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EFFECTS OF REMUNERATION ON EMPLOYEE TURNOVER IN PRIVATE HOSPITALS SAMBURU COUNTY

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Effects of Remuneration on Employee Turnover in Private Hospitals Samburu County

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ABSTRACT

Purpose: The purpose of this study was to investigate the effects of Remuneration on employee turnover in private hospitals Samburu County.

Methodology: This study adopted descriptive survey research design and was conducted in ten private hospitals in Samburu County. Information was issued by 71 medical practitioners such as senior doctors, senior nurses, senior pharmacists and senior medical technologists of each of the private hospitals in Samburu county. The71 medical practitioners were sampled using convenience sampling methods because medical practitioners in a hospital setting were generally very busy hence data was collected through closed ended questionnaires from the available ones. Linear regression was used to test each hypothesis while multiple regression analysis was used to measure the effects of renumeration on employee turnover in private hospitals Samburu County. The analysis was later presented using tables and detailed explanations.

Results: The study discovered that there was a positive relationship and statistically significant between that renumeration and employee turnover. That simply explained meant that how employees are rewarded at the end of the agreed contract duration or at the end of the month play a very key part in determining whether they will leave in the near future or not. Poor and inconsiderate renumeration will often make them want leave and look for other better paying ventures.

Unique contribution to theory, policy and practice: Human resource managers should ensure that renumeration structure is reviewed where employees receive all the benefits gotten at various job groups without biasness. Once an employee attains the required qualifications, they should automatically be enrolled to the improved renumeration structure without too much bureaucracies. This will motivate employees to work harder so as to attain their personal goals in the job ladder. Future researchers should aim to concentrate on other regions in Kenya to determine whether renumeration will be the key causal determinant on employee turnover.

Keywords: Renumeration, employee turnover, private hospitals, Samburu County.



1.0 INTRODUCTION

Employee turnover is the frequency in which employee leaves an organization voluntarily or by being sacked (World Health Organization, 2019). Employee turnover is a critical aspect in the operations and survival of the organization hence the management should take into consideration when putting in place guideline and other strategic plans to ensure turnover is minimized in order to meet organizational set targets. The types of employee turnover are voluntary, involuntary, retirement, internal transfers, avoidable and unavoidable/ Natural calamities are the indicators of employee turnover used in this study. Voluntary turn oner is a situation where an employee decides to leave a job (Sharma, Sharma & Agarwal, 2016). Involuntary turnover is when an organization lays off an employee due to various reasons (Sharma et al., 2016). Retirement is when an employee becomes too old to work (Smith, Capitulo, Griffin, & Fitzpatrick, 2012). Internal transfers entail an aspect where an employee is taken from one department to the other but within the same organization (Sharma et al., 2016). A voidable turn-over is a turn over that can be avoided by hiring, evaluating and motivating their employees more effectively (Turnea, 2018). Unavoidable turn-over is when an employee gets sick to a point of not being able to work anymore or dies (Turnea, 2018).

Workers perhaps leave the association because of financial reasons, short flexibly of association faculty, better work openings increment prompts turnover goal. The idea of association influences the goal of worker turnover. Individuals from staff in state-possessed organizations have the most significant level of turnover goal, followed by laborers in private organizations, and the staff in outside financed organizations. Globally, organizations are putting more energy in terms of resources and attention to alarming turn-over of the personnel which decelerates the performance of workforce and the firm in general. Besides, it inflates the expenses related to recruitment and new employee training (Arnoux-Nicolas, Sovet, Lhotellier, Di Fabio & Bernaud, 2016). Developed nations such as America, Europe and Asia's high employee turn-over are caused by issues such as no promotional opportunities, organizational commitment, procedural justice; jobhopping attitude; work-life balance, meagre communication, incompetence, absence of backing, personal health issues and unsafe working environment (Work Institute, 2019). United States Bureau of labor statistics (2019), pinpoints that a cumulative sum of bosses notice that most workforce employment period in firms does not go beyond two years. Additionally, more than half of personnel in textile industries in United Kingdom leave work annually. Looking at Hong Kong's merchandizing segment, 36.7 percent of labor workforces have quit in the year 2008 being the highest yearly turn-over.

