Determinants of Employee Turnover in the Construction Sector: Evidence from Nigeria

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ABSTRACT
The study examined determinants of employees’ turnover on quoted construction companies in South West geo-political zone in Nigeria. We employed the use of open and close ended questionnaires in order to elicit relevant information from the respondents chosen from the existing 16 construction companies while the close ended questionnaire was developed in line with 5 point Likert rating scales and covered all the four objectives stated in the work. To ensure that every employee had an equal chance of being sampled, the research work employed simple random and purposive sampling techniques for picking out respondents in the course of administering the questionnaires to 400 respondents as our sample size who were the employees of the 16 construction companies. Out of the 400 questionnaires administered, 365 questionnaires were considered to be adequate for analytical purpose representing 91% respondent’s rate. Descriptive statistics, correlation and regression analyses were used to analyze and test the four hypotheses at 5% level of significance. It was discovered that compensation packages, job satisfaction, work environment and leadership style has a negative and significant effect on employee turnover of construction companies in South West geo-political zone. We therefore recommend that a pragmatic review of the human resources management policies such as leadership style, job satisfaction and compensation packages as well as organizational policies to induce serene atmospheric conditions where no one is carrying out responsibilities in fear or operating under duress.

Keywords: Compensation packages, job satisfaction, work environment, Construction Company, Nigeria economy and leadership style

1.1 INTRODUCTION
In Nigeria today, the world of work is constantly changing as a result of different challenges emanating from the political, legal as well as the technological environments of business and these explained why the nature of work is changing at whirlwind speed (Oginni, 2011). Human resource is considered to be the center of all development processes of economy. But today’s competitive business scenario is deteriorating social conditions of human resources, hence causing reduction in employee turnover. The
issue of employee turnover has raised quite a number of concerns in the construction industries as a result of its effect on productivity. It is a known fact that employees are important stakeholders in the firm, but unfortunately after limited resources have been used in recruiting, training and developing the employees, they leave for other organizations. Employee’s turnover has drained limited resources of small and medium sized construction firms as the services of the lost employees are no longer available to be utilized by the firm.

The uniqueness of the construction industry especially in its approach towards the management of its human resources in a very dynamic and complex working environment has been acclaimed by several authors (Cheng, Dainty & Moore :2005, Loosemore, Dainty & Lingard :2003, Raidén, Dainty & Andrew : 2006). The results of each study were different as each study was carried out in different countries under different economic and social conditions using different independent variables. Besides, the studies at the national level were also carried out at different organizations and at different competitors where each organization has different working environment, working culture and norms and services they provided. Considering the above facts investigated by various researchers, organizations should understand why their employees leave or stay to mitigate the reason of leaving so that the company can attract other competent employees from the market and achieve the going concern of the company. Therefore, there is a clear need to develop a better understanding of employee turnover and more specifically the causes that are key indicators of why employees leave the organization which would then have a profound impact on the strategies that managers can employ in order to reduce employee turnover within their organizations (Kevin, Joan, & Adrian, 2004).

To the best of our knowledge, there are very few turnover determinant studies related to Nigerian Banking sector. The few ones available used different variables. Such studies include Alkahtam (2015), Shukla and Sinha (2013), Bula (2012), Kyule (2013) and Kariuki (2015). It is therefore evident from the above findings that the extant literature has created more need for further studies to substantiate the determinants of employee turnover more specifically in the banking sector. All this prior literature depicts mixed results and conflicting findings, hence it may be concluded that the relationship must be investigated further to better generalize the results for future propositions in this regard. This is the gap the present study wants to fill thereby adding to the existing literature.

Against this backdrop, the following objectives were raised

1. Investigate the effect of Compensation packages on employee turnover in construction company.
2. Ascertain the extent to which Job Satisfaction affects employee turnover in construction company.
3. Examine the degree to which work environment influences employee turnover in construction company.
4. Assess how leadership style improve employee turnover in construction company.

