

**A SITUATIONAL ANALYSIS OF EMPLOYEES RESIGNATION AND
THEIR EFFECTS ON PRODUCTION IN THE MINING SECTOR IN
TANZANIA: THE CASE OF AFRICAN BARRICK GOLD**

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**A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT OF THE
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CERTIFICATION

The undersigned certifies that, has read and hereby recommends for acceptance of this research paper titled “The Situational Analysis of Employees Resignation and their effect in Production in Mining Sector in Tanzania: A Case of African Barrick Gold” in partial fulfilment of the requirements for the award of Master in Business Administration.

.....

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DECLARATION

I, Angela Njau hereby declare that this research paper is my original work and it has not been presented anywhere or will not be presented to any other institution for any award.

.....

Angela Njau

Date

DEDICATION

This dissertation is dedicated to my family members. May our Mighty Lord God keep them in a good healthy, Amen.

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Different people have assisted me in one way or another in writing this research work. These individuals have provided me with valuable assistance that improved the quality of this work.

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ABSTRACT

In recent times there have been concerns on the reasons and consequences of employees resignation within the mining industry. Almost all researches on employee resignation, and its corollary employee retention, have focused on other occupations and industries based in major population centers. This particular study focuses on “A situational Analysis of Employee Resignation and Their Effect on Production in the Mining Sector in Tanzania” by using the population of African Barrick Gold mines a subsidiary of Barrick Gold Cooperation. The general objective of the research was to determine the reasons which caused employees resignations at African Barrick Gold Mine in Tanzania. (Tulawaka, Bulyanhulu, Buzwagi and North Mara). The Methodology used by the study drew data from the four mines of African Barrick Gold Tanzania. A case study methodology was used; data being collected from questionnaires, interviews, company records, public documents and site visits. Site based human resource (HR) managers were the primary group of interviewees, however other sections of mine management were interviewed where possible. This study indicated that there was a higher rate of employees’ resignation in 2010 than in 2011. Although there was an improvement for rate of resignation in 2011 yet the company is facing the problem of turn over due to different reasons such as uncondusive working condition, unfair or inconsistent treatment of local employees compared to expatriates. The study recommended that recognition and empowerment play an essential part in reducing the resignation rates. Thus it is concluded that strategic policies should be employed in the organization in order to eradicate the rate of turnover and result in increased production.

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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Problem

In recent times there have been concerns on the reasons and consequences of employee resignation within the mining industry. Almost all researches on employee resignations and its corollary have focused on occupations and industries based in major population centres. This particular study focused on employee resignation vis-à-vis their effects on production in the mining industry.

The African Barrick Gold Mine in Tanzania, a subsidiary of Barrick Gold Cooperation (BGC) operates within its four Mine sites. The mines are cited in Shinyanga, Mara and Kagera Regions around Lake zone in Tanzania. In broad terms, employees turnover can be defined as “any departure beyond organisational boundaries’ (Mecy and Mirvis, 1976). This definition encompasses both voluntary and involuntary departures (for example dismissals) but excludes movements that result from positions being redundant. Resignation is departure due to voluntary reason.

Achoui and Mansour (2007) report defines employee turnover as “the movement of employees out of an organization”. It is a negative aspect, which is caused by failure of employee retention strategies in business organizations. Turnover as a result of resignation of employees disrupts teams, raises costs, reduces production, and results in lost knowledge. So, it is essential for the management to realize the importance of employee satisfaction.

The reported mine site rate of resignations were also influenced by the way contractors were used at the mine for performing jobs which were initially done by the employees who were employed by the company, which as a result some of the employees were under utilized as a result they resign due to dissatisfaction. In Some areas shortage of man power resulted to continuous fatigue to the remaining employees who were overloaded, as a result such employees become tired of the situation hence resigned.

Overall, while the sites in this study notionally defined employee resignations in broadly similar ways, there were differences between mines in terms of which employees were included in calculations. This limits the scope for comparing rates across sites. A standard definition of employee turnover applied to all sites would enable more understanding of the level of employees turnover within the company.

There was no set level of employee resignation that determined at what point resignation start to have negative impact on an organization's performance. Every indicator depends on the type of labour markets in which you compete. Where it is relatively easy to find and train new employees quickly and at relatively little cost (that is where the labour market is loose), it is possible to sustain high quality levels of service through attrition.

The study aimed at defining the main resignation factors in the ABG Tanzanian Mining Operations/ companies and develop general guidelines for employees' retention strategy within the Mining Industry and business context.

1.2 Statement of the Problem

There has been an increased rate of employee's exits from sites involving temporary contract employees or intra-company transfer were sometimes included and sometimes excluded, depending on the site within the mining industry. Increased number of resignations within the African Barrick Gold (ABG) in recent years has been a concern both employees who have stayed for the short time with the company; professionals and non-professionals of different cadre such as Mining Engineers, Geologist, Metallurgists, Mechanical Technicians, Accountants, Plant Operators and Machine Operators; and there have been concerns on the reasons and consequences of increased employee turnover through resignation which is a voluntary way of separation within the mining industry.

There has been a concern on the rate of increased of advertisement of open positions within the Company internally (internet and Intranet) within the mine sites and to the local news papers. Shukla and Sharma (2012) reported "Attrition rate as a reduction in the number of employees through retirements, resignation or death. High percentage of employees resignation is not desirable for the organisation because new workers are engaged in place of the workers who left the organisation."

Some of the employees who have left the company joined the new openings within the country on high positions and there have been a continuous poaching of the remaining employees from the company. Almost all research on employee resignations and its corollary has focused on occupations and industries based in major population centres. This particular study focused on employee resignation vis-à-vis their effects on production in the mining industry.

While there is plenty supply at entry level there are huge gaps in the middle Management and Senior Management levels. This has resulted in increased level of poaching and attrition cases. Shukla and Sharma (2012). Some employee resignations have been beneficial for workplaces and were also socially desirable because has attracted new skills and ideas to the company (or mine) and created new employment opportunities. However, there was broad agreement amongst practitioners and researchers that continuing high resignation rate has a number of negative impacts.

Firstly, resignations have been direct financial cost to employers. Specific costs vary between industries and occupations, and depend on the nature of the job and the difficulty in recruiting suitable replacement, but in broad terms include:

Separation costs such as administration costs associated with processing resignations and replacement/locum, time taken up in conducting exit interviews, productivity losses associated with impending departure, vacancy costs caused by lost productivity and/or additional costs such as overtime or contractor payments to cover for vacancies created by immediate departures.

Recruitment costs on advertising, employment of job search agencies, time and resources spent in processing applications, staff time involved in interviews, selection, travel costs for short-listed candidates and relocation costs for successful applicants and their families. Training and start-up costs which include the time of trainers and staff and of new employees taken up in inductions and on the job training, loss of productivity until the new employee reaches full production potential Beach *et al.* (2003).

By contrast, the problem of employees leaving due to resignations has direct impact on HR planning and recruitment processes. Replacing an employee is time-consuming and expensive (Sherman, Bohlander and Snell, 1998). For the past years, the experience of ABG Mines in Tanzania shows that labor resignations has proven to be problematic. It is costly in terms of administration of the resignation, recruitment costs, selection costs, and cost of covering during the period in which there is a vacancy.

Other problems of employees' resignation include lower productivity of the institution or organization in question and also it affects the morale of the remaining employees. The rationale of the study is the experience of the company has due to untimely resignation of both junior and senior employees of the company within the shortest time of their employment.

Therefore, this study has examined reasons that drove employees to resign at high rates and selected the best Industrial relation measure, remuneration or compensation program that would motivate them for increased performance, retention and reduced rate of resignations. It was to the interest of the researcher to investigate and determine the reasons for labour turnover due to high rate of resignations among the employees at the mentioned areas of study.

1.3 General Objective

The general objective of this study is A situational analysis of employees resignations and their effects on Production in the Mining sector Tanzania.

1.4 Specific Objectives

- (i) To identify the factors leading to employees resignation in Mining Industry.
- (ii) To identify the impact caused by the leaving employees on production.
- (iii) To identify the impact caused by the leaving employees on the morale of the remaining workforce.

1.5 Research Questions

- (i) What are the main factors leading to employees resignation in mining sector?
- (ii) What are the impacts of resigning employees on production?
- (iii) What are the impacts of the resigning employees on the morale of the remaining workforce?

1.6 Significance of the Study

The research recommended ways to improve human resource or labour management through decreased resignations. The study will enhance both staff and management awareness on employees resignation problem by availing them with significant knowledge of the problem meanwhile suggesting the best industrial relations practices that may serve as a retention strategy and consequently contribute to the reduction of operational and production costs. In addition, the recommendations on the concluded findings also correlated with the efforts so far implemented in reducing the employees resignations.

Further, the study has suggested ways to enable the company management to establish the root causes of employees resignations and their effect on production; also has helped to determine the extent which the management practices have

contributed to employees resignations and consequently enable management to form relevant Policies and procedures which can be implemented at all levels as a measure of eliminating the problem.

The study has also been useful as a basis of achieving the strategic goals for Barrick Gold Corporation which is the parent company of ABG, as enshrined in its Vision of undertaking exploration activities, acquisition, developing and production of quality gold reserves in a safe, profitable, and socially responsible manner. Additionally, the goal of ABG includes conducting training and development initiatives through fulfilling its strategic objectives which are confined in respecting its people, ensuring licence to operate, operational excellence, enhancement of financial strength and flexibility as well as growth.

CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Definition of Key Concepts

2.1.1 Employee Turnover

Employee turnover refers to the movement of employees in and out of a business. However, the term is commonly used to refer only to ‘wastage’ or the number of employees leaving. Sherman *et al.* (1998) found that, it is also one of the chief determinants of labour supply. Even though every other factors of production in the organization stays the same as employee’s turnover, the supply of labour will go down.

Labour turnover has also been defined as the “any departure beyond organisational boundaries’ (Mecy and Mirvis, 1976) this definition encompasses both voluntary (resignations) and involuntary departures (for example dismissals) but excludes movements that result from positions being redundant. Achoui and Mansour (2007) report has defined employee turnover as “the movement of employees out of an organization”. It is a negative aspect caused by failure of employee retention strategies in business organizations. Employees’ turnover disrupts work teams, raises costs, lowers production, and results in loss of knowledge.

Ongori, H (2007) cited several writes defining turnover as the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment (Abassi *et al.*, 2000).

2.1.2 Turnover Rate

The term “turnover rate” is defined by Price (1977) as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period. Frequently, managers refer to turnover as the entire process associated with filling a vacancy. Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995). This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regardless of reason.

2.2 Critical Theoretical Review

Although several studies have been conducted on this topic, most of the researchers focus on the causes of employee resignation but little has been done on the examining the sources of such employee leaving due to resignation, effects and advising various strategies which can be used by managers in various organizations to ensure that there is employee continuity in their organizations to enhance organizational competitiveness. An analysis and review of the relevant literature on the subject and the various factors and theories, will evidently throw light on which reasons contribute to employees to leave the institutions and which influence administrative/professional staff to their turnover.

2.2.1 Management by Objectives

Management by Objectives (MBO) was first outlined by Peter Drucker in 1954 in his book *The Practice of Management*. In the 90s, Peter Drucker himself decreased

the significance of organization management method, Drucker believes that Management by Objectives works if an employee knows the objectives.

The theory of management by objectives or MBO puts forth the premise that employees are more motivated by goals and objectives that they had a hand in setting. Rather than dictating instructions, quotas and goals from above, managers following an MBO philosophy include employees in strategic decision-making whenever possible, especially in decisions that directly affect employees' daily routines. Failure to put this approach into action can cause you to lose some of your brightest and most self-motivated employees. Not all employees truly care to set work-related goals for themselves and function just fine in more autocratic settings. The most innovative and internally driven employees, though, are more likely to leave a job that provides little or no opportunity for strategic input.

Managers can have a major impact on employee morale and turnover. Employee satisfaction is closely linked to employees feeling cared for and respected by their supervisors, reports business consultant Dr. Harold (Hap) Le Crone. In companies where employees feel undervalued, helpless or ignored there tends to be lower morale and higher turnover. Managers who are brusque, impersonal or viewed as overly demanding can also have a negative effect on morale. In these situations, employees may feel they are better off elsewhere and may be more likely to actively look for alternative employment.

Reference for business states that some experts feel that low employee morale leads to high turnover by creating an atmosphere where employees look for excuses to

leave. In these companies, employees are more likely to quit over issues such as low pay, poor management or feeling unappreciated. High turnover can then lower employee morale further, leading to a downward spiral of increasingly high turnover and lower morale. Employees with higher morale, in contrast, are less likely to leave even if their pay is low.

2.2.2 Herzberg's Two-Factor Theory of Motivation

Frederick Herzberg (1959), a behavioural scientist proposed a two-factor theory or the motivator-hygiene theory. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction". Herzberg classified these job factors into two categories.

Hygiene factors-are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if these factors are absent or if these factors are non-existent at workplace, then they lead to dissatisfaction. In other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as dissatisfiers or maintenance factors as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include pay- the pay or salary structure should be appropriate and

reasonable. It must be equal and competitive to those in the same industry in the same pay-domain

Company policies and administrative policies - the company policies should not be too rigid. They should be fair and clear. It should include flexible working hours, dress code, breaks, vacation, etc.

Fringe benefits - the employees should be offered health care plans (mediclaime), benefits for the family members, employee help programmes, etc.

Physical working conditions - the working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.

Status - the employees' status within the organization should be familiar and retained.

Interpersonal relations - the relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable. There should be no conflict or humiliation element present. Job Security - the organization must provide job security to the employees.

Motivational factors- according to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:

Recognition - the employees should be praised and recognized for their accomplishments by the managers.

Sense of achievement - the employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.

Growth and promotional opportunities - there must be growth and advancement opportunities in an organization to motivate the employees to perform well.

Responsibility - the employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.

Meaningfulness of the work - the work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.

2.2.3 Theory X and Theory Y

Douglas McGregor (1960) formulated Theory X and Theory Y suggesting two aspects of human behaviour at work, or in other words, two different views of individuals (employees): Theory X and Theory Y represent two opposing ends of the motivation spectrum. Theory X puts forth the premise that employees are inherently averse to work and must constantly be motivated from external sources. Theory Y puts forth the idea that employees can be internally motivated at work, finding fulfillment in striving to obtain goals that use their skills and experience. Neither Theory X nor Theory Y is inherently better than the other. Rather, the appropriate theory depends on the work setting and specific employees you are dealing with. Applying the wrong theory in your workplace can disappoint, confuse and aggravate employees, leading to increased employee turnover. A group of employees that sees

self-motivation and autonomous decision-making as important, for example, is not likely to stick around in a work setting that includes strict supervision at all times. The perception of managers on the nature of individuals is based on various assumptions.