According to Maphumulo and Bhengu (2019), in African business sector, personnel in firms are recognized as part of important aspects that facilitated competitive cutting edge mainly in retail area. For instance, it is found that most studies are based in big firms making personnel quitting an encounter fronting many firm's human resource sections. Africa employee job turnover cases are caused by age; gender; marriage; education levels; low job satisfaction, job stress, better jobs; conflict with management; unstable management; unclear job descriptions (Al Mamun & Hasan, 2017). Any decline in productivity or departure from the organizations is seen to result in noteworthy influence on the firm's performance (Goetz, Marx & Marx, 2015). Therefore, retaining personnel is crucial to the long-term development and achievement of a firm. According to



Shoprite Holdings annual report (2010), South Africa's retail business segment average personnel turnover range between 20% to 25%. This gives rise to deficiencies of skills in South African firms leading to contentions with international firms for talented personnel. The expatriation of talented personnel to other nations has worsened the state of deficiencies of skills South African (Maphumulo & Bhengu, 2019).

Over the last decade, employees' turnover rate in Kenyan has become a nationwide challenge. Employee turnover has been caused by issues such as poor governance, leadership, and management of human resource; poor pay; retrenchment; conflicts between employees and management; poor working conditions and lack of career growth (Ojakaa, Olango & Jarvis, 2014). For example, the increase in corporate mergers and acquisitions in the telecommunication industry has left employees detached from their employers leading to lowered customer loyalty and increased focus on job seeking especially where overall job security is threatened. This has had demanding effects on the organizational performance. With a concern of the highest order on employee turnover in the telecommunication industry, the growth realization and expansion in the sector remains un-answered question. The calls for greater attention on employee retention and critical analysis on what factors motivates employees to stay back were promoted. Organizational practices keep on advancing with time hence continuous need to keep on changing them was required.

1.1 Statement of the problem

Hospitals in Kenya ought to operate on a favorable working environment where complaints arising from service delivery and conflicts are minimized through the provision of competitive remuneration packages with assured job security (Ministry of health Kenya, 2015). This motivates hospital employees to deliver quality health services (Ministry of health Kenya, 2015). Despite this realization, poor human resource management has attributed to deterioration of health systems in Kenyan private hospitals (Obura, 2014). This has led to high medical skilled employee turnover leaving behind inexperienced and low skilled personnel to operate in hospitals.

Globally employee turnover has become a serious concern in which organizations are facing high human resource challenges with most of them seeking specialized services and direction to evaluate organizations policies for attracting and retaining talent. A survey done by National Healthcare Retention & RN Staffing Report, indicates that the regular hospital turnover rate in 2017 was 18.2%, which is the maximum documented turnover in the sector for almost a span of ten years. From 2013, the regular hospital turn-over has been 85.2%. Concomitantly, the health sector is growing. Coarsely 40% of hospitals measured in the same report, antedate growth in employments throughout 2018. The combination of high turnover and employment growth is generating conscription gaps which have had an impact on a hospital's quality on health services delivery.

Though previous studies such as Ministry of health and sanitation- Kenya, 2015; Grace, Daniel, Kachori, Josee & Okibo, 2014; International labor organization, 2014; Ngethe, 2013, had looked at causes of employee turn-over in private hospitals, none has concentrated on Samburu county private hospitals validating this study to consider the effects of renumeration on employee turnover in private hospitals of Samburu County.



1.2 Purpose of the study

To investigate the effects of renumeration on employee turnover in private hospitals Samburu County

1.3 Hypothesis

 H_01 : There is no significant relationship between renumeration and employee turnover in private hospitals in Samburu County.

