THE EFFECT OF EMPLOYEE TURNOVER ON THE PERFORMANCE AND COMPETITIVENESS OF BANKS IN GHANA

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Abstract

Background. Employee turnover is widely considered organisational issue. The commonest assumption regarding the relationship between turnover rates and organizational performance is that increasing turnover rates is dysfunctional in the sense of being associated with decrements in organizational performance and competitiveness.
Research Aims. The main objective of this study is to assess the effects of Employee Turnover on the performance and competitiveness of firms in the banking industry in Ghana.
Method. This research targeted the employees of 15 selected banks operating in Ghana. A sample of 480 respondents were purposively selected with no discrimination to sex, religion, disability, and, nationality. The Independent t-test and the Pearson's Product Moment (Pearson r) Correlation Coefficient test were the statistical tools used in the analysis of the data.
Key Findings. The analysis of the data reveals that banks with low employee turnover will perform better and are more competitive than those with high employee turnover; highly motivated employees will have a lower turnover intention than those less motivated and employees in higher ranking jobs have lower employee turnover intentions than employees in low ranking jobs. Gender, age and job tenure have no significant influences on turnover intentions.

Keywords: Employee turnover, Competitiveness, Performance, Banks

INTRODUCTION AND BACKGROUND

The human resource of every business organisation is very important and key to a successful business operation. It combines, controls, manipulates or uses the other resources such as money, raw materials and equipment to achieve overall organisational objectives. However, if this labour force or human resource tends to exit the organisation either through resignations or dismissals after a short tenure, then it will affect the performance of the organization and its competitiveness in the market. The rate at which employees enter and leave an organisation is known as employee turnover. Cascio (1992) refers to employee turnover as the characteristics of a given company or industry, relative to the rate at which an employer gains and loses staff. Just as people migrate from one place to another in

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search of favourable living conditions, so do employees leave their jobs for better jobs in other firms. Straudohar and Yoder (1982) explain that employee turnover has been a subject of manager concern and scholarly study for at least half a century. A high employee turnover often means that employees of that company have a shorter tenure than those of competitors. Employee turnover can be very costly for an organisation when a key employee leaves the job for a certain reason. If an employer has a high turnover relative to its competitors, it means that employees of that company have a shorter average tenure than those of other companies in the same industry. Banks in Ghana invest a lot in their employees in terms of training, development, maintenance and retention. In turnover situations, the competitor benefits from the knowledge of the employees quitting the bank. This trend increases the receiving banks performance and overall competitiveness in the market.

Marthis and Jackson (2000) argued that the frequency of employees' movement in and out of an organisation depicts a high employee turnover rate which poses a managerial problem in terms of human resource. But, a low rate of mobility is more desirable and demands no further action than a qualitative improvement. A growth-oriented organisation should therefore strive to control its employee turnover or mobility rate. According to a 2008 SHRM study, the cost of replacing staff may be as high as 60% of an employee's annual salary, whereas total costs of replacement, including training and loss of productivity, can range from 90% to 200% of an employee's annual salary. Loss of employee talent hinders the development of new products, disrupts client relationships and delays customer deliverables. These production delays, along with replacement costs, negatively affect overall business performance and success. High turnover rate is problematic and has an impact on an organisation's performance and competitiveness. Labour turnover in the banking industry in Ghana though not consistent, has many cost implications for the industry (Amediku, 2008). For instance training cost, cost associated with exit interview, cost of replacing exiting employees and the effect of rumour-mongering on organisational performance cannot be underestimated. The hiring cost, and time cost recorded when high and frequent employee turnover occurs affects profitability.

Employees are an organisation's crucial source of competitive advantage (Pfeffer, 1996), and critical interface in the implementation of a bank's relationship management strategy (Durkin & Bennett, 1999). The quality of service delivery and the development and maintenance of profitable customer relationship is dependent on staff. Therefore in order to sustain this advantage and to ensure a greater share of the competitive market, a bank should endeavour to maintain a long-term relationship with this crucial resource.

