FACTORS LEADING TO HIGH STAFF TURNOVER IN NON-GOVERNMENTAL ORGANIZATIONS IN TANZANIA

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A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION OF THE OPEN UNIVERSITY OF TANZANIA

2013
SUPERVISOR CERTIFICATION

The undersigned certifies that he has read and hereby recommends for acceptance by The Open University of Tanzania a dissertation titled: “Factors Contributing to High Staff Turnover in Non-Governmental Organizations in Tanzania” submitted in partial fulfillment for the requirements for the degree of Master of Business Administration Human Resource (MBA-HR).

………………………………………

Dr. Augustine Y. Hangi

(Supervisor)

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DECLARATION

I, Barabona Thomas Mubondo, declare that this dissertation is my own work and that it has not been submitted for any academic award in any other University for or any other degree award.

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Date: _________________________
DEDICATION

I dedicate this work to my family. First, it is dedicated to my wife, Alice Mubondo, and second, to my Children Hilkia, Rugilandavyi, Thomas and Innocent. Their moral support and tolerances during my study at the Open University of Tanzania contributed a lot. They understood and were accommodative whenever I came home late from the University and for working late hours at home.
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ABSTRACT

Staff turnover refers to the rate of employees leaving an organization or a position in a year. It is a common phenomenon in an organization but when the rate is high there would be an adverse impact on an organization’s performance. The objective of the study is to provide information on factors causing high staff turnover in non-governmental organizations in Tanzania. The method used was to interview respondents from sampled nongovernmental organizations at various levels. Methodology used for data collection was interviews, questionnaires, and documentation.

The findings indicate that staff turnover in NGOs in Tanzania is over 40%. The high staff turnover rates not only affect replacement costs, but it negatively affects employee morale and productivity. The findings reveal poor policies and structures; a decrease in motivation, commitment, quality and quantity of work output, tense work relations and lack of communication.

The author recommends that NGOs must have clear policies and procedures which are communicated to all staff and clear understanding of organizations mission, vision, strategies, and clear job descriptions. Also knowing available financial and non-financial packages promotes attachment to the organization and retain staff. The issues of managers playing a leadership role and allowing feedbacks from stakeholders is also important for effective staff retention. The finding could be used for reference in developing new policies and structures.
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<td>CBO</td>
<td>Community Based Organisation</td>
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<td>OUT</td>
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<td>VCT</td>
<td>Voluntary Counseling and Testing</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the study

NGOs are the fastest growing category of organizations in Africa (Veit, 1998:54, 84). Tandorn also observed that in the 1970s and 1980s NGOs thinkers and donors typically viewed NGOs as temporary instruments to solve a limited problem or gap filling functions due to failures of the state and market. However the opposite seem to prevail today though they are assumed to have higher staff turnover compared to public sector. This study aims to identify causal factors to high staff turnover among NGOs in Tanzania.

In order to identify factors causing high staff turnover in non-governmental organizations (NGOs) in Tanzania the author looks into the history of NGOs, structures and systems, policies and management styles. This study examines both internal and external environments that could be contributing to staff turnover or staff retention in NGOs. Tanzania has over 8,000 registered NGO; out of these it is estimated that only 4200 are functional. They are mainly working on health issues, environment, advocacy and civil education. Others are working on micro financing and other economic areas. About 600,000 people are working in NGOs- a significant contribution into labor market (Mile, H 2005).

Effective NGOs need to have a myriad of capacities that relate not only on management issues but also the identity, the mission, interpersonal relations, and organizational
aspects. The author believes that effective recruitment, orientation, retention and termination strategies need to be in place in order to avoid unnecessary staff turnover. In addition, identity, culture and purpose should be considered in building NGO’s capacity. These include factors such as clear ideology of development and sense of purpose, to cultural aspects of the organization, such as interpersonal relationships, effective conflict resolution mechanisms and positive self-management relations. In addition, policies and management styles are likely to lead to high staff turnover.

Staff turnover from the authors point of view seem to be a problem for NGOs as evidenced by repeated advertisements in newspaper soliciting applicants. This is an indication that there could be some problems that need to be solved in order to sustain their contributions towards socio economic development. Therefore, the research studies the factors which contribute to staff turnover and recommend how to minimize the problem.

As nonprofit organizations perform an increasingly important role in delivering human services, there is also increased pressure for greater accountability and sustainability to donors and other stakeholders, including the public. While the number of NGOs in Tanzania is not known, they are estimated to be above four thousands (Emil, 2002).

This implies that a significant number of workforces are employed by the NGO. It is estimated that in Tanzania, over 600,000 people are employed by civil societies
compared with Kenya which employs 300,000 people through civil societies (Tanzania Bureau of Statistics, 2006). However, the NGOs face a crisis by not being able to retain staff for a long time; a factor that cost them by lacking long experience and expertise. NGOs are becoming spring boards by recruiting and training people who tend to work for short periods and leave in search of greener pastures.

Current perceptions program sustainability goes beyond traditional interests in efficiency to include effectiveness in helping their clients. Outcome data is often used to help to measure effectiveness and more nonprofits are being established to contribute to the development goals by providing various services. Many organizations do not appreciate or understand the potential usefulness of outcome information for improving services. This has been leading to high staff turnover in NGOs. The research is going to investigate on factors that contribute to high staff turnover in non-governmental organizations in Tanzania.

The research also look into various organizations’ achievements and assess how they are related to the continued staffing, staff retention and proper utilization of outcome information as opposed to high staff turnover trends. The emphasis was on segregation of the factors leading to high staff turnover as well as those leading to retention of employees in non-governmental organizations. The finding will help organizations to assess their internal and external factors that are adversely affecting their staff and
strategize on how to improve the situation for programs sustainability and increased contribution to development goals.

Moreover, there is a strong support for institutionalizing the collection and use of outcome information widely, not only across the nonprofit sector but also among various employers.

1.2 Statement of the Problem

High staff turnover has long been an issue in many organizations. However the problem is worse in NGOs compared with public departments. For instance, in average, for the past five years, the department of social welfare experienced a staff turnover of 10 percent while at WAMATA, a non-governmental organization, the staff turnover was 40 percent in year 2005. The same trend is vivid at MSD with a labor turnover of 20 percent compared to Pact Tanzania, which was 38 percent in year 2006. (Annual reports 2006).

Moephet, B. in NGOs staffing and compensation studies indicates that one factor with a significant impact on staff turnover is the local economy. When the economy is good there are usually many jobs to be found, and there are few people who want to work for the low wages that are paid in some NGOs. However, basing on public salaries statistics there are some employees who get low salaries but they may not wish to leave their employers (Ministry of Labour and social welfare report 2007.) Now this study is to identify reasons why people are leaving their jobs frequently especially within NGO sector.
Given the current improvement of the economy and government increase of salaries in the public sector, the staff turnover is a particularly important topic right now. Still, wages are only one of the variables that affect turnover. This research examines staff turnover in non-governmental organizations.

Most human resource managers agree that staff management is one of the most challenging aspects of practice administration. We know that an excellent staff is a prerequisite to a great practice, but it is not easy to keep everyone happy in a busy office. As the practice grows, so does the number of staff, which just complicates the management issues. The research addresses some key issues that can reduce the frustration of staffing and increase staff retention within NGO sector.

Human resource management is a complex field with many facets, however the issues of staff turnover is dealt with by looking into factors leading to retaining staff and those expelling them both from internal and external environments. Once managers recognize that as practice grows, so will the time and effort necessary to successfully manage the people. It is evident that while managers believe in hiring an office manager early as a practice develops, they also believe that the practice owners play a vital role in staff management. To reach the ultimate in practice success, human resource managers must care about staff issues and spend time on them (Mboya, W.J. – lecture notes OUT).
Staff turnover is observed from two perspectives; from organizational perspective in which it refers to individuals leaving an organization, and from the perspective of people who use the services. The later hold that staff turnover occurs more frequently not only when a service provider leaves the organization, but also when s/he gets transferred or promoted. As far as the employees are concerned, whenever there is a change in who provides support, there is turnover.

1.3 Objectives of the Study

1.3.1 General Objective

The broad objective of the study is to determine factors, causing high staff turnover in non-governmental organizations in Tanzania.

1.3.2 Specific Objectives

i. To examine causing factors affecting staff turnover in non-governmental organizations in Tanzania

ii. To determine how internal and external factors contributes to more high staff turnover in non-governmental organizations in Tanzania

iii. To analyze the role of financial and non-financial motivators in staff retention in non-governmental organizations.
1.4 Research Questions

The following three research questions were designed in order to guide the research towards findings, which will assist in meeting the objective of the study in relation to the problem statement:

i. What are the factors causing staff turnover in non-governmental organizations in Tanzania?

ii. How do internal and external factors contribute to high staff turnover in non-governmental organizations in Tanzania?

iii. How financial and non-financial motivators do contribute towards staff retention in non-governmental organizations in Tanzania?

1.5 Significance of the Study

Timing of this study coincides with an increased number of NGOs in Tanzania and scarcity of qualified and competent employees. Thus, there is a scramble for these employees among the public sector, private sector and NGOs. Therefore, the public sector, private sector and NGOs are the major beneficiaries of this research. This study, therefore, should be able to:

i. Provide the public sector, private sector and NGOs with approaches on issues of staff turnover and staff retention.

ii. Provide data for future researches in generating more information on the research topic.
iii. Collect data which will be useful in educating the public, private sector and NGOs regarding the staff turnover.

The author feels that whether the organization’s staff turnover is high or not; NGOs should constantly be assessing and improving their process to recruit and retain key staff. It is argued that it is difficult for employers to retain good employees if they do not have a strategy to hire the right employees in the first place. Once a successful strategy to hire good employees is in place, retention processes should be put in place. A good example is from the Parastatal Pension Fund (PPF) where they employ through an employment agency and rotate new staff in different departments as part of its orientation process. This practice allows new employees to get better understanding of the institution and easily identify themselves as part of it.