2.0 LITERATURE REVIEW

2.1 Theoretical Review

The study is steered by Maslow hierarchy of needs theory developed by Maslow in 1943. The theory states that individuals are inspired by convinced desires and after they are satisfied, the individual is motivated to fulfill needs in the next level (King-Hill, 2015). According to Maslow, the five set of human needs are basic needs, psychological needs, safety needs, affection, self-worth and fulfillment desires. The first category of individual's desires include need for diet, water, sleep, clothing, comfort. The second category entails security needs and safety which emphasize on circumvention of threat, liberty from distress, hazard and deficiency. The third category of desire is societal desires which include the prerequisite for love, belonging and societal interaction. The fourth category is self-worth which encompass reverence and acknowledgement from people. The fifth category is fulfillment and seeking additional individual development and involvements. This theory is adopted because for an employee to fulfill these needs, renumeration has to be present. One had to get some basic level of income to be able to achieve the needs. As the needs kept going up the Maslow hierarchy, renumeration had to also increase. An employee is always attracted with a job where renumeration considerations are actualized as time keeps advancing.

2.2 Empirical Review

Mercer (2019) indicates that organizations are still keeping strong on salary increase budgets but there are concerns pertaining employee turnover and very competitive employment market in America. This report is in concurrent with another 2019 bureau of labor statistics report on employer costs for employee compensation. Bureau of labor statistics (2019) confirms that wages and salaries which are close to \$32.19 each hour, indicates 62.3 in a hundred of total reward costs, while profit costs are around \$19.47 and accounts for the lingering 37.7 out of a hundred. This shows that firms in America are very particular on ensuring wages and salaries are competitively paid. In Europe, Walters (2019), identifies that as skilled personnel are few, companies are advised to modernize their employment processes to dodge losing out on top talent. That means that employees ought to be treated right and paid well (Walters, 2019). The other reason given to improve renumeration is because of high cost of living in European countries like Belgium (European Commission, 2019).

Asian development bank (2019) on annual review of salary and benefits for international staff, national staff, and administrative staff documents, gives the guideline towards renumeration. The report shows that Asia is concerned about retaining skilled and competent staff to motivate them of producing highest standards of performance. Asian development bank (2019), gives the



methodology to use while increasing salary to international national and administrative employees. The report indicates the challenges forcing them to improve renumeration package which includes

In developing nations, emphasis is placed by international labor report in 2014 on having a policy accomplishment that comprises of least pays, reinforced communal negotiation, involvements to eradicate pay spaces, the preferment of salaried hire and rearrangement via taxes and allocations. The report titled *Wages and Income Inequality* provides evidence that global wage totals to below 1% from 2.3% in Latin America and the Caribbean in 2012. Faltering approximations also displays that actual pays have risen by 4% in the Middle East because of robust conveyed salary development in Saudi Arabia. Actual salary development in developing G20 nations have decelerated to 5.9% in 2013 from 6.7% a year earlier. Matching forth in 2018, there are complains that the renumerations paid to women are 20 percent less from the ones paid to men since 2008 in a report by international labor organization (2018) on global wage report. In evolving G20, nations, actual salary development varied in current years, increasing from 2.9% in 2015 to 4.9% in 2016, and then dwindling back to 4.3% in 2017.

issues with difficulties in recruiting new staff, high employee turnover, low performance from unqualified employees hence need to guard the skilled and competent staff in all possible ways.

In Africa, most salaries seem to have deteriorated inclusive by 3% in 2017. This is mostly point able to undesirable remuneration tendencies in Egypt and Nigeria. Without these two nations in the sample, actual remunerations in Africa are projected to have improved by a reasonable 1.3% in 2017. A study made World health organization in 2013 on health worker remuneration in WHO member states have found out that that renumeration to health workers justified for a considerable portion of entire health spending. Nevertheless, this portion is declining as time progresses. It also displayed that renumerations to salaried health employees have improved as a portion of gross domestic product, while other categories of employees have remained unchanging. However, this study considers medical and non-medical staff in hospitals.

In Kenya, according to Smith, Koech, Nzorubara, Otieno, Wong, Bhat (2019) on the impacts of poor pay on organizational performance which is a case study of Samburu referral hospital Maralal said that, Catholic hospitals in Samburu County employs 90% of its medical staff through their nursing school without following the procedures of finding and hiring skilled and competent workers. This means that, the hiring of new employees especially medical personnel is just to fill the available vacancies. This often leads to expensive consequences of a bad and cheap hire which leads to loss of productivity, increased stress and decreased morale. Therefore, there is therefore a need to establish whether an organization practice such as renumeration affects employee turnover in Samburu County private hospitals.