Assumptions of Theory X- an average employee intrinsically does not like work and tries to escape it whenever possible. Since the employee does not want to work, he must be persuaded, compelled, or warned with punishment so as to achieve organizational goals. A close supervision is required on part of managers. The managers adopt a more dictatorial style. Many employees rank job security on top, and they have little or no aspiration/ambition. Employees generally dislike responsibilities. Employees resist change. An average employee needs formal direction.

Assumptions of Theory Y- employees can perceive their job as relaxing and normal. They exercise their physical and mental efforts in an inherent manner in their jobs. Employees may not require only threat, external control and coercion to work, but they can use self-direction and self-control if they are dedicated and sincere to achieve the organizational objectives.

If the job is rewarding and satisfying, then it will result in employees' loyalty and commitment to organization. An average employee can learn to admit and recognize the responsibility. In fact, he can even learn to obtain responsibility.

The employees have skills and capabilities. Their logical capabilities should be fully utilized.

Theory X presents a pessimistic view of employees' nature and behaviour at work, while Theory Y presents an optimistic view of the employees' nature and behaviour at work. If correlate it with Maslow's theory, we can say that Theory X is based on the assumption that the employees emphasize on the physiological needs and the safety needs; while Theory Y is based on the assumption that the social needs, esteem needs and the self-actualization needs dominate the employees. McGregor views Theory Y to be more valid and reasonable than Theory X. Thus, he encouraged cordial team relations, responsible and stimulating jobs, and participation of all in decision-making process.

2.2.4 McClelland's Theory of Needs

David McClelland and his associates proposed McClelland's theory of Needs/ Achievement Motivation Theory. This theory states that human behaviour is affected by three needs - Need for power, achievement and affiliation. Need for achievement is the urge to excel, to accomplish in relation to a set of standards, to struggle to achieve success. Need for power is the desire to influence other individual's behaviour as per your wish. In other words, it is the desire to have control over others and to be influential. Need for affiliation is a need for open and sociable interpersonal relationships. In other words, it is a desire for relationship based on co-operation and mutual understanding.

The individuals with high achievement needs are highly motivated by competing and challenging work. They look for promotional opportunities in job. They have a strong urge for feedback on their achievement. Such individuals try to get

satisfaction in performing things better. High achievement is directly related to high performance. Individuals who are better and above average performers are highly motivated. They assume responsibility for solving the problems at work. McClelland called such individuals as gamblers as they set challenging targets for themselves and they take deliberate risk to achieve those set targets. Such individuals look for innovative ways of performing job. They perceive achievement of goals as a reward, and value it more than a financial reward.

The individuals who are motivated by power have a strong urge to be influential and controlling. They want that their views and ideas should dominate and thus, they want to lead. Such individuals are motivated by the need for reputation and self-esteem. Individuals with greater power and authority will perform better than those possessing less power. Generally, managers with high need for power turn out to be more efficient and successful managers. They are more determined and loyal to the organization they work for. Need for power should not always be taken negatively. It can be viewed as the need to have a positive effect on the organization and to support the organization in achieving its goals.

The individuals who are motivated by affiliation have an urge for a friendly and supportive environment. Such individuals are effective performers in a team. These people want to be liked by others. The manager's ability to make decisions is hampered if they have a high affiliation need as they prefer to be accepted and liked by others, and this weakens their objectivity. Individuals having high affiliation needs prefer working in an environment providing greater personal interaction. Such

people have a need to be on the good books of all. They generally cannot be good leaders.

2.2.5 Expectancy Theory

The expectancy theory was proposed by Victor Vroom of Yale School of Management in (1964). Vroom stresses and focuses on outcomes, and not on needs unlike Maslow and Herzberg. The theory states that the intensity of a tendency to perform in a particular manner is dependent on the intensity of an expectation that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual.

The Expectancy theory states that employee's motivation is an outcome of how much an individual wants a reward (Valence), the assessment that the likelihood that the effort will lead to expected performance (Expectancy) and the belief that the performance will lead to reward (Instrumentality). In short, Valence is the significance associated by an individual about the expected outcome. It is an expected and not the actual satisfaction that an employee expects to receive after achieving the goals. Expectancy is the faith that better efforts will result in better performance. Expectancy is influenced by factors such as possession of appropriate skills for performing the job, availability of right resources, availability of crucial information and getting the required support for completing the job.

Instrumentality is the faith that if you perform well, then a valid outcome will be there. Instrumentality is affected by factors such as believe in the people who decide

who receives what outcome, the simplicity of the process deciding who gets what outcome, and clarity of relationship between performance and outcomes. Thus, the expectancy theory concentrates on the following three relationships:

Effort-performance relationship: What is the likelihood that the individual's effort be recognized in his performance appraisal?

Performance-reward relationship: It talks about the extent to which the employee believes that getting a good performance appraisal leads to organizational rewards.

Rewards-personal goals relationship: It is all about the attractiveness or appeal of the potential reward to the individual.

Vroom was of view that employees consciously decide whether to perform or not at the job. This decision solely depended on the employee's motivation level which in turn depends on three factors of expectancy, valence and instrumentality.

The expectancy theory puts forth the premise that employees will put forth an amount of work and commitment equal to what they expect to receive in return. Commission compensation structures leverage this theory by allowing employees to earn as much money as they desire, completely based on their job performance. Making sure that employees always expect future pay raises and potential job promotions can keep them working hard to achieve personal goals. If employees expect little compensation and no growth opportunities in return for their work, they may put forth only minimal effort until they eventually look to a new employer for new opportunities

2.3 General Discussion of the Topic

According to CIPD (2010), *Employee Turnover and Retention, a Recruitment, Retention and Turnover Survey 2009* carried out in UK by Chartered Institute for Personnel and Development (CIPD) revealed that turnover levels vary between industries. The highest levels of turnover (16.8%) are found in private sector organizations. Successive CIPD surveys of labour turnover show that the highest levels are typically found in retailing, hotels, catering and leisure, call centres and among other lower paid private sector services groups. Turnover stands at 16.4% in voluntary, community and not-for-profit organizations and the public sector has an average turnover rate of 12.6%. The CIPD used such methods as personal interview of chief executives, senior staff and junior staff of industries and companies in diverse sectors.

Another methodology used to collect data constituted use of written questionnaires which were circulated to management members of companies, trade unions, senior and junior workers for them to answer. The selection of respondents was based on reasonable sample sizes which included different calibres of employees. The study recommended application of human motivation principles by organizations in order to retain their good employees. Such motivations strategies include fair pay, good working conditions, employees' recognition for their efforts/contributions. Since the findings of this study reveals a significant rate of labour turnover (16.8%) in private sector it is consistent with this very study hence putting thrust and incentive to carry out a study on labour turnover at ABG which is a company in a private sector in Tanzania.

In several human resources department monthly reports within the company as a whole indicated some of the factors which have caused employees resignations as been recorded on exit interview papers which include Job dissatisfaction, Working environment, inadequate pay, and poor management. The study has investigated the correlation between individuals' job satisfaction and their level of education. However there has been a concern that in recent years that both employees who have stayed for the short time with the company; professionals and non professionals of different cadres such as Mining Engineers, Geologist, Metallurgists, Mechanical Technicians Accountants, Plant Operators and Machine Operators; have been resigning mostly in twenty four (24) hours bases and most of these did not do the exit interview as they did not serve notice of 28 days as required by the law in spite of the fact that the same employees have been affected by been deducted from their terminal benefits; which contribute on the reasons and consequences of increased employee turnover within the mining industry. There have been a concerns on the rate of increased rate of advertisement of open positions within the Company internally (internet and Intranet) within the mine sites and to the local news papers.

The other reason for quitting as per exit interviews were that highly educated employees when join company have very high expectation from their job which remain unsatisfied due to the Name of the Company ("Gold Company"). However, when these assumptions fall short of reality job satisfaction goes down. High employee resignations can be a serious obstacle to productivity, quality, and profitability at firms of all sizes the study through the questionnaires has investigated and established ways from the Management perspective which assist to justify and

come up with the actual cost associated with such employees resignations during the course of replacement and inductions and other training for the new employees before they can perform as the employees who left the company.

For the smallest companies, a high turnover rate can mean simply a challenge of having enough staff to fulfil daily functions, irrespective of how well the work is done when staff is available. Turnover is no less a problem for major companies, which often spend millions of money a year on turnover-related costs. Researcher studied on how Working environment form part of factors that impact on organization performance, in the absence of working equipment/facilities, fear, insecurity, fear of making errors, losing an assignment, probability of being fired and pay cuts are inevitable.

However the researcher has revealed on how pay structures has been a contributing factors to the recent resignations compared to the labour market as there have been cases of employees leaving ABG sites and joining other mining companies. Monetary benefits are important motivational factors to employees as they guarantee physiological and security needs.

Some of the concerns raised in several feedback meeting on the remaining employees there were several issues indicated such as instability in the workforce due to shortage of manpower, consequences can include increased stress and tension amongst those remaining employees who have to fill the gaps left by departing employees, declining employee morale, and decreased productivity due to loss of work group synergy.

However, the remaining employees had opportunities to express their feelings on how they were affected by the mine site rate of resignations; and were also influenced by the way contractors were used at the mine for performing jobs which were initially done by the employees who were employed by the company, which as a result some of the employees were under utilized as a result resign due to dissatisfaction. Some areas shortage of man power resulted to continuous fatigue as a result the employees become unable to tolerate the situation hence resulted to resignations.

Another concern were extension of departmental activities and functions, formation of new level of management in the organization, raise in production facilities and a target of higher productivity. Alteration in technology, methods, process and operations as well as alteration in legal terms. New ventures and activities taken up by the organization by taking preventive actions.

2.4 Empirical Study

2.4.1 The Big Five Personality Model (Five Factors Model)

Studies conducted by McShane and Von Glinow, (2000) and Robbins (2000) as cited by Werner (2007), states that extensive and intensive research during recent years has condensed long and confusing lists of personality traits to five basic personality dimensions. The associated characteristics describe a person who has scored high on the particular dimension.

A person who scored low will exhibit opposite characteristics. For example, the person who scored low on extroversion was reserved, quiet, submissive and

withdrawn (introvert). The Judge *et al.* (1997) study as cited by Neubert (2004) produced interesting results considering the research on job satisfaction and the results of the research suggests that extraverted individuals are more satisfied in the workplace, because work gives them an opportunity to experience an optional level of aroused, whereas introverts individuals are less satisfied in the work place due to too much stimulation.

2.4.2 Perception and Attitudes Job Satisfaction Model

The impact of perception and attitudes on job satisfaction is considered. The aim of this is to hopefully give further insight and to establish whether personality influences job satisfaction.

Champoux (2006) opinion about attitudes is that an attitude is “a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a given object.” An attitude object can be anything in a person’s environment, including physical objects, issues, ideas, events, and people. The evaluative or effective part of the definition is central to the concept of attitude. It conceptually distinguishes an attitude from other psychological concepts such as need, motive and trait.

Martin (2005) believed that there are at least two ways in which perception and individual difference could be associated. Firstly, perceptions could be influenced factors located within the personality. Secondly, personality could at least in part be formed by the ways in which people perceive and interact with the world around them. Figure 2.1 in describing a simplified model of person perception reflects the

first of these possibilities. One of the factors influencing the perception of other people is indicated as the perceiver's characteristics. In other words who we influence the ways in which we relate to and interpret other people. The second possibility is through environmental influences on personality development.

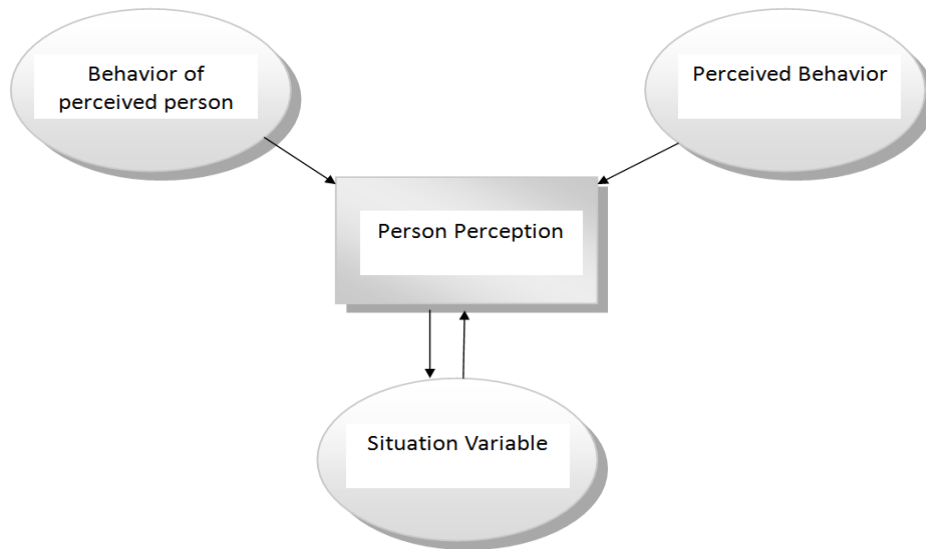


Figure 2.1: Person's Perception Model

Source: Modified by Martin, (2007)

2.4.3 Importance of Understanding Personality

Werner (2007) is of opinion that a general knowledge of personality contributes to a better understanding of human behaviour in the work place and specifically fosters an appreciation for diversity. From the above findings, managers who have knowledge of and appreciate personality differences will not try to change employees who are different from them, but will understand these differences and utilize them in situational appropriate ways. The manager will assign a creative employee projects and tasks that require creative thinking, and place an employee who is very sociable in a position where he or she can work with people such as customers.

The type A personality is characterised by impatience, a chronic sense of time urgency, enhanced competitiveness, aggressive drive, and often some hostility. The type B personality lacks these type A characteristics. Individuals with a type A personality have been shown to report more work stressors and strain than individuals with the type B personality. Specifically type A individuals reports more psychic complaints and responsibilities for people, higher levels of quantitative workload and more overtime worked per day, and higher diastolic blood pressure. They also report a higher incidence of stressful events and recent life changes, and are more likely type Bs to evaluate their jobs as stressful (Hagihara, Tarumi and Morimoto, 1998).