1.6 Scope of the Study

The research focused on the results of targeted NGOs staff turnover in Dar es Salaam (Kinondoni and Ilala) and Kigoma regions. It involved NGOs of different sizes and criteria. The choice of Dar es Salaam was based on great number of existing NGOs in urban setting consists of a variety of socio-economic and cultural systems, which could offer different aspects, and results of NGOs targeted in Kigoma which is semi-urban and rural. The two selected districts in Dar es Salaam have more number of NGOs compared to Temeke. Kigoma is one of peripheral regions in Tanzania but high number of NGOs due to refugee camps.
The sample organizations include International, National, District-based and Community Based NGOs. The interviewees included support staff, middle managers/officers, senior managers and board members. The author looked on existing policies including constitutions, and existing human resource policies and available personnel reports. Also remuneration packages, recruitment procedures and other non-financial motivators were studied and assessed.

The sample size is 50 NGOs, Out of these 35 were in Dar es Salaam and 15 in Kigoma. Looking at staff turnover from the client's perspective, the author did look on staffing decisions that result in changes as to who provides support for the client. The author did not include people who take a short-term leave, e.g., maternity leave, in the turnover data.

1.7 Dissertation Layout

The report starts with background information about NGOs and staff turnover, and then it states the main objective of the research and research questions. These are followed by literature review and research methodology that was applied. It is from this information that the findings are presented, analyzed and discussed. Then conclusions are made on the basis of the discussions followed by the lesson learnt from the study. Lastly, recommendations are made.
1.9 Conceptual Framework

The conceptual framework for this study is presented by the figure above.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

Many researches have been conducted on different issues pertaining to NGOs; they include managerial, structural, development and leadership to mention but a few. However; very little is documented about NGO staff turnover in Tanzania. The author has included theoretical and empirical literature on NGO staff turnover.

2.2 Conceptual Definitions

Civil Society organizations: These consist a group of people organized voluntarily and come together and form association as club or self help group, interest group, religious body, representative organizations, foundations, social movements which are either formal or informal in nature but they should not be part of government nor political and are not for profit sharing (ESAURP 2002). These are sometimes regarded as NGOs, although the later have distinct characteristics as indicated below.

Non-Governmental Organizations (NGO): These have tended to fall into a number of categories, legal, economic/financial, functional and structural/operational. The first three categories all contain limitations while the fourth accommodates organizational reality in a number of diverse settings.

It is also defined as a group of organizations that are formal (with established structure and organizational document); private (institutionally separate from government); non-
profit-distributing (there are no owners who receive shares of profit from the organization’s activities); self governing (with its own internal procedures for governance and with no control from outside entities; and voluntary (at least some elements of the organization’s staff or governing body are not paid) (Ferraro, P 2002).

In defining common definition of non-profit sector there are various types of definitions using different basis. Perhaps the most certain and straightforward is the one that uses country’s law. In United State for example non-profit organizations are legally defined as incorporated entities that qualify for exemption from the federal income tax under any of twenty-six specific subsections of the Internal Revenue Code (Hopkins, 1987). Organizations as diverse as burial societies and business leagues, garden clubs and “charitable, educational, religious, or, scientific” institutions can thus qualify. Under this type of definition, a nonprofit organization is what the law (including judges-made law) of a country say it is (Simon, L 1987).

The second type of definition emphasizes not the legal form of the organization but the source of its income. This is the approach taken by the U.N. System of National Accounts (SNA), which is the set of conventions adopted by the governments around the world for official reporting on national income (United Nations, 1993). These institutions receive bulk of their income from the dues and contributions of their members and supporters. Only organizations that receive half or more of their income from
households on a contributory basis are considered to be “non-profit organizations serving households” in the U.N. system (United Nations 1993:95).

The third definition of the nonprofit sector emphasizes the functions or purposes that the organizations carry out. The most common type of function is the promotion of what is variously termed the “public interest”, or public purposes”. Therefore O’Neill (1989:2) defines nonprofit organizations as “private organizations serving a public purpose”. Also they are defined as organizations designed “to serve underserved or neglected populations, to expand the freedom of or power people, to engage in advocacy for social change, and provide services (McCarthy, Hodgkinson and Samariwalla, 1992:3). As Roger Lohmann, 1992 puts it nonprofit organizations consist groups of people who joins together voluntarily for some common or shared purpose and interact in a spirit of mutuality.

A final set of definitions emphasizes not the purposes of the organizations or their sources of income but their basic structure and operation. A wide variety of such structural features have been advanced as crucial to the concept of the nonprofit sector. Thus, the actual features included in the structural-operational definition may consequently vary (Hartch : 1980:12, Brenton 1985:9, Hansmann 1987:28). A group of experts who served as Local Associates on the Johns Hopkins Comparative Nonprofit Sector project identified five compelling features. They define NGOs as entities that are:

Organized: Institutional to some extent.
Private: institutionally separate from government.
Non-profit-distributing: not returning any profits generated to their owners or directors.
Self-governing: equipped to control their own activities.
Voluntary: involving some meaningful degree of voluntary participation, either in the actual conduct of their activities or in the management of its affairs.

Needless to say, the five conditions identified in this structural-operational definition will vary in degrees, and some organizations may qualify more easily on one criteria than another. Therefore for the purpose of this dissertation the author adopted a definition of NGO from Tanzania NGO Policy document: “Non-governmental organization is a voluntary grouping of individuals or organizations which is autonomous, non-political and not for profit sharing; organized locally at the grassroots, level, nationally or internationally for the purpose of enhancing the legitimate economic, social and/or cultural development or lobbying or advocating on issues of public interest of a group of individuals or organizations” (Tanzania NGO Policy: 2001 page 10).

Community Based Organizations (CBOs): These are organizations created by people for their own benefits. The most elementary grassroots organizations are households, but households members also form groups which can be distinctive because of gender, age etc. Others are also made up of men and women of all ages to structure and regulate social life. They are often informal in nature and fulfill traditional functions, such as mutual savings, but can also be more formal created to take developmental roles, such as water committees. A key distinction within community based organizations is
whether they are traditional and informal or modern and formal in sense that they are recognized by the state’s development system.

The CBOs can be categorised as either indigenous or induced depending on purpose of their formation. Indigenous CBOs are formed voluntarily by people with some connection to improve their own circumstances having initiatives for helping themselves, local resources with few paid staff sometimes non-paid staff. They have small areas of operations, usually multi-sectoral and unregistered in law, while, Induced CBOs are formed because of external influence from government/donor/or NGO initiative and are often motivated by a particular incentive.

Staff turnover: Staff turnover refers to the ratio of number of individuals leaving an organization (for various reasons) for a given period of time, usually a year (Balkin, 1992). The simplest and most usual way of measuring staff turnover is to measure the number of leavers in a period as a percentage of the number employed during the same period, usually on a quarterly or annual basis (Sturges and Guest 2003). This is sometimes called separation rate, and is expressed as:

\[ \text{Number of leavers divided by average number of working times hundred i.e.} \]

\[ \frac{\text{Number of leavers}}{\text{Average No. Of working}} \times 100 = \text{Separation rate} \]

In human resources context, turnover or staff turnover or labour turnover is the rate at which an employer gains and loses employees. Simple ways to describe it are "how long employees tend to stay" or "the rate of traffic through the revolving door". Turnover is
measured for individual companies and for their industry as a whole. If an employer is said to have a high turnover relative to its competitors, it means that employees of that company have a shorter average tenure than those of other companies in the same industry. High turnover may be harmful to a company's productivity if skilled workers are often leaving and the worker population contains a high percentage of novice workers.

What is to note is that; unless there are special circumstances like sudden large increase in workforce, the average number of working at the start of the period added to the number working at the end, the total then divided by two. However, the separation rate is only a crude measure of staff turnover problem and makes no distinction between new starters and experienced workers who can be much more difficult to replace (Gareth and George 2006). Thus the author uses stability index to measure staff turnover which is calculated as:

Number of workers with one year’s services (or more)/Number of workers one year ago x 100 = stability index.

Motivation: Is a process that account for an individuals interest, direction and persistence of a process towards achieving the goal.

Policy: Refer to a framework within which decisions are taken.
2.3 Theoretical Review

The author could not find research work that has been done on high staff turnover in non-governmental organizations in Tanzania; although a lot of research work has been written about staff turnover in public and private institutions outside Tanzania. American studies found that average staff turnover in privately-operated community facilities is significantly higher than in government-operated institutions or group homes.

Mitchell and Braddock (1994) reported 71 percent staff turnover in private community facilities compared to 25% in government-operated institutions and 34 percent in government-run community homes. More than a quarter of the private community facilities had over 100 percent annual turnovers. Similar findings are also reported by Larson and Larkin (1999) who found 48 percent turnover in private facilities and 13 percent in publicly-operated group homes.

The above mentioned studies found that the most consistent and significant factors related to staff turnover were starting salaries and eligibility for benefits such as paid leave. In addition, high turnover occurred in facilities which had lower wages than other jobs in the community (Mitchell & Braddock, 1994) or had newer supervisors (Larson & Larkin, 1999). While it is anticipated that newer supervisors could perpetuate more staff turnover, there is no vivid evidence of that in the Tanzanian context.
British researchers found that people's intention to leave an organization was related to a number of factors, including co-worker and supervisory support, job variety, staff development opportunities, staff perceptions of organizational democracy, goodness-of-fit between the organization's and the staff's goals and values, and wages (Hatton & Emerson, 1998). Of these factors, actual turnover was related to level of practical support from supervisors (Hatton & Emerson, 1998). Thus, though a number of organizational factors can make employees begin to think of leaving their jobs, according to this study, the supervisor plays an important role in whether they actually do so.

