

**JOB SATISFACTION AND LABOUR TURNOVER IN LOCAL GOVERNMENT  
AUTHORITIES IN TANZANIA**

**GEORGE MROPE**

**A THESIS SUBMITTED IN FULFILLMENT OF THE REQUIREMENTS FOR  
THE DEGREE OF DOCTOR OF PHILOSOPHY OF THE OPEN  
UNIVERSITY OF TANZANIA**

**2018**

**CERTIFICATION**

The undersigned certify that they have read and hereby recommend for acceptance by The Open University of Tanzania, a thesis entitled: *Job satisfaction and Labuor Turnover in Local Government Authorities in Tanzania* in fulfilment of the requirements for the Degree of Doctor of Philosophy of the Open University of Tanzania.

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Date

**DEDICATION**

Dedicated to my parents, the late Mr. Titus George Mrope and the late Mrs Isdora Mrope; and to my wife, Theresia, my children Glory, Meshack, Mercy and the little Princess.

## **ACKNOWLEDGEMENT**

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**ABSTRACT**

The study was set to explore the extent to which job satisfaction influences labour turnover in LGAs in Tanzania. It used a cross sectional survey research design. Stratified sampling procedure with simple random sampling and purposive sampling were used in sample selection. Data was collected using questionnaire. A closed ended questionnaire was used as a tool for data collection. Descriptive statistical analysis, correlation analysis, factor analysis and multiple regressions analysis included in the analysis of data. Results indicate that, high percentage of job satisfaction and labour turnover in LGAs is explained by financial and non-financial rewards ( $R^2 = .730$ ,  $P < .01$ ). Financial rewards and non-financial rewards have significant influence on job satisfaction and labour turnover ( $\beta = .439$ ,  $P < .01$ ), ( $\beta = .447$ ,  $P < .01$ ) respectively. When compared, non-financial rewards ( $\beta = .447$ ,  $p < .01$ ) are more influential on labour turnover than financial rewards ( $\beta = .439$ ,  $P < .01$ ). Results also indicate that, context specific factors have significant influence on job satisfaction and labour turnover ( $\beta = .365$ ,  $p < .01$ ). Generally, the results show that job satisfaction have significant relationship with labour turnover in LGAs in Tanzania ( $R^2 = .6496$ ,  $p < 0.01$ ). The study recommends an increase of financial and non-financial rewards in LGAs for the sake of containing employees. In collaboration with development partners, the government may set priorities and specific strategies for improving employees living and working conditions. Further studies may be conducted on context specific factors as they play a significant role in labour turnover.

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**LIST OF ABBREVIATIONS**

ADMF:	Administrative Factors
BLRM:	Binary Logistic Regression Model
CSF	Context Specific Factors
CSR	Corporate Social Responsibility
FR	Financial Rewards
HIV	Human Immunodeficiency Virus
HRO	Human Resource Officer
JS	Job Satisfaction
LGAs	Local Government Authorities
LTO	Labour Turnover
MSQ	Minnesota Satisfaction Questionnaires
NFR	Non-Financial Rewards
NHIF	National Health Insurance Fund
OR	Odds Ratio
PCA	Principal Component Analysis
URT	United Republic Of Tanzania
VETA	Vocational Education Training Centre
VIF	Variance Inflation Factor
WF	Work Factors



## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background to the Study**

Job satisfaction is an essential research topic in the field of human resources management and organization behaviour (Buitendach and Rothmann, 2009; Tooksoon and Mudor, 2011). It is an important feature of individual happiness at work as most of people spend much of their time at work (Buitendach and Rothmann, 2009). Baloch et al(2014) argue that, job satisfaction is a phenomenon that can save organizations from facing reactions. Similarly, Frederiksen (2017) acknowledge that, reactions such as labour turnover and its accompanied costs, for instance, cost due to loosing of organization key knowledge and skills, shortage of employees and the dilemma the organization faces when employees quit can be mitigated by job satisfaction. Joarder and Ashraf (2012) affirm that job satisfaction is very important as the success of organizations relies on it, while Bakotic and Babic (2013) say that job satisfaction is imperative in order to attract and keep higher performing employees.

Medina (2012) asserts that satisfied employees are more committed to the current job rather than searching for fresh jobs. Researchers argue that job satisfaction is the overt basis of employee performance on an individual basis and the entire organization as well as absenteeism and turnover in the organization (Al-Rubaish *et al.*, 2011; Saeed *et al.*, 2014). Studies acknowledge the connection between job satisfaction and labour turnover worldwide despite some differences in extent and nature of the linkage (Buitendach and Rothmann, 2009; Yin-Fah *et al.*, 2010; Mahdi, et al, 2012; Mbah and Ikemefuna, 2012).

While Saeed *et al*, (2014) argues that there is a slight link between job satisfaction and labour turnover, Monte (2012) acknowledges that the link between job satisfaction and labour turnover is substantial. Ibrahim *et al*, (2016) observe significant negative relationship between job satisfaction and labour turnover. There is variation in perception both researchers come to the agreement that there is a linkage between the two phenomena. Gupta (2011) declares that job satisfaction impacts directly on labour turnover. On the other hand, Mbah and Ikemefuna (2012) confirm that labour turnover is an outcome of job satisfaction.

Labour turnover is an outcome of job satisfaction which intimidates many organizations due to direct and indirect costs (Ongori, 2007; Ally, 2011). It is propounded that in some organizations the cost of hiring and training replaced workers is up to 50% of the worker's salary during a year (Ongori, 2007). It is also stated that organizations incur costs in recruitment to replace those who have left (*ibid*). Ton and Huckman (2008) argue that labour turnover is allied with decline in organizational performance as well as customer care.

This therefore, calls for management of both private and public organizations to spend adequately on employees' motivation and job satisfaction for retention purposes (Minja, 2011; Nzuve and Nduta, 2014). Similarly, some managers feel that the problem is insignificant and is being exaggerated. Gupta (2011) warns managers that labour turnover is a caution to organization that are not performing well. Mhando (2013) acknowledges the fact that whenever employees are not satisfied with work some gradation of labour turnover is certain in any organization. While the phenomena of job satisfaction and labour turnover have been studied by scholars

worldwide, such studies in Tanzania are still wanting. Studies conducted outside Africa reveal that, there is a significant correlation between job satisfaction and labour turnover (Baloch *et al*, 2014; Frederiksen, 2017). Further, job satisfaction is influenced by financial rewards, non-financial rewards as well as behaviour characteristics (Monte, 2012; Joarder and Ashraf 2012). Job satisfaction variables (financial and non-financial) have significant influence on labour turnover. Despite the information at hand that financial and non-financial rewards can affect labour turnover, the problem is still persists. It is therefore indicated that, financial and non-financial rewards are not adequate to keep hold of professionals. Mahdi *et al*, (2012) calls for what organizations can do to maximize employee job satisfaction to its employees and reducing labour turnover disregarding financial and non-financial rewards.

Majority of studies conducted across Africa are done in health care institutions in rural areas (Delobelle *et al*, 2011; Rouleau *et al.*, 2012; Asegid *et al.*, 2014). Focusing on financial and non-financial reward factors (Delobelle *et al.*, 2011; Asegid *et al.*, 2014). It is revealed that among others, remuneration and work environment were reported as least satisfactory factors (Delobelle *et al.*, 2011). Further, the study recommended for improvement of remuneration including salary, benefits and the like as well as improvement of working environment (Delobelle *et al*, 2011; Rouleau *et al.*, (2012).

In Tanzania, a number of studies were done in education industry as the turnover crisis was high in schools, both private and public, particularly in the 1990s (Lassibille *et al.*, 2000). Surprisingly, the phenomenon is currently observed in other public and private organizations such as banks, higher learning institutions, health centers,

district councils and in township councils (Lassibille *et al.*, 1999; URT, 2009; Minja, 2011; Magalla, 2011; Suta 2013). However from the studies, findings reveal that, Local Government Authorities (LGAs) in Tanzania are now characterized by poor performance in their functions, particularly on service provision, in schools, health centres due to high labour turnover (URT, 2006). According to Suta (2013) job satisfaction is affected by job itself, pay, promotion, co-workers relationship, operating procedures and working environment. On the contrary, Mhando (2013) argue that employee's job satisfaction is associated with pay and fringe benefits, opportunity for advancement, company policy, achievement and communication.

Generally, while job satisfaction and labour turnover studies delineate themselves on financial and non-financial rewards as well as behaviour characteristics as pointed earlier, it is also revealed that influence of context specific factors such as access to water, good health services, communication, electricity, education and the like are neglected (Delobelle *et al.*, 2011; Blaauw *et al.*, 2013; AlBattat *et al.*, 2014; Ramadhani, 2014). Suta (2013) and Rouleau *et al.*, (2012) acknowledge that job satisfaction and labour turnover are connected to environmental circumstances. Similarly, Samji *et al.*, (2009) show that context specific factors are prone to labour turnover (Samji *et al.*, 2009). Further, Browne (2009), Mattson (2009), Ebuehi and Campbell (2011), and Tidemand *et al.*, (2014) show that labour turnover is greater in rural areas due to lack of water and electricity, impassable roads, and poor housing conditions.

Consequently, there is a need to expand the understanding of the influence of job satisfaction on labour turnover to cover not only financial and non-financial rewards,

but also the context specific factors since such practices result in employee job satisfaction or dissatisfaction, which in turn leads to employee retention or turnover (Robbins, 2008; Ng’ethe, Iravo, and Namusonge 2012).

## 1.2 Problem Statement

In recent years, employee turnover in Tanzania has been on the increase (Hedwiga, 2011, Naburi *et al*, 2017). Table 1.1 demonstrates.

**Table 1.1 Number of Employees Leaving Selected Organizations in Tanzania**

Year Organization	2008	%	2009	%	2010	%	2011	%	2012	%
Mbeya City Council	57	2.5	74	3	98	4	127	5	153	6
NMB Bank Eastern Zone	21	10	26	12	33	14	38	14	49	18
Chunya District Council	86	6	112	7	136	7	151	8	173	9

Sources: Human Resources and Administrative officers, (2015).

Studies on job satisfaction and labour turnover have been done in health care institutions, education sectors and in hospitality industries (Rambur *et al*, 2003; Ronra and Chaisawat, 2009; Delobelle *et al*, 2011; Rouleau *et al*, 2012; Blaauw *et al*, 2013; Asegid *et al*, 2014; AlBattat *et al*, 2014; Jadoo *et al*, 2015, Naburi *et al*, 2017). Moreover, majority of the studies show that they were conducted in rural areas (Delobelle *et al*, 2011; Rouleau *et al*, 2012; Asegid *et al*, 2014; Jadoo *et al*, 2015). Literature gives the impression that Local Government Authorities have been left aside.

Further, most of the studies carried out outside Africa, in Africa and in Tanzania used behavioural characteristics (Delobelle *et al*, 2011; Rouleau *et al*, 2012; Monte, 2012;

Blaauw *et al*, 2013) while other studies used financial and non-financial rewards (Rambur *et al*, 2003; Ali 2008; Ronra and Chaisawat, 2009; Joarder and Ashraf, 2012; Baloch *et al*, 2014; Mhando, 2014; Ramadhani, 2014). From the studies it is revealed that context specific factors have been neglected. However, Tidemand and Msami (2010), URT (2012), Yousaf *et al.*, (2014), Mbungu (2015) are of the opinion that context specific factors are good predictors of job satisfaction and labour turnover in LGAs.

This study was therefore set to test the Herzberg theory in the LGAs in Tanzania. This is essential because even when such theory have been tested, there are varying findings as other researchers show a slight link between job satisfaction and labour turnover (Saeed *et al*, 2014) while others observe a significant negative relationship between job satisfaction and labour turnover. Further, some studies, for example, Udechukwu, (2009) and Mihajlov and Mihajlov, (2016) establish that financial rewards are the foremost factors inducing labour turnover while other studies such as Bula (2012) found that non-financial rewards are more influential on labour turnover. Besides, context specific factors will also be studied since Tidemand and Msami (2010), URT (2013) and others argue that context specific factors are important predictors of job satisfaction and labour turnover.

### **1.3 Objectives of the Study**

#### **1.3.1 General Objective**

The general objective of this study was to explore the influence of job satisfaction on labour turnover in LGAs in Tanzania.

### **1.3.2 Specific Objectives**

The study was guided by the following specific objectives:

- (i) To determine the influence of financial rewards on labour turnover in LGAs.
- (ii) To determine the influence of non-financial rewards on labour turnover in LGA.
- (iii) To determine the influence of context-specific factors on labour turnover in LGAs.

### **1.4 Research Questions**

The following specific research questions guided the study.

- (i) To what extent do financial rewards influence labour turnover in the LGAs?
- (ii) To what extent do non-financial rewards influence labour turnover in the LGAs?
- (iii) To what extent do context-specific factors influence labour turnovers in LGAs?

### **1.5 Significance of the Study**

A meaningful PhD research ends up with academic, theoretical well as practical usefulness. Academically, the study will add knowledge and literature on job satisfaction and labour turnover. Theoretically, the study will explain more on the Herzberg theory given the true local context in Tanzania, and the extent to which context specific factors contribute to labour turnover. Practically, both the findings and recommendations may assist LGAs in curbing labour turnover in their institutions and improve performance in the authorities.

## **1.6 Organization of the Study**

The thesis is organized into six chapters. Chapter one introduces the study. It provides background to the study, statement of the problem, research objectives and research questions, significance of the study as well as the structure of the study. Chapter two provides the literature review related to the topic under study. It first provides key terms used in the study. It then provides the theoretical literature and the empirical literature, the research gap as well as the conceptual framework of the study.

Chapter three describes research methodology and research methods adopted in the study. It explains the study area, research paradigm, sampling procedures and techniques, data collection methods, validity and reliability of data, data analysis procedures and ethical considerations. Chapter four provides the findings. It provides demographic profile of the respondents and explains job satisfaction factors and overall employee's satisfaction in the LGAs. It further presents correlations and factor analysis for financial and non-financial rewards. It finally provides logistic regression analysis based on the objectives of the study. Chapter five provides the discussion of the study findings in line with the study objectives stated in chapter one. Chapter six is the concluding chapter. It concludes the study based on the findings of the study as well as avenues for further studies.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Overview**

This chapter explores literature in the area of job satisfaction and labour turnover. It defines key terms, theoretical literature on the topic, empirical literature, the research gap and the conceptual framework of the study.

##### **2.1.1 Conceptual Definitions**

###### **2.1.1.1 Labour Turnover**

According to Kazi and Zedah (2011), labour turnover is the movement of employees within the marketplace, between firms, jobs and occupations and between the situations of having jobs in the situation of not having a job. Prasad (2013) defines labour turnover as the proportional of alteration of the employees within a particular organization during a certain time frame. Similarly, Price (1977) in Ongori (2007) defines which states that labour turnover as, “the proportions of the total organizational constituents absent during the period being measured separated by the regular amount of general inhabitants in that organization during that time.” This study adopted the Price (1977) definition.

Turnover rate can be estimated by dividing the total separations by the average number of employees. Total separations are the total number of employees leaving the organization both voluntarily and involuntarily (Gupta, 2011). Thus, turnover rate equals to total separation during the year divided by the average number of employee’s times one hundred.

Given the above definition and explanation of labour turnover, high labour turnover therefore means high rate at which employee's leave jobs in an organization at a certain period of time. More importantly, this is a relative figure between occupations, industries and nations. A high turnover rate in an industry could be a low rate in another industry in the country, and the like.

### **2.1.2 Job Satisfaction**

Job satisfaction is a set of positive feelings with which workers get from their work (Luthans, 2002). Ellickson and Logsdon in Kabir and Parvin (2011) define job satisfaction as the degree to which personnel prefers their work. Bhatia (2006) defines job satisfaction as the total of the general favourable effect or feeling that employees have towards their job.

According to Rao (2012), job satisfaction refers to the contentment experienced when a want is satisfied. The term satisfaction is used to analyse the outcome already experienced by an employee. Halder (2010) defines job satisfaction as the fulfilment of the requirements of an individual of the work environment. Rue and Byars (2009) refer to job satisfaction as the individual's mental state about the job. This study adopted the definition by Hoppock in Aziz (2011) who defines job satisfaction as a "mixture of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job".

### **2.1.3 Financial Rewards**

Luthans (2005) defines financial rewards as the payments made to the employees for their great performance. Armstrong (2012) refers to financial rewards as the total of rewards that have financial implications and that added to entire compensation. This

study adopted the definition of the Gupta (2012) who defines financial rewards as the payments directly or indirectly in monetary form.

#### **2.1.4 Non-financial Rewards**

Non-financial rewards refer to the rewards that are not related to financial implications (Lameck, 2011). He further argues that these are the sort of rewards that are not associated with direct reimbursement of money and they can be touchable or untouchable. Burton (2012) says that non-financial rewards focus on the emotional needs of employees rather than on monetary needs. For the purpose of this study, the definition of non-financial rewards was adopted from Armstrong (2012) who defines non-financial rewards as the rewards that emphasise on the requirements of individuals for recognition, achievement, responsibility, autonomy, influence and personal growth.

## **2.2 Theoretical Literature**

This section provides theories about the phenomena under study.

### **2.2.1 Determinants of Labour Turnover**

Generally, labour turnover in any organization is due to employee dissatisfaction. This could be associated with either financial or non-financial rewards (Yousaf *et al.*, 2014). Pay, bonus, allowance, incentive, promotion are among the financial rewards that lead to job dissatisfaction and hence labour turnover. They also argue that, organizations that pay attention to non-financial rewards get more and better commitment, supporting and care from their employees.

Similarly, Gupta (2011) argues that, employees leave a company because they are not satisfied with the current job, unpleasant working conditions, inadequate compensation, extended working hours, and unwelcome relationships between workers and supervisors. This shows that labour turnover in an organization could be due to controllable and uncontrollable factors.

Khatri *et al.*,(2009) talk about controllable factors such as salary, nature of work, supervision, and organizational commitment, distributive and procedural justice, while factors that are beyond control are alleged as alternative employment opportunity and job hopping. Alam (2015) regards factors such as company policy and administration, organizational status and personal life as the factors related to labour turnover in work places. Conclusively, labour turnover is a result of both financial and non-financial factors, and this study intended to look at the inspiration of these factors in labour turnover in Tanzania LGAs.

### **2.2.2 Determinants of Job Satisfaction**

Job satisfaction is an important factor that has drawn attention to managers in organizations as well as academicians. The issue here is to determine factors that influence job satisfaction so as to retain the current work force and therefore increase morale and improve productivity (Haldar, 2010; Prasad, 2013). Prasad (2013) emphasizes that while analysing determinants of job satisfaction there is a need to keep in mind that individuals do not derive the same satisfaction although they perform the same job in the same environment at the same time. He declares that determinants of job satisfaction include nature of the job and situational variables.

Under nature of the job category, job satisfaction is influenced by occupational level and job content. With regards to occupational level, it is acknowledged that higher level jobs provide more job satisfaction than otherwise. High level job carries prestige and status in the society and work itself. Job content also provides job satisfaction. For instance, the degree of responsibility someone perform; if it is higher than expected, it improves satisfaction, but if lower than expected, it does not create satisfaction.

According to Prasad (2013), situational variables are also important in job satisfaction. Situation variables are work related variables required by management in an organization. The variables include working conditions, supervision, equitable rewards, opportunity for promotion and work group. According to him, most of the individuals in working organizations seek job satisfaction from the nature of the job and environment. In addition, if the present job provides chances for promotion in the future, it provides more job satisfaction. He also explains that individuals are more satisfied with equitable rewards from the performed jobs.

Rue and Byars (2009) list five components of job satisfaction as attitude towards work group, general working conditions, attitude towards company, monetary benefits and attitude towards supervision. In addition they include individual attitude towards work and towards life in general as factors to job satisfaction. They further, comment on the individual health, level of aspiration, social status, political and social activities. However, they point out that job satisfaction is an individual mental set about the job. From their views, job satisfaction is affected by both internal and external work factors. Their general views on the determinant of job satisfaction are summed in Figure 2.1.



**Figure 2.1: Determinants of Job Satisfaction and Dissatisfaction**

Source: Rue and Byars, (2009) Pg. 259.

According to Luthans (2005), Lawrence (2005) and Yousaf *et al* (2014) job satisfaction is influenced by work category, security of the job, company, advancement, co-workers, pay, supervision, promotion, bonus, allowance and social benefits. In terms of promotion (URT, 2013) argue that promotion in Tanzania is based on the criteria set by Tanzania public service in the scheme of services. Among others, the criteria are employees' knowledge, conduct, vacant post, budget, performance and organization structure and other criteria as stated by employment authorities. On the other hand, OPRAS and professional examinations as far as the profession is concerned and other professional criteria are also considered. In terms of social benefit (URT, 2003) the entitled social benefit to employees in Tanzania are old age, invalidity, survivorship, employee injury, maternity, medical care, sickness, unemployment and death.

Similarly, Jahufer (2015) declares that ability utilization, social status, compensation, job security, supervision, work condition and distance to work place are job satisfaction determinants among government and private banks employees in Sri Lanka. Ahmad *et al.* (2016) confirm that abusive supervision is connected to job satisfaction and labour turnover. Similarly, Sirili *et al.* (2014); Kyara (2015); Yang *et al.* (2015) say that job satisfaction can be determined through relations with co-workers, job security, supervision, promotion, recognition, achievement and career advancement. Robbins (2003) argue that the ability, emotional and technical support of a supervisor on office tasks are an important aspect of job satisfaction.

Suta (2012) contends that job satisfaction may be measured in terms of facets. Among others, job satisfaction can be measured within the aspect of job itself and includes variables such as ability utilization, achievement, creativity and independence. As for promotion he say that job satisfaction may be determined through advancement and authority. Within the aspect of colleagues, job satisfaction may be determined through co-workers relationship, moral and values, social services and social status. Further, in terms of operating procedures, job satisfaction may be determined by policies and practices, recognition, responsibilities and supervision.

Mkoka *et al.* (2015) argue that, workers in rural Tanzania are working under difficult working conditions due to unreliable sources of light, lack of clean water and uncompensated extra work. Siame (2015) comes up with a summary of job satisfaction determinants as pay, working condition promotion, supervision, work itself and co-workers relationship.

According to Lyimo (2014), leave allowance, transport allowance, rent allowance and teaching allowance to teachers in Moshi are the factors connected to job satisfaction and labour turnover. Lyimo argues that teachers have the intention to quit and look for other jobs due to lack of transport allowance, rent (house) allowance and teaching allowance. The suspension or removal of these allowances is a challenge to teachers as it increases the living costs. Lastly, insufficient salary to teachers is also connected to their job dissatisfaction.

Kacholi (2012) argues that, among the challenges faced by social health care workers in Morogoro are rare receipt and delay of overtime allowances, health insurance and hardship allowance. Other issues include, hardship allowances, communication network, electricity, areas that lacks clean water and schools.

Similarly, Nkya (2012) mentioned the importance of allowances among financial incentives. She argues that allowances are important as they uplift workers financial position given the low salary earners. Among others, Nkya (2012) talks about the hardship allowances, risk allowances, overtime allowances, housing allowances, night allowances, transfer allowances, and motor vehicle and bicycle allowances are very important for job satisfaction.

According to Kjellén (2006), Twaweza (2010), URT 2010, Nganyanyuka *et al* (2013) and Tidemand *et al* (2014) job satisfaction in the LGAs is affected by the challenge on unavailability of clean water. For instance, Twaweza (2010) argue that accessing water in Dar es Salaam is difficult. Further the report established that the price of water is varying depending on the street. The report also declare that, the price at

kiosk level is 20 to 200 Tanzanian shillings per 20 litres of bucket. Similarly, Nganyanyuka *et al.* (2013) said that water are highly sold at Dar es Salaam. For instance a bottle of one litre is sold at a price of 600 Tanzanian shillings to 1000 Tanzanian shillings. While the price per bucket the range is between 300 to 700 Tanzania shillings. According to Kjellén (2006) the price of water per bucket in Dar es Salaam is 500 to 700 Tanzanian shillings. According to Mtwara and Lindi water master plan the price of water during rainy season is 500 Tanzanian shilling per bucket, while the price shift up to 1000 Tanzanian shilling per bucket of 20 lifters during dry season, beside sometimes water are not available.

According to Dewhurst *et al.* (2009) in Burton (2012), non-financial rewards such as praise from managers, attention from the leader and opportunity to lead projects are sometimes viewed as more effective towards motivation and job satisfaction than financial rewards. Similarly, Mehrad and Fallahi (2014) argue that lack of leadership attention to its employees is accompanied by abnormal reactions like turnover, absenteeism and work dissatisfaction.

Alam (2015) emphasizes that job satisfaction is a result of employee's achievement, recognition, the work itself, responsibility, advancement and growth. He further argues that company policy, supervision, relationships with boss, work condition, salary, and relationship with colleagues are features to job satisfaction. Therefore the determinants of job satisfaction are categorized into two aspects, financial and non-financial rewards. Given the review on the factors that lead to job satisfaction and labour turnover, the following is the list of variables that will be used for this study; pay and promotion, supervision, collective decision making, work status,

responsibility, working conditions, supervision, bonus, benefits, social status, compensation, social relationships, and career advancement. Other factors include co-workers relationship, social benefit, emotional and technical support from supervisor, ability utilization, achievement, creativity and independence, organization policies and practice. Lastly the following will also be used; recognition, leave allowance, transport allowance, rent allowance, overtime allowance, health insurance and hardship allowance, challenge of in access of clean water, attention from the leader and opportunity to lead projects.

### **2.2.3 Financial Rewards**

Gupta (2012) contends that financial rewards are payments directly or indirectly in monetary form and they include salaries, incentives, bonuses, and benefits that employees are rewarded for collective performance. On the other hand Burton (2012) argues that once mentioning financial rewards, it means that the company devotes extra money on rewarding employees. According to Kossek (2009), the common financial rewards are cash, bonus or rise in salary. However, Gupta (2012) argues that although financial rewards are important, they may not motivate all, since others regard psychological and physiological features as more important for motivation. In other words, employees are motivated by financial and non-financial rewards.

### **2.2.4 Non-financial Rewards**

On non-financial rewards, Burton (2012) says that non-financial rewards focus on the emotional needs of employees rather than monetary needs. He propounds that non-financial rewards are appropriate for managers if truly they want to motivate workers because they are the ones that affect individuals' social life as well as entire work life.

He mentions recognition, security, praise by managers, attention from leaders, and opportunities to lead projects as some of the most able non-financial rewards.

On the other hand, Gupta (2012) argues that non-financial rewards provide psychological and emotional satisfaction than financial rewards. Consequently, non-financial rewards such as status and job security are imperative for the satisfaction of socio-psychological needs, which cannot be fulfilled by pay.

### **2.2.5 Measures of Job Satisfaction**

According to Gupta (2006), measuring job satisfaction is not a simple task. Most of the studies have measured job satisfaction through questionnaires. Halder (2010) proclaims that, the necessity of measuring employees' job satisfaction is vital for any organization. According to him, job satisfaction is measured by global measures and facet measures. The global measures emphasize on employees' attitudes towards work in general using multiple items. The facet measures include measurement of various facets of work, for instance aspects related to job like the job itself, pay, promotion, colleagues, co-workers, and operating procedures and the like.

Among others, the most preferable and frequently used scales used to measure job satisfaction and to test for validity, reliability and consistency are Minnesota satisfaction questionnaires (MSQ) developed by the University of Minnesota and the job satisfaction survey by Spector (1994). In the questionnaires, respondents were asked to give various opinions by rating the way they are satisfied with their job aspect.

The ratings were as follows for Minnesota satisfaction questionnaire:-

*Very satisfied*; Means I am very satisfied with this aspect of my job

*Satisfied*; Means I am satisfied with this aspect of my job

*Neutral*; Means I cannot decide whether I am satisfied or not with this aspect of my job

*Dissatisfied*; Means I am dissatisfied with this aspect of my job

*Very dissatisfied*; Means I am very dissatisfied with this aspect of my job

On the other hand, the ratings for job satisfaction survey by Spector(1994) are as follows:-

1. Disagree very much
2. Disagree moderately
3. Disagree slightly
4. Agree slightly
5. Agree moderately
6. Agree very much

### **2.2.6 Job Satisfaction and Labour Turnover**

The relationship between job satisfaction and labour turnover have been critically assessed and described by a variety of researchers. However, results from varied literatures are quite mixed. Suta (2013), Saeed *et al* (2014), and Mahdi *et al* (2012) argue that there is little relationship between job satisfaction and labour turnover. On the other hand, Monte (2012), Medina (2012), Mbah and Ikemefuna (2012) conclude that job satisfaction and labour turnover are highly related.

Baloch *et al* (2014) believe that job satisfaction and labour turnover are affected by similar variables, while Rue and Byars (2009) opine that job satisfaction has an impact on labour turnover. The question at hand is whether satisfied employees tend to stay in the organization and dissatisfied employees tend to quit the organization. If they stay or quit is it because of financial rewards, non-financial rewards or it is because of other contextual features from the environment?

Mbah and Ikemefuna (2012) are of the view that, financial and non-financial reward factors have impact on job satisfaction and labour turnover. The factors are pay, nature of work and supervision. The factors affect job satisfaction and labour turnover in Lagos, Nigeria. Also the researchers say that labour turnover is an outcome of job satisfaction. Moreover, researchers acknowledge the presence of direct relationship between job satisfaction and labour turnover in the area (Rue and Byars, 2009; Mbah and Ikemefuna, 2012).

