

## **Influence of Job Assignment on Employee Turnover in Selected Medium Sized Hotels in Kisumu City**

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### **Abstract**

*Employee turnover in the hotel industry is problematic and can be dysfunctional; there cannot be a cohesive successful team, if the team members are always changing. However, it is not just the retention of the staff that is of interest here, it is the examination of those elements of human resource practices, over which these establishments have some control. The broad objective of this research was to investigate the effects of job assignment on employee turnover in selected medium size hotels in Kisumu City. The research sought to establish the extent to which job assignment affected employee turnover. The research adopted Herzberg's two factor theory. The research design was descriptive survey design. A target of 24 medium size hotels in Kisumu City comprising a population of 350 employees was selected. Purposive sampling technique was used to select the hotels and simple random sampling used to select the respondents from the departments. A sample size of six hotels comprising 187 employees and 24 management staff was selected for this study. Collection of data was done using questionnaires administered to the general employees and management staff. Descriptive (mean, frequency and percentages) and inferential statistics (Pearson product moment correlation) was used to analyze the data. The findings indicated that job assignment significantly influence employee turnover ( $p=.005$ ) 2-tailed. The low wages, bad management and lack of job security were the factors that made employees to move from one hotel to another. Job assignment practices reduce employee turnover by ensuring that there is job flexibility. Assignment of jobs are based on knowledge or skill that one has attained, there is fairness when assigning tasks, the right job is assigned to the right person and that abilities of employees are considered. Since most of the employees working in the hotel industry do not have well defined job description, there is need for government to enhance policies that will assist in assignment of chores to the employees.*

**Key Words:** Turnover, Job, Assignment, Management

### **INTRODUCTION**

Organizations invest a lot in their employees in terms of induction, training, developing, maintaining and retaining them. Managers must therefore minimize employees turnover at all costs. Although there is no standard framework for understanding the employees' turnover process as a whole, a wide range of factors have been found useful in interpreting employee turnover (Kevin *et al.*, 2004). There is therefore a need to develop further understanding of the employee turnover especially the sources of the employee turnover. The reason a lot of attention has been paid to the issue of turnover is because turnover has significant effects on organizations.

In Europe, the hotel industry is believed to provide an important source of work for internal and international migrants seeking temporary or permanent employment opportunities away from their home communities. In principle, improvements to working conditions in hotels and catering are also considered to benefit men and women. Nevertheless, moves to improve working conditions are more likely to benefit women, given that they account for a slightly larger share of the workforce and many are employed on a part-time basis in the low-value core jobs (Bull, 1995). The high turnover associated with hotel jobs are attributed to their conditions which are often not at the top of company agendas. Furthermore, the perception of these roles as jobs rather than careers means investment in training and human development is often only just enough for the individual and the firm to survive. There is an issue of causality, but the challenge is for firms in the sector to take proactive measures to improve conditions for such workers in the hope of benefiting from lower staff turnover.

According to the European Commission (2006), it is indicated that employment development in tourism hospitality is always achieved by a UK hotel which targeted women with children at school and paid for a

play leader to look after the children during school holidays. In addition to that the industry structure, seasonality for hotel jobs, lack of government regulatory framework and ease of entrance in hotel business enterprise among others make this very sensitive to social and economic changes in European countries. These factors are observed to either motivate or de-motivate workers in the hospitality industry in Europe (Bull, 1995). In North Africa, a dynamic environment for hotel transactions, which was evident before the global economic downturn activity, has not yet fully recovered mainly due to political uncertainty caused by the recent Arab Spring. As a result of the regional conflict and instability, foreign investors have become cautious about hotel investment in North Africa. Nevertheless, the pipeline of planned hotels still increased by 4.0% to 75 new properties in 2012 (Zhao & Jing, 2009). The features characteristic of work in hotels and catering - long, antisocial hours, low pay, instability and low status - make it unattractive as a career choice, and as a result the sector continues to suffer from high staff turnover and difficulties in recruiting suitable staff (Riley, 1996). This tends to perpetuate the skills gaps that currently exist.

Together, these negative factors damage the reputation and perception of the sector. The primary challenge is to reverse this negative perception, first by improving working conditions to attract suitable staff and retain them, and second by investing in their development and taking interest in their well-being. In Kenya, most of the hotel employments lack a regulatory body that defines the job structure and remuneration policy (ILO, 2001). This has impacted negatively in hotel business sustainability due to high costs of training new employees, replacement and separation for the departing employees as well as affecting customer satisfaction. The ILO (2001) indicates that majority of hotel workers have diploma certificate while thirty three percent studied up to secondary level without any post secondary qualification. This confirms that about two thirds or 64 percent of jobs in the hotels, restaurants and catering sector are either unskilled or semiskilled. The nature of hotel employment which require working odd hours, working in shifts and the social stigma of working in the hotels curtailed many females from joining the industry (Taylor, 2002). As a result, hotels jobs favored male employees than their female counterparts.