Staff turnover is high among direct-care workers (Larson & Larkin, 1999) and part-time staff (Mitchell & Braddock, 1994). The majority of people who leave usually do so less than one year after being hired (Mitchell & Braddock, 1994; Larson & Larkin, 1999). Razz (1993) found out that intention to quit and actual turnover could be predicted by an employee's job satisfaction. Job satisfaction was lower for employees who were burned-out, had relatively unstable employment histories, or were dissatisfied with their supervisors. In addition, more educated employees or those who feel that they have little public respects for their job are more likely to find new jobs.

Factors affecting employees’ turnover are multidimensional and multifaceted. They include internal factors such as motivational elements, policies and procedures in organizations. Others are external ones such as globalization effects, trade liberalization
and increased information technology. Turnover is obviously costly to organizations that employ direct service personnel (Larson & Larkin, 1999).

The human costs to people who receive services are also significant. People living in community setting receiving social services from NGOs are routinely expected to “get used to” five or more new employees each year coming in to their home often providing the most intimate of personal care and other supportive aspects of their private lives. Lack of continuity makes it extremely difficult to develop and sustain the trusting and familiar relationships that foster personal growth, independence, and self-direction.

People tend to stay where they are comforTable in totality. That is; where their physical, psychological and economic needs are met; lest they will struggle to change in search of better satisfaction. As Maslow put it in the pyramid hierarchy of needs; people start with basic needs at the base, then security needs, belongingness needs; followed by esteem needs and self actualization. (Maslow 1967).

While wages and employment benefits are certainly big factors in job satisfaction, they are not the only ones and maybe not even the most important. But there must be some factors that lead to job satisfaction or the employee will look elsewhere and eventually quit. Employment exists within a job market – so the good and bad in a job are relative
to “What else is out there?” Civil societies must compete for good people not just with similar activities, but also with all other employers in the area.

The job market has many similarities to the commercial market. The prices of goods and services are a big factor in retaining customers, but not the only factors. In our commercial market the approach for marketing plan is by asking, “Why should patients choose my practice?” This can be a tough question to answer, and it holds the key to one’s success. NGOs should approach staffing philosophy in the same way: “Why should an employee (or job candidate) choose to work for my organization?” I’m sure there are many good reasons why employees want to work for certain organization, but the more reasons you provide, the more demand there will be to work there.

Similarly, the more reasons for employees to join your organization, the more applications you are likely to have for vacant posts. As one tries to identify and satisfy clients’ or customers’ wants and needs, she/he should also seek to identify and satisfy employees’ wants and needs. The author calls this “marketing to the staff”. Staff members are, after all, internal customers.

Organizational culture is an extremely important aspect in the workplace, and yet it is an intangible asset that one may not have thought about. All practices have an office culture, although it may have developed by pure chance, rather than by design. Simply described, organizational culture refers to the unwritten rules about what is expected of employees in a business. It dictates behavior on the job and affects how people feel. This
culture may be liked or hated by employees and it often contains many of the non-wage factors affecting job satisfaction (Williams, at el 2002). This study highlights on some aspects of organizational policies, norms, employees' participation in decisions making to mention just a few.

Clearly, staff turnover is a complex phenomenon, determined by a number of factors interacting together. Bearing these issues in mind, the study looked at some of the studies which have examined factors affecting turnover. Organizations establish goals; structures work, define authority relations, and provide incentives and disincentives that shape the behavior of those who work within them. They define and encourage management practices that increase or decrease the productivity of officials and component units.

They also provide the environment within which officials are able or unable to develop their skills and careers. Organizations provide the physical resources and conditions that enable or deter people from carrying out their assigned duties, including mundane but nevertheless essential inputs such as desks, vehicles, pencils, and telephones. Organizations encompass both formal and informal forms of communication and behavior that facilitate or obstruct effective action by individuals and entire organizations. Thus, it is important to know how organizations define their goals, how they are structured, what routine processes define the flow of work, how incentive systems operate, what management styles are adopted, what physical resources are available to them, and how communication flows operate within the organization. In
considering this dimension of capacity, informal structures, processes, and management cultures are often as important or even more important as formal ones.

2.4 Empirical Review

Unlike the government related intermediaries, the kind of relationships NGOs seek to foster lie in their capacity to empower and foster group autonomy, related knowledge with action, sensitivity to local contexts, flexibility, non-hierarchical and directive values and relationship, participatory interaction with intended beneficiaries (Edward $ Hulm, op.cit., pp.16,25). Studies on staff turnover in developed countries have examined the places people leave (organizational factors) and/or the people who leave (employee characteristics). Larson & Larkin in their study titled “Longitudinal study of recruitment and retention in community homes…” found staff turnover to be related to client characteristics, such as adaptive skills, and external factors, such as urban location and unemployment rates (Larson & Larkin, 1999)

Hewitt, A. In the evaluation study “An independent evaluation of the quality of services and system performance of Minnesota’s Medical Home” identified several factors that are associated with high turnover. These include wages, organizational socialization and training practices, the length of time that a service setting has been in existence, the characteristics of the people served in the setting, supervisor tenure and the extent to which supervisors are viewed as treating staff fairly (Hewitt, et al., 2000).
Larkin, K in a “longitudinal study of recruitment and retention in small community homes ” reported that the biggest reasons they have for leaving their positions are difficulty in getting along with co-workers, inadequate pay and benefits and issues with their supervisors (Larkin & Bruininks, 1981).

In United Kingdom staff turnover in 2004 remained constant at 16.1 percent compared to 2002 (Cactus Search LTD, June 2005). In Ireland it rose by 5 percent to 15.7. The proportion of UK survey participants experienced difficulties retaining their staff. It rose from 72 percent to 77 percent in 2003, (Cactus Search LTD, June 2005). The growing phenomenon of high staff turnover and associated vacancies have serious negative consequences. High staff turnover has been associated with a low morale, absenteeism and the phenomenon of “burnout” in which staff may stay on the job but without commitment to it (Pine & Maslock, 1978; Jacobson & Ackerman, 1990).

According to Drucker, P. In his study “employment in competitive industries “ he noted that the first sign of declining industry is its loss of appeal to qualified able and ambitious people (Drucker, P 1974:100). While staff turnover is inevitable, higher rates can be costly and disruptive. Loosing an employee can cost the organization between 40 and 60 percent of the individuals annual salary (Hanging 1985). Addition to financial costs, loss of key personnel may lead to low organizational effectiveness as new people
coming to replace those who left may bring with them different or sometimes contradictory values (Bulhung 1999:55).

In the United States, the average total non-farm seasonally adjusted monthly turnover rate was 3.3% for the period from December 2000 to November 2008.[1] However rates vary widely when compared over different periods of time or different job sectors. For example, during the period 2001-2006, the annual turnover rate for all industry sectors averaged 39.6% before seasonal adjustments,[2] during the same period the Leisure and Hospitality sector experienced an average annual rate of 74.6%. [US Bureau of statistics- "Job Openings and Labor Turnover Survey " 2009:3]

In Tanzania most NGOs operates in urban rather than rural areas. The author examined factors causing high staff turnover in NGOs and also determined how internal and external factors affects staff turnover and analyzed the roles of financial and non-financial motivators in retaining staff.

McGill in his work titled Nature of Jobs and turnover in charitable institutions remarked “…in developed countries it is expected that if the duties of a job are difficult, unpleasant or dangerous, the wage will likely be higher. If the wage is relatively low, then working conditions and job duties must be pleasant and rewarding in other ways. This does not seem to be the case in developing countries” (McGill, 2001).

Individual employees may be motivated either based on individual factors such as recognition, driving needs etc. or organizational factors like enabling culture, feedback
environment, existence of an effective performance management system, leadership support and encouragement. Managers’ understanding and ability to apply motivation theories will enhance employee’s effort and hence performance which ultimately enhances in staff retention. This perspective is well conceptualized in the model that follows:

Result in                                   To Achieve

![Motivation Model Diagram]

**Figure 2.1: Motivation Model**

Source: Adapted from Mullins (1994)

Other turnover models: Over the years there have been thousands of research articles exploring the various aspects of turnover, and in due course several models of employee turnover have been promulgated. The first model and by far the one attaining most attention from researcher, was put forward in 1958 by March & Simon. After this model there have been several efforts to extend the concept. Since 1958 the several models of employee turnover have been published; including March and Simon (1958) Process Model of Turnover, Porter & Steers (1973) Met Expectations Model, Steers and Mowday (1981) Turnover Model and, Aquino et al. (1997) Referent Cognitions Mode.
All these models imply that staff turnover is a multicausal and multifaceted human resource problem which need to be addressed by all responsible and accountable managers.

The dual Dual Factor Theory: According to Herzberg Dual Factor Theory (1954) he found a set of factors or working conditions that help us to understand what motivate people. These factors are closely related to nature and content of the job i.e. motivators and growth factors. They include achievement, for instance successful execution of tasks; recognition for what has been achieved, how the job itself is interesting to the staff, how meaningful and challenging it is, progress or growth and responsibility. Also he insisted that a job will tend to generate high intrinsic motivation if it includes the above factors. Again, if the factors are absent, the result is not necessarily dissatisfaction.

Job dissatisfaction is caused by the absence of hygiene or maintainance factors. Furthermore he maintains that, if employees regard hygiene factors as insufficient, they would be unhappy and dissatisfied and would continuously search for the jobs and organizations which can meet these hygiene factors. For example, if employees feel that the compensation is not at par with that of other employees in the same occupation at other organizations, they will be unhappy and this will influence them to underperform or leave the current employer. If however, their remuneration equals or exceed that of other doing similar work, it doesn’t not mean they will be
motivated, as a high level of motivation is ensured by the motivators, not by hygiene factors. Herzberg contends that the core motivators are the nature of the job or tasks. Motivators such as achievements, recognition, responsibility and growth will not be readily present unless the job itself is interesting, challenging and meaningful.