Suta (2013) asserts that teachers are satisfied with financial reward factors such as pay and compensation. He further notices that few teachers had intention to quit job due to poor arrangement of promotion and very low advancement. He also acknowledge negative relationship between job satisfaction and turnover among the teachers in Uhuru, Buhangija, Mwangala and Lalago secondary schools in Shinyanga.

In his report Jacobson (2010) says that turnover to nurses is very high in Arusha Lutheran hospital where about 85% of nurses leave the profession each year. To alleviate the situation, financial incentives were put in place. Nurses were given salaries equitable to government levels and special motivation allowances above what

government provides, and interest free loans. All these were done to ensure job satisfaction to nurses in Arusha Lutheran Medical Centre. Khan and Aleem (2014) found that pay, promotion, job safety and security and the nature of work are prominent factors to job satisfaction to doctors, nurses, administrative and accounts staff in Autonomous Medical Institutions of Pakistan.

According to Shami *et al* (2015) a number of personal characteristics and environmental factors had an effect on job satisfaction and turnover among the employees in the Paint Industry industries in Pakistan. Environmental factors include compensation and benefits, the nature of work, supervisor support and relationship with co-workers. Age, gender, academic level, professionalism and work experience are individual characteristics that influence job satisfaction on the other hand. They also found that, context factors play a significant role as the basis's of job satisfaction or dissatisfaction that can lead to labour turnover. Additionally, personal characteristics had a rare effect on job satisfaction and labour turnover in the organization (Shami *et al* (2015).

According to Monte (2012),the effects of job satisfaction on labour turnover vary as a function of gender, age, level of schooling, types of employment contracts and tenure. Literature reveals that gender and age do not influence job satisfaction as women had lower job satisfaction compared to men. Prince (2002) declares that job satisfaction increases as age increases. On the other hand, findings reveal that tenure and years of employment in an organization tend to increase job satisfaction and lower the probability to seek for another job (ibid).

According to Saeed *et al* (2014) labour turnover is low when there is a perceived higher job satisfaction. They further assert that satisfied employees tend to stay in the organization but unsatisfied employees may leave the organization. Similarly, Joarder and Ashraf (2012) acknowledge that labour turnover in the company is low as employees are satisfied by factors including company loyalty, performance appraisal and supervision. Mahdi *et al*(2012) provide that intrinsic satisfaction variables have a higher influence on labour turnover while extrinsic satisfaction variables have low influence on labour turnover to executive and non-executive employees.

Conclusively, studies reveal that there is a close relationship between job satisfaction and labour turnover. The evidence provided by researchers' shows that labour turnover depends on job satisfaction variables. Besides, Baloch *et al* (2014) argue that job satisfaction and labour turnover are affected by similar variables such as pay, promotion, and co-worker relationship.

### **2.3 Context Specific Factors**

The context-specific factors are the factors surrounding a specific work organization. They are termed context-specific factors because work organization differ in terms of infrastructures such road, electricity, water and telecommunication systems (Samji *et al.*, 2009). This is particularly noticeable in our LGAs. For example Samji *et al.* (2009) show that the percent of households connected to the national electricity grid by region by 2009 were; 5% in Mtwara and Mwanza, 6% in Coastal Region and Dodoma, 7% in Tanga, 9% in Mbeya, 11% in Arusha and 59% in Dar es Salaam.

**Table 2.1: A Summary of Specific-Context Factors Prone to Labour Turnover in Selected Districts**

Districts Factors	Arumeru	Handeni	Ileje	Kibaha	Magu	Mpwapwa	Nanyumbu
Access to water		√	√	√	√	√	√
Access to health services	√	√	√		√	√	√
Access to good education	√	√	√		√	√	√
Access to good transportation			√			√	√
Access to good road			√			√	
In access to electricity	√	√	√		√		√
Access to good communication		√	√			√	√
Remoteness		√	√		√	√	√

Sources: URT, (2012)

The table above justifies the nature of the selected districts in terms of the context-specific factors susceptible to labour turnover. The nature shows that the districts have similar specific-context factors that lead to labour turnover. For instance, similar multiple factors such as access to clean water, health services, quality education, electricity, remoteness and good communication system were identified in the districts of Handeni, Ileje, Mpwapwa, Magu , Kibaha and Nanyumbu.

On the other hand, substandard health, water and electricity services were identified in the districts of Arumeru, Ileje, Mpwapwa, Nanyumbu, Kibaha and Magu respectively. Moreover, Tidemand and Msami (2010) acknowledge that LGAs employee were not satisfied with services related to roads, health, water, power supply and agricultural extension services.

Mbungu (2015) declares that job satisfaction of Agriculture Extension Officers at Wanging'ombe District is affected by challenges related to means of transportation, electricity, clean water, communication system and the remoteness of the area and health care services. Mrigo (2013) also found that teachers in the Ministry of Education and Vocational Training are satisfied with the availability of clean water and electricity in their working place and they are also satisfied with improving conditions with regards to health care, transport and housing facilities.

Mhando (2014) asserts that the communication system is allied to job satisfaction and labour turnover. Accessing social networks is a problem because sometimes someone had to take a trip to a nearby village, climb tall trees or hills to access social networks (Samji et al 2009). This situation happened in the nearby districts as in district centres networks are good. Similarly, Femi (2014) argues that, effective communication improves job satisfaction in Nigeria.

According to URT (2012) during rainy season transportation becomes difficult in Ileje district. This is because roads become dirty and impassable. Therefore, it is impossible for employees to go to Mbeya city where the regional office is located, and where other social services are referred too such as health care services (URT, 2012). Yousaf *et al* (2014) show that the unpleasant transport system make the workforce dissatisfactory with their job because it increases mental stress.

In Mpwapwa, health services, education and water are not easily available. Women in Mpwapwa use about three quarters of their time to get necessary services in addition of the above mentioned such as, firewood, milling machine, markets and shopping at a

distance up to 10 kilometres. Mbungu (2015) concurs with this as he acknowledges that, agriculture extension officers in Wanging'ombe district council among others were dissatisfied with the availability of marketplaces in the area.

While URT (2012), Okama (2013), and Mbungu (2015) claim that employees within LGAs are not satisfied due to the peripheral nature of LGAs, in contrast to rural west China, Sargent and Hunnum (2005) found that primary teachers working in villages are more satisfied with their work and prefer to remain in their jobs.

Bennell and Mukyanuzi (2005) argue that the living conditions for most of the teachers are not satisfactory as they are intolerable. For instance, the availability of reasonable, quality and affordable housing within easy travelling distance of the school is a major issue to most of the teachers in Tanzania. This makes many teachers travel long distances between home and the area of work, which is wastage of time, costly and tiresome activity. Bennell and Mukyanuzi further argued that during the 1990s, teachers in Temeke travelled by bus up to 10 kilometres to school daily while in Muleba most of the teachers walk up to 3 kilometres daily to school.

Mrosso (2014) conforms that in the year 2009 and 2012 teachers in Tanzania stroked for their rights which is evidence that they are dissatisfied with their work conditions. The study showed that, 89.6% of teachers in Temeke district are not satisfied with their accommodation.

Spies (2006) shows that distance between home and workplace in the North-West Russian oil industry does not lower job satisfaction as long-distance travelling is an

alternate policy for cost-effective activities in isolated places. In Tanzania, Mrosso (2014) found that teachers with first appointment prefer to work far from home due to extended families.

Okama (2013) found, that labour turnover is high among agriculture officers due to bad and rough roads to plantations, lack of electricity and the remoteness of their working stations. He also argues that employers tried to build playgrounds as a means to influence agriculture officers to stay in the area. However, its success is low as it is not enough to make them stay in the area.

Mruma (2013) argues that the quality of education in public secondary school in the Shinyanga district is of low quality as it was revealed in the mass failure in 2010/2011 and 2011/2012 academic year's results. Tshabangu and Msafiri (2013) opine that there is a low satisfaction level on the quality of education in LGAs following lack of sufficient manpower and poor implementation of policies in the areas. Similarly, Ladduruni (2012) argues that the emerging issue is due to unqualified teachers, poor infrastructure facilities and insufficient learning material in the school library.

Therefore, context specific variables are prone to labour turnover. Additionally, the nature of geographical location being at the periphery to some of the district like Nanyumbu, Ileje and Mpwapwa is also associated to labour turnover. For instance, the distance from Dodoma regional office to Mpwapwa district head office is more than 120 kilometres in which  $\frac{3}{4}$  the distance is rough road (Censers, 2012). This study explore further the influence of context-specific factors as revealed from literatures, the CSFs are prone to labour turnover in LGAs in Tanzania.

Among others, poor infrastructures with regards to dirty and impassable roads, electricity, and communication systems, in access to clean water, health care services, quality education, remoteness and transportation, lack of housing facilities, in access of social networks, and distance between home and workplace were context specific factors used in this study.

## **2.4 Critique of the Herzberg Theory**

Researchers have been studying theories and issues of job satisfaction for many years and there have been incredible improvements in explaining job satisfaction. This study adopted the Herzberg's two-factor theory that has been proven and accepted by societies that the theory have contributed towards job satisfaction. On the other hand the study adopted Minnesota questionnaire that have been proved that the instrument is appropriate for measuring job satisfaction.

### **2.4.1 Herzberg Two Factor Theory**

The Herzberg Two Factor Theory was propounded by Fredric Herzberg, an American clinical psychologist with a master's degree in Science and Public Health. He became very famous in the field of management due to his contributions in the field of management science following the development of two factor theory of job satisfaction (Malik and Naeem, 2013).

The Herzberg two factor theory is not among the modern theories of job satisfaction based on the fact that the theory traced back during 1950s. Within the theory, Herzberg conceptualizes that double sets of needs exist for human beings; the need to avoid pain relating to his or her environment and on the other hand, the need to grow (Noell, 1976).

The two sets of needs to human being exist together and therefore all needs need to be attended at once. Furthermore, Herzberg emphasizes that pain cannot be avoided by looking for happiness, and human beings cannot look for happiness in order to avoid pain.

The study of motivation was conducted by Herzberg and his colleagues in 1959. Noell (1976) acknowledges that the study definitely deliberated to assess the perceptions of human being that have dual sets of needs. The study was conducted within 203 sample size of accountants and engineers from nine companies following their increasing prominence in the business world, in the area of Pittsburgh, USA (Mullins, 2008). It should be noted that in the 1950s heavy industries dominated the US where the majority of white males got full employment in plants and facilities.

During that time there was an urgent requirement to comprehend insight of human beings about their attitudes towards work because of the prevalence of job dissatisfaction pointers such as strikes, slowdowns, and filing of grievances (Herzberg Mausner, Peterson, and Capwell, 1957). Therefore, in order to understand the notion beyond, Herzberg *et al* decided to come with the two factor theory. That was the essence of the development of Herzberg two factor theory of job satisfaction.

Noell (1976) points out that after the development of the theory, Herzberg *et al* established the hypothesis that satisfaction and dissatisfaction are terms that cannot be examined using similar factors. Stello (2011) argues that from the study Herzberg *et al* came to conclude that job satisfaction involves two discrete and autonomy measurements; the initial measurement is connected to job satisfaction and another is

associated with job dissatisfaction. However, the findings revealed that the opposite of job satisfaction is not job dissatisfaction.

Following this conception, Herzberg *et al*(1959) goes further in explaining the factors that are related to job satisfaction and job dissatisfaction. They came to realize that factors that bring job satisfaction were known as satisfiers or motivators (Stello, 2011), which are related to work and rewards from individual work performance (Noell, 1976). Because the factors are from the inside of the work somebody performs, therefore they are job content or intrinsic factors to the job. The factors are classified as achievement, recognition, the work itself, responsibility, advancement, and growth.

Malik and Naeem (2013) argue that Herzberg theory of job satisfaction has dual sets of human needs. They state that hygiene factors are appropriate for the avoidance of pain. The word hygiene is a register word which comes from the health industry that means deterrent and environment (Noell, 1976). This is the most appropriate to which human being constantly trying to regulate. The hygiene factors identify the major environmental aspect of the work since they assist to diminish pain and they cannot contribute to positive job satisfaction, but only attend to avoid dissatisfaction (Stello, 2011). On the other hand, satisfaction can be realized through fulfilment of factors which are essentially related to work (motivator's factors). The motivational factors can't fulfil avoidance of pain as hygiene factors do.

House and Wigdor (1967) observe that during 1959, Herzberg and others studied the effect of job satisfaction on performance, turnover, attitude toward the company, and mental health. It was found that job satisfaction has an impact on how the job is done.

According to them, favourable attitudes have effect on performance than adverse attitudes. On the other hand, adverse attitude results to withdrawal from the job. In comparison to company attitudes, the study shows that the degree of trustworthiness between employees towards the company differs from the degree of job fulfilment.

Malik and Naeem (2013) emphasize that it is essential to understand the conventional ideas of job satisfaction at the time Herzberg *et al.*, (1959) published this theory in order to understand the implication. They point out that saying job satisfaction has two sets of needs, that can be measured using a similar range of factors, and that show individuals are neither satisfied nor dissatisfied is biased.

Gaziel (1986) declares numerous criticisms of the two-factor theory. He states that the theory appears bound to the critical incident method, and it complicates events triggering feelings of satisfaction and dissatisfaction that are related to the happening of a certain attitude. He also explains that the data can be negatively impacted as there will be inconsistency of data as employees can be defensive to their desires, the satisfaction and dissatisfaction factors are overlapped, the worth of the variables varies according to the level of occupancy of the employee. He further notes that, the theory does not provide explanations with regard to individual differences among employees.

According to Mullins (2008), the Herzberg theory is criticized based on being methodologically bound and limited in application as the theory is more applicable to manual workers. Further the theory uses critical incident techniques that seem to be biased as it arouses bad or good feelings that influence the results. The writer emphasizes on interview methodology to reduce biasness. On the other hand, Mullins

argues that the theory applies to lower carders who are responsible for unskilled job or whose work is uninteresting.

Similarly, Wall and Stephenson (1970) criticize the Herzberg's theory based on the methodology. They argue that it is the behaviour of people to give social desired reactions in their answers, and this will be amounted to factors that influence dissatisfaction as ascribed to external factors that are substitutes of internal factors.

Armstrong (2006) criticizes the methodology used in the Herzberg theory of job satisfaction as no attempt was made to measure the relationship between satisfaction and performance. It has been suggested that the two factors nature of the theory is an inevitable result of the questionnaire method used by the interview. It has also been suggested that wide and unjustified implications have been strained from small and dedicated samples and there is no indication that advocates satisfiers improve production.

Despite the criticisms, Mullins (2010) argues that there is a proof that supports the application of the theory as Crainer and Dear love speculates Herzberg *et al* work as substantial effects on rewards and remuneration packages provided by corporations. They emphasize that the theory is relevant as it emphasizes on self-development, career development and self-managed learning as a vision from Herzberg two factor theories. Chu and Kuo (2015) assert that Herzberg duo factor theory should not be overlooked as it has effects on job involvement that can lead to better organizational effectiveness.

Udechukwu (2009) found that financial reward factors are the foremost factors inducing labour turnover. Further financial reward factors relate to labour retention, which was contrary to Herzberg's findings. Also, Udechukwu (2009) conducted a study on labour turnover using the two-factor theory as a reference. He found that high labour turnover is due to non-financial rewards that also affect financial reward factors among employees.

There are controversial arguments between hygiene (financial rewards) factors and motivators (non-financial rewards) factors over the influence of labour turnover. It is argued that job satisfaction is a result of both financial (environment factors) and non-financial (work content factors) (Alam, 2015; Chu and Kuo, 2015). With this background, this study was expected to breach the gap by determining the influence of job satisfaction (financial and non-financial rewards) on labour turnover in LGAs. Also the study wanted to come out with the most contributing factors between financial and non-financial rewards on the influence of labour turnover in LGAs.

Yousaf *et al* (2014) explain that rewards are of two categories; financial and non-financial rewards. They further assert that financial rewards are also referred to as extrinsic rewards and non-financial rewards, intrinsic rewards. According to them, financial rewards include pay, bonus, allowances, insurance, incentives, promotion and job security while non-financial rewards include appreciation, recognition, working conditions, the relationship between supervisor and employees, advancement and job security. With regard to Herzberg two factor theory satisfiers or motivators which are factors related to work itself and from individual performance; the content or intrinsic factors are non-financial rewards while the hygiene or dissatisfies which

are context/environment or extrinsic factors are financial rewards (Robbins, 2008; Yousaf *et al.*, 2014).

From the theory, financial rewards are represented by the factors such as salary for instance pay and company policy and administration to include factors such as bonus, allowances, incentives and benefits. The inclusion of the selected financial reward factors is based on the standing orders for the public services (URT, 2009) where the factors are mentioned among the financial rewards to public servants in Tanzania.

Non-financial rewards from the theory are represented by the factors such as achievement, recognition, challenging work, responsibility, work itself, job security, advancement or promotion and growth. Robbins (2008) argues that non-financial rewards are the factors that satisfy or motivate employees than financial rewards. It was therefore imperative for this study to go across the factors.

Therefore, from the theory all factors were included in the study. These are achievement, recognition, the work itself, responsibility, advancement, and growth, company policy and administration. Moreover supervision, working conditions, interpersonal relationship, organization status, job security, salary and personal life, promotion and growth were also included. On the other hand, other financial rewards such as pay, bonus, allowances, insurance and incentives also included in the study.

## **2.5 Empirical Literature Review**

This section provides the empirical literature related to job satisfaction and labour turnover.

### **2.5.1 Studies Outside Africa**

Monte (2012) in Brazil studied on variables such as gender, age, marital status, level of education, working organization and employees' tenure as basis for investigation using multinomial and ordered probit models. The findings show that the behaviour variables have significant influence on labour turnover. The conclusion was that, job satisfaction is a good forecaster of labour turnover. This study differs from the current study in terms of methodology and the study variables.

Mihajlov and Mihajlov (2016) in a comparative study among public and private employees in Serbia, used descriptive statistics and regression analysis, and found that employees in public organizations are more satisfied with extrinsic job satisfaction and lower intrinsic job satisfaction than employees in private sector, 3.84 mean score, .645 standard deviation and 3.40 mean score, .929 standard deviation respectively. It was also revealed that 15.8% of employees employed in public institutions in Serbia have intention to quit from their present jobs. The percent is low if compared to private institutions employees which had 54.5% of intention to quit from the present job.

In another comparative study by Ronraand Chaisawat (2009) in Thailand, it was found that labour turnover is affected by factors such as inadequate working equipment, poor recognition and rewards, unequal benefits to meet employee's needs, incompatible salaries and responsibilities, lack of salary increase and lack of compensation due to career. Further, employees' job satisfaction was influenced by factors such as recognition, good relationship with the colleagues and organization status. Inadequate

financial and non-financial rewards from hospitality industry dissatisfy workers hence looking for supplementary jobs.

A similar study on higher dissatisfaction and higher turnover in the hospitality industry done by AlBattat *et al.* (2014), it was found that, improving work environment and increasing wages could decrease labour turnover in hospitality industry in Malaysia. Further the study justifies that, labour turnover is an outcome of unacceptable working conditions from work environment, poor training and low salary.

In Denmark, Frederikson (2015) using logistic regression models, found that cooperation among workers increases job satisfaction and reduces employee turnover as it significantly improves chances for labour turnover. On the other hand, the logit outcome of behaviour variables and other variables shows that they are strongly inter-correlated. Therefore, the study suggests that, the scores of job satisfaction can be used as an indicator of labour turnover.

Joarder and Ashraf (2012) in Bangladesh used purposive sampling techniques, and factor analysis, correlation and multiple regression analysis found that six job satisfaction factors on labour turnover are significant. These include training and performance appraisal, work atmosphere, compensation package, supervision, company loyalty and career growth. Furthermore, the correlation results revealed that the factors have positive influence on job satisfaction and labour turnover. The multiple regression findings indicated that  $R^2$  is .692.

Baloch *et al.* (2014) in Pakistan who used a five likert scale survey questionnaire in data collection found that variables such as pay, promotion supervision and co-workers relationship had a positive effect on job satisfaction and labour turnover.

Jadoo *et al.* (2015) in Iraqi using multistage sampling technique found that more than one half of doctors (55.2%) were looking for another employment due to low job satisfaction (OR = 0.97). Findings also validate that the doctors low job satisfaction is due to, being threatened (OR = 3.5), internally displaced (OR = 3.1), having a perception of unsafe medical practice (OR = 4.1), long working hours than 40 per week, (OR = 2.3), disagreement with the way manager handles staff (OR = 2.2), being non-specialist, (OR = 3.9) and being employed in the government sector only (OR = 2.0). The study concluded that high doctor's turnover in Iraqi is drastically linked to work and security surroundings.

Ali (2008) in Pakistan used the Pearson correlation and multiple regression to determine factors affecting job satisfaction. He found that lecturers are highly dissatisfied with the promotion chances. On the other hand, lecturers are somehow dissatisfied with the financial aspects such as pay, fringe benefits and contingent rewards.

Although, studies from both developed and third world countries (Basil 2013; Asegid *et al.* 2014; AlBattat, *et al.* 2014; Bonus 2014) show that employees are generally not satisfied with work conditions, this confounded them, by showing that lecturers are moderately satisfied with their working condition. Moreover, the study reveals that, lectures are somewhat satisfied with co-workers relationship, nature of work and

communication. Lastly, it shows aspects associated to labour turnover as pay (.72\*\*), fringe benefit (.72\*\*), promotion (.72\*\*) and contingent rewards (.72\*\*).

Rambur *et al.*, (2003) in Taiwan employment-analysis and found a list of factors that are connected to RN labour turnover. These are lack of promotion opportunity and recognitions, dissatisfaction with salary and fringe benefits, work stress due to high workload, lack of continuing education and administrative policies. In order to improve RN retention the study suggested the increase of attention, compensation and nurse's education, career development was also suggested.

Rumman *et al* (2014) found that salary, health and safety system, supervisor treatment, training and development, vocational and leave system, insurance system, housing allowances and promotional system are factors related to job satisfaction and labour turnover. Financial rewards are salaries, incentives and transport allowances. Further, the researchers argue that financial rewards are of important as it add determination and assurance to attainment of organizational goals and objectives.

Saeed *et al* (2012) found that organization commitment as positive relationship with labour turnover. On the other hand results reveals that there is a slight link between job satisfaction and labour turnover. Further, results show that when there is a high job satisfaction labour turnover become low and the vice versa.

### **2.5.2 Studies in Africa**

Asegid *et al.* (2014) identified the following job satisfaction factors as determinants of overall job satisfaction and labor turnover; benefits and salary, perceived employment

opportunity, professional training, work environment and group cohesion, promotion, autonomy, recognition and relation with leadership. By using Pearson correlation and multivariable logistic regression it was found that, overall job satisfaction of nurses in Sidama zone, Ethiopia can be predicted using job satisfaction other than benefit and salary and work environment.

In South West Nigeria, a study that sought to determine the influence of job satisfaction on labour turnover of library personnel in selected public Universities was done by Olusegun (2013). The study used descriptive research design of the *ex-post facto*. Data were solicited using questionnaire. The findings indicated that there is a significant linear mixture effect of job satisfaction and labour turnover in the universities. Further, the study found insignificant difference in labour turnover among the library personnel in federal state universities. It recommended the federal state public universities in Nigeria to design development programmes focusing on the workers motivation in order to reduce turnover.

A cross section survey of 137 nurses in primary health care clinic was done by Delobelle *et al.*, (2011) in rural South Africa. The study solicited for data using a survey questionnaire. Descriptive statistics, factor analysis, spearman's rank correlation and logistic regressions were applied in data analysis. The study found that nurses were satisfaction with work content and co-worker relationships. The findings also showed that, pay and work conditions were associated with nurse dissatisfaction in the area. On the other hand job satisfaction was connected with tenure ( $P < 0.05$ ), professional rank ( $P < 0.01$ ) and intention to quit ( $P < 0.01$ ). The findings indicate that labour turnover is explained by job satisfaction, age and education ( $P < 0.001$ ).

Moreover, the study established that, when age, education, years of nursing and tenure ( $P < 0.001$ ) are controlled, labour turnover is explained by job satisfaction only. The study concluded that in order to improve job satisfaction and retain nurses in primary health care in South Africa the management could focus on financial rewards, improve work conditions as well as adequate human resources management practices.

A longitudinal study by Rouleau *et al.* (2012) in Senegal that found that labour turnover is reported to more than one half (58.9%) of midwives due to dissatisfaction with remuneration, task, job security and dissatisfaction from contingent education. Remuneration and work environment are reported as least satisfaction factors while morale and job security are reported as the most satisfying factors. The study concluded that in spite of the experienced burnout and unhappiness with their working conditions, midwives have confidence in and accomplish their work. Among others, the study recommends continuing education as a strategy to retain midwives in Senegal.

Dingeta (2013) found that teachers are satisfied with different facets of the job. For instance, 87% of teachers are satisfied with work itself, 87.1% of teachers are satisfied with co-workers relationship, 78.5% of teachers are satisfied with supervision, 60.8% of teachers are satisfied with autonomy, 55.7% of teachers are satisfied with promotion opportunities, recognition they receive from the management, general physical environment and facilities. On the other hand, teachers were dissatisfied with workload and compensation 51.9% respectively. With regard to workload it is found that large workload is correlated to low job satisfaction and labour turnover.

Idowu *et al.*, (2011) in Nigeria found that the amount of payment received by workers, payment modes, hours of work per day, overtime payment, and bonuses receive are the major determinants of workers job satisfaction and labour turnover. Further, the findings show that workers are satisfied with overtime payment and bonus received.

Mabindisa (2013) found that staff turnover and job satisfaction in the Eastern Cape Province, South Africa are influenced by salary, increase in workload, unhealthy work relationship and related job training. The study further recommend for career development opportunities and advancement in order to reduce labour turnover.

### **2.5.3 Studies in Tanzania**

Suta (2013) found that job satisfaction amongst teachers in Shinyanga is affected by the job itself, pay, promotion, co-workers, operating procedures and work environment. However, researcher turnover in Shinyanga region is not related to attribute such as age, tenure, level of education and opportunity to alternative employment.

A study by Mhando (2013) found that respondents were highly satisfied with gross pay, fringe benefits, opportunity for advancement, company policy, achievement and communication. Despite such satisfaction, turnover still exist. The implication here could be that there are other factors possibly, context specific factors that influence job satisfaction and therefore employee's turnover.

Naburi *et al* (2017) shows that 54% of the health providers were dissatisfied with their job due to low salaries and high workload while 35% of the providers intended to quit

from job due to lack of job stability, lack of recognition by superiors and poor performance feedback. It was concluded that nurse's job satisfaction and labour turnover in the public sector is high. Improvement on safety measures, supervision, reasonable working hours and performance feedback among others are recommended in order to mitigate the situation.

On the other hand, Ramadhani (2014) found that job satisfaction is a function of age, education, position, and tenure. Results for multiple regression showed that, job satisfaction explain about 75% of the intention to quit ( $R^2= 0.751$ ). This indicates that the dependent variables included in the model are the main determinants of labour turnover.

Blaauw *et al.*, (2013) found that female health workers were less satisfied than male counterparts. The findings also show that, employees in the age group between 50 years and above are more satisfied than other age groups. Further also health workers in public hospitals are less satisfied than those work in clinic, health centers, and in mission hospital. In terms of the countries, health care workers in Tanzania are highly satisfied followed by health care workers from Malawi and less satisfied are the health care workers from South Africa.

On the other hand, gender, marital status, types of facility and health care worker category are not connected with labour turnover. According to the study labour turnover is strongly associated with age (OR-0.726). The study justifies that low age categories are likely to leave their jobs for green pastures elsewhere.

Mohamed (2013) found that teachers prefer to live in urban areas due to availability of social services such as electricity, water, transport and good housing. Further, teachers are demotivated by unpaid house allowances. On the other hand, Ikenyiri and Ihua-Maduenyi (2012) found that improving teachers rent, transport and medical allowance increases job satisfaction.

Tidemand et al (2014) found that in LGAS job satisfaction is affected by issues such as remoteness, lack of access to water, electricity and social services. However the most important factors include; hardship allowances (85%), access to electricity and water (75%), and access to staff housing (74%). Other factors contributing to job satisfaction in the LGAs are; supervision and support from management, proximity to their spouse, availability of land and housing (60%), commuting distance to work and transport provided by LGAs (51%), other income opportunities (49%) and social environment (41%). Further, it is shown that, 1 million Tanzanian shillings is provided to science teachers compared to .7 million Tanzanian shilling provided to non-science teachers. In Kigoma new health staffs were provided with 200,000/= Tanzanian shilling to cover for bed and mattress, 240,000/= Tanzanian shilling to cover for house or rent allowance (20,000/= shillings per month), 400,000/= Tanzanian shillings cash payment to assist settlement and another 400,000/= Tanzanian shillings paid as reachable facilities for staff who accept to be posted in the area.