Kenya Hotels and Restaurants Regulations Act (1988) establishes standards upon which classification of hotels is based. The regulation classifies Hotels in to five classes denoted by stars with ‘\_five’ being the highest and ‘\_one’ the lowest. The classification of Hotels and Restaurants is carried out in the manner prescribed by the Hotels and Restaurants Authority Published in the Legal Notice No. 30 of February 16, (2001) of the Hotels and Restaurants Act. Other than the establishments of the Kenya Hotels and Restaurants Regulations Act (1988), one of the greatest challenges plaguing the hotel industry in Kenya has remained to be the shortage of suitably qualified and experienced workers across a wide spectrum of professions (Kaiser, 1974). As a result, establishments at the upper end of the industry tend to rely on foreign nationals for the required expertise (Copeland *et al.*, 2000). Furthermore, the hotel industry in the region has generally struggled to retain good professionals due to low wage and salary levels. Consequently, service levels tend to be relatively poor in international terms. Many hotels in Kenya face various challenges especially problems associated with human resource issues. With reference to the Serena Hotel, Asudi (2011) argues that it is justly famed for its exceptional standards of efficiency, service and five-star hospitality. The elegantly sophisticated Nairobi Serena is a member of the Leading Hotels of the World group and is consistently voted ‘\_Best Hotel in Nairobi’ by airlines and international travel magazines alike.

In this industry with the large number of small establishments, there are many people who do not have or need job descriptions. In the past, job assignment was seen as the process by which the employer set out to maximize the output of the work force-a scientific school of management approach. However, there is an increasing recognition that if a job assignment is to be effective, the resulting job must satisfy the individual worker’s needs. Assigning jobs for short-term efficiency may result, for example in high employee turnover with a drop in customer satisfaction. Despite its pivotal central location, the hotel industry in Kisumu City remains true to its title and offers an oasis of serenity amidst the bustle of one of Africa’s most vibrant capital cities. This however does not mean that the hotels are perfect in provision of human resource issues. Despite the current employee turnover levels in many hotels, staff retention should be on the management agenda at all levels. If action is not taken, it has the potential to become an even bigger issue. This therefore calls upon this study to be conducted in order to find out the problems that are being experienced in the hotel. The purpose of the study was to examine the effect of job assignment on employee turnover in the hotel industry in Kisumu City.

## Literature Review

Turnover is the individual movement across membership boundary of an organization (Price 2001; Thwala *et al.*, 2012) and it is the ratio of the employees of organization who left in a particular period of time with the average number of employees in that organization during the same period of time. Companies take a deep interest in their employee turnover rate because it is a costly part of doing business (Beam, 2009). Companies incur direct and indirect expenses, which include the cost of advertising, headhunting fees, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. These expenses can add up to anywhere from 30 to 200 percent of a single employee's annual wages or salary, depending on the industry and the job role being filled (Beam, 2009).

The most common reason for employee turnover rate being so high is the desire of a better-paying job by the employees. Those who are desperate for a job may take the first one that comes along to carry them through while searching for better paying employment. Also, employees tend to leave a company because of the unsatisfactory performance appraisals. Low pay represents a good reason for which an employee may be lacking in performance (Rampur, 2009). Unequal or substandard wage structures fall under this category as well. "When two or more employees perform similar work and have similar responsibilities, differences in pay rate can drive lower paid employees to quit. In a like vein, if you pay less than other employers for similar work, employees are likely to jump ship for higher pay, if other factors are relatively equal" (Handelsman, 2009).

Shamsuzzoha and Shumon (2008) did a research to find out the reasons of turnover, its negative effects and possible recommendations that could be helpful to the local industries for their productivity and market share in Bangladesh. The results of the study showed that turnover rate is higher than government sector due to job insecurity. The study showed that low salary is the main cause of employee turnover. Irregular payments, improper management, better job options, job location, noisy work environment, job insecurity, behaviour at root level, job dissatisfaction, delay of promotion, insufficient medical allowance, leaving tendency of people (employees), working time, less increment are the next causes of turnover in line. The study also examined the causes of people staying in the organization Which included; Security of the job, pension, good location, increment, better salary structure, good working environment, and good behaviour of top management. Shah, Zainab, Shakil and Khalid (2010) analysed the factors which significantly contributed in the intentions of employees to quit their job. The results showed that among the push factors, family related problems, not liking their boss and unfulfilled expectation were the most important push factors causing turnover.