Herzberg sees the solution to motivation problem is the design of the job itself, especially through job enrichment. High staff turnover is a major hindrance to organisational effectiveness among NGOs in Tanzania. The problem is more pronounced among professional staff. Blau in his study “turnover in Developing countries’ observed that in Africa a particular difficult (of local NGOs) is that of being able to recruit competent and skilled staff when local NGOs are competing with international NGOs which generally offer higher salaries and better terms and conditions (Blau,1989:115).

To illustrate the magnitude of the problem, a coordinating NGO in Malawi conducted a training program for 35 professional employees from different NGOs in 1999. During a follow up to the participants two years later, they observe that only four employees were still with their original organizations. The rest had moved on (Khumalo, 2001 personal communication).

2.5 Research Gap

Existing literature on staff turnover specifically in Tanzania concentrated on identifying challenges faced by NGOs in retaining staff for longer periods and possible causes for
higher turnover. They recognize higher staff turnover within NGO sector compared to private and public sector. They do not analyze deeply factors leading to the higher turnover and underlying causes. For example while wages are said to be a key determinant in joining new job it is not necessarily key in retaining staff. What are the reasons for this situation to exist is not clearly stated.

This study therefore aims at identifying factors influencing and leading to professional staff turnover and their effects especially within NGO sector. Recommendations are made on how NGOs leaders, professional human resource personnel, donors and organizational development practitioners/consultants could address them. The author hopes that the insights from the study will be useful not only to NGOs in Tanzania but also in the region with similar socio-economic conditions.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

There are various research methodologies that are designed to gain new knowledge on various issues. The selection of a particular methodology depends on issues to be researched, geographical coverage, nature of research subject and time. This chapter highlights the selected methodology for this research and addresses issues of design, the research area, sampling, and data analysis method that were used in the study instrument of the research.

3.2 Research Design

3.2 Research Area

The research was a micro study applying qualitative descriptive (describing major characteristics of NGOs/staff relationships) and diagnostic methods to determine the frequency with which staff turnover occurs among NGOs and its association with the causal factor. The geographical area include Dar es Salaam, specifically Kinondoni and Ilala districts and Kigoma region Kigoma urban and Kasulu districts. Dar es Salaam was selecte because of great number of NGOs in multculural and faceted socio-factors. Kigoma is a peripheral region with more or less typical rural characteristics.
3.2.2 Population

Dar es salaam have a population of 4.5 millions and estimate of about to have 2000 NGOs whilst Kigoma have a population of 950,000 and 200 NGOs. The study involved International NGOs, national, district and community level NGOs. The inclusion criteria are NGOs with at least 20 employed staffs and which have been working in the area for at least five years. The research assessed how often turnover occurs in different NGOs and what were the underlying factors that attributed to high staff turnover.

3.2.3 Sample

The research sample was drawn from a list of NGOs working in Dar as Salaam specifically Kinondoni and Ilala districts. The two districts were chosen because of big numbers of NGOs both local and International. It was also carried out in Kigoma District so as to compare the situation in the metropolitan city of Dar as Salaam and Kigoma which is semi-rural.

A stratified sampling was applied and NGOs were divided into three categories of international, national, district and community based. Thereafter, three lists were prepared and then simple random sampling applied from each list. Thereafter the sampled elements were complemented by snowballing. Snowballing denotes the process of the researcher tracing potential informants. The technique allows the researcher to identify other sources of information (Cohen and Manion, 1990, Noblit and Hare 1988, Stainback and Stainback 1988).
As Patton stated, “snowballing is a qualitative research technique which involves the researcher in tracing and trying to get hold of a source of information indicated by key informants, or extreme cases.” Questions like whom should I consult about this, where else should I get information, which documents should I read were asked. Involvement of some individuals who left organizations in the sample was sought and who were or not working in the selected sampled NGOs. Members of management and board members were randomly selected from the sampled NGO and interviewed.

To make a rough estimate of how many subjects were required to answer the research question, the sample size calculation was hypotheses-based with estimated level of confidence + or – 5%. This reassured the views that; not only was the study feasible, but that resources were not being wasted by recruiting more subjects than necessary. A sampling formula based on population size was applied to determine sample size. The functioning NGOs are estimated at 4,200 in Tanzania among them 150 international, 800 national, 1,500 are regional and district level NGOs; while 1650 community based. Basing on resources and time limit the research will involve 50 NGOs, 35 in Dar as Salaam and 15 in Kigoma:

General Population of NGOs: N = 4,200;

Pi represents the proportional included in stratum I

Sample size: n=50

Thus \( n_i = 50(Pi/N) \)
From \( N_i = 250; \) \( n_i = 50 \frac{250}{4200} = 3 \)

From \( N_{ii} = 800; \) \( n_{ii} = 50 \frac{800}{4200} = 10 \)

From \( N_{iii} = 1500; \) \( n_{iii} = 50 \frac{1500}{4200} = 18 \)

From \( N_{iv} = 1550; \) \( n_{iv} = 50 \frac{1550}{4200} = 18 \)

Thus; the sample size for the research is 50 non-governmental organizations. These were:

- 3 International organizations
- 10 National organizations
- 19 regional and district organizations and
- 18 community based organizations.

3.3 Data Collection

3.3.1 Types of Data

The first type of data is the secondary, which was obtained from existing documents on NGOs objectives, policies and policy instruments (constitutions included). This complemented primary data collected through survey methods, basically questionnaires followed by a structured interviews guided by a structured schedule with a combination of open-ended and closed-ended questions for selected key informant from NGOs (leaders, managers, program, and support staff). Another set involved opinion questions, for example if they regard turnover to be higher within NGO sector.
3.3.2 Methods of Data Collection

i. Documentation:
To maximize reliability and validity, the author looked into employment records in the selected organizations and studied some reports in order to assess how often the organizations experience staff turnovers. NGOs constitutions were read and human resource policies where they exist looked into the contents and what possible reasons for employees to leave a work. Case study which included a life history, an agency history and the history of staff turnovers was among many possible illustrative foci. Different documents were reviewed including policies, constitutions, types of contracts and annual reports

ii. Questionnaire:
Structured schedules of questionnaires were distributed to 200 respondents from sampled organizations. Questionnaires were used to collect required information and for quicker collection of information. The questionnaires were sent to select NGOs and respondents were asked to fill them. Types of questionnaires used were Semi structured questionnaires were used. The filled questionnaires were collected by the researcher and response to questions sorted, ranked and analyzed.
iii. Observation:

During the research process, the researcher participated in NGOs situation to assess the kind of situation they face. Participation was made in office setting where interviews were conducted, the focus being for such interactions as between NGOs and clients in consultations, meetings, service delivery etc. This aimed to assess decision making process and whether or not the interaction foster positive attitude and relations.

iv. In-depth Interviews:

Structured interviews contained 2 schedules; one for Board members and senior managers and, another one for program staff and support staff. Also one schedule guide was prepared for five in-depth interviews.

It is the author’s opinion that we often become so involved in developing questionnaires to secure information from people that we overlook the fact that considerable data can be collected by just observing. Observation provides opportunity to document activities, behaviors and physical and environmental aspects without having to depend upon people willingness and ability to respond to questions.

Therefore, in order to compliment data and information obtained; observations of NGO working environment was made to see interpersonal relations, working technical tools and other source of positive or negative incentives. Through observation, the author was able to compare the opinions of respondents with regard to what transpires in NGOs working environment.
3.4 Data Source

The author adopted scientific/objective methodology for data collection intended to ensure validity of the objects of investigation and reliability of the procedures and techniques of investigation. This study used participatory methods (PRA and Individual In-depth Interviews (IIIIs)) and conventional questionnaires survey. Qualitative data was analyzed using content analysis technique.

This mainly involved transcription of recorded responses from questionnaires and notebooks, then clustering of information into various themes that represent interviewees’ voices, opinions and feeling on NGOs structures, policies, work relations, remuneration, and retention strategies to mention but a few. Data from human resource reports were also processed and analyzed to complement the findings.

Data was collected from human resource departments’ employment and personnel records. The types of data that were used were employment records from 1997 to 2007. The choice of the period of ten years is given by data availability. Interviews were conducted with senior managers and employees at different managerial levels including the recently joined staffs.

The inductive approach was particularly used with the context in which staff turnover take place. This approach is important when working with qualitative data and use a variety of methods to collect these data in order to establish different views of
phenomenon (Easterby-Smith et al., 1991). Descriptive statistics using tabular forms, percentages were used to complement the result.

3.5 Summary of Design and Response

The research design employed in this research enabled the research to get necessary information from the field. The response was at 88 percent of the expected sample size, an aspect that lead to a variety of relevant information from respondents. The documents and reports complemented the field data and enabled to come out with fair conclusions.
CHAPTER FOUR
4.0 RESEARCH FINDINGS, RESULTS AND DISCUSSION

4.1 Introduction
This chapter presents results, which answer the research-examined questions. The study focused on fifty non-governmental organizations. Analysis and discussing of the findings are then presented question after question. Analysis in the study was carried out using the statistical package for Social Sciences (SPSS). The output is shown in the appendices.

4.2 Research Responses
In total 200 were distributed. 100 questionnaires for management and board members (Annexure 1) and 100 for junior officers and support staff (Annexure 2). Out of 100 questionnaires distributed to management/board members 85 were returned. 15 percent were not returned because of various reasons including difficult to get hold of them due to being on business trips and some working for other organizations. Out of 100 questionnaires sent out to other staff 90 were returned, the 10 percent that were not collected was because those who received them 5 had left employment, 2 were on business trips and 3 had misallocated them. The 87.5 percent of questionnaire indicates a good response for the research from the identified sample size.
Figure 4.1: Degree of response to questionnaires

Source: survey data 2008

4.3 Demographic Data

The section contains the demographic information about respondents. This indicates how the study took into consideration age, sex, marital status, and number of dependents. Other factors were experience in other industries and other social responsibility held. The information was then analyzed though frequency counts and descriptive statistics. The data are presented in Tables below.
4.3.1 Respondents by Sex

Table 4.1: Respondents by Sex

<table>
<thead>
<tr>
<th>Sex</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>100</td>
<td>57 %</td>
</tr>
<tr>
<td>Female</td>
<td>75</td>
<td>43 %</td>
</tr>
<tr>
<td>Total</td>
<td>175</td>
<td>100 %</td>
</tr>
</tbody>
</table>

Source: survey data 2008

This was a good representation for both males and females in relation to the proportion in NGO. The survey indicated much higher rates of turnover from males respondents compared to females.

