

# INFLUENCE OF LEADERSHIP STYLE ON LABOUR TURNOVER IN MULTIPURPOSE TRAINING INSTITUTES IN KENYA

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**Abstract:** The purpose of this research was to establish the influence of leadership style on labour turnover in multipurpose training institutes in Kenya. The target population was the, 119 lecturers and 329 trainees in the multipurpose institutes in Kenya. The sample size was 90 lecturers and trainees in the multipurpose institutes in Kenya. The study used stratified random sampling to select the 23 lecturers and 67 trainees in the multipurpose institutes in Kenya. This method helped to eliminate bias. Therefore the sample size was 90 lecturers and trainees in the multipurpose institutes in Kenya. The study used stratified random sampling to select the 90 lecturers and trainees in the multipurpose institutes in Kenya. Data was collected using semi-structured questionnaires and drop and pick method. Quantitative data was analyzed using Statistical software (SPSS) by running frequencies, cross-tabulations correlation to generate various relationships, frequencies and comparisons. Qualitative data was transcribed and summarized to backup quantitative data. Data was analyzed using descriptive methods. Data was presented in form of figures, tables and charts. The findings showed that leadership style had significant influence on labour turnover. The study recommended that multipurpose training institutes should enact policies that promote the implementation of aspects contributing to the retention of employees in the state corporations. There should be good career prospects within an organization to retain employees for longer duration.

**Keywords:** Leadership style, Labour Turnover, Multipurpose Training Institutes, Retention.

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## 1. INTRODUCTION

One of the prime aims of any organization is employee retention after attracting and engaging them (Armstrong, 2006). For employees to choose to whether to leave or stay in a firm, such a decision is influenced by given factors. Organizations should therefore provide a friendly work environment to increase employee turnover. This chapter includes the study background, study objectives problem statement, study significance, research questions and the scope of the study. It also includes operational terms definitions.

Many organizations often find it very challenging to retain staff in a competitive work environment. This has resulted in many hiring new staff quickly just to have somebody fill a vacancy. This usually leads to the serious repercussions of an inappropriate hire, sometimes resulting to loss of productivity, disruption in workplace, and decreased morale increased stress (Barrick & Zimmerman, 2015). Furthermore, doing away with a "bad hire" results in anxiety amongst workers as well as legal tussles and compensations. Retention and staff turnover are significant matters as they affect a firm in diverse ways. Turnover costs that can be seen are items such as recruitment costs, leave capitalization, induction costs and training expenses. Costs that are invisible can be broken down into payroll administration and additional HR, productivity loss, informal training and transition meetings. Hidden costs include decreased motivation due to overwork, clients' impact, turnover from chain reaction and unmet deadlines (Armstrong, 2006).

Employee turnover is key to a firm as employees are the drivers towards development and accomplishment of the firm's objectives and goals (Armstrong, 2009). Employee turnover may also result in commitment on the side of employees (Kahnweiler, 2016). This can be explained as a person's psychological cleaving to the given firm, entailing belief and loyalty to the values of the organization with a sense of job involvement. Commitment entails an employee's embracing organizational goals besides a personal initiative to go an extra mile for the organization.

## 2. STATEMENT OF THE PROBLEM

Armstrong (2012) outlines turnover of employees as the rate at which people leave an organization, he further holds that turnover is usually costly and disruptive to the organization. A huge number of staff leaving an organization at any given period is detrimental to both the employees and the employer in terms of performance and efficiency. In addition, employee turnover basically results in direct costs such as hiring and training of fresh employees (Amah, 2010) besides indirect costs which include poor results owing to the disturbance of existing routines (Chang & Lu, 2007.) as a consequence of departure by crucial employees or depravity of the embedded social capital in workers and their togetherness in the organization.

In Kenya, not only is there a shortage of qualified lecturers in the training institutions, but also lecturers are exiting their teaching occupation and switching to non-teaching engagements. This loss of seasoned trainers from the career hampers Kenya's economic development, especially in the technological, scientific and professional areas. Information from the Council for Higher Education Accreditation (CHEA) showcases high rates of turnover of lecturers nationwide.

According to Armstrong (2009) employees who are trained in Multi Purposes Training institutes are of great significance owing to their integral role in firms owing to the knowhow acquired. Therefore, they are a significant investment in human capital (Armstrong, 2009). Hence, if they leave their job, the institutions are likely to loss not only in trainings invested, but also the experience and skills already gained by the employee. This may lower morale on the remaining staff due to overwork. This can contribute to chain reaction turnover.

There are, however, very little is known about the labour turnover in Multipurpose training institutes. Ng'eno (2012) conducted an investigation on the factors that affect labour turnover in private educational tertiary institutions. The study focused on private educational tertiary institutions thus presenting a conceptual gap. The current study will seek to analyze the influence of leadership style on labour turn over in multipurpose training institutions in Kenya.

## 3. OBJECTIVE OF THE STUDY

The general aim of the research was to evaluate the influence of leadership style on labour turnover in multipurpose training institutes in Kenya.

### Research Hypothesis

H<sub>1</sub>: There is a significant positive relationship between leadership style and Labour turnover in multipurpose training institutes in Kenya.

## 4. LITERATURE REVIEW

Leadership is a process of encouraging and helping others to do something of their own volition, neither because it is required nor because of the fear of consequences of non-compliance. Leadership is thus a process of encouraging and helping others to work enthusiastically towards objectives. It is the human factor that binds a group together and motivates it towards goals transforming the group's potentials into reality. A capable leader provides direction for the organisation and leads followers towards achieving desired goals (Mat, 2008).