Ngimbudzi (2009) found that fringe benefit, bonuses, monthly payment, promotion opportunities, growth regards to training opportunities, seminars and workshop as well as on rewards aspect and for recognition from employer are connected to job

satisfaction. Moreover, the researcher found that majority of participants were satisfied with recognition from the community, cooperation from work mate, freedom and autonomy in work place, cooperation from management, job security, ability of doing job, level of job responsibility and co-workers relationship. Results also show that employee were satisfied with meaningful of the job and support from the administration. Ngowi (2015) found that staff were not satisfied with staff promotion, financial incentives with promotion, recognition, training programme and remuneration packages as they are scarce in Rombo district in Tanzania.

Malya (2013) found that employees are not satisfied with the service offered by social security institutions in Tanzania. This is due to a low coverage, inadequate benefits, poor member involvement in decision making, low level of compliance and high administrative costs. These challenges cause social security institutions in Tanzania to provide services below the employees' expectations.

Conclusively, the following is the summary of financial rewards variables used in this study. The variables are good salary structure, good salary, incentives, and allowances such as transport, house, per-diems, overtime, water, electricity, hardship and medical allowance. Others are performance and cash bonuses as well as access to loan.

Non-financial rewards are spited into two among others administrative and work factors. The administrative factors are:- attention from leaders, support from leaders, support from administration, relationship with boss, relationship with co-workers, appreciation by management, participation in decision making, leadership style, leadership fairness, company policy, good administration, increase in responsibility,

opportunity to lead projects, recognition, working conditions, fair treatment, just treatment, opportunity for growth, organizational commitment, and social benefits.

Work factors are timely promotion, work related training, work load, achievement in work, challenging work, job security, status in work, company status, advancement in work, good reputation of work place, work condition, mismatch between skills and job, supervision job content, nature of work, and office with good furniture.

Lastly, the covers context specific factors are distance of work place from home place, access to all weather road, access to clean water, access to national power grid electricity, access to internet facilities, access to good health, access to good house, access to reliable public transport, access to banks, access to sim banking, access to good education, access to fertile arable land, business related culture and work related culture.

However, from the empirical literature the following variables used in the present study. Recognition, fringe benefits, salary and responsibilities, compensation, organization status, working conditions, cooperation among workers, supervision, career growth, pay, staff promotion and co-workers relationship, and job security. Moreover nature of work and communication, company policy and administration, health and safety system, supervisor treatment, housing allowance, incentives and transport allowances and organization commitment, freedom and autonomy, leadership style, work itself, overtime payment, bonus received were also included in the study. On the other hand career development opportunities and advancement, lack of good transport and good houses also included in the study. House allowance,

hardship allowance, in access to electricity and water, management support, proximity to their spouse, availability of land, commuting distance to work, bonuses, social benefit, work ability and responsibility are among other factors used in the present study as far as the empirical literature is concerned.

## **2.6 Research Gap**

Empirical literature shows that studies on job satisfaction influences and labour turnover have been done in health care, education and hospitality industries (Rambur *et al*, 2003; Ronra and Chaisawat, 2009; Delobelle *et al*, 2011; Rouleau *et al*, 2012; Blaauw *et al*, 2013; Asegid *et al*, 2014; AlBattat *et al*, 2014; Jadoo *et al*, 2015, Naburi *et al* 2017). This gives the impression that such studies have not been done in Local Government Authorities.

Not only that most of studies used behavioural characteristics such as age, gender, education, tenure, marital status, work organization and professional rank (Delobelle *et al*, 2011; Rouleau *et al*, 2012; Monte, 2012; Blaauw *et al*, 2013). Furthermore, other studies used financial and non-financial rewards such as pay (salary), fringe benefit, contingent rewards, compensations, job security, co-workers relationship, promotion, company policies, and supervisions (Rambur *et al*, 2003; Ali 2008; Ronra and Chaisawat, 2009; Joarder and Ashraf, 2012; Baloch *et al*, 2014; Mhando, 2014; Ramadhani, 2014). From the literature it is revealed that studies on context specific factors such as in access to water, good health services, communication, electricity, education and the like towards job satisfaction are still wanting. This study was set to explore the influence of not only financial and non-financial reward factors on job

satisfaction and consequently labour turnover, but also to examine the extent to which context specific factors influence labour turnover in the selected LGAs in Tanzania.

## **2.7 Conceptual Framework of the Study**

### **2.7.1 Independent Variable: Job Satisfaction**

Job satisfaction variables are financial and non-financial dimensions that are provided to employees that seek to enhance employee's job satisfaction in order to reduce labour turnover in the organization. It includes the implementation of reward policies that in the present study are categorized as financial and non-financial rewards. Financial rewards are rewards in the form of money, paid directly to employees for the purposes of increasing employee's job satisfaction and retention purposes (Burton, 2012). Examples of financial rewards are such as pay, benefits, contingent rewards and remuneration (Ali, 2008; Joarder and Ashraf, 2012; Rouleau *et al*, 2012).

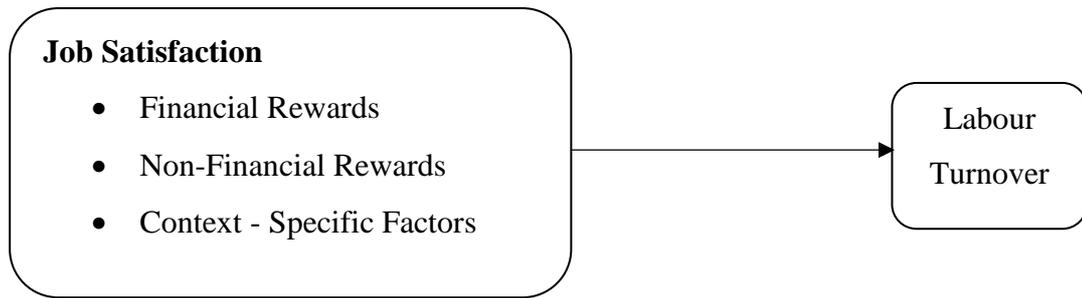
On the other hand non-financial rewards are rewards that are not linked to monetary implications (Lameck, 2011). This type of rewards includes recognition, achievement, responsibility, autonomy, personal growth and the like for the purpose of increasing employee's job satisfaction and discourage labour turnover (Armstrong, 2012). It is conceptualized financial and non-financial rewards may result in either job satisfaction or dissatisfaction which in turn lead to retention or turnover.

Further, context specific factors includes in access to electricity, water, good health services, poor roads, poor housing conditions and the like are also expected to cause either satisfaction or dissatisfaction and therefore retention or turnover. See Figure 2.2.

### **2.7.2 Dependent Variable: Labour Turnover**

Labour turnover is an employee's outcome realize from the provided financial and non-financial rewards as well as an outcome employees realize from the perceived effects of the context specific factors. If the provided financial and non-financial rewards were perceived to be fair and equitable, employees tend to be satisfied with their work and hence turnover is reduced, but if otherwise, employees are dissatisfied hence high labour turnover (Rambur *et al*, 2003; Saeed *et al.*, 2014). Despite, financial and non-financial rewards have been found to have influence on job satisfaction and labour turnover (Delobelle *et al*, 2011; Suta, 2013;Mhando, 2014), other specific factors from the context such as poor housing, lack of water, lack of good education facilities and demographic factors have been found to have effect on job satisfaction and labour turnover (Ebuehi and Campbell, 2011; Suta, 2013;Ramadhani, 2014);Tidemand, 2014).

From the conceptual framework, it is therefore modelled that Labour Turnover =  $f$  (Financial, Non-financial Rewards, Context-Specific Factors). Therefore, the model recognizes that, labour turnover is an outcome of perceived job satisfaction (financial and non-financial rewards) and context specific variables. In order to determine the influence of financial and non-financial rewards, and the context specific factors on labour turnover, binary logistic regression was performed. Only significant variables were discussed as insignificant variables were not good predictors of labour turnover as they lack consistency. The findings from the model coefficients ( $\beta$ ) and Exp ( $\beta$ ) were used in reporting the coefficient sign and predicting the labour turnover likelihood respectively.



**Figure 2.2: Conceptual Framework of the Study**

**Source:** Developed by Researcher, (2016).

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Overview**

This chapter describes the methodology employed in this study. It explains the area of study, research design, and research approach, sampling design, data sources, research instruments, data analysis procedures and ethical considerations.

#### **3.2 Research Paradigm**

Holden and Lynch (2004) argue that the nature of science (objectivism and subjectivism) has been described as a continuum polar contrary through a changing ethical situation associated among them. Researchers prefer to use Objectivist approach to investigate social science phenomena as the approach is suspected to be realistic. Objectivism uses a positivist approach hence quantitative research paradigm.

According to Bhattacharjee (2012) positivism argument declares that science or knowledge creation is limited to observation and measurement. This is because positivism tends to rely solely on verified theories and castoff the attempt to outspread any reason other than observable realities. O'Leary (2004) contends that the aim of positivists is to test theory and/or articulate knowledge through observation and dimension so as to foresee and control forces in environment.

Mbwambo (2005) says that researchers are generally grouped into positivists and post-positivists leading to quantitative and qualitative research paradigms, the extreme ends of research methods continuum. He further argues that a proper research design

shows that the researcher not only understands the true problem, but also knows the right course of action towards a valid solution. And therefore a research design adopted in any study is a function of the research question and the author's philosophical inclination.

This study however, used a cross sectional survey research design and deductive approach. The design was selected because a survey is generally connected with deductive approach and it allows data to be collected at a time across respondents (Saunders, *et al.*, 2009). This study however uses positivism research philosophy.

### **3.3 The Study Population**

Population refers to a total of an entire people with the features that a researcher desires to learn from within a context of a particular research problem (D'Souza *et al.* (2013); Sharma, and Ranjan (2013). Rwegoshora (2006) defines the target population as the one which comprises a total of elements (persons) from which the information is required. Ros Ross (1978) asserts that defining the target population offers an effective explanation that can be used to guide the creation of a list of population elements, or sampling frame, from which the sample may be drawn.

The thrust of this study was to explore the influence of job satisfaction on labour turnover in LGAs in Tanzania. The target population selected for this study encompassed 17308 employees within selected district councils. Because the population was large within the districts, and was inaccessible due to remoteness, only three categories of employees from the district head offices were surveyed. The

employees' categories were district directors/heads of department, officers and supporting staff.

### **3.4 Study Area**

Labour turnover is spread in organizations throughout the country. Consequently, the study area was Tanzania but given the time and financial constraints LGAs were taken from six zones namely the Lake, Northern, Central, Southern, Southern Highland and Eastern. The LGAs which were included in the study includes Mwanza, Tanga, Arusha, Dodoma, Mtwara, Mbeya, and Pwani. Because it is envisaged that LGAs have varied experiences in terms of the study variables—financial and non-financial rewards as well as context specific variables and therefore unbiased data and findings, a district council was randomly selected from each of the mentioned regions.

### **3.5 Sampling Design and Procedures**

#### **3.5.1 Sample Size**

A sample is a slight portion of population nominated for observation and analysis (D'Souza *et al.* 2013). A sample should be a representative of the population from which they are drawn (Marshall and Rossman, 2016). They also explain that researchers cannot study the whole population unless the population is narrowly construed.

With this regard, sampling is a vital procedure in research since it is impossible to survey the total populace (Saunders *et al.* 2009). Rwegoshora (2006) contends that the consideration in sampling should be in the size of the population as to whether the population studied is very large or small. However, if the nature of the population is similar and population is bigger, a huge sample is essential.

As shown in the target population, this study consisted of district directors/heads of department, officers and supporting staff. There were a total of 17308 employees from the selected seven (7) districts head offices. In Arumeru, there were 4049 employees, Handeni 2957 employees, Ileje 1548 employees, and Kibaha rural 1462 employees, Magu 3311 employees, Mpwapwa 2466 employees, and Nanyumbu 1515 employees.

From the populations of 17308 employees, a sample size of 399 employees was drawn using the formula developed by Yamane (1967) at 5% of desired precision. It was hypothesized that, this number was enough for an in-depth study. Given the above sample size, 57 units of inquiry were drawn from each district council. The units of inquiry from each district were purposively and randomly selected. Heads of departments and directors were purposively selected as they are very few in LGAs, while officers and supporting staff were randomly selected. From each sub group 19 respondents were drawn.

The Yamane formula is:

$$n = \frac{N}{1+N(e)^2}$$

#### **Where**

n = Sample size, N = Population size, and e = desired precision (5%)

#### **Data**

$$n = \mathbf{X}$$

$$N = \mathbf{17308}$$

$$e = \mathbf{(5\%)}$$

$$X = \frac{17308}{1+17308 (5\%)^2}$$

$$X = \frac{17308}{1+17308 (0.0025)}$$

$$X = \frac{17308}{17309 (0.0025)}$$

$$X = \frac{17308}{43.27}$$

$$X = 399$$

Therefore, sample size for this study= 399 respondents

**Table 3.1: Sample Size, Strata and Sampling Techniques**

Zone	Region	Strata LGA	HoDs/ D	%	Officers	%	Supp. Staff	%
Northern	Arusha	Arumeru	19	33.3	19	33.3	19	33.3
Northern	Tanga	Handeni	19	33.3	19	33.3	19	33.3
Southern Highland	Mbeya	Ileje	19	33.3	19	33.3	19	33.3
Eastern	Coast	Kibaha rural	19	33.3	19	33.3	19	33.3
Lake zone	Mwanza	Magu	19	33.3	19	33.3	19	33.3
Central	Dodoma	Mpwapwa	19	33.3	19	33.3	19	33.3
Southern	Mtwara	Nanyumbu	19	33.3	19	33.3	19	33.3
<b>Purposive Sampling</b>	<b>Purposive Sampling</b>	<b>Sampling Tech.</b>	<b>Purposive Sampling</b>		<b>Simple Random</b>		<b>Simple Random</b>	

Sources: Field Data, (2016)

### 3.5.2 Sampling Procedure

Sampling is a procedure of picking a subset from a population involved in a study; it is the process of choosing a specific number of persons to be included in a study in such a way that the persons nominated present the huge cluster from which they were

nominated (Ogula, 2005). Rwegoshora (2006) defines sampling procedure as the best method of selecting respondents provided the sample was truly representative of the universe. He further explains that it is impossible to study the whole area; therefore sampling is essential in social science research. In order to make inference, the selected sample must be adequate and represent the diverse characteristics within the studied populace (ibid).

In this study, the population was large and it was impossible to survey the all populace due to time constraints, costs and remoteness of the areas, hence purposive and stratified sampling procedure were used in this study. Purposive sampling was used to select LGAs. Normally, purposive sampling is frequently considered the most suitable for the selection of small samples from a restricted geographic zone or from a delimited population classification (Ogula, 2005).

Stratified sampling techniques were used in this study because the population is finite and is divided into homogeneous subgroups (Kombo, 2006). It is a useful approach when there is significant disparity among the several strata, but little difference within a specified stratum (Albright *et al.*, 2006). Leedy and Ormrod (2010) state that, stratified sampling assures equivalent representation of the sample selected in each strata identified.

In this study, Tanzania was stratified into zones, and from each zones a region was randomly chosen. From each of the chosen regime, an LGA was randomly selected. Further, respondents were stratified into District Executive Directors and Heads of Departments, Officers, and supporting staff including (these are employees below the

officer's level who acquire any level of education less than bachelor degree). Simple random sampling was used to obtain the study sample within officers and supporting staff stratum. With simple random sampling the researcher selects any member within the sample population. The techniques offer an equal chance of being selected to all subjects. Each subject is selected independently of the other members of the population (Msabila and Nalaila, 2013). Therefore, for the officers and supporting staff assembled in conference hall in some of districts and show up a willingness to participate in the study were targeted.

Note, for inadequate sample from assembled population and for the districts that officers and supporting staff would not be able to assemble in the conference hall, the researcher visited their offices and any officers and supporting staff available at the time of the visit and were willing to participate in the study were targeted until the sample size of 57 reached in each district to make a total of 339 for the seven districts. In the LGAs the researcher was accompanied by the Human Resource Officer (HRO). The HRO requested for employees' consent and willingness to support the study by filling the questionnaire.

### **3.6 Data Collection Methods**

The data collection method used for this study is structured questionnaire. Structured questionnaire was used to collect primary data. Primary data are data collected by the researcher from the field in order to determine first-hand information on the influence of job satisfaction (financial rewards, non-financial rewards and context specific factors) towards labour turnover.

### **3.6.1 Questionnaire**

The questionnaire is a common and important instrument for obtaining respondents' information about knowledge and attitudes. Bird (2009) explains that a questionnaire can offer meaningful data about the studied phenomenon. He says that using a questionnaire in data collection is the basis for similar data setup because the questions asked to the populace are observed in a similar way. On the other hand Bhattacharjee (2012) notes that, the questionnaire is suitable in social science research because it measures unobservable data, such as people's preference, attitudes and behaviour.

In the present study, the questionnaire was used in data collection because the population is too large that makes it difficult for a researcher to see respondents directly. Additionally, the questionnaire was used in this study because the study required large amounts of data to be collected. Sabahipour and Bartlett (2009) says that studies that require large amounts of data to be collected from large population, questionnaires are the most appropriate instrument.

Questionnaire was also convenient in this study as it is inexpensive technique of data collection and it serves the researcher time. Not forgetting that questionnaire offers greater secrecy as it does not offer face to face interactions between researcher and respondents and therefore gives respondents a chances to free expression of attitudes and perceptions that increases the probability of gaining precise data (Kumar; 2011).

#### **3.6.1.1 Administration of Questionnaires**

Kumar (2011) argues that there are many ways of administering questionnaires. In this study the questionnaires were collectively administered. It is argued that collective

administration is the best way of administering the questionnaires as it requires a captive audience in which a researcher explains the purpose, relevance and importance of the study and clarifies the respondent's misconception.

Human Resource Officers and other appointed persons helped in the distribution and collection of questionnaires from their perspective district staff. Because the study area was diverse covering all zones in Tanzania, research assistants assisted in the collection of questionnaires. Majority of employees from selected districts gave maximum co-operation. Seven (7) districts head offices were visited for the purpose of this study. Finally, the researcher acknowledged the process of data collection through questionnaires was successfully administered where out of 399 distributed questionnaires 311 (77.9%) were returned.

### **3.6.1.2 Questionnaire Response Rate**

Response rate is the percentage of people in the sample who actually completed the survey questionnaire (Cozby, 2007). McColl *et al.*(2001) explain that high response rate is important because it adds confidence that leads to high data precision due to acceptance and generalized function. Again, high response rates reduce bias. To reduce the threat of non-response bias and increase the precision of estimates, the researcher devoted efforts at enhancing response rates (McColl *et al.*, 2001; Cozby, 2007; Saunders *et al.*, 2011). Researches differ in views about what constitutes an adequate response rate. Monkey (2009) argues that 40% of despondence rate is acceptable. On the other hand, Kumar (2011) says that 50% of respondents' rate is not a problem when a questionnaire is administered in a collective situation.

Others for example McColl *et al.* (2001) recommends a 75% of response rates. Mangione in Bryman and Bell (2010) argues that response rates between 50-59% are just tolerable, 60-69% are tolerable, and 70-84% are very good and 85% and above are excellent. Hughes and Hayhoe (2009) argue that a response rate of 50% is adequate, 60% is good and 70% is very good. This study concurs with the arguments of Hughes and Hayhoe (2009) who recommends 70% of response rate and above as satisfactory for any study to reduce the aforesaid bias, and in increasing data precision and therefore used as a response rate criteria.

**Table 3.2 Questionnaire Response Rate**

Name of the Districts	Sample Size	Respondents
Arumeru	57	43
Handeni	57	47
Ileje	57	52
Kibaha rural	57	29
Magu	57	53
Mpwapwa	57	38
Nanyumbu	57	49
<b>Total</b>	399	311

**Sources:** Field Data, (2016)

### 3.7 Validity and Reliability of Data

#### 3.7.1 Validity

Saunders *et al.* (2012) state that the internal validity and reliability of collected data and response rate achieved depends mostly on the design of the questionnaire. A valid questionnaire allows correct data that essentially measures the proposed phenomenon, and which are collected steadily. Also, they define validity with

reference to the ability of the questionnaire to measure what it proposes to measure. According to Howell *et al.*(1994-2012) validity refers to the degree to which a study precisely measures the specific concept that the researcher is attempting to measure. Howard (2008) argues that internal validity refers to the degree to which similar questions within a questionnaire respond with similar answers.

In this study a pilot test was undertaken by administering the questionnaires to 10 people to ensure that the instruments addressed effectively the research objectives. The number of people was assumed enough as there is no criteria for pilot test sample size since researchers have conflicting opinion over the exact number of people to include in the pilot study. Saunders *et al.*, (2012) argue that, the number of people in pilot test and tests conducted depends largely on the research questions, design of the questionnaire, objectives, time and money available. Fink (2010) explains that, 10 people are minimum number and therefore enough for the pilot study for small study. Hertzog (2008) declares that, uncertainly 10-15 people are enough for the pilot test. Julious (2005) recommends that, a sample of 12 people are enough for a pilot test in a group.

### **3.7.1.1 Reliability**

Reliability refers to the degree to which measuring procedure produces similar results on regular trials (Howell *et al*, 1994-2012). According to Saunders *et al.* (2012), reliability refers to whether data collection techniques and analytical procedures would produce consistent findings if repeated in other similar situations and if replicated by other researchers. According to Howard (2008), reliability is the degree to which a questionnaire produces similar results if repeatedly administered. There is

a need to make a clear distinction between validity and reliability. While reliability is concerned with the accuracy of the actual measuring instrument or procedure, validity is concerned with measuring what the researchers set out to measure (Howell *et al.*, 1994-2012).

Reliability is determined by ensuring that questionnaires are well refined, relevant, and clearly, understood and can produce similar results (*ibid*). On the other hand, the data reliability in this study was ensured by the adoption of Minnesota questionnaires. On the other hand a survey satisfaction questionnaire by Spector, and other questionnaire from researchers such as Nkya (2012); Rubin(2012); and Mbungu (2015) were adapted. However, internal consistency was ensured by using Cronbach's alpha coefficients and Pearson correlation.

### **3.8 Data Analysis Procedures**

According to Kothari (2004), it is indispensable for scientific research to have appropriate data for analysis. According to him, data analysis means the calculation that measures patterns of relationships that exist amongst the data-groups. Mirkin (2011) provides that data analysis can be defined as the process of calculating numerous synopses and consequential values from the given data collection.

Conclusively, data collection is the practice of assessing data using mathematical tools and sound reasoning for the purpose of inspecting each element of the collected data. In the present study, the process of analysing data was administered by the use of quantitative methods as explained below:

### 3.8.1 Quantitative Data Analysis

Statistical Package for Social Sciences (SPSS) software (version 20) was used for data analysis. The analysis was carried out by performing descriptive statistical analysis, correlation analysis, factor analysis and multiple regression.

Analysis was done systematically from simple descriptive analysis to higher levels of analysis factor analysis and multiple regression. Descriptive results mainly comprehended respondent characteristics and some frequencies in respect to gender, marital status, age group, number of children, level of education, present position, employment term, and years in present position.

Since it was propounded that  $LT = f$  (Financial rewards, Non-Financial rewards, Context-Specific Factors), Factor Analysis gives the loading to the independent variables; financial rewards, non-financial rewards and context-specific factors towards labour turnover. Pearson correlation gives the extent to which each single variable within financial, non-financial rewards and context specific factors are significant.

Further to that, multiple regression analysis was conducted for quantitative data to estimate the influence of financial rewards, non-financial rewards and location factors on labour turnover and its significance. Because data were in binary and categorical form, the most appropriate regression model was the Binary Logistic Regression Model (BLRM). According to Statistics (2015), Binary Logistic Regression anticipates the likelihood in which an observation falls into unique or double

groupings of a dichotomous dependent variable with respect to single or more continuous or categorical independent variables. Similarly, Peng *et al.* (2002) assert that logistic regression is appropriate in explaining and testing hypotheses about relationships concerning categorical and predictor variables.

The choice of the model was based on the model assumptions. There are numerous assumptions with regards to binary logistic regression. Statistics (2015) caution that, when one decides to use binary logistic regression in data analysis there is a need to verify data several times to assure that data suit the model assumptions. This is because within BLRM, there are several assumptions to meet before data analysis.

According to Statistics (2015), Bagnoli (2016) binary logistic regression assumptions are: - the presumption of linear relationship between dependent and independent variables in the model is neglected; the estimation of dependent variable must be done through binary scales; the single or other independent variables, must be continuous or categorical; categories need to be mutually exclusive and exhaustive. Other assumptions include, continuous independent variables have to be linearly related to the log it of one to one (transformation) of the dependent variable and a need of bigger samples in binary logistic regression is fundamental since maximum likelihood coefficients are colossal sample assessment.

According to Neuman (2015), a scale is a class of quantitative data measures that is used to capture the intensity of direction, level, or potency of variable construct along continuum. Bhattacharjee (2012) defines a scale as an empirical structure for measuring items or indicators of a given construct. Hefurther explains that scale is an

outcome of scaling process which is a process of creating indicators. Scaling describes the procedures of assigning numbers to various degrees of opinion, attitude and other concepts (Kothari, 2012). Scaling according to Krishnaswamy *et al.*, (2009) is a procedure for attempting to determine quantitative measure of an abstract concept. Scales are often used to measure individual perceptions about something (Neuman, 2015).

Since in the current study the concepts of independent variables are in categorical (binary) with ordinal and nominal variables, therefore, the appropriate scales to measure the study variables were nominal and ordinal scales. Nominal scales are categorical scales that are used to measure categorical data (Bhattacharjee, 2012). The scales are used for variables that have mutually exclusive attributes. For instance, gender is of two values; male or female, or any other responses with regard to the nature of yes and no response. Neuman (2015) argues that a nominal scale is precise when there is a difference in types among the available data categories. Krishnaswamy *et al.*(2009) clarify that a nominal scale is a measurement procedure that classifies individuals into categories.

The other appropriate scale to measure the study variables are ordinal scales. Neuman (2015) defines ordinal scale as a level of measurement that identifies a difference between available categories and that allows categories to be ranked-ordered. According to Bhattacharjee (2012), ordinal scales are those that measure rank-ordered data. Kothari (2012) contends that ordinal scales prefer using ranking orders. He also explain, for instance, that ranking of a student as a first, second, third and so on among others in a class is based on the average scores the student gets among others.

Bhattacharjee (2012) declares that, the Likert scale is the most appropriate scale for measuring ordinal data. Similarly, Statistics (2015) argues that a Likert scale is a popular scale for measuring ordinal variables. In most cases in Likert items, respondents are asked to indicate the level of perception by showing their agreement or disagreement using 5 - 7 point scale ranging from "strongly agree" to "strongly disagree". Neuman (2015) established that, in most cases the Likert scale is used to measure respondent opinions.

Labour turnover was estimated by including financial rewards, non-financial rewards and context-specific factors. To avoid multi-co linearity the model was broken into three models. The first model measured the influence of financial rewards on labour turnover, the second model measured the influence of non-financial rewards on labour turnover and the third model measured the influence of context-specific factors on labour turnover.

### 3.8.1.1 The Influence of Financial Rewards on Labour Turnover

In the model, financial rewards include (good salary structure, good salary, incentives, and transport allowance, house allowance, per-diems, over-time allowance, performance bonuses, water allowance, electricity allowance, hardship allowance, medical allowance, cash bonuses and access to loan). The econometric model for financial rewards on labour turnover is:

$$LT_{FR} = \ln \left( \frac{P^i}{1 - P^i} \right) = \beta_0 + \beta_1 X_1 + \dots + \beta_{14} X_{14} + \varepsilon_i \dots \dots \dots (1)$$

**Whereas**

$LT_{FR}$  = measure of labour turnover due to financial rewards,  $\beta_0$  = is a constant term,  $\beta_1, \beta_2 \dots, \beta_{14}$  are the coefficients of  $X^r$ s measuring the probability of labour turnover

occurrence,  $X_1$ = good salary structure,  $x_2$  = good salary,  $x_3$  = incentives,  $x_4$  = transport allowance,  $x_5$  = house allowance,  $x_6$  = per-diems,  $x_7$  = extra duty allowance,  $x_8$  = performance bonuses,  $x_9$  = electricity allowance,  $x_{10}$  = water allowance,  $x_{11}$  = hardship allowance,  $x_{12}$  = medical allowance,  $x_{13}$  cash bonuses,  $x_{14}$  = access to loan and  $\epsilon_i$  is error term.

**3.8.1.2 The Influence of Non-Financial Rewards on Labour Turnover**

In the model, non-financial rewards include administrative factors (ADMF) and work factors (WF). The econometric model for non-financial rewards is therefore:

$$LT_{NFR} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_1 ADMF + \beta_2 WF + \epsilon_i \dots \dots \dots (2.0)$$

To measure the labour turnover from the above model the equation is splitted into two equations. The first equation is for administrative factors and the second is for work factors as shown below:-

**3.8.1.3 The Influence of Administrative Factors on Labour Turnover**

$$LT_{ADMF} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_{15} X_{15} + \dots + \beta_{34} X_{34} + \epsilon_i \dots \dots \dots (2.1)$$

The equation measures the effects of administrative factors on labour turnover holding work factors constant. From the equation,  $LT_{ADMF}$ = measures labour turnover due to administrative factors,  $\beta_0$  = is a constant term,  $\beta_{15}, \beta_{16} \dots, \beta_{34}$  are the coefficients of  $X_{15}$  measuring the probability of labour turnover occurrence,  $X_{15}$ = attention from leaders,  $X_{16}$  = support from leaders,  $x_{17}$  = support from administration,  $x_{18}$  = relationship with boss,  $x_{19}$ = relationship with co-workers,  $x_{20}$  = appreciation by

management,  $x_{21}$  = participation in decision making,  $x_{22}$  = leadership style,  $x_{23}$  = leadership fairness,  $x_{24}$  = company policy,  $x_{25}$  = good administration,  $x_{26}$  = increase in responsibility,  $x_{27}$  = opportunity to lead projects,  $x_{28}$  = recognition by management,  $x_{29}$  = working conditions,  $x_{30}$  = unfair treatment,  $x_{31}$  = unjust treatment,  $x_{32}$  = opportunity for growth,  $x_{33}$  = organizational commitment,  $x_{34}$  = social benefit and  $\varepsilon_i$  is error term.