Employee turnover remains one of the most widely researched topics in organizational analyses Dalton and Todor (1981). Despite significant research progress there still remains a great deal of confusion as to what factors actually cause employees to leave/remain in the organizations. Among those are the external factors (the labour market); institutional factors (such as physical conditions, pay, job skill, supervision and so on); employee personal characteristics (such as intelligence and aptitude, personal history, sex, interests, age, length of service and so on) and employee's reaction to the job (including aspects such as job satisfaction)

2.4.3 Workforce Turnover in FIFO Mining in Australia

“Workforce Turnover in FIFO Mining Operations in Australia” by Beach, R. *et al.* (2003), on their study which was done in three mines in Western Australia and six in northern Queensland came up with the below findings

- taking steps to encourage contractors to address workforce stability issues

- Supporting research to establish a reliable and comprehensive costing of employee turnover through resignation specifically for the mining industry.

Another useful source of data is the Australian Bureau of Statistics (ABS) Labour Mobility survey which reports on the mobility of the workforce nationally, as well as providing comparative data across industry sectors (ABS Labour Mobility Report Workforce Turnover through resignation in FIFO Mining Operations in Australia



Figure 2.2: Employee Turnover Rates

Source: Australian Bureau of Statistics (2003)

The above Figure 2.2 indicates mines with principal contractors resignation rates for these mines exclude personnel employed in mining operations. All sites in this study made substantial use of contractors, with three sites using a principal contractor to undertake the mining function. A range of rosters were utilized, but most were loosely based on a 2:1 ratio of work days to rest days. All sites were well into the

production phase of mine life and none were approaching closure. Employee resignation was defined in broadly similar ways by all sites (exits/total employees), but there were different definitions of exits. In addition, companies recorded resignations only for their own employees, not contractors.

Company employee resignations for the FIFO sites varied from 9.7 per cent to 28.3 per cent. There was a marked difference in the resignation rates of the two town based sites (7.8% and 27.0%). Turnover of company employees was lower at owner-operated mines than at mines that had contracted out the mining function. Evidence from other studies indicates that FIFO sites tend to experience higher turnover than non-FIFO operations.

However, it is also clear that some FIFO operations perform significantly better than others in terms of employee retention. There was little evidence to support argument that employees werewilling to trade-off longer rosters for higher take-home pay. In fact, the ability to earn greater annual pay on longer FIFO patterns (e.g. working a 21/7 roster) was associated with higher employee turnover.

Managers often see the external labour market as a major factor in employees' decision to leave. However, the literature suggests that the availability of attractive alternative jobs is not necessarily the primary motivator for employee exits. Consistent with this argument, some sites seemed to have been considerably more successful than others in insulating themselves from market pressures. Based on other research, it seems likely that differences in resignation rates between sites are at least partly attributable to differences in workplace culture, although additional

research is required to understand how this mechanism operates. Employee turnover can vary markedly between mine sections.

Generally speaking, turnover appears to be higher amongst professional and managerial staff, and higher in the mining operations area compared to the mill or maintenance areas. There is little evidence to support the commonly held view that resignation rates tend to stabilise at a 'natural' level once a mine has been in operation for a few years, or that turnover typically follows a cyclical pattern. Specific events and management interventions appear to be major determinants of changes over time in site-level resignation rates.

2.4.4 Model of Turnover

Organizational theorists have mapped the processes that lead to voluntary employee turnover (resignation), based on research in different industries over the past 40 years. The decision of an employee to leave the organisation is the culmination of many preceding events and influences, some of which originate from outside the workplace, others which arise directly from company policy and policy implementation.

The model draws upon the wider human resource literature to represent different factors that can impact on turnover rates at particular sites, and the interactions between these factors and also identifies the main influences on employee retention that the employer has direct influence on such as:

Workplace conditions organizational policy, implementation, Management of group dynamics, remuneration levels, Job design example opportunity for skills

development, commute type (example FIFO DIDO, daily communiting), Work roster such as 14 days on 7 days off with nights. These factors contribute to employees' level of satisfaction with their job.

The theory also discusses external influences on employee satisfaction include: Personal attributes including personality factors, and the level of work-home conflict example partner's career opportunities, absence from home. This last factor is influenced in turn by work demands on the employee, nominally represented in this model by the link between work roster and work-home conflict. Whether an employee decides to stay or leave a workplace will largely depend on whether these different factors have a positive or negative overall impact on employee Satisfaction. (Vandenberg and Nelson 1999, Weil and Kimball 1995).

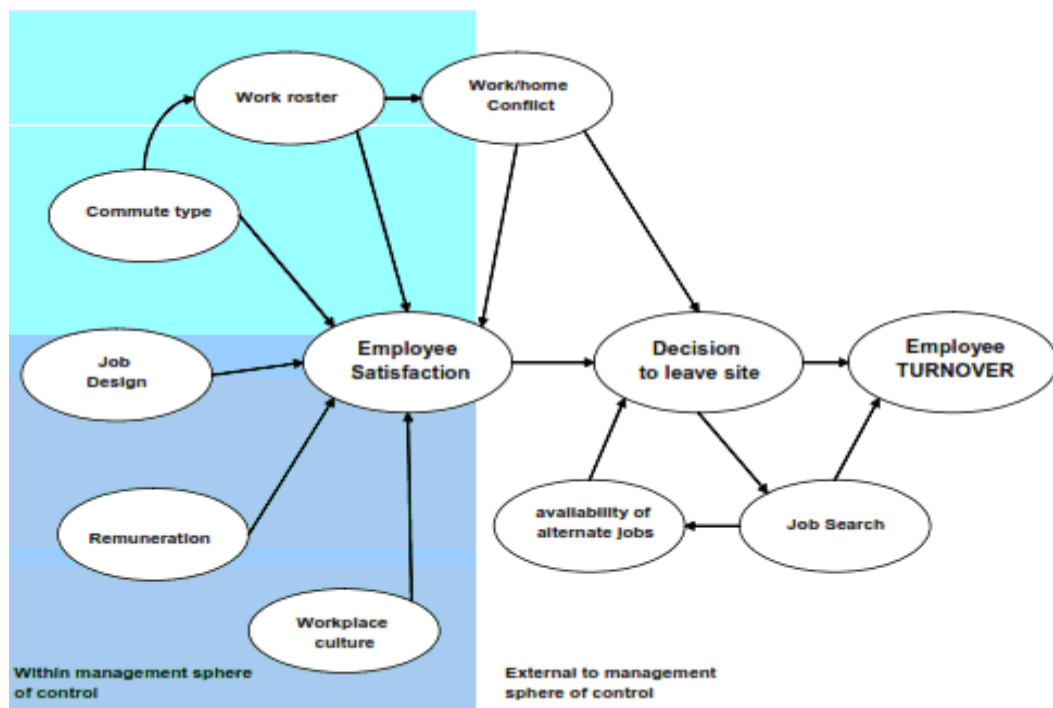


Figure 2.3: Conceptual Model of Factors Contribute to Employee Turnover at Mine Site

Source: Journal of Academy of Management

The external to management sphere of control identifies the factors like availability of alternative work due to new openings within the same geographical area and work family /balance as the determinant which produces exodus of a desire to leave which translates into an actual resignation. The main influence at this stage is the availability of alternate work. By then, the decision to leave has been made and the employee's focus is on assessing alternative employment options and timing the departure. For employees, this stage is often accompanied by an emotional and behavioural withdrawal from the organisation, and consequent loss of productivity (Birati and Tziner, 1996).

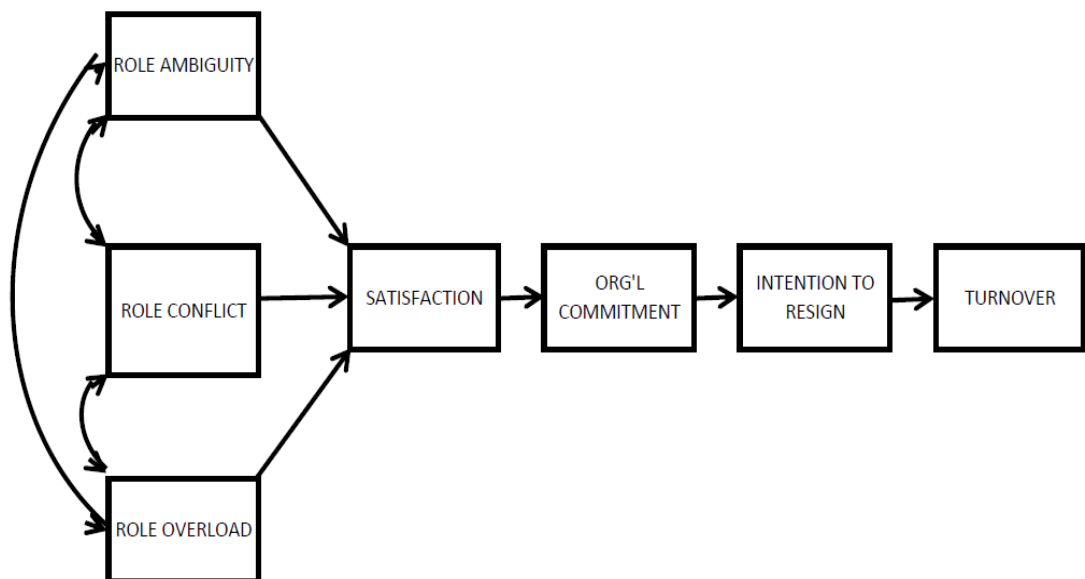
Professional employees are likely to leave a workplace when they are dissatisfied, regardless of whether the employment market is strong or weak. Production employees, on the other hand, will leave when they are dissatisfied and there is another job opportunity (Trevor, 2001). The research literature suggests that strategies to improve employee retention should focus on issues within the organisation's control; that is, issues which affect job satisfaction, organisational commitment, work-home balance and so forth (Weil and Kimball, 1995).

2.4.5 Hypothesized model

Figure 1 displays the results of the path analysis and appears to provide strong support for the hypothesized model. The considerable magnitudes of the path coefficients may be taken as support for the Hypothesized indirect effect of the role stressors through satisfaction and organizational commitment upon intention to resign and turnover.

Table 2.1: Mean standard Deviation and intercorrelations of Variables Studied

	Mean	Standard Deviation	1	2	3	4	5	6
Role ambiguity	15.53	4.84	0	35	28	-37	-46	35
Role conflict	24.95	6.32	35	0	62	-43	-38	28
Role overload	14.83	3.96	28	62	0	-36	-35	29
Job satisfaction	95.9	16.79	-57	-44	-36	0	67	-51
Org. commitment	32.28	6.31	-42	-37	-33	67	0	-70
Intention to resign	6.43	3.07	33	30	31	-48	-10	0
Turnover	0.29	0.43	14	0.4	0.2	-12	-19	26

**Figure 2.4: Path Diagram for Hypothesized Model**

Source: The Academy of Management Journal

Findings indicate that organizational commitment was found to exhibit a strong, negative direct effect upon intention to resign. In terms of the variance explained, 70 percent of the standard deviation of the intention to resign variable is explained by

the unmediated effect of organizational commitment. Intention to resign, in turn, exhibits a direct effect upon turnover.

The results of the research confirm the direct and indirect linkages from role stressors to employee turnover, as hypothesized in the model. These findings support the suggestion that the experience of role stressors can ultimately result in employee turnover, through a sequence of intervening linkages. These results also demonstrate that stressors can impact upon not only "personal" outcomes, but outcomes such as turnover, which are crucial for the economic viability of organizations. In addition, the research illustrates that organizational efforts to identify and alleviate stress problems may produce positive benefits for retaining personnel.

The present research also provides some clarity regarding the sequencing of satisfaction, commitment, and intentions in the turnover process. The hypothesized sequence from dissatisfaction to lowered commitment to intention to resign was supported by the data for these managerial-professional employees. As discussed earlier, each of these constructs has been demonstrated in the literature to be important for turnover, but the sequencing has been a somewhat unresolved issue. More research on the process is necessary, however, to determine if this sequence holds up across diverse samples and settings. Longitudinal data, as opposed to the Present cross-sectional approach, will be needed to capture the development of the attitudes and intentions over time. Mobley (in press) has recently pointed out the dearth of longitudinal research which captures the dynamic nature of turnover as a "process

2.5 Research Gap

Although several writers have highlighted on the causes of employee turnover, estimated costs associated with such costs, they have not mentioned on the extent to which the management practices affect the employee turnover on the aspect of impact of the compensation and benefits on the employee turnover and the cost associated by the leaving employee in terms of replacement and or recruitment.

Orientation and training costs where there is ongoing instability in the workforce, consequences can include increased stress and tension amongst those remaining employees who have to fill the gaps left by departing employees, declining employee morale, and decreased productivity due to loss of work group synergy therefore the researcher undergo this research in order to enable the companies to have a clear understanding of the factors which cause increased resignation rates and their impact and to be at the position to interpret trends and patterns correctly in order to reduce the operating costs.

2.6 Conceptual Framework

The researcher has used the framework or model designed in Figure 2.5. The process of employee turnover, to conceptualize the problem, showing what variables and relationships were involved and the probable strategies for solving.

It is not necessary for all of the possible problems suggested by Figure 2.5 to exist in order for an organization to have resignation problems, especially under tight labour market conditions. In order to understand the reasons behind employees' decisions to

leave ABG and seek other employment, a research study has been undertaken in all ABG Mine sites and came up with the reasons leading to such resignations especially through the exit interviews which are normally done by the employees who resign from different roles within the company and through questionnaires and interviews.

