FACTORS INFLUENCING EMPLOYEE TURNOVER IN THE TEXTILE AND APPAREL INDUSTRY

BY:

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DECLARATION

I declare that this management project is my original work and has not been presented for a degree in any other University for examination.

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The Management Project has been submitted for examination with my approval as University Supervisor.

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DEDICATION

This research project is dedicated to my mum, dad, Rachel, Grace, Martin, Anne, Maureen and the rest of my family, and friends.
ACKNOWLEDGEMENT

My utmost gratitude goes to God for seeing me through the entire period. 'And if we know that He hears us in whatever we ask, we know that we have the requests that we have asked of Him'.

Many thanks to my supervisor, Muindi Florence, for her time, patience, great guidance and very constructive criticism. Without her tireless supervision I would not have completed this study. God bless you.

To my loving and most deserving parents; my mum Pauline Njoroge, my dad Washington Njoroge, and the rest of my family I am indebted to you for all your support. Thank you.

I cannot forget Basilio Kihara and other research assistants, and the management at the Export Processing Zone for making this research project a success.

Finally I wish to thank my MBA lecturers and colleagues in the programme. Thank you for all your input.

God bless you all.
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The study was focused on Export Processing Zone companies in Nairobi and Athi River which are regarded as being outside the customs territory but are restricted by controlled access. The study sought to assess the factors perceived to lead to voluntary employee turnover among the industry workers.

For determining the responses to employee turnover, reference was made to previous secondary data on studies done on employee turnover in other industries. Five companies were picked to form the sample of the study using random sampling method. For a representative sample and to obtain representative results, ten employees from each company were picked. They included senior, middle and lower level employees.

The study found that multiple factors contributed to employee turnover albeit at different percentages. The effect of turnover was evidenced across the board, from senior management to lower level employees, and suggestions were offered on ways that management can employ to reduce employee turnover.

The main factor perceived to contribute to employee turnover was remuneration, whereby most of the respondents were dissatisfied with their pay. To this effect, the study recommended to stakeholders to be involved in improving the employees pay.

The study used primary data collected through a questionnaire administered to fifty employees located in EPZ’s in Ruaka Nairobi and Athi River. However, only forty five of the respondents were receptive.
CHAPTER ONE

INTRODUCTION

1.1 Background

At the beginning of the industrial revolution, in the last half of the 19th Century, organizations were formed around machine process. However, growth in business, competition and increasing size during sixties and seventies led to the need for attracting and retaining talented people, with the increased recognition of the importance of human resources and their contribution to the survival of the organizations (Saiyadain, 1992). With the hiring of human resources comes labour turnover.

Labour turnover refers to the rate at which an employer gains and losses employees (Schlesinger and Heskett, 1991). It is the total movement of employees in and out of an organization. The term is commonly used to refer to ‘wastage’ or the number of employees leaving (Hackett, 1998). There are different reasons as to why employees leave an organization; this study will explore these possible reasons.

1.1.1 Employee Turnover

Nzuve and Singh (1992) define labour turnover as the flow of manpower out of and into an organization. Employee turnover is concerned with movement of individuals into jobs (hirings) and out of jobs (separations) over a particular period; it is the movement of employees into and out of ongoing jobs in establishments or firms. Workers leave firms and firms hire other workers to replace them regardless of whether the firm itself is growing or declining (Schlesinger and Heskett, 1991).

Much of the movement is undesirable and is a reflection of unrest and unnecessary or at least unwarranted cost, yet some of such movements maybe desired and even planned by the management. It is usually convenient to measure it by recording movements out of the firm on the assumption that a leaver is eventually replaced by a new employee. The term ‘separation’ is used to denote an employee who leaves for any reason (Nzuve and Singh, 1992).
Labour turnover or wastage may also be the analysis of people leaving the organization. This analysis provides data for use in supply forecasting, so that calculations can be made on the number of people lost who may have to be replaced. The analysis will also provide information that will indicate whether any action is required to improve retention rates (Armstrong, 2006).

When researching turnover, management is usually concerned with learning more about voluntary turnover—the reasons why good employees quit. Those who retire or are terminated for unsatisfactory performance are generally not the focus of research. Because job dissatisfaction is a significant cause of turnover, researchers often pinpoint specific areas of work that are causing high levels of dissatisfaction (Carrell et al., 1995).

Workers form expectations (perceptions) of an organization before even joining it, the perceptions formed will in effect, influence their decisions to either stay on the job or leave. The perceptions formed will be channeled toward how management should address issues affecting them. If these perceptions are not met, discontentment results and may lead to the resignation of the employee (Mungumi, 2002). The perceptions they form that influence their leaving are of concern in this research study.

Employees may share the same expectations but in most cases they differ. For instance, while some will be concerned with pay increase or with salary and fringe benefits, others will be concerned about their career growth, while still others on the physical working environmental conditions. Human resource personnel must therefore ensure they have in place ways of dealing with these differences and employee dynamisms, for instance, through motivational schemes, training, proper communication channels, and other approaches they may find appropriate for their organization's management, so as to reduce labour turnover (Mungumi, 2002).

Potential employees must also gain a realistic job preview before they take up a job offer. The purpose is to make sure that new staff enter an organization with their eyes wide open and do not find that the job fails to meet their expectations. A major cause of job dissatisfaction, and hence of high staff turnover, is the experience of having one's high hopes of new employment dashed by the realization that it is not going to be as enjoyable or stimulating as anticipated. It is important not to mislead candidates about the nature of the work that they will be doing (Carrell et al., 1995).
High rates of labour turnover are bad for business; conversely, a stagnant workforce with little or no movement to and from the outside world is unlikely to provide the best conditions for dynamism and innovation. Somewhere between these extremes lies the optimum level of staff wastage (Rankin 2003). Labour turnover may be a function of negative job attitudes, low job satisfaction, combined with an ability to secure employment elsewhere. On the other hand, turnover is a normal part of organizational functioning, and while excessively high turnover may be dysfunctional, a certain level of turnover is to be expected and can be beneficial to an organization (Armstrong 2006).

Human resources make up the largest proportion of the operational costs of businesses and organizations. Thus manpower planning in an organization is fundamental. By reviewing and monitoring separation rates and factors influencing the separation of employees, the management can be in a position to make improvements on actions such as reviewing the salaries and wages, human resource management policies, the working conditions, among other issues touching on employee welfare (Mungumi, 2002).

Labour turnover can be voluntary or involuntary. When an employee makes a choice or independent decision to leave an organization it is a voluntary action. It can be due to reasons such as an attractive job offer elsewhere, dissatisfaction with the working conditions and the pay package amongst other reasons (Rankin, 2003). On the other hand, involuntary turnover is independent of the employee and can be due to reasons beyond the employee's control as a company's decision to downsize or restructure maybe due to a country's economic recession, company's decision to close down all together, or the employee is sent home due to non-performance. In most cases, Personnel and Human Resource specialists and others involved in the management of employee retention are interested in those who leave voluntarily (Rankin, 2003).

There is no set level of employee turnover that determines at what point turnover starts to have a negative impact on organization's performance. Everything depends on the type of labour market in which one competes. Where it is relatively easy to find and train new employee quickly and at relatively little cost (that is, where the labour market is loose), it is possible to sustain high turnover rate. By contrast, where skills are relatively scarce, where recruitment is costly, and
where it takes several weeks to fill a vacancy, turnover is likely to be problematic for the organization (Oroni, 2006).

Causes of employee turnover are a complex mix of factors both internal and external to the organization. These can be general economic conditions, which have an important bearing on the overall availability of jobs. Thus, turnover closely follows economic swings; turnover is generally high during periods of growth (when jobs are plentiful) and low during recession and low points in the business. Local labour market affects turnover. This is determined through local economic conditions and the supply-demand ratio for specific kinds of occupations and professions in that labour market (Carrell et al., 1995).

Personal mobility or the extent to which one is bound to a particular area because of family or other social ties, is also a factor in deciding whether to leave a particular job. Also, employees who perceive a low degree of job security in their present jobs may be motivated to seek employment in organizations where they believe a greater degree of security exists. Several demographic factors have been linked to high labour turnover whereby employees with a high propensity to quit are young with little seniority and are dissatisfied with their job. Employees with relatively large family responsibilities tend to remain on the job (Carrell et al., 1995). In a later chapter, the study will explore more possible factors that lead to employee turnover.

In industrialized countries, labour turnover accelerates in periods of economic growth primarily because new job opportunities encourage people to change jobs voluntarily. In contrast, labour turnover declines during economic downturns as enterprises cut costs to by reducing new hires and resorting to redundancies which deter workers from changing jobs voluntarily. The main reason for this is heightened perception of job insecurity. There is a reluctance to quit voluntarily because of weak demand of labour and risk aversion from job mobility (Andisi, 2006).

Labour turnover attracts interest given that instances of turnover are the result of decisions to leave. These decisions are then characterized by momentus representing a defining point in a person’s career and life history (Sheridan and Abelson 1983). Some theorists have challenged this assumption, pointing to decisions to turnover which are governed by non-work considerations, or are impulsive (Mobley 1982), or to the employees who have a more casual attitude towards employment (Mungumi 2002).
1.1.2 The Kenya Textile and Apparel Industry

This part of the research study provides an analysis of the Kenya textile and apparel industry, how the changes in this industry took place and how this influenced employee turnover.