2.1 Literature Review and Hypothesis Development

2.1.1 Compensation and employee turnover

Abassi and Hollman (2000) identified lack of recognition and competitive compensation systems as some of the biggest reasons for employee turnover in an organization. When the workers are extremely unsatisfied with the compensation system, the organizations face voluntary turnover. Samuel and Chipunza (2009) observe that there are intrinsic and extrinsic motivational factors which can assist managers to influence employee retention and reduce turnover in their organisations. The problem, however, is that managers have failed in identifying and properly using these variables as retention strategies thereby resulting in the prevailing high turnover rate in the organisations. Wesonga, Kombo, Murumba and Makworo (2011) carried out a study in which they observed that managers understood labour turnover as workers leaving the company for greener pastures. They further observed that 100% of the managers would leave the present company and take up new jobs if the job offers better salary and benefits than the current one. Howard (2005) posits that investing in employees is the key to business success. He says that firms are suffering as a result of poor investment in the human resource, usually regarded by many a firm as temporary business assets. He further suggests that the bottom line is that if a
company wants loyalty, it has to start giving some. Investing in the organization’s employees is the starting point. EPN (2005) observes that for a firm to retain and grow its staff, a clear decision needs to be made as to what level of change is needed in salaries, reward packages and conditions in order to recruit and keep national staff taking into account both the short and the long term impact. Raikes and Vernier (2004) did a research in which they predicted hard times ahead for the human resource managers by 2010. They foresaw that with the retirement of baby boomers, the labour force will stop growing around 2010. This or rapid economic growth might provide the significant proportion of staff already waiting to change employers the right opportunity to do so. They also posit that rewards should be differentiated according to the performance, including the non cash rewards. Sung and Ashton (2005) claim that Reward and commitment practices aim at creating a greater sense of belonging and commitment to the organization. Such practices include performance pay, flexible job descriptions, job rotation, “family friendly” policies or non-pay benefits. They observed that there is a strong correlation between the adoption of such practices as proper financial and non financial commitment to an organizational competitiveness. However, Towers (2003) while looking at differences between industries argues that people tend to be drawn to non-profit making sector as opposed to profit-making sector from a sense of mission and passion, rather than from any prospect of high pay or wealth accumulation. According to him, it is important to note that while pay might play a role in attracting or retaining staff, it has little importance in driving engagement itself. Pieter et al. (2006) argued that compensation refers not only to extrinsic rewards such as salary and benefits, but also to intrinsic rewards such as achieving personal goals, autonomy and more challenging job opportunities. Nevertheless, considering the contradicting theoretical argument, this paper does not predict any sign for the compensation packages but propose that there is a significant relation between compensation package and employee turnover (Hypothesis 1)

2.1.2: Job Satisfaction and Employee Turnover

Many studies have indicated that job satisfaction serves as an antecedent to turnover intention. For example, Ali (2008) highlighted that problems might arise if employees’ dissatisfaction are not taken into consideration. In addition, Hay (2002) discovered that the majority of the employees chose career opportunities, and learning and development as the foremost reasons to stay in an organization, which lead to job satisfaction. Previously, much research on careers have viewed the individual as being passive and influenced by situational factors. Career/job satisfaction is a significant predictor of employee turnover (Egan, Yang, & Bartlett, 2004; Wright & Bonett, 2007). Employees most probably leave their organization when both their psychological well-being and job satisfaction are low (Wright & Bonett, 2007). Alkahtani (2015) found that job satisfaction with meaningful work and promotion opportunities were significant predictors of turnover intention. Previous studies have discovered that job dissatisfaction is associated with negative behavioural outcomes such as absenteeism, workplace accidents, and labour turnover (Griffeth, Hom, & Gaertner, 2000; Newstrom, 2007; Sousa-Poza & Sousa-Poza, 2007). Currall, Towler, Judge, and Kohn (2005) discovered that pay satisfaction is positively related to performance and negatively related to employee turnover intention. Similarly, the outcome of another study by Davis (2006) also showed that general job satisfaction is strongly and negatively associated with turnover intention. Job satisfaction has been empirically proven to be the main predictor of turnover intention (Lararbee, Janney, Ostrow, Withrow, Hobbs, & Burant, 2003; Parry, 2008). As a matter of fact, drawing on the above discussion and prior studies’ findings, this study does not wish to predict any sign for job satisfaction, instead we hypothesize that there is a significant relationship between job satisfaction and employee turnover (Hypothesis 2)

