THE INFLUENCE OF JOB DISSATISFACTION ON EMPLOYEE TURNOVER IN SELECTED THREE STAR HOTELS IN NAIROBI COUNTY

Mbua Vincent Wanyoike

Jomo Kenyatta University of Agriculture and Technology

P. O. Box 62000 – 00200

Nairobi, Kenya

&

Dr. John Karanja Ngugi

Kenyatta University

P. O. Box 43844 -00100

Nairobi, Kenya


ABSTRACT

Employee turnover in star rated hotels is high yet it presents a direct cost to hotel establishments in terms of separation, replacement and training costs. This research study aimed to closely investigate the influence of job dissatisfaction on employee turnover in selected three star hotels. Specifically, the study sought to investigate the influence of rewards on employee turnover, to determine the extent to which work environment influences employee turnover, establish the influence of work-life conflict on employee turnover and investigate the influence of wellness programs on employee turnover. The study adopted a descriptive research design and the target population comprised of 500 employees working in three star hotels. The study adopted a stratified random sampling technique to select a sample size of 150 respondents. The main data collection instruments were questionnaires containing both open ended and close ended questions. A pilot study was carried out to test the reliability and validity of the questionnaires. Descriptive statistics data analysis method was applied aided by Statistical Package for Social Sciences (SPSS) to analyze the gathered data where responses frequencies, percentage mean and
standard deviation results were computed. Finally Multiple Linear Regression model was employed to establish whether a linear relationship existed between the independent variables and dependent variables. The findings were presented using tables and charts. Findings of the study concluded that the independent variables i.e. rewards, work-life conflict, work environment and wellness programmes were critical factors of job dissatisfaction that influence employee turnover. It was concluded that rewards was the most influential variable on employee turnover among three star hotels. The study recommends that three star hotels adopt competitive pay structures, ensure consultation on work schedules and proactively implement flexi-time and finally provide a better work environment.

**Key words:** Job Dissatisfaction on Employee Turnover

**INTRODUCTION**

Most firms experience the departure of a number of employees during the course of a year whom are replaced by others to ensure work continuity. This is called Employee turnover. There are many definitions of turnover but majority form their basis on Price (2001) which he defined as the percentage of organizational members who have left during the period being considered divided by the average number of people in that organization during the period. Mobley, Wang & Li (2012) defined turnover as the voluntary or involuntary cessation of membership in an organisation by an individual who receives monetary compensation for participating in that organisation. This study emphasized voluntary behaviour because primary turnover model sought to explain what motivates employees to withdraw from the workplace.

Many elements contribute to job dissatisfaction levels. Locke & Henne, (2000) defined job dissatisfaction as the unpleasant emotional state resulting from lack of achievement of what one valued in the work situation. Given that values refer to what one desired or sought to attain. According to Kalleberg & Loscocco, (2006), every working person had a certain order of priorities with regard to what he or she sought from work.

It is generally assumed that individual’s value economic (extrinsic) as well as psychological job rewards. Work rewards reflect the intrinsic and extrinsic benefits that workers receive from their jobs. This study considered four facets of job dissatisfaction namely rewards, work-life conflict the work environment and wellness programmes as relevant in the Kenyan context.

**1.2 Statement of the problem**

In Kenya, little research has been conducted regarding employee turnover in the hospitality industry despite its glaring effects (Wanderi, Alice & Kuria, 2012). Earlier studies on employee
turnover in hospitality industry in Kenya by the ILO, (2001) indicated high trends of employee turnover with lodges on the lead. Similarly research by Kimungu& Maringa, (2011) also found out that turnover had a considerable negative impact on service when internalizing standards.

An empirical study by Kuria, (2011) showed that three star hotels recorded 68 percent turnover, while five star hotels recorded 13 percent. A report by Kenya Tourism Federation (KTF, 2013) indicated that three star hotels frequently spent large amounts of financial resources on paying final dues to employees. This is an indicator that turnover is rife. A survey by Kenya Association of Hotelkeepers and Caterers (2012) showed that the average tenure of an employee in star rated hotels was lowest among three star hotels. Turnover has many push and pull factors influencing it but as noted by Lambert, Hogan & Barton, (2001), scholars speculate that employee turnover could be predicted using comprehensive measures of job satisfaction; otherwise stated, job dissatisfaction is associated with high employee turnover. According to Mobley, Wang & Li, (2012) job satisfaction studies in every sector needed to be conducted since dynamics are different hence assumptions should not be made until conclusive facts are proven.