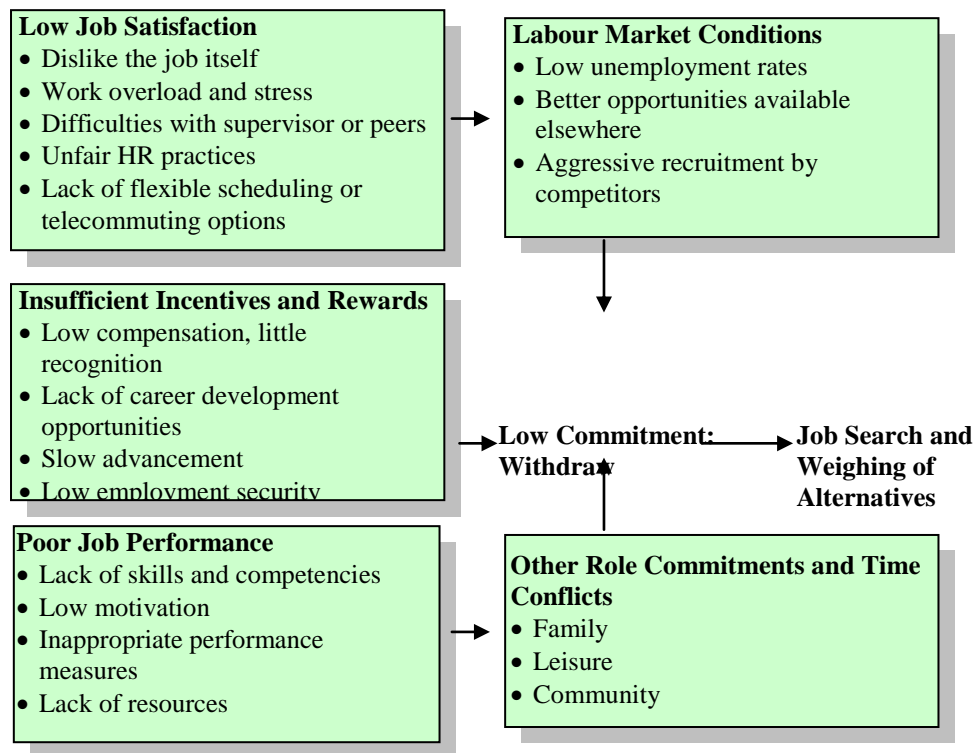


Figure 2.5: The Process of Employee Turnover

Source: Researcher findings from ABG

According to the various exit interviews done to the exiting employees resignations in ABG has resulted from change of company policies, Management changes, lack of recognition by the management, management group dynamics, remuneration levels, work family balance, dissatisfaction due to the current jobs and no clear career development plan, lack of fulfillment of promises due to politics have contributed to the level of satisfaction within their jobs and the consequences of high employees

resignation within the Barrick context has increased recruitment cost and high costs of retaining the employees.

Studies of employee turnover in other industries have concluded that, for skilled employees in particular, the decision to quit is driven more by organisational and career-fit factors in their present job than by availability of more attractive employment opportunities elsewhere (Trevor, 2001; Vandenberg and Nelson, 1999). Job satisfaction has a much stronger influence on employee turnover than the condition of the external labour market. That is, highly skilled employees quit primarily because they are dissatisfied with their current job, not because of job opportunities elsewhere. In an environment of fewer job opportunities the less skilled workers will take longer to leave (Trevor, 2001).

2.6.1 The Elements or Variables

In this section, the researcher identified and described the characteristics of the variables considered in the framework or model (Figure 2.5). These are also the variables that will be measured in data analysis. The researcher defined the dependable variables and gives the supporting theory or literature. Employee's resignations may mean poor personnel policies, poor recruitment policies, poor supervisory practices, poor grievance settling procedures, or lack of motivation. All these factors contribute to high employee turnover in the sense that there is no proper management practices and policies on personnel matters hence employees are not recruited scientifically, promotions of employees are not based on spelled out policies, no grievance procedures in place and thus employees decides to quit/resign.

There are also independent factors which make employees to quit from organizations and these are poor hiring practices, managerial style, lack of recognition, lack of competitive compensation system in the organization and toxic workplace environment (Abassi *et al.*, 2000). Reggio (2003) concluded that: "... it is important that companies strive to keep workers satisfied. Happy workers may be less likely to be absent from their job voluntarily or to look for work elsewhere"

2.6.2 Relationship between the Elements

The researcher established and described the nature of relationship existing among the variables used in the framework or model. The researcher used the framework (Figure 2.5) to show the relationships that exist between dependent variables such as low job satisfaction, insufficient incentives and rewards, and poor job performance contribute to decisions of employees leaving the organization.

According to the various exit interviews done to the exiting employees resignations in ABG have resulted from independent variables such as change of company policies, management changes, lack of recognition by the management, management group dynamics, remuneration levels, work family balance, dissatisfaction due to the current jobs and no clear career development plan, lack of fulfillment of promises due to politics have contributed to the level of satisfaction within their jobs and the consequences of high employees resignation within the Barrick context has increased recruitment cost and high costs of retaining the employees.

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CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Research Paradigm

The research is qualitative as it is concerned with the qualitative phenomenon relating to quality or kind. The interest of the study is to investigate the reasons for human behaviour, that is why people think or do certain things. It is designed to find out how people feel or what they think about a particular subject or institution. Qualitative research is especially important in the behavioural sciences where the aim is to discover the underlying motives of human behaviour Kothari (2004).

The investigation is supposed to reveal the facts and reasons of employees resignations at African Barrick Gold Mine Sites of Tulawaka, Bulyanhulu, North Mara and Buzwagi in Tanzania. The study further examined the weaknesses and strengths of the private sector as an employment ally with public sector. The extreme study examined and identified the reasons of high employee resignations in private sector as a problem in human resource management in today's world of globalization. The research design was descriptive vs. analytical.

Descriptive as it includes surveys and fact-finding, comprises of different kinds. This type of research design is eminent since the researcher has no control over the variables; he can only report what has happened or what is happening. The methods of research utilized in descriptive research are survey methods of all kinds, including comparative and correlation methods Kothari (2004). In analytical research, on the

other hand, the researcher used facts or information already available, and analyse these to make a critical evaluation of the material (Kothari, 2004).

3.2 Research Design

The researcher used non probability sampling design of selecting each case from the population which is not known. The items for the sample were selected deliberately by the researcher, her choice concerning the items remains supreme. Purposive sampling/Judgmental which based on convenience sampling, judgement sampling and quota sampling techniques.

The sample involved selection of units of the universe for constituting a sample which represents the universe. When the population elements are selected for inclusion in the sample based on the ease of access known as convenience sampling. At times such a procedure may give such biased results particularly when population is not homogenous. In judgmental sampling researchers judgment is used for selecting items which he/she considers as representatives of the population. Judgmental sampling is used frequently in qualitative research where the desire happens to develop the hypothesis rather than to generalize to larger populations Kothari (2004).

3.2.1 Area of Study

The setting of the study area was Tulawaka, Bulyanhulu, North Mara and Buzwagi which are the four entities of ABG Company. The target sample was employees of different levels from junior to senior levels in all departments (on production and administrative/supporting staff) and of all professionals.

3.2.2 Population of the Study

The population of study was 500 employees, sample randomly selected 100 individuals who are employed at Tulawaka, Bulyanhulu, and Buzwagi mines of Tanzania between the years 2007-2010. These employees will be of the age from 25 years to 65 years. The profile had 75 male and 25 female which comprised of holders of Diploma 40%, Bachelor degree 30%, Master's degree 10%, and Others 20%. Kothari (2004:62), concluded that the selection of each item in a random sample from an infinite population is controlled by the same probabilities and that successive selections are independent of one another.

The population also regarded gender, section/departments and profession. The sample size larger than 30 and less than 500 are appropriate for most research (Sekaran, 1992). The sampling techniques that were adopted in this study are stratified random sampling and purposive sampling. Stratified random sampling was employed for current employees of ABG. Different departments at ABG were taken as strata. Reasons for choosing this technique was twofold, one is that employees in each department are known therefore it was easy to construct a sampling frame. The others this technique gave an opportunity to include respondents from each department hence more representation.

Purposive sampling was based on researcher's reasonable judgement that the selected sample will give reliable information helpful for this research. According to Saunders *et al.* (2000), purposive or judgement allows the researcher to make a choice of cases which according to his/her own view/opinion or judgement that will give information which is in line with the objectives stated.

3.2.3 Sample and Sampling Technique

Sample Size

The sample size to be used for the research will be:

$$N = \frac{z^2 \times Q \times P}{D^2}$$

Where;

N = the desired sample size

Z = 1.96 which is the standard normal deviation at required normal confidence level

P = the portion in target population

Q = 1 – p

D = the level of statistical significance

Therefore,

$$N = \frac{(1.96)^2 \times (1 - 0.085) \times 0.085}{(0.05)^2}$$

$$N = 119.51$$

To check the adequacy of the sample size, the researcher performed a power analysis. This is the capacity of the study to detect differences or relationships that actually exist in the population. The minimum acceptable level of power for a study is 0.8, or 80% (Cohen, 1988).

$$P = \frac{100}{119.51}$$

$$119.51$$

$$P = 0.836 \approx 84\%$$

Therefore, the sample size qualified the standards for the researcher to use the sample size 119.51 which is approximately 120 respondents of the accessible population. But due to limitations of resources, which are time and finance, the researcher used 84% of the respondents which is about 100 respondents to represent the 180 employees. With sampling, researcher inferred population characteristics from a sample. Factors that led the researcher into choosing sampling against survey were budget, time availability, population size, variance characteristics, nature of measurement, and attention to individual cases (Bryman, 2003).

Respondents were identified and chosen from a population (sampling frame) of about 120 employees in each of the four mines of the African Barrick Gold namely Tulawaka, Bulyanhulu, North Mara and Buzwagi. A sample size of 30 respondents from total sample of 120. Thus a total of 120 respondents from the four mines formed the study sample which was as good representative of the main population. However, until the end of the study only 100 respondents from this category were obtained. Out of these, 25 came from Tulawaka, 20 from Bulyanhulu, 30 from North Mara and 25 were obtained from Buzwagi.

Thus, the sample size of this study consisted of 60 middle cadre employees who included professionals, technicians and administrative staff. On the other hand 30 employees were from lower cadre and 10 from top management. According to Hogg and Tanis (1977), 25 to 30 observations are enough for analysis and reporting purposes. However, this study used 100 respondents so as to increase the level of accuracy and confidence.

There are situations in real life under which sample designs other than simple random samples may be considered better (easier to obtain, cheaper or more informative) and as such the same may be used. In a situation when random sampling is not possible, we have to use necessarily a sampling design other than random sampling. At times, several methods of sampling may well be used in the same study Kothari (2004).

3.3 Data Collection

In dealing with real life problem data at hand are inadequate and hence it become necessary to collect data that are appropriate. There are several ways of collecting the appropriate data which differ considerably in context of costs, time and other resources at the disposal of the researcher Kothari (2004).

3.3.1 Types of Data

Primary Data- are those data which are collected afresh and for the first time and thus happen to appear original in character either through experiment or through survey. If the researcher conduct an experiment, he/she observes some quantitative measurements of the data with the help of which he examines the truth contained in hisher hypothesis Kothari (2004). Secondary data- are data that are already available or data which have been collected and analysed by someone else. When a researcher utilizes secondary data then he/she has to look in various sources from where he/she can obtain them, Kothari (2004).

3.3.1.1 Primary Data

Primary data are original data collected for the purpose of problem at hand. These includes original letters, survey, focus group discussions, interviews, government

hearings etc. Primary data comes from the original sources and are collected especially to answer our research questions.

Primary sources are records of events as they are first described, without any interpretation or commentary. The primary data can be collected by observation i.e. investigator's own observation, through personal interviews where the investigator follows a rigid procedure and seek answers to a set of pre conceived questions through personal interviews. It also involves telephone interviews which involves contacting the respondent, mailing of questionnaires to the respondent with the request to return the same after completion. Advantages of primary data is that the researcher can collect precisely the information they want. Researcher can specify the operational definitions used and can eliminate, or monitor and record the extraneous influences on the data as they are gathered.

3.3.1.2 Secondary Data

Secondary data are existing, usually are published data available in various publications of central, state and local governments; various publications of foreign governments or international bodies and their subsidiary organisations- technical and trade journals; books magazines and newspapers; reports and publications of various associations connected with business and industry, bank stock exchanges; reports prepared by research scholars; various universities; economists in different field and public records and statistics; historical documents and other unpublished biographies. Before the researcher using the secondary data must see that they are reliable suitable and adequate Kothari, (2004).

3.3.2 Data Collection Method

Data collection method was questionnaires, this was be the heart of the research operation. The questionnaires had well-elaborated questions which provided the needed information for the research. The method has been chosen due to the merits it has such as there is low cost even when the universe is large and widely spread geographically; it is free from bias of the interviewer because the answers are in respondents' own words; respondents have adequate time to give well thought out answers; respondents who are not easily approachable can be reached conveniently and large samples can be made use of and thus the results can be made more dependable and reliable.

The method has some of the main demerits such as it has low rate of return of the duly filled in questionnaires due to the fact that some of the respondents are too busy or forget to respond as result some do not respond; biased due to no-response is often indeterminate; it can only be used when the respondents are well educated and cooperating; the control over the questionnaire might be lost once it is sent; there is inbuilt inflexibility because of the difficult of amending the approach once questionnaires have been dispatched; the method also can create the possibility of ambiguous replies or omission of replies altogether to certain questions of which interpretation of the omission is difficult; it is also difficult to know whether willing respondents are truly representative and the method is likely to be slower. Kothari (2004).

The advantage of using questionnaire within the ABG contest is easy to reach a great population of the company as the Company has four mine sites in Shinyanga, Mara

and Kagera regions which cover large geographical area and the demerit of the method is that it can only be used to respondents who are educated and cooperating which hinder the researcher to get feedback from the low cadre employees. The reason for the preference of primary data versus secondary data is that with each transfer from one source to another, the information may be inadvertently or deliberately distorted (Welman, 2001). However, secondary data is an interpretation of primary data.

Therefore, this study applied both primary as well as secondary data. This is because the researcher wanted to get specific information on the study and also required to base the information on the actual performance of the organization for the sake of examining the problem of employee's turnover and its impact on organization performance using the case of African Barrick Gold mines. The secondary data was sought from organizations' previous reports while the primary data was obtained through self-administered questionnaires by employees, and guided interviews conducted to the respondents from the top management cadre. The researcher found it necessary to make middle and lower cadre respondents fill in the questionnaires due to their greater number, compared to the respondents from top management due to their smaller number which made it easy to interview them in order to get more accurate information promptly.

3.4 Data Analysis

The statistical data collection and analysis including descriptive statistics such as plots, graphs charts was generated for interpretation by SPSS v.12 and/or SPSS v.16

in accordance to outlined purpose of the research. The processing involved editing, coding, classification and tabulation of data to generate significant and meaningful outcome intended to address the research problem.

Pre-Test (Pilot Study)

Experiment designed to test logistics and gather information prior to a larger study, in order to improve the latter's quality and efficiency. After designing the questionnaire and before embarking onto the actual study and start collecting data, the questionnaire was pre-tested to assess its clarity and acceptability. To refine my questionnaire a pilot survey was conducted to determine the reliability of the study and estimating the anticipated completion time Kothari, (2004). The study found that there were statistically significant improvements in anticipated research objectives. Participants found the meditation to be enjoyable and beneficial and perceived their cognitive function to be improved.