Competition and Performance in the Banking Industry

Competition has generically been defined as the application of rules that foster competition among firms resulting in the firm's ability to sell their products, innovate and offer consumers good prices and value (Todd, 2007). Competition in the banking sector is generally understood to be a propelling factor in organisational efficiency, quality of service and innovativeness. However, the evaluation of banks competitiveness has been the subject of many scholarly debates (Casu and Girardone, 2009). Notwithstanding the controversies, banks compete on many levels and in various areas. These include competition for the savings of consumers, assets growth (Ginarlis et al., 1986); market power (Casu & Girardone, 2009) product proliferation, geographical diversification in recognition and satisfaction of increasing customer demand for convenience, product differentiation and enterprise differentiation (Tarver, 1987) and service quality (Coskun & Frohlich, 1992).

Different approaches exist for the measurement of a bank's market power. One of such is the Lerner (1934) Index which represents the degree to which market power allows firms to fix a price (p) above the marginal cost (mc) such that $(p\text{-}mc)/p$. Where the value is zero (0), it means there is perfect competition while a value of one (1) means there is a monopoly. The less the competition facing a bank, the greater their market power reflecting in their ability to set price above marginal costs (Casu & Girardone, 2009). Many factors have been identified to be sine-qua-non in a bank's competitiveness. One is the synergies with professionals. This has been said to be instrumental in the development and profitability of banks in Greece (Chatzoglou et al., 2010) Again, retention of motivated, satisfied and committed frontline staff is considered an important indication of intelligent management in a competitive banking environment, due to the role they play in enhancing customer satisfaction and retention (Yavas et al., 2013). This finding corroborates that of Metcalfe (1984) who earlier found in a study of the competitive challenge of foreign Canadian banks that the quality of its staff accounted for 62% of their competitive advantage.

However, the degree of motivation, satisfaction and commitment of frontline staff has often been moderated by the degree of stress, increase in workplace incivility and verbal aggression meted out to them by customers. This subsequently leads to burnouts (Yavas et al., 2013) and high turnover intentions. Burnout is a psychological reaction to the stressors inherent in a working environment. This has also been identified as a contagious element with the potential to spread across the broad spectrum of an organization's labour force with its attendant results in slackness, poor commitment and increase turnover intentions (Yavas et al., 2013; Bakker et al., 2007). In their study, Yavas et al (2013) found that without the intervention or moderation of hope in an individual, burnouts often result in a slacking of commitment and poor performance which together can culminate in either a voluntary turnout or a dismissal.

Turnover and Turnover Intentions

Radzi et al (2009) define turnover as an individual's perception of the possibility of leaving an organisation or withdrawing from an organisation permanently. There are two types of employee turnover. They are the voluntary and involuntary employee turnover (Lewis, 1983) and within these classifications, employee turnovers fall into four categories. The first category is voluntary but uncontrollable (e.g. when an employee moves to another location not within commuting distance, decides to stay home to care for children or relatives, becomes a housekeeper, or decides to change locations entirely or return to school). The second is involuntary but uncontrollable (e.g. retirement, disability and death). The third is voluntary and controllable (e.g. discharge for poor performance, for unacceptable conduct, for a pattern of attendance involving lateness or absenteeism). The fourth category is involuntary and controllable (e.g. resignation for any number of reasons). Voluntary employee turnover involves employee's intention to quit the job or deciding to resign from a job. It can be due to better opportunity, job dissatisfaction, supervisor's bad behaviour, less chances of growth etc. and involuntary employee turnover is when an organisation fires employees by itself. It can be as a result of retirement, cost cutting measures by the organisation, restructure or downsizing, low performance of the employee in question or dismissals for misconduct, permanent disability or employee death.

Turnover intentions are a product of many factors. These include: an employee's attitude and potential, appraiser, peers, management, organisational environment, external compatible job demands, job satisfaction, trust and commitment (Rahman & Nas, 2013; Berry, 2010), the quality of leader-member exchange (Elanain, 2014). Studies conducted on turnover intention also reveal that turnover intentions are predictors of actual turnover (Price, 2001; Lambert et al, 2001). This follows the attitude-behaviour theory (Radzi et al., 2009) which predicates that intention is an immediate determinant of actual behaviour. In a study of 329 university workers, Rahman and Nas (2013) validated the theory that predicted that perception of employee development was a predictor of turnover intentions.