Kuriya and Ondigi (2012) assessed the internal and external causes of labour turnover in three and five star rated hotels in Nairobi city, Kenya. The study sampled 133 permanently employed staffs working in these star rated hotels by simple random sampling method. The study found job dissatisfaction, unfavourable working conditions, long working hours with minimal pays and poor employees training programs as the causes of turnover. The unconducive work conditions resulted to the employees developing work related stress and reduced employees' organizational commitment. The study observed that few hotels had employees who worked up to their retirement and the study observed employee resignation was the major form of labour wastage in these types of hotels. The study revealed that most of the respondents were familiar with the vision and mission statement of the organization they were working with. The employees were not involved in decision making process even those decisions which affected their jobs. This was the main cause of resignation in the hotels under study. Employers were inflexible and they did not provide a balance between work and employees' personal life. Hence, majority of the respondents reported that they did not know whether they utilised their ability and skills.

## Theoretical Framework

The study adopted at least two theories to explain factors that affect workers effectiveness, job satisfaction, commitment and turnover. These theories are Frederick Herzberg - Hygiene theory, and Abraham Maslow's Hierarchy of needs theory. The hygiene theory is based on the analysis of the interviews of 200 engineers and accountants in Pittsburgh United States of America. According to the theory, there are two types employee needs. The hygiene factors which include supervision, interpersonal relations, working conditions and salary. The animal needs can act as demotivators but if satisfactory their

motivational effect is limited (Cole, 1990). The Human needs (motivators) are recognition, work, responsibility and advancement (Etuk, 1991). The major difference between the two is that motivators bring positive satisfaction and effective performance of workers. However, hygiene factors do not positively promote good health, but can act to prevent ill-health in the workplace (Cole, 1990).

Hygiene factors impede dissatisfaction but they do not lead to satisfaction; they bring motivation up to a theoretical level zero, thus a necessary floor to prevent dissatisfaction and take-off point for motivation (Armstrong, 2004). The major conclusion of Herzberg was that money was not a motivator. This theory enables the study to look at factors such as achievement, advancement, recognition and responsibility and impacts on workers' turnover. The major setback of this theory is that it fails to recognize money as a motivator. This theory emphasized that as one level of need is satisfied, it ceases to be a motivator. Another central point is that people tend to satisfy their needs systematically, from physiological and then move up the hierarchy (Cole, 1990). Physiological needs are satisfied through money or salary. It could be noted that while Herzberg plays down the importance of money or salary as a motivator, Maslow recognized money as the factor of motivation, and the starting point for other needs to be met. However, once money meets the physiological needs and to some extent the safety needs it ceases to be a motivator. Maslow's theory however did not emphasize the importance of leadership or management style as a motivating factor. The hygiene factors symbolize the physiological needs which the individuals want and expect to be fulfilled. These factors motivate the employees for a superior performance. During the study, job assignment characteristics were determined by job flexibility, qualification, right job for right person, job enlargement, and creativity constructs.

## **MATERIALS AND METHODS**

The research was undertaken in Kisumu City situated on the shores of Lake Victoria. The shoreline is 90 km long and has more than 17 beaches all of which are fish landing. The study adopted a descriptive research design. The target population was 350 employees (comprising of 96 managers and 240 employees) working within the 24 medium sized Hotels in Kisumu city. Gay (2003) recommended that when the target population is small (less than 1000 members), a minimum sample of 20% is adequate for educational research. A sample size of six hotels comprising 187 employees and 24 management staff was selected for this study. The sampling methods used for this study were simple random, stratified and purposive sampling. Simple random sampling was used to select a sample of 6 medium sized hotels. Stratified sampling was used to sample different departments of hotels. Purposive sampling was used to select the management of the medium sized hotels. Primary data was collected using questionnaires and 5 point likert type statements were designed for each variable. The secondary data was obtained using journals, books, newspapers and magazines. Descriptive statistics used included frequency and percentages and findings presented in frequency tables. Pearson correlation Coefficient was used to establish the influence of job assignment on employee turnover. It was appropriate to use the technique because the statement used was of interval and ratio-scale nature. The results were presented in tabular form using frequencies and percentages alongside inferential statistics.

## **RESULTS**

The broad objective of this research was to investigate the effects of job assignment on employee turnover in selected medium size hotels in Kisumu City. The research established the extent to which job assignment affected employee turnover using 5 point likert type statements for each variable. The descriptive and Pearson product moment correlation was used to establish the extent to which job assignment affected employee turnover.