Agriculture is the base for economic growth, employment creation and foreign exchange earnings in Kenya. The sector accounts for about 24% of Kenya’s Gross Domestic Product (G.D.P.), contributes more than 50% of the country’s export earnings and employs about 75% of the population. Cotton production offers the greatest potential for increased employment, poverty reduction, rural development and generation of increased incomes in arid and semi-arid areas of the country (Waithaka, 2005). The sub-sector, due to its promising effect to the growth of the country’s economy, has been classified a core industry by the Kenyan government (Gitachu, 2008).

Since independence, the textile industry was the engine of growth in the private sector which created numerous jobs, and became the second largest employer after civil service (Bedi, 2003). The institutional framework regulating the textile and apparel industry in Kenya is placed under two government ministries: The Ministry of Trade and Industry oversees issues related to the trade, while The Ministry of Agriculture gives the framework for cotton growing and irrigation schemes (Omolo, 2006). The industry was divided into three segments namely yarn, fabric and apparel manufacture (Bedi, 2003).

The Kenya cotton-textile apparel industry has gone through major phases. At independence, private ginners dominated the industry. Over the following ten years, the government helped cooperative societies to buy the private ginners from the colonialists and instituted a regime of controlled margins and fixed far-gate cotton prices. Kenya being an agro-based economy where climatic conditions suited the growing of cotton, led to industrial focus towards the production of cotton. The supply chain included the growing of cotton, ginning, spinning cotton yarn, fabric manufacture, apparel (garment) manufacture then export and retailing (Ikiara and Ndirangu, 2002).

The textile industry sub-sector was identified as one of the activities that could help bring about rapid economic development in the newly independent Kenya. As such, it was classified as a core industry and granted official government protection. Under this policy, there was a rapid
investment in the sector, raising the number of weaving mills from six at independence to 52, along with 110 registered large scale garment manufacturing units (Malone, 2003). The actual number of small scale garment manufacturing units has never been documented but would be safe to state that the total capacity to make garments in the country is way above the demand (Bedi, 2003).

On average each firm employed 240 skilled and 208 unskilled workers in 2000. However, there was substantial variation in employment levels across firms. For instance, the number of skilled workers ranged from 21 to 800 while the number of unskilled workers ranged from 0 to 600. The average firm had 24 expatriate workers but the number ranged from 0 to 346 (Ikiara and Ndirangu, 2002).

As a result of the official policy and government protection, prices of textile goods became unnecessarily high because the manufacturers were assured of a captive market. By the end of the 1970’s however, due to military unrest in the region, Kenya had become the operational base for humanitarian organizations serving refugees. Some of the aid passing through consisted of used and discarded clothes from the developed countries. These items gradually found their way into the local garment market. One direct consequence of this growth was that investment in the textile sub-sector stagnated. By the 1990’s the importation of garments coupled with other negative factors was causing the sub-sector considerable strain (Malone, 2003).

By the time the government begun to re-liberalize the industry in 1991, it was in tatters; cotton production had almost ground to a halt, many ginneries had either collapsed or had excess capacity, and many textile firms had collapsed. This led to enormous job losses (Ikiara and Ndirangu, 2002). In the past few decades, textile and apparel companies have been struggling to reinvent themselves. By investing in new technologies, merging to reduce costs, employing offshore plants to perform certain operations, and developing new products and services, they have been attempting to find a niche in the international market (Gitachu, 2008).

Kenya inaugurated the Export Processing Zones (EPZ) programme in 1990 as part of the Export Development Programme being undertaken by the government to transform the economy from import substitution to a path of export led growth. The country’s EPZ programme is covered under EPZ Act, (Chapter 571, Laws of Kenya). The Act defines EPZ as “...a designated part of
investment in the sector, raising the number of weaving mills from six at independence to 52, along with 110 registered large scale garment manufacturing units (Malone, 2003). The actual number of small scale garment manufacturing units has never been documented but would be safe to state that the total capacity to make garments in the country is way above the demand (Bedi, 2003).

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Kenya where any goods introduced are generally regarded, insofar as import duties are concerned, as being outside the customs territory but are duly restricted by controlled access...” The objective of the programme is to promote exports, foreign exchange earnings, transfer of technology and skills, employment creation and enhancement of industrialization (Omolo, 2006).

EPZ’s are designed to integrate Kenya into the global supply chain and attract export-oriented investments in the zones, thus achieving its economic objectives of job creation, diversification and expansion of exports, increase in productive investments, transfer of technology and creation of backward linkages between the zones and the domestic economy (Waithaka, 2005).

Further, part of the realization for revival of the industry was that the cotton-textile industry offers unique opportunities for increased employment, poverty reduction, rural development and generation of increased incomes. Another source of motivation was the enormous market prospects presented by the African Growth and Opportunity Act (AGOA) passed by the United States of America (USA) congress in 1999 (Omolo, 2006).

Table 1 indicates the number of textile and apparel firms and the employment rate for each year.

Table 1: Employment Rate in Respective Years

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NO. OF FIRMS</th>
<th>EMPLOYMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>6</td>
<td>6,487</td>
</tr>
<tr>
<td>2001</td>
<td>17</td>
<td>12,002</td>
</tr>
<tr>
<td>2002</td>
<td>30</td>
<td>25,288</td>
</tr>
<tr>
<td>2003</td>
<td>34</td>
<td>32,095</td>
</tr>
</tbody>
</table>

Source: EPZA 2005
As reflected in Table 1, the level of employment within EPZs has grown over time from a negligible proportion to noticeable numbers. According to Omolo (2006), direct employment of Kenyans in all EPZ firms had grown from 37,723 workers in 2004. The number of expatriate workers has been low as compared to the local workers mostly due to the availability of labour locally.

The export oriented apparel sector in Kenya achieved tremendous growth due to the increased access to the USA under AGOA. Through AGOA, Kenya enjoys duty-free entry into the USA market for clothing cut and made up in Kenya. Most of the new clothing factories have been established within the Export Processing Zones (EPZ) where generous tax incentives, ready factory shells, access to superior infrastructure and operational support are provided. By the end of the year 2004, the EPZ clothing sector had employed 34,614 workers in 30 factories (Waithaka, 2005).

However, there has been deterioration in the purchasing powers of the majority of the population, thereby reducing effective demand for textile products, cheap imports (Omolo, 2006), and the end of the quota system that limits textile and apparel imports into the USA and other nations for all members of the World Trade Organization (Abernathy et al, 2004), exposing the country to stiff competition on third markets from more established manufacturing economics such as China. Consequently, a number of firm closures and layoffs have been reported in the country’s textile industry. Preliminary reports indicate that more than 12,000 jobs have been lost due to factory closures and reduced operations (Omolo, 2006).

The internal environment provides the foundation on which an organisation establishes a firm base so as the demands of the external environment does not lead it away from its ultimate goals. Numerous issues may lead to employee turnover in such an industry raked with enormous challenges. It is important to note that the degree to which it is possible to influence turnover should be assessed alongside any measures of turnover (Bedi, 2003).

1.2 Statement of the Problem

The textile and apparel industry was an important part of the economic growth in the Kenyan history. It was the engine of growth in the private sector which created numerous jobs. But due to the stagnation of the textile sub-sector, numerous jobs have been lost. High labour turnover is
costly, lowers productivity and morale among employees and tends to get worse if not dealt with (Nyaga, 2004).

The garment industry has been faced by numerous closures. For instance, thousands of sewing machines lie unused in one of the production units at Upon Wasana, a textile factory located in Ruaraka, on the outskirts of the Kenyan capital, Nairobi. As a result, all but 275 of Upon Wasana's 2,160-strong workforce were retrenched. Managing director, Bandu Udalgama, says a reduction in orders from the United States amounting to 800,000 dollars in the previous four months has forced the layoffs. Another Kenyan textile firm, United Aryan, faced similar difficulties. Previously they were manufacturing 300,000 pieces every month. But due to reduced business, they could do only 150,000 to 130,000 pieces, stated the General Manager, Amit Bedi. This coupled with the high production costs - water and electricity - they soon had to lay off workers. In 2005, some 6,000 jobs had already been lost, and four major factories - which were well-established - shut down. Others were relocating to other countries (Mulama, 2005).

In view of the nature of the textile industry, the more recent studies have focused on the challenges that have led to the near collapse of the industry. For instance, Omolo (2006) focused on the growth and challenges that have faced the textile and apparel industry over time, and more so the EPZs management's refusal of their employees to join the legitimate trade union body in Kenya, Tailors and Textile Workers Union (TTWU). Waithaka (2005) focused on historical overview of the industry, industry structure and production, the challenges and performance of the industry's market, legal framework and investment opportunities in the textile and apparel industry. These researches create a clear understanding of the Kenya textile and apparel industry.

There are other academic studies on factors for labour turnover in other industries. Mungumi (2002, unpublished) focused his study on employee perception of factors that influence labour turnover in the Micro-Finance Institutions in Kenya. Oroni's (2006, unpublished) study focused on labour turnover in the state corporations (Kenya Wildlife Service). Additionally, Andisi's research (2006, unpublished) focused on factors that are associated with labour turnover among health professionals in Kenya. To the best of my knowledge, no research has been done in the textile and apparel industry specifically on employee turnover. Therefore, this study sought to determine the perceived factors that are associated with employee turnover in the textile and apparel industry.
1.3 Research Objective

The study's main objective:

a) To establish main perceived factors leading to voluntary employee turnover in the textile and apparel industry in EPZ's in Nairobi and Athi River.