3.0 RESEARCH METHODOLOGY

This study adopted descriptive survey research design and was conducted in ten private hospitals in Samburu County. Information was issued by 71 medical practitioners such as senior doctors, senior nurses, senior pharmacists and senior medical technologists of each of the private hospitals in Samburu county. The medical practitioners were sampled using convenience sampling methods because medical practitioners in a hospital setting were generally very busy hence data was collected through structured questionnaires from the available ones. Linear regression was used to



test each hypothesis while multiple regression analysis was used to measure the effects of renumeration on employee turnover in private hospitals Samburu County. The analysis was later presented using tables and detailed explanations. Primary data was collected using structured questionnaires which was developed and distributed to the respondents to gather data from the population. To ensure validity of the survey, the questionnaire was pre-tested by 5 medical practitioners who were in Samburu public hospitals to seek guidance on the adequacy and scope of the instrument. Linear regression was used to test each hypothesis while multiple regression analysis was used to measure the effects of renumeration on employee turnover in private hospitals Samburu County.

4.0 RESULTS AND DISCUSSION

4.1 Reliability statistics

The questionnaires were tested on Cronbach's alpha worth using the SPSS. The results proved that the questionnaire would gather quality information that would be used in articulating the objectives of this study. The Cronbach's alpha coefficient was 0.815. Simatwa (2011) indicated that the value of a questionnaire tested should be above 0.7 to 1 to be reliable. The study's results of 0.815 shown that the questionnaire was reliable. The results are indicated in Table 1.

Table 1: Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .815 | 71 |

4.2 Response rate

The total distributed questionnaires were 107 to medical practitioners however, the questionnaires that were returned were 71 in number which was 66 percent of the response rate. This percentage of response rate was caused by many of medical practitioners being absent as they were on an emergency training on how to manage patients with corona virus symptoms. Hassan et al. (2015) got almost similar results that were above 60% at the point when they did ana examination in Malaysia on how worker turn-over was being influenced by religion observations.



4.3 Background profiles of the respondents

The frequency results on entire background profiles related to the medical practitioners of the ten Samburu county private hospitals were indicated in Table 2.

Table 1: Demographic information on medical practitioners

| Category (N = 71) | Frequency | Percent | | | | | | | |
|----------------------------|----------------------------|---------|--|--|--|--|--|--|--|
| Gender | | | | | | | | | |
| Male | 48 | 67.6 | | | | | | | |
| Female | 23 | 32.4 | | | | | | | |
| Total | 71 | 100.0 | | | | | | | |
| Age | | | | | | | | | |
| Below 30 years | 14 | 19.7 | | | | | | | |
| 30-39 years | 6 | 8.5 | | | | | | | |
| 40-50 years | 36 | 50.7 | | | | | | | |
| 51-60 years | 15 | 21.1 | | | | | | | |
| Total | 71 | 100 | | | | | | | |
| | Highest level of education | | | | | | | | |
| Certificate/Diploma | 39 | 54.9 | | | | | | | |
| Bachelor's degree | 30 | 42.3 | | | | | | | |
| Master's degree and above | 2 | 2.8 | | | | | | | |
| Total | 71 | 100.0 | | | | | | | |
| | Job position | | | | | | | | |
| Medical doctor | 10 | 14.1 | | | | | | | |
| Medical nurse | 33 | 46.5 | | | | | | | |
| Pharmacist | 15 | 21.1 | | | | | | | |
| Medical technologist | 13 | 18.3 | | | | | | | |
| Total | 71 | 100 | | | | | | | |
| | Years worked in the bank | | | | | | | | |
| Less than a year | 20 | 28.2 | | | | | | | |
| 2-5 years | 23 | 32.4 | | | | | | | |
| 6-10 years | 17 | 23.9 | | | | | | | |
| 11 years and above | 11 | 15.5 | | | | | | | |
| Total | 71 | 100.0 | | | | | | | |
| Number of junior employees | | | | | | | | | |
| 0 | 6 | 8.5 | | | | | | | |
| 1-5 | 31 | 43.7 | | | | | | | |
| 6-10 | 20 | 28.2 | | | | | | | |
| 11-15 | 14 | 19.6 | | | | | | | |
| Total | 71 | 100 | | | | | | | |