3.5 Validity of Data

The use of the primary and secondary data, the context of different theories and well reviewed literature examined the validity of the research. It is usually considered better to rely on the straight forward statistical methods with only supplementary use of projective techniques in pre-testing and in searching for hypothesis they can be highly valuable Kothari, (2004).

Validity on the other hand, refers to the extent to which the concept one wishes to measure is actually being measured by a particular scale or index (Sirkin, 1995). As regard to the logic of qualitative research like this one, two methods are suggested

for validation, i.e. triangulation of data and methods and respondent validation (Silverman, 1993).

3.6 Reliability of Data

The control questions on the questionnaires and the chosen respondents proved the reliability of the research. The reliability of data can be tested by finding out information about the said data such as who collected the data? What were the sources of data? Where were they collected and by using proper methods? At what time were they collected? Was there any bias of the compiler? What accuracy was desired and was it achieved? Kothari (2004).

Reliability of a measure refers to the consistency with which repeated measures produce the same results across time and across observers (Walsh, 1990). Reliability in this study was improved by employing triangulation of methods in evidence collection as suggested by Kirk and Miller (1986). The methods employed were interviews, questionnaire and documentation. This helped the researcher to picture how multiple, but somehow different, measures used to collect data were simultaneously true. On the questionnaire method of data collection that is the major approach to gather data and information, reliability was achieved through pre-testing the instrument so as to ensure that respondents understand the questions in the same way.

3.7 Ethical Clearance

The researcher took the effort to prepare a letter to request permission to conduct the study at Barrick Gold Mine from relevant authorities. The letter was sent with a copy

of the research proposal for scrutiny after clearing. A sample letter to verify this was attached. A 'consent form' was prepared to be given to respondents to fill up before interview and permission to use them as participants in the study without coercion.

CHAPTER FOUR

4.0 FINDINGS AND ANALYSIS OF DATA

4.1 Introduction

This chapter puts forward data presentation and findings of the study. It commences with the profile of the respondents, followed by description of major factors behind employees resignations in the African Barrick Gold mines in Tanzania. The chapter dwelled down on the factors that contributes to such employees resignations.

4.1.1 Profile of Respondents

Findings from 100 respondents from ABG with different levels of education put forward data presentation of the study. It commences with the education levels of the respondents which comprise of Diploma (40%,) Bachelor degree (30%) Masters degree (10%) and Others (20%) followed by description of major factors behind employees resignations at the African Barrick Gold mines in Tanzania. The chapter dwelled on Figure 4.6 below that indicate poor management practices and working environment (work family balance) to be the major factors that contributes to employees resignations (15% each) followed by poor wage (10%) and job dissatisfaction (10%) which is in the sense that there is no proper management practices and policies on personnel matters hence employees are not recruited scientifically, promotions of employees are not based on spelled out policies, no grievance procedures in place and thus employees decide to quit. On the other hand 50% of the respondents claimed that all the four factors above contribute greatly to employees resignations. The study concludes that when high performers are

insufficiently rewarded, they quit. If jobs provide adequate financial incentives the more likely employees remain with organization and vice versa. Which is supported by literature cited in literatures review.

Costly *et al.* (1987) points out that a high labour turnover may mean poor personnel policies, poor recruitment policies, poor supervisory practices, poor grievance procedures, or lack of motivation. All these factors contribute to high employee resignations in the sense that there is no proper management practices and policies.

There are also other factors which make employees to quit from organizations and these are poor hiring practices, managerial style, lack of recognition, lack of competitive compensation system in the organization and toxic workplace environment (Abassi *et al.*, 2000)

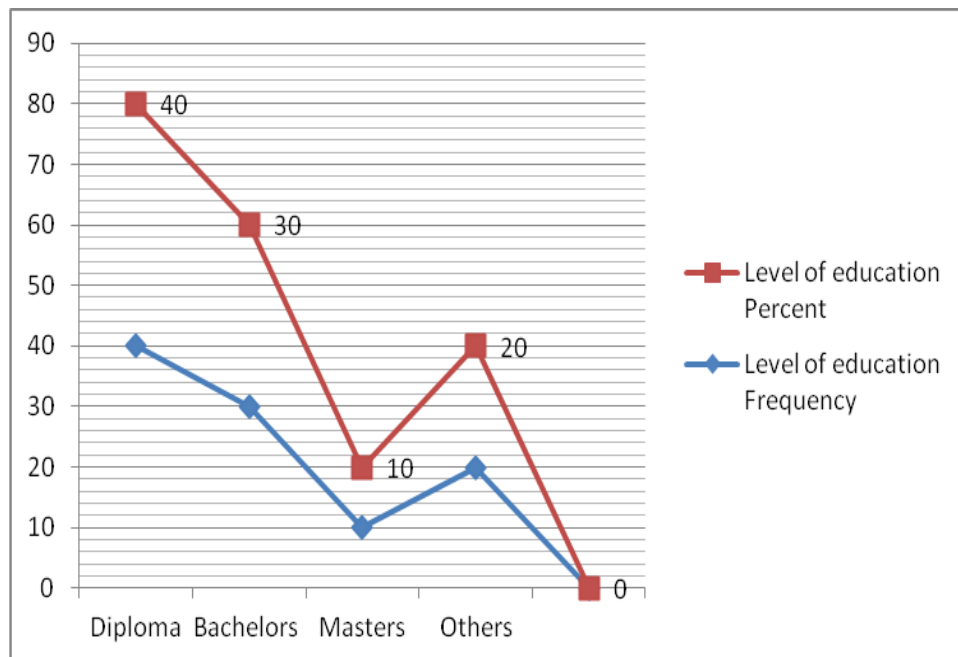


Figure 4.1: Respondents Level of Education

Source: Research findings, 2012

4.2 Respondents' Composition under ABG

The combination of respondents at African Gold Barrick company namely Tulawaka comprised by 25% of the respondents, 20% came from Bulyanhulu, 30% came from North Mara and 25% came from Buzwagi. The researcher concluded that a good number of respondents represented all companies. Less than one per sent (0.95%) of the respondents are of the opinion that unconducive working condition, unfair treatment of local employees compared to foreigners, unconducive communication and poor employee supervisor relations and low package for local staff, contributes highly to employees resignations; especially those local with high level of education due to politics as supported by (Trevor, 2001; Vandenberg and Nelson, 1999).

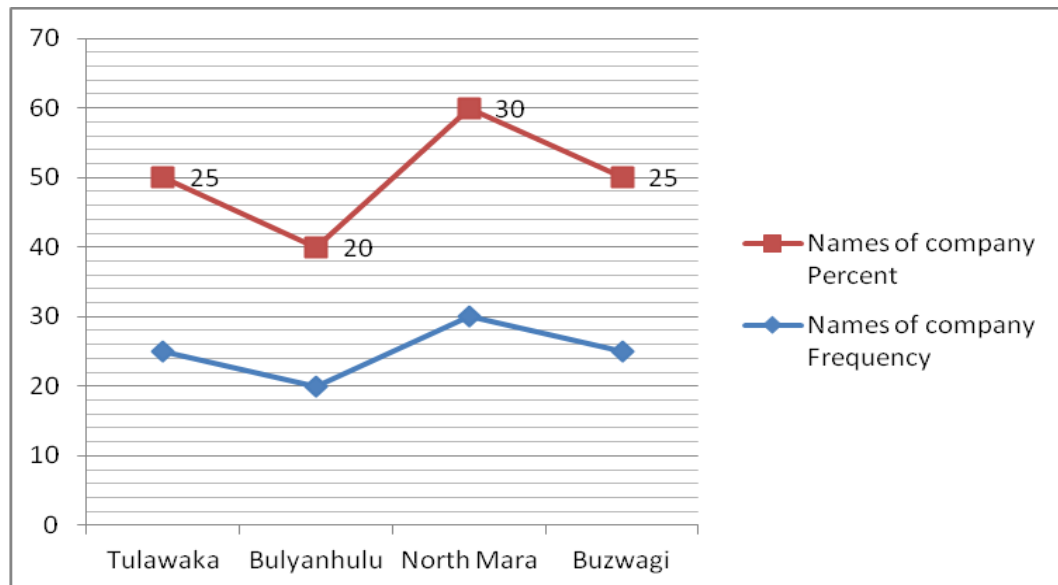


Figure 4.2: Respondents Composition of the Company

Source: Research findings, 2012

4.3 The Rate of Employees Resignations

From the below graph, at ABG rate of employees resignations in year 2010 was 4.6% this was the highest compared to 2011 which was 2.12%. While lowest rate in

2011 was 0.62% compared to 2010 which was 0.95%). This is an indication that there was a higher rate of employees' resignation in 2010 compared to 2011. Although there was an improvement for rate of resignation in 2011 yet still they faced the problem of resignation from the company due to stated reasons.

This support the literature review which states that job satisfaction has a much stronger influence on employee turnover than the condition of the external labour market. Studies of employee turnover in other industries have concluded that, for skilled employees in particular, the decision to quit is driven more by organisational and career-fit factors in their present job than by availability of more attractive employment opportunities elsewhere (Trevor, 2001; Vandenberg and Nelson, 1999).

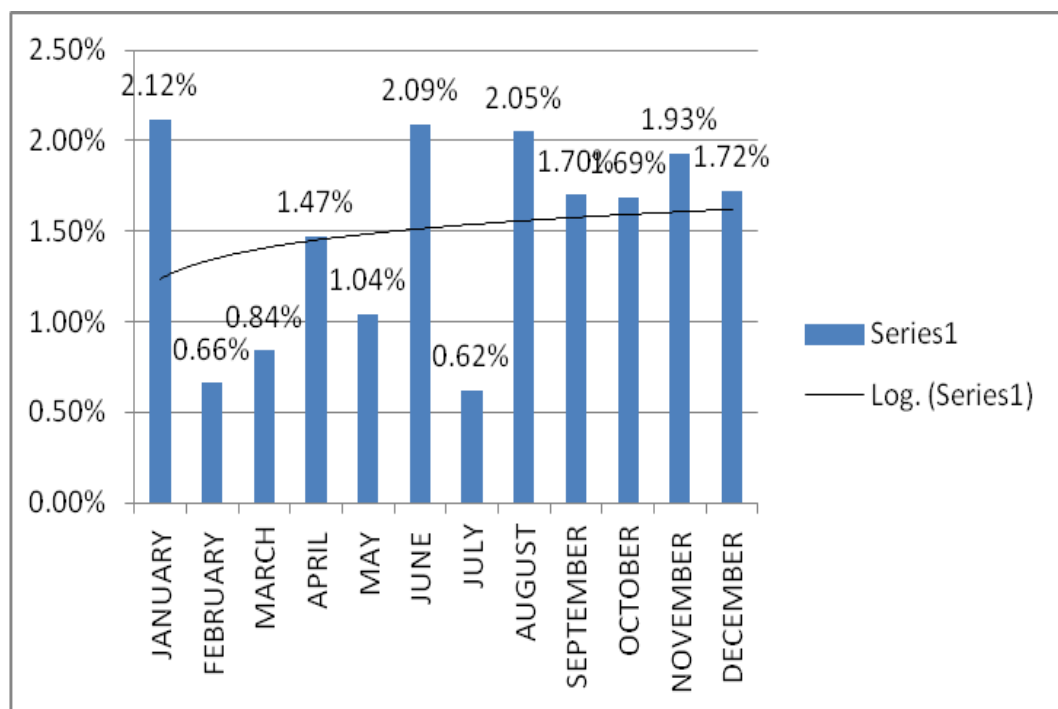


Figure 4.3: Resignation Rate for AGB Employees in 2011

Source: Research findings, 2012

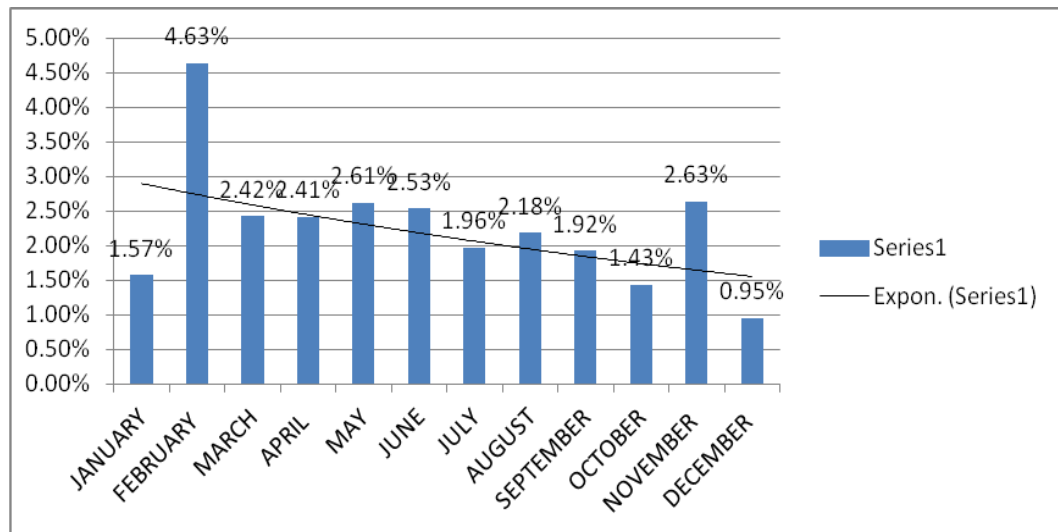


Figure 4.3.1: Resignation Rate 2010

Source: Research findings 2012

4.4 Discussions with Respect to Duration of Employment with ABG

The study revealed that the majority (40%) of the respondents indicated to have been working for ABG for a period less than four years. Further 30 % of them indicated that they have been working for ABG for less than 3 years. On the other hand those who have worked for a period of 5 to 10 years were 20% while those who worked for less than 1 year scored 10%. Since 40% and 30% are the significant results the researcher can conclude that there were higher rate of resignations. Dissatisfaction of job was a major cause of employee not to work for long time in the company. The discrepancies between what employee want and what they receive, the comparison of outcome and what they want to get, low expectation for the future, the non reward in the context of performance, management which could ensure the employee equitable avenues to fulfilment of their financial and non financial needs and recognition were factors leading to more employees not staying longer in the company, this as well support the literature (Trevor 2001; Vandenberg and Nelson 1999) which states that

job satisfaction has a much stronger influence on employee turnover than the condition of the external labour market.