Empirical studies by Kimungu& Maringa (2010), Kuria (2011), ILO (2001) and Wanderi, Alice &Kuria, (2012) narrowed their research into investigating turnover levels, of segments in which it was occurring most within the industry and effects of turnover on hotel establishments. This left a major gap of knowledge on core areas influencing employee turnover and significance of their components to turnover. It is against this background that this study was conducted to determine the influence of job dissatisfaction on employee turnover of selected three star hotels.
Research Objectives

General Objective

The general objective of this study was to determine the influence of job dissatisfaction on employee turnover in the three star hotels.

Specific Objectives

The study pursued the following specific objectives:

i. To determine the influence of rewards on employee turnover.
ii. To establish the influence of work environment on employee turnover.
iii. To find out the influence of work-life conflict on employee turnover.
iv. To assess the influence of wellness programmes on employee turnover.

LITERATURE REVIEW

Incentive theory of motivation

The incentive theory states that a stimulus (in this case, rewards) attracts a person towards it. An individual will more likely behave in order to get himself closer to the reward. The theory is grounded on the principle of conditioning an incentive to make a person happier. Incentive Theory of Motivation is applied in various fields and industries, one of the largest ones being business management. In management, monetary and non-monetary incentives are provided to employees to motivate them in their work (Sincero, 2012).

Role conflict theory

This was a theory invented by Kahn, Wolfe, Quinn, Snoek, & Rosenthal, (1964). It suggested that role conflict occurred when people were confronted with incompatible role expectations in the various social statuses they occupied. Role conflict can take several different forms. When
the roles are associated with two different statuses, the result is known as status strain. When the conflicting roles are both associated with the same status, the result is known as role strain.

Work life conflict concept had its foundations on role stress theory (Frone, 1992), whereby the negative side of the work-family interaction was put under the spotlight. Greenblatt, (2002) described work life conflict as unacceptable levels of variance between work and family/personal life demands. Greenhaus & Beutell, (1985) defined work life conflict as a form of inter role conflict in which the role pressures from work and family domains were mutually incompatible in some respect.

**Person-Environment fit theory**

This was a theory that explored the similarity between an individual and the environment in which they worked (French, 1982). Person–environment fit (P–E fit) was defined as the degree to which individual and environmental characteristics matched (Kristof-Brown, Zimmerman, & Johnson, 2005). The theory explained that Person characteristics included an individual’s biological or psychological needs, values, goals, abilities, or personality, while environmental characteristics usually included demands of a job or role, cultural values, or characteristics of other individuals and collectives in the person's social environment (French et al., 1982). Person–environment fit can be understood as a specific type of person–situation interaction that involves the match between corresponding person and environment dimensions (Ostroff and Schulte, 2007).

This theory as stated earlier explained domains that constituted a work environment and aimed to find a fit between an employee and those domains. Such domains were Person–job fit, or P–J fit, which refers to the compatibility between a person’s characteristics and those of a specific job.
(Kristof-Brown & Guay, 2011). This included the traditional view of selection that emphasizes the matching of employee knowledge, skills and attitudes and other qualities to job demands. As observed by Eusabia & Kuria, (2013), Kenyan hotels tended to practice “walk-in” recruitment and relied heavily on referrals from existing employees. This becomes a recipe for lack of fit between an employee and the job because they do not consider matching the candidate’s skills and attitudes with job requirements.

**Social support theory**
This theory sought to create a perception that one was cared for at work and it is highly used to justify health promotion and intervention programs (Lazarus, 1984). It defined social support as the perception and actuality that one was cared for, had assistance available from other people, and that one was part of a supportive social network. Workplace wellness programs are a combination of educational, organizational and environmental activities designed to support behavior conducive to the health of employees and their families (Owens, 2006). They are also referred to as employee assistance programs (EAP’s).

Some studies indicated that offering EAPs may result in various benefits for employers, including lower medical costs, reduced turnover and absenteeism, and higher employee productivity (Schultz & Schultz, 2010). Critics of these studies question the scientific validity of their findings, noting small sample sizes, lack of experimental control groups, and lack of standardized measures as primary concerns. Proponents, however, argue that the consistency of positive findings across studies in different service sectors denote at least some positive effect of programs, even if the most effective components of such programs had not been determined. EAPs may also provide other services to employers, such as supervisory consultations, support to troubled work teams, training and education programs, and critical incident services.
Conceptual framework

Figure 2.1 shows the conceptual framework adopted by the research study. In the conceptual framework, the independent variables were: rewards, work-life conflict, work environment and wellness programmes. The dependent variable was employee turnover.