The data collected from the medical practitioners showed that there were more males that females. The number of males was 48(67.6%) as compared to the female number 23(32.4%). This indicated that due to hardship experienced in Samburu county, males were more willing to work as medical



practitioners as compared to their female counterparts. An exploratory investigation by Goetz et al. (2015) portrayed that in Kenya, there were increasingly female that male staff that concurred that reformatory working conditions particularly in unforgiving atmosphere areas brought down their activity fulfillment. In terms of age, the highest age group was found to be medical staff between the age of 40-50 with a frequency of 36 (50.7%), followed by 51-60 15(21.1%).

Interestingly, the age group below 30 years of age came third with 14 (19.7%) while 31-10 came last with a frequency of 6(8.5%). The age group showed that medical practitioners with more advancement in age were willing to work in Samburu county as compared to the medical practitioners who were young. In agreement, the Ministry of Health report (2017) proved that major discrepancies in even distribution workforce in Kenya was greatly affected by most young health workers opting to select health centers that were located in urban areas and not rural areas.

Their education profiles proved that a huge number of medical practitioners did not have a degree and above. Most of them had either a diploma or a certificate. Diploma/ certificate holders were the majority with a frequency of 39 (54.9%), degree holders were 30 (42.3%), while masters were only two of them entailing 2.8%. The results on education showed that the medical staff in private hospitals in Samburu county were lowly educated. Maphumulo and Bhengu (2019) likewise gave education level as one of the threats of nature of progress in health facility of South Africa post-apartheid. The results further established on the number of the target group as in each medical practitioner, medical nurses proved to the largest group of medical staff.

Meyer and O'brien-pallas (2010) advised in concurrent with this study's results that the nature of nursing duties delivery causes the number of nurses to be more than any other hospital staff. They had a frequency of 33 (46.5%). Pharmacist and medical technologists came second and third respectively with a number of 15(21.1%) and 13(18.3%). The most-few group was the medical doctors who were only 10(14.1) distributed across the ten private hospitals unevenly. Another intriguing revelation showed that in terms of years in the specific hospitals, most staff had been there 2-5 years which had a frequency of 23(32.4%). The second group was the ones who had stayed less than a year 20(28.2%), followed by 6-10 years who were 17(23.9%). The last group were those who had above 11 years and above in experience at the current private hospital. These results indicate a huge number of employee turnover.

In considering the number of junior employees, the gathered results indicated that medical employees were allocated to personnel depending on how long they had stayed in the hospital and the magnitude of the work done. Thirty-one medical staff who made 43.7% had 1-5 employees reporting to them while 20(19.6%) had 6-10 junior employees. 11-15 junior staff were reporting to 14 medical staff while 6 medical staff who had all less than a year stay in the hospital had none of the employees reporting to them. These results agree with the human resource guidelines outlined by the ministry of health (2015). The guidelines specifically underline that any medical personnel in Kenya needs to have a minimum of 2 years' experience and above to have a junior staff allocated to them. This is to reduce errors scenarios that can be caused due to lack of experience.

4.4 Descriptive analysis of renumeration

The study had the objective of investigating the effects of renumeration on employee turnover in private hospitals Samburu County. To investigate this objective, the study had statements that medical practitioners were supposed to indicate their responses based on a 5 Likert ordinal scale. This scale was 1-strongly disagreeing, 2-disagree, 3-neither agree or disagree 4- agree, 5- strongly agreeing. Table 3 gave the results gotten.