Research Objectives

The main objective of this study is to assess the effects of Employee Turnover on the performance and competitiveness of firms in the banking industry in Ghana. The study will also seek to achieve the following sub-objectives:

1. To determine the effect of motivation on turnover intentions.
2. To determine the effect of gender on turnover intentions.
3. To establish the effect of job rank on employee turnover intentions.
4. To establish the relationship between employees age and their turnover intentions.
5. To establish the relationship between job tenure and employee turnover intentions.

Formulation of Hypothesis

Performance is the extent to which an organisation can successfully accomplish a task or achieve a goal. Performance is behaviour exhibited or something done by the employee (Campbell, 1990). Job performance is the behaviour that can be evaluated in terms of the extent to which it contributes to organisational effectiveness, (Motowidlo, Borman, & Schmidt, 1997) or behaviours and outcomes that employees engage in that contribute to organisational goals (Viswesvaran & Ones, 2000). Performance does not only include the production of certain tangible units of output but also of less tangible outputs such as effective supervision of others, creativity, product innovation, conflict resolution or sales of goods or services. Performance however is influenced positively or negatively by several other factors especially employee turnover. Most researches focus on the causes of employee turnover and as such, little has been done on examining the sources of employee turnover and its effect on the performance of the firm. Human capital theories of labour turnover point to loss of firm-specific human and social capital (Dess & Shaw 2001). This negative view is supported by the results of several empirical studies. For example, Baron, Hannan and Burton (2001) found turnover to be "disruptive" in their study of high-tech start-ups in California in the early 1990s. Many studies have concentrated on turnover specifically, and have found a negative impact of turnover on firm performance (Batt, 2002; McElroy, Morrow & Rude, 2001). Because of the relationship between job turnover and performance, it is hypothesized that:

(H_{1}) Banks with low employee turnover will perform better than banks with high employee turnover.

Employee turnover is a phenomenon that has been widely discouraged by researchers because of its associated costs to the organisation such as recruitment and replacement costs and failure costs which can occur during the interruption (Elanain, 2014) and social capital (Morrell et al., 2004). Turnover of critical workforce is detrimental to a bank in terms of replacement cost and work disruptions. It is significant therefore that an organisation develops and retains its staff because there is an association or relationship between employee development perceptions and their turnover intentions (Rahman & Nas, 2013). With the increase in competition in the Ghanaian banking industry, a banks' competitive advantage can easily be erased if they experience high turnover of labour. Whilst tangible products can easily be copied and imitated, intangible assets such as the skills and knowledge of the employees cannot be copied by rivals (Rahman & Nas, 2013). Where there is a labour turnover, rivals gain access to the skills and knowledge of an employee who leaves a competitor organisation making the losing firm less competitive. When organisations employ new people because of turnover problems, it takes time for the new employee to acquire the necessary skills and knowledge required by the job and their work may not meet the expectation of the customer. This affects the overall performance of the company in terms of increase in customer complaints (Rahman & Nas, 2013). Hence it is hypothesised that:

H_2: Banks with low employee turnover will be more competitive than banks with high employee turnover.

Research has found that, one of the major causes of turnover is poor remuneration, undesirable working environment as well as job security (Shamsuzzoh & Sumon 2010). These factors are aspects of motivation found in the Maslow hierarchy of needs. Turnover particularly arises from unhappiness with one's workplace which derives from dissatisfaction (Shamsuzzoh & Sumon 2010). Mano and Shay (2004) using an economic model, showed that people quit their organisations for economic reasons and these can be used to predict the labour turnover in the market. Bloch (2004) also investigated the effect of job satisfaction on employee motivation and turnover intentions based on a seven item scale on a sample of 250 workers and found that physical environment, task design, reward and reinforcement, supervisory support and coaching, social norms and organisational culture all had an effect on job satisfaction, employee motivation and turnover intentions. It is therefore hypothesized that:

H_3: Employees who feel less motivated will have higher turnover intentions than employees who feel highly motivated.