1.4 Significance of the Study

The human resource factor is very fundamental to the long term sustainability of any firm. It is expected that the results of the study will enable human resource managers measure the cost of employee turnover in the textile and apparel firms.

The study wishes to add to the scope of knowledge and therefore academicians could use the findings of this study as a foundation base for further research on labour turnover in this and other sectors/industries as well.

It will bring to light the current factors leading to labour turnover in the textile and apparel industry enabling other companies forecast the cost of losing or hiring employees.
CHAPTER TWO

LITERATURE REVIEW

2.1 Overview of Labour Turnover

In human resources context, labour turnover is the rate at which an employer gains and losses employees. If an employer is said to have a high turnover relative to his competitors, it means that employees of that company have a shorter average tenure than those of other companies in the same company. High turnover can be harmful to a company’s productivity if skilled workers are often leaving and the workers’ population contains a high percentage of novice workers (Schlesinger and Heskett, 1991).

Turnover can be classed as internal or external. Internal turnover involves employees leaving their current position, and taking a new position with the same organization. Both positive (such as increased morale from the change of task and supervisor) and negative (such as project/relational disruption) effects of internal turnover exist, and thus this form of turnover may be as important to monitor as its external counterpart (employees leaving/exiting a firm for another). Turnover can also be voluntary, initiated at the choice of the employee to leave an organization, and involuntary instances where the employee has no choice in their termination (such as long term sickness, death, moving overseas, or employer-initiated termination) (Schlesinger and Heskett, 1991).

Labour turnover or staff wastage is largely unavoidable in an industrial environment. It is to some extent necessary in order to strike the optimum balance between an inflow of fresh but inexperienced staff for continuity. However, turnover rates vary widely between firms. The problem for the personnel manager is that it is often far from, or a particular department, is high or low. Having accepted the inevitability of labour turnover, personnel managers need to have some idea of the underlying determinants in order to develop effective procedures to control or minimize its occurrence (Mungumi, 2002).

If an organization fails to place and direct human resources in the right areas of the business at the right time and the right cost, serious inefficiencies are likely to arise creating considerable operational difficulties and likely failure. Human resources are considered the most valuable, yet
the most volatile and potentially unpredictable resources which an organization uses (Mungumi, 2002).

2.1.1 Voluntary Labour Turnover

Employee turnover occurs when employees voluntarily leave their jobs, and must be repeated. Turnover is the voluntary cessation of membership of an organization by an employee of that organization. Voluntary turnover is the instance where the employee controls the leave process. Where an instance of turnover is genuinely voluntary, this instance represents an exercise of choice and is the result of a decision process (Morell et al., 2001).

People leave for a variety of reasons, many of which are wholly outside the power of the organization to influence. There are some common factors of leaving: outside factors relate to situations in which someone leaves for reasons that are largely unrelated to their work. These common instances involve people moving away when a spouse or a partner is relocated. They include pressures associated with juggling the needs of work and family and illness. To an extent, such turnover is unavoidable, although it is possible to reduce it somewhat through provision of career breaks, forms of flexible working and/or childcare facilities (Carrell et al., 1995).

Functional turnover includes resignations that are welcomed by both employer and employee alike. The major examples are those which stem from an individual's poor work performance or failure to fit in comfortably with an organizational or departmental culture. The main solution is the reduction of functional turnover lies in improving recruitment and selection processes (Carrell et al., 1995).

Push factors stem from dissatisfaction with work or the organization, leading to unpaid turnover. A wide range of issues can be cited to explain such resignations such as insufficiency of development opportunities, boredom, ineffective supervision, poor levels of employee involvement and straightforward personality clashes. Organizations fail to address these issues because of absence of mechanisms for picking up signs of dissatisfaction. If there is an opportunity to voice concerns, employees who are unhappy will inevitably start looking elsewhere (Torrington et al., 2005).
Pull factors are from the attraction of rival employers. Salary levels are often a factor here, employees leaving in order to improve their living standards. In addition, there are broader notions of career development, the wish to move into new areas of work for which there are better opportunities, the chance to work with particular people, and more practical questions such as commuting time. For an employer, there is a need to be aware of what other employers are offering and to ensure that as far as possible this is matched—or at least that a broadly comparable package of pay and opportunities is offered. They can also try to ensure that employees appreciate what they are currently being given. The emphasis here is on effective communication of any ‘unique selling points’ and of the extent to which opportunities comparable to those offered elsewhere are given (Carrell et al., 1995).

2.1.2 Labour Turnover Globally

Labour turnover, or staff wastage, is largely unavoidable in any industrial environment; labour turnover rates vary widely by type of business and the economic health of the region where companies are located (Owen, 2004). The rise of the large scale firms in the late nineteenth century and the decreasing importance of agricultural employment meant that a growing number of workers were employed by firms. It was only in this context that interest in measuring labour turnover and understanding its causes began (Carter, 1988). The problem for the personnel manager is that it is often far from clear why turnover rates in a particular firm, or a particular department, are high or low. Labour turnover is typically measured in terms of the separation rate: quits, layoffs and discharges (Owen, 2004).

In advanced industrial countries, labour turnover accelerates in periods of economic growth primarily because new job opportunities encourage people to change their jobs voluntarily. In contrast, labour turnover declines during economic downturns as enterprises cut costs by reducing new hires and resorting to redundancies, which deter workers from changing jobs voluntarily (Andisi, 2006).

The global business environment is experiencing an economic slowdown, also known as a recession. An economic recession refers to two quarters of negative economic growth. A recession is characterized by increase in government borrowing, decrease of share and stock
prices, falling investments, and by rising unemployment (Bhushan, 2008). The reason for the employee wastage is a cost-cutting measure undertaken by an organization.

The global economic slowdown and the accompanying cash crunch have hit businesses across all sectors putting them under enormous pressure to cut back on expenses. In the current economic hardships, many businesses are often entangled in dilemma situations where maintaining staff strength poses a heavy financial burden while retrenching can seriously erode staff morale. Management experts are proposing several ways to retain valuable staff and also keep costs down. There is the option of putting staff on part-time, or encourage them to use extended holiday leave in the hope that the market will change (Mugambi, 2009).

The International Labour Organisation projected that unemployment could increase by forty million people globally by end of 2009 (Githongo, 2009), the number totaling to two hundred and ten million people this year (Anami, 2009), a disproportionate number of them migrant workers. Hordes of professionals from the diaspora in the British, North American and European markets are returning to their countries, echoing the decline in diaspora remittances over the past year. Turnover has been reported in the financial sectors, Information and Communication Technology (ICT) sectors, manufacturing, engineering and few in health and education sectors (Githongo, 2009).

Employees resign or leave organizations for many different reasons. Apart from an unstable economic environment as discussed in this section of the study, it can also be due to an attraction of a new job, or dissatisfaction in their present jobs hence seeking alternative employment. Additionally, a change in domestic circumstances outside of the control of any employer (as is the case when someone relocates with their partner or spouse) or a lack of training and development opportunities may lead to staff turnover (Philip, 1990).

In his study on labour turnover, Rankin (2003) focused on how labour turnover is manifested and its costs analyzed theoretically. He studied the impact of turnover on organizations in general and critiqued various models of turnover, and organizations that measured their levels of labour turnover but fail to quantify their impact. However, his study failed to give a practical example of an organization to illustrate his findings on the factors associated with labour turnover, thus making it not possible to have an empirical view on his findings.
When employees leave an organization, the effects can be positive or negative; a greater understanding of the process of labour turnover can influence the degree to which organizations can keep labour turnover controlled.

Labour turnover is a major issue to most employers; it is an important and pervasive feature of any labour market. It affects both workers and firms. Workers experience disruption, the need to learn new job specific skills and find different career prospects. Firms, on the other hand, lose job specific skills, suffer disruption in production and incur the costs of hiring and training new workers (Oroni, 2006). Studies in the textile and apparel industry have been carried out by various researchers in selected countries revealing challenges on labour turnover that many companies have experienced.

A study by Nohcn (2009), showed that the India textile industry had gone through a metamorphosis from being a “cottage” industry to the state of supremacy. The industry is the second largest employer in India, next to agriculture. It generates employment opportunities for approximately 33.17 million workers directly, and 54.85 million workers indirectly making a massive total of 88.02 million (Nohcn, 2009). Until the clutch of recession, it was one of the world’s best performing industries, but now there is a downturn in the industry graph. Industry analysts predict that by the end April 2009, approximately half a million direct workers from textile, garment and handicraft sectors would lose their jobs. Considering the other people who are indirectly associated with the textile industries, total direct and indirect job losses were expected to reach six million. The economic slowdown ultimately resulted to lay-offs and retrenchments (Nohcn, 2009).

The Labour Bureau of India did a sample survey of job losses from October 2008 to the end of January 2009 and came up with 500,000 jobs in various industries like textile, garments, construction among others; the textile industry alone claims it lost 700,000 jobs by the end of 2008 (Nolen, 2009). The job losses in the current global business environment seem to be as a result of the global economic meltdown being experienced that has resulted to heavy interest rates, less domestic consumption and cancelled export orders (Nohcn, 2009).