2.1.3: Work Environment and Employee Turnover

Irshad (2009) in his finding, the area of work environment found that it is key factor in employee retention, it is also found that employee leave the job due to work environment and organizational justice (distributive justice and procedural justice). It also play pivotal role in employee retention, it is revealed from study that, if organization want to retain their prowess employees, organization must follow fairness formula. So, organizations should realize that, working conditions in an organization have a role to play in deciding whether to stay or leave. Good working conditions may serve as a motivating factor to employees, in order to stay in an organization. In line with this, the overall working environment of the
organization should be favorable to employees and the organization working environment was not conducive to most of the employees it contributed to employee turnover (Guyo, Gakure & Mwangi, 2011). A stimulating work environment that makes effective use of people’s skills and knowledge, allows them a degree of autonomy on the job, provides an avenue for them to contribute ideas, and allows them to see how their own contribution influence the company’s well-being (Luthans, 2002). In an unfavorable working environment employees do not want to stay; due to this, some employees jump from company to company because they prefer a working environment that is suitable for them. Recent studies conducted by Handelsman (2009) shows that if working conditions are substandard or the workplace lacks important facilities, such as proper lighting, furniture, clean restrooms, and other health and safety provisions, employees won't be willing to put up with the inconvenience for long. Notwithstanding the general lack of consensus in the literature on the effect of work environment on employee turnover, theory suggests that an increased exposure to work environment is often associated with decrease in employee turnover. **Hence, we expect a negative relationship between employee turnover and work environment variable.**

2.1.4: Leadership style and Employee turnover

Wadongo, et al (2010) carried out a study on Key performance indicators in the Kenyan hospitality industry. They were interested in finding out the impact of managerial characteristics on key performance indicators in the Kenyan hotel industry. They found that hospitality managers in Kenya almost exclusively monitor competitiveness and financial dimensions of performance with little or no attention being paid to non-financial or determinant measures. They concluded that key performance indicators are overwhelmingly dominated by result indicators, thus focusing management’s attention even further toward the results of past actions rather than toward determinants of future success which clearly demonstrates that performance measurement within the Kenyan hospitality industry is not balanced. Chen and Silverthorne (2005) claim that leadership style affects a range of factors including job satisfaction, performance, turnover, and stress management. Yousef (2000) has it that leadership behavior is positively related to job satisfaction and therefore managers need to adopt appropriate leadership behaviour in order to improve on the job satisfaction thus ensure high retention. Rollinson (2005) states that leadership styles can be classified according to the power that the leader bears and his or her behavior. This can be categorized into autocratic, democratic, or laissez-faire, where styles are distinguished by the influence leaders have on subordinates. Tain-Fungwu, Mei-Hui, Yeh-Hsun and Wu (2006) recognize employees perceive three types of leadership in organizations. These are delegating (empowerment), selling (persuasion) and telling (command) style. According to them, a telling style is adopted most frequently by the line managers if their top-level managers possess an authoritative leadership style. On the contrary, selling and delegating leadership styles are adopted most frequently by the line managers if their top-level managers possess a democratic leadership style. Namasaka, Poipoi and Mamuli (2013) observe that management should proactively and always hasten the replacement of those employees who leave the organization to reduce the negative effect brought about by the staff turnover. Management should improve the terms and conditions of services to improve on the staff retention rate so as to avoid liabilities caused by staff turnover. Rehman, Mansoor and Bilal (2012) say that the best suited leadership style in any organization is that which inspires subordinates’ potential and working ability to enhance efficiency and effectiveness in an organization. They suggested that companies should strive to have their leadership take into considerations their styles of leadership so that his subordinates can feel comfortable with him/her at work place since less stressed employees at the work place are more productive than stressed ones. All the above studies recognize the important role played by leadership style in determining how long employees are expected to stay in the company. However, little has been done on leadership and turnover in the construction industry in the third world where most of the leadership finds itself in a straight jacket as far as the availability of trained labour is quite a challenge. As a matter of fact, drawing on the above discussion and prior studies’ findings, this study does not wish to predict any sign for leadership style, instead we hypothesize that **there is a significant relationship between leadership style and employee turnover (Hypothesis 4)**
2.2: Theoretical Framework
Under this theoretical frame work, there are many relevant theories that can be used to explain the relationship between employee turnover and its determinant but we discussed only one theory that best explained our work and anchored our work on it. On this note equity theory was extensively discussed and it was on this theory that we anchored our work on.