Turnover intentions have also been linked to gender in various studies. For instance, Schuler (2008) found that females valued opportunities to work with pleasant employees more than males whereas males regarded the opportunities to influence important decisions and direct the work of others as more important. This finding and that of Newby (2005) were confirmed in our findings. They were also corroborated by the work of Meece, Glienke, and Burg (2006) who found that gender differences in achievement motivation still exist and an employee's gender significantly influenced their perceptions of organisational support, change and transformation, remuneration and the propensity to leave (Kotze and Roodt, 2005). Gender is also suggested as a mediator between the psychological contract and turnover intentions (Blomme, van Rheede, & Tromp, 2010). Based on the discussion above, the following hypothesis is formulated:

H_4: Female employees will have lower turnover intentions than male employees.

Occupants of high ranking positions in organizations are perceived to be more satisfied with their conditions and are therefore more likely to remain in a position for a longer period than occupants of low positions Holden and Black (1996). Lower positioned employees are often in search of the next move that will bring them more recognition. The motivation to move is often intrinsic as well as extrinsic. Therefore, it is proposed by the study that rank has a greater impact on productivity and job satisfaction. Employee development serves dual purposes of meeting both organisational and employee mutual goals. As employees develop, they advance in their career and occupy higher ranks which in turn make them experience more fulfilling work and are therefore less inclined to consider leaving their employment (Rahman and Nas, 2013). That is because career advancement and performance recognition are considered as acceptable and adequate exchange for retention and commitment (Rahman and Nas, 2013). According to Rahman and Nas (2013), prevention or minimisation of turnover in an organisation is not only important because of the cost incurred in time and money invested in employee development but also because the "future workforce would be diverse from the workforce of the past" (pp 567).

H_5: Employees in higher ranks will have lower turnover intentions than employees in low ranks.

Bank work involves interactions with customers and employees are often required to express positive emotions and suppress negative ones during interactions with customers. These are referred to as 'deep acting and surface-acting'. Deep-acting is the act of profoundly manipulating one's emotions to conform to mandated or appropriate behaviour while surface acting is simply altering the manifestation of emotions "to match with normative patterns, pretending an emotion one does not feel" (Walsh & Bartikowski, 2013). Walsh and Bartikowski (2013) used deep-acting and surface acting as variables to measure the moderating effect of age on quitting intentions in a study of employee labour emotions and quitting intentions. They found that while the positive effect of deep acting on job satisfaction was significantly stronger on younger than on older employees, surface acting had a stronger positive relationship for the younger than for older employees. This was because older employees could draw on their memorable experiences to aid them to adjust their emotions in situations of grievous interactions with customers. Straudohar and Yoder (1982) also corroborate Walsh and Bartikowski (2013) that turnover is related to age and length of service as its rates are relatively high for young and short-service personnel and relatively low for older and long service employees. The age factor has also been suggested to be negatively correlated with the probability of job turnover intent by Henneberger and Souza-Poza (2007).

H_6: There is a positive relationship between employees age and their turnover intentions.

Some empirical studies on the relationship between tenure, turnover and turnover intentions are beginning to emerge. Researchers such as Trimble (2006) found that tenure is inversely related to turnover in such a way that those who have stayed longer in the organisation have less intention of leaving their organisations. This is contrary to earlier results obtained in studies conducted by Cotton and Tuttle (1986), and Hom and Griffeth (1991) who used demographics to predict turnover. According to Viscusi (1980), job characteristics can modify the position's attractiveness, as well as periodic labour force attachments. Turnover rates among individuals with a longer term of service are likely to be disproportionate to those with shorter terms of service (Viscusi, 1980). Increased tenure is strongly related to the propensity to remain in the job (Hom & Griffeth, 1991). Therefore it is hypothesized that:

H_7: There is a positive relationship between job tenure and employee turnover intentions.

METHOD

The study is a cross sectional survey which is exploratory, descriptive and inferential in nature and is both qualitative and quantitative. Qualitative research is an unstructured exploratory research methodology based on small samples that provide insights and understanding of the problem setting. Quantitative research seeks to quantify data and, typically applies some form of statistical analysis (Malhotra, 1996). By adopting a qualitative perspective the opinions and feelings of managers regarding job satisfaction can be collected. With quantitative research the findings of the study can be generalized for the entire population with an estimated level of accuracy. Exploratory research was applied because the researchers needed flexibility in approaching the research problem. The population of interest is all employees in the banking sector in Ghana. In all a total of 480 respondents were purposively sampled.

