

MOUNT KENYA UNIVERSITY

DEPARTMENT OF BUSINESS & ECONOMICS

COURSE

**DEGREE IN BUSINESS MANAGEMENT (HUMAN RESOURCE
MANAGEMENT OPTION)**

RESEARCH PROJECT

TITLE

**EMPLOYEE TURNOVER AND ITS EFFECTS ON
ORGANIZATION'S OUTPUT**

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EXECUTIVE SUMMARY

Hospitality industries in Kenya have been so volatile as far as employee turnover is concerned. It is an industry that is mostly dominated by female employees. Labor turnover is rated to be high as compared to other industries. There are two so many reasons as to why employees may want to leave an organization.

Understaffing may be one among many reasons for employee turnover. Employees who are lucky to survive layoffs and have their jobs intact work harder than ever. The reduced number of workers still shoulders the same (or larger) total workload that existed before staff-cuts. When productivity is high, some organizations do not see the need to hire as many people. But it is hard for employees to be happy when, no matter how hard they work, they never catch up. You may find some professionals having a backlog of 200 or more hours of uncompleted work, in spite of working harder. As a result, employees experience a strong need to balance the urgent demands of work and personal life without sacrificing either. Such stresses may eventually make employees want to leave the organization for a better place.

Secondly, lack of both upward and downward communication channels. In focus groups, employees identified leadership's failure to provide a clear picture of the company's direction as a major reason for leaving a company. If you want to achieve better results and improve morale, clearly communicate where the company is going and why. There should also be a way in which the junior employees may communicate their views to make them feel part of the organization.

It is in this research that the researcher tries to find the effects of labour turnover to the organizations output. He looks at relevant examples both locally and internationally. Both quantitative and qualitative methods are used in analyzing the findings of this research. Also graphs and pie charts are used for easy demonstration of the findings obtained.

He tried to first find the major causes of employee turnover in the local market. He further illustrates by use of graphs the impact it has on output. That is, how new employees take some time before they can catch up.