2.2.1: Equity Theory
Equity theory was developed by Adams in 1963. Importantly, it asserts measure of fairness, Equity, by comparing our balance of effort and reward, and other factors of give and take, the ratio of input and output - with the balance or ratio enjoyed by other people whom they deem to be relevant reference points. Equity theory therefore, suggests that individuals engage in social comparison by comparing their efforts and rewards with those of relevant others. The perception of individuals about the fairness of their rewards relative to others influences their level of motivation. Equity exists when individuals perceive that the ratio of efforts to rewards is the same for them as it is for others to whom they compare. According to the theory inequity exists when individuals perceive that the ratio of efforts to rewards is different for them than it is for others to whom they compare themselves. The theory argues that the more intense the employee perceives that he or she is either more or less paid, the higher the tension and the stronger the motivation to act (Huczynski & Buchanan 2007). The strong point of this theory is that its focus is on productivity, job satisfaction and turnover reasons, that is turnover is the outcome of underpayment conditions. However, this theory does not explain much on other factors of turnover such as bad organizational climate and other psychological reasons that may motivate employees to quit their jobs. Equity theory is concerned with the perceptions people have about how they are treated as compared to others. Equity theory proposes that a person's motivation is based on what he or she considers being fair when compared to others (Redmond, 2010). As noted by Gogia (2010), when applied to the workplace, equity theory focuses on an employee's work-compensation relationship as well as that employee's attempt to minimize any sense of unfairness that might result. When compared to other people, individuals want to be compensated fairly for their contributions. A person's beliefs in regards to what is fair and what is not fair can affect his motivation, attitude and behaviour. Employees who feel unfairly treated may be compelled to seek for better opportunities elsewhere. This was the main reason why this work was anchored on this theory.

2.3 Empirical Review
Hee and Ann (2019) investigated the importance of employee turnover and factors that contribute to employee turnover. They recommended in their study that compensation and benefits, work-life balance, work stress and job satisfaction are important factors that influence employee turnover. This study also provides research implications to guide industry practitioners in the aspect of employee turnover. Their study serves as a guideline to support food manufacturing industry in restructuring its corporate policies in human resource to sustain its business and retain employees.
Juan Yang, Bo Pu and Zhenzhong Guan (2019) examined the relationship between entrepreneurial leadership and turnover intentions of employees within enterprises established in the last five years. Their paper explored this relationship through multiple serial mediators, specifically, employee affective commitment, job embeddedness, and job satisfaction. A quantitative approach was employed on a sample of 403 participants from 62 ventures. The results demonstrated that entrepreneurial leadership can reduce employee turnover intentions, and the impact is through job embeddedness, job satisfaction, and affective commitment, in series. This study is the first try of a three-serial-mediator model for the relationship between entrepreneurial leadership and turnover intentions, and it leads to a better understanding of the significance of entrepreneurial leadership.
Julius Atitsogbui Kwesi and Amponsah-Tawia (2019) examined the relationship between turnover intention and job fit among Registered Nurses in Ghana. Further analysis was done to explore how nurses' psychological climate has an impact on the relationship between job fit and turnover intention. The study adopted the quantitative research approach and the cross-sectional survey design in collecting data on the variables of interest. Purposive sampling was used to select the eight hospitals from both the public and the private sectors. In all, 322 Registered Nurses participated in the study and the data were analyzed.
using simple and hierarchical multiple regression. The results of the study showed no statistically significant relationship between nurses’ turnover intention and job fit. However, psychological climate was found to fully mediate the relationship between turnover intention and job fit among the participants studied.

Al-khrabsheh, Maisoon Abo-Murad and Islam Bourini (2018.) aim to examine the relationship between turnover intention and some organizational factors among professional academics at Jordanian Government Universities. Namely the organizational factors include job satisfaction, work exhaustion, occupational health and safety management and organizational culture. A sample of 250 participants was extracted from different Jordanian universities. The participants were limited to academics in Jordan who are working in any government Jordanian University. Statistical analysis was conducted by using SPSS 23. Previous literature was also used to design a structured questionnaire. A total of 250 questionnaires were given out and 250 questionnaires were collected back. The study then conducted correlation and regression analysis to determine the relationship between the independent and the dependent variables. The models for multiple regression offer support for the relationship between turnover intention and organizational factors. The results revealed that the all the exogenous variables had a significant effect on the endogenous variable. Based on these results, the study implies that managers need to acknowledge the importance of examining the factors that reduce the turnover intentions of the employees and improve the commitment level for their employees.