The Turnover Intentions Scale (TIS) developed by Cammann, Fichman, Jenkins, and Klesh (1979) was adapted to measure turnover intentions among the employees of the bank. The scale consists of 10 items. It has a Cronbach's alpha reliability measure of 0.74. Some sampled items of the scale are "I often think about quitting," "I often think about leaving my job," "I would leave if I could find a better job" and "There is not too much to be gained by sticking with the organisation indefinitely." Respondents were asked to indicate their level of agreement with each item using a five-point scale. Turnover intention was used because it has been found to be a strong predictor of actual turnover (O'Relly et al., 1991; Spector, 1997; Mobley, 1977; Arnold & Feldman, 1982).

RESULTS

The results have been presented in both descriptive and inferential statistics. The descriptive analyses were presented in the form of frequencies and percentages of demographic variables such as age, gender, educational background and rank in service of the respondents. The inferential analyses were employed in the analyses of the research hypotheses. There were seven research hypotheses formulated for the study. The first four research hypotheses were analysed for their statistical significance through the use of the independent samples *t* test. The independent sample *t* test is a parametric test that compares two independent groups or samples on a single dependent variable whose measures are at least on the interval scale. Since each of the four hypotheses in the study compared two groups of employees on a single dependent variable which was measured on the interval scale, the use of the independent *t* test was judged as most appropriate. The fifth and sixth hypotheses were analysed with the Pearson's Product Moment (Pearson *r*) Correlation Coefficient test. The Pearson *r* test is useful in determining both the strength and direction of the relationship existing among variables whose measures are on interval scale. Since all the variables in the last two research hypotheses (i.e., employees' age, job tenure, and turnover intentions) were measured on the interval scale, the use of the Pearson *r* test was deemed most appropriate for their analyses. Below are the results of the study in tabular presentations.

Demographics

The table 1 provides the demographic characteristics of the participants.

Table 1. Demographic Characteristics of the Respondents

Variable	Frequency (n = 480)	Percentage (%)
Gender		
Female	264	55
Male	216	45
Age		
25 – 30 years	170	35.6
31 – 40 years	141	29.3
41 – 50 years	140	29.1
51 – 54 years	29	6.0
Work Tenure		
Less than 5 years	179	37.2
6 – 10 years	155	32.4
11 – 15 years	72	15.0
16 – 20 years	51	10.6
More than 20 years	23	4.8

Source: Research Data 2014.

The Effect of Employee Turnover on the Performance of Firms

The first hypothesis the researchers tested was that "Banks with low employee turnover will perform better than banks with high employee turnover." The independent *t* test results in table 2 reveal that employee turnover intentions had a positive impact on bank performance [$t_{(114)}$ = 2.003, $p< .05$]. This implies that banks with low employee turnover intentions performed significantly better (M = 85.85, SD = 14.234) than banks with high employee turnover intention (M = 70.00, SD = 13.734). This result confirms the first research hypothesis that predicted that "Banks with low employee turnover will perform better than banks with high employee turnover."

Table 2. The Effect of Employee Turnover on the performance of Banks

Turnover	*N*	Mean	*SD*	*Df*	*T*	*p*
Low	162	85.85	14.234	109	2.003	.021
High	318	70.00	13.734			

Source: Research Data 2014.

The results of this inferential statistics indicate that, banks with low employee turnover perform better than banks with high employee turnover with a significant level of ($p < .05$). Labour turnover, apart from the fact that it creates a lot of customer complaints due to poor services rendered by the new employee whilst learning on the job, according to Huselid (2004) its effect can also be linked to productivity. This finding is in support of the findings of Huselid (2004) to the extent that banks that have low turnover will not have to replace workers who are inexperienced on the job to cause dissatisfaction to customers. This explains why it was found out that banks that have low employee turnover in the study performed better than those with a high turnover. Employee departures affect organizations in terms of measurable financial costs as well as intangible knowledge-based and productivity costs. Those expenditures can be difficult to absorb, whether an organisation is a small company or a large global firm. Loss of employee talent hinders the development of new products, disrupts client relationships and delays customer deliverables. These production delays, along with replacement costs of employee turnover, negatively affect overall business performance and success.