#### 3.8.1.4 The Influence of Work Factors on Labour Turnover

$$LT_{WF} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_{35}X_{35} + \dots + \beta_{50}X_{50} + \varepsilon_i \dots \dots \dots (2.2)$$

The equation measures the effects of work factors on labour turnover holding administrative factors constant. From the equation,  $LT_{WF}$  measures labour turnover due to administrative factors,  $\beta_0$  = is a constant term,  $\beta_{35}, \beta_{36}, \dots, \beta_{50}$  are the coefficients of  $X^i$ s measuring the probability of labour turnover occurrence,  $X_{35}$ , = timely promotion,  $x_{36}$  = work related training,  $x_{37}$  = work load,  $x_{38}$  = achievement in work,  $x_{39}$  = challenging work  $x_{40}$  = job security,  $x_{41}$  = status in work,  $x_{42}$  = company status,  $x_{43}$  = advancement in work,  $x_{44}$  = reputation of work place,  $x_{45}$  = work condition,  $x_{46}$  = mismatch between skills and job,  $x_{47}$  = poor supervision,  $x_{48}$  = job content,  $x_{49}$  = nature of work,  $x_{50}$  = office with good furniture and  $\varepsilon_i$  is error term.

#### 3.8.1.5 The Influence of Context-Specific Factors on Labour Turnover

In the model, context-specific factors include (distance of work place from home place, access to all weather road, access to clean water, access to national power grid electricity, access to internet facilities, access to banks, access to reliable public

transport, access to good house, access to sim banking, and the access to good education). The econometric model for Context-Specific factors is:

$$LT_{CSF} = \ln \left( \frac{P^i}{1 - P^i} \right) = \beta_0 + \beta_{52}X_{52} + \dots + \beta_{64}X_{64} + \varepsilon_i \dots \dots \dots (3)$$

From the equation,  $LT_{CSF}$  = measure labour turnover due to Context-Specific factors,  $\beta_0$  = is a constant term,  $\beta_{51}, \beta_{52}, \dots, \beta_{64}$  are the coefficients of  $X^r$ 's measuring the probability of labour turnover occurrence,  $X_{51}$  = distance of work place from home place,  $X_{52}$  = access to all weather road,  $x_{53}$  = access to clean water,  $x_{54}$  = access to national power grid electricity,  $x_{55}$  = access to internet facilities,  $x_{56}$  = access to good health,  $x_{57}$  = access to good house,  $x_{58}$  = access to reliable public transport,  $x_{59}$  = access to banks,  $x_{60}$  = access to sim banking,  $x_{61}$  = access to good education,  $x_{62}$  = access to fertile arable land,  $x_{63}$  = business related culture,  $x_{64}$  = work related culture and  $\varepsilon_i$  = error term.

To summarize,  $LT_{FR}$ ,  $LT_{NFR}$  and  $LT_{CSF}$  measure labour turnover influence by financial rewards, non-financial rewards and Context-Specific factors.  $\beta_0$ , is a constant term,  $\beta_1, \beta_2, \dots, \beta_{61}$  are the coefficients of  $X^r$ 's measuring the probability of labour turnover occurrence.  $X_1, X_2, \dots, X_{64}$  are the independent variables and  $\varepsilon_i$  is error term.

Therefore the model for all independent variables is:

$$LT_{fr, nfr, csf} = \ln \left( \frac{P^i}{1 - P^i} \right) = \beta_0 + \beta_1 X_1 + \dots + \beta_{64} X_{64} + \varepsilon_i \dots \dots \dots (4)$$

### 3.8.1.7 Summary of the Job Satisfaction Determinants and Expected Signs

The summary of the determinants of job satisfactions (independent variables) used in this study and the expected signs of each variable in the model are therefore shown in Table 3.3 (See appendices).

### **3.9 Ethical Considerations**

Ethics in research refers to doing what is moral and legal in conducting research (Mariana, 2011). Bhattacharjee (2012) opines that science always has been manipulated in an unethical way by individuals and organizations, particularly in data collection, analysis and interpretations. This manipulation disturbs the values of scientific research. Therefore, it is fundamental to consider research ethics because it has significance to the respondents, the outcome of research as well as to the researchers themselves (Saunders *et al.*, 2009). In this study, ethical considerations were observed. Research clearance was sought from the university and the administration of the LGAs. Consent from the respondents was also sought during the pilot study and the actual research itself. Respect to confidentiality and anonymity and acknowledgement of information sources were also considered.

## **CHAPTER FOUR**

### **PRESENTATION OF THE FINDINGS**

#### **4.1 Overview**

In this chapter, findings from each specific objective are presented. The data analysis was organized into divisions so as to simplify the presentation of the findings. The first section dealt with demographic data from the sample respondents. The second section focused on job satisfaction factors and overall employees' job satisfaction in LGAs. The third section presents correlations and factor analysis for financial and non-financial rewards. The fourth section is divided into three sub-sections according to specific research objectives of the study where, logistic regression analysis was conducted for every specific objective.

The objectives were as follows:

- (i) To determine the influence of financial rewards on labour turnover in LGAs.
- (ii) To determine the influence of non-financial rewards on labour turnover in LGAs.
- (iii) To determine the influence of context-specific factors on labour turnover in LGAs.

#### **4.2 Demographic Profile of the Respondents**

In demographic characteristics, realistic questions were asked to respondents indicating issues they are familiar with. Cozby (2007) acknowledges that in asking demographic information it is necessary to describe age and gender of respondents, ethnicity, income, marital status, employment status, and the number of children. Male

and female (gender) can be included if the researcher is interested in making comparisons between the groups. In this study, the key respondents characteristics and demographic data included in the analysis are; age, gender, marital status, the number of children, level of education, position category, experience, and terms of employment.

#### 4.2.1 Age Groups and the Gender Distributions

The study sought to determine the age groups (AG) and the gender distributions of the study respondents. Results are shown on Table 4.1. From the table, it is shown that the age groups of respondents were categorised into four groups; 21-30 years, 31-40 years, 41-50 years and 51-60 years. The age distributions ended up to 60 years because that retirement age in Tanzania public service.

**Table 4 .1: Age Group and the Gender Distributions**

			Gender		Total
			Male	Female	
<b>Age Group</b>	21-30 Years	Count	34	51	85
		% within AG	40.0%	60.0%	100.0%
	31-40 Years	Count	68	43	111
		% within AG	61.3%	38.7%	100.0%
	41-50 Years	Count	38	19	57
		% within AG	66.7%	33.3%	100.0%
	51-60 Years	Count	43	15	58
		% within AG	74.1%	25.9%	100.0%
<b>Total</b>		<b>Count</b>	<b>183</b>	<b>128</b>	<b>311</b>
		<b>% within AG</b>	<b>58.8%</b>	<b>41.2%</b>	<b>100.0%</b>

AG= Age Group

Source: Field Data, (2016).

Analysis shows that 51(60%) respondents are aged between 21-30 years, 68 (61.3%) respondents are aged 31-40 years, 38 (66.7%) respondents are aged 41 – 50 years, and 43(74.1%) respondents are between 51-60 years old. Finally, the table reveals that majority of the study respondents participated in the present study were male who counted 183 (58.8%) in comparison to female counterparts who counted 128(41.2%).

#### 4.2.2 The Distributions of Gender, Marital Status and the Number of Children

This study was also interested to know the distribution of gender in relation to marital status and number of children for the respondents who participated in the study. Results in Table 4.2 show that the majority of male 148 (80.9%) respondents were married.

**Table 4.2: The distributions of Gender, Marital Status and the Number of Children**

		Marital Status				Total	
		Single	Married	Separated	Widowed		
<b>Gender</b>	M	Count	35	148	0	0	183
		% within Gender	19.1%	80.9%	0.0%	0.0%	100.0%
	F	Count	50	70	3	5	128
		% within Gender	39.1%	54.7%	2.3%	3.9%	100.0%
<b>Total</b>	Count	84	218	3	6	311	
	% within Gender	27.0%	70.1%	1.0%	1.9%	100.0%	
		Number of Children				Total	
		0-2	3-4	4-6	Above 6		
<b>Gender</b>	M	Count	88	71	20	4	183
		% within Gender	48.1%	38.8%	10.9%	2.2%	100.0%
	F	Count	106	18	3	1	128
		% within Gender	82.8%	14.1%	2.3%	0.8%	100.0%
<b>Total</b>	Count	194	89	23	5	311	
	% within Gender	62.4%	28.6%	7.4%	1.6%	100.0%	

M = Male, F = Female

Source: Field Data, (2016).

On the other hand 70 (54.7%) among female were married. Also, results disclose that in total 218 (70.1%) respondents were married while 84 (27%) respondents were single, 3 (1.0%) respondents were separated and 6 (1.9%) respondents were widowed. Further, majority of male 159 (86.9%) respondents had 0-4 children, while the majority of female 106 (82.8%) respondents had 0-2 children.

#### **4.2.3 Level of Education and the Position Category**

The study further assessed the level of education and the position category of the respondents. Table 4.3 depicts the respondents' education level and the post they hold. The findings demonstrate that a large number of supporting staff 53 (84.4%) had secondary education. Also, a large number of officers 92 (63.9%) Directors and Heads of Department 19 (13.2%) had advanced diploma/ bachelor level of education.

Further, 168 (54.0%) of the respondents were from the group of officers, followed by 119 (38.3%) of the respondents who were from the group of supporting staff and lastly, 24 (7.7%) of the respondents were from the category of Directors and Heads of Departments.

It was further shown that majority of the study respondents 168 (54.0%) are officers, with 92 (63.9%) having advanced diploma or bachelor degree. This shows that the respondents had enough knowledge concerning the study variables as they have reasonable level of education.

**Table 4. 3: Level of Education and the Position Category**

		Position Category			Total		
		Heads Directors and HoDs	Officers	Supporting Staff			
<b>Level of Education</b>	Primary	Count	0	2	8	10	
		% within Level of Edn	0.0%	20.0%	80.0%	100.0%	
	O-Level	Count	0	11	53	64	
		% within Level of Edn	0.0%	15.6%	84.4.0%	100.0%	
	A-Level	Count	0	2	3	5	
		% within Level of Edn	0.0%	40.0%	60.0%	100.0%	
	Ordinary Diploma	Count	1	42	18	61	
		% within Level of Edn	1.6%	68.9%	29.5%	100.0%	
	Advance Dip/Bachel or Degree	Count	19	92	33	144	
		% within Level of Edn	13.2%	63.9%	22.9%	100.0%	
	Post Grad/Mast ers and Above	Count	4	19	4	27	
		% within Level of Edn	14.8%	70.4%	14.8%	100.0%	
			Count	24	168	119	311
			% within Level of Edn	7.7%	54.0%	38.3%	100.0%

Edn = Education

Source: Field Data, (2016).

#### **4.2.4 Experience and Employment Terms**

The experience and employment term distributions for respondents who participated in the study were also determined. Table 4.4 shows the results on distributions of employees experience and terms of employment.

It is shown that the majority of respondents 182 (56.5%) had experience between 0-5 years with permanent and pensionable terms of employment. 93 (29.9%) have experience between 0- 2 years, 89 (28.6%) have experience between 3-5 years, and 51 (16.4%) of the respondents had an experience between 6-8 years. Likewise, 26 (8.4%) of the respondents had an experience between 9-11 years, and 52 (16.7%) of the respondents had an experience of 12 years and above.

Moreover the findings show that from the total 311 respondents, 12 (3.9%) respondents are employed on contract terms. while the majority of the respondents 299 (96.1%) are permanent and pensionable employment terms. This is possible to government institutions as most of government institutions have succession planning which makes the government to conduct employment on permanent and pensionable terms as opposed to temporary and contract employment.

The researcher expects that, large numbers of employees in temporary and contract terms can automatically affect the level of job satisfaction and therefore the findings can be subjective. On the contrary, with majority of respondents in group of permanent and pensionable employees the results will not be subjective.

**Table 4.4: Experience and Employment Terms**

			Experience					Total
			0-2 Years	3-5 Years	6-8 Years	9-11 Years	12 and Above	
ET	Permanent and Pensionable	Count	84	87	50	26	52	299
		% within ET	28.1%	29.1%	16.7%	8.7%	17.4%	100.0%
	Temporary	Count	7	2	0	0	0	9
		% within ET	77.8%	22.2%	0.0%	0.0%	0.0%	100.0%
	Contract	Count	2	0	1	0	0	3
		% within ET	66.7%	0.0%	33.3%	0.0%	0.0%	100.0%
Total	Count		93	89	51	26	52	311
	% within Employ Terms		29.9%	28.6%	16.4%	8.4%	16.7%	100.0%

ET = Employment Terms

Source: Field Data, (2016).

### 4.3 Job Satisfaction Factors

Questions regarding to employee job satisfaction with reference to Minnesota job satisfaction survey short form were asked to all respondents. The respondents were expected to indicate their attitude by ranking the extent they were satisfied or dissatisfied with each statement. A five point likert scale from strongly dissatisfied =1, dissatisfied =2, neutral =3, satisfied =4 to strongly satisfied =5 was used in this section as presented in Table 4.5.

**Table 4.5: Factors Influence Job Satisfactions**

<b>Job satisfaction variables</b>	<b>Very Dissatisfied</b>	<b>Dissatisfied</b>	<b>Neutral</b>	<b>Satisfied</b>	<b>Very Satisfied</b>	<b>Mean</b>	<b>Std Dev</b>
Ability utilization	21(6.8%)	57(18.3%)	45(14.5%)	147(47.3%)	41(13.3%)	3.42	1.113
Achievement	25(8.0%)	49(15.8)	69(22.2%)	140(45.0%)	28(9.0%)	3.31	1.094
Activity	11(3.5%)	56(18.0%)	66(21.2%)	133(42.8%)	45(14.5%)	3.59	2.580
Advancement	24(7.7%)	61(19.6%)	70(22.5%)	127(40.8%)	29(9.0%)	3.41	3.084
Authority	20(6.4%)	30(9.6%)	38(12.2%)	146(46.9%)	77(24.8%)	3.74	1.127
Company policies	39(12.5%)	75(24.1%)	71(22.8%)	111(35.7%)	15(4.8%)	2.96	1.138
Compensation	69(22.2%)	102(32.8%)	57(18.3%)	66(21.2%)	17(5.5%)	2.55	1.203
Co-workers	20(6.4%)	37(11.9%)	71(22.8%)	148(47.6%)	35(11.3%)	3.45	1.049
Creativity	19(6.1%)	48(15.4%)	41(13.2%)	149(47.9%)	54(17.4%)	3.55	1.129
Independence	21(6.8%)	40(12.9%)	48(15.4%)	145(46.6%)	57(18.3%)	3.57	1.131
Moral value	21(6.8%)	39(12.5%)	79(25.4%)	130(41.8%)	41(13.2%)	3.43	1.090
Recognition	48(15.4%)	69(22.2%)	64(20.6%)	104(33.4%)	26(8.4%)	2.97	1.230
Responsibility	28(9.0%)	66(21.2%)	73(23.5%)	99(31.8%)	45(14.5%)	3.22	1.195
Security	24(7.7%)	67(21.5%)	77(24.8%)	122(39.2%)	21(6.8%)	3.16	1.080
Social services	18(5.8%)	96(30.9%)	59(19.0%)	79(25.4%)	59(19.0%)	3.65	1.063
Social status	23(10.3%)	46(14.8%)	60(19.3%)	126(40.5%)	56(18.0%)	3.47	1.163
Supervision-Human Relation	32(10.2%)	45(14.5%)	84(27.0%)	109(35.0%)	41(13.2%)	3.26	1.170
Supervision- Technical	25(8.0%)	39(12.5%)	62(19.9%)	136(43.7%)	49(15.8%)	3.47	1.141
Variety	29(9.3%)	48(15.4%)	70(22.5%)	123(39.5%)	41(13.2%)	3.32	1.163
Working conditions	63(20.3%)	91(29.3%)	54(17.4%)	80(25.7%).	23(7.4%)	2.74	1.262

Source: Field Data, (2016).

The findings show that the highest mean was 3.74 while the lowest mean was 2.55. This is an indicator that the majority of the respondents are positive and satisfied with job satisfaction variables. However, respondents who said they are dissatisfied commented on the variables such as compensation, social services and working conditions: 102(32.8%), 96(30.9%) and 91(29.3%) respectively.

In order to get a complete picture from the study respondents about job satisfaction, personal characteristics such as gender, age and level of education of the respondents are fundamentally to be analysed instead of relying on descriptive statistics yield from overall job satisfaction variables (Bhatia, 2011). This is because; the mentioned personal characteristics can produce useful information about the phenomenon under study for discussion. Gupta (2013) goes further by adding to the above personal characteristics as he suggests that individual life results in important impact on job satisfaction. He further mentions personal characteristics such as marital status and experience as among individual factors that affect job satisfaction.

#### **4.3.1 Age and Job Satisfaction**

The study examined the level of job satisfaction with regard to respondents' age groups. The findings in Table 4.6 shows that 51 (87.9%) of the respondents from 51-60 years age group are more satisfied in comparable to other age groups. Further, 44(77%) respondents aged 41-50 years are the second group. The third group with regard to the level of job satisfaction is of the group aged between 21-30 years (63 (74.1%)). The fourth group 31-40 years of age with 82 (73.9%) respondents.

From the table, the findings justify that the majority of employees in LGAs who are about to retire are more satisfied than other age groups. However, the new hired employees were also more satisfied than employees who had worked a bit longer (31-40, age group of the respondents). This could be because of mass unemployment being experienced in Tanzania. Also, as one gets the job he or she starts looking for a dream work.

**Table 4.6: Age Group and Job Satisfaction**

		Are you satisfied with your work?			Total
		Yes	No		
Age Group	21-30	Count	63	22	85
		Years % within AG	74.1%	25.9%	100.0%
	31-40	Count	82	29	111
		Years % within AG	73.9%	26.1%	100.0%
	41-50	Count	44	13	57
		Years % within AG	77.2%	22.8%	100.0%
	51-60	Count	51	7	58
		Years % within AG	87.9%	12.1%	100.0%
<b>Total</b>	<b>Count</b>	<b>240</b>	<b>71</b>	<b>311</b>	
	<b>% within AG</b>	<b>77.2%</b>	<b>22.8%</b>	<b>100.0%</b>	

Source: Field Data, (2016).

#### 4.3.2 Gender and Job Satisfaction

The study further determined whether gender had impact on job satisfaction. Table 4.7 shows that 139 (76.0%) of male respondents were satisfied with their jobs while 44 (24.0%) of male respondents are not. On the other hand, 101(78.9%) of female respondents are satisfied whereas 27(21.1%) of female respondents are not.

The overall indication of job satisfaction is that, the majority of male respondents are more satisfied than female counterparts. Moreover 240 (77.2%) of the total respondents were satisfied with their jobs, while 71(22.8%) of the respondents are dissatisfied with their work.

**Table 4.7: Gender and Job Satisfaction**

		Are you satisfied with your work?		Total	
		No	Yes		
Gender	M	Count	44	139	183
		% within Gender	24.0%	76.0%	100.0%
	F	Count	27	101	128
		% within Gender	21.1%	78.9%	100.0%
Total	Count	71	240	311	
	% within Gender	22.8%	77.2%	100.0%	

M= Male, F= Female

Source: Field Data, (2016).

### 4.3.3 Level of Education and Job Satisfaction

The study also determined job satisfaction by respondents' level of education. The levels of education were primary education, O-Level, A-level, Ordinary Diploma, Advanced Diploma/Bachelor Degree, and Post-graduate/Masters and Above.

Table 4.8 illustrates that 7(70%) of the respondents from primary education were satisfied with their work while 3(30%) of the respondents in that group were not satisfied with their work. It was also shown that 38(86.4%) of the respondents with O-level education are satisfied with their work whereas 6(13.6%) of the respondents in that group are not satisfied with their work. Moreover, 2(40.0%) of the

respondents from A-level are satisfied with their work while 3(60.0%) of the respondents in that group are not.

**Table 4.8: Level of Education and Job Satisfaction**

		Are you satisfied with your work?			Total
		No	Yes		
Level of Education	Primary	Count % within Level of Edn	3 30.0%	7 70.0%	10 100.0%
	O-Level	Count % within Level of Edn	6 13.6%	38 86.4%	44 100.0%
	A-Level	Count % within Level of Edn	3 60.0%	2 40.0%	5 100.0%
	Ordinary Diploma	Count % within Level of Edn	10 16.4%	51 83.6%	61 100.0%
	Advance Dip/Bachelor Degree	Count % within Level of Edn	41 25.0%	123 75.0%	164 100.0%
	Post Grad/Masters and Above	Count % within Level of Edn	8 29.6%	19 70.4%	27 100.0%
	<b>Total</b>	<b>Count % within Level of Edn</b>	<b>71 22.8%</b>	<b>240 77.2%</b>	<b>311 100.0%</b>

Edn= Education

Source: Field Data, (2016).

Further, 51(83.6%) of the respondents with Ordinary Diploma are satisfied with their work while 10(16.4%) of the respondents in that group are dissatisfied. On the other hand, 123 (75.0%) of the respondents with Advanced Dip/Bachelor Degree are satisfied with their work while 41(25.0%) of the respondents in that group were dissatisfied with their work.

Finally, 19(70.4%) respondents with Post-grad/Masters and above were satisfied with their work whereas 8(29.6%) of the respondents in that group were dissatisfied with their work. The observation here is that the higher you go along the academic ladder the less satisfaction the worker become.

#### **4.3.4 Position Category and Job Satisfaction**

The study determined job satisfaction with reference to one's position category. Three categories of respondents were included in this study. The first category was Directors and Heads of departments. The second category was officers and the third category was supporting staff. The findings of the study are presented in Table 4.9.

The findings reveal that 21 (87.5) of the respondents from Directors and Heads of Departments are satisfied with their work while 3(12.5%) of the respondents from the same group are dissatisfied. Moreover, 173(75.9%) of the respondents from officers are satisfied with their work whereas 55 (24.1%) of the respondents from the same group are dissatisfied with their work. Likewise, 46 (78.0%) of the respondents from supporting staff are satisfied while 13(22%) of the respondents from the same group are dissatisfied. The implications is that high level employees are more

satisfied with their job since they are at old age and get better pay while low level employees are also better satisfied because of the prevailing unemployment in the country.

**Table 4.9: Position Category and Job Satisfaction**

			Are you satisfied with your work?		Total
			No	Yes	
Position Category	Heads Directors and HoDs	Count	3	21	24
		% within Present Position	12.5%	87.5%	100.0%
	Officers	Count	55	173	228
		% within Present Position	24.1%	75.9%	100.0%
	Supporting Staff	Count	13	46	59
		% within Present Position	22.0%	78.0%	100.0%
	Total	Count	71	240	311
		% within Present Position	22.8%	77.2%	100.0%

Source: Field Data, (2016).

#### 4.3.5 Marital Status and Job Satisfaction

The study also determined job satisfaction level along the marital status categories. Table 4.10 show that the ‘separated’ category had a total of 3 (100%) of the respondents in which all respondents are satisfied with the job.

Out of married group married group 169 (77.9%) are satisfied. Lastly the ‘single’ group who 62(73.8%) of respondents satisfied. Gupta (2013) argues that married

employees tend to be more satisfied with job due to the tendency of the increased responsibility. Obviously, this can be the same as in the widowed.

**Table 4.10: Marital Status and Job Satisfaction**

			Are you satisfied with your work?		Total
			Yes	No	
	Single	Count	62	22	84
		% within Marital Status	73.8%	26.2%	100.0%
Marital	Married	Count	169	49	218
		% within Marital Status	77.5%	22.5%	100.0%
Status	Separated	Count	3	0	3
		% within Marital Status	100.0%	0.0%	100.0%
	Widowed	Count	6	0	6
		% within Marital Status	100.0%	0.0%	100.0%
<b>Total</b>		<b>Count</b>	<b>240</b>	<b>71</b>	<b>311</b>
		<b>% within Marital Status</b>	<b>77.2%</b>	<b>22.8%</b>	<b>100.0%</b>

Source: Field Data, (2016).

#### 4.3.6 Experience and Job Satisfaction

Moreover, the study determined job satisfaction with regard to employee's tenure groups. Table 4.11 depicts that 44 (84.6%) of the respondents' with the experience of 12 years and above are more satisfied with job than other tenure groups. Automatically, these employees are the ones with the age group between 41 to 50 years and 51 to 60 years. These employees are engaged, as they are characterised with family responsibilities. However, some were satisfied due to the positions they hold.

**Table 4.11: Experience and Job Satisfaction**

		<b>Are you satisfied with your work?</b>		<b>Total</b>		
		<b>Yes</b>	<b>No</b>			
Experience	0-2 Years	Count	71	22	93	
		% within Experience	76.3%	23.7%	100.0%	
	3-5 Years	Count	71	18	89	
		% within Experience	79.8%	20.2%	100.0%	
	6-8 Years	Count	38	13	51	
		% within Experience	74.5%	25.5%	100.0%	
	9-11 Years	Count	16	10	26	
		% within Experience	61.5%	38.5%	100.0%	
	12 and Above	Count	44	8	52	
		% within Experience	84.6%	15.4%	100.0%	
	<b>Total</b>		<b>Count</b>	<b>240</b>	<b>71</b>	<b>311</b>
			<b>% within Experience</b>	<b>77.2%</b>	<b>22.8%</b>	<b>100.0%</b>

**Source:** Field Data, (2016).

#### **4.3.7 Factor Analysis for Job Satisfaction**

Factor analysis was conducted to extract factors that do not significantly influence job satisfaction in LGAs among the Minnesota variables that were used to measure job satisfaction. A principal component analysis was conducted on twenty (20) job satisfaction related items. The findings of this study indicated the emergence of four (4) factor solutions with eigenvalues bigger than one (1). It was also revealed that, numerals factors have positive loading close to +1. Joarder and Ashraf (2012) argue that in PCA, factor loading value close to +1 indicates that the variables have a strong positive influence on that factor.

**Table 4. 12: Factor Analysis for the Job Satisfaction**

<b>Factors and Items</b>	<b>Factor Loading</b>	<b>Eigen Values</b>	<b>% of Variance</b>	<b>Cronbach's alpha</b>
<b>Career Progression</b>				
Achievement	.758	7.687	17.251	.795
Ability utilization	.697			
Activity	.690			
Advancement	.659			
Authority	.525			
Company policies	.432			
<b>Company Loyalty</b>				
Moral value	.750	1.412	16.815	.722
Social status	.694			
Security	.637			
Social services	.591			
Independence	.539			
Creativity	.516			
Variety	.460			
Recognition	.437			
<b>Personal and Task Concern</b>				
Co-workers	.776	1.228	12.106	.662
Responsibility	.662			
Working conditions	.656			
<b>Supervision</b>				
Supervision- human relation	.832	1.153	11.230	.778
Supervision- Technical	.728			
Compensation	.436			
Percentage of variance explained (Total)			57.401%	
Cronbach's alpha (Overall)				.913

Source: Field Data, (2016).

During the analysis, factors loading to positive value .40 in each item were retained. Hair *et al.*(2006) say that the variables loading to .40 and above are regarded as significant and appropriate for further analysis and interpretations.

The factor analysis results in Table 4.12 show that in LGAs job satisfaction is influenced by career progression that accounts for 17.251 % of variance explained and .795 reliability coefficient; company loyalty accounting for 16.815% of variance explained and .722 reliability coefficient; personal and task concern accounting for 12.106% of variance explained and .662 reliability coefficient and lastly supervision accounting for 11.230% of variance explained with .778 reliability coefficient.

Further, the table shows that the four identified factors accounts for 57.401 % of variance explained of employee's perceptions towards job satisfaction in LGAs in Tanzania. This implies that there is a variation of 42.599% towards job satisfaction variables that can be explained by other factors which are not included in the analysis.

#### **4.4 Correlations and Factor Analysis of the Factors Measure Labour Turnover**

As explained in the methodology chapter, correlation was used to capture information regarding the level of significance for independent variables on labour turnover. On the other hand, factor analysis on this part was performed to ensure validity and reliability of measuring instruments as well as to extract variable items for each independent variable that loads below .040, and retain variable items loading above that criterion for further analysis and interpretations.