In South Africa, the textile and clothing industry has been suffering job losses over protracted periods of time, which leads to direct loss of income for households. The South African Revenue
Services closed down thirty seven shops out of forty seven after shop owners were unable to provide the necessary official documentation providing where he merchandise came from (Lackay, 2008). In addition to recession as a cause for separation, an employer's ignorance of government policies and regulation can lead to a clear cause for employee turnover due to loss of business.

Hawkins (2003) stated that the five members of the Southern African Customs Union (SACU): South Africa, Botswana, Lesotho, Namibia and Swaziland, already enjoyed textile and apparel breaks under AGOA (which was primarily designed to give preferential treatment to support the expansion of the African textile and apparel industry through exports to the U.S) under a provision in the law that allowed the nations to import fabrics from elsewhere in the world—primarily from Asia—and still enjoy special access to the American market.

However, AGOA benefits to the Sub-Saharan Africa's (SSA) textile and apparel shipments had an inverse cost to the American market. For the first eleven months of 2002, SSA’s textile and apparel had increased significantly and jobs created in the eighteen countries that qualified for AGOA benefits. In contrast, 46,000 American textile industry jobs were lost in 2002, as imports continued to grow and exports declined. Due to the economic downturn job losses have been large not only in the textile and apparel industry but across nearly all major industry sectors (Omolo, 2006).

There is need to identify in more detail the factors that contribute to labour turnover more so in the current business environment to be able to appreciate the magnitude of the situation.

2.2 Labour Turnover in Kenya

Before carrying out a study in the export processing zone, it is imperative to have a brief understanding of employee turnover in the Kenyan market. Organizations cannot escape the effects of operating in a turbulent dynamic and ever-changing environment. The forces of change are so great that the very success and survival of any organization is dependent on how well they respond to change and whether they can actually stay ahead (Andisi, 2006). Furthermore, a firm should pay close attention to the rate at which the employees stay in an organization, or leave. Regardless of good planning, organizations cannot retain all their employees, since, in reality,
staff wastage has to occur through redundancies, retirement, transfers, natural deaths and resignations (Mungumi, 2002).

Organizations need to keep the rate of labour turnover at a minimum. This minimum rate depends on the size of the labour force in the organization, the industry, working conditions and remuneration, among other factors (Mungumi, 2002). Whereas there is no universally acceptable rate of labour turnover, ten to fifteen percent rate may be acceptable in some organizations (Klein and Weiss, 1991).

Burdett and Mortensen (1998) stated that firms paying high wages and making low profits per worker, experienced low turnover, while firms paying low wages and making high profits, had high turnover. This could be interpreted to mean that as long as a firm paid its workers high wages they would get used to the firms working policies, and were bound to stay longer in the firm than those workers who made high profits for the firm but paid low wages. Both situations could be harmful to a firm (Burdett and Mortensen 1998). A research study carried out by Andisi (2006) favoured this argument. According to the findings, poor remuneration was a factor cited as associated to labour turnover among employees in the Health Sector in Kenya.

However, a firm that paid highly maybe kept non-performers in the payroll hence compromising high production; those paying low wages but getting high profits may have experienced turnover related costs of selecting and recruiting new workers, among other costs of high turnover (Burdett and Mortensen 1998).

Mungumi’s (2002) study in the Micro-Finance Industry (MFI) in Kenya indicated that the success or failure of institutions in the MFI depended to a large extent on their ability to attract qualified and experienced personnel and to retain them. This can, however, be disputed in the cases where, due to an economic slowdown being experienced in a country, an organization might opt for layoffs as a cost cutting measure and those qualified and experienced personnel may also be laid off.

Creation of productive and sustainable employment opportunities and poverty reduction has been one of the policy objectives of the Kenyan government since independence. However, the effects of post-election violence earlier the previous year and the ripples from the spiraling global economic crisis (Some, 2009), challenged the policy objectives set. In addition to retrenching
staff, several companies froze business projects, renegotiated salaries of top management and put off hiring new workers until there was an improvement in the business environment (Some, 2009).

Sectors that were affected included the building and construction industry that reported massive redundancies; other sectors included manufacturing, agriculture and finance (Some, 2009). The reports, however, did not indicate other factors that influenced labour turnover in the business environment. Focus had to a large extent focused on the economic crisis. The focus of this research study was on the myriad perceived factors that influenced labour turnover in the Kenya textile and apparel industry.

Various academic papers, however, highlighted various reasons for labour turnover in other industries. Oroni (2006) study was based on labour turnover in the service providing State Corporation, Kenya Wildlife Service (KWS). According to the study, labour turnover was influenced by such factors as the age of an employee: the younger the employee the more likely they were to leave an organization as compared to the older employee who would stay in an organization longer to gain a sense of stability. Other factors included education level of the employee, their marital status, experience and length of service, and gender. However, this study focused solely on the state corporation (KWS); hence its findings could be completely generalized to other industries.

Apart from poor remuneration being associated with high turnover, other factors as inadequate training opportunities, limited opportunities for advancement, inequity in compensation, unmet expectations, and inadequate facilities were all found to sufficiently influence employee turnover. This is in the Health Sectors as researched by Andisi (2006). Cases of 'knowledge nomads' were prevalent whereby an employee left, not only an organization, but a country, in search of an organization that would offer a better working environment and a higher compensation package.

All managerial planning activities including those involving human resources must be carefully coordinated. Human resources planning must take place at every level including strategic planning; it must consider the number of people and type of skills necessary to support the productivity of an organization. If an organization fails to place and direct human resources in
the right areas of the business at the right time and at the right cost, serious inefficiencies are likely to arise creating considerable operational difficulties (Mungumi, 2002).

2.3 Factors Leading to Labour Turnover among Industry Workers

Researches previously carried out highlight a number of factors that contribute to separation/employee turnover. These included employees leaving for higher earnings and better career prospects, experiencing strain from interpersonal conflicts with managers or team leaders, or inability to fit in the organizational culture. Poor or unsatisfactory working conditions, violation of organizational rights to workers and low wages were also contributing factors. Others including age of the worker, employees' gender, education background, family commitments, marital status, unmet expectations and mediocre performance of the organization were perceived to contribute to an employee's decision to end a relationship with a particular organization.

First, employees may change jobs for a higher basic wage; and second, they may leave in order to obtain greater earnings from commissions or gratuities or other benefits. This is likely to be a major cause of turnover among those whose job skills are in short supply (Blunt, 1990). There is need for management to be aware of what other employers are offering and to ensure as much as possible this is matched or comparable in terms of pay and opportunities (Torrington et al., 2005).

Ineffective supervision, poor levels of employment and straightforward personality clashes may also lead to turnover. These issues can be addressed by the management without having the employee leave. The main reasons that they fail is the absence of mechanisms for picking up signs of dissatisfaction. If there is no opportunity to voice concerns, employees who are unhappy will inevitably start looking elsewhere (Torrington et al., 2005).

Voluntary turnover is high among workers of a certain age bracket mostly below 34 years of age, and low among those in 35 years and above age bracket. The level of tolerance to stay in the same job is high among the older age group because of the wanted sense of stability (Mungumi, 2002). Additionally, a study by Oroni (2006) indicated that the gender of employees was correlated with labour turnover. Labour turnover was high among women than men, and especially higher in married women. This may be due to family commitments (maternity care), domestic chores among others.
Education has to do with the rate at which men and women are being trained or educated for a particular kind of job. Increasing level of education decreases labour turnover in an organization if an employee was allowed to work in their area of training and interest (Betts 2000).

People will move away when unable to juggle the needs of work and family and illness, or other family commitments: pregnancy, or moving away from an area (Armstrong, 2006). Although unavoidable, such turnover could be reduced through provision of career breaks, forms of flexible working and/or childcare facilities (Torrington et al, 2005).

There was a considerable inverse relationship between wages paid out to workers and employee turnover. The lower the wages, the higher the turnover of employees; and the higher the wages, the lower the turnover rate as the employees would be willing to stay longer in that particular firm (Betts, 2000). It is sufficient to note that the reward system, the strength of leadership, the ability of the organizations to elicit a sense of commitment on the part of workers, and its development of a sense of shared goals, among other factors that form organizational culture, will influence such indices of job satisfaction as turnover intentions and turnover rate (Bernstein, 1998).

Poor or unsatisfactory working conditions may discourage new employees, unless adequate compensation is made to offset the conditions and a full explanation is given to new employees before they are hired. Poor working conditions and lack of corresponding inputs may contribute to disillusionment of workers (Andisi, 2006). Also, violation of organization rights to workers, the lack of effective channels through which employees can voice their grievances, with the hope of redress, providing an alternative to leaving a company, can contribute to high employee turnover. This exposes workers to unfair treatment and dismissals without adequate compensation schemes (Omolo, 2006).

Marital Status may be a challenging factor when making the decision to leave an organization. Those who are married had a higher propensity to quit than those who are not (Mungumi, 2002). People will move away when a spouse or partner is relocated. Such kind of turnover to some extent is 'uncontrollable labour turnover' (Blunt, 1990).
Employees may form unrealistic expectations before joining an organization. The job applicants will have unrealistic expectations about a job, a pointer to their lack of sufficient knowledge about it at the time that they receive an offer. When these unrealistic expectations are not realized, the worker becomes disillusioned and decides to quit (Bernstein, 1998).