The Effects of Employee Turnover on the Competitiveness of Banks

The second hypothesis tested in this study was that "Banks with low employee turnover will be more competitive than banks with high employee turnover." The independent *t* test results in table 3 reveal that employee turnover intentions had a positive impact on the competitiveness of banks [$t_{(114)}$ = 1.142, $p < .05$]. This implies that banks with low employee turnover intentions were more competitive and significantly better (M = 82.42, SD = 13.255) than banks with high employee turnover intention (M = 68.00, SD = 12.427). This result confirms the second research hypothesis that predicted that "Banks with low employee turnover will be more competitive than banks with high employee turnover."

Table 3. The Effect of Employee Turnover on the Competitiveness of Banks

Turnover	*N*	Mean	*SD*	*Df*	*T*	*p*
Low	153	82.42	13.255	106	1.142	.014
High	327	68.00	12.427			

Source: Research Data 2014.

The findings from this study confirm the explanation of Rahman and Nas (2013). They explained that when organisations employ new people, it takes time for the new employees to acquire the necessary skills and knowledge required by the job. The learning curve tends to be longer and while the new employee is in the process of learning they will not be able to meet the expectation of the customer, thereby impacting the overall performance and competitiveness of the company.

The Effect of Motivation on Turnover Intentions

The third hypothesis predicted that "Employees who feel less motivated will have higher turnover intentions than employees who feel motivated." The independent *t* test result (Table 4) on this hypothesis clearly demonstrates a significant impact of motivation on employee turnover intentions [$t_{(114)}$ = 2.795, $p < .01$]. The mean scores suggest that turnover intentions was higher among employees with less motivation (M = 19.97, SD = 8.064) than among employees with high motivation (M = 16.69, SD = 4.601). In effect, there was a statistical confirmation for the third hypothesis that predicted that that "Employees who feel less motivated will have higher turnover intentions than employees who feel highly motivated"

Table 4. The Effect of Motivation on Turnover Intentions

Motivation	*N*	Mean	*SD*	*Df*	*T*	*p*
Less Motivation	310	19.97	8.064	114	2.795	.006
High Motivation	170	16.69	4.601			

Source: Research Data 2014

The assertion was that employees who feel less motivated will have higher turnover intentions than well motivated employees; this was true since the hypothesis was confirmed with a significant level of ($p< .01$). Most employees in the banks were observed to be dissatisfied with their salary, promotion, recognition and development in their establishment. The findings from this study, support that of Bloch (2004) that employees who have very high motivational levels show low tendencies of labour turnover.

The Effect of Gender on Turnover Intentions

In table 5, the researchers tested the fourth hypothesis that "Female employees will have lower turnover intentions than male employees." The independent *t* test results in table 5 reveals that gender had no significant influence on employee turnover intentions [$t_{(114)} = -1.371$, $p > .05$]. This implies that the turnover among female employees in the bank (M = 21.38, SD = 4.961) was not statistically different from the turnover intentions among male employees in the bank (M = 22.93, SD = 5.123). This means that the fourth hypothesis that "Female employees will have lower turnover intentions than male employees" was not confirmed.

Table 5. The Effect of Gender on Turnover Intentions

Gender	*N*	Mean	*SD*	*Df*	*T*	*P*
Females	64	21.38	4.961	114	-1.371	.189
Males	52	22.93	5.123			

Source: Research Data 2014.

A research conducted by Schuler (2008) reveals that females in the study valued the opportunity to work with pleasant employees more than males, whereas males regarded the opportunity to influence important decisions and direct the work of others as more important. Furthermore, Meece, Glienke, and Burg (2006) found out that gender still mediated in employees' achievement motivation. Following the achievement motivation theory, women are predicted to be less inclined towards success because they have negative expectancies such as social rejection, fear or feeling of being tagged as being too masculine. Major and Konar (1984) in their study reveal that women usually pay less attention to salary than men. Blome, van Rheede, and Tromp, (2010) suggested that gender could be a moderator between the psychological contract and turnover intentions. The findings of the current study are in contradiction with the findings made by the researchers cited above because there was no significant influence of gender on employees intention to leave their jobs.