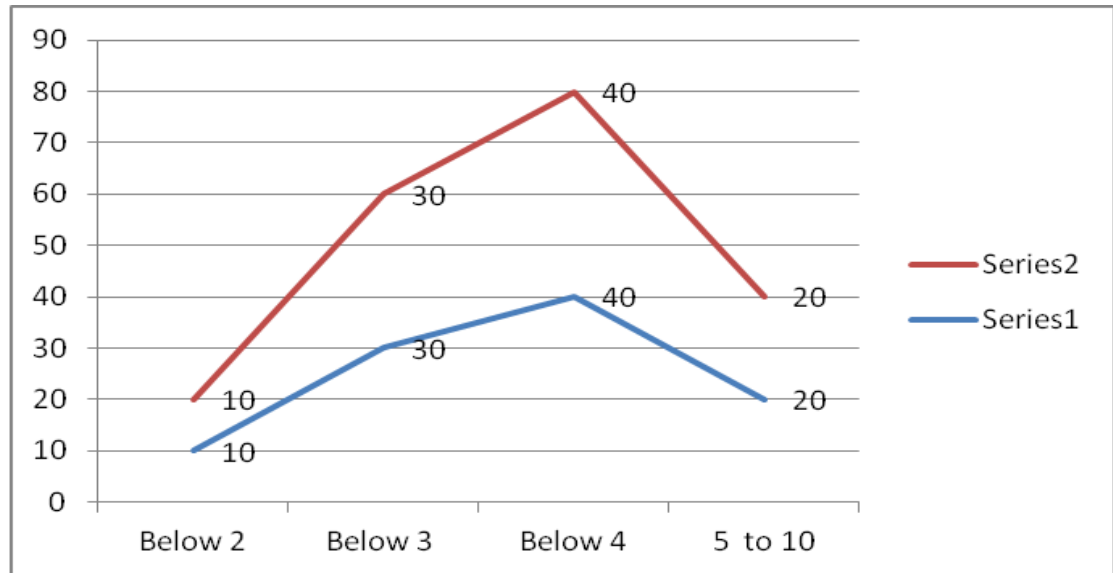


Figure 4.4: Discussions with Respect to Duration of Employment with ABG

Source: Research findings, 2012

4.5 Analysis on Factors of Employees Career Expectations at ABG

The important career expectations by Employees at ABG

Apart from higher remuneration packages, good health care, and other fringe benefits are major factors that propel people to work in the mining sector “I have moved for more money, for a better climate, and simply because of some instinctive urge to keep moving”. “It seems credible to me that these negotiations would be improved by set with same goal and activities”. These were revelations from the respondents (60%) who indicated that higher wages is one of the factor for labour retention and attraction while promotional and other opportunities scored 30%, and employees work experiences was mentioned by 10%. of the respondents as a factor behind high employees resignations. Therefore the researcher concluded that monetary benefits,

and other related opportunities are major factors for employees resignation in the African Barrick Gold mines in Tanzania.

Griffeth *et al.* (2000) noted that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance and turnover.

How management practices contribute on the adverse employees resignations effect?

Three main variables of HRM practices namely supervision, job training and pay practices have played a crucial role to enhance job satisfaction of employee. Strong positive relationship between HRM practice and job satisfaction provide wisdom on how an organization can motivate an employee to work efficiently. In addition, the negative relationship of HRM practice and employees resignations clearly enlighten the importance of providing good supervision, training, and remuneration practices in order to reduce turnover rates of employees.

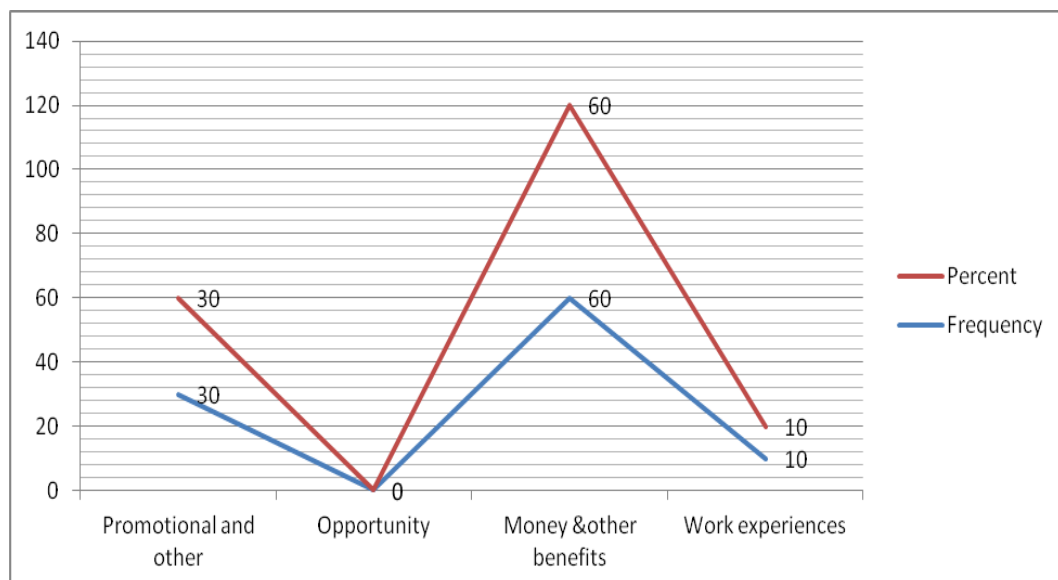


Figure 4.5: The Important Career Expectations at ABG

Source: Research findings, 2012

Besides, job satisfaction has a direct effect on turnover with negative relationship. In other words, job satisfaction can lower employees' resignations and vice versa. Thus, the organization needs to take a consideration about job satisfaction and apply HRM practices in the workplace in order to reduce turnover and attain organization goals (Mudor, and Tooksoon, 2011).

4.6 Analysis on Factors Contributing to Employee to Resignations

From Figure 4.5 above, it was evident that majority of respondents (60%) indicated that all of the below mentioned factors contribute to high rate of employees resignations in the African Barrick Gold mines the factors include job dissatisfaction, working environment, inadequate pay, and poor management. The study found that there is a negative correlation between an individual's job satisfaction and their levels of education. Highly educated person have very high expectation from their job which remain unsatisfied. Another reason is when individual join the organization workforce they may have some unrealistic assumptions about what they are going to derive from their work. These assumptions make them more satisfied. However when these assumptions fall short of reality, job satisfaction goes down. High employee resignations can be a serious obstacle to productivity, quality, and profitability at firms of all sizes.

For the smallest companies, a high turnover rate can mean simply a challenge of having enough staff to fulfil daily functions, irrespective of how well the work is done when the staff is available. Resignations is no less a problem for major companies, which often spend millions of money a year on turnover-related costs. However the researcher revealed that in the absence of established good and

competitive pay structure, employees' resignations is a frequent phenomenon in an organization. Monetary benefits are important motivational factors to employees as they guarantee physiological and security needs. Therefore money rewards occupy a central place in the reward-based performance management strategy.

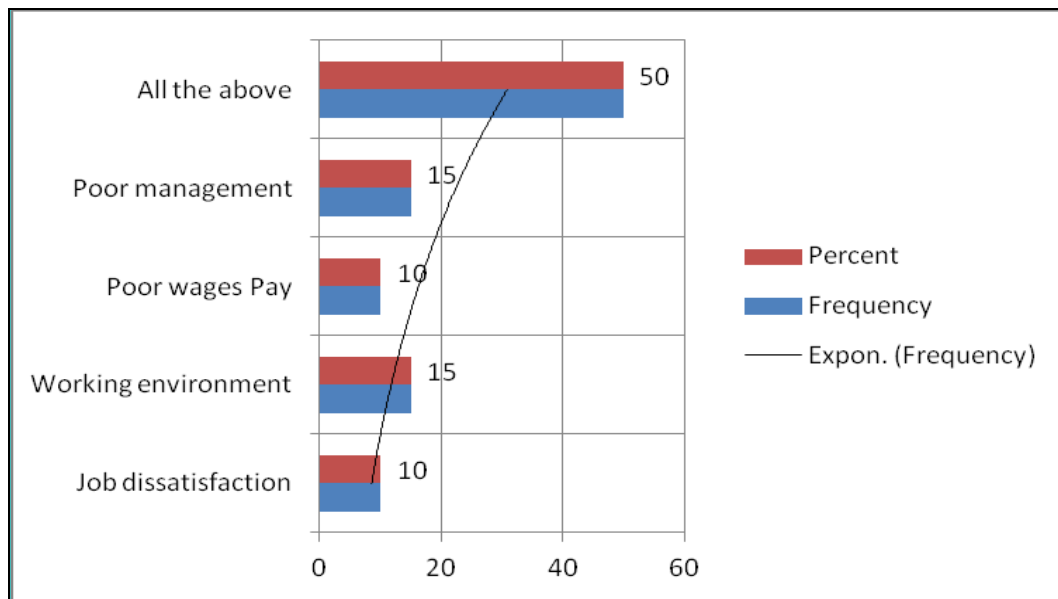


Figure 4.6: The Main Reason for the Employees Resignations

Source: Research findings 2012

4.7 Analysis on Factors Contributing to Employee Motivation

The results are based on findings shown in Figure 4.7 which represents motivational factors for employees of African Barrick Gold. Regardless of which theory, employees' motivation competitive pay appears to be the most important motivational factor, which accounted for 30% of the respondents while employee interest in job/work accounted for 22% of the respondents. Options such as job enlargement, job enrichment, promotions, monetary and non-monetary compensation should be considered as well. Job enlargement is used by managers to make work

more interesting to employees. Evermore 20% of the respondent's ranked job security as a third factor contributing to labour turnover. An employee feels motivated when his/her job is secured. Once physiological and safety needs are satisfied, social needs become important motivators of behaviour. These include the need to belong, to associate with, and to be accepted by one's fellows.

While tightly knit, cohesive work groups may be far more effective than an equal number of separate individuals in achieving organizational goals, management actions often tend to divide employees by encouraging competitive behaviour, rewarding individual's performance, and discouraging discussion with fellow workers. As a consequence, people become resistant to working together. 15% of the respondents indicated good working condition as a factor behind employee motivation for work while 13% of the respondents expresses that employee's work appreciation and recognition by employer is a significant factor to motivate an employee for his/her work at African Barrick Gold mines.

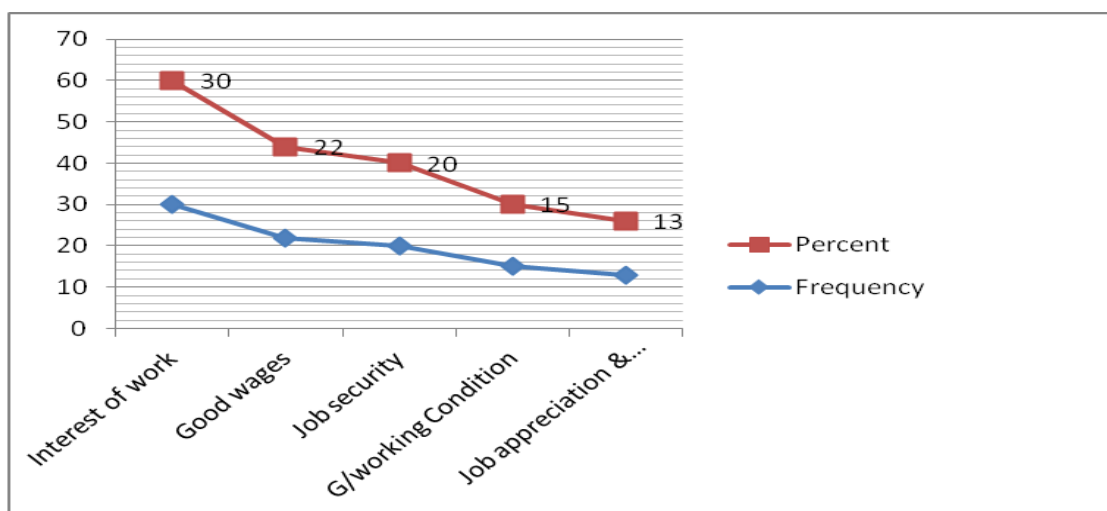


Figure 4.7: Factors Motivating Employees at ABG

Source: Research findings 2012

4.8 Analysis on Factors contributing to Employee to leave Jobs

Figure 4.8 below indicates the reason of the ABG employees they see as the factors cause the employee to leave the job. The working environment was the major factor which contributed the ABG employee to leave the job. The unsatisfactory relationship between the employees with his/her immediate superior also was mentioned and added to the bad environment as the local managers who are more qualified than foreigner are being disadvantageous for the higher positions.

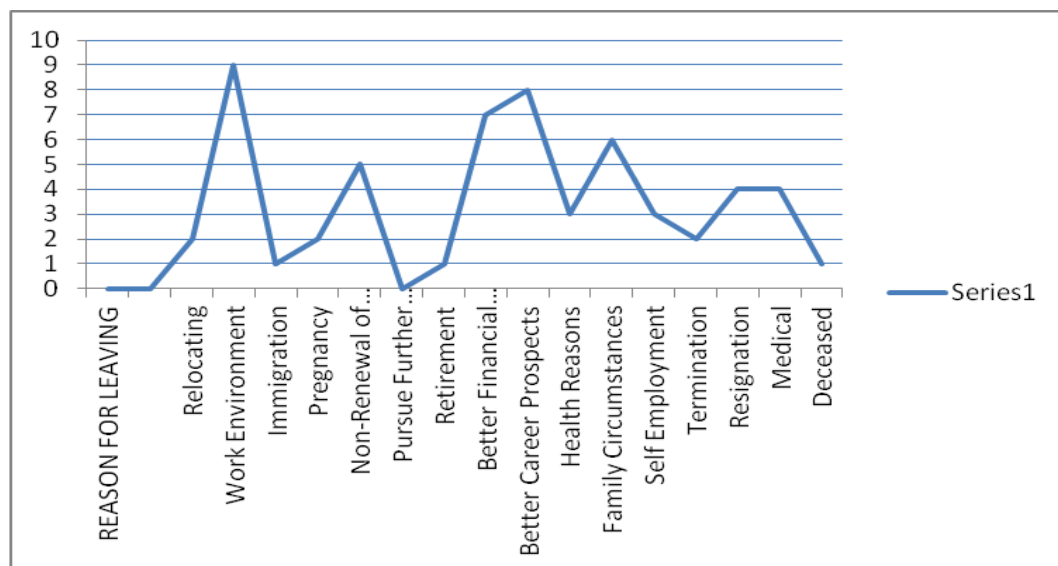


Figure 4.8: Factors Contribute To Employees Resignations at ABG

Source: Research findings, 2012

The better financial resources, better prospectus, family circumstances were considered to be as the factors that contribute the high rate of resignations by employees. There are also other factors which make employees to quit from organizations and these are poor hiring practices, managerial style, lack of recognition, lack of competitive compensation system in the organization and toxic workplace environment (Abassi *et al.*, 2000). Griffeth *et al.* (2000) noted that pay

and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance and turnover.