**Independent variables**

**Job Dissatisfaction**

**Rewards**
- Salary
- Fringe benefits
- Incentive bonuses
- Overtime pay

**Work-life conflict**
- Work schedules
- Organizational policies
- Work intensity

**Work environment**
- Management style
- Colleague relations
- Duties performed
- Career growth
- Job security

**Wellness programmes**
- Physical activity breaks
- Physical health amenities
- Stress management interventions

**Dependent variable**

**Employee Turnover**
- Exiting personnel

*Figure 2.1 Conceptual framework*
Empirical review

Rewards

According Locke & Henne (1986) in the definition of job dissatisfaction, they emphasized the importance of what one valued from their employment. Abassi & Kenneth et al. (2000) agreed that rewards whether intrinsic or extrinsic ranked high among what most people valued from their work. It however depended on the individual to specify what brought most gratification.

As discovered by Herzberg (1959) most extrinsic rewards do not give full “satisfaction” but lack of them will lead to dissatisfaction which eventually causes a person to seek satisfaction elsewhere. This causes employee turnover. According to Gagne & Forest (2008) the value of intrinsic and extrinsic rewards could be influenced by factors such as the industry in which one was engaged in. They noted that employees working in sectors that were highly seasonal in nature tended to value extrinsic rewards more due to the fact that these sectors were task oriented and the time to actually get to realize intrinsic rewards such as considerable achievement might not be there. Hotels fall in this category and perhaps this explains why many employees prefer tangible rewards for their efforts and leave when they do not get them. Price (2001) says that many feel as if they have been short changed hence leave to look for alternative employment elsewhere. Lashley (2000) argued that employees quit organizations for economic reasons. This again emphasizes the role that extrinsic rewards play in influencing employee turnover. These sentiments were echoed by Albert Njeru; Secretary-general Kenya Union of Domestic, Hotels, Educational Institutions, Hospitals and Allied Workers (KUDHEIHA), that most of those still under employment currently during hard economic times usually took half pay, which was also subjected to Value Added Tax on service charge (Njeru, 2014).
Work-life conflict

Sturges & Guest (2004) argued that a growing aspiration to balance work with other aspects of life could doubtless be linked to the long hours that many individuals had to devote to work. Thus, when demands from the work and non-work domains were mutually incompatible, conflict occurred. Tausig & Fenwick (2001) stated that work-life balance is the direct opposite of time bind. They stipulated the time bind as perceptions of imbalance between work and family or personal life and the perceived degree of conflict in achieving that balance. Felstead, Jewson, Phizacklea & Walters et al. (2002) stipulated that this perception of imbalance between work and personal life may lead to frustration and increased desire to reduce the perceived cause of such conflict. This desire may often lead to resignations.

Work environment

A work environment is made up of three main aspects namely physical, psychological and social aspect. The workplace environment has been known to affect employees (Lashley, 2000). A work environment should ensure employees are satisfied in all three aspects as it reflects in their level of job dissatisfaction or satisfaction.

The style of management has been shown to indirectly influence job satisfaction. Managers who adopted one style of management had been found to cause feelings of resentment within employees who in turn sought to end the employment relationship (Miller, 1984). It is advisable for managers to adopt a range of styles that are suitable for different situations. For example it has been found worldwide that employees loathe being micro managed as they feel lack of trust in their ability to control situations at work (Firth & David, 2007).
Wellness programmes

Wellness programs are a coordinated and comprehensive set of health promotion and protection strategies implemented at the workplace (Hochart& Lang, 2011). Organizations that implement wellness programs have documented improvements in worker health, functioning, productivity, and performance. They also have seen significant reductions in absenteeism, medical benefits costs, disability and worker's compensation claims, workplace accidents, and employee turnover. Surveys indicate that between 50 and 80 percent of large companies offer wellness programs. The potential payoff of a wellness program was evidenced by a study which found that every dollar spent on such a program returned an estimated $3-$5 to the company in reduced absenteeism and greater productivity (Horchart& Lang, 2011).

Research Methodology

Research Design
The study adopted a descriptive research design. Kothari (2006) describes descriptive research as including surveys and fact-finding enquiries adding that the major purpose of descriptive research is description of the state of affairs as they exist at present. Orodho (2009) described a descriptive research design as a systematic empirical inquiry in which the researcher did not have direct control of independent variables because their manifestation had already occurred or they were inherently not controlled.

The reason for using this research design was because this study sought to report the situation as it was happening among three star hotels with no control over variables thus providing a scenario where the researcher could not manipulate either variables.
Data Collection Procedure
Primary data was gathered through the use of questioning method in form of a semi structured questionnaire (open and close ended questions). The questionnaires were administered to a total of 150 respondents and later collected for data analysis.