An organization perceived to be in economic difficulty will also raise the specter of impending layoffs. Workers will believe that it is rational to seek other employment (Bernstein, 1998).

2.4 Advantages and Disadvantages of Labour Turnover

An organization ought to carry out an analysis of the number of leavers and the reasons why they leave to gain information that will indicate whether any action is required to improve retention rates. It can prompt further investigations to establish underlying causes and identify remedies (Armstrong, 2006).

Rates of labour turnover among comparable organizations provide a source of great interest for personal and human resource professionals. They afford a benchmark against which to test whether or not their organization has unusually high (or low) levels of attrition - given that there is no universal level of labour turnover that could act as a yardstick. Labour turnover data provide but one of several sources that organizations need to use when developing a retention strategy. The data can be seen as part of a process that gradually focuses down to reach the point where the root cause of staff retention can be identified (Rankin, 2003).

Rates of labour turnover represent the end point: they measure what has already occurred - the loss of members of staff. The use of exit interviews (structured conversations with staff who have tendered their resignation) and separation questionnaires (survey forms distributed to leavers for their completion) provide valuable insights into such reasons (Andisi, 2006).

However, the techniques or tools used will give information on the people who have already decided to leave or may have already left; hence, the information will be used to infer the reasons that may prompt other members of staff to resign (Mungumi, 2002).

The analysis of labour turnover is important to a business to enable it benchmark how the company fares against the national average and more specifically, competitors within the industry.
sector. Labour turnover information will enable an organization's management track trends in employee turnover within the company over time and assist in identifying problem areas, for instance departments, or other roles within the company (Mungumi, 2002).

Labour turnover rates provide a valuable means of benchmarking the effectiveness of human resource policies and practices in organizations (Armstrong, 2006). Also, the management will improve the recruitment and selection of future employees, which will in effect improve on retention of hired employees.

Employee turnover may have both positive and negative effects to a company assuming it is manageable turnover by the human resource personnel. Among the merits, labor turnover opens up promotion channels for longer-serving employees, and enables organizations to shed staff more easily when redundancies are planned (i.e. through natural wastage.). It is also, an incentive to recruit new employees (Ononi, 2006).

Due to the promotion channels, it introduces an element of self esteem among new employees which may save dismissals at a later date, and can bring in more trained out outsiders that the management would not have to retrain. Due to labour turnover, it may be easier to implement and incorporate changes in the organization. With the entrance of new employees, human resource personnel can collect information of competitors when recruiting 'new blood' (Mungumi, 2002).

However, Labour Turnover has quite a number of demerits too. There is the obvious cost of replacement; recruitment of new employees; the expense of a recruitment advertisement, or commission paid to an employer agency, and the staff time required to consider the application (Blunt, 1990).

Production is also disrupted due to the separations. The management may also begin to have doubts about the workers loyalty to the organization leading to departure of employees. The employer deals with induction and probably training costs coupled with a grace period while the new workers' effectiveness gradually improves to that of experienced staff. There is wastage in the investment of people; those who, after they gain the experience of the job from the organization, decide to quit or look for employment elsewhere. Those who leave represent a lost resource in whom the organization has spent time and money (Cole, 1997).
High turnover rates may be interpreted as symptomatic of a poorly managed organization. This creates a bad image to the organization as it is assumed that the people are dissatisfied with their employer and would prefer to leave. It will make it progressively harder to attract and recruit good performers in the future. There is the cost of payment to other employees who may work overtime and hence must be paid the overtime rates while waiting for replacements. De-motivation among continuing employees may be experienced leading to reduced customer service and/or reduced production. Labour turnover may also hinder manpower planning processes: succession planning, compensation management, training and development (Rankin, 2003).

Management's lack of information about the changes in workplace may lead to redundancies in company's productivity and growth. To avoid or minimize on labour turnover costs, management ought to collect as much information as possible about their human resource.

2.5 Identifying Problem Areas Influencing Labour Turnover

Information on labour turnover is relatively difficult to collect. This is because the workers who have already exited from an organization may be difficult to track down to get first hand information on their reasons for leaving (Mungumi, 2002). However, there are ways that the management can use to obtain information on the problem areas influencing staff wastage:

**Exit Interviews:** These are questions administered to the leavers about their reasons for resigning or quitting. The challenge experienced is that most leavers will more often than not conceal the truth. This will, however, depend on the communication culture shared within the organization; the support the individual will need from the organization in the future in the form of references or the specific reasons for leaving (Bennet and Graham, 1998).

However, exit interviews may be helpful if handled sensitively; regardless of the nature of information that the leaver offers, they should not be victimized. The leaver should be given assurance on the confidentiality of the information she or he will give in the interview. Other management personnel administer the interview rather than the line manager to make it have a casual, relaxed and informal atmosphere (Saiyadain, 2003).
It is quite time consuming to administer exit interviews. It may be better to focus the exit interview on key members of staff, the jobs that are most difficult to replace, or of most importance to the organization. It may not be cost effective to administer exit interviews on employees not based at the main office or works regular hours (Bennet and Graham, 1998).

**Attitude Surveys**: These are structured questions that ask staff about their morale, motivation and degree of identification with the organization. Such surveys can show how the employer is faring in terms of employee relations and explore employees' attitudes to proposed changes in the organization and to working practices (Mungumi, 2002).

The attitude survey information will be useful if the questionnaire used is well designed for easy information collection, employees are convinced that their replies will remain anonymous, and the information about the ethical efficient conduct analysis and use of the survey is effectively communicated (Oroni, 2006).

### 2.6 Strategies for Improving Retention/Minimizing Employee Turnover

Improving communication with employees is a measure primarily intended to improve the psychological contract between employers and their employees. Better communication paves way for a better informed and involved workforce (Rankin, 2003); have better channels of communication in which employees can voice their grievances and the same addressed by the management.

The purpose of any recruitment and selection effort is to attract qualified candidates and to select the most competent individuals from the pool of candidates. The recruitment process should sell the aspects of the organization, while giving candidates enough of realistic job preview so that they may self-select out of the recruitment process instead of the employee deciding to quit later of after they are hired. The selection should be such that the managers can make the most accurate decision regarding which job candidates will yield the highest performance once hired. The procedures must also be designed in a way to identify poor performers and those unlikely to fit comfortably with an organizational or departmental culture (Saiyadain, 2003).

Training and development is a most important organizational activity. Rapid technological changes require newer skills and knowledge in many areas. Training has to be continually
offered to keep employees updated and effective. The basic objective of training is to establish a match between employees and their job. This training is designed to improve knowledge, skills, and attitudes and, thus, equip the individual to be more effective in his present job or prepare him for a future assignment (Saiyadain, 2003). An effective training activity will help retain employees in the organization and hence, help manage turnover.

Induction is concerned with preparing new employees to work as effectively as possible and as soon as is possible in their new job. It plays an important role in helping new starters to adjust emotionally to the new workplace. It gives an opportunity to ensure that they understand where things are, who to ask when unsure about what to do and how their role fits in the organization. Generally, it provides a forum in which basic information about the organization can be transmitted. It thus, forms an important stage in the establishment of the psychological contract, leaving new employees clear about what they need to do to advance their own prospects in the organization (Torrington et al. 2005). Training constitutes a significant step in the induction of the individual into the company’s way of life. The socialization process, as the induction training is called, helps the individual to blend his/her personality with the organization. It helps an individual to know more about himself, his hopes, aspirations, and inclinations. Workers will either opt to adapt to the new environment or leave. Organizations, thus, have to provide induction training to all employees entering the organization to help them settle down (Jacoby, 1985).

Performance appraisal is the process of judging the relative worth or ability of an individual employee in performing organizational tasks. If objectively done, the appraisal can help identify a better worker from a poor one. It will provide information on areas of the employee that require training, promotion or possible demotion. It will also provide information on any dissatisfaction in the employee that may hinder their performance and resultant departure. The information can be used as a basis for counseling the employee and influencing their continued stay in the organization, hence, reducing employee turnover (Jacoby, 1985).

Compensating or paying employees for work and developing structures of compensation packages is a major responsibility of human resource management managers. A good pay package not only helps in attracting the most talented employees, but also helps in retaining them for a long time in the organization (Heathfield, 2009). Researchers specializing in retention
issues as Gamez-Mejia and Balkin (1992), Hiltrop (1999) and Capelli (2000) agree that pay has a major role to play as a satisfier, but that it will not usually have an effect when other factors are pushing an individual towards quitting. Raising pay levels may result in greater job satisfaction where people are already happy with their work, but it will not deter unhappy employees from leaving. When particular benefits such as staff discounts, holiday entitlements or private healthcare schemes, are appreciated by staff, they are more likely to have a positive effect on staff turnover than simply paying higher base wages (Torrington et al, 2005).
CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

This descriptive research used the sampling design which involved selecting items to be studied, with an aim of obtaining complete and accurate information, giving precision in achieving the objective of the study. This kind of study enabled the researcher collect data across the organization.

3.2 Population

The population of interest for the study constituted 33 firms in the garment manufacturing firms under the Export Processing Zone programme located in Nairobi and Athi River district. Due to time and budgetary constraint, the entire population in the country could not be sampled.

Kothari (2004) explained that sampling is the selection of some part of an aggregate or totality on the basis of which a judgment or inference about the aggregate or totality is made. These would give representative information of the entire population of firms under the Export Processing Zone programme.