4.9 Discussion on the techniques used by ABG to Measure Employees Performance

Results from the Figure 4.9 shows majority of respondents (40%) disagree with the system applied by the management of ABG to measure employee's performance. Following majority is 30% strongly disagree with the system of employee performance assessment. Therefore the researcher concludes that African barrick Gold mines does not have in place a good system of measuring employees performance employees.

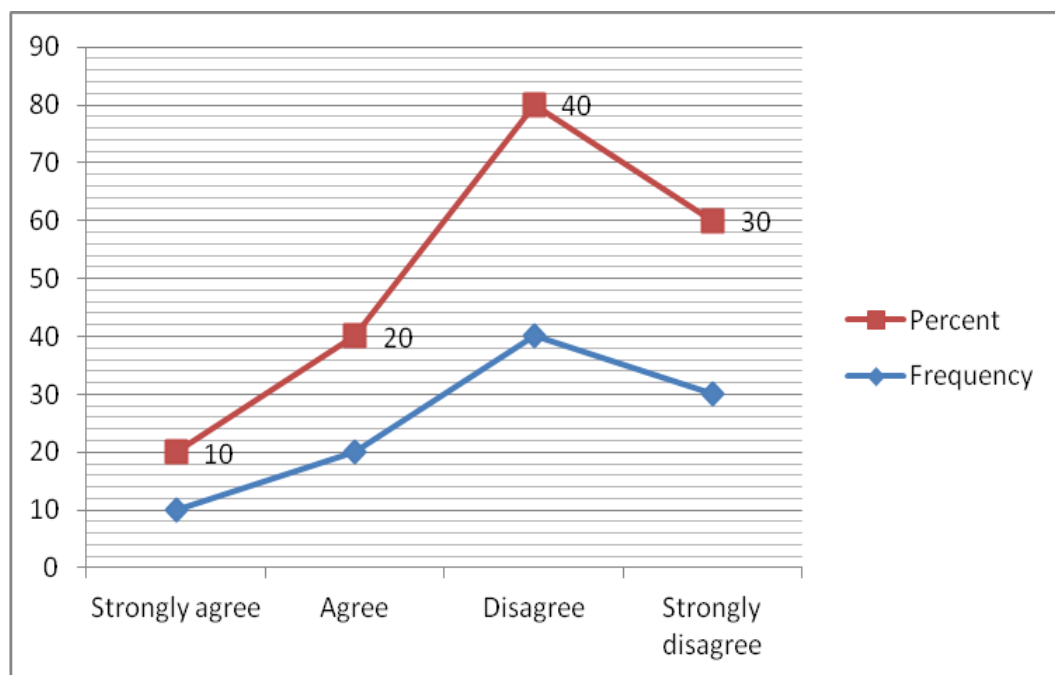


Figure 4.9: Techniques used by ABG to Measure their Employee's Performance

Source: Research findings 2012

Indicators of poor management of labour at ABG mines include shortage of skilled and experienced staff, poor clarity of organization charts, inadequate career trainings, and nepotism which similarly led the researcher to conclude that there is no good employees performance measurement system, hence lack of good human resource management at ABG Gold mines in Tanzania.

4.10 Analysis and Discussions on Measures to Improve Performance and Reduce Resignations at ABG

Results as shown in Figure 4.10 indicate that improvement of wages and pay systems, work/family life balance, improved working conditions in the mines. This is also one of the main causes for employees' resignations. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they jump from company to company. If they find an appropriate work environment in a specific company, they may work in the same organization for several years.

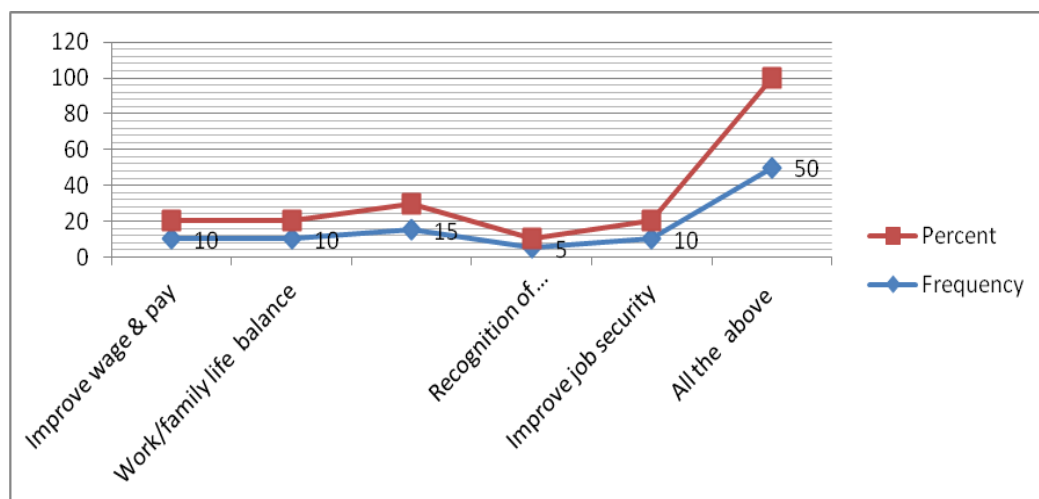


Figure 4.10: Measure to Improve Performance and Reduce Resignations in ABG

Source: Research findings 2012

Also the existence of clear channels of communications, fair and preferential treatment of indigenous/Tanzanian professional to foreigners, Succession plan for expatriates positions and improved relations between top Management and employees tend to reduce the rate of labour turnover. Additionally job security for employee (labour retention) has a positive impact on labour turnover. The researcher therefore concludes that all of the above mentioned factors if addressed will improve the rate of labour turnover in the African Barrick Gold mines in Tanzania

4.10.1 Data Analysis and Key Findings

Employee turnover statistics were reported in monthly mine reports in all mines of case study used in this research. Some mines used turnover rates in forward planning, such as budget allocations for training and recruitment, but this was the exception. At the majority of the sites, HR managers and mine managers appeared to make little use of the statistics data, preferring instead to rely on their own knowledge of human resource trend on site.

All the mines in this study had concerns about how to recruit the best people for the mine, and then retain them on site but little strategy was made of turnover data to promote this objective. For example, no site tracked turnover rates of 'locals' and 'green recruits' relative to rates for employees recruited from elsewhere within the industry. All sites routinely disaggregated their employee turnover rate to find out what was happening in different areas of the mine. Some HR managers pointed out that the low numbers in some occupations, such as specific professions and mine management rendered occupation specific turnover rates meaningless. However, this

issue could have been addressed by aggregating small numbers in specialist occupations into a larger group to provide a more robust measure of turnover through resignations while there was a broad appreciation that the financial cost of turnover could be substantial, no site had quantified or tracked these costs.

Site management generally made only limited use of resignation data, information from exit interviews and demographic data. Most sites did not monitor employee satisfaction levels in any formalised way, recruitment strategies were generally not evaluated in terms of their impact on employee retention.

Managers at those sites which had been reasonably successful in containing turnover attributed this to a combination of equitable remuneration, commitment to training and skills development, good management, developing and maintaining a desired organisational culture. Recruiting for person-organisation fit was also seen as a way of reducing turnover, although there were divergent views about how best to achieve this fit. The effectiveness of such strategies was difficult to determine, given the lack of evaluation.

Lastly, there was no evidence of a typical turnover rate, and no evidence to suggest that employee turnover will gradually reach a steady state. Employee turnover rates for the FIFO mines in the study varied between 9.7 per cent and 28.3 per cent and averaged 20.2 per cent overall which slightly varied with ABG turnover rates as indicated in Chapter two. Within sites in both areas studied, turnover was generally higher among mine professionals and mine management than other management levels. Turnover also appeared to be higher in mining areas than processing areas.

4.10.2 Further Discussions

An empirical study of autonomous medical institution of Pakistan (Nanda and Brown, 1977) have investigated the important employee performance indicators at the hiring stage. They concluded that level of job satisfaction affects the employee's productivity. The high performer demand attractive packages from the employers. And now it becomes predicament for the Human resource experts to retain the performer (Sumita, 2004). The low level of job satisfaction adversely effects the employee commitment and sequentially effect the achievement of organizational objectives and performance (Meyer, 1999).

In politics, bioethical and moral attitude, the concept of autonomous, has its ancestry. It relates to the capacity of rational individual to take decision independently. The underpinning of the autonomous is to fortitude an individual's actions in the context of moral responsibility. Self-governing of the people is referred to autonomous (Smith, 1993). The researchers in their study found the influence of different determinants of job satisfaction. Several studies focus on demographic factors while others link the job satisfaction with the reference to working environment. The other factors such as fair promotion system, job autonomous, leadership behaviour, and social relations are also dominant in determining the level of job satisfaction (Dawson, 1987). It was suggested that job satisfaction is adversely affected by factors such as lack of promotion, working conditions, low job security and low level of autonomous (Guest, 2004; Silla *et al.*, 2005). Brewer *et al.* (2000) suggested that employees should be involved in the decision-making process. Kuo *et al.* (2010) argued that the employee commitment and loyalty toward organization are

significantly affected by job characteristics like work redesign and employee self governed.

According to Ajans (2007) at some point during our lives virtually every person have to work. He claims that working is such a common phenomenon that the question “What enhances people to work is seldom asked. Wiley (1997) went on to say that “we are much more likely to wonder why people climb mountains or commit suicide than to question to motivational basis of their work”. Therefore, exploring the altitudes that employees hold concerning factors that enhance them to work is important to creating an environment that encourages employee motivation.

A survey by Wiley (1997) in which approximately 550 questionnaires were administered to person employed at different industries and divided in to five subgroups, or categories namely: occupation, gender, income levels, employment status and age they were asked to rank 10 factors according to the level of importance each motivating them to perform best with the most important factor ranked 1st and the least important ranked 10th. The survey concluded with the following collective rank order by respondents: (1) good wages (2) full appreciation of work done (3) job security (4) promotion (5) interesting work (6) company loyalty to employees (7) good working conditions (8) tactful discipline (9) recognition (10) sympathetic help with personal problems.

CHAPTER FIVE

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

The review of literature identifies a range of factors that have been shown to be consistently linked to turnover. These include organisational commitment, job satisfaction, alternative opportunities and intentions to quit. Evidence on the role of pay is still somewhat inconclusive, although keeping pay in line with market rates is certainly critical to retaining staff. Apart from age and tenure, personal characteristics of employees appear to have little relationship to employees' resignations.

While these factors can help employers understand the general nature of resignations and its likely causes, the retention strategies adopted within industries and organisations tend to cover a unique mix of measures and approaches specifically targeted at the particular problem they face. Understanding the problem is a key to devising an effective retention strategy. Access to both quantitative and qualitative data is necessary for understanding levels of turnover across occupations, sites and for particular groups of employees as well as for identifying the underlying causes of turnover.

This section provides an overall summary of the findings and conclusion of the study. It also provides recommendations for policy implications to the management of ABG and it is the hope and assumption of the researcher that these

recommendations can be generalised to the entire mining industry in Tanzania. Above all it authenticates the research questions that have been under investigation as follows.

5.2 Validation of Research Questions

The research was based on three research questions; these generally aimed at identify the causative factors for the high rate of employees' resignations in the African Barrick Gold in Tanzanian.

Thereby accomplishing two specific objectives:

- (i) To examine the extent to which monetary and non-monetary rewards are able to influence employees' intention to leave or stay with ABG. In other words the causes of employees' resignations at ABG mine.
- (ii) To pinpoint the mechanisms that can be adopted by ABG to reduce staff resignations.

The research questions are validated below based on findings as follows:

What are the factors leading to employees' resignations in the ABG?

Several factors for high staff resignations were identified; these are but not limited to financial motivations- most respondents indicated dissatisfaction with the payment they receive for the work they do; this factor propels high rates of employees' resignations at ABG. Working environment form part of factors that impacts on organization performance, such as absence of working equipment/facilities, and fear related costs. Insecurity, fear of making errors, losing an assignment probability of being fired and pay cuts was a hindering factor. In terms of appropriateness of work

place for their respective positions, adequacy of working materials for the job positions, convenience of work schedules, relationship with co-workers, reasonability of overtime demand, relationship with customers and adequacy of guidance in resolving problems were considered to be at least appropriate and therefore do establish job turnover at ABG.

Poor wages was mentioned, and the researcher revealed that in the absence of established good pay structure employee's resignations is inevitable. Monetary benefits usually guarantee physiological and security needs. Money reward component occupy a central role in labour management. Poor management in respect of discrimination and nepotism at work place was another factor.

To answer the question what are the impacts of employee's resignations on production at ABG? The study found that there are several costs that are inflicted by employees resignations, these include recruitment costs such as advertisement for vacant position, induction costs, and other overheads. Other costs are low productivity due to absence of the employee who has left the job. The issue of stress and fatigue has been mentioned by most respondents that it affects the morale of the remaining employees due to piled workload and issue of contractors been employed to replace positions which have been occupied by the leaving employees, whereby they earn more income as compared the indigenous.

5.3 Implication of the Results

The mining industry is currently experiencing pressure with regard to retaining scarce and critical skills hence skills shortage could hinder future growth as training is not on track, and the situation is deteriorating due to the fact that many skilled

workers are leaving the country. Factors contributing to job satisfaction included supervisor support and autonomy in nurses' place of work. Providing feedback to employees plays an important role in improving and maintaining employee motivation and satisfaction.

The study found that there is a negative correlation between an individual's job satisfaction and their levels of education hence employee do not work for long duration in the company.

At the majority of the sites, HR managers and mine managers appeared to make little use of the statistics data collected from exit interviews, preferring instead to rely on their own knowledge of human resource trend on site.