Belete (2018) reviewed different empirical works which deals with the factors influencing turnover intention of employees with the purpose of giving clue for scholars, researchers and organizations. His conceptual paper focused only on ten factors (job satisfaction, job stress, organizational culture, organizational commitment, salary, organizational justice, promotional opportunity, demographic variables, leadership styles, and Organizational Climate) which are common in any type of organizations. Kim, Kim Tam and Rhee (2017) identified associations amongst organizational justice, supervisory justice, authoritarian culture and organization-employee relationship quality and employee turnover intention. An online survey (n=300) was conducted in South Korea. They discovered that organizational justice and supervisory justice are positively associated with organization-employee relationship quality, while authoritarian organizational culture is negatively associated with it. In addition, they found that there is a positive association between authoritarian organizational culture and turnover intention. Organizational justice and organization-employee relationship quality are negatively associated with turnover intention. Their study contributes to the lack of research on organization-employee relationship quality as a predictor of employee turnover intention and a mediator between authoritarian organizational culture and turnover intention.

Letchumanan, Kogilavani and Ramasany (2017) examined factors that mainly affect turnover intention of employees in commercial banks in Malaysia. Using a procedural approach, their study gave an in-depth understanding about the variables and factors that may affect the turnover intentions of employees that could help to overcome and reduce employee’s turnover.

Akinyomi (2016) examined the causes, costs consequences and prevention of employees’ turnover. The study provides theoretical foundation underpinning employees’ turnover. The causes of employees’ turnover were also provided among which they have poor work environment and poor remuneration packages. The study further indicates that employees’ turnover has cost implications to the organization which include but not limited to vacancy advertisement, interview, recruitment and training of new hire, loss of productivity, and cost of inefficiency of the new staff. He also provided strategies that can help in addressing employees’ turnover which include favourable working environment and improved remuneration packages.

Nasir and Mahmood (2016) investigated determinants of employee retention using randomization selection of employees from various organizations of Karachi- Pakistan; including airline industry, pharmaceuticals, banking sector, higher education sector and FMCG’s with a sample of 384 employees. The results of their research showed that employee retention is highly dependent and correlated with all the independent variables identified in this study such as job satisfaction, supervisor support, career development, rewards and recognition etc.
Oluwaseun (2016) investigated the influence of employees’ empowerment and job satisfaction on their intention to stay using a sample from a Bank in Lagos, Nigeria. Employees’ feeling of empowerment and their job satisfaction were measured using 5-items each. Intention to stay was measured using 4-items. Empowered employees are expected to be less likely to quit and also expected to have higher job satisfaction. Consequently, He believed that increased job satisfaction is the reason that empowered employees may not quit their jobs. His outcomes showed a positively significant relationship that exists between employee’s empowerment and job satisfaction also employee empowerment has a positive association with intention to stay, intention to stay is explained by job satisfaction and job satisfaction acted as a mediator between employee empowerment and intention to stay.

Alkahtani (2015) investigated factors that influence employee’s turnover intention in Saudi Arabia using field survey research methodology. Based on the review, seven common factors were found to be related to turnover; namely, organizational commitment, job satisfaction, training, perceived organizational support, perceived supervisor support, organizational climate, employees’ benefits and opportunities and organizational justice. He concluded therefore that these factors have to be taken care of by the organizations to ensure that they can retain their employees especially those that can contribute significantly to the well-being of the organizations.

Bilau et al (2015) examined the impact of employee turnover in small and medium construction firms in Nigeria. The study adopts a literature review approach to review existing journals in related field so as to arrive at recent findings. The study identifies major ways by which employee turnover in Nigeria construction firms can be minimized to the nearest minimum. The effect and impact of employees’ turnover on job performance are mostly as a result of poor resource management in the firm. From the study, factors that causes employees turnover in SMCFs were ranked with salary coming first under financial factor, secondly fringe benefits, lack of financial management and lastly unequal and or substandard wage. The study suggests an urgent need for construction firms to engage in anticipatory strategic planning and approaches to minimize employees’ turnover rate.

Kariuki (2015) examined factors affecting turnover in the Kenya Banking Industry utilizing a simple random sampling for picking out respondents. Data was collected using structured questionnaires, and was analysed using the Statistical Package for Social Sciences (SPSS) version 21. A total of one hundred and two (102) questionnaires were dispatched to respondents, and all hundred and two (102) were received back from respondents giving the study a response rate of 100%. Descriptive statistics utilized in this study include frequencies, percentages, and mean. He found that the relationship between career development and employee turnover are statistically significant and that Job description, career development programs, Job enrichment and capacity enhancement enhances employee job performance reduces employee turnover. He also discovered that mentoring and coaching had a significant relationship with employee turnover. Finally, the relationship between reward systems and employee job performance was statistically significant. He concluded that both salaries and bonus payments are key factors influencing employee turnover.