Since the population constituted 33 firms, random sampling was used to narrow down the sample size to 5 firms. This procedure ensured that in each successive drawing each of the remaining elements of the population had the same chance of being selected. This resulted in the same probability for each possible sample.

3.3 Data Collection

The primary data was collected using a semi-structured questionnaire. A questionnaire was favoured as the data collection over other methods as it was easy to administer. The ‘drop-and-pick’ method of administering was used, so that the respondent could fill the questionnaire at their own convenient time. Questionnaires also gave responses in the respondents own words making the information first hand.
The questionnaire included structured (closed-ended) and unstructured (open-ended) questions. The structured questions were in an effort to conserve time and expense when analyzing. The unstructured questions were used in a bid to encourage the respondent to give an in-depth response in revealing any other relevant information for the study. The target respondents were senior management employees, middle management and lower level employees. This was meant to give representative information from the organization, revealing all employees responses to the issue of labour turnover.

3.4 Data Analysis

Descriptive statistics was used to analyse the data. The data was coded and entered into Microsoft Excel programme and SPSS software. These enabled the computation of percentages, measures of central tendency (mean) and measures of dispersion (the standard deviation). Data was presented using cross tabulation for example, pie charts, bar charts, and tables.
CHAPTER FOUR
DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter presents analysis and findings of the study as set out in the research objective which was to establish the perceived factors leading to voluntary employee turnover in the textile and apparel industry in Nairobi. Data was collected using questionnaires, using the drop and pick method. Data was then coded and analyzed using the SPSS programme to present the results of the study. Data was coded to facilitate basic statistical analysis using the software package SPSS.

The study was set out to interview fifty respondents but we managed to successfully interview forty-five respondents. This represents a response rate of ninety percent (90%), which is a good response rate to base conclusions on. The response rate could be explained by the fact that the researcher obtained a letter from the EPZ Authority allowing the researcher to carry out data collection in the companies, it being exclusively used for academic purposes only. Previous studies on employee turnover, for example, Andisi (2006) had elicited a 43% response rate. The response rate for this study is therefore comparatively adequate.

The results of the study are presented below.

4.2 Analysis of Demographic Information

The main objective of the study was to establish the main factors that contribute to voluntary employee turnover. The study revealed that most employees had not pursued further education after obtaining their O-level education.

Table 2: Level of Education

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>O-level</td>
<td>32</td>
<td>56.0590</td>
<td>17.80278</td>
</tr>
<tr>
<td>College</td>
<td>12</td>
<td>75.0926</td>
<td>11.92436</td>
</tr>
</tbody>
</table>
As Table 2 shows, the number of those with higher education is lower than those who have O-level education. This can be echoed in the fact that the companies rely on cheaper labour to maximize on production. It was noted that the college level employees were those in senior and middle level management. The mean difference indicates the disparity in the levels of education among the employees. Lower level of education was perceived to be a contributing factor to the incident of employee turnover.

The results also show that a majority of the workers took home a salary of Ksh.10,000 and below, relatively low earnings as shown in Table 2. This salary scale was for workers in the middle and lower level of employment. All senior level managers had a salary in the range of Ksh.10,001 and above.

Table 3: Salary Range

<table>
<thead>
<tr>
<th>Salary Range</th>
<th>Percentage</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,000 and below</td>
<td>82.0</td>
<td>82.0</td>
</tr>
<tr>
<td>10,001 and above</td>
<td>18.0</td>
<td>100.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

Table 3 indicates that a majority of the employees received a low pay. This means that the firms generally did not remunerate their employees highly. This was reflected in the fact that most of the respondents indicated that pay was a great challenge in staying employed in the apparel and textile industry. Results indicated that low earnings greatly contributed to high employee turnover as employees sought higher pay elsewhere. Reason given for the low pay was that companies’ monetary returns from sales could not afford to pay workers higher salaries.

Respondents were asked to indicate if they had been through training since being employed and if they had consequently been promoted, and the results were 64% indicated they had not been trained. Of these 73% indicated that they had not been promoted.
Table 4: Training and Promotion

<table>
<thead>
<tr>
<th>Training</th>
<th>Percentage</th>
<th>Cumulative Percent</th>
<th>Promotion</th>
<th>Percentage</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>64.0</td>
<td>64.0</td>
<td>73.0</td>
<td>73.0</td>
<td></td>
</tr>
<tr>
<td>Yes</td>
<td>36.0</td>
<td>100.0</td>
<td>27.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As Table 4 shows, promotions are not prevalent in this industry. This can be explained by the fact that most of the employees are in the production department which takes in majority of the employees. The results indicated that employees leave an organization because they do not feel adequately trained for the job they do.

In terms of basis of promotion, majority of the respondents, 54% indicated that experience was the main factor considered, with the least of them indicating education, 5%. This echoes with the earlier results where most of the employees were not graduates and were in the lower level of employment. Later in this chapter we will see that those employees with 5 years experience and below were perceived to quit more those with more that 5 years experience.

Promotion of workers was done on basis of experience as indicated in the Figure 1.
The results in Figure 1 indicate the basis of promotion in the industry. Most respondents, 54% indicated that the more experienced one was, the higher the chances of being promoted. Due to this, the propensity to quit employment was high among those who had 5 years experience and below, at 84% as indicated in the figure 2 below.

4.3 Responses to Employee Turnover

Respondents were asked to indicate the various factors they perceived led to employee turnover in the textile and apparel industry. Some factors agree with factors discussed in the literature review. The results are presented Figure 2.
Figure 2 indicates the types of employees that are likely to leave employment in the industry. In terms of gender, 59% respondents indicated that male employees were more likely to quit than female. This can be explained by the fact that female employees had more family commitments than their male counterparts and hence would tolerate the working conditions more than the male workers. These results were contrary to earlier research findings by Oroni, 2006 (in the State Corporations in Kenya) which indicated that female employees were more likely to quit than male employees.

Also prevalent was that 91% of the employees indicated that those with low earnings were more likely to quit than those with high earnings. This indicates that remuneration was a major cause of turnover among employees; it cut across the industry.

The results also indicated that 82% of the respondents showed that the young employees (below 35 years) were more likely to quit employment than the older employees. This echoes with the results by Mungumi, 2002 (micro-finance institutions) that the level of tolerance to stay in the same job is high among the older age group because of the wanted sense of stability.

On the factor of marital status, 64% of the respondents indicated that those that were not married were more likely to quit than those that were not married. This can be explained by the fact that
the married employees had more responsibilities in their lives as compared to those that were not married and hence could not afford to stay without employment.

Remuneration stands out the most as the major factor contributing to employee turnover, followed closely by experience, and then age of workers. These are pointers to the management that it was important for the policies on remuneration to be reviewed so that employees could be rewarded better.

Respondents were asked to indicate the degree to which they were content with their work and the results are as shown in Table 4 below.

**Table 5: Level of Satisfaction**

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neither Agree nor Disagree</th>
<th>Agree</th>
<th>Strongly Agree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enjoy work</td>
<td>4.0</td>
<td>16.0</td>
<td>13.0</td>
<td>40.0</td>
<td>27.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Content with policies</td>
<td>7.0</td>
<td>24.0</td>
<td>17.0</td>
<td>42.0</td>
<td>10.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Appropriate Salary</td>
<td>48.0</td>
<td>21.0</td>
<td>7.0</td>
<td>19.0</td>
<td>5.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Career growth prospects</td>
<td>48.0</td>
<td>9.0</td>
<td>6.0</td>
<td>31.0</td>
<td>6.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Good relationship between managers and workers</td>
<td>14.0</td>
<td>16.0</td>
<td>20.0</td>
<td>41.0</td>
<td>9.0</td>
<td>100.0</td>
</tr>
<tr>
<td>workers</td>
<td>18.0</td>
<td>32.0</td>
<td>14.0</td>
<td>32.0</td>
<td>4.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
As shown in the results 40% of the respondents enjoyed their work, as opposed to the 4% who did not. However, 48% strongly disagreed that their salary was appropriate and that there was career growth prospects in the company. This resulted to employee turnover being experienced in the organizations.

However, 56% of the respondents indicated that they were well received into the company, and 39% indicated they found the working environment conducive. This means that workers were content with the effort the management put to ensuring that the employees had good working environment.

The respondents at 31% also indicated that their grievances were well addressed by the management although 22% of them disagreed with this factor. This shows that some respondents were not content with the way their grievances were handled, and this can be attributed to the fact that 81% were not trade union members. The results for this question were obtained from the lower level employees as middle and senior level did not respond.

To establish if the employees were unionized, a great number of them indicated that they were not members of a trade union. This is shown in Table 6.

<table>
<thead>
<tr>
<th></th>
<th>9.0</th>
<th>22.0</th>
<th>19.0</th>
<th>31.0</th>
<th>19.0</th>
<th>100.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grievances well</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>addressed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>well</td>
<td>2.0</td>
<td>4.0</td>
<td>29.0</td>
<td>56.0</td>
<td>9.0</td>
<td>100.0</td>
</tr>
<tr>
<td>received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>conducive environment</td>
<td>4.0</td>
<td>20.0</td>
<td>32.0</td>
<td>39.0</td>
<td>5.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 6: Trade Union Membership

<table>
<thead>
<tr>
<th></th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>81.0</td>
<td>81.0</td>
</tr>
<tr>
<td>Yes</td>
<td>19.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100.0</td>
</tr>
</tbody>
</table>

The results shown in Table 6 indicate that 81% of the respondents were not unionized. This is an indicator that their grievances were handled internally, and that a decision by an employee to leave employment was independent.

