnover, functional turnover and dysfunctional turnover significantly explain changes in the performance of private hospitals in Kilifi County. Further, a regression function was extracted from the findings presented in table 4.

Table 4 Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1 (Constant)</td>
<td>2.474</td>
<td>.517</td>
<td>4.783</td>
<td>.000</td>
</tr>
<tr>
<td>Voluntary Turnover</td>
<td>.106</td>
<td>.148</td>
<td>.137</td>
<td>.713</td>
</tr>
<tr>
<td>Involuntary Turnover</td>
<td>-.062</td>
<td>.141</td>
<td>-.080</td>
<td>-.441</td>
</tr>
<tr>
<td>Functional Turnover</td>
<td>.318</td>
<td>.127</td>
<td>.396</td>
<td>2.496</td>
</tr>
<tr>
<td>Dysfunctional Turnover</td>
<td>-.059</td>
<td>.133</td>
<td>-.077</td>
<td>-.443</td>
</tr>
</tbody>
</table>

*a. Dependent Variable: Organizational Performance*

Organizational performance of the private hospitals in Kilifi is significantly explained by voluntary turnover as shown by $\beta=0.106$, $P=0.002$. This shows that employee voluntary turnover positively relates to the organizational performance of private hospitals. It, therefore, implies that an increase in voluntary turnover is equal to a 0.106 increase in organizational performance of private hospitals. Employees who voluntarily leave are likely to have dissatisfaction with the organization or the job and therefore their performance may have decreased. Their departure may, therefore, lead to a slight increase in organization performance. The results are in agreement with the findings of Vuyisile (2016) who exposed that personnel turnover triggers reduction in effective service delivery to the clients and shows improperly on the image of the organization. Further, the organizational performance of the private hospitals in Kilifi is significantly explained by involuntary turnover as shown by $\beta=-0.062$, $P=0.031$. This shows that employee involuntary turnover negatively relates to the organizational performance of private hospitals. It, therefore, implies that increasing involuntary turnover by one unit would lead to a decrease in organizational performance of private hospitals by 0.062. Involuntary turnover may have been caused by circumstances beyond the control of the organization and sometimes the employees. Employee's performance may have been satisfactory and therefore their exit may lead to reduced performance. The results concurs with the findings of Momanyi and Kaimenyi (2015) who showed that supervisory elements contribute to nurse turnover, nurse promotion practices and efficiency of personnel development programs were positively related to nurse turnover.

Concerning the third variable, the organizational performance of the private hospitals in Kilifi is significantly explained by functional turnover as shown by $\beta=-0.318$, $P=0.017$. This shows that employee functional turnover positively relates to the organizational performance of private hospitals. In functional turnover, most of the employees who leave are poor performers hence if they leave, the organization performs better. The results agree with the findings of Fanou (2018) who concluded that voluntary and involuntary turnover reduces competitive advantage. The management style was also found to have a positive and significant effect on the competitive advantage. Finally, the organizational performance of the private hospitals in Kilifi is significantly explained by dysfunctional turnover as shown by $\beta=-0.059$, $P=0.043$. This shows that employee dysfunctional turnover negatively relates to the organizational performance of private hospitals. It, therefore, implies that increasing dysfunctional turnover by one unit would lead to a decrease in organizational performance of private hospitals by 0.059. In employee dysfunctional turnover most of the employees who
leave may not necessarily be poor performers and therefore their departure may lead to decreased organizational performance. The outcomes are in concurrence with the discoveries of Maryam (2016) who featured that high staff turnover expands remaining task at hand to current representatives in Barclays bank Tanzania Limited and that faculty turnover triggers decline in effective help conveyance to the customers and thinks about deficiently the picture of the Barclays bank limited in Tanzania.

9. Conclusions

Based on the outcomes, the research study concludes that voluntary staff member turnover was positively and substantially related to the organizational efficiency of the chosen private hospitals in Kilifi County. The research study also concludes that voluntary employee turnover in the chosen private health centers in Kilifi County is based upon the absence of career modification of the staff members, insufficient of the training programs, absence of effective work and labor need. The study also concludes that involuntary turnover has a significant negative relationship on the organizational performance of the selected private hospitals in Kilifi County. The study further concludes that the main factors that cause the involuntary turnover comprise of harsh employee disciplinary systems, economic factors and health-related issues. Based on the results of the study, the study concludes that functional turnover was significantly and positively related to the organizational performance of selected private hospitals in Kilifi County. The study also concludes the significant factors of the functional turnover among the selected private hospitals in Kilifi County include the departure of part-time employees, departure of permanent employees, departure of poor performers and the employment system. Additionally, the study concludes that dysfunctional employee turnover has a significant adverse effect on the organizational performance of the selected private hospitals in Kilifi County. Besides, the study concludes that dysfunctional employee’s turnover among the selected private hospitals in Kilifi County contributes to the cost of employees’ exit, enhances skill loss and client dissatisfaction is the major cause of the turnover.

10. Recommendations

Based on the study conclusions, the study recommended that management should improve employee compensation and offer training to their employees as they contribute to employee voluntary exit. Private hospital’s management should also plan for the career development of their employees to increase their level of commitment. There is also a need to improve public relations so as to create a positive image of the hospitals. It is also important to ensure employees have manageable workloads. Whereas some of the causes of involuntary turnover like death and retirement cannot be avoided, the management should enforce measures to reduce cases of indiscipline and fraud which causes involuntary turnover among the employees in the private hospital in Kilifi. Measures should also be put in place to help improve the health of the staff and reduce stress levels. A good system of employment should be put in place to promote retention of good performers and release of poor performers especially if they cannot be improved. It also recommends that there are times when a private hospital cannot avoid undertaking retrenchments and layoffs for the sake of performance of the organizations. Finally concerning dysfunctional turnover, the study recommends that it should be avoided as it negatively affects organization performance. Measures should, therefore, be put in place to discourage the departure of competent and high performing employees. The findings of this research study are expected to be of excellent significance to numerous researchers associated with service administration, especially those performing studies related to staff turnover and organizational performance. The recorded report of this
research study will be quickly obtained from the library and it will equip the learners with more knowledge and skills on factors contributing to worker turnover

References


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