4.3.2 Age Category

Table 4.2: Respondents by Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 25 years</td>
<td>5</td>
<td>3 %</td>
</tr>
<tr>
<td>25-34</td>
<td>45</td>
<td>26 %</td>
</tr>
<tr>
<td>35-44</td>
<td>76</td>
<td>43 %</td>
</tr>
<tr>
<td>45-54</td>
<td>30</td>
<td>17 %</td>
</tr>
<tr>
<td>55 and above</td>
<td>19</td>
<td>11 %</td>
</tr>
<tr>
<td>Total</td>
<td>175</td>
<td>100 %</td>
</tr>
</tbody>
</table>
The survey indicates that NGO sector has energetic group of employees who are still youthful and potentially able to serve for more years to come. From the survey those aged between 25 and 45 years constitute 79 percent. The changes in new employments were higher among younger and medium age compared to matured people above 45. The trend could be attributed to levels of expectations and family responsibilities. Only 11 percent are above 55 years.

### 4.3.3 Respondents’ Jobs

#### Table 4.3: Respondents’ Jobs

<table>
<thead>
<tr>
<th>Job Types</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>135</td>
<td>77 %</td>
</tr>
<tr>
<td>Administration</td>
<td>30</td>
<td>17 %</td>
</tr>
<tr>
<td>Support staff</td>
<td>10</td>
<td>6 %</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The table above indicates respondents from management constituted majority percent while those from administration and supporting staff were only 23 percent. This is also represented in the NGOs staffing establishment where most staff works in management department with fewer administrative and supporting staff. Those working in managerial departments indicated higher turnover rates.
Asked how many had changed employers for the past five years; 75 percent of managerial staff had changed employers compared to 25 percent of administration and supporting staff.

4.3.4 Employment History

Table 4.4: Respondents’ Previous Sector

<table>
<thead>
<tr>
<th>Previous employers</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NGOs</td>
<td>140</td>
<td>80%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Hospital</td>
<td>22</td>
<td>13%</td>
</tr>
<tr>
<td>Parastatal</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td>Government Department</td>
<td>2</td>
<td>1%</td>
</tr>
<tr>
<td>Others</td>
<td>4</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: survey data 2008

80% of respondents indicated to have worked with other NGOs and only 1% had previously worked with government. This indicates that staff turnover is very high within NGOs sector compared to other sectors. Also response indicates most NGOs employee to have been employed by other NGOs.
4.3.5 Marital Status

Table 4.5: Respondents’ Marital Status

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>35</td>
<td>20%</td>
</tr>
<tr>
<td>Married</td>
<td>110</td>
<td>63%</td>
</tr>
<tr>
<td>Others (separated, divorced, widows)</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: survey data 2008

The survey indicates that majority of employees have family responsibilities; only 20 percent were single while 63 percent are married and 17 percent ether divorced or separated. The level of responsibilities is also reflected in the Table below where 73 percent have children to care and only 17 percent had no child.

4.3.6 Number of Children

Table 4.6: Respondents’ Number of Children

<table>
<thead>
<tr>
<th>Number of Children</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>36</td>
<td>21%</td>
</tr>
<tr>
<td>1-2</td>
<td>76</td>
<td>43%</td>
</tr>
<tr>
<td>3-4</td>
<td>58</td>
<td>33%</td>
</tr>
<tr>
<td>5 and above</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
79 percent of respondents had children to cater for while only 21 percent had no child. The number of children didn’t indicate any relationship with staff turnover.

### 4.3.7 Duration in Current Job

**Table 4.7: Respondents’ Duration in Current Employment**

<table>
<thead>
<tr>
<th>Duration in current job</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below one year</td>
<td>75</td>
<td>43%</td>
</tr>
<tr>
<td>1-3 years</td>
<td>36</td>
<td>21%</td>
</tr>
<tr>
<td>3-5 years</td>
<td>46</td>
<td>26%</td>
</tr>
<tr>
<td>6 and above</td>
<td>18</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

From the Table 7 results, 43 percent of respondents had worked with the current NGO for less than a year and 46 percent for a period between 1 year and 5 years. It was 10 percent only who had stayed for six years and above. This is an alarming statistic when it comes to staff attrition in an organization.

### 4.3.8 Type of NGOs and Number of People Interviewed

The research was designed to involve 50 NGOs in Tanzania. The responses were from 48 NGOs; 34 in Dar es Salaam and 14 in Kigoma. Out of those from Dar es Salaam 3 were international NGO, 15 national NGOs, 9 districts based and 6 communities based.
In Kigoma region 1 was international NGO, 2 national NGOs, 3 district NGOs and 3 Community based.

4.3.9 Surveyed NGOs

Table 4.8: Classification of Respondent’s NGOs

<table>
<thead>
<tr>
<th>Type of NGO responded</th>
<th>Dar es Salaam</th>
<th>Kigoma</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>International NGO</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>8%</td>
</tr>
<tr>
<td>National NGO</td>
<td>15</td>
<td>2</td>
<td>17</td>
<td>35%</td>
</tr>
<tr>
<td>District based NGO</td>
<td>9</td>
<td>8</td>
<td>19</td>
<td>40%</td>
</tr>
<tr>
<td>Community based NGO</td>
<td>6</td>
<td>3</td>
<td>8</td>
<td>17%</td>
</tr>
<tr>
<td>Total</td>
<td>34</td>
<td>14</td>
<td>48</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Respondents were from all range and categories of NGOs corresponding to their numbers in the country to ensure a good representation.
Table 4.9: Respondents’ Responsibilities in the Selected Sample

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board member</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td>Managers</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td>Officers</td>
<td>90</td>
<td>51%</td>
</tr>
<tr>
<td>Junior/supporting staff</td>
<td>50</td>
<td>29%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

To ensure a fair representation a proportionate percentage was involved in the survey. Board members and senior managers constituted 20 percent while officers, junior staff and supporting staff were 80 percent.

4.4 Findings by Research Questions

General staff turnover within NGO sector in Tanzania: The general trend in staff retention from sampled organizations indicates alarming situation that need to be addressed by responsible entities. Non-governmental organizations employee turnover among sampled agencies was, at mean/average, 40 percent. In 2007 an average of 35 percent exited prior to completing the six – month probation period and 55 percent exited prior to one year.
4.4.1 Research Question One:

What are the internal and external factors which affect staff turnover in non-governmental organizations in Tanzania?

In this research respondents were asked whether they consider staff turnover in NGOs sector in Tanzania to be high. Also questions on what leads to high staff turnover in NGOs were asked.
Table 4.10: Awareness of Turnover Existence in NGOs

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>130</td>
<td>74%</td>
</tr>
<tr>
<td>Disagree</td>
<td>40</td>
<td>23%</td>
</tr>
<tr>
<td>Don't know</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Majority agreed that NGOs staff turnover is higher compared to government institutions.

Table 4.11: Relationship Between Turnover and Poor Structures

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>160</td>
<td>91%</td>
</tr>
<tr>
<td>Disagree</td>
<td>12</td>
<td>7%</td>
</tr>
<tr>
<td>Don't know</td>
<td>3</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

The general question asked to the management was to mention the state of staff turnover in a year. The response is presented in the Table below.
Table 4.12: Impact of policies on Staff Turnover in NGOs in Tanzania

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>151</td>
<td>86%</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>9%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>9</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

86 percent responded that poor policies affect staff turnover, 9 percent disagreed and only 5 percent didn’t know the relationship

Table 4.13: Factors leading to high staff turnover in NGOs in Tanzania

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unclear HR. policies</td>
<td>35</td>
<td>20%</td>
</tr>
<tr>
<td>Mission not understood by all staff</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td>Poor remuneration structures</td>
<td>40</td>
<td>23%</td>
</tr>
<tr>
<td>Poor recruitment policies</td>
<td>25</td>
<td>14%</td>
</tr>
<tr>
<td>Inadequate participatory strategies</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td>Poor staff development policies</td>
<td>15</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
The above responses indicate how staff turnover is a result of various factors, internal and external.

**Table 4.14: Contract Duration**

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td>One year</td>
<td>55</td>
<td>31%</td>
</tr>
<tr>
<td>Two years</td>
<td>60</td>
<td>34%</td>
</tr>
<tr>
<td>Three years</td>
<td>30</td>
<td>17%</td>
</tr>
<tr>
<td>Above three years</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

All NGOs forms of employment are not permanent.

**4.4.2 Research Question Two:**

How do internal and external factors contribute to high staff turnover in non-governmental organizations in Tanzania?

Respondents were asked about the effects of staff turnover in NGOs sector in Tanzania. The Tables below indicate their responses.
Table 4.15: Demand for New Staff

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>145</td>
<td>83%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>25</td>
<td>14%</td>
</tr>
<tr>
<td>Don't know</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Staff turnover leads to demand for new staff.

Table 4.16: Loosing NGOs Experience

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>165</td>
<td>94%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>10</td>
<td>6%</td>
</tr>
<tr>
<td>Don't know</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Turnover leads to loss of acquired experience within organization.
Table 4.17: Programme Sustainability

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>83</td>
<td>47%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>85</td>
<td>49%</td>
</tr>
<tr>
<td>Don't know</td>
<td>7</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

There is no clear agreement to whether staff turnover affects program sustainability.