Question 21 asked the respondents to indicate the reasons that would make respondents to stay in their current organizations. None indicated that pay would make them stay in the organization. Table 7 summarizes the responses.

Table 7: Reasons to Stay in their Organisation

<table>
<thead>
<tr>
<th>Reason</th>
<th>No</th>
<th>Yes</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Difficult to find job</td>
<td>46</td>
<td>54</td>
<td>100.0</td>
</tr>
<tr>
<td>Career growth</td>
<td>84</td>
<td>16</td>
<td>100.0</td>
</tr>
<tr>
<td>On permanent basis</td>
<td>95</td>
<td>5</td>
<td>100.0</td>
</tr>
<tr>
<td>High earnings</td>
<td>100</td>
<td></td>
<td>100.0</td>
</tr>
<tr>
<td>Good relationship</td>
<td>70</td>
<td>30</td>
<td>100.0</td>
</tr>
<tr>
<td>Further education</td>
<td>91</td>
<td>10</td>
<td>100.0</td>
</tr>
<tr>
<td>Attractive culture</td>
<td>82</td>
<td>18</td>
<td>100.0</td>
</tr>
<tr>
<td>Good history</td>
<td>73</td>
<td>27</td>
<td>100.0</td>
</tr>
</tbody>
</table>
From the results of the study, Table 7 indicates that all the respondents, 100% were not content with their salaries. This is a strong indicator and confirmation that remuneration was the most common factor leading to employee turnover. This supports the literature that employees change their jobs to seek higher basic wage, or greater earnings from commissions, gratuities or other benefits.

A substantial percentage of them, 84% indicated that there were no career growth prospects in the company. The results also show that 95% of the respondents were not on permanent employment basis and hence shows they were dissatisfied with their terms of employment, resulting to instability in terms of employees service to the company.

In all, it was evident that 54% indicated that they would stay in employment as it was difficult to find another job. This can be due to the fact that most of the respondents were not graduates and hence unable to penetrate a job market infiltrated by educated and better skilled people.

The factors that were least perceived to lead to employee turnover are presented in Table 8 below.

4.4 Analysis of Least Perceived Factors

Table 8: Least Perceived Factors

<table>
<thead>
<tr>
<th>Factor</th>
<th>NO</th>
<th>YES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Illness</td>
<td>79%</td>
<td>21%</td>
</tr>
<tr>
<td>Unmet expectations</td>
<td>81%</td>
<td>19%</td>
</tr>
<tr>
<td>Marital Commitment</td>
<td>90%</td>
<td>10%</td>
</tr>
<tr>
<td>Pregnancy</td>
<td>95%</td>
<td>5%</td>
</tr>
<tr>
<td>Relocation of Partner</td>
<td>95%</td>
<td>5%</td>
</tr>
</tbody>
</table>
From the results, pregnancy 95% and relocation of a spouse 95% were perceived to be the least causes of employee turnover. A substantial number also indicated that unmet expectations 81% led to employee turnover. This means that most of the employees tolerate the challenges that in the industry if only they could receive a higher pay.

4.5 Responses to Management of Employee Turnover

The researcher sought to find out if the respondents were aware of ways that management could employ to address the issue of employee turnover in the industry. Numerous suggestions were elicited on ways that organizations could adopt to manage and reduce employee turnover. The results are as follows.

Figure 3: Ways to Manage Turnover

The results show that 92% of the employees indicated that it was important for companies to pay better remuneration. This was a factor echoed across the organization from senior level to lower level employees. However, it was indicated by the senior and middle managers that it was a
challenge to increase workers pay as most companies had inadequate financial returns to cover for the increase.

The results also 39% indicated that the companies should offer permanent employment basis as most of the lower level employees were on temporary/ contractual basis. This was also a strong factor that led to employee turnover. Motivation of employees was the factor least suggested. This could be due to the fact that the nature of factory work could not afford de-motivated workforce so as to maximize production. The most prominently perceived factor was remuneration.

The results also show that some of the respondents 29% perceived that the working environment was not as conducive enough. The main highlight in the results was that there was a large disparity between increase in pay and other factors. Therefore, remuneration is the most prominently perceived factor leading to employee turnover.
CHAPTER FIVE
SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary and Conclusions

In this section of the study are summary, discussions and conclusions drawn. The objective of the study was to establish the perceived factors that lead to voluntary employee turnover. This was in view of finding out which factors are prevalent in contributing to the incident of labour turnover in the textile and apparel industry. In relation to the demographic data, the study established that a majority of the respondents have been in the industry for more than one year; this implies that they had been employed long enough to experience the challenges which are the subject of this research.

The study targeted employees at the senior, middle and lower levels. Results of the study revealed that a majority of the respondents who are lower level employees, were more responsive the study. Most of the employees were in the production department, which is the heart of the company due to the nature of business carried out. The results of the findings also revealed that most of the employees were female workers at fifty eight percent more that male workers at forty two percent. This resonates with the results of the findings that men were more likely to quit that female workers and hence the companies being inclined to employ more female than the male employees.

In view of the age of employees, most companies had employees below the age of forty, most of them being employees of below thirty years. This implies that most companies relied on the young skilled labour that was relatively cheaper in terms of remuneration and would most probably accept a lower pay than the older age. This was reflected in the fact that majority of employees being were in the low earning bracket. Also resulting from the study was that most employees had not attained college education. This also implies that the basis of employment in this industry is not quite reliant on employees in the higher level of education when it came to production but on cheap labour.

Poor remuneration was cited as the associated to labour turnover with a majority of the respondents, ninety one percent, indicating it contributed to a great extent to the loss of
employees in the industry. A great number of the respondents felt that the fact that they did not
get permanent employment basis, employee turnover continued to be a challenge to the industry.
Most of them felt that second to offering them a better remuneration was permanent employment
basis. This was followed closely by the sentiment that they needed better working conditions in
terms of being offered safe work tools and working gear.

Other factors that the respondents highlighted were that companies to employ the most qualified
for the nature of job offered, although most said that they received adequate orientation/
induction (67%), supervision (96%) and that reception of new employees was good (56%).

The study revealed that the employees that had not worked in another company before joining
their current company stayed in their current companies due to the fact that they felt it was
difficult to find another job. This could be due to the fact that most had not pursued further
education after completion of their O-level education. This can be supported by the fact that the
formal employment scene in the market today is more demanding of employees that have
pursued higher education (graduates). This further supports the literature review that increasing
level of education decreases labour turnover in an organization if an employee is assimilated in
their area of training and interest.

According to the research findings, pregnancy and relocation of spouses were cited as the least
perceived factors to be associated with labour turnover in the industry.

Factors that are most associated with turnover are many and most of the respondents indicated
that a combination of these factors came into play to influence the decision to leave a company.
Generally, the findings of the study agree with those already done in previous studies. For
instance, Andisi (2006) study in the health sector revealed that employee turnover is greatly
influenced by salary/ amount of pay. The relative importance of the factors may be quite
different; for instance in the health sector employees leave companies and even the country in
search of better working conditions.

Whereas pregnancy and relocation of spouses to different regions were least prevalent in this
study, a study done in the US by Griffeth et al (2000) indicated that relocation of spouses was
seen as the most important factor leading to labour turnover in the same industry. The textile and
apparel industry is very important in impacting in the country’s economy due to foreign income-
earning trade and high level of employment. In order to actively participate in reducing costs associated with turnover, organizations need to identify those factors over which they do have some control and initiate necessary changes to reduce turnover attributable to these "controllable" factors. Adopting an effective applicant screening procedures is an efficient and cost effective method of identifying employees who possess the necessary traits and behaviors to succeed on the job and are, therefore, less likely to leave (Griffeth et al. 2000).

5.2 Limitations of the Study

Budgetary and time constraints led to the sample being determined from Nairobi, and the findings may not be replicated in other geographical regions outside Nairobi.

Time clash was experienced as most companies were receptive during their short breaks. This extended the time taken to collect data.

5.3 Recommendations

Researchers could carry out a study to investigate what organizations in this industry outside of Nairobi are doing to retain their staff and to reduce the rate of both voluntary and involuntary labour turnover.