The Effect of Job Rank on Employee Turnover Intentions

The fifth hypothesis predicted that "Employees in high ranks will have lower turnover intentions than employees in low ranks." The independent *t* test result (Table 6.) on this hypothesis shows that job rank had a significant impact on employee turnover intentions [$t_{(114)}$ = -2.470, $p< .05$]. Turnover intentions was lower among employees in high ranks (M = 18.68, SD = 6.463) than among employees in low ranks (M = 21.65, SD = 4.779). This result confirms the prediction in the fifth hypothesis that "Employees in high ranks will have lower turnover intentions than employees in low ranks."

Table 6. The Effect of Job Rank on Employee Turnover Intentions

Gender	*N*	Mean	*SD*	*Df*	*T*	*p*
High Ranked	152	18.65	4.779	114	-2.470	.015
Low Ranked	328	21.68	6.463			

Source: Research Data 2014.

It was found in this study that employees in high ranks have lower turnover intention than those in low ranks. The emphasis of this hypothesis was on job rank and the independent t test result shows a significant impact on employee turnover intentions (p<.05).this was confirmed by our research findings. The finding from this research is consistent with the work by Holden and Black (1996) that employee ranks had an effect on productivity and satisfaction. Job satisfaction is related to rank, and staff in higher ranks tend to have high job satisfaction.

The Relationship Between Employees' Age and Their Turnover Intentions

The sixth hypothesis predicted that "There will be a positive relationship between employees' age and their turnover intentions." The Pearson *r* test result in table 7 reveals that the relationship between age and turnover intentions was not significant [$r = .020$, $p> .05$]. This suggests that aging did not predict turnover intentions among employees working in the bank.

Consequently, the prediction that "There will be a positive relationship between employees' age and their turnover intentions" was not confirmed.

Table 7. The Relationship Between Employees' Age and Turnover Intentions

Variable	1	2	3
Age	441**		
Turnover Intentions	.020	.122	-

**. Correlation is significant at .01 level (1-tailed test).

Since all the variables in the last two research hypotheses (i.e., employees' age, job tenure, and turnover intentions) were measured on the interval scale, the use of the Pearson r test was deemed most appropriate for their analysis. The fifth hypotheses stated that "There will be a positive relationship between employees age and their turnover intentions" However, the Pearson r test result in table 5 reveals that the relationship between age and turnover intentions was not significant ($p > .05$). This means that age is not a factor with regard to employees turnover intention. This hypothesis was not confirmed.

The Relationship Between Job Tenure and Employee Turnover Intentions

Finally, it was conjectured in the seventh hypothesis that "There will be a positive relationship between job tenure and employee turnover intentions." However, the Pearson *r* correlation result in table 8 reveals that the relationship between job tenure and turnover intentions was not significant [$r = .031$, $p > .05$]. This implies that the length of years an employee works for the bank does not predict his or her intention to quit the banking job. In this sense, there was no confirmation for the seventh hypothesis that predicted that "There will be a positive relationship between job tenure and employee turnover intentions."

Table 8. The Relationship Between Job Tenure and Turnover Intentions

Variable	1	2	3
Job Tenure	.421**	-	
Turnover Intentions	.031	.137	-

**. Correlation is significant at .01 level (1-tailed test).

In earlier studies, it was revealed that tenure is inversely related to turnover in such a way that those who have stayed longer in the organisation have less intention to leave their organisations (Gable, Hollon, & Dangello, 1984; Guper, 1999; Parasuraman & Futrell, 1983; Schultz, Bigoness, & Gagnon, 1987; Trimble, 2006). The findings of the current study do not fully support earlier findings because the study did not find strong relationship between employees tenure of office and their decision to stay longer with their organisation. Many studies included tenure in demographical predictors of turnover (e.g. Cotton and Tuttle, 1986; Hom & Griffeth, 1991). These studies discussed the relationship of turnover and tenure. The current study confirms the findings that turnover rates among individuals with a longer term of service are likely to be disproportionate to those with shorter terms of service (Viscusi, 1980). Increased tenure is strongly related to propensity to remain on the job. The age factor has been resulted to be negatively correlated with the probability of job turnover intent (e.g. Henneberger & Souza-Poza, 2007). Based on the matching theory, younger people have an experimental stage at the beginning of their professional life therefore a change is less attractive. Consequently the available time to redeem the costs associated with a job turnover diminishes with age. This was however contrary to the findings of our research.