Table 4.18: Understaffing

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>60</td>
<td>34%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>110</td>
<td>63%</td>
</tr>
<tr>
<td>Don't know</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

High staff turnover does not necessarily leads to understaffing.
Table 4.19: Too Much Responsibilities over Few Staff

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>120</td>
<td>69%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>55</td>
<td>31%</td>
</tr>
<tr>
<td>Don’t know</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

As staff leave organizations those remaining take over some of their responsibilities at least for a while.

4.4.3 Research Question Three:

How do financial and non-financial motivators contribute towards staff retention in non-governmental organizations in Tanzania?

Respondents were asked about financial and non-financial motivators that contribute to staff retention in NGOs in Tanzania.
Table 4.20: Relationship between Better Salaries and Staff Retention

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>81</td>
<td>46%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>85</td>
<td>49%</td>
</tr>
<tr>
<td>Don't know</td>
<td>9</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Salary is not necessarily a key determinant for staff retention.

Table 4.21: Relationship between Job Security and Staff Retention

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>170</td>
<td>97%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>5</td>
<td>3%</td>
</tr>
<tr>
<td>Don't know</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Almost all agreed that there is a direct relationship between job security and staff retention only 3 percent disagreed.
Table 4.22: Relationship between Better Recruitment Policy and Staff Retention

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>81</td>
<td>46%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>79</td>
<td>45%</td>
</tr>
<tr>
<td>Don't know</td>
<td>15</td>
<td>9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

There is no significance difference between the number of those who agreed or disagreed to the question (46 to 45 percent).

Table 4.23: Relationship between Fringe Benefits and Staff Retention

<table>
<thead>
<tr>
<th>Responses</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agreed</td>
<td>160</td>
<td>91%</td>
</tr>
<tr>
<td>Disagreed</td>
<td>15</td>
<td>9%</td>
</tr>
<tr>
<td>Don't know</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Almost all agreed that there is relationship 91 percent.

Table 4.24: Non-financial Benefits Contributing to Higher Staff Retention
<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognition award</td>
<td>63</td>
<td>36%</td>
</tr>
<tr>
<td>Provision of challenging jobs</td>
<td>48</td>
<td>27%</td>
</tr>
<tr>
<td>Gift certificates</td>
<td>18</td>
<td>10%</td>
</tr>
<tr>
<td>Travel tickets</td>
<td>15</td>
<td>9%</td>
</tr>
<tr>
<td>Building materials</td>
<td>31</td>
<td>18%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>175</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source: Survey Data 2008

Recognition award was ranked the highest non-financial motivators for staff retention, followed by challenging jobs and building materials.

### 4.5 Data Cleaning

A system of inductive coding to establish such patterns involving, for example association/correlation between the high staff turnover and poor policies, structures and types of NGOs, have been constructed. The system of cross-classification, and its statistical variant, the cross tabulation (Mueller et al., op. p. 59) formed the relationships between factors/variables, which are the derivatives of the expectations (section 1.4 above). This method follows consideration that the effects of high staff turnovers are related to different/interrelated factors/variables and manifests differently in various types of organizations. The frequency in each class has been converted in large part into percentages of grand total. A description of the observed patterns has been made.
Observed correlations and categories are related to, or influenced by, inclusionary or exclusionary mechanisms of NGOs and or structural factors (i.e. Analytical methods and/or expectation have been made in terms of how the policies, structures, remunerations and retention strategies. Decision is made by comparing percentage values (p) and level of significance (0.05). If \( p - \text{value} < \text{level of significance} \), the response agrees to the question asked.

### 4.6 Discussion of Findings

#### 4.6.1. Internal and External Factors which Affect Staff Turnover in Non-governmental Organizations in Tanzania.

Analysis of employment history of respondents indicates 80 percent of respondents had worked with NGOs (Table 4.4), and 43 percent have been with the current employer for less than a year (Table 4.7) which is an indication of existence of high turnover among the sector.

NGOs poor structures and policies stood strongly as the factors causing high staff turnover within NGO sector. As indicated in (Table 4:11 and Table 4:12). This is also reflected from Table 4:13 where respondents pointed at poor organizational structure 23 percent, poor remuneration policies 40 percent, and poor human resource policies 20 percent.

This is in line with what other studies concluding that employees turnover often happen when a poor performance employee is replaced by a more productive employee, and can
also occur when a senior retirement allows the promotion or acquisition to welcome another person in the organization. It is also caused by poor structures, poor internal policies and, available vacancies in similar organizations (William, P 2007).

The finding indicates the turnover rate in Tanzania NGOs is around 40 percent (Figure 4:2). Turnover rate is highest in International organizations at 45 percent, followed by National NGOs at 35 percent while district and local community based organizations turnover rate was between 30 and 25 percent.

The research also indicates 91 percent of respondents considered staff turnover in NGO sector in Tanzania to be at higher rate (Table 4:10). However; poor policies and structures constitutes major factors towards staff turnover (Table, 11 and 12), 91 percent of respondents reported direct relationship between NGOs poor structures and high turnover rates while 86 percent reported poor policies as also a key factor.

Respondents were asked to specify on particular policies they think mostly contributes to high turnover rates. The response varied between several important policies (Table: 4:13). 23 percent reported remuneration, 20 percent human resource, 17 percent mission statement not being understood, 17 percent inadequate participation in decision making and 9 percent poor staff development policy. Comparing the response to other respondent data each depended on duration of employment, nature of job and level of
responsibilities (Table 4:14), age (Table:10) and nature of jobs (76 percent were from magement whist the rest percentage were administrative and supporting staff.

As Mahamood (Badla 2005) put it; turnover is sometimes caused by controllable factors (the organizational factors) and uncontrollable factors which are the environmental factors. Five variables are used for the measurement of controllable factors which include satisfaction with pay, satisfaction with working conditions, satisfaction with supervision, organizational commitment, and Job stress.

Job hopping and perceived alternative employment opportunities are the two variables used for measurement of uncontrollable factors. The finding indicates that most NGOs in Tanzania lack proper policies and they lack ability to identify, to define and achieve their objectives by attracting proffessional staff and retain them. Majority rotates from other NGOs (Table: 4:4) at least 80 percent of NGOs employee had previously worked with othwr NGOs and 43 percent had been with the current employer for less that a year ( Table:7.7).

Inmost cases as indicated in this study there is descripance between organizations practiced values and its policies, systems and procedures. For example from (Table 4.13) 17 percent reported presence of poor participation in decesion making as a key factor leading to high turnover. As Adirondack put it “…many NGOs lack effective policies, system and procedrures (Adirondack 1998:51)”. The finding ranked high poor
renumeration packages, followed by poor human resource policy and then inadequate involvement in decision making and lastly poor staff development strategies (Table 4.13 of the findings).

The nature of employment contracts which are short term of between one year to three years is a predicament for NGOs when it comes to staff turnover (Table 4:14). The maximum contract duration of contract is three years. This falls in line with what McConnel alluded in his research. He observed that local NGOs tend to be breeding ground for international NGO professionals. As they get experience in the local NGOs the international NGOs poach them because they are able to offer better packages (McConnel 1999:13) and have better policies and structures in place. The finding is also affirmed by a study done in Malawi for NGOs which indicates that one of the weaknesses is their poor structures, lack of essential policies which leads to failure to attract and retain high quality staff (Boodering, R. et al 2005).

The study shows the high turnover in NGOs is due to lack of effective management systems and structures. Most of them lack managerial skills for effective decision making. Clear defined roles and responsibilities and effective financial management are essential in attracting professionals and retaining staff. As Trivedy (1999:625) observed that in Africa a particular difficulty (of local NGOs) is that of being able to recruit competent and skilled staff when local NGOs are competing with International NGOs which offer higher salaries and better terms and conditions. This was the case in
Tanzania where about 75 percent of employees in International organizations had previously worked with local NGOs.

4.6.2 How Does Internal Factors Contribute to High Staff Turnover in Non-governmental Organizations in Tanzania?

What an organization need is clear leadership and a guiding mission statement to energize and motivate employees so as not to be discouraged to work for the organization. Various internal factors have different impacts on staff turnover. Managers, who have high level of job satisfaction generally like their jobs, feel that they are fairly treated and believe that their jobs have many desirable features like interesting work, good pay, job security, autonomy and good work relations.

Morphet (2000) in study done in NGOs in Malawi observed that a strong potential of cause of the weakness of NGOs sector lay in the fact that the beneficiaries are unable to exercise effective claims on the organization which serves them. The finding indicates 17 percent mention that high turnover is related to staff not understanding the mission statement of their organizations (Table 4.13).

This study suggest that recruitment and retention concerns have been noted by resource providers as a draw back in maximizing fund value intended to support development activities and services. Without continuity, quality, commitment, and competence the opportunity for people in need of NGOs services and related vulnerable conditions is
greatly diminished. The reality is that the nature of the current workforce high turnover among NGOs makes it even difficult to provide adequate services leave alone quality services. (Table 4.15) 83 percent show that in NGOs there is always need for new staff, and 94 percent reported NGOs loosing experience from moving on staff (Table 4:16).

Refering to (Table 4.17, and 4.19) the finding identified several factors that are associated with high turnover. These include poor programme sustainability reported by 47 percent and too much responsibilities vested upon fewer staff which was 69 percent respectively. Other factors mentioned were training practices, the length of time that a service setting has been in existence, the characteristics of the people served in the setting, supervisor tenure and the extent to which managers are viewed as treating low cadre staff fairly.

It is worth to note that 63 percent found no relationship between staff turnover and understaffing, which implies that while the establishments may have fewer staff but job allocation is not fairly distributed (Table 4:18). Middle and low cadre NGOs personnel reported that the biggest reasons they have for leaving their positions are difficulty in getting along with co-workers, inadequate pay and benefits and issues with their supervisors. Also they mention that within the NGO sector sometimes there are too much responsibilities vested upon fewer staff and hence burnouts which ultimately leads to high turnover.
4.6.3 Inadequate and Poor Retention Strategies

NGO management is somehow complex. They work in turbulent political and social context and are subject to a wide range of external pressure from governments, communities and donors. Therefore to retain staff for long period they need to be strong, transparent and competent. They must develop and possess good management, clear internal structures, well defined responsibilities, and appropriate and efficient administrative systems for effective functioning (Boodering, R. et al 2005). Most NGOs in Tanzania leaves a lot deserved in these areas (Table 4.20). 49 percent disagreed that high turnover rates are directly related to salaries and almost all (97 percent) mentioned job security as the main retaining factor (Table 4.21).