Recommendation to the government and other stakeholders on the human resource role in terms of strategies and policies that may be adopted to reduce labour turnover.
REFERENCES


43


## Appendix I: List of Garment Manufacturing Firms under the EPZ Programme in Nairobi and Athi River

### Garment Manufacturing Companies Under EPZ Programme

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of the Firm</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Alltex EPZ Ltd. Pants</td>
<td>Athi River</td>
</tr>
<tr>
<td>2.</td>
<td>Apex Apparels EPZ Ltd. Pants, Shorts</td>
<td>Nairobi</td>
</tr>
<tr>
<td>3.</td>
<td>Ashton Apparel EPZ Ltd. Ladies &amp; Gents Pants</td>
<td>Nairobi</td>
</tr>
<tr>
<td>4.</td>
<td>Baraka Apparels EPZ Ltd. Jeans, Pants, Shorts</td>
<td>Nairobi</td>
</tr>
<tr>
<td>5.</td>
<td>Blue Plus Ltd. Manufacture and export of garments</td>
<td>Nairobi</td>
</tr>
<tr>
<td>6.</td>
<td>Crown Fashions Ltd. Manufacture of garments</td>
<td>Nairobi</td>
</tr>
<tr>
<td>7.</td>
<td>Eagle Apparel Export Ltd. Manufacture of apparel</td>
<td>Nairobi</td>
</tr>
<tr>
<td>8.</td>
<td>Equator Apparels Co. Ltd. Manufacture of garments for export</td>
<td>Nairobi</td>
</tr>
<tr>
<td>9.</td>
<td>Excel Clothing Manufacture of apparel</td>
<td>Nairobi</td>
</tr>
<tr>
<td>10.</td>
<td>Falcon Apparel Exporters Ltd. Manufacture of garments</td>
<td>Nairobi</td>
</tr>
<tr>
<td>11.</td>
<td>Freba International Mall Ltd. Manufacture of textiles</td>
<td>Nairobi</td>
</tr>
<tr>
<td>12.</td>
<td>Garment Labels EPZ</td>
<td>Athi River</td>
</tr>
<tr>
<td>14.</td>
<td>Leena Apparel Ltd. Manufacturing of garments</td>
<td>Nairobi</td>
</tr>
<tr>
<td>15.</td>
<td>Manchester Apparels Ltd. Manufacturers of apparel</td>
<td>Nairobi</td>
</tr>
<tr>
<td>16.</td>
<td>Maridadi Apparels Ltd. Manufacture of apparel</td>
<td>Nairobi</td>
</tr>
<tr>
<td>17.</td>
<td>Mash Apparels Kenya Ltd. Manufacture of apparel</td>
<td>Nairobi</td>
</tr>
<tr>
<td>18.</td>
<td>MRC Nairobi EPZ Ltd. Pants</td>
<td>Athi River</td>
</tr>
<tr>
<td>19.</td>
<td>Protex EPZ Ltd. Tops, Jackets, tracksuits, shorts</td>
<td>Athi River</td>
</tr>
<tr>
<td>20.</td>
<td>Res Apparels Ltd. Manufacture of garments for export</td>
<td>Nairobi</td>
</tr>
<tr>
<td>21.</td>
<td>Rising Sun Pants, shorts</td>
<td>Athi River</td>
</tr>
<tr>
<td>22.</td>
<td>Riziki Manufacturers Ltd. Garment exporters</td>
<td>Nairobi</td>
</tr>
<tr>
<td>23.</td>
<td>Rolex Garments EPZ Ltd. Pants, Jeans, Shirts</td>
<td>Athi River</td>
</tr>
<tr>
<td>24.</td>
<td>Sahara Stitch EPZ Ltd. Pants, Jeans</td>
<td>Nairobi</td>
</tr>
<tr>
<td>25.</td>
<td>Sankam Textiles Ltd. Manufacture garments</td>
<td>Nairobi</td>
</tr>
</tbody>
</table>
26. Sethi Fabric Ltd. Manufacture of garments for export
27. Storm Apparel Manufacturers
28. Tana Apparels Ltd. Manufacture garments
29. Teleworld Industries Ltd. Manufacture shirts for export
30. Triaco Fine Textile Products Making garments
31. United Aryan EPZ Ltd. Pants, Shorts
32. Upan Wasana EPZ Ltd. Pant, Blouse, dresses, shirts,
33. Zawadi Apparels Ltd. Manufacture and export of garments

Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
Nairobi
RESEARCH QUESTIONNAIRE

The questionnaire is divided into three parts, section I and II. Kindly answer each question in each section as accurately as possible.

Your answers will remain anonymous and strictly confidential, and in no instance will your name be mentioned in this report.

SECTION I:

1. Name of your organization ______________________________________

2. Total number of employees in your organization ______________________

3. Indicate your department _________________________________________

4. Total number of employees in your department _______________________

5. Which management level does your job fall in? (tick appropriately)
   (a) Senior ( ) (b) Middle ( ) (c) Lower ( )

6. Gender Male ( ) Female ( )

7. Indicate your age bracket (years)
   Below 20 ( ) 21-30 ( ) 31-40 ( ) 41-50 ( ) 51 - Above ( )

8. Indicate your professional qualification
   "O" Level ( ) "A" Level ( )
   College (diploma) ( ) University ( )

9. What is your basic salary range? (tick appropriately)
   Below 10,000 ( ) 11,000 - 20,000 ( )
   21,000 - 30,000 ( ) 31,000 - 40,000 ( )
   41,000 - Above ( )

10. State the approximate number of those who have left your department in the past 1 (one) year.

11. Did you undergo any orientation/induction session when you were employed in this organization?
   Yes ( ) No ( )
12. Have you ever been taken through a training programme or course by your employer since being employed?

Yes ( )  No ( )

13. If your answer is ‘Yes’ in question 12 above, were you given a promotion or salary increment after?

Yes ( )  No ( )

14. Do you receive appropriate supervision from your boss/supervisor?

Yes ( )  No ( )

15. What is the basis for promotion in your organization?

__________________________________________________________________

16. Are you a member of a workers trade union? Yes ( )  No ( )

SECTION II:

17. For statement a - i, tick each statement once to indicate your level of agreement or disagreement.

1 - Strongly Agree, 2 - Agree, 3 - Neither Agree or Disagree, 4 - Disagree,

5 - Strongly Disagree

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. I enjoy my work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. I am content with the organization's policies and culture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. My salary is appropriate for the work I do</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. I have career growth prospects in this organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. There exists a good relationship between the management and the workers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Workers usually undergo training and retraining in this organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>g. There is a procedure for solving workers grievances in this organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>h. New employees are usually well received and oriented</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. The organization's working environment is conducive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

18. Based on your past experiences, please state some of the ways that the organization can employ to manage and reduce employee turnover, starting from the most effective.

(a)  
(b)  
(c)  
(d)  

19. Did any of your colleagues leave the organization in the last one (1) year?

Yes ( )  No ( )

20. (i) If your answer is 'Yes' in question 19, indicate by ticking their reasons for leaving.

(a) Unmet expectations of the nature of work ( )

(b) Seek higher pay ( )

(c) Family commitments e.g. illness ( ), pregnancy ( ), relocation to another town ( )

(d) Unsatisfactory working conditions ( )

(e) Inability to have grievances settled by the management ( )

(f) Marital commitments (partner relocated to another town) ( )

Others ____________________________________________________

21. Appropriately indicate the reason(s) that will make you stay in this organization.

(a) It is difficult to find another job ( )

(b) Prospects for future career growth ( )

(c) Your job is on permanent basis ( )

(d) The earnings are high ( )

(e) Good interpersonal relations with the manager and supervisor ( )

(f) Opportunity to pursue further education ( )

(g) Favourable working culture ( )

(h) We are members of a workers trade union ( )

(i) The organization has a good performance history ( )

Others (specify). ____________________________________________

22. Did you work in another organization before joining this organization?

Yes ( )  No ( )
23. If your answer is ‘Yes’ in question 22 above, state at least three (3) reasons that made you leave.

(a) ________________________________________________________________

(b) _____________________________________________________________________________________________________

(c) ___________________________________________________________________

24. For statements a – f, indicate your level of agreement or disagreement with the statement.

1 – Strongly Agree, 2 – Agree, 3 – Neither Agree or Disagree, 4 – Disagree.

5 – Strongly Disagree

| (a) Young employees (below 35yrs) in this organization are more likely to quit than old employees (above 35yrs) | 1 | 2 | 3 | 4 | 5 |
| (b) Female worker in this organization are more likely to quit than male workers |  |  |  |  |  |
| (c) The less educated an employee the more likely they are to stay |  |  |  |  |  |
| (d) The employees who are married are more likely to leave than those who are not married |  |  |  |  |  |
| (e) The longer serving employees (5 yrs – above) are less likely to leave |  |  |  |  |  |
| (f) The lower the salary of an employee the more likely they will leave |  |  |  |  |  |

25. In your opinion and based on your past experience in this organization, what type of employees based on gender, salary/pay, age, education, marital status and experience, is likely to quit? Tick where appropriate.

Gender - Male ( ) Female ( )

Salary/Pay - Low earnings ( ) High earnings ( )

Age - Young (below 35yrs) ( ) Old (above 35 yrs) ( )

Education - Graduate ( ) Non graduate ( )

Marital Status - Married ( ) Not Married ( )

Experience - Less than 5yrs ( ) More than 5yrs experience ( )

THANK YOU VERY MUCH FOR YOUR TIME.
DATE ...........................................

TO WHOM IT MAY CONCERN

The bearer of this letter   JOYCE W. NJOROGE.

Registration No: D61/P8318/03

is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

DR. W.N. IRAKI
CO-ORDINATOR, MBA PROGRAM
CONF/EPZ/019/RPP

8<sup>th</sup> October, 2009

To EPZ Garment/ Apparel Enterprises,

RE: FACILITATION OF INFORMATION – JOYCE W. NJOROGE.

The above named person is a Master of Business Administration (MBA) student at the University of Nairobi, undertaking research project as partial requirement of her academic programme.

The purpose of this letter therefore, is to request your facilitation of the information required.

The research is solely used for academic purposes.

We shall appreciate your cooperation in this exercise.

Yours Faithfully,

[Signature]

BENJAMIN CHESANG
For. CHIEF EXECUTIVE