Low productivity was due to absence enough manpower due to the employees who have left the job. The issue of stress and fatigue has been mentioned by most respondents that it affects the morale of the remaining employees due to piled workload;

The issue of contractors been employed to replace positions which have been occupied by the leaving employees, also reduce the morale of the remaining employees due to the fact that the contractors earn more income as compared the indigenous who are employees employed by the company this cause increased operational costs.

5.4 Recommendations

While the concerns related to employee resignations found in the pertinent literature are important, the findings of this study point out the increasing administrative

leadership and support and improving the current mentoring programs as steps which are financially feasible to be addressed.

Many of the recommendations made by study participants and researchers in the area of employee resignation and its effects on production highlight the need for improved administrative support, clarification of expectations from administrators, providing opportunities for recognition, to be proactive in the evaluation process, and encouraging agents to take time off for family and personal development.

Site management generally made only limited use of resignation data, information from exit interviews and demographic data. Most sites did not monitor employee satisfaction levels in any formalised way, recruitment strategies were generally not evaluated in terms of their impact on employee retention.

5.4.1 Policy Issues on Promotion Schemes

The management needs to address issues of promotion and job security, because employees, apart from the fact that they work to accomplish organizational objectives, they also need to accomplish and realise their personal objectives. One of the objective is career advancement and promotion according to their qualification and experience. This will increase equity, job satisfaction, motivation and lower employees resignations. Better management of career development at different levels in the organization is required as this will ensure uniformity.

Policy Issues on Equity Among Employees

Based on theories and findings in this study it has been vindicated that workers equity is important and required at all level of the organization. People with talents should be recognised and challenged to utilize their potentials to full capacity.

5.4.1.1 Policy Issues on Work Load

Workload per staff should be reviewed, the companies should analyse and alter their work procedures and policies in a way which would enable employees to have enough time to rest and even gain energy for the coming task.

5.4.1.2 Policy on Transparency

The Company needs to encourage transparency on expression of staff opinions. Some managers block their subordinates from expressing themselves. The management should ensure frequent meetings with staff to listen to their views instead of deciding at high level and expecting the staff to implement. This is top down kind of management. Clear insurance policies need to be put in place. Work/family policy should be enhanced so as to reduce individual fatigues and harmonise the performance in the production.

Staff should be equally valued and not discriminated against when it comes to expressing their feelings. Introduce workers organization as a forum to air people views without bias or fear of being terminated. Involve staff when formulating policies because they are the ones who in the end will implement them.

5.5 Conclusion

Recognition and empowerment play an essential part in enhancing employee motivation towards organizational tasks hence reduce the resignation rates. By appreciating the employees for their work done and involve them to participate in decision making, internally satisfies them with their job Thus their enthusiasm and motivation towards accomplishment of tasks increases. Employee recognition and

employee motivation towards organizational tasks have positive relationship between them. Thus it is concluded that strategic policies should be employed in the organization in order to eradicate the rate of turnover. This will make them feel that they are owners of the policies.

5.6 Area of Further Studies

Further investigation of turnover in the mining industry could include an examination of turnover data to establish whether turnover is uniformly high across the industry or whether there are differences between establishments in the same local labour market. The collation of qualitative data through employee surveys either at industry level or within particular establishments may be useful for identifying sources of dissatisfaction, intentions to leave, and any underlying causes of resignations.

5.7 Future Research

The following are some of the areas for researches that the researcher was not able to identify that need further research, these include Tanzanite mines in Arusha, and Tanga. Finally, this research project has identified a number of areas where current levels of knowledge about employee turnover in the mining industry are inadequate. Key issues requiring further research are as follows.

How much does employee turnover/resignation cost?

This research would develop a standard method for valuing direct and indirect costs associated with turnover/resignations, to support management decision-making at mine sites.

How do aspects of workplace culture at the site level impact on workforce stability?

A detailed comparative study of a small number of high resignation rate site and low resignation rate sites would provide contextually rich data, particularly about the extent to which turnover levels may be influenced by local cultural factors. How can retention of mine professionals and management be improved?

Having regard to the high cost of replacing these resigning employees, this research would focus particularly on identifying the factors that contribute to resignation amongst professional and managerial personnel. How do remuneration levels affect employee rate of resigning amongst operations employees?

In this study, it appeared that greater aggregate pay obtained from working longer Fly in Fly out (FIFO) rosters did not result in a more stable workforce. The earnings associated with a roster may attract employees, but maintaining a stable workforce may rely on very different factors on site. This research would involve a survey of operations employees working a range of FIFO rosters to evaluate what were the motivating factors to start working the FIFO schedule, and what might be encouraging them to leave.

Are mine employees leaving the site, quitting FIFO or leaving the industry? A survey of resigned ex-employees from a cross-section of FIFO sites would provide valuable data on their reasons for leaving and also identify whether they have remained in, or left, the FIFO sector.

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APPENDECIES

Research Questionnaire

APPENDEX 1: QUESTIONNAIRE TO STAFF OF AFRICAN BARRICK GOLD

I am a student at Open University of Tanzania pursuing Masters Degree in Business Administration (MBA). I have prepared these questionnaires for the purpose of collecting data concerning my research study titled: *“A Situational Analysis of Employees resignations and their effects on Production in the Mining Sector - Tanzania: Case Study of African Barrick Gold”*. Your contribution is highly valued in making the study successful. Please note that any information you will provide will be handled with high confidentiality and for the research purpose only.

1. What is your level of education

- | | |
|-----------------|--------------------------|
| (i) Diploma | <input type="checkbox"/> |
| (ii) Masters | <input type="checkbox"/> |
| (iii) Bachelors | <input type="checkbox"/> |
| (iv) Doctorate | <input type="checkbox"/> |

2. The composition of employees interviewed at African Barrick Gold?

- | | |
|------------------|--------------------------|
| (i) Tulawaka | <input type="checkbox"/> |
| (ii) Bulyanhulu | <input type="checkbox"/> |
| (iii) North Mara | <input type="checkbox"/> |
| (iv) Buzwagi | <input type="checkbox"/> |

3. How long have you worked with ABG?

- (i) Below two years
- (ii) Below three years
- (iii) Below four years
- (iv) Five to ten years

4. What are the most important expectations in your carrier at African Barrick Gold?

(Please tick appropriately according to your order of priorities.)

- (i) Promotional and other opportunity
- (ii) Money and other benefits
- (iii) Work experience

5. What do you consider to be the main reason for employees resignations at African Barrick Gold (please mention among the list below)

- (i) Job dissatisfaction
- (ii) Working environment
- (iii) Poor wages pay
- (iv) Poor Management
- (v) All the above

6. What are main factors for motivating employees (please rank them in order accordingly to its importance).

- (i) Interest of work
- (ii) Good wages pay

- (iii) Job security
- (iv) Good working condition
- (v) Job appreciation

7. What do you think are the major factors contribute to Employees to resign from the Company?)

(Please tick appropriate from the box)

Relocation	Better Financial Benefit	Self-Employment
Work Environment	Better Carrier prospects	Roster Dissatisfaction
Immigration	Health Reasons/ Permanent disabilities	Persue further education
Pregnancy	Work/ Family Balance	Lack of Motivation/ Recognition
Nature of Contract (Non- Renewal/ of Contract)	Performance standards	Intimidations/Lack of Security

Other (Please Specify.....)

8. Do you agree that the techniques used by ABG to measure their employee performance are they good?

- (i) Strongly agree
- (ii) Agree
- (iii) Disagree
- (iv) Strongly disagree

9. What measure should be taken to improve the performance and reduce rte turnover in ABG mines companies (Please tick appropriate)

- (i) Improve wages and pay
- (ii) Improve working Condition
- (iii) Improve job security
- (iv) All the above mentioned.

10. What do you think are the Impact caused by the leaving Employees on Production and ABG as a whole?

Please mention: _____

11. What do you think are the best ways to reduce employees resignations and facilitate retention?

ABG Exit Interview Form



EXIT INTERVIEW FORM

As an employer, Barrick is committed to a positive work environment for its employees. The Exit Interview provides information to measure our success in

reaching this goal. The data obtained from these interviews will be used to enhance our recruitment and retention efforts, and to assess the overall quality of work life.

Your responses will help Barrick to continue to provide the best possible work environment for its employees.

Thank you for your assistance and good luck in your future endeavours.

PERSONAL DATA:

	DETAILS
Employee Number	
Surname	
First Names	
Employee Job Title / Last Position	
Private Mobile Number	
Home Based Telephone Number	
Private E-mail Address	
Date Employed	
Department	
Supervisor / Manager Name	
Supervisor / Manager Job Title	
Separation Date	
Date of Exit Interview	
Interviewers Name	

REASON FOR LEAVING (*tick appropriate box*)

Relocating		Retirement		Self Employment	
Work Environment		Better Financial Benefits		Termination	
Immigration		Better Career Prospects		Resignation	
Pregnancy		Health Reasons		Medical	
Non-Renewal of Contract		Family Circumstances		Deceased	
Pursue Further Education		Other (Please Specify)			

IF RESIGNATION:

Reasons of leaving?		
Where are you going?		
What, if anything, would make you stay?		
Would you consider reemployment into Barrick in future?	Yes	No

ORGANISATIONAL CULTURE

Please indicate how you feel about the following statements by ticking the number applicable to your position at Barrick:

ORGANISATIONAL CULTURE		EXTREMELY POOR	POOR	AVERAGE	Good	EXCELLENT
1	Your overall work experience at Barrick	1	2	3	4	5
2	Induction. How effective was the induction and site orientation program when you started?	1	2	3	4	5
3	Once you've arrived, you received clear direction with regard to tasks and responsibilities from your supervisor.	1	2	3	4	5
4	Your knowledge, skills and experience were well utilized.	1	2	3	4	5
5	The position provided you with a sense of job satisfaction.	1	2	3	4	5
6	You were allowed to make decisions at your level.	1	2	3	4	5
7	Barrick provides sufficient	1	2	3	4	5

	opportunities for training and development.					
8	The Barrick performance review process works well.	1	2	3	4	5
9	Barrick create opportunities for career development and growth.	1	2	3	4	5
10	Appropriate measures were taken to ensure a safe working environment.	1	2	3	4	5

RELATIONSHIPS

Please indicate how you feel about the following statements by ticking the number applicable to your position at Barrick:

RELATIONSHIPS		EXTREMELY POOR	POOR	AVERAGE	GOOD	EXCELLENT
1	Your relationship with your immediate superior / manager	1	2	3	4	5
2	People management skills displayed by your immediate superior / manager	1	2	3	4	5
3	General managerial skills displayed by your immediate superior / manager	1	2	3	4	5
4	Your relationship with your colleagues	1	2	3	4	5
5	Accessibility to a manager one level above	1	2	3	4	5

	your immediate superior					
6	Overall leadership quality at the office / site	1	2	3	4	5
7	Overall leadership quality of your supervisor / manager	1	2	3	4	5
8	The business direction and strategy was well explained	1	2	3	4	5

FACTORS AFFECTING DEPARTURE / RETENTION

In deciding to leave your position at Barrick, how did each of the following factors influence your decision?

FACTORS AFFECTING DEPARTURE/RETENTION		NOT APPLICABLE	STRONG INFLUENCE TO	SLIGHT INFLUENCE TO LEAVE	NO EFFECT	Slight Influence to Stay	STRONG INFLUENCE TO STAY
1	Total Package	0	1	2	3	4	5
2	Benefits (medical, pension/provident fund, etc)	0	1	2	3	4	5
3	Last Increment	0	1	2	3	4	5
4	Last Performance Bonus	0	1	2	3	4	5
5	Policies & Procedures	0	1	2	3	4	5
6	Job Security	0	1	2	3	4	5
7	Organizational Culture	0	1	2	3	4	5
8	Family Concerns	0	1	2	3	4	5
9	Relocation	0	1	2	3	4	5
10	Overseas Work	0	1	2	3	4	5

11	Non-work related personal life	0	1	2	3	4	5
12	Immigration i.e. mobility restrictions,	0	1	2	3	4	5
13	Distribution of Work Load	0	1	2	3	4	5
14	Career Growth	0	1	2	3	4	5
15	Roster or Working Hours	0	1	2	3	4	5
16	Personal Security Concerns	0	1	2	3	4	5

TRAINING AND PERSONAL DEVELOPMENT

Please complete the following questions regarding your choice to resign:

TRAINING & PERSONAL DEVELOPMENT		Yes	No	N/A
1	Did you have the need for further development?			
2	Did you have the opportunity for further development?			
3	Did you have the necessary knowledge and skills to perform your job properly?			
4	Were you coached / mentored?			
5	Did you have a personal development plan?			
6	Did you accomplish what was set out in your personal development plan?			
7	Were you aware of training opportunities internally and externally?			

8	Was there enough support for career advancement in your area?			
9	Were you aware of study assistance / bursaries offered by the company?			

JOB CONTENT AND SATISFACTION

Please complete the following questions regarding your choice to resign:

JOB CONTENT AND SATISFACTION		Yes	No	N/A
1	Did you have a clear job description?			
2	Did you have performance commitments?			
3	Did you clearly understand what was expected of you with regard to your job?			
4	Were you satisfied with the nature of your work / job?			
5	Was the job, in general challenging?			
6	Did you feel overworked?			
7	Were there any career prospects in your current position?			
8	Is the position at your new employer better than the one at Barrick?			
9	Would you recommend employment at Barrick to a friend?			
11	Should you return - Would you work in the same department that you are leaving?			

PHYSICAL WORKING CONDITIONS

Please complete the following questions regarding your choice to resign:

JOB CONTENT AND SATISFACTION		Yes	No	N/A
1	Did you feel you have the necessary equipment to do your work?			
2	Did you experience any problems regarding the physical working conditions, e.g. (safety, noise, light, etc)			

LIVING CONDITIONS

Please indicate how you feel about the following statements by ticking the number applicable to your position at Barrick:

LIVING CONDITIONS		NOT APPLICABLE	EXTREMELY POOR	POOR	AVERAGE	GOOD	EXCELLENT
1	What was your accommodation like?	0	1	2	3	4	5
2	Did you enjoy the lifestyle at site?	0	1	2	3	4	5
3	What was the food like?	0	1	2	3	4	5
4	Was there sufficient recreation facilities?	0	1	2	3	4	5
5	Did the climate impact on your live on site?	0	1	2	3	4	5

ADDITIONAL COMMENTS

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.....

Employee Signature

.....

Date

Separate page for official use:

Line Manager Recommendation for Alumni Program

	DETAILS	
Would you recommend this person for the Alumni Program?	YES	NO
For what future positions would you recommend this person?		

Line Manager / Supervisor Signature