FACTORS AFFECTING LABOUR TURNOVER AT THE KENYA MEDICAL SUPPLIES AGENCY, KENYA

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ABSTRACT

Extant empirical literature has shown that factors such as corruption, training and development and outsourcing have an influence on the employee turnover rate within an organization. However, little was known about the factors that influence the high turnover rate of employees at the Kenya Medical Supplies Agency (KEMSA). Therefore, the purpose of the study was to establish the factors influencing the labour turnover at KEMSA. Descriptive research design was used for the study. The study targeted the 330 employees and managers of KEMSA. A simple random sampling technique, on a sample size of 67 employees, was used to sample the respondents for the study. Questionnaires were used as instruments for data collection. Both the ordinary least-squares and descriptive data analysis techniques were used. The regression output revealed the existence of a strong negative relationship between employees' turnover and training as well as organizational factors respectively. The output also showed that a significantly strong positive correlation between the employees' turnover and corruption, outsourcing and downsizing respectively. The survey findings of the study indicated that majority of the respondents had attended training organized by KEMSA and to a large extent, that availability of training opportunities influence labour turnover in KEMSA. In addition, most of the respondents also strongly agreed that corruption, organizational culture and leadership styles influence labour turnover at KEMSA to a large extent. KEMSA has outsourced some of its functions and that cost savings and risk management influence the outsourcing to a moderate extent while focus on core business influenced it to a very large extent. With regard to downsizing, the respondents strongly agreed that it influences employee turnover in KEMSA and cost savings, productivity and quality improvement influence the downsizing to a moderate extent. A key conclusion of the research is that the leadership style in KEMSA highly influences the labour turnover. This study recommends that the management of KEMSA should increase the number of Training and Career Advancement opportunities and deal strictly with corruption cases in order to reduce the level of employee turnover. In addition, the management should also change their current leadership style since it is shown to have a big influence of the experienced level of turnover within the organization.