**Table 4.13: Correlations Results between Financial Rewards Factors**

<b>Financial Reward Factors</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>
Salary Structure (1)	1													
Good Salary (2)	.373**	1												
Incentives (3)	.097	.344**	1											
Trans. allowances (4)	-.324**	.193**	.367**	1										
House Allowances (5)	.027	.195**	.411**	.049	1									
Per-diems (6)	-.548**	.025	.082	.462**	.063	1								
Overtime (7)	.574**	.046	.143*	-.157**	.158**	-.540**	1							
Cash bonuses (8)	.661**	.211**	.047	-.204**	.266**	-.469**	.636**	1						
Elec. allowances (9)	-.379**	.166**	.043	.380**	.054	.719**	-.514**	-.409**	1					
Water allowances (10)	-.263**	.029	.305**	.384**	.001	.504**	-.167**	-.168**	.479**	1				
Md. allowances (11)	.774**	.118*	.053	-.286**	-.006	-.579**	.703**	.635**	-.452**	-.308**	1			
Hard. allowances (12)	.650**	.000	.121*	-.306**	.026	-.444**	.646**	.432**	-.292**	-.093	.764**	1		
Bonuses (13)	.762**	.186**	.013	-.368**	.033	-.537**	.651**	.582**	-.392**	-.223**	.808**	.673**	1	
Access to loans (14)	.706**	.071	-.011	-.309**	.014	-.470**	.636**	.525**	-.384**	-.189**	.824**	.746**	.816**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed). \* . Correlation is significant at the 0.05 level (2-tailed)

**Source:** Field Data, (2016).

#### **4.4.1 Correlations between Financial Reward Factors**

In order to determine the level of significance among financial reward items used to measure labour turnover correlation analysis was performed. Correlations results in Table 4.13 show that most of the variable items are strongly inter-correlated at 0.01 significance level. The results therefore allow for further manipulated.

#### **4.4.2 Factor Analysis among Financial Reward Factors**

Factor analysis was conducted to ensure validity and reliability of the measuring instruments used in this study. Also, factor analysis was used to extract the factors that load below 0.40 which is the extraction criteria for the entire study. Items loading to 0.4 and above were regarded as significant and therefore the items were retained for further analysis and interpretation purposes.

The results in Table 4.14 show a general validity, as the Kaiser-Meyer-Olkin Measure of Sampling Adequacy is .812 and Bartlett's Tests of Sphericity is significant at 0.000. This shows that correlation among financial rewards factors is adequate for factor analysis. In addition, table 4.14 shows that four components emerge out of financial reward factors on labour turnover that explain 75.195% of the total variance explained. Factor one is cash payment, factor two allowances, factor three incentives and factor four salaries.

The implication from the findings is that financial rewards items used in this study explain about 75.195% of variance on labour turnover while the remaining percentage (24.805%) is explained by other financial rewards factor items not

captured in the model. Further, the financial reward factors have good internal consistence, with overall Cronbach's alpha .656. The findings show that the financial rewards variables as strong influence on labour turnover as the loading value is positive and close to 1. Therefore the variables are retained for further multivariate analysis.

**Table 4.14: Factor Analysis Results among Financial Rewards**

Items	Components			
	1	2	3	4
over-time	.770			
Performance cash bonuses	.628			
Medical allowances	.893			
Hardship allowances	.875			
Bonuses for collective performance	.862			
Supporting access to loans	.891			
Per-diems		.710		
Electricity allowances		.728		
Water allowances		.836		
Incentives			.754	
Housing allowances			.802	
Good Salary Structure				.796
Good Salary				.910
Eigen Values	6.126	2.177	1.222	1.002
Percentage of variance explained (Total)	36.89	18.204	11.388	8.709
	4			
Cronbach's alpha (Overall)	.656			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.812			
Bartlett's tests of Sphericity Sig.	0.000			

Extraction Method: Principal Component Analysis

Source: Field Data, (2016).

**Table 4.15: Correlations Results between Administrative Factors**

Administrative Factors	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Attention from leaders (1)	1																			
Support from leaders (2)	.547**	1																		
Support from administration (3)	.440**	.648**	1																	
Relationship with boss (4)	.464**	.592**	.783**	1																
Relationship with co-workers (5)	.361**	.537**	.595**	.754**	1															
Appreciation managers/HoDs (6)	.003	-.094	.041	.061	.149**	1														
Participate DM (7)	-.100	-.119*	-.033	.014	.110	.516**	1													
Leadership style (8)	.331**	.553**	.494**	.525**	.607**	.131*	.127*	1												
L/ship fairness (9)	.409**	.422**	.337**	.368**	.344**	.082	.052	.529**	1											
Company policy (10)	.338**	.362**	.361**	.367**	.453**	.027	-.039	.531**	.534**	1										
Good Admn. (11)	.301**	.372**	.339**	.419**	.407**	.125*	.114*	.381**	.274**	.260**	1									
Responsibility (12)	.023	-.042	-.072	-.080	-.020	.367**	.425**	-.065	-.044	-.008	.268**	1								
Opportunity to lead projects (13)	.129*	.012	-.013	.006	.151**	.388**	.418**	.048	.110	.031	-.012	.405**	1							
Recognition by management (14)	.462**	.446**	.354**	.367**	.454**	.060	.051	.573**	.390**	.497**	.313**	.013	.135*	1						
Work conditions (15)	.277**	.394**	.326**	.419**	.419**	.072	.020	.510**	.317**	.331**	.554**	-.041	-.080	.474**	1					
Fair treatment to employees (16)	-.123*	-.089	-.053	-.058	.020	.292**	.413**	-.013	-.064	.064	-.009	.373**	.466**	.029	-.095	1				
Just treatment to employees (17)	.243**	.168**	.193**	.075	.172**	.151**	.110	.217**	.066	.362**	.052	.190**	.258**	.436**	.151**	.374**	1			
Opportunity for growth (18)	.337**	.312**	.312**	.292**	.338**	.031	.061	.377**	.378**	.544**	.307**	.045	.145*	.476**	.338**	.206**	.480**	1		
Organization commitment (19)	.293**	.315**	.383**	.381**	.396**	.157**	.063	.399**	.429**	.430**	.364**	-.017	.163**	.416**	.407**	.097	.252**	.678**	1	
Social benefits (20)	.281**	.297**	.322**	.325**	.425**	.100	-.015	.465**	.443**	.351**	.401**	-.007	.122*	.485**	.379**	.053	.200**	.558**	.596**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed). \* . Correlation is significant at the 0.05 level (2-tailed).

Source: Field Data, (2016).

#### **4.4.3 Correlations between Administrative Factors**

In order to determine the significance level among administrative variables as a part of non-financial rewards used in measuring labour turnover, correlation analysis was performed. Correlations results among administrative factors items measures labour turnover are shown in Table 4.15. The findings demonstrate that most of the administrative variable items used in measuring labour turnover as far as this study is concerned are strongly inter-correlated at 0.01 significance level. The results therefore allow for proceeding with factor analysis.

#### **4.4.4 Factor Analysis among Administrative Factors**

To ensure validity and reliability of the measuring instruments used in measuring labour turnover among administrative factors, factor analysis was conducted. Factor analysis was further used to extract the factors that load below 0.40 as choice criteria. Items loading to 0.4 and above among administrative factors are regarded as significant items and are retained for further analysis and interpretation.

Table 4.16 depicts the results of factor analysis among administrative factors on labour turnover. Results designate the general validity, as the Kaiser-Meyer-Olkin Measure of Sampling Adequacy is .834 and Bartlett's Tests of Sphericity is significant at 0.000. The study shows that four components emerge out of administrative factors on labour turnover that account for 61.470% of the total variance explained. Factor one is leadership and administration, factor two is employees support and relationship, factor three is management appreciations and factor four is employee's treatment.

The findings justify that 61.470% of variance of labour turnover can be explained by administrative factor items with overall Cronbach's alpha .865 while the remaining percentages (38.530%) can be explained by other factor items. The administrative variables therefore have a strong influence on labour turnover as the loading value is positive and close to 1. Consequently, the items can be used together to measure labour turnover. The variables therefore are retained for further multivariate analysis.

**Table 4.16: Factor Analysis Results among Administrative Factors**

Items	Components			
	1	2	3	4
Leadership fairness	.548			
Company policy	.561			
Good administration	.548			
Recognition by management	.572			
Good working conditions	.640			
Opportunity for growth	.727			
Organization's commitment	.757			
Social benefits	.768			
Attention from leaders		.616		
Support from leaders		.789		
Support from the administration		.831		
Relationship with boss		.855		
Relationship with co-workers		.734		
Leadership style		.557		
Appreciation by Managers/HoDs			.736	
Participation in decision making			.801	
Responsibility			.715	
Opportunity to lead projects			.667	
Fair treatment to employees				.617
Just treatment to employees				.737
Eigen Values	6.684	2.836	1.557	1.217
% variance explained (Total) 61.470%	20.071	19.860	13.360	8.180
Cronbach's alpha (Overall) .865				
Kaiser-Meyer-Olkin Measure of Sampling Adequacy .834				
Bartlett's tests of Sphericity Sig. 0.000				

Extraction Method: Principal Component Analysis.

Source: Field Data, (2016).

**Table 4. 17: Correlations Results between Work Factors**

<b>Work Factors</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Timely promotions (1)	1															
Work related training (2)	.079	1														
Work with over-loads (3)	.190**	.225**	1													
Achievement in work (4)	-.055	.517**	.125*	1												
A challenging work (5)	.130*	.168**	.178**	.311**	1											
Job security (6)	.021	.627**	.182**	.509**	.352**	1										
Status in work (7)	.340**	.012	.154**	-.089	.122*	-.012	1									
LGA status (8)	.155**	-.247**	.175**	-.002	.102	-.088	.362**	1								
Advancement at work (9)	.061	.421**	.087	.411**	.090	.352**	.035	.248**	1							
Reputation of workplace (10)	-.124*	.484**	.058	.452**	.154**	.516**	.073	.101	.640**	1						
Good working conditions (11)	-.129*	.465**	.218**	.422**	.179**	.542**	.131*	.118*	.341**	.512**	1					
Mismatch between Skills and Job (12)	.148**	-.035	-.016	.007	.093	.006	.168**	.231**	.232**	.190**	.071	1				
Poor supervision (13)	.258**	.311**	.173**	.231**	.120*	.348**	.067	.111*	.336**	.391**	.244**	.082	1			
Job content (14)	.287**	.024	.023	.066	.217**	.006	.373**	.344**	.163**	.160**	-.054	.216**	.382**	1		
Nature of work performed (15)	.293**	-.005	-.002	.048	.264**	.023	.111*	.166**	.091	-.054	-.011	.190**	.039	.142*	1	
Office with good furniture (16)	.017	.249**	.010	.279**	.221**	.238**	.059	.196**	.256**	.329**	.273**	.185**	.195**	.222**	.286**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed). \* . Correlation is significant at the 0.05 level (2-tailed)

**Source:** Field Data, (2016).

#### **4.4.5 Correlations among Work Factors**

The significance levels among work factors as a part of non-financial rewards used in measuring labour turnover were determined by using correlation analysis. The results of correlation among work factors items measures labour turnover are shown in Table 4.17 it was found that most of the work variable items have greater inter-correlation at 0.01 level of significance. The results therefore allow the researcher to proceed with factor analysis of the data on labour turnover.

#### **4.4.6 Factor Analysis among Work Factors**

The validity and reliability of the measuring instruments used were determined using factor analysis. Likewise, factor analysis is used to cut the factors that load below 0.40 as a withdrawal criterion. Items loading to 0.4 and above amongst work factors were observed as significant items and were retained for further analysis and interpretation. Table 4.18 displays the results of factor analysis, among work factors on labour turnover. The results show validity as the Kaiser-Meyer-Olkin Measure Sampling Adequacy is .735 and Bartlett's Tests of Sphericity is significant at 0.000.

Further, the results show that out of work factors that were used to measure labour turnover, five components emerged that account for 63.408% of the total variance explained. The first factor is advancement and work perspectives, the second factor is environment status, the third factor is supervision, the fourth factor is office environments and the fifth factor is work status.

The findings show that 61.470% of variance on labour turnover is explained by work factors items, whereas the remaining percentages (36.592%) is explained by other

factors items other than work factors. Nevertheless, work factors have good internal consistence, with the overall Cronbach's alpha .771. Therefore, the work factors have strong influence on labour turnover as the loading value of many factors are positive and close to 1. Consequently, the items can be used together to measure labour turnover in multivariate analysis and therefore the factors are retained for the purpose.

**Table 4.18: Factor Analysis Results among Work Factors**

Items	Components				
	1	2	3	4	5
Work related training	.759				
Achievement in work	.707				
Job security	.767				
Advancement at work	.668				
Reputation of workplace	.815				
Work conditions	.704				
LGA status		.802			
Mismatch between skills and job		.562			
Timely promotions			.738		
Poor supervision			.657		
Job content			.638		
A challenging work				.671	
Nature of work performed				.776	
Office with good furniture				.479	
Work with over-loads					.780
Status in work					.489
Eigen Values	4.098	2.368	1.348	1.246	1.086
% variance explained (Total) 63.408%	23.560	11.679	10.313	9.537	8.319
Cronbach's alpha (Overall) .771					
Kaiser-Meyer-Olkin Measure of Sampling Adequacy .735					
Bartlett's tests of Sphericity Sig. 0.000					

Extraction Method: Principal Component Analysis.

Source: Field Data, (2016).

**Table 4. 19: Correlations Results between Contexts Specific Factors**

<b>Context Specific Factors</b>	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Distance of work place from home place (1)	1													
Access to all weather roads (2)	.344**	1												
Access to clean water (3)	.564**	.364**	1											
Access to National Power Grid Electricity (4)	.392**	.428**	.740**	1										
Access to internet facilities (5)	.211**	.077	.303**	.419**	1									
Access to good health (6)	.013	-.202**	-.080	-.091	.015	1								
Access to good house reduces (7)	.400**	.208**	.599**	.649**	.384**	.032	1							
Access to reliable public transport (8)	.172**	.109	.128*	.258**	.486**	.100	.289**	1						
Access to banks (9)	.523**	.180**	.649**	.550**	.165**	.163**	.551**	.113*	1					
Access to sim banking (10)	.352**	.142*	.561**	.528**	.230**	-.018	.587**	.041	.635**	1				
Access to good education (11)	.385**	.207**	.604**	.605**	.270**	.028	.647**	.178**	.681**	.612**	1			
Access to fertile arable land (12)	.289**	.173**	.583**	.637**	.268**	.081	.653**	.132*	.601**	.597**	.755**	1		
Business related Culture (13)	.247**	.085	.436**	.450**	.183**	.239**	.491**	.124*	.530**	.478**	.610**	.721**	1	
Work related culture (14)	.365**	.215**	.475**	.615**	.334**	.110	.642**	.288**	.524**	.542**	.675**	.765**	.711**	1

\*\* . Correlation is significant at the 0.01 level (2-tailed). \* . Correlation is significant at the 0.05 level (2-tailed).

**Source:** Field Data, (2016).

#### **4.4.7 Correlations between Context Specific Factors**

Correlation analysis was performed in order to determine the significance level among context specific variables used to measure labour turnover. The results are shown in Table 4.19. From the table, it is shown that most of the context specific variable items are significantly inter-correlated at 0.01 significance level. The results therefore allow for factor analysis.

#### **4.4.8 Factor Analysis among Context Specific Factors**

Factor analysis was need to measure the validity and reliability of context specific factors as well as to extract factors that load below 0.40 as cutting criteria. Items loading bellows 0.4 among context specific factors were regarded as insignificant and therefore removed. Table 4.20shows the results where validity is .887 and Bartlett's Tests of Sphericity has significance at. 0.000.It indicates a correlations between context specific factors that is sufficient and allow for further analysis.

It is also revealed from the findings that three factor variables emerge out of context specific factors on labour turnover that account for 66.419% of the total variance explained. The first factor is access to social services and related culture, the second factor is communications, and the third factor is roads and health facilities.

From the findings, it is approved that, 66.419% of variance on labour turnover is explained by context specific factor items. Yet, context specific factors have high internal consistence, with overall Cronbach's alpha of .883. Majority of factors load positive and close to 1. The findings justify that factors have strong influence on labour turnover. Therefore, they are retained for further multivariate analysis.

**Table 4.20: Factor Analysis Results among Context Specific Factors**

Items	Components		
	1	2	3
Distance of work place from home place	.453		
Access to clean water	.702		
Access to National Power Grid Electricity	.674		
Access to good houses	.728		
Access to banks	.811		
Access to sim banking facilities	.763		
Access to good education	.842		
Access to fertile arable land	.875		
Business related Culture	.801		
Work related culture	.795		
Access to internet facilities		.805	
Access to reliable public transport		.871	
Access to all weather road			.716
Access to good health facilities			.678
Eigen Values	6.428	1.489	1.382
% variance explained (Total) 66.419%	41.239	12.958	12.222
Cronbach's alpha (Overall)	.883		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.887		
Bartlett's tests of Sphericity Sig.	0.000		

Extraction Method: Principal Component Analysis.

Source: Field Data, (2016).

## 4.5 Regression Models

### 4.5.1 Testing Assumptions of Logistic Regression Models

In order to be assertive with the estimates, indicative tests were performed to see whether appropriate variables are included in the regression models. The prior estimates of variables are fundamental as it avoids invalid statistical inferences from

the coefficient estimates and colossal standard error forms the model. In this study, therefore, model specification test, goodness of fit, variance explained and multicollinearity test were performed to satisfy the assumptions of binary logistic regression models used.

#### **4.5.1.1 Model Specification Test**

The model specification test was performed to see if appropriate variables were included in the regression models. While building the logit models, the linearity combination of logit outcome of the independent variables was considered as the model involves two aspects, as we are dealing with two sides of logit regression equations.

In considering the link function of the outcome variable on the left hand side of the equation, it was assumed that logit function is the correct function to use. Further, on the right hand side of the equation, it is assumed that all important variables are included in the model, rather than any other variables that are not supposed to be included in the model as the logit models have a linear combination of the predictors.

STATA was used to test whether all the relevant variables were included in the models and whether linear combinations of the variables are sufficient. Table 4.21 shows the model specification test results. From the table it is found that our models are appropriately specified since  $\chi^2$  for all models is positive and statistically significant at .01 and .05 significance levels as reflected by a probability value of 0.000 and 0.029.

**Table 4.21: Model Specification Test Results**

<b>Financial Reward factors</b>						
LTO	Coef.	Std. Err.	z	P>z	[95% Conf. Interval]	
_hat	1.024021	1566261	6.54	0.000***	.7170394	1.331002
_hatsq	-.0320062	.0903346	-0.35	0.723	-.2090589	.1450464
_cons	.0251803	.1577975	0.16	0.873	-.284097	.3344577
<b>Non-Financial Reward Factors</b>						
<b>A. Administrative Factors</b>						
_hat	1.003304	.1301254	7.71	0.000***	.7482626	1.258345
_hatsq	-.0169839	.0791285	-0.21	0.830	-.172073	.1381052
_cons	.0204313	.1732054	0.12	0.906	-.319045	.3599076
<b>B. Work Factors</b>						
_hat	.9288755	.1330754	6.98	0.000***	.6680526	1.189698
_hatsq	.1498713	.0969631	1.55	0.122	-.0401728	.3399154
_cons	-.1461104	.1663141	-0.88	0.380	-.47208	.1798592
<b>Context Specific Factors</b>						
_hat	.9901798	.1362071	7.27	0.000***	.7232189	1.257141
_hatsq	.0170886	.0811737	0.21	0.833	-.1420089	.1761861
_cons	-.0172204	.1633816	-0.11	0.916	-.3374424	.3030016
<b>Job Satisfaction and Labour Turnover</b>						
_hat	.8162409	.3725908	2.19	0.029**	.0830955	1.549386
_hatsq	.0014152	.0028487	0.50	0.620	-.0041902	.0070205
_cons	5.793257	12.01923	0.48	0.630	-17.85693	29.44344

\*\*\* indicate significance at 1% level, \*\* indicate significance at 5% level.

**Source:** Field Data: (2016).

The variable `_hatsq` is statistically insignificant for all models. For instance, financial rewards model, non-financial reward models (administrative and work factors) and context specific factors have a probability value of 0.723, 0.830, 0.122, and 0.833 respectively, while the control model have a probability value of 0.620. This indicates that the models have included relevant variables and therefore the functions are correctly specified.

#### **4.5.1.2 Goodness of Fit**

In order to determine the goodness of fit of the selected models, Nagelkerke R Square was used to compute the overall estimate on how the selected models fit the data by using the percentage of variance explained in each model. Results of goodness of fit for each are presented in table 4.22.

Results show that all models used in this study fit the data. Financial rewards explain 47.0 percent of variance on labour turnover, non-financial rewards (administrative and work factors) explain 36.2 percent of variance on labour turnover and work factors explain 31.2 percent of variance on labour turnover. Context specific factors explain 49.0 percent of variance on labour turnover. The control model explain 76.9 percent of variance of job satisfaction on labour turnover.

Bonhomme *et al.*(2006) confirm that the models fit the data as the Nagelkerke results show a value of 28.8 and 23.2 percentages of variance explained. However, they explain that there are no distinct standards in terms of percentages for evaluating model appropriateness and the form of explained variance favoured by researchers so far.

**Table 4.22: Results on Goodness of Fit**

<b>Models</b>	<b>Step</b>	<b>-2 Log likelihood</b>	<b>Cox and Snell R Square</b>	<b>Nagelkerke R Square</b>
Financial rewards	1	286.201	.348	.470
Non-financial rewards				
A. Administrative factors	1	324.061	.269	.362
B. Work factors	1	340.170	.232	.312
Context specific factors	1	277.784	.367	.490
Job satisfaction and LTO	1	139.106	.546	.769

Source: Field Data, (2016).

#### **4.5.1.3 Category Prediction**

Category prediction assesses the probability of an incident to occur. The rule of thumb for forecasting probability of the incident to occur is through the use of cut value which is supposed to be greater than or equal to 0.5 (Statistics, 2013). It is very common to use binomial logistic regression to forecast the correct classification of cases from the independent variables.

Category prediction for each model results are shown in table 4.23. The findings from the table indicate that, the cut value for all models is .500 which justifies that a large number of cases in the independent variables have the probability of being predicted into 'yes' category and classified correctly. The overall model percentage correct for financial rewards is 81.0, administrative factors model has overall percentage correct of 75.2 and work factors model and context specific factors model have an overall percentage correct of 76.4, and for the control model the percentage correct for job satisfaction is 90.7. The results are therefore showing that, independent variables have influence on labour turnover in the LGAs in Tanzania.

**Table 4.23: Category Prediction Results**

<b>Models</b>	<b>Classification (% Correct)</b>
Financial Reward Factors	81.0
Non-Financial Reward Factors	
• Administrative Factors	75.2
• Work Factors	75.2
Context Specific Factors	76.4
Job Satisfaction and Labour Turnover	90.7

a. The cut value is .500

**Source:** Field Data, (2016).

#### **4.5.1.4 Multi-Collinearity Test**

Multicollinearity occurs when two or more independent variables in the model are approximately determined by a linear combination of other independent variables in the model. With severe multicollinearity, the standard error for coefficients tends to be inflated. With perfect multicollinearity it is impossible to obtain unique estimate of regression coefficients to all the independent variables in our models.

However, in order to determine whether multicollinearity was a problem with the models; condition index, tolerance and variance-inflation factor (VIF) of each variables in all models were tested. Hence, multicollinearity was tested by using a condition index, tolerance and VIF as shown in the Table 4.24. It was indicated that financial reward factors have a condition index of 9.472, administrative factors have a condition index of 7.896, work factors have a condition index of 8.779, and context

specific factors have a condition index of 6.745. For tolerance and VIF results, it indicated that, the models have a tolerance level of 1 and VIF 1. In control model the conditional index is 13.718 and VIF is 4.020. With regard to the rule of thumb for condition index, a condition number between 10 and 30 designates feeble to severe problem in the regression variables (Halkos and Tsilika, 2016).

The variables in the linear relationship, therefore, had tiniest tolerance level. However, a tolerance value below 0.1 is not suggested. Braunstein (2007) further argues that, the results for VIF constantly were considered greater than or equal to 1. With VIF value surpassing 10 frequencies it is viewed as an indicator for multicollinearity.

**Table 4. 24: Results for Collinearity Diagnostics**

Collinearity Statistics				
	Durbin- Watson	Condition Index	Tolerance	VIF
Financial rewards	1.840	9.472	1.000	1.000
Non-Financial Rewards				
A. Administrative factors	1.818	7.896	1.000	1.000
B. Work factors	1.836	8.779	1.000	1.000
Context specific factors	2.038	6.745	1.000	1.000
JS and LTO	1.819	13.718	0.280	4.020

Dependent Variable: Labour Turnover

Source: Field Data, (2016)

Since the values from the findings are stipulated to be within the observable criteria, the researcher confidently declares that, there was no problem of multicollinearity in the financial and non-financial rewards models as well as for context specific factor model used in this study. In the control model it shows that, there is tolerable multicollinearity with regards to conditional index results while VIF results shows there is no problem of multicollinearity.

## 4.6 Logistic Regression Analysis

### 4.6.1 Logistic Regression Analysis of Financial Rewards

In order to determine the influence of financial rewards on labour turnover, a logistic regression analysis was conducted. The results are shown in Table 4.25. From the table, it is revealed that the model was statistically significant,  $\chi^2 = 1.024021$ ,  $p = .000$ , Nagelkerke  $R^2 = .470$  and correctly classified at 81%. Therefore, labour turnover can be predicted using financial reward factors in the following equation.

$$LT_{FR} = \ln \left( \frac{P^i}{1 - P^i} \right) = \beta_0 + \beta_1 X_1 + \dots + \beta_{14} X_{14} + \varepsilon_i$$

**Where:**

$LT_{FR}$  = Measures labour turnover due to financial rewards,

$\beta_0$  = Constant term,

$\beta_1, \beta_2, \dots, \beta_{14}$  = Coefficients of  $X$ 's measuring the probability of labour turnover occurrence

$\varepsilon_i$  = Error term

From the equation of all independent variables, transport allowance, housing allowance, per-diem, overtime allowance, electricity allowance, water allowance and

hardship allowance are significance financial reward factors indicating labour turnover.

Transport allowance shows  $p < .001$ , odds ratio of .496 and the confidence interval of .347 to .708. This shows that increasing transport allowance is allied with a decreasing likelihood of labour turnover. This may be the case because transport allowance can reduce the cost of transport from where the employee lives to the office station as a large number of employees live far from their office location in the quest for affordable housing.

House allowances shows  $p < .001$ , odds ratio of .499 and the confidence interval of .363 to .686. This indicates that, increasing the housing allowance leads to decreasing likelihood of labour turnover. This shows the majority of employees in the LGAs would wish to live in appropriately good housing.

Per-diem (Subsistence allowance) has  $p < .001$ , odds ratio of .2.293 and the confidence interval of .1.565 to 3.360. This shows that reducing per-diemis linked with the increasing likelihood of labour turnover. This could be easily be reflected by the high inflation, which makes accommodation, food and the like quite expensive compared to the salaries employees get.

Overtime allowances has  $p < .075$ , odds ratio of 1.570 and the confidence interval of .956 to 2.578, it is shows that overtime allowances have marginal significance in influencing labour turnover. However, reducing overtime allowances increase the likelihood of labour turnover. Possibly this is because the current system discourages the payment of overtime allowance in order to reduce government expenditure.

Electricity allowance( $p < .001$ ), odds ratio of .382 and the confidence interval of .260 to .560. Means that increasing electricity allowances is associated with reducing the likelihood of labour turnover. However, electricity allowance is provided to entitled government officials only (Rubin, 2012).

Water allowance( $p < .001$ ), odds ratio of 2.095 and confidence interval of 1.475 to 2.975. It signify that reducing water allowance is related to increasing likelihood of labour turnover. May be this is because the availability of clean water in LGAs water is a serious problem (URT, 2010). Therefore, the availability of such allowance can reduce the water problem by buying clean water and make employees be satisfied with the work environment.

Hardship allowance( $p < .048$ ), odds ratio of 1.743 and confidence interval of 1.006 to 3.022. This means that, reducing hardship allowance is allied with increasing likelihood of labour turnover. However, currently hardship allowance is not provided to employees in rural and urban LGAs contrary to previous practice(Nkya, 2012).

Finally and interestingly good salary structure, good salary, incentives, performance cash bonus, medical allowances and bonuses for collective performance are found statistically insignificant and therefore were not regarded as predictors of labour turnover as far as this study is concerned. This can be correctly be reflected in the nature of LGAs because the salary structure, salaries, incentives, cash bonuses, medical allowance etc. are uniform country wide. They are therefore dormant variables,

**Table 4.25: Logistic Regressions Results of Financial Rewards on Labour Turnover**

Financial Reward Factors	$\beta$	Exp $\beta$ )	95% C.I.		Sig
			Lower	Upper	
Good Salary Structure	.281	1.325	.848	2.070	.216
Good Salary	.193	1.213	.853	1.725	.282
Incentives	.047	1.048	.737	1.492	.793
Transport allowances	-.702	.496	.347	.708	.000
Housing allowances	-.694	.499	.363	.686	.000
Per-diems	.830	2.293	1.565	3.360	.000
Overtime allowances	.451	1.570	.956	2.578	.075
Performance cash bonuses	-.181	.835	.541	1.287	.414
Electricity allowances	-.963	.382	.260	.560	.000
Water allowances	.739	2.095	1.475	2.975	.000
Hardship allowances	.556	1.743	1.006	3.022	.048
Medical allowances	-.095	.909	.606	1.364	.646
Bonuses for collective performance	-.243	.784	.511	1.204	.267
Supporting access to loans	-.024	.977	.600	1.590	.925

Note:  $\hat{p} = 1.024021$ ,  $p = .000$ , Nagelkerke  $R^2 = .470$ , Classification = 81%.