Table 3: Descriptive statistics on employee renumeration

| Statements $(N = 71)$ | 1 | 2 | 3 | 4 | 5 | M | S D |
|-----------------------|-----------|-----------|-----------|-----------|-----------|------|-------|
| Timely salary | | | | | | | |
| payments | 28(39.4%) | 17(23.9%) | 8(11.3%) | 12(16.9%) | 6(8.5%) | 2.31 | 1.369 |
| Non-strained wage | | | | | | | |
| payments to | | | | | | | |
| contracted staff | 0(0%) | 25(35.2%) | 39(54.9%) | 7(9.9%) | 0(0%) | 2.75 | 0.626 |
| Commissions | | | | | | | |
| payments | 14(19.7%) | 19(26.8%) | 6(8.5%) | 23(32.4%) | 9(12.7%) | 2.92 | 1.381 |
| Terminal benefits to | | | | | | | |
| leaving staff | 26(36.6%) | 12(16.9%) | 13(18.3%) | 10(14.1%) | 10(14.1%) | 2.52 | 1.462 |
| Timely payments to | | | | | | | |
| medical executives | 2(2.8%) | 7(9.9%) | 5(7.0%) | 19(26.8%) | 38(53.5%) | 4.18 | 1.112 |
| Full pension | | | | | | | |
| compensation | 2(2.8%) | 8(11.3%) | 3(4.2%) | 30(42.3%) | 28(39.4%) | 4.04 | 1.075 |
| Unbiased annual | | | | | | | |
| increment | 14(19.7%) | 32(45.1%) | 0(0%) | 23(32.4%) | 2(2.8%) | 2.54 | 1.217 |
| Aggregate mean | | | | | | 3.04 | 1.18 |

SD= Standard Deviation; M= Mean

The results in Table 3 showed that employee renumeration had an aggregate mean of 3.04 and standard deviation of 1.18. The results depicted that most of medical practitioners were not satisfied with their renumeration structures. On the one hand, the respondents failed to agree with statements such as timely payment of salary (mean of 2.3); non-strained wage payments to contracted staff (mean of 2.75); commissions payments (mean of 2.92); terminal benefits to leaving staff (mean of 2.52); and unbiased annual increment (mean of 2.54). On the other hand, the respondents agreed that there were timely payments to medical executives (mean of 4.18) and full pension compensation (mean of 4.04). Figueroa, Harrison and Chauhan (2019) results also showed that health workforce management was becoming a nightmare due to the deteriorated pay structure that most health care had both in developed and developing nations.

4.5 Descriptive statistics on employee turnover

The researcher asked queries on employee turnover in private hospitals in Samburu County. To investigate this, the study had statements that medical practitioners were supposed to indicate their responses based on a 5 Likert ordinal scale. This scale was 1-strongly disagreeing, 2-disagree, 3-neither agree or disagree 4- agree, 5- strongly agreeing. Table 4. gives the results. Table 4. indicates the results.



Table 4: Descriptive Statistics on Employee turnover

| Statements (N = 71) | 1 | 2 | 3 | 4 | 5 | M | S D |
|----------------------|-----------|-----------|-----------|-----------|-----------|------|-------|
| Voluntary job | | | | | | | |
| termination | 0(0%) | 4(5.6%) | 4(5.6%) | 19(26.8%) | 44(62.0%) | 4.45 | 0.842 |
| Involuntary job | | | | | | | |
| termination | 28(39.4%) | 14(19.7%) | 10(14.1%) | 13(18.3%) | 6(8.5%) | 2.37 | 1.386 |
| Rehiring retired | | | | | | | |
| medical staff | 8(11.3%) | 13(18.3%) | 50(70.4%) | 0(0%) | 0(0%) | 3.3 | 1.126 |
| Low internal job | | | | | | | |
| transfer | 27(38%) | 14(19.7%) | 11(15.5%) | 9(12.7%) | 10(14.1%) | 2.45 | 1.462 |
| Frequent Training | | | | | | | |
| and hiring qualified | | | | | | | |
| staff | 13(18.3%) | 44(62.0%) | 14(19.7%) | 0(0%) | 0(0%) | 2.21 | 0.97 |
| Few deaths of staff | | | | | | | |
| due to natural | | | | | | | |
| calamities. | 7(9.9%) | 13(18.3%) | 22(31.0%) | 25(35.2%) | 4(5.6%) | 3.08 | 1.079 |
| Aggregate mean | | | | | | 2.98 | 1.14 |