Staff training is a constant need in any practice, due to turnover and growth. In smaller NGO managers often does all or most of the training of new staff, but as it grows, this task should be gradually delegated to other senior staff. But in order for the training to fit the intended employees; during planning managers must consider job descriptions. The magnitude of this challenge was illustrated in a study conducted in Malawi where a coordinating NGO conducted a training to 35 employees in 1999. During a follow up to the participants two years later they observed that only four percent were still working with their original organizations (Khumalo 2001). This study found NGOs to have no long training policies (from reviewed NGO reports).
The research reveals that, in Tanzania most NGOs possess inadequate technical capacity to deliver services according to their cooperate objectives. Effective strategy to deter staff turnover can only be designed if the NGOs has a clear and unambiguous sense of purpose that would attract more professional and skilled staff. There is a need to maintain and sustain technical capacities otherwise staff turnover will remain a problem. This was in line with what Trivedy said “...in Africa many NGOs are still in their infancy, though they are growing in numbers and strength (Trivedy 1999:624).

This study found that senior professional managers are motivated to stay by security factors such as better salaries and fringe benefits while midle and lower managers are attracted by higher environmental factors such as working environment, job growth and involvement in decision making while lower cadres reported job security, and fair remuneration policies and good work relations(Table 4.21 and 4.22). For example extensive orientation for new work force give them better understanding of their new roles and easily identify themselves to the new NGO.

The most significant finding from this study was that staff turnover is higher in International and national organizations compared to district and community based NGOs despite the salaries of the later are comparatively low (Figure 4.20) however, 91 of respondents reported relationship between fringe benefits and staff retention(Table:4.23). As Franklin (1986:117) the earning of money becomes merely a
necessary means for achieving one’s higher performance in life; which is a contribution to society. Factors associated with higher starting wages and benefits were the NGO type, whether the facility is national, community based or International and the location of the facility in an urban area(Figure 3. 1 figure 4.2).

Relatively low-turnover NGO facilities had a significantly higher quality of leadership in management ranks. In most NGOs the administrators typically were in place for a short time hence reduced understanding of staff needs. Almost 64 percent of respondents had stayed with their organization for less than three years (Table 4.7) whilst 43 percent had worked with current employer for less than a year.

High quality leadership and management is one of many patterns associated with staff retention and turnover. Managers at low-turnover NGO facilities offer staff recognition, meaning and feedback, as well as the opportunity to see one’s work as valued and valuable. The finding indicates (from study information on who participates in management meeting) where participatory decission making is practiced at higher level there is higher staff retention.

This is an extremely important aspect in the workplace, although many NGOs managers do not take it serious. In practices an office culture, although it may have developed by pure chance, rather than by design refers indictsates behavior on the job and affects how
people feel. This culture may be liked or hated by employees and it often contains many of the non-wage factors affecting job satisfaction.

The finding indicates non-financial aspects such as fairness in policies respect, self-actualization and opportunities for growth. Others are employees’ involvement in organization mission, recognition awards, provision of challenging jobs, gift certificates, travel tickets and building materials (Table 4.23). 36 percent mentioned recognition on achievement made as a good job retention strategy, 27 percent said challenging job and the rest mentione gift certificates, travel tickets and building materials as key motivating non-financial factors in retaining staff.

Many NGOs staffs receive limited benefits such as paid time off and health care insurance. The study found that 70% of staff was not eligible for health care benefits while 30 percent receive the service. Reasons for the lack of paid benefits for NGOs staff include soaring health care costs which have made it difficult for NGOs to absorb the premium costs that provide benefits only to full-time employees (Source: annual reports).
CHAPTER FIVE

5.0 CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The author see staff turnover as the movement of employees who receive monetary and non-monetary compensation from the organization, by rotating around the labour market between organizations, jobs and careers, normally present in terms of turnover rates. There are various internal and external factors causing staff turnovers in all organizations. The information analyzed from obtained data and provides conclusions by research question. It then gives some recommendations for consideration and possible implementation by non-governmental organizations and other employing entities in order to enhance staff retention. At the end of the chapter the areas requiring further research are suggested.

5.2 Summary of Findings.

i. Majority of the NGOs do not have all necessary policy documents to run their operations smoothly. Even those with some they are not accessible by all staff; hence majority is ignorant of the contents.

ii. Since most NGOs depend on external resource providers; most forms of employments are project based hence short term employments prevail. Employees are not conversant to mission statements and other internal policies and structures. The results include poor programme sustainability, understaffing,
loss of experience and, unclear job descriptions and too much assignments/job tasks for some individuals. The level of participatory decision making is also at stake in some NGOs due to poor structures.

iii. Due to the existence of high staff turnover among NGOs staff, they regard moving on to the next employer as their best alternative to cope with dissatisfactions instead of addressing them with management. NGOs’ managers pay very little attention to non-financial motivators. The issue on non-financial motivators is almost a forgotten phenomenon.

5.3 Implications of the Results

Most local and community based NGOs do not have comprehensive policies regarding managing and staffing their organizations. They rely mainly on copying from well-established organization and donors for guidance on given finances. This is reflected in ways they administer and run their operations. Even the so called International NGOs despite higher salaries and benefits they also experience higher challenges in retaining staff for long period of time. Some key factors such as retention strategies, work environment, existing policies and management structures are essential in retaining staff.

Many NGOs have always demand for new staff (Table 4:15) which attracts new workforce from similar NGOs or other institutions. They also sometimes fill vacancies by using temporary employees and volunteers (One experienced NGO manager remarked during interview). This often causes additional stress for staff and results in service
quality deterioration as “temps” do not always know the routines and the needs of the people receiving service, nor how to provide supports that are included in their service plans.

Turnover is obviously costly to organizations. The human costs to people who receive services are also significant. People living in difficult situations and who are receiving services from various NGOs such as those living with HIV are routinely expected to “get used to” five or more new employees each year coming in to their home, often providing the most intimate of personal care or other supportive aspects of their private lives. Lack of continuity makes it extremely difficult to develop and sustain the trusting and familiar relationships that foster personal growth, independence, and self direction. High staff turnover cost NGOs practice money — through direct costs, indirect costs, and even hidden costs. Some of the direct costs: Severance pay, recruitment fees, pay for temporary workers or overtime pay. Moreover, direct costs include screening and pre-employment tests, training and orientation costs.

Again non financial incentives leave a lot deserved within NGOs sectors. Very few have clear policies on non-financial motivators such as recognition awards and other intrinsic motivators. Furthermore another challenge facing NGOs recruiting and retaining staff in Tanzania include a limited pool of applicants with the right skills; mismatch between demand and supply of individuals with certain skills or specializations, quality of institution and unattractive location. This allow for skilled
staff to change offices for varied reasons which could not have been the case if there are many experience and skilled people.

5.4 Conclusion

5.4.1 Factors Contributing to High Staff Turnover Within NGO Sector in Tanzania.

Poor policies and management structures contribute to high staff turnover within NGOs sector. They tend to focus their recruitment, staffing and remuneration to short term project rather than organizational mission, vision and values. The result is employees job dissatisfaction and urge to seek greener pastures.

NGO managers in order to encourage career development and deter staff turnover they should better develop employment manuals (procedural and policy). The policy manual must discuss the rules of the office, such as sick leave and vacation time. The procedural manual lists and describes how the duties of a job are done. Understanding organizational philosophy, policies and structures are crucial in maintaining staff retention and avoid unnecessary staff turnovers.

5.4.2 How Internal and External Factors Affects Staff Turnover in NGO Sector in Tanzania.

Mahmood Bodla puts it that employees turnover is in two dimensions i.e. controllable and uncontrollable. The controllable factors are the organizational factors and
uncontrollable factors are environmental factors. The findings deduced that poor human resource policies followed by poor remuneration status and job insecurerity were key factors affecting staff turnover in Tanzania.

The issues of inadequate staff development strategies and inadequate decissiom making involvement were also mentioned as key internal factors effecting staff retention. Most NGO provides high wages with less or very little fringe benefits. Very few pay fucus on other form of payments such as hearth care insurance, paid leave and bonuses. Less than 10 percent of NGOs seem to provide acknowledgementcertificates, awards for recognition, and other non financial benencial benefits. If the supervisors treat the staff with dignity and respect, and hold them accountable, that empowers people and become unwilling to leave the organization.

The add hoc rentention strategies applied by NGOs are not effective. The higher turnover effects includes, lost confidence from beneficiaries, lost experience from employees, increased recuitment costs and poor program sustainability.

Generally; NGO managers reported professional recruitment ia a significant challenge. They mentioned a number of reasons for the growing recruitment challenge including an increased demand for workers, increased graduates with no work experience and location of service base. Additionally, there are few career paths within the field to hold workers once engaged. The growing phenomenon of high staff turnover and associated vacancies have serious negative consequences. Higher staff turnover has been associated
with a low morale, absenteeism and the phenomenon of “burnout” in which staff may stay on the job but without commitment to it or decide to leave the NGO.

5.4.3 Inadequate Staff Retention Strategies

Most NGO provides high wages with less or very little fringe benefits. Very few pay focus on other form of payments such as health care insurance, paid leave and bonuses. Less than 10 percent of NGOs seem to provide acknowledgement certificates, awards for recognition, or service. If the supervisors treat the staff with dignity and respect, and hold them accountable, that empowers people and become unwilling to leave the organization. The ad hoc retention strategies applied by NGOs are not effective. The higher turnover effects includes, lost confidence from beneficiaries, lost experience from employees, increased recruitment costs and poor program sustainability.