Source: Field Data: (2016).

#### 4.6.2 Logistic Regression Analysis of Non-Financial Reward

In order to measure the influence of non-financial reward factors on labour turnover, the regression model included administrative factors and work factors. The regression model for non-financial rewards therefore is:

$$LT_{NFR} = \ln\left(\frac{p^i}{1-p^i}\right) = \beta_0 + \beta_1 ADMF + \beta_2 WF + \varepsilon_i \dots \dots \dots (2.0)$$

To measure labour turnover from the above model, the equation was divided into two categories. The first category was for administrative factors and the second category was for work factors as shown below:

#### 4.6.2.1 Administrative Factors

In order to determine the influence of administrative factors on labour turnover, a logistic regression analysis was conducted. The results in Table 4.26 show that the model was statistically significant,  $\hat{p} = 1.024021$ ,  $p = .000$ , Nagelkerke  $R^2 = .362$  and correctly classified at 75.2%. Therefore, labour turnover can be predicted using administrative factors in the following equation.

$$LT_{ADM} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_{15}X_{15} + \dots + \beta_{34}X_{34} + \varepsilon_i \dots \dots \dots (2.1)$$

#### Where

$LT_{ADM}$  = Measures labour turnover due to administrative factors,

$\beta_0$  = Constant term,

$\beta_{15}, \beta_{16}, \dots, \beta_{34}$  = Coefficients of  $X^r$ s measuring the probability of labour turnover occurrence

$\varepsilon_i$  = Error term

Overall predictor variables were, attention from the leaders, support from leaders, participation in decision making, company policy, responsibility, the opportunity to lead projects, good working conditions, opportunity for growth, organizational commitment, and social benefits. Attention from leaders ( $p < .059$ ), odds ratio of .740 and the confidence interval of .541 to 1.012. It reveals that attention from leaders has marginal significance. But, increasing attention from leaders reduces the labour turnover likelihood.

Support from leaders ( $p < .019$ ), odds ratio of 1.648 and confidence interval of 1.087 to 2.500. This shows that reducing support from the leaders is related to increasing

likelihood of labour turnover. This is because the support from leaders build employees trust and improve the relationship between supervisor and employees as well as industrial relations as supported by Burton(2012).

Participation in decision making has  $p < .014$ , odds ratio of .718 and the confidence interval of .551 to .935. Such results show that increasing participation in decision making is related to decreasing likelihood of labour turnover. Perhaps this is due to increasing concern for individual interests during the process of involvement as also explained by Gupta (2013).

Company policy ( $p < .052$ ), odds ratio of .687 and the confidence interval of .470 to 1.004. The results show that increasing concentration in company policy leads to decreasing likelihood of labour turnover. Maybe this is because the present policies on promotion, training and development programs for employees are no longer adhered too. This may cause the delay and cut of allowances and incentives, as well as lack of salary addition. This is done following the pressure on the government to minimize its expenditure.

Responsibility has  $p < .021$ , odds ratio of .712 and the confidence interval of .534 to .950. The results show that increase in responsibility is linked to decreasing likelihood of labour turnover. Increasing responsibility is linked with recognition, which shows one's importance in an organization.

Opportunity to lead project( $p < .006$ ), odds ratio of .1.573 and confidence interval of 1.138 to 2.175. It is shown that decreasing opportunity to lead project is connected to

increasing likelihood of labour turnover. This is because being involved in leading projects shows once recognition as important to the organization and could be accompanied with some financial benefits.

Working condition ( $p < .052$ ), odds ratio of .754 and confidence interval of .567 to 1.002. The results shows that improving working condition leads to decreasing labour turnover likelihood. This shows that work environment in LGAs is usually not conducive and any improvement on the same time brings satisfaction.

Opportunity for growth ( $p < .001$ ), odds ratio of .454 and the confidence interval of .295 to .700. It is shows that, increasing opportunity for growth leads to decreasing likelihood of labour turnover. This is because given the nature of LGAs employees is quite limited. If employees are provided with training they get satisfied because that leads to career development.

The organization's commitment ( $p < .001$ ), odds ratio of 3.028 and confidence interval of 1.921 to 4.772. It is shows that decreasing organization's commitment leads to increasing likelihood of labour turnover. This means that employees are satisfied with organization that are committed to employees. These are organization that promote employees timely, take care of their rights and privileges.

Social benefits ( $p < .058$ ), odds ratio of .717 and the confidence interval of .509 to 1.012. The results realize that, social benefits have marginal significance. However, improving social benefits is linked to decreasing likelihood of labour turnover among employees in LGAs. Perhaps this is due to the accompanied challenges the social institutions get during service provision.

It is however interesting to note that support from administration, relationship with bosses, relationship with co-workers, appreciation by managers/HoDs, leadership style, leadership fairness, good administration, recognitions by management, and fair treatment to employees are not statistically significant and therefore not viewed as predictors of labour turnover in this study.

**Table 4.26: Logistic Regression Results of Administrative Factors**

Administrative Factors	$\beta$	Exp( $\beta$ )	95% C.I.		Sig.
			Lower	Upper	
Attention from leaders	-.302	.740	.541	1.012	.059
Support from leaders	.500	1.648	1.087	2.500	.019
Support from the administration	-.403	.668	.406	1.101	.114
Relationship with boss	-.166	.847	.503	1.428	.534
Relationship with co-workers	.360	1.433	.929	2.209	.103
Appreciation by Managers/HoDs	.092	1.097	.848	1.419	.482
Participation in decision making	-.331	.718	.551	.935	.014
Leadership style	-.287	.750	.484	1.164	.200
Leadership fairness	.093	1.098	.774	1.558	.601
Company policy	-.375	.687	.470	1.004	.052
Good administration	.157	1.170	.848	1.614	.340
Responsibility	-.340	.712	.534	.950	.021
Opportunity to lead projects	.453	1.573	1.138	2.175	.006
Recognition by management	.101	1.106	.785	1.559	.564
Working conditions	-.283	.754	.567	1.002	.052
Fair treatment of employees	-.110	.895	.697	1.151	.389
Just treatment of employees	-.112	.894	.657	1.216	.475
Opportunity for growth	-.789	.454	.295	.700	.000
Organizations commitment	1.108	3.028	1.921	4.772	.000
Social benefits	-.332	.717	.509	1.012	.058

Note:  $\hat{\rho} = 1.003304$ ,  $p = .000$ , Nagelkerke  $R^2 = .362$ , Classification = 75.2%.  
**Source:** Field Data, (2016).

#### 4.6.2.2 Logistic Regression Analysis on the Influence of Work Factors

Logistic regression analysis was conducted in order to determine the influence of work factors on labour turnover. Table 4.27 depicts the findings of the study. From the table, results confirm that the model was statistically significant,  $\hat{p} = .9288755$ ,  $p = .000$ , Nagelkerke  $R^2 = .312$ , and correctly classified at 75.2%. Therefore, labour turnover can be predicted using work factors in the following equation.

$$LT_{WF} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_{0i} + \beta_{35}X_{35} + \dots + \beta_{50}X_{50} + \varepsilon_i \dots \dots \dots (2.2)$$

#### Where

$LT_{WF}$  = Measures labour turnover due to administrative factors

$\beta_0$  = Constant term

$\beta_{35}, \beta_{36}, \dots, \beta_{50}$  = Coefficients of  $X^i$ s measuring the probability of labour turnover occurrence

$\varepsilon_i$  = Error term

Generally, predictor variables are timely promotions, work related training, workload, achievement in work, job security, and status at work, LGA status, and poor supervision. The variables are statistically significant among work factors, indicating labour turnover.

Timely promotions show  $p < .007$ , odds ratio of .735 and the confidence interval of .588 to .919. This means that increasing timely promotions results in decreasing likelihood of labour turnover. According to URT (2013), promotion process in public sector is usually delayed since the process is accompanied with bureaucratic procedure directed in public service (URT, 2013).

Work related training( $p < .070$ ), odds ratio of 1.731 and the confidence interval of .975 to 1.928. The results demonstrate that decreasing work related training is linked with increasing likelihood of labour turnover. Currently, work related training is considered as additional cost to government since there is no budget for employee training. Gupta (2013) argues that lack of training implies obsolescence to employees.

Workload has  $p < .038$ , odds ratio of .773 and the confidence interval of .606 to .986, indicating that increasing workload is related to decreasing likelihood of labour turnover. This is because in the past LGAs had over-employed and workers were idle in most of the time. However, with increasing good governance by the current government this is keeping on changing.

Achievement in work( $p < .040$ ), odds ratio of .738 and the confidence interval of .553 to .986, showing that increasing achievement in work is connected to decreasing likelihood of labour turnover. Maybe this is because of work achievement is excessively low in most of the district councils following the nature of LGAs.

Job security has( $p < .001$ ), odds ratio of .570 and the confidence interval of .412 to .788. The result show that increasing job security is associated with decreasing likelihood of labour turnover. Probably, this is due to currently employee's job security being at low following the present government system of discovering bores.

Status in work has  $p < .001$ , odds ratio of 1.621 and confidence interval of 1.236 to 2.138. This means that good work status reduces labour turnover likelihood. This could mean that high status in work is accompanied by increasing income and respect.

LGA status ( $p < .001$ ), odds ratio of .544 and the confidence interval of .400 to .739, which shows that improving LGA status is allied with a decreasing likelihood of labour turnover. The status of LGAs is basically pegged on its capacity to finance its operation adequately. It therefore means that there are some financial benefits working in highly status LGAs.

Supervision show  $p < .006$ , odds ratio of 1.430 and confidence interval of 1.108 to 1.846. The results specify that, good supervision lead to employee's satisfaction and so reduces labour turnover. On the other hand this is essentially because good supervision leads to job clarity and smooth job completion, which results in employees satisfaction.

**Table 4.27: Logistic Regression Results of Work Factors**

Work Factors	$\beta$	Exp( $\beta$ )	95% C.I.		Sig.
			Lower	Upper	
Timely promotions	-.308	.735	.588	.919	.007
Work related training	.315	1.371	.975	1.928	.070
Workload	-.257	.773	.606	.986	.038
Achievement in work	-.303	.738	.553	.986	.040
A challenging work	-.116	.890	.691	1.147	.369
Job security	-.563	.570	.412	.788	.001
Status in work	.486	1.625	1.236	2.138	.001
LGA status	-.610	.544	.400	.739	.000
Advancement at work	.136	1.146	.793	1.657	.469
Good reputation of workplace	-.145	.865	.589	1.269	.458
Good work conditions	.171	1.186	.867	1.621	.285
Mismatch between Skills and Job	-.198	.820	.654	1.029	.187
Supervision	.358	1.430	1.108	1.846	.006
Job content	.152	1.164	.871	1.556	.305
Nature of work I perform	-.031	.970	.759	1.239	.805
Office with good furniture	.033	1.034	.809	1.321	.789

Note:  $\hat{\rho} = .9288755$ ,  $p = .000$ , Nagelkerke  $R^2 = .312$ , Classification = 75.2%.

Source: Field Data, (2016).

Nevertheless, challenging work, advancement at work and good reputation of workplace, work conditions, mismatch between skills and job, job content, nature of work I performed, and office with good furniture were statistically not significant and therefore were considered as not predictors of labour turnover as shown in Table 4.27.

#### 4.6.3 Regression Analysis of Financial Rewards, Labour Turnover and Non-Financial Rewards

In order to determine whether financial rewards are more influential in labour turnover in LGAs than non-financial rewards or vice versa, regression analysis was performed. Prior to the regression analysis, correlation analysis was performed to assess the relationship between financial rewards, non-financial rewards and labour turnover. The results are shown in Table 4.28. From the table it is indicated that the identified variables are significantly inter-correlated.

It is also perceived that financial rewards are positive and significantly associated with labour turnover ( $r = .823^{**}$ ,  $p < 0.01$ ). This implies that a decrease in the provisions of financial rewards associated with an increase of labour turnover. Further, non-financial rewards and labour turnover have a positive relationship and are significantly related ( $r = 0.824^{**}$ ,  $p < 0.01$ ). This denotes that the decrease in the provisions of non-financial rewards is associated with an increase in labour turnover.

**Table 4.28: Correlation Results of Financial Rewards, Non-Financial Rewards and Labour Turnover**

	Labour Turnover	Sig
Labour turnover	1	.000
Financial reward factors	.823 <sup>**</sup>	.000
Non-financial reward factors	.824 <sup>**</sup>	.000

\*\* . Correlation is significant at the 0.01 level, Dependent variable: Labour turnover

Source: Field Data, (2016)

The question on whether financial rewards are more influential in labour turnover in LGAs than non-financial rewards or vice versa was estimated using multiple regression analysis. The results are shown in Table 4.29. From the table, the results indicate that a high percentage of labour turnover is explained by financial and non-financial reward factors.

The unstandardized coefficient ( $\beta$ ) shows R square is .730; meaning that (73%) of the variance in labour turnover is explained by financial and non-financial reward factors. In addition, the standardized coefficient ( $\beta$ ) shows that labour turnover is influenced by both financial rewards ( $\beta = .439$ ,  $p < .01$ ) and non-financial reward factors, ( $\beta = .447$ ,  $p < .01$ ).

With regard to standardized coefficient ( $\beta$ ), both financial and non-financial rewards have influence on labour turnover; comparatively, however non-financial reward factors have more influence on labour turnover rather than financial reward factors.

**Table 4.29: Regression Results of Financial Rewards, Non-Financial Rewards and Labour Turnover**

Independent variables	Unstandardized Coefficients ( $\beta$ )	Standardized Coefficients ( $\beta$ )	Sig
(Constant)	13.258		.000
Financial rewards	.895	.439	.000
Non-financial rewards	.394	.447	.000
R	.854		
R square	.730		
Adjusted R Square	.728		

a. Dependent variable: Labour turnover

**Source:** Field Data, (2016).

#### 4.6.4 Logistic Regression Analysis of Context Specific Factors

Logistic regression analysis was conducted to determine the influence of context specific factors on labour turnover. Table 4.30 presents the findings of the study. From the table, the findings reveal that the model was statistically significant,  $\hat{\rho} = .99011798$ ,  $p = .000$ , Nagelkerke  $R^2 = .490$ , and correctly classified at 76.4%. Therefore, labour turnover can be predicted by using context specific factors in the following equation.

$$LT_{CSF} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_{52} X_{52} + \dots + \beta_{64} X_{64} + \varepsilon_i \dots \dots \dots (3)$$

#### Where

$LT_{CSF}$  = Measures labour turnover due to Context-Specific factors,

$\beta_0$  = Constant term,

$\beta_{52}, \beta_{53}, \dots, \beta_{64}$  = Coefficients of  $X^i$ 's measuring the probability of labour turnover occurrence,

$\varepsilon_i$  = Error term

The predictor variables are access to all weather roads, access to clean water, access to national power grid electricity, access to good health, access to good housing, access to reliable public transport, and access to good education. The variables are statistically significant among context specific factors. This indicates that context specific factors are good predictors of labour turnover.

Access to all weather load  $p < .001$ , odds ratio of 2.174 and confidence interval of 1.528 to 3.093. The results show that decreasing access to all weather roads leads to increasing likelihood of labour turnover. This is because during rain seasons such

roads become dirty and impassable to some of the district areas, which leads to difficult life.

Access to clean water has  $p < .001$ , odds ratio of 2.666 and confidence interval of 1.606 to 4.425. The results indicate that decreasing in access to clean water is associated to the increasing likelihood of labour turnover. Access to clean water is among of major problems in LGAs (URT, 2010). Employees use most of the time looking for water.

Access to national power grid electricity ( $p < .001$ ), odds ratio of .473 and confidence interval of .309 to .726. The results specify that increasing access to national power grid electricity leads to a decreasing likelihood of labour turnover. May be this is because of increasing in access to national power grid electricity as currently the percent of access to national power grid electricity in most of the regions in Tanzania is below 15% (Samji et al, 2009).

Access to good health services ( $p < .014$ ), odds ratio of .774 and confidence interval of .587 to .943, which means that increasing access to good health services is leads to a decreasing likelihood of labour turnover. In most of LGAs, health services are inadequate following few numbers of specialists especially doctors, nurses, and attendants. In some of the district hospitals one may find two to three medical doctors which are not enough. Again, lack of access to clean water, electricity, transport and other aspects related to social amenities are also impediments in accessing good health services. Access to good housing show  $p < .001$ , odds ratio of 2.771 and confidence interval of 1.677 to 4.579. This indicate that decreasing in access to good housing is connected to the increasing likelihood of labour turnover.

Access to reliable public transport ( $p < .088$ ), odds ratio of .777 and confidence interval of .581 to 1.038. The results illustrate that access to reliable public transport has marginal significance. However, this indicates that increasing access to reliable public transport is associated with decreasing labour turnover likelihood. This is because of long distance from home to work areas accompanied with means of transportation. Bennell and Mukyanuzi (2005) opine that in urban areas employee travel to 10 kilometre and above while in rural areas employees walk an average of 3 kilometres and daily. This has cost and time implications to the employees.

**Table 4.30: Logistic Regression Results of Context Specific Factors**

Context Specific Factors	$\beta$	Exp( $\beta$ )	95% C.I.		Sig.
			Lower	Upper	
Distance of work place from home place	-.257	.773	.606	.986	.138
Access to all weather road	.777	2.174	1.528	3.093	.000
Access to clean water	.980	2.666	1.606	4.425	.000
Access to National Power Grid Electricity	-.748	.473	.309	.726	.001
Access to internet facilities	.100	1.105	.831	1.469	.493
Access to good health	-.296	.744	.587	.943	.014
Access to good house	1.019	2.771	1.677	4.579	.000
Access to reliable public transport	-.252	.777	.581	1.038	.088
Access to banks	.122	1.130	.714	1.789	.602
Access to sim banking	-.183	.832	.571	1.213	.340
Access to good education	-.813	.444	.266	.740	.002
Access to fertile arable land	.262	1.300	.772	2.188	.324
Business related Culture	-.530	.589	.424	.818	.102
Work related culture	.042	1.043	.668	1.628	.852

Note:  $\hat{\rho} = .99011798$ ,  $p = .000$ , Nagelkerke  $R^2 = .490$ , Classification = 76.4%.

Source: Field Data, (2016).

Access to good education ( $p < .002$ ), odds ratio of .444 and confidence interval of .266 to .740. The results demonstrate that, increasing in access to good education is linked to decreasing labour turnover likelihood. This is because the majority of employees in Tanzania prefer to work in city centres where social amenities among others education is easily and somehow cheaply available and accessible than in rural areas.

However, distance between work and home, access to internet facilities, access to banks, access to sim banking facilities, access to fertile arable land, business related culture and work related culture are statistically not significant and therefore are considered not sufficient predictors of labour turnover as shown in Table 4.30.

#### 4.6.5 Logistic Regression Analysis of Job Satisfaction and Labour Turnover

In order to determine the influence of the total job satisfaction on labour turnover a logistic regression analysis was conducted. Only significant variables are shown in Table 4.31. The table shows that the model is statistically significant,  $\hat{\rho} = 0.8162409$ ,  $p = .029$ , Nagelkerke  $R^2 = .769$  and correctly classified at 90.7%. Therefore, labour turnover can be predicted using job satisfaction variables in the following equation.

$$LT_{fr, nfr, csf} = \ln \left( \frac{p^i}{1 - p^i} \right) = \beta_0 + \beta_1 X_1 + \dots + \beta_{64} X_{64} + \varepsilon_i$$

**Where:**

$LT_{fr, nfr, csf}$  = Measures labour turnover due to job satisfaction variables,

$\beta_0$  = Constant term,

$\beta_1, \beta_2, \dots, \beta_{64}$  = Coefficients of  $X^i$ 's measuring the probability of labour turnover occurrence

$\varepsilon_i$  = Error term

It is generally shown that good salary structure had negative coefficient, p-value .000, odds ratio .038 and confidence interval of .008 to .181. Incentives had positive coefficient, p-value .000, odds ratio 29.318 and confidence interval of 5.555 to 154.739. Per diems had negative coefficient, p-value .000, odds ratio .045 and confidence interval of .011 to .179. Overtime allowances had negative coefficient, p-value .000, odds ratio .081 and confidence interval of .020 to .239. Performance cash bonuses had positive coefficient, p-value .074, odds ratio 2.709 and confidence interval of .906 to 8.097. Electricity allowance had positive coefficient, p-value .000, odds ratio 30.009 and confidence interval of 6.742 to 133.568. Medical allowance had negative coefficient, p-value .034, odds ratio .314 and confidence interval of .108 to .914. Support access to loan had positive coefficient, p-value .000, odds ratio 20.510 and confidence interval of 4.060 to 103.602. Support access to loan had positive coefficient, p-value .000, odds ratio 20.510 and confidence interval of 4.060 to 103.602.

Results also show that the following non-financial rewards (administrative and work factors) can predict labour turnover in Tanzania LGAs. Attention from the leader has positive coefficient, p-value .035, odds ratio 2.557 and confidence interval of 1.068 to 6.122. Leadership style has positive coefficient, p-value .008, odds ratio 5.670 and confidence interval of 1.580 to 20.351. Company policy has negative coefficient, p-value .059, odds ratio .359 and confidence interval of .124 to 1.041. Opportunity to lead project has negative coefficient, p-value .026, odds ratio .356 and confidence interval of .143 to .884. Recognition by management has positive coefficient, p-value .001, odds ratio 4.094 and confidence interval of 1.766 to 9.487. Organization

commitment has positive coefficient, p-value .032, odds ratio 3.549 and confidence interval of 1.115 to 11.299. Work related training has positive coefficient, p-value .001, odds ratio 4.242 and confidence interval 1.761 to 10.216. Workload has negative coefficient, p-value .052, odds ratio .552 and confidence interval of .304 to 1.005. A challenging work has negative coefficient, p-value .006, odds ratio .358 and confidence interval of .172 to .744. Status in work has positive coefficient, p-value .020, odds ratio 2.237 and confidence interval of 1.135 to 4.407.

LGAs status has positive coefficient, p-value .021, odds ratio 2.792 and confidence interval of 1.165 to 6.691. Reputation has positive coefficient, p-value .002, odds ratio 9.230 and confidence interval of 2.252 to 37.819. Work conditions has negative coefficient, p-value .009, odds ratio .333 and confidence interval of .146 to .761. Mismatch between skills and job has negative coefficient, p-value .026, odds ratio .473 and confidence interval of .245 to .914. Office with good furniture negative coefficient, p-value .090, odds ratio .544 and confidence interval of .270 to 1.099.

It is also indicated that context specific factors have effects on labour turnover. Among others, distance of work from home places has positive coefficient, p-value .029, odds ratio 2.561 and confidence interval of 1.102 to 5.948. Access of national power grid electricity has positive coefficient, p-value .007, odds ratio 3.395 and confidence interval of 1.389 to 8.296. Access to good health has negative coefficient, p-value .089, odds ratio .449 and confidence interval of .179 to 1.130. Access to good housing has negative coefficient, p-value .090, odds ratio .497 and confidence interval of .222 to 1.114.

#### 4.6.6 Regression Analysis of Job Satisfaction on Labour Turnover

Regression analysis was performed in order to determine the relationship between job satisfaction (financial rewards factors, non-financial rewards factors and context specific factors) and labour turnover. Results are shown in table 4.32 (Appendix III). From the table results reveal that, there is significant relationship between job satisfaction and labour turnover in the LGAs in Tanzania as indicated by coefficients ( $R^2 = .6496$ ,  $p < 0.01$ ). The results show that job satisfaction in its totality explains 46.96 percent of the variations in labour turnover and the model has power to predict labour turnover at 0.01 significance level.

Further multiple regression was also used to designate relationship among job satisfaction sub-scales (financial rewards factors, non-financial rewards factors and context specific factors) and labour turnover. Results indicate that relationship between job satisfaction sub-scales and labour turnover is positive and significant as indicated by coefficients (FR. 244,  $P < .002$ , NFR. 264,  $P < .000$  and CSF. 365,  $P < .000$ ). Therefore, the model has power to predict labour turnover.

**Table 4.31: Regression Results of Job Satisfaction on Labour Turnover**

Independent variables	Unstandardized Coefficients ( $\beta$ )	Standardized Coefficients ( $\beta$ )	Sig.
(Constant)	9.124		.001
Financial rewards (FR)	.495	.244	.002
Non-financial rewards (NFR)	.220	.264	.000
Context specific factors (CSF)	.586	.365	.000
$R^2$	.6496		
Adj. $R^2$	.6462		

Dependent Variable: Labour Turnover

Source: Field Data, (2016).

## **CHAPTER FIVE**

### **DISCUSSION OF THE FINDINGS**

#### **5.1 Overview**

This chapter discusses the findings based on the objectives of the study. The discussion emanates from the quantitative analysis.

#### **5.2 Discussion of the Findings**

##### **5.2.1 The Influence of Financial Rewards on Labour Turnover**

The study sought to determine the influence of financial rewards on labour turnover in LGAs in Tanzania. Among others, only significant financial rewards variables are discussed. Insignificant financial rewards factors are not discussed because the factors show weak influence on labour turnover. The significant financial reward factors in this study are; transport allowances, house allowances, per-diems, overtime allowances, electricity allowances, water allowances and hardship allowances. Generally, the findings stipulate that financial reward factors have influence on labour turnover. This in line with Mbah and Ikemefuna (2012) who found that a number of financial reward factors have influence on labour turnover.

The findings of the study reveal that, increasing transport allowance is allied with decreasing likelihood of labour turnover. Lyimo, (2014) argues that currently transport allowance is suspended to officers and other staff in LGAs. URT (2009) asserts that transport allowances in LGAs are paid to entitled officers for instance district directors and heads of departments. Also, Lyimo (2014) contends that employees in LGAs are faced with a lot of challenges including transportation costs as employees cannot

afford to pay for daily transport to work stations following their low salaries. He further depicts that transport allowance is given to employees to enable them to go to work place and to return home. Helater justifies that, transport allowance is not meant to supplement the employee's salary.

In line with the findings of the study, transport allowance leads to reducing labour turnover as transport allowance is expected to reduce the said transportation costs from where the employee live to the office station. The majority of employees live far from their office location looking for good and affordable houses to hire as they are not easily available. Therefore transport allowance can assist employees to cover for transportation costs. In addition, the findings reveal that transport allowances are not paid to lower cadre staff in LGAs.

On the other hand, the findings indicate that increasing house allowances is connected to the decreasing likelihood of labour turnover. In the same way, Rumman *et al* (2013) found that house allowance has impact on labour turnover. Ikenyiri and Ihua-Maduenyi(2012) agree that improving rent allowance is connected to improvement of teacher's satisfaction in Nigeria. Further, Mohamed (2013) found that teachers in Mkinga district are dissatisfied with unpaid housing allowances. Similarly, Mbwana (2015) reveals that among others, teachers in Mvomero district in Morogoro region are dissatisfied with work as they use part of their salary to pay for house bills. However, according to the government circular No 3 of 2010,house allowance is paid to entitled officers including heads Directors and HoDs only in LGAs in Tanzania.

In line with the findings of this study, house allowance is connected to the decreasing likelihood of labour turnover as it can complement the cost of renting to employees in

LGAs. Also, it is expected that living in a good house is related to personality perceptions and work status, while residing in poor house can lower the work and personal status.

Likewise, the findings indicate that reducing per diem (subsistence allowances) is linked with increasing likelihood of labour turnover. This is similar to Dingeta (2013) who found that teachers are not satisfied with the offered subsistence allowance as are not fair. Perhaps, this is due to high inflation rate that increases expenses to accommodation, food and other varied costs (Rubin, 2012). In determining this, URT (2015) provided new circular for the addition of subsistence allowance to cover for subsistence allowances. However, the findings of this study view that, the new rates for subsistence allowance are still wanting due to the high inflation rate Tanzania is experiencing. Also, the findings reveal that overtime allowances have marginal significance on the influence of labour turnover, because reducing overtime allowances is associated with increasing labour turnover.

Kacholi (2012) found that among the challenges faced by social workers in Morogoro Rural District among others is the delay of overtime payment. Nkya(2012) argues that overtime payment is significant to workers as it can support workers following low salary income that incapacitates workers to cover the whole month.

From the findings of the study, reducing overtime allowances increases labour turnover as it can amount to difficult life due to lack of additional income that sustain them till the end of the month. It should be noted that overtime allowance is extra income to employees for daily consumption. However, the current government system

discourages the payment of overtime allowances in order to reduce government expenditure. Generally, the delays and discouraging overtime payment to workers lead to job dissatisfaction and labour turnover. The findings are aligned with Idowu *et al.* (2011) who found that overtime allowances have influence on labour turnover to workers.