Secondary data included previously collected and tabulated data through the use of graphs, charts and reports. This type of data was collected from reference materials with key information helpful to this research study. Collection of secondary data was obtained through desk research mainly from past published scholarly articles of topics on job satisfaction and employee turnover.

Data Analysis
Since the study gathered both quantitative and qualitative data using semi structured questionnaires, it applied a descriptive statistics data analysis method to analyze numerical data gathered using closed ended questions. The Statistical Package for Social Sciences (SPSS) computer software was used for analysis to generate data array that was used for subsequent analysis of the data. Inferential statistics through multiple regression analysis was used to establish the nature of relationship between independent and dependent variables. The findings were presented using tables and charts.

Regression Analysis
To establish the degree of influence of job dissatisfaction components on employee turnover, a regression analysis was conducted, with the assumption that: variables are normally distributed to avoid distortion of associations and significance tests, which was achieved as outliers were not identified; a linear relationship between the independent and dependent variables for accuracy of estimation was achieved as the standardized coefficients were used in interpretation.
The regression model was as follows:

\[ Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon \]

Employee turnover = \( \alpha + \beta_1 \) (Rewards) + \( \beta_2 \) (Work life conflict)+ \( \beta_3 \) (Work environment) + \( \beta_4 \) (Wellness programmes) + \( \epsilon \).

Regression analysis produced the coefficient of determination and analysis of variance (ANOVA). Analysis of variance was done to show whether there is a significant mean difference between dependent and independent variables. The ANOVA was conducted at 95% confidence level.

**Model goodness of fit**

Regression analysis was used to establish the strengths of relationship between employee turnover (dependent variable) and job dissatisfaction variables, that is, Rewards, Work life conflict, Work environment and Wellness programmes (independent variables). The results showed a correlation value (R) of 0.753 which depicts that there is a good linear dependence between the independent and dependent variables. This is presented in table 4.1 below.

<table>
<thead>
<tr>
<th>R</th>
<th>( R^2 )</th>
<th>Adjusted ( R^2 )</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.753</td>
<td>0.567</td>
<td>0.562</td>
<td>0.046</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Rewards, Work life conflict, Work environment, Wellness programmes
b. Dependent Variable: Employee turnover

With an adjusted R-squared of 0.562, the model shows that Rewards, Work life balance, Work environment and Wellness programmes explain 56.2 percent of the variations in Employee turnover.
while 43.8 percent is explained by other factors not included in the model. According to Howell (2002), measures of goodness of fit typically summarize the discrepancy between observed values and the values expected under the model in question.

*Analysis of Variance (ANOVA)*

As presented in table 4.1, ANOVA statistics was conducted to determine the differences in the means of the dependent and independent variables to show whether a relationship exists between the two.

Table 4.12 Analysis of Variance (ANOVA)

<table>
<thead>
<tr>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>4</td>
<td>2.310</td>
<td>4.387</td>
<td>.002a</td>
</tr>
<tr>
<td>Residual</td>
<td>191</td>
<td>.445</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>195</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The P-value of 0.002 implied that employee turnover intention in selected three star hotels in Nairobi County had a significant joint relationship with Rewards, Work life conflict, Work environment and wellness programmes which is significant at 5 percent level of significance. This also depicted the significance of the regression analysis done at 95% confidence level. This implies that the regression model is significant and can thus be used to assess the association between the dependent and independent variables. According to Gelman (2006), ANOVA statistics analyzes the differences between group means and their associated procedures such as "variation" among and between groups.
**Regression coefficients of determination**

To determine the relationship between the independent variables and the dependent variable and the respective strengths, the regression analysis produced coefficients of determination as presented in table 4.12 below.

Table 4.13 Regression coefficient results

<table>
<thead>
<tr>
<th></th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
<td>6.751</td>
<td>4.732</td>
<td>2.427</td>
<td>.043</td>
</tr>
<tr>
<td>Work environment</td>
<td>1.021</td>
<td>0.589</td>
<td>.296</td>
<td>2.733</td>
</tr>
<tr>
<td>Rewards</td>
<td>1.244</td>
<td>.697</td>
<td>.338</td>
<td>2.785</td>
</tr>
<tr>
<td>Work-life conflict</td>
<td>.889</td>
<td>.689</td>
<td>.287</td>
<td>2.290</td>
</tr>
<tr>
<td>Wellness programmes</td>
<td>.761</td>
<td>.720</td>
<td>.362</td>
<td>2.057</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee turnover  
b. Independent variables: Rewards, Work life balance, Work environment and Wellness programmes

Findings in table 4.11 reveal a positive relationship between Employee turnover and all the independent variables.