5.5 Recommendations

The main focus of this study was on the factors leading to high staff turnover in NGOs in Tanzania. On the basis of the findings, the author recommends the following:

i. NGOs should have all important policy documents developed, disseminated and internalized by all staff members. The human resource policy have to be relevant to organizational philosophy which include its mission, vision and values. All programme strategies need to be elaborate and clear to all employees.
NGO managers in order to encourage career development and deter staff turnover they better develop employment manuals (procedural and policy). The policy manual must discuss the rules of the office, such as sick leave and vocation time. The procedural manual lists and descriptions on how the duties of a job are done.

Managers should play a leadership role and become major people to whom most staff looks to for leadership, both by example and by conscious management tactics. Human resources director, or a key long-term manager should also be a crucial “link” in a chain of culture and practice that serves to attract and retain employees.

The elements of leadership and management that was found to be most crucial in this research can be summarized as mission and culture, setting priorities and developing trust, accountability and standards, communication, commitment, and providing leadership at all levels to increase staff retention.

Good managers should try to learn what their staff members are feeling, especially front-line staff. That means talking to them, walking the floors, helping them and using tools like surveys. Often there are problems in NGOs because of a lack of communication between departments or units and brings job dissatisfaction and accelerates staff turnover.

By evaluating each position in NGO can help to spot problem areas that need to work on. It's important to regularly solicit feedback from entire staff in one-on-one meetings and staff meetings. This helps keep managers constantly informed of what's working, what isn't working, what's changed and where improvements may be
needed. It also shows that you value your staff’s point of view, which may increase job satisfaction. In addition to this informal method of soliciting staff feedback, it is also helpful to conduct formal feedback solicitation through exit interviews and exit surveys.

vii. To be effective, NGOs managers need to understand what motivates employees within the context of the roles they perform. Of all the functions a manager performs, employee motivation is one of the most complexes. Normally work becomes a more important part of life when employees find satisfaction and an outlet for creativity in their jobs. People are not motivated in groups, but as individuals. Therefore NGO managers should individualize employees, so as to give valuable information you need to appeal to each employee’s unique needs and desires. The information should demonstrate how their personal goals are achieved through the attainment of organizational objectives, hence increased staff satisfaction and retention.

viii. The NGOs tendency to employ staff on short term contracts of one year and, sometimes without contract renewal while they still need a person is very dangerous for their sustainability and maintenance of staff. The staff does not feel valued and easily leave the NGOs and hence high staff turnover. NGOs therefore need to have clear and elaborate contracts of at least three years to maintain their staff.

ix. On other hand donors should not force NGOs to develop projects that are easily funded even if they fall outside their original mission. Such projects cause managers
and other professionals to feel out of space and become easily susceptible to burnouts that leads to high staff turnover.

x. NGOs need also to plan for non financial motivators and should not consider high pay as the only attractive incentive for employees. They need to consider increased time for research (especially operational), recognition for achievements made, access to training and improved communication to mention but a few.

In a nutshell one of crucial aspect for enhancing staff retention and avoid high turnovers is to respond to workforce challenges by preparing effective and innovative supervisors who can support, train and guide the workforce. This is in the presence of clear policies, practices and structures.

5.6 Limitation of the Study

The scope of the study is limited by time and financial considerations. It is desireable to cover as many NGOs as possible and as many geographical areas as possible. This is however not possible given time and financial constraints. As Mbilinyi (op cit.,p.21), participatory and qualitative research demands adequate resources of time, personal and money to support qualitative participatory techniques. It is hoped, however the findings of this study can be applied to other organizations/NGOs and geographical areas.
5.7 Areas for Further Research

In order to complement this study, it is suggested that further research could be carried out as follows:

i. The relationship between NGOs employees’ short term contracts and high staff turnover

ii. How NGOs registration system in Tanzania affects NGOs performance.
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APPENDIX I:

QUESTIONNAIRE FOR SENIOR MANAGERS/BOARD MEMBERS

Name of organization..........................................................

1. Position in the organization
   a. Board member
   b. Director
   c. Senior officers
   d. Supporting staff

2. The organization has been working in Tanzania for how long?
   Between:
   a. 1- 5 years
   b. 6- 10 years
   c. 11- 15 years
   d. 15 < years

3. Number of staff in the organization
   a. 5 – 10 years
   b. 11 – 15 years
   c. 16 – 20 years
   d. 20< years

4. How many joined in the last three years
   a. 1 – 5
b. 6 – 10

c. 11 – 15

d. 16 – 20

5. How many left the organization for the last three years

a. None
b. 1 – 3
c. 4 – 5
d. 6 – 7
e. 8 and above

6. Staff turnover within NGOs sector is high in Tanzania

a. Yes
b. No
c. Do not know

7. Poor structures within NGOs sector causes high staff turnover

a. Agree
b. Disagree
c. Don't know

8. Lack of appropriate policies contributes to high staff turnover in Tanzania

a. Agree
b. Disagree
c. Don’t know

9. The following factors lead to high staff turnover
   a. Poor human resource policies Yes/no
   b. Mission not understood by Yes/No
   c. Poor remuneration policies Yes/No
   d. Poor recruitment policies Yes/No

10. Lack of staff development policies leads to high staff turnover
    a. Agree
    b. Disagree
    c. Don’t know

11. Inadequate participatory decision-making mechanisms lead to high staff turnover
    a. Agree
    b. Disagree
    c. Don’t know

12. Short term employment contracts contribute to high staff turnover
    a. Agreed
    b. Disagree
    c. Don’t know

12. Existing policies in the organization. Tick the applicable.
    a. Constitution
    b. Human resource policy
c. Staff regulation  
d. Financial policy  
e. Staff recruitment policy  

13. Do you hold staff meetings  
   a. Yes  
   b. No  
   
   If the answer is ‘Yes’ how often?  
   a. Once a week  
   b. Every months  
   c. Every two months  
   d. Quarterly  
   e. Half annually  
   f. Annually  

14. Does the organization hold management meetings?  
   a. Yes  
   b. No  
   
   i. If yes; who attends……………………………………………………………………………………………
   
   ii. Supporting staff are represented  
       a. Yes  
       b. No  

15. Staff turnover leads to loss of organizational experience  
   a. Agree  
   b. Disagree  
   c. Don’t know
16. Beneficiaries lose confidence from the NGOs due to staff turnover.
   a. Agree
   b. Disagree
   c. Don’t know

17. Staff turnover leads to poor programme sustainabilities
   a. Agree
   b. Disagree
   c. Don't know

18. High staff turnover causes understaffing
   a. Agree
   b. Disagree
   c. Dont know

The following factors leads to staff retention? (Answer the following questions)

   a. Agree
   b. Disagree
   c. Don't know

20. Better recruitment policies
   a. Agree
   b. Disagree
   c. Don't know
21. Job security
   a. Agree
   b. Disagree
   c. Don't know

22. Non financial benefits
   a. Agree
   b. Disagree
   c. Don't know

23. Mention one non-financial benefits that you think could contribute towards staff retention in NGOs in Tanzania

.........................

24. What is your main form of employment?
   a. Temporary employment
   b. Short term contracts of between three months to one year
   c. Contract of between 1 – 3 years
   d. Contract of between 3 to 5 years

25. Mention three ways in which you think NGOs could increase staff retention.
   i. ..........................................................
   ii. ..........................................................
   iii. ..........................................................
APPENDIX II:

QUESTIONNAIRE FOR STAFF

1. NAME OF ORGANIZATION..............................................

2. Position in the organization
   a. Front line officer
   b. Supporting staff
   c. Middle officers

3. How long have you worked with the current employer. Tick the appropriate.
   a. Less than a year
   b. 1- 3 years
   c. 4- 5 years
   d. 6- 7 years
   e. 8 < years

4. Existing policies in the organization. Tick the applicable.
   a. Constitution
   b. Training policy
   c. Human Resource policy
   d. Financial policy
5. If you have Human resource policy. What is included in the policy document? Tick the applicable

- Recruitment
- Orientation
- Remuneration
- Grievance procedure
- Performance appraisal
- Promotion
- Training
- Termination/exit

6. How long did orientation take after you were employed?

- One day
- One week
- Two weeks
- One months

7. Do you hold staff meetings

- Yes
- No

If the answer is ‘Yes’ how often?
a. Once a week
b. Every months
c. Every two months
d. Quarterly
e. Half annually
f. Annually

8. Does the organization hold management meetings?   A. Yes  b. No
    Supporting staff are represented   a. Yes  b. No

9. What are your reasons to join this NGO? Rank choose two
a. Good wages
b. Job security
c. Nature of work
d. None of the above

10. Why did you leave your previous employment?

11. NGOs in Tanzania have high staff turnover.
    a. Agree
    b. Disagree
    c. I am not sure
    d. I do not know
13. What do you consider to be factors leading to higher staff turnover in NGO?

(Rank them in priority)

a. Looking for greener pastures with better pay
b. Poor working environments
c. Inadequate job security
d. Lack of programs sustainability
e. Lack of career development
f. Non participatory decision making

14. What is your main form of employment?

a. Temporary employment
b. Short term contracts of between three months to one year
c. Contract of between 1 – 3 years
d. Contract of between 3 to 5 years

15. What are the effects for the high staff turnover? Tick five.

a. Lost confidence from the beneficiaries
b. Inadequate funding from resource providers
c. Lack of program sustainability
d. Less competitiveness in the sector
e. Understaffing
f. Less creativity
g. Poor performance
h. Poor networking
i. Increased costs
j. Decreased costs

16. Mention three ways in which you think NGOs could increase staff retention.

i. ...........................................................................................................

ii. ...........................................................................................................

iii. ...........................................................................................................

17. Mention two non-financial rewards you expect from your employer.

i. ...............................................................

ii. ...............................................................