Leaders use their influence factor to draw people towards achieving goals and to maximize the results in the organization. The influence factor does not mean the leader having power over the followers and controlling or directing them to the goals the leaders want to achieve; rather it is the leaders' own actions that affect the follower's behavior and actions. Generally, followers will emulate the leader's acts and behaviours thus leading to the achievement of the desired goals. This implies that leaders must not only inspire their subordinates through words but also calculated action (Wakabi, 2016).

The leadership style is considered an affective factor in employee turnover (Armstrong, 2009). The relationship between supervisor and worker play pivotal role in employee turnover intention. He suggested that an employee's view regarding organization is strongly concerned to their relationship with supervisor. If supervisor support, open communication and have good relationship with employees, the employees turnover intention are likely less and more engaged with organization (Nzuve, 2017). Leaders interact as a bond to perform application between expectations and stated goals. By harmonizing the rivaling demands supervisor support and manage the inside / outside work environment.

Employees are more likely to leave if they perceive a lack of clear direction on the part of management. An international survey spanning 50 countries and 330 companies revealed that 74% of the dissatisfied employees felt that their company has no clear sense of direction, compared to 43% of satisfied employees. It would appear that companies are less adept at marketing themselves to their employees than they are at selling the company to other stakeholders (Hay, 2012). As affirmed by Ramlall (2013), people endeavor to work and remain in a firm that offers good and positive work ambience where the worker has a sense of value and has room for making a difference.

The extent of independence in companies and its bearing towards responsibility enables an employee to feel more satisfied with the job hence retention (Steel, Griffeth & Horn, 2012). They insinuates that less autonomy for workers, culminate to performance decline due to routine chores or a perceived deficiency of skills. In the same way, a big extent of independence and responsibility contributes to motivation while less of it may result in employees feeling more strained in their dealings. Variances in oversight in terms of relational skills and the extent of autonomy can influence the worker's turnover decision.

## 5. RESEARCH METHODOLOGY

The study used cross-sectional survey research design. Cross-sectional surveys involves information gathering from a populace, or an agent subset, at one particular point in time and have leverage over other research plans that just look for people with a particular trademark, with an example, regularly a modest minority, of whatever remains of the populace (Kothari, 2011). There are 5 principals, 119 lecturers and 329 trainees in the multipurpose institutes in Kenya. Therefore the target population was the, 119 lecturers and 329 trainees in the multipurpose institutes in Kenya. The total respondents were therefore be 453 respondents. The study used stratified random sampling to select the 23 lecturers and 67 trainees in the multipurpose institutes in Kenya. This method helped to eliminate bias.

This study used both primary data and secondary data. Primary data was collected using structured questionnaires which had both close ended and open ended questionnaires. The questionnaires were self-administered. Microsoft excel was utilized to supplement SPSS particularly underway of charts and tables. The inferential measurements incorporated descriptive statistics and inferential statistics. The multiple linear regression models were used to measure the relationship between the independent variables and the dependent variable.

## 6. RESEARCH FINDINGS AND DISCUSSIONS

The study sought to analyze the influence of leadership style on labour turnover in multipurpose training institutes in Kenya. The hypothesis that was formulated was;  $H_1$ : *There is a significant relationship between leadership style and Labour turnover in multipurpose training institutes in Kenya.*

**Table 1: Leadership Style and Labour turnover**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate		
1						
1	.438 <sup>a</sup>	.192	.180	.97581		
ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.124	1	15.124	15.883	.000 <sup>b</sup>
	Residual	63.797	67	.952		
	Total	78.921	68			

		Coefficients <sup>a</sup>				
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.323	.628		2.107	.039
	Leadership Style	.762	.191	.438	3.985	.000

a. Dependent Variable: Labour Turnover

The study found a relatively moderate relationship between leadership style and labour turnover ( $R = .438$ ). Coefficient of determination ( $R^2 = .192$ ) indicates that leadership style explain 19.2 % of variation in labour turnover. However, although moderate, the relationship is significant ( $F = 15.833$ ,  $p < 0.05$ ). The significant relationship is further revealed by the t-value in the coefficient table ( $\beta = .762$ ,  $t = 3.985$ ,  $p < 0.05$ ). This therefore depicts that leadership style is key in determining turnover of employees in multipurpose training institutions in Kenya and thus the hypothesis that there is significant relationship between Leadership style and labour turnover in multipurpose training institutes in Kenya was supported.

## 7. CONCLUSION AND RECOMMENDATION

Based on the findings, the study concluded that leadership styles employed by management in institutions have a direct effect on attitude of employees which in turn affects labour turnover of the employees. Further, relationship between supervisor/leader and worker play pivotal role in employee turnover intention. An employee's view regarding organization is strongly concerned to their relationship with supervisor. If supervisor support, open communication and have good relationship with employees, the employees' turnover intention are less likely.

The study further concluded that Leaders use their influence factor to draw people towards achieving goals and to maximize the results in the organization. Generally, followers will emulate the leader's acts and behaviors thus leading to the achievement of the desired goals. This implies that leaders must not only inspire their subordinates through words but also calculated action. Therefore, leadership style can affect organizational commitment and work satisfaction positively and work satisfaction can affect organizational commitment and work performance positively.

The study recommended that multipurpose training institutes should enact policies that ensure that the working environment in the state corporations promotes employees retention. The policy makers should enact policies that promote the implementation of aspects contributing to the retention of employees in the state corporations. The study recommended that multipurpose training institutes should enact policies that ensure that the working environment in the state corporations promotes employees retention. The policy makers should enact policies that promote the implementation of aspects contributing to the retention of employees in the state corporations.

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