### **Job Status of Employees in Kisumu Hotels**

The study sought to find out from the respondents their job status. The job status of the employees was varied during the study as summarized in Table 1. A good number of employees 39 (36.8%) were working on contract, with 33 (31.3%) being on permanent job status and casual employees comprised 31 (29.2%) of the respondents.

Table 1. Job status of respondents in Kisumu hotels

	Frequency	Percent	Cumulative Percent
Casual	31	29.2	29.2
Contract	39	36.8	66.0
Permanent	33	31.1	97.2
Unknown	3	2.8	100.0
Total	106	100.0	

This finding showed that most of the employees working with selected medium size hotels in Kisumu City were on contract, compared to those in casual and permanent. This was seen as a reason for lower turnover since the contract expired after a certain period of time.

### Status of Employee Turnover

The status of employees turnover in selected medium size hotels in Kisumu City were established by looking at the following characteristics; employees leave without notices, move from one hotel to another, working in the hotel for a short period, new employees employed regularly, report to work late and absenteeism. The employees rated the factors of employee turnover in their hotel as summarized in Table 2. Majority 55 (51.9%) identified new employees employed regularly, with 76 (71.7%) of employees report late to work and 73 (68.8%) and employee absenteeism as to be highly rated factors of employee turnover. However, the employees leaving without giving notices, moving of employees from one hotel to another and employees working in the hotel for a short period e.g. less than six months were rated to be low.

Table 2. Employee turnover in Kisumu hotels

	Very High		High		Average		Low		Very Low	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Employee Turnover										
Employees leaving without notices	15	14.2	24	22.6	27	25.5	23	21.7	17	16.0
Moving of employees from one hotel to another	19	17.9	18	17.0	29	27.4	22	20.8	18	17.0
Employees working in the hotel for a short period e	17	16.0	32	30.2	27	25.5	14	13.2	16	15.1
New employees are employed regularly	21	19.8	34	32.1	28	26.4	9	8.5	14	13.2
Employees report late to work	35	33.0	41	38.7	16	15.1	6	5.7	8	7.5
Employee absenteeism	38	35.8	35	33.0	18	17.0	7	6.6	8	7.5

From the results it was identified that new employees were employed regularly, employees report late to work and employees are always absent as indicators of employee turnover in selected medium size hotels in Kisumu City.

### Relationship between Job Assignments on Employee Turnover

The Pearson correlation coefficient was used to establish the relationship between Job assignments on employee turnover. The result is as shown in Table 3. There was a negative relationship between Job assignment ( $r=-.559$ ) on employee turnover  $p<0.01$ .

Table 3. Correlations on job assignment

		Employee turnover	Job assignment
Employee turnover	Pearson Correlation	1	
	Sig. (2-tailed)		
Job assignment	Pearson Correlation	-.559**	1
	Sig. (2-tailed)	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The findings showed that an increase in Job assignment would lead to a decrease in employee turnover. The findings indicate that Job assignment significantly affect employee turnover. Job assignment was found to be negatively significant related to the employee turnover.

## DISCUSSION

Job assignment was found to be negatively significant related to the employee turnover. The findings support the arguments of Forrest (1996) that managers also may fail to recognize that a primary factor that can lead to turnover of an employee-regardless of the position-is the job itself. Employees look at a job as routine, dull, unimaginative, or even worse demeaning, embarrassing or punishing. If this is the case, something must be done to change the job or employee's perception of the job. Unless the manager and the employee resolve the problem and find a way to redesign the job or reassign the employee, the outlook for a highly motivated employee is poor and the possibility that he/she will seek employment elsewhere is high.

With the rapidly changing nature of the workforce and labour market, including the skill shortages and the raised expectations of the working people, job assignment now has to consider a wider range of factors than merely designing the task and work content of jobs. Most managers will need to focus more than before on the conditions of work than just the job content. Consequently, while some jobs are being simplified, many other jobs in the industry remain rewarding because of the very nature of the industry; small units, social interaction, autonomy, all meet the requirements of what appear to be major contributions to satisfying job assignments.

## CONCLUSION

The findings indicated that job assignment negatively influence employee turnover. Job assignment practices that have been used to reduce employee turnover ensure that there is job flexibility, assignment of jobs are based on knowledge or skill that one has attained, there is fairness when assigning tasks, the right job is assigned to the right person and that abilities of employees are considered.

## RECOMMENDATIONS

The government should consider providing incentives to the hospitality industry since it employs majority of young people in the society. This should assist in increasing the number of tourist's accommodation.

Since most of the employees working in the hotel industry have no well defined job assignment, there is need to enhance policies that can moderate their operation. This will assist in assignment of chores to the employees by managers.

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### BIO-DATA

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