DISCUSSION AND CONCLUSIONS

There are number of conclusions drawn from this study. The findings from this study indicate that banks with low employee turnover perform better than those with high turnover. Labour turnover apart from the fact that it creates a lot of customer complaints due to poor services rendered by the new employee whilst learning on the job, according to Huselid (2004) its effect can also be linked to productivity. This explains why banks that have low employee turnover in the study performed better and were more competitive than those with a high turnover. However, employees who were less motivated had higher turnover intentions than employees who felt highly motivated. The study found that employees with high ranks in the bank have low turnover intentions as compared to employees in low ranks. These three findings above have been confirmed by the study. On the other hand, gender, age and job tenure have no impact on employees turnover intentions as confirmed by the study.

Recommendation

To curtail or eliminate turnover it is recommended that conditions of service should be improved to prevent resignations in banks; Management attitudes should be geared towards improving wages and reward systems which look more appealing to bank workers; Motivation should be the hallmark of management to retain employees as it boosts their morale towards work. These can include but not limited to provision of accommodation for its employees, or sufficient rent allowances in lieu of company accommodation. It is predicted that this will lead to high productivity; Channels of communication should be flexible enough to enable employees feel at ease with management, since immediate feedbacks promotes efficiency; Promotion for employees, which could be based on long service or educational background, should be part of management's agenda in banks. The structure of the banks seems unsatisfactory, hence they should be reviewed for employees to feel part of the system; Gender discrimination should be avoided as shown by the descriptive aspect of our study, 55.17% of the employees were female which seem a little bit discriminatory against male. Management should put in place structures to ensure gender balance as the independent t test result reveals that gender had no significant influence on employee turnover intentions. This implies that the turnover among female employees in the bank was statistically no different to the turnover intentions among male employees in the bank.

Suggestion For Further Studies

Further studies should consider the scope of the study, especially the number of personnel included in the study. From the above limitations, further studies may be aimed at undertaking a longitudinal study. The inclusion of field workers in subsequent studies will help the researchers to identify the factors that influence bankers' performance. The researchers also propose areas such as the comparative productivity of banks, the factors that account for the increased level of poaching in the banking industry and a comparative analysis of profitability of foreign and domestic banks in Ghana for further research.

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WPŁYW FLUKTUACJI KADR NA WYDAJNOŚĆ ORAZ KONKURENCYJNOŚĆ BANKÓW W GANIE

Abstrakt

Tło badań. Fluktuacja kadr jest powszechnie znanym zjawiskiem w organizacji. Najbardziej popularnym założeniem dotyczącym relacji pomiędzy wskaźnikiem fluktuacji a organizacyjną wydajnością jest przekonanie, że rosnące wskaźniki fluktuacji są dysfunkcyjne w związku z ich ograniczającą rolą w organizacyjnej wydajności oraz konkurencyjności.
Cel badań. Głównym celem opracowania jest ocena oddziaływania Fluktuacji Kadr na wydajność oraz konkurencyjność przedsiębiorstw w sektorze bankowym w Ganie.
Metodyka. Badaniem objęto pracowników w 15 wybranych bankach prowadzących działalność w Ganie. Próba badawcza 480 respondentów została celowo dobrana bez dyskryminacji ze względu na płeć, religię, niepełnosprawność oraz narodowość. Statystycznymi narzędziami wykorzystanymi do analizy danych były Niezależny t-test oraz współczynnik korelacji liniowej Pearsona (r-Pearsona).
Kluczowe wnioski. Analiza danych wskazuje, że banki z niską fluktuacją kadr uzyskują lepsze wyniki oraz są bardziej konkurencyjne od banków z wysoką płynnością pracowników; wysoko zmotywowani pracownicy wykazują mniejszą chęć do zmiany pracy niż pracownicy mniej zmotywowani oraz pracownicy zajmujący wyższe stanowiska wykazują mniejszą chęć do zmiany niż pracownicy na niższych stanowiskach. Płeć, wiek oraz staż pracy nie mają znaczącego wpływu na chęć odejścia z pracy.

Słowa kluczowe: Fluktuacja kadr, konkurencyjność, wydajność, banki