SD= Standard Deviation; M= Mean

The results in Table 4 showed that work environment had an aggregate mean of 2.98 and standard deviation of 1.14. The respondents agreed with statements such as there was high voluntary job termination (mean of 4.45); there was rehiring retired medical staff (mean of 3.30); and few deaths of staff due to natural calamities (mean of 3.08). The respondents also disagreed with statements on presence of involuntary job terminations (mean of 2.37); low internal job transfer (mean of 2.45) and frequent training and hiring qualified staff (mean of 2.21). Khatri et al. (2001) while explaining grounds for employee turnover in an Asian framework, indicated that sacking, resigning and lack of job training were leading the lot.

4.6 Linear regression analysis

Linear regression was done to investigate the effect of renumeration on employee reward and turnover in private hospitals of Samburu county. This section presented the model summary, analysis of variance and coefficient

4.6.1 Model summary of variables

In investigating the effects of renumeration on employee turnover in private hospitals Samburu County, the study tested the hypothesis. The hypothesis stated that there was no significant relationship between training and employee turnover in private hospitals in Samburu County. Table 5 indicated that renumeration had an R value of .993. The P value of constant is significant (.000), hence R square value was used. The R square value of 0.743 implied that renumeration predicted 74.3% of the variability in the employee turnover.

Table 5: Model summary of the variables

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|--------------|-------|----------|-------------------|----------------------------|
| Renumeration | .993a | 0.743 | 0.73 | 0.48453 |

a. Predictors: (Constant), Employee renumeration



4.6.2 Analysis of variance

The linear regression F statistics shown in Table 6 indicates that there was a statistical and significant linear relationship between renumeration and employee turnover (F (1, 69) = 12.108, p<.05). The study therefore rejected the null hypothesis and concluded that renumeration are an important determinant of employee turnover.

Table 6: ANOVA for linear relationship of the variables

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|--------------|------------|----------------|----|-------------|--------|-------|
| Renumeration | Regression | 9.329 | 1 | 2.329 | 12.108 | .000b |
| | Residual | 7.262 | 69 | 0.207 | | |
| | Total | 16.591 | 70 | | | |

a. Dependent Variable: Employee turnover

b. Predictors: (Constant), Employee renumeration

4.6.3 Multiple regression analysis

The regression coefficients presented in Table 7 indicates that the values on regression coefficient table gives values of independent variables: renumeration as β = 0.193 at p<0.039.

Table 7: Regression coefficients for the variables

| | | | ndardized efficients | Standardized Coefficients | | |
|-------|--------------|-------|-------------------------|------------------------------|-------|-------|
| Model | | β | Std. Error | Beta | t | Sig. |
| | 1 (Constant) | 3.996 | 0.215 | | 3.409 | 0.000 |
| | Renumeration | 0.193 | 0.105 | 0.493 | 2.702 | 0.039 |

a. Dependent Variable: Employee turnover

The values on regression coefficient Table 4.13 gives values of independent variables: renumeration as β = 0.193 at p<0.039

5.0 CONCLUSION AND RECOMMENDATION

5.1 Conclusion

The study discovered that there was a positive relationship and statistically significant between that renumeration and employee turnover. That simply explained meant that how employees are rewarded at the end of the agreed contract duration or at the end of the month play a very key part in determining whether they will leave in the near future or not. Poor and inconsiderate renumeration will often make them want leave and look for other better paying ventures.

5.2 Recommendations

The study recommended to human resource managers that renumeration structure be reviewed where employees should receive all the benefits gotten at various job groups without biasness. Once an employee attains the required qualifications, they should automatically be enrolled to the improved renumeration structure without too much bureaucracies. This will motivate employees to work harder so as to attain their personal goals in the job ladder. Future researchers should aim



to concentrate on other regions in Kenya to determine whether renumeration will be the key causal determinant on employee turnover.

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