Taking the regression model: $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$; where, $Y$ = Employee turnover; $\alpha$ = Constant; $\beta_1 , \beta_4$ = Beta coefficients; $X_1$ = Rewards; $X_2$ = Work life conflict; $X_3$ = Work...
environment; \( X_4 = \) Wellness programmes and \( \varepsilon = \) Error term, the established regression equation was:

\[
Y = 6.751 + 1.021 + 1.244 + .889 + .761
\]

A unit change in rewards would thus lead to a 1.244 change in Employee turnover ceteris paribus; a unit change in Work life conflict would lead to a .889 change in Employee turnover ceteris paribus and a unit change in Work environment would lead to a 1.021 change in Employee turnover ceteris paribus while a unit change in Wellness programmes would lead to a .761 change in Employee turnover. This implies that among other factors, Rewards, Work life conflict, Work environment and Wellness programmes are strong and significant determinants of employee turnover in selected three star hotels in Nairobi County.

**Summary of Findings**
The main objective of this study was to establish the influence of job dissatisfaction on employee turnover among three star hotels. The study found out that job dissatisfaction does influence employee turnover among three star hotels and among the studied variables rewards had most influence (sig.0.017) followed by work-environment (sig.0.023) then work-life conflict (sig.0.032) and lastly wellness programmes (sig.0.039).

**Conclusion**
The study drew the conclusion that job dissatisfaction had a great contribution towards employee turnover. The study findings established that there was a significant positive relationship between, rewards, work-life balance, work environment and wellness programmes. The findings also indicated that rewards followed by work environment, work-life balance and wellness programmes influence employee turnover.
From the findings, it can be deduced that a majority of respondents were not satisfied with their salaries. This brings the researcher to the conclusion that there may be disparities in rewarding based on cadre. Whereas a majority agreed that their respective work places offered other benefits such as bonuses and overtime, a majority offered that they would leave their present jobs for better paying ones. In this regard, it was concluded that three star hotels still face high employee turnover mostly as a result of poor remuneration.

The study further deduces that a majority of respondents felt the need for work-life balance as many complained of long working hours making them lose on their personal life domain. It was further established that work-life conflict was a key determinant to turnover intent among majority of respondents in the workplaces, most notably, work schedule, work policies and work intensity. This might be due to the fact that majority of the respondents were young people who either had young families or were in the process of starting one hence the need to balance the two domains.

The study also found out that a majority of respondents were highly satisfied with colleague relations most notably with their peers but on supervisors the relations were found to be less satisfying. It can be deduced that respondents do feel emotionally disconnected to their respective leadership. It can also be inferred that a majority of respondents did not perceive their work environments in general as being in line with their career goals. From the foregoing, it can be deduced that all work environment constructs provided influence on their intentions to stay or leave their organization. As such, among the work environment constructs, duties performed, supervisory style, career growth, colleague relations and job security are key determinants of employee turnover.
The study found out that overall a majority of respondents were satisfied with wellness programmes in their respective workplaces. The study established that wellness programmes did not significantly influence respondents’ intention to leave.

Analysis of variance was done to show whether there was a significant mean difference between dependent and independent variables. The results showed a correlation value (R) of 0.753 which depicts that there was a good linear dependence between the independent and dependent variables. This implies that among other factors, Rewards, Work life conflict, Work environment and Wellness programmes are strong and significant determinants of Employee turnover in selected three star hotels in Nairobi County.

**Recommendations**

From the findings, analysis and conclusions, the following recommendations are hereby made:

Three star hotels need to review their reward systems as majority of employees are not satisfied with what they receive compared to their input. There is also the need to carry out surveys on what rewards employees value most because as evidenced by the study, most employees agree incentive bonuses have little impact on their intention to leave.

There is need for three star hotels to spend more in understanding dynamics of employees’ jobs before hiring them, so as to structure jobs that are rich in depth which will motivate them to perform. Hotels also need to diversify their income generating activities to take advantage of emerging trends to make that extra income.

To improve working conditions, staff ought to be clearly communicated upon, the set goals and targets of the hotel. There is also need to provide each skilled staff a specific job description clearly indicating functions, responsibilities and reporting structures in addition to promptly addressing staff issues and suggestions. To improve on the recognition, there is need to
periodically benchmark and review skilled staff remuneration packages in line with best practices. In general, to improve staff retention, it is imperative for three star hotels to listen to and address staff concerns and suggestions so as to ensure the staff is happy. There is need for the study area and similar organizations to institute policies that will enhance career growth opportunities in the hospitality sector. Staff in these areas should also be allowed time and resources to further their education in order to increase chances for growth.

REFERENCES