Not only that, but also there is the issue of electricity. Increasing electricity allowances is associated with reducing the likelihood of labour turnover. In Tanzania, electricity allowance is provided to entitled government officials only (Rubin, 2012). Employees in LGAs are in demand of such allowances as part of duty assistance allowance. On the other hand, there is a problem of electricity in LGAs. The allowance can be subsidies and use for other purposes like buying solar panels in order to get light and other family uses. The allowance can also be used to buy gas which is available at a low cost price to subsidies other electricity uses for instance in cooking. Therefore, increasing electricity allowance to employees is linked to job satisfaction and reducing labour turnover.

Equally, results on water allowance signify that reducing water allowances is related to the increasing likelihood of labour turnover. Twaweza (2010) establishes that in various streets in Dar es Salaam, water is sold in kiosk at a price of 20 to 200 Tanzanian shillings per bucket of 20 liters. Similarly, Nganyanyuka *et al.* (2013) say that in the same area the price of water per bucket of 20 liters is sold at a price of 300 to 700 Tanzanian shillings. Kjellén (2006) also states that, in Dar es Salaam, the price range from 500 to 700 per bucket. According to Mtwara and Lindi Water Master Plan, during the dry season, a bucket of twenty liters of water is sold up to 500 Tanzanian

shillings. The availability of clean water is a serious challenge in LGAs (URT, 2010; Tidemand, *et al.*, 2014).

On the other hand reducing hardship allowance is allied with increasing likelihood of labour turnover. Likewise, Kacholi (2012) found that social workers in Morogoro seldom received hardship allowance, which is important for job satisfaction. Also, if provided the consideration will be to employees in the area that lack smooth roads, communication networks, electricity, clean water, or school for their children. The URT (2010) established that, these are the problems in most of LGAs in Tanzania.

Generally, the study findings reveal that financial rewards with regards to the significant studied variables have significant influence on job satisfaction and labour turnover in LGAs. The removal, suspension, delay in payment or low paid allowances increases overhead costs to workers due to the variety of obstacles available in LGAs. Lyimo (2014) opines that, the removal of allowances is accompanied by financial constraints that do not end only on life difficulties, job dissatisfaction and labour turnover but also to poor service delivery in the respected area.

According to Tidemand *et al.* (2014) the provision of financial rewards (incentives) have positive influence on job satisfaction and impact on labour turnover to employees and generally impacted on service delivery in LGAs in Tanzania. He demonstrates that during 2000, the new hired teachers in Katavi region, upon reporting were provided .7 to 1 million Tanzanian shillings to influence job satisfaction. Moreover, he found that in Kigoma region the new hired health staff were

provided with 200,000/= Tanzanian shillings for bed and mattress, 240,000/= for annual house allowance, 400,000/= cash payment to support settlement, while 400,000/= were paid to employees who accepted post in remote difficult areas.

### **5.2.2 The Influence of Non-Financial Rewards on Labour Turnover**

The study determined the influence of non-financial rewards on labour turnover in LGAs. The discussion for this objective was divided into two parts, the first part covered on the influence of administrative factors toward labour turnover, and the second part covered the influence of work factors towards labour turnover. The decision to divide the objective into two categories was reached avoid multicollinearity from the non-financial rewards variables.

#### **5.2.2.1 The Influence of Administrative Factors on Labour Turnover**

The study attempted to determine the influence of non-financial rewards with regard to administrative factors on labour turnover in Tanzanian LGAs. Only significant administrative variables were deliberated. Insignificant administrative factors are not going to be deliberated because they are lacking consistency and therefore are not predictors of labour turnover among the administrative factors. The significant administrative variables in the present study are attention from the leaders, support from leaders, participation in decision making, company policy, responsibility, opportunity to lead projects, good working conditions, and opportunity for growth, organization commitment, and social benefits.

The findings on attention from the leaders reveal that, attention from the leaders has marginal significance influence on labour turnover; it also proves that increasing

attention from the leaders is connected with reducing the likelihood of labour turnover. Ojulu (2015) found that, leadership attention has influence on job satisfaction as leaders are subjected to pay attention to employees' needs and support subordinate to reach their destiny. Lack of leaders' attention to the feelings of individual employees is accompanied with abnormal reaction such as dissatisfaction and labour turnover (Mehrad and Fallahi, 2014). Therefore, in order to make employee satisfied leaders should have to pay attentions on employees feeling concerning pay, engagement, rewards, motivation, career development and other human resources functions and policies (Gupta, 2012; Burton, 2012; Gupta, 2013). The findings however justifies that, leaders in LGA spay little attention as they neglect employees feeling related to official and environment matters.

The findings on support from leaders unveil that, reducing support from the leaders is related to the increasing likelihood of labour turnover. The findings of this study are supported by Robbins (2003) who argued that, the ability of a leader to provide emotional and technical support though engagement is connected to job satisfaction and reduction of labour turnover. Burton (2012) depicts that, support from leaders build employees trust and improve relationship between the supervisor and employees as well as industrial relations. There is a need therefore for leaders in LGAs to increase support through employees' engagement in order to provide employees emotional and technical support that have implication on labour turnover in the area.

On the other hands the findings on participation in decision making expose that, increasing participation in decision making is related to the decreasing likelihood of labour turnover. The finding is consistent with the findings of Zubair *et al.*,(2015)

whose findings reveal that, employees' participation in decision making has influence on labour turnover and job satisfaction. Alongside, participation in decision making increases creativity and reduce turnover. In contrary to the present study, Bula (2012) found that the majority of respondents did not participating in decision making and their intention to quit was low. Gupta (2013) argues participation in decision making increases concern for individual interests as during the process of involvement employees get chances for discussing and defending issues that affect payments, promotions, social benefits, relations and other work aspects. From the findings, it is evidenced that employees do not get enough involvement to discuss matters affecting their work and life that are subjected to job dissatisfactions and labour turnover. Thus, increasing involvement in the same aspects increases job satisfactions and lower labour turnover.

The findings on company policy towards labour turnover justify that, increasing concentration in company policy is interconnected with decreasing likelihood of labour turnover. The findings of the study are in line with the findings of Kabir and Parvin (2011) who found that, company policies are connected with employee withdrew if they are not satisfied with the policies related to pay and promotion, job security, fairness, industrial relations and supervisions. The findings from the previous study reveal that, there is low payment, stoppage and delay of promotion, suspension of hardship allowance and house allowance. On the other side, literature shows that overtime payments are not provided on time, there is no job security following boils discovering system, there is also no salary addition while training and development programs are now stopped (Idowu *et al.*, 2011; Nkya, 2012; URT, 2013). The present

study perhaps is not isolated from the previous findings on the influence of company policies on labour turnover.

The findings further reveal that, increase in employees' responsibility is linked with decreasing likelihood of labour turnover. Prasad (2013) found that if the perceived degree of employees responsibility is high, it provides job satisfaction than if it is low. Armstrong (2012) argue that increased responsibility add to work comfort ability to employees. Gupta (2013) contends that, increasing responsibility sometimes amounted to employees training, recognition and possibly increase in pay and opportunity for promotions. The findings of the present study justifies that recognition in LGAs is. Increasing responsibility therefore is imperative to employees as it adds to recognition from the responsibility performed and therefore employees become satisfied and comfortable with their work.

The findings unveils that, decreasing opportunity to lead project is connected with increasing likelihood of labour turnover. Leading project perhaps is connected to managerial experience someone gets while in practice. Dewhurst *et al.*, (2009) in Burton (2012) affirm that, opportunities to lead project is among of non-financial rewards that have impact on job satisfaction than cash bonus and pay increases. They further added that, opportunity to lead projects develops leadership capabilities and cultivate employees' loyalty to the organization simply because the engaged employees think they are part of answers to the organization concerned.

The findings on working conditions indicate that, improving working condition is connected with decreasing likelihood of labour turnover. Bakotic and Babic (2013)

found that for the workers who worked under difficult working conditions are dissatisfied with working conditions. Similarly, Mkoka *et al.*, (2015) reveal that workers in rural areas in Tanzania are working under difficult working conditions. They further noted that, the difficult working conditions in Tanzania among others are results of unreliable sources of light, in access to clean water and uncompensated extra work hours.

Lack of good and reliable public transport, cheap and affordable houses and other social services were mentioned as among the challenges faced by employees in LGAs in Tanzania that make life to become difficult in working places (URT, 2010; URT, 2013; Mhando, 2014 and Mbungu, 2015). In line with the findings of this study, improving working condition is connected to the decreasing likelihood of labour turnover. Perhaps improving working conditions to LGAs workers can reduce the difficult nature of environment and make employees become satisfied with their work.

Moreover, the findings justify that increasing opportunity for growth is associated with decreasing likelihood of labour turnover. Similarly, Ngimbudzi (2009) found that, teachers in Tanzania have low job satisfaction due to lack of opportunity for growth regards. The researcher argued that, there is lack for opportunities for training, seminars and workshop. The situation hinder teachers' opportunities growth in their carrier. From the findings of this study, increasing opportunity for growth is allied with decreasing likelihood of labour turnover. Possibly, opportunity for growth to employees in LGAs is low due to lack of training, seminars and workshops that employees expect can furnish careers development.

The findings on organization commitment disclose that decreasing organization commitment is coupled with increasing likelihood of labour turnover. Saeed *et al* (2014) concur with the findings of this study that, there is variation of labour turnover due to organization commitment. It can be clarified that organizational commitment is an outcome of positive response from working conditions. The commented that good working environment enhance employees' commitment, and if working environments are bad, employees commitment diminish. From the findings of this study, it can be asserted that, there are effects of working environment and organization policy on employees. Having difficult working environment and company policies that are not in favour of employees are connected to organization irresponsibility to employees in terms of social and organization perspectives.

The study found out that, social benefits have marginal significance influence on labour turnover. It also proves that, improving social benefits is linked to the decreasing likelihood of labour turnover among employees in LGAs in Tanzania. Malya (2013) found that, the provided social benefits by social security institutions in Tanzania are meaningless to the members and therefore customers' satisfaction cannot be predicted due to poor service. He also found that, poor services in social security institutions are the results of inefficiencies in administration of benefit and few benefit coverage. However, the services from the social institutions are characterised by payment delays, bureaucracy, and mandatory of joining, while there is no chance for a member to shift from one scheme to another. URT (2003) pointed out that, the entitled social benefits to employees in Tanzania include old age, invalidity, survivorship, employee injury, maternity, medical care, sickness, unemployment and

death. The challenges accompanied in services provisions from social security institutions automatically bring job dissatisfaction. From the findings of this study, it can be stated that minimizing these challenges is fundamental as this will improve job satisfactions.

#### **5.2.2.2 The Influence of Work Factors on Labour Turnover**

The study sought to determine the influence of work factors on labour turnover in LGAs in Tanzania. Only significant work factors were discussed. Insignificant work factors are not discussed because they are lacking consistency and therefore are not good predictor of labour turnover among work factors. The significant work factors in this study therefore were; timely promotions, work related training, workload, achievement in work, job security, and status in work, LGA status, and poor supervisions. The variables were statistically significance among work factors, indicating labour turnover.

The findings reveal that, increasing timely promotions is coupled with decreasing likelihood of labour turnover. Ngowi (2015) established that, health workers in Rombo district were dissatisfied with work due to the challenges of promotion delay. Mbungu (2015) while studying determinants of employee job satisfaction at Wanging'ombe district found that, delay in promotion is linked to job dissatisfaction to agriculture extension officers. According to URT (2013), the delays of promotions in public sector are due to the long processes that go together with bureaucracy. In, Tanzania currently there is delay in promotions due to verification of ghost workers who increase budget fund for promotion. Mbwana (2015) found that, timely promotion to teachers in Tanzania increases performance and job satisfaction to

secondary school teachers in Tanzania. Promotions challenges such as delays in promotion, unaffordable promotion budget, long promotion processes and bureaucracy, especially in promotion criteria set by URT (2013) are demotivated and dissatisfy workers. Therefore, the findings reveal that minimizing the challenges resulted in job satisfaction and minimized labour turnover to LGAs workers.

The findings demonstrate that, decreasing work related training is linked to the increasing likelihood of labour turnover. Ngimbudzi (2009) found that, training in rural Tanzania has been a continuous challenge. Mabindisa (2013) depicts that related job training is associated with reducing labour turnover in the Department of Home Affairs in the Eastern Cape Province. Perhaps sound trained employees perform deeds with effective and efficient. Thus, in order to improve organization effectiveness and career development employee training is essential. Currently, work related training seems to add costs to the government and the budget for employees training were cut off. Gupta (2013) asserts that, lack of training to employees implies employees obsolesce. Decreasing work related training escorted with employees obsolesce, which is a barrier to employees career development and job satisfaction.

The findings indicate that, increasing workload is related to the decreasing the likelihood of labour turnover. The present findings are paralleled with the findings of Dingeta (2013) who found that once workload is high, job satisfaction become low. On the other hand, Mabindisa (2013) noted positive correlation between workload job satisfaction and labour turnover. May be because increasing workloads added to workers stress. There is a controversial between increasing workload and job turnover intension perceived by employees at work. An employee can become satisfied with

the increasing workload while others are dissatisfied with it. These in line with Mc Gregory theory X and Y assumptions who argues that, some people like to work and others dislike to work. The findings of this study concur with Robbins (2003) who noted that, increasing workload is connected to the chance for the employees to attain additional skills.

The findings reveal that, increasing achievement at work is connected to the decreasing likelihood of labour turnover. Mhando (2014) findings concurs with the present study that, achievement at work has significant influence on job satisfaction and decreasing labour turnover likelihood. Herzberg *et al.*, (1959) found that achievement is leading among non-financial rewards on the influence of job satisfaction. They further explain that, achievement means the determination to shine, for advancement, growth and responsibility in once job. Employees in LGAs have expectation to shine to realize self-advancement and growth in their job but most of the time their expectation end in vein as there is no room for them to grow as promotion and training are ignored. Achievement however, have effects like any other non-financial rewards as it was suspected that it is allied to job stress and intention to quit (Mhando, 2014).

The findings for job security exposes that increasing job security is associated to the decreasing likelihood of labour turnover. The findings of this study are in line with the findings Jacobson (2010) who found that, nurses run to government sector looking for job security. Similarly, Khan and Aleem (2014) found that job security has more influence on labour turnover than financial rewards. The problem of job security for quite sometimes is perceived mostly in private sector as in government sector the job

security is perfectly high. Parvin and Kabir (2014) reveal that, employees in pharmaceutical companies refer job security as a contributor to their job satisfaction, perhaps because job security provides steady employment. Currently, in Tanzania the situation changes as job security in government sector is minimized following the system of discovering boills from the new government.

The findings also designate that, reducing status in work is interconnected with increasing likelihood of labour turnover. Ebuehi and Campbell (2011) in his study of Attraction and Retention of Qualified Health Workers to rural LGAs in Nigeria found that, securing employment in rural and remote areas is regarded as having low status. He further states that, labour turnover to doctors and nurses are greater in rural areas as they dislike working in rural areas. He, generally, comments that low salary, poor working conditions, lack of electricity and water, lack of opportunities for career development and in-service training were the reasons to health workers for disliking working in rural areas. The work status for LGAs workers in Tanzania is actually low and the reasons for this are not excluded to the reasons mentioned by Obuehi. In fact the challenges in LGAs makes the workers especially, teachers and health workers to leave low life style as they are not able to afford to live a high life style hence perceiving low work status.

The findings display that, improving LGA status is allied with decreasing likelihood of labour turnover. According to URT (2012), the majority of LGAs in Tanzania are characterised by remoteness in which it is difficult to get accessed. Mbungu (2015) found that remoteness is a challenge that is associated with job dissatisfaction and labour turnover as in remote are as social amenities are inaccessible. The remoteness

status of LGAs is not appealing to employees in LGAs and therefore working with such kinds of status is considered as a punishment. Mohamed (2013), Ebuehi and Campbell (2011) found that, employees like to work in urban areas where social amenities are easily available and attainable.

The findings of this study specify that, reducing supervision is connected to the increasing likelihood of labour turnover. The findings of the present study goes parallel with the findings of Dingeta (2013) who found that supervision has susceptible influence on job satisfaction and labour turnover. According to Page (2001) in Mabindisa (2013) supervisors are essentially for employees' social support by providing means of attaining desired goals. Perhaps supervisors' readiness or aversions of delegation, coaching and fairness behaviour to employees can lead to employee dissatisfactions and labour turnover. The findings of the present justifies that, in LGAs supervisors social support to employees is evaded hence employees do not realise the desired goals. Moreover, supervisors do not exactly perform supervisory functions such as employees' delegation, coaching and fairness treatment which make employees to have negative attitude with work and hence labour turnover.

### **5.2.3 Financial Rewards is more influence on Labour Turnover than Non-**

#### **Financial Rewards or vice versa**

The study sought to determine whether financial rewards are more influential in labour turnover in LGAs than non-financial rewards or vice versa. The findings indicate that, decrease in the provisions of financial rewards is associated with increasing labour turnover. On the other hand, the findings reveal that, decrease in the

provisions of non-financial rewards is associated with increasing labour turnover intention. Moreover, the findings depict financial and non-financial rewards have positive relationship and are significantly related on labour turnover.

However, comparatively, the findings reveal that non-financial rewards have more influence on labour turnover rather than financial rewards. From the findings of the study it was specify that, employees are more satisfied by non-financial rewards in LGAs compared to financial rewards. Perhaps this is because most of the financial rewards mechanisms are neglected by the government. This made employees looking for non-financial rewards. Therefore, by giving and assuring the presence of non-financial rewards will likely increase job satisfaction and reduce labour turnover in LGAs in Tanzania

Scholars and authors like Gupta (2012), Bula (2012), and Yousafet *al.*, (2014) concur with the findings of this study that, non-financial rewards have positive influence on labour turnover. However, these scholars and authors did not go further to justify which one has more influence on labour turnover.

Peterson and Luthans (2006) while studying The Impact of Financial and Non-Financial Incentives on Business-Unit Outcomes over Time found that, financial incentives originally have significant outcome on labour turnover than non-financial incentives. Udechukwu (2009) while studying on labour turnover using the two-factor theory as a reference found that, high labour turnover is due to non-financial rewards that also affect financial rewards among employees.

The perceived attitude on the influence of financial and non-financial rewards towards labour turnover remain a topic for discussion as researchers do not use common variables while studying the influence of financial and non-financial reward factors toward labour turnover. Moreover, the perceived perception that money is everything to employees is also criticized as from the findings of this study and theories justify that not all the time employees are motivated and satisfied by financial rewards as even non-financial rewards have value towards job satisfaction and labour turnover.

Gupta (2012) argues that, financial rewards are fundamental as they lead to employee's motivation, commitment and job satisfactions. Malik and Naeem (2013) explain that, financial rewards are suitable for discomfort avoidance. Financial incentives are important as it have immediate consequence in inspiring and exciting labours for performance (Nkya (2012)). Similarly, Rumman *et al.*, (2014) designated that financial rewards are of important as they add determination and assurance to employees' effective attainment of organizational goals and objectives. Financial rewards are frequently used to convince knowledgeable persons to join and continue working within the organization, and to inspire employees to realise performance (Robbins, 2008).

Despite the fact that financial rewards are fundamental but may not motivate all employees as others are motivated by characteristics related to psychological and physiological which cannot be satisfied by pay bases (Gupta, 2012). Burton (2012) found that, non-financial rewards focus on emotional needs of employees rather than financial rewards. Yousaf *et al.*, 2014 argues that, when organizations pay attention to non-financial rewards, employees perceive organization commitment, supporting and

caring. May be because non-financial rewards provide continuing sensational job satisfaction. Burton (2012) contends that, if managers truly want to satisfy workers they have to look for non-financial rewards which are appropriate and susceptible to effect individual social life as well as work life.

In determining whether financial rewards are more influential on labour turnover in LGAs than non-financial rewards or vice versa, the study found out that, non-financial rewards have higher influence on labour turnover than financial rewards. Perhaps this is because of the financial rewards variables used in the present study was neglected by the government and therefore it was hard for employees to attain them. Beside, employee run their preference to non-financial rewards. At the end researcher realise that, whenever there is absence of financial rewards for job satisfaction, employees tend to shift their attitudes toward present non-financial rewards.

The present study is also, in line with the findings of and Burton (2012) who found that, non-financial rewards are sensations toward job satisfaction as they can affect individuals' social as well as work life, than financial rewards which are immediate and therefore once attained do not last longer. Moreover, Gupta (2012), and Burton (2012) argue that, financial rewards are limited as they cannot bring satisfaction to features related to psychological and physiological as a non-financial reward does.

#### **5.2.4 Context Specific Factors Influence on Labour Turnover**

The study sought to determine the influence of context specific factors on labour turnover in LGAs in Tanzania. Among others, only significant context specific factors were discussed. The significant context specific factors in the present study were

access to all weather roads, access to clean water, access to national power grid electricity, access to good health, access to good house, access to reliable public transport and access to good education.

The findings show that, decreasing access to all weather roads is allied to the increasing likelihood of labour turnover. Browne (2009) found out that, high labour turnover to health workers in Northern, Rural and Remote Regions in Canada are compounded by harsh weather conditions that make impossible for air and road travel for some days. Yousaf *et al.*, (2014) found out that, the unpleasant transportation system in Pakistan increases mental stress to the work force. The URT (2012) stressed that during rainy season in Ileje district transportation becomes difficult as roads become impassable. The problem is not at all related to transportation facilities rather than rough road in which during the rain seasons roads in the areas are blocked this make commercial partners not to send their cars in the areas.

The findings further indicate that, decreasing in access to clean water is associated with the increasing likelihood of labour turnover. Ebuehi and Campbell (2011) explain that, lack of water in rural Nigerian LGAs is among of the reasons for employees to look for a transfer to urban areas where the services are sufficiently available. Tidemand (2014) found that access to water has important influence on job satisfaction. There is in access to water in most of LGAs in Tanzania (URT, 2012). Employees use most of the time looking for water. According to URT (2012) at Mpwapwa, teachers use three quarters of their time looking for water. Since water is life. Employees can neglect other factors but not water. Therefore, in access to water to employees' means employee has to cut off working hours looking for water. Also,

it becomes a burden to employees' that are compounded with low quality of services. Conclusively, water is a problem in rural and urban areas within Tanzania, although in rural areas the problem is very severe and therefore leads to dissatisfaction and labour turnover among employees in the area concerned.

The findings specify that, increasing access to national power grid electricity is linked to the decreasing likelihood of labour turnover. Tidemand (2014) found that lack of access to electricity in LGAs in Tanzania is associated with labour turnover as it increases disparity between employees in rural and urban areas. Employees tend to live in the area where electricity is available, especially near the main roads, urban canters and district headquarters. Samji *et al.*, (2009) found that, the majority of employees in LGAs are in accessed to the national power grid electricity as currently, the percent of access to national power grid electricity in most of the regions in Tanzania are below 15%, while the darkness in rural areas is increasing.

The findings evidenced that, increasing access to good health services is related to the decreasing likelihood of labour turnover. Inadequate access to health services in Tanzania is among of the staffing problems in LGAs (URT, 2010). Perhaps due to the deficiency of qualified health workers, lack of motivation to the existing staff, bad transport and communication as pointed by Tidemand *et al.*, (2014). In most of LGAs, health services are inadequate. This is due to few numbers of specialists, especially doctors, nurses, and attendants. In some of the districts hospitals one may found two to three medical doctors. These are not enough. On the other side, lack of access to clean water, electricity, transport and other aspects related to social

amenities are also impediments in accessing good health services. The findings therefore justifies that the health service in Tanzanian LGAs is embracing.

The findings further reveal that, decreasing in access to good house is connected to the increasing likelihood of labour turnover. Mbungu (2015) found out that, agriculture extension officers fail to get house to rent hence once hired they refuse to work. He also found that, house position in Wanging'ombe district is poor. Mrosso (2014) found that, teachers at Temeke district are dissatisfied with work as a result of poor and scarcity of houses. Mattson (2009) while studying on rural housing in Mamba district Kilimanjaro found that, the house condition is poor, particularly in rural areas where large numbers of inhabitants live in mad houses. With regards to the finding of the present study, decreasing in access to good house is connected to the increasing likelihood of labour turnover. The conditions of houses in districts are poor and they are out of mad. For instance, once hire employees have to share public lavatory, sitting room, kitchen, and corridor. Moreover, houses are not connected to electricity and waters. This is another answer to job dissatisfaction conditions for LGAs workers in Tanzania.

The findings of the study further demonstrate that, increasing in access to good education is linked to the decreasing likelihood of labour turnover. Mruma (2013) depicts that, the quality of education in public secondary schools in Nyamagana district is of low quality as revealed in the mass failure in 2010/2011 and 2011/2012 academic years. He further found that, it was due to lack of teachers compared to pupils' number in classes, lack books and due to dilapidated buildings. Similarly, Tshabangu and Msafiri (2013) found that, there is a low satisfaction level on the

quality of education in LGAs due to insufficient manpower and poor implementation of policy in the areas. Likewise, Ladduruni (2012) found that the low quality of education in LGAs is due to unqualified teachers, poor infrastructure facilities and insufficient learning material in the school libraries. From the findings of the study the provision of education in LGAs is disappointing as employees fail to get a place where they can access good education for immediate kids and relatives. The challenges still persist as are not yet resolved hence labour turnover.

The findings illustrate that, the access to reliable public transport has marginal significance. It also indicates that, increasing access to reliable public transport is associated with the decreasing likelihood of labour turnover. Tidemand et al (2014) lack of transport is associated with labour turnover that affects job satisfaction among employees in the LGAs in Tanzania. Mrosso (2014) depict that, in Temeke of reliable public transport services is allied connected to job dissatisfaction. Furthermore, Okama (2013) found that labour turnover among agriculture officers in Mufindi district was associated with lack of transportation service due to bad roads. In rural area transport is difficult that make employee late at the areas of work or arriving while tired and hence fail to accomplish routines.

### **5.2.5 Job Satisfaction and Labour Turnover**

The study also sought to determine the relationship between job satisfaction (financial rewards factors, non-financial rewards factors and context specific factors) and labour turnover in LGAs in Tanzania. Results are shown in Table 4.32. It is revealed that, there is significant relationship between job satisfaction and labour turnover in the LGAs in Tanzania as indicated by coefficients ( $R^2 = .6496$ ,  $p < 0.01$ ). The results

shows that, job satisfaction in its totality explains 46.96 percent of the variations in labour turnover. The results also indicate that, the model have power to predict labour turnover at 0.01 significance level. These results are consistent with the findings of the study carried out by Joarder and Ashraf (2012) on work satisfaction and employees turnover in mobile phone Company in Bangladesh.

In the study results reveals that, there is significance relationship between job satisfaction and employee turnover ( $R^2 = .692$ ,  $P < .001$ ). Similarly, Jadoo et al (2015) while conducting a study on job satisfaction and labour turnover among doctors in Iraqi hospitals found that 55.2 % of doctors in Iraqi were in low job satisfaction ( $OR = .97$ ). Further, researchers argued that, the situation make doctors to look for another employment opportunities in other neighbouring countries. These results justifies that, there is a positive and significance relationship between job satisfaction and labour turnover perceived by employees in different work organization. As a result if someone is not satisfied with the present job by whatever reasons is likely to look for other employment opportunity instead.

Further, multiple regression analysis was used to indicate relationship among job satisfaction sub-scales (financial rewards factors, non-financial rewards factors and context specific factors) and labour turnover. Results indicate that, there is a positive and significant relationship between job satisfaction sub-scales and labour turnover as indicated by coefficients (FR. 244,  $P < .002$ , NFR. 264,  $P < .000$  and CSF. 365,  $P < .000$ ). These study findings are however, consistent with the findings of various researchers. For instance Peterson and Luthans (2006) while studying the impact of financial and non-financial incentives on business unit outcome over time found that,

financial incentives have positive and significance relationship with labour turnover. Similarly, Rouleau *et al* (2012) while studying on the effects of midwives job satisfaction on burnout, to quit and turnover in Senegal found that, labour turnover is due financial rewards as claimed to inadequate compensation. Moreover, Ali (2008) while studying on factors affecting job satisfaction and labour turnover in private college in Pakistan found that, job satisfaction and labour turnover is affected highly by non-financial rewards as the lectures are dissatisfied with promotion chances avail in there institutions.

On the others hand, based on the Herzberg two factor theory prepositions, job satisfaction is related to non-financial rewards as financial rewards are just in time and therefore, attended to avoid dissatisfaction (Stello, 2011). The findings of the present study concurs partially with the theory over the influence of non-financial rewards towards job satisfactions (NFR. 264,  $P < .000$ ). Moreover, the findings concurs with the findings of other researchers that, financial rewards (FR. 244,  $P < .002$ ) is also allied to have positive relationship with job satisfaction beside of being just in time and for whatever reason (Peterson and Luthans, 2006; Udechukwu, 2009; Delobelle, 2011).

Besides, the theory is criticised on the basis that it fails to consider context specific factors (CSF. 365,  $P < .000$ ) that are also shown to have positive and significance relationship with job satisfaction and labour turnover as per the findings of the this study. The result of context specific factors over the influence of job satisfaction and labour turnover in the LGAs concurs with the findings of Browne (2009), Mattson (2009), Samji *et al* (2009), Ebuehi and Campbell (2011), Tidemand (2014) Mbungu

(2015). For instance while studying the determinant of employee's job satisfaction of agriculture extension officer at Wanging'ombe district, Njombe, Mbungu (2015) found that, 67% of agriculture extension officers are not satisfied with health care services and therefore mentioned as a challenge towards job satisfaction and labour turnover.

Conclusively, the results of this study validates that, job satisfaction has three different range of dimensions that can be used to measure job satisfaction and labour turnover, among others are financial rewards, non-financial rewards and context specific factors.

Results of logistic regression analysis revealed that, variables in the model have positive and negative signs. For instance, out of the financial rewards factors, good salary structure (-3.261), per diem (-3.378) and medical allowance (-1.160) presenting negative sign as indicated by coefficients. The findings specified that, the variables have negative relationship with job satisfaction and labour turnover. Perhaps, this is because of the mentioned mechanisms are not in place as government do not introduce new salary structure, and per-diem and medical allowance were cut. Dingeta (2013) while studying job satisfaction and organizational commitment of teacher educators at Arbaminch College of Teacher Education, Addis Ababa Ethiopia, found that 52% of the teachers claims on the per diem amounts paid to them as not fair.

On the other hand, incentive (3.378), performance cash bonuses (.997), electricity allowance (3.401), and supporting access to loan (3.021) show to have positive relationship with job satisfaction and labour turnover among financial rewards

variables. Moreover, the findings reveal that, increasing incentives (29.318 OR), performance cash bonuses (2.709 OR), electricity allowance (30.009 OR) and access to loan (20.510 OR) to staff in the LGAs is related to the decreasing labour turnover likelihood. Tidemand *et al.*, (2014) while studying the local government authority (LGA) fiscal inequities and the challenges of ‘disadvantaged’, also come up with similar findings.

Further, the researchers explains that, incentives can overcome some of the challenges in the remote areas for instance, can be used to pay for electricity, bed and mattress, house and supporting for settlement. Perhaps, incentives, performance cash bonuses, electricity allowance and supporting access to loan have positive relationship with job satisfaction and labour turnover due to the above mention issues.

The coefficient results, on non-financial rewards factors indicate that, company policy (-1.025), opportunity to lead projects (-1.034), workload (-0.594), a challenging work (-1.027), work conditions (-1.099), mismatch between skills and job (-0.748) and office with good furniture (-0.608) have negative influence on job satisfaction and labour turnover in the LGAs. Among others, the results on working conditions contradict with the results of Alam (2015) who found that, work conditions have positive relationship with job satisfaction and labour turnover among medical promotion officer in pharmaceutical industry in Bangladesh. Similarly, Asfaw (2016) while studying on determinants of employees job satisfaction at Heineken breweries S.C Addis Ababa, Ethiopia found that, work condition have positive and significant influence on job satisfaction (0.3036 or,  $p < 000$ ). The results of this study on work condition is not related with job satisfaction and labour turnover perhaps is due to the

similar nature of work conditions within the LGAs that associated with similar challenges such as in access to water, electricity, lack of good education, transport and health care services.

Moreover, attention from the leader (.939), leadership style (1.735), recognition (1.735), organization commitment (1.409), work related training (1.445), status in work (.805), LGA status (1.027), and reputation (2.222). The results show that, the variables have positive and significant influence on job satisfaction and labour turnover. The findings also shows that, improving leadership attention (2.557 OR), leadership style (5.670 OR), recognition (4.094), organization commitment (3.549 OR), work related training (4.242 OR), status in work (2.237 OR), LGA status (2.792 OR), and reputation (9.230 OR) reduces labour turnover likelihood. Among others, similar results on work related training found by Joarder (2012).

The researcher found that, training have positive and significance influence on job satisfaction and labour turnover (.320 OR,  $P < 0.1$ ). Moreover, Ronra and Chaisawat (2009) while studying on the factors affecting employee's turnover and job satisfaction at Amari hotels and resorts found that, recognition affects both job satisfaction and labour turnover. Perhaps, the results tells that, whenever there is a little concern for employees for instance on leadership, recognition commitment, training and others job satisfaction diminish hence labour turnover.

The coefficient results for context specific factors reveals that access to sim banking has negative relationship with job satisfaction and labour turnover (-2.059). Correlation and factor analysis results on Table 4.19 and 4.20 reveals that, access to

sim banking has positive and significance relationship with job satisfaction and labour turnover ( $r=.523$ ,  $p<0.001$ ,  $PCA= .763$ ). The present logistic regression results contradict with the correlation and factor analysis results on table 4.30 and 4.31. Perhaps this finding is due to total in access of mobile network in rural areas as found by URT (2010) and Kacholi (2012).

The coefficient results of the context specific factors indicate that, distance of work place from home place (.940), access to national power grid electricity (1.222), access to good health (.800), aces to good house (.699) and access to good education (1.060) have positive and significance relationship with job satisfaction and labour turnover. Also, the findings designates that, increasing distance of work place from home place (2.561 OR), access to national power grid electricity (3.395 OR), access to good health (.449 OR), aces to good house (.497 OR) and access to good education (2.887) reduces labour turnover likelihood. Tidemand et al (2014) found that, job satisfaction and labour turnover is due to lack of electricity. In contrary Mrigo (2013) found that, teachers are satisfied with the availability of electricity, health care services and housing. In case of education Mruma (2013) found that, there is low quality of education in the LGAs. This is due to unqualified teachers, poor infrastructure facilities and insufficient learning material in the school library (Ladduruni, 2012). Perhaps the environment in the LGAs is not favourable, on the basis that, workers are placed very far from their home while there is no transport. Moreover ,the situation in the areas is worse due to lack of electricity, health services, houses and good education compared to home places where the services are somehow if not adequately available.

## CHAPTER SIX

### CONCLUSION AND RECOMMENDATIONS

#### 6.1 Overview

This chapter presents the study conclusions based on the study findings. It also provides recommendations for curbing labour turnover in LGAs as well as areas for further research. The general aim of the study was to determine the extent to which job satisfaction influences labour turnover in LGAs. Specifically, the study sought to determine the influence of financial rewards and non-financial rewards on labour turnover in LGAs. More importantly, it sought to determine the influence of context-specific factors on labour turnover in LGAs.

#### 6.2 Conclusions

In general, the study findings confirm that job satisfaction has positive and significant relationship with labour turnover in LGAs in Tanzania ( $R^2 = .6496$ ,  $p < 0.01$ ). With regard to findings from the specific objectives. It is concluded that financial rewards have significant influence on job satisfaction and labour turnover in LGAs ( $\beta = .439$ ,  $P < .01$ ). Given the fact that financial rewards are not only under paid but are also being suspended, removed, or delayed LGAs may face severe labour turnover in the near future. Not only that, but when employees are dissatisfied and still work with the LGAs, productivity is endangered due to poor service delivery out of their frustration. This was arrived at as increasing allowances related to transport; house and electricity are linked to the reducing chances of labour turnover, while dropping allowances related to per diem (subsistence allowances), overtime, water and hardship related to the increasing possibility of labour turnover.

Similarly, non-financial rewards (administrative and work) factors have significant influence on job satisfaction and labour turnover ( $\beta = .447, P < .01$ ). This is so due to lack of attention to non-financial rewards (administrative and work) programs by leaders and management of LGAs to the feeling of individual employees related to human resources functions and policies. To mention but a few, human resources functions and policies are; motivation, pay, engagement, promotion, job security and social benefit. Lack of attention to non-financial rewards is accompanied by negative reaction including job dissatisfaction and labour turnover. This is a reflection of the fact that employees as human being have a range of needs. Even after meeting financial needs, one would wish to meet other important social needs such as recognition and the like.

Interestingly, it may be concluded that labour turnover in LGAs is influenced by both financial and non-financial rewards ( $R^2 = .730, P < .01$ ). However, comparable, non-financial rewards are more influential to labour turnover than financial rewards ( $\beta = .447, p < .01$ ). Which means that non-financial rewards are more sensational towards job satisfaction. On the other hand, it is shows that once employees are not satisfied with financial rewards tend to shift their perception towards non-financial rewards that can affect individual social and work life and last longer than financial rewards which are immediate and does not live longer.

Last but not least the study concludes that context specific factors have also significant influence on job satisfaction and labour turnover ( $\beta = .365, p < .01$ ). However, given the real environmental condition surrounding most of LGAs; remoteness, lack of clean water, inadequate good housing, lack of good education

facilities, lack of good health facilities, low money circulation, lack of electricity, witchcraft and punitive culture, LGAs need to work hard to alleviate employees dissatisfaction, otherwise LGAs particularly those in disadvantaged areas, are liable to more and more labour turnover.

According to Herzberg theory job satisfaction is an outcome of financial and non-financial rewards factors, the dual set. However, this study concludes that job satisfaction is not only an outcome of dual set factors, financial and non-financial rewards factors but an outcome of three set factors financial, non-financial and context specific factors. This is particularly so given the African, and specifically Tanzanian situation when LGAs differ significantly when it comes to the three set factors.

### **6.3 Recommendations for Policy Implications**

From the findings of this study, several policy implications can be drawn for the effective management of job satisfaction and labour turnover in our LGAs. It is recommended that policy makers and executives re-examine the chances of improving financial rewards to LGAs employees for the sake of maintaining satisfaction and consequently improve the quality of service delivery to general public, and of course offsetting labour turnover. While the trend is to cut off such benefits, there is a need to re-in state and improve the benefit to all cadres and therefore improve critical service such as health, education and agriculture.

As far as non-financial rewards, it is recommended that both policy makers and executives need to take care of good governance practice and observe critically the general welfare of employees. Executives are advised to exercise participative

management and respect others so that employee satisfy and identify themselves with their LGAs.

Lastly, contextual specific factors are also important in labour turnover, it is recommended that LGAs have to emphasize on improving work conditions and environmental situation by budgeting for roads, water, health facilities education and the like. Further, LGAs executives need to use telecommunication companies, pension fund companies etc. to improve living conditions in LGAs. This could improve playground, access to communication networks, hold weekend game and sports etc. all such practice may easily improve employees satisfaction and hen minimize labour turnover.

#### **6.4 Limitation of the Study**

This study has several limitations that ought to be considered once interpreting the results. This study was limited to seven LGAs out of one hundred eighty four such LGAs. This limits the study findings to have more general conclusion. It must also be considered that Tanzania is among third world countries and therefore the findings are limited to third world countries and some of developing countries other than first development world. Methodologically, this study neglect the assumption of linear relationship between dependent and independent variables in the model. This means that it was impossible to determine causal relations between the variables. Moreover, the phenomenon studied would be more interesting if both quantitative and qualitative analysis are taken together, something that was not done here. Lastly, some of the elements in respect to context specific factors in the study were under investigated and therefore it was hard to acquire secondary data from other related studies in Tanzania.

## **6.5 Areas for Further Studies**

The findings of this study reveal quite a lot of unclear areas that demand for additional research. It is recommended that further studies be conducted on the influence of job satisfaction on labour turnover with regards to financial and non-financial reward factors as well as context specific variables among employees in local councils other than the selected district councils in order to get a bigger view on the matter and comprehend generalization of the findings. Likewise, it is recommended that future studies may adopt other methodology such as meta-analysis research design in order to determine if there will be a change of outcomes. Lastly, future research on context specific factors it is highly recommended particularly covering more and diverse LGAs.

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## APPENDICES

### Appendix I: Questionnaire for Staff in the LGAs

I am George Mrope a student at the Open University of Tanzania taking PhD in Philosophy. I am carrying out the research over the influence of job satisfaction on labour turnover in LGAs in Tanzania. Please assist me by answering the questions. The research is purely for academic purpose and your participation will be greatly appreciated and your contribution will be treated with greater confidentiality.

#### Instruction on Filling this Questionnaire

- i. Please you are asked to give your answer honestly and freely as possible.
- ii. Do not write your name on this questionnaire.

#### Part 1: Background Information

Please tick the appropriate box in the following questions about yourself.

Gender	Male	
	Female	
Marital Status	Single	
	Married	
	Divorced	
	Separated	
	Widowed	
Age Group	21-30 years	
	31-40 years	
	41-50 years	
	51-60 years	
Number of Children	0-2	
	3-4	
	5-6	
	Above 6	
Level of Education	Primary	
	O-Level	
	A-Level	
	Ordinary Diploma	
	Advance Dip/First Degree	
	Masters' Degree and above	
Present Position	Heads Directors and HoDs	
	Officers	
	Supporting Staff	
Employment Terms	Permanent and Pensionable	
	Temporary Employment	

	Contract Employment	
Years in the Present Position	0-2years	
	3-5 years	
	6-8 years	
	9-11	
	12 and above	
Organizations you have worked in	1	
	2	
	3 and above	
Are you satisfied with your work	Yes	
	No	
Do you have intention to get transfer, changing job or quit	Yes	
	No	

**Part 2: Factors Influence Job Satisfactions**

How satisfied am I with this aspect of my job?

*Very satisfied (Very Sat)*. Means I am very satisfied with this aspect of my job

*Satisfied (Sat)*. Means I am satisfied with this aspect of my job

*Neutral (N)*. Means I can't decide whether I am satisfied or not with this aspect of my job

*Dissatisfied (Diss)*. Means I am dissatisfied with this aspect of my job

*Very Dissatisfied (Very Diss)*. Means I am very dissatisfied with this aspect of my job

Job satisfaction variables	On my present job this is how I feel about.....	Ratings				
		Very Diss (1)	Diss (2)	N (3)	Sat (4)	Very Sat (5)
Ability utilization	The chance to do something that makes use of my ability					
Achievement	The chances for accomplishment I get from the job					
Activity	Being able to keep busy all the time					
Advancement	The chances for advancement on this job					
Authority	The chance to tell other people what to do					

Company policies and practices	The way company policies are put in practice					
Compensation	My pay and the amount of work I do					
Co-workers	The way my co-workers get along with each other					
Creativity	The chance to try my own methods of doing the job					
Independence	The chance to work alone on the job					
Moral value	Being able to do things that don't go against my conscience					
Recognition	The praise I get for doing a good job					
Responsibility	The freedom to use my own judgement					
Security	The way my job provides for steady employment					
Social services	The chance to do things for other people					
Social status	The chance to be "somebody" in the community					
Supervision- human relation	The way my boss handle his men					
Supervision- Technical	The competence of my supervisor in making decision					
Variety	The chance to do different things from time to time					
Working conditions	The working conditions					

### Part 3: Factors Influencing Labour Turnover

Kindly please support my study for PhD by indicating your level of Agreement or Disagreement to the following statements that relate to factors that influence labour turnover in LGAs in Tanzania, according to how you think they influence your decision for turnover. Take time to understand and rate them purely on your own conviction. Do not consult any other person for your decisions. You are required to tick one number only for every statement. The numbers mean the following; **1 =**

**Strongly Agree (SA), 2 = Agree (A), 3 = Neutral (N), 4 = Disagree (DA), 5 = Strongly Disagree (SA).**

SN	Categories	SA (1)	A (2)	N (3)	DA (4)	SD (5)
<b>A:</b>	<b>Financial Factors</b>					
1	Good Salary Structure minimizes labour turnover					
2	Good Salary minimizes labour turnover					
3	Incentives reduces labour turnover					
4	Transport allowances decreases labour turnover					
5	Housing allowances reduces chances of labour turnover					
6	Per-diems have reduce labour turnover					
7	Over-time reduces chances of labour turnover					
8	Performance cash bonuses reduces labour turnover					
9	Electricity allowances increases labour turnover					
10	Water allowances reduces labour turnover					
11	Hardship allowances reduces chances for labour turnover					
12	Medical allowances reduces labour turnover					
13	Bonuses for collective performance minimizes labour turnover					
14	Supporting access to loans reduces labour turnover					
<b>B:</b>	<b>Non-Financial Factors</b>					
<b>B-1</b>	<b>Administrative</b>					
15	Attention from leaders reduces labour turnover					
16	Support from leaders reduces labour turnover					
17	Support from administration reduces labour turnover					
18	Good relationship with boss reduces labour turnover					
19	Good relationship with co-workers reduces labour turnover					
20	Appreciation by Managers/HoDs					

	increases labour turnover					
21	Participation in decision making increases labour turnover					
22	Good leadership style reduces labour turnover					
23	Leadership fairness reduces labour turnover					
24	Company policy increases labour turnover					
25	Good administration decreases labour turnover					
26	Responsibility increases labour turnover					
27	Opportunity to lead projects increases labour turnover					
28	Recognition by management reduces labour turnover					
29	Working conditions reduce labour turnover					
30	Fair treatment to employees increases labour turnover					
31	Just treatment to employees decreases labour turnover					
32	Opportunity for growth reduces labour turnover					
33	Organization commitment reduces labour turnover					
34	Social benefits reduces labour turnover					
<b>B-2</b>	<b><i>Work Factors</i></b>					
35	Timely promotions increase labour turnover					
36	Work related training reduces labour turnover					
37	Workload increases labour turnover					
38	Achievement in work reduces labour turnover					
39	A challenging work increases labour turnover					
40	Job security minimizes labour turnover					
41	Status in work increases labour turnover					
42	LGA status increases labour turnover					
43	Advancement at work reduces labour turnover					
44	Reputation of workplace minimizes labour turnover					
45	Work conditions decreases labour turnover					

46	Mismatch between Skills and Job decreases labour turnover					
47	Supervision causes labour turnover					
48	Job content increases labour turnover					
49	Nature of work I perform increases labour turnover					
50	Office with good furniture reduces labour turnover					
<b>C:</b>	<b>Context-Specific factors</b>					
51	Distance of work place from home place increases labour turnover					
52	Access to all weather road reduces labour turnover					
53	Access to clean water reduces chances for labour turnover					
54	Access to National Power Grid Electricity reduces labour turnover					
55	Access to internet facilities minimizes labour turnover					
56	Access to good health reduces labour turnover					
57	Access to good house reduces labour turnover					
58	Access to reliable public transport reduces labour turnover					
59	Access to banks reduces labour turnover					
60	Access to sim banking facilities reduces labour turnover					
61	Access to good education reduces labour turnover					
62	Access to fertile arable land reduces labour turnover					
63	Business related Culture reduces labour turnover					
64	Work related culture reduces labour turnover					

**Thanks for your good corporation**

## Appendix II: Summary of the Job Satisfaction Determinants and Expected Signs

**Table 4.32: Summary of the Job Satisfaction Determinants and Expected Signs**

Determinant	Description	Exp Sign
X <sub>1</sub> =Good Salary Structure	Good Salary Structure (1 minimizes, 0 if otherwise)	+
X <sub>2</sub> =Good Salary	Good Salary (1 minimizes, 0 if otherwise)	+
X <sub>3</sub> = Incentives	Incentives (1 reduces, 0 if otherwise)	+
X <sub>4</sub> =Transport allowances	Transport allowances (1 decreases, 0 if otherwise)	+
X <sub>5</sub> =Housing allowances	Housing allowances (1 reduces, 0 if otherwise)	+
X <sub>6</sub> =Per-diems	Per-diems (1 increases, 0 if otherwise)	+
X <sub>7</sub> =Over-time allowance	Overtime allowance (1 reduces, 0 if otherwise)	+
X <sub>8</sub> =Performance cash bonuses	Performance cash bonuses (1 reduces, 0 if otherwise)	+
X <sub>9</sub> =Electricity allowances	Electricity allowances (1 increases, 0 if otherwise)	+
X <sub>10</sub> =Water allowances	Water allowances (1 increases, 0 if otherwise)	+
X <sub>11</sub> =Hardship allowances	Hardship allowances (1 reduces, 0 if otherwise)	+
X <sub>12</sub> =Medical allowances	Medical allowances (1 reduces, 0 if otherwise)	+
X <sub>13</sub> =Bonuses	Bonuses (1 minimizes, 0 if otherwise)	+
X <sub>14</sub> =Supporting access to loans	Supporting access to loans (1 reduces, 0 if otherwise)	+
X <sub>15</sub> =Attention from leaders	Attention from leaders (1 reduces, 0 if otherwise)	+
X <sub>16</sub> =Support from leaders	Support from leaders (1 reduces, 0 if otherwise)	+
X <sub>17</sub> = Support from administration	Support from administration (1 reduces, 0 if otherwise)	+
X <sub>18</sub> = Relationship with boss	Relationship with boss (1 reduces, 0 if otherwise)	+
X <sub>19</sub> = Relationship with co-workers	Relationship with co-workers (1 reduces, 0 if otherwise)	+
X <sub>20</sub> =Appreciation by management	Appreciation by management (1 increases, 0 if otherwise)	+
X <sub>21</sub> =Participation in decision making	Participation in decision making (1 decreases, 0 if otherwise)	+
X <sub>22</sub> =Leadership style	Leadership style (1 reduces, 0 if otherwise)	+
X <sub>23</sub> =Leadership fairness	Leadership fairness (1 reduces, 0 if otherwise)	+
X <sub>24</sub> =Company policy	Company policy (1 decreases, 0 if otherwise)	+
X <sub>25</sub> =Good administration	Good administration (1 reduces, 0 if otherwise)	+

X <sub>26</sub> =Responsibility	Responsibility (1 decreases, 0 if otherwise)	+
X <sub>27</sub> =Opportunity to lead projects	Opportunity to lead projects (1 decreases, 0 if otherwise)	+
X <sub>28</sub> =Recognition by management	Recognition by management (1 reduces, 0 if otherwise)	+
X <sub>29</sub> =Working conditions	Working conditions (1 reduces, 0 if otherwise)	+
X <sub>30</sub> = Fair treatment to employees	Fair treatment to employees (1 decreases, 0 if otherwise)	+
X <sub>31</sub> =Just treatment to employees	Just treatment to employees (1 decreases, 0 if otherwise)	+/-
X <sub>32</sub> =Opportunity for growth	Opportunity for growth (1 reduces, 0 if otherwise)	+
X <sub>33</sub> =Organization commitment	Organization commitment (1 reduces, 0 if otherwise)	+
X <sub>34</sub> =Social benefits	Social benefits (1 reduces, 0 if otherwise)	+
X <sub>35</sub> =Timely promotions	Timely promotions(1 decreases, 0 if otherwise)	+
X <sub>36</sub> = Work related training	Work related training (1 reduces, 0 if otherwise)	+
X <sub>37</sub> =Work with over-loads	Work with over-loads (1 decreases, 0 if otherwise)	-
X <sub>38</sub> =Achievement in work	Achievement in work (1 reduces, 0 if otherwise)	+
X <sub>39</sub> =A challenging work	A challenging work (1 decreases, 0 if otherwise)	+
X <sub>40</sub> =Job security	Job security (1 minimizes, 0 if otherwise)	+
X <sub>41</sub> =Status in work	Status in work (1 decreases, 0 if otherwise)	+/-
X <sub>42</sub> =LGA status	LGA status (1 decreases, 0 if otherwise)	+/-
X <sub>43</sub> =Advancement at work	Advancement at work(1 reduces, 0 if otherwise)	+/-
X <sub>44</sub> =Reputation of workplace	Reputation of workplace (1 minimizes, 0 if otherwise)	+/-
X <sub>45</sub> =Work conditions	Work conditions (1 decreases, 0 if otherwise)	+/-
X <sub>46</sub> =Mismatch between skills and jobs	Mismatch between skills and jobs(1 increases, 0 if otherwise)	+/-
X <sub>47</sub> =Poor supervision	Poor supervision (1 increases, 0 if otherwise)	+/-
X <sub>48</sub> =Job content	Job content (1 increases, 0 if otherwise)	+/-
X <sub>49</sub> =Nature of work	Nature of work (1 decreases, 0 if otherwise)	+/-
X <sub>50</sub> =Office with good furniture	Office with good furniture (1 reduces, 0 if otherwise)	+/-
X <sub>51</sub> =Distance of work place from home place	Distance of work place from home place (1 increases, 0 if otherwise)	+/-
X <sub>52</sub> =Access to all weather road	Access to all weather road (1 reduces, 0 if otherwise)	+/-
X <sub>53</sub> =Access to clean water	Access to clean water (1 reduces, 0 if otherwise)	+/-
X <sub>54</sub> =Access to National Power Grid	Access to National Power Grid Electricity (1	+/-

Electricity	reduces, 0 if otherwise)	
X <sub>55</sub> = Access to internet facilities	Access to internet facilities (1 minimizes, 0 if otherwise)	+/-
X <sub>56</sub> = Access to good health	Access to good health (1 reduces, 0 if otherwise)	+/-
X <sub>57</sub> = Access to good housing	Access to good housing (1 reduces, 0 if otherwise)	+/-
X <sub>58</sub> = Access to reliable public transport	Access to reliable public transport (1 reduces, 0 if otherwise)	+/-
X <sub>59</sub> = Access to banks	Access to banks (1 reduces, 0 if otherwise)	+/-
X <sub>60</sub> = Access to sim banking	Access to sim banking facility (1 reduces, 0 if otherwise)	+/-
X <sub>61</sub> = Access to good education	Access to good education (1 reduces, 0 if otherwise)	+/-
X <sub>62</sub> = Access to fertile arable land	Access to fertile arable ((1 reduces, 0 if otherwise)	+/-
X <sub>63</sub> = Business related culture	Business related culture (1 reduces, 0 if otherwise)	+/-
X <sub>64</sub> = Work related culture	Work related culture (1 reduces, 0 if otherwise)	+/-

**Source;** Developed by researcher, (2016).

**Appendix III: Logistic Regression Results of Job Satisfaction on Labour Turnover**

**Table 4. 33: Logistic Regression Results of Job Satisfaction on Labour Turnover**

Job Satisfaction	$\beta$	Exp( $\beta$ )	95% C.I.		Sig.
			Lower	Upper	
Good Salary Structure	-3.261	.038	.008	.181	.000
Good Salary	.156	1.169	.492	2.779	.723
Incentives	3.378	29.318	5.555	154.739	.000
Transport allowances	-.193	.825	.395	1.723	.608
Housing allowances	.079	1.082	.540	2.168	.824
Per-diems	-3.109	.045	.011	.179	.000
Over-time allowance	-2.513	.081	.020	.329	.000
Performance cash bonuses	.997	2.709	.906	8.097	.074
Electricity allowances	3.401	30.009	6.742	133.568	.000
Water allowances	-.386	.680	.361	1.279	.231
Hardship allowances	-.481	.618	.178	2.147	.449
Medical allowances	-1.160	.314	.108	.914	.034
Bonuses	-.921	.398	.129	1.230	.110
Supporting access to loans	3.021	20.510	4.060	103.602	.000
Attention from leaders	.939	2.557	1.068	6.122	.035
Support from leaders	-.348	.706	.248	2.007	.514
Support from administration	-.320	.726	.178	2.961	.655
Relationship with boss	-.608	.544	.127	2.328	.412
Relationship with co-workers	-1.010	.364	.102	1.305	.121
Appreciation by management	.130	1.138	.569	2.276	.714
Participation in decision making	.379	1.460	.684	3.120	.328
Leadership style	1.735	5.670	1.580	20.351	.008
Leadership fairness	.627	1.872	.751	4.670	.179

Company policy	-1.025	.359	.124	1.041	.059
Good administration	-.460	.631	.255	1.562	.320
Responsibility	-.701	.496	.188	1.309	.157
Opportunity to lead projects	-1.034	.356	.143	.884	.026
Recognition	1.409	4.094	1.766	9.487	.001
Working conditions	.092	1.097	.486	2.475	.824
Fair treatment	-.437	.646	.344	1.212	.173
Just treatment	-.075	.928	.422	2.042	.853
Opportunity for growth	.680	1.974	.759	5.134	.163
Organization commitment	1.267	3.549	1.115	11.299	.032
Social benefits	-.922	.398	.129	1.228	.109
Timely promotions	.063	1.065	.591	1.918	.834
Work related training	1.445	4.242	1.761	10.216	.001
Workload	-.594	.552	.304	1.005	.052
Achievement in work	.431	1.539	.657	3.604	.321
A challenging work	-1.027	.358	.172	.744	.006
Job security	.277	1.319	.627	2.776	.466
Status in work	.805	2.237	1.135	4.407	.020
LGA status	1.027	2.792	1.165	6.691	.021
Advancement	-.756	.469	.166	1.326	.154
Reputation	2.222	9.230	2.252	37.819	.002
Work conditions	-1.099	.333	.146	.761	.009
Mismatch between skills and jobs	-.748	.473	.245	.914	.026
Poor supervision	.125	1.133	.528	2.432	.748
Job content	.503	1.653	.673	4.063	.273
Nature of work	.124	1.132	.643	1.995	.667
Office with good furniture	-.608	.544	.270	1.099	.090
Distance of work place from home place	.940	2.561	1.102	5.948	.029

Access to all weather road	-.382	.683	.348	1.337	.266
Access to clean water	-.123	.885	.426	1.838	.742
Access to national power grid electricity	1.222	3.395	1.389	8.296	.007
Access to Access to internet facilities	-.391	.676	.355	1.286	.233
Access to good health	.800	.449	.179	1.130	.089
Access to good house	.699	.497	.222	1.114	.090
Access to reliable public transport	-.590	.554	.226	1.357	.196
Access to banks	.197	1.218	.744	1.995	.433
Access to sim banking	-2.059	.128	.042	.387	.000
Access to good education	1.060	2.887	1.355	6.150	.006
Access to fertile arable land	.428	1.535	.640	3.683	.337
Business related culture	.613	1.846	.723	4.712	.200

**Note:**  $\hat{\rho} = 1.003304$ ,  $p = .000$ , Nagelkerke  $R^2 = .362$ , Classification = 75.2%.

**Source:** Field Data, (2016).