Rizwan, Arshad, Munir, Iqbal and Hussain (2014) carried out a study on determinants of employees’ intention to leave in Pakistan in order to discover the real causes behind the turnover and its harmful effects on productivity of many industries. Their study showed that people who feel disadvantaged compared with others are more satisfied with their job level of job satisfaction. Moreover, enhanced organizational commitment and job satisfaction lead to a reduction in the intention to leave the organization. Again, employees who perceived high support of leadership and low pressure are most likely to stay longer as compared to other employees. They also found that employee satisfaction had a strong negative relationship with turnover intentions.

Okubanjo (2014) examined the predictive power of organizational commitment and job satisfaction on primary school teachers’ turnover intention in Ijebu North Local Government area of Ogun State. Three instruments, turnover intention scale, organization commitment scale and intrinsic motivation inventory were utilized in the study. Multiple regression (stepwise) and simple percentage were used for analysis. Findings showed that the two determinant variables (organizational commitment and intrinsic motivation) when taken together, determined the criterion variable (turnover intention). Finding also indicated that
organization commitment was the most potent contributor to the prediction of turnover intention of primary school teachers.

Wallelegn (2013) assessed the causes of professional employees’ turnover at bank of Abyssinia. The study adopted a descriptive research design to identify the employee turnover causes. Both quantitative and qualitative methods were used to gather information through the utilization of a questionnaire and interviews. Their respondents were drawn from the existing and ex-employees of the bank. Seventy four (74) and fifty seven (57) questionnaires were issued to the current employees and ex-employees and thirty eight (38) and thirty one (31) were responded respectively. Descriptive statistical and qualitative analysis method were used for data analysis. The study revealed that the bank has not attractive salary and benefit package, the employee employer relationship was not good, there is job security problem, the employee reward program was not competitive, the work place were unfavorable, employees were handled unfairly and irrespectively. All those factors influence most ex-employees to leave and increased the intention of existing employees to leave the bank.

Shukla and Sinha (2013) examined employees’ turnover in the banking sector of India. The study employed descriptive research design. Primary data were obtained from the respondents through the administration of structured questionnaire. The collected data were analysed using mean, standard deviation and linear correlation. The results of the study revealed that lack of job satisfaction and work environment ranked high among the causes of employees’ turnover. Employees were willing and ready to change to a new job that promised them better remuneration and work environment. As evident from their results, the prime factors for employee turnover are job satisfaction and work environment. The high significance level for both variables show that, whether there is a salary compensation or not, employees have a gigantic desire to opt for new ventures in need of better work environment and job satisfaction. Comparative to above two variables the career development is having lesser but a quiet considerable significance. The people who counted career growth as their prime force for turnover have put a saddle on availability of opportunities and management relations as sub-prime forces. But they turn over for new venture for better wages or salary compensation. This suggests that a strategic approach to reducing employees’ turnover is to make the work environment conducive and provide improved remuneration.

Essien, Adekunle and Oke-Bello (2013) examined the relationship between Managerial Style and Staff Turnover in Nigerian Banks. The data for the study was collected through questionnaires and analyzed using the OLS regression method. Their study revealed the existence of positive relationship between Managerial Style and Staff Turnover in Nigerian Banks. They recommended that in order to have a satisfactory and productive workforce, organization must design and fashion out an effective managerial style that will enhance employee performance and retain them in the organization.

Kyule (2013) carried out a study to highlight the probable determinants of high staff turnover in firms in the hospitality industry of Kitui town in Kenya. The researcher used a cross-sectional survey of the firms in the hospitality industry with a sample of 70 employees in 7 firms in the whole of Kitui town. The study found out that high turnover was being caused by low payments offered by the firms in the hospitality industry to their workers. In relation to objective two, workers who are not trained may not have a reason to stick in their current firm. This necessitated their frequent movements in search of satisfactory firms where they would receive training in their jobs. He discovered that lack of trainings cause high turnover among the workers in the hospitality industry. In relation to objective three, most workers found their current firms” leadership autocratic, worse than any other firm in the market and not recognizing individual efforts but mistakes. Such a leadership style will make staffs keep on looking for other firms where they expect better leadership. The study found that bad leadership is a cause of high turnover in the industry.
3.1: METHODOLOGY
This study used a descriptive and longitudinal research design. This is because descriptive studies are concerned with specific predictions, narrations of facts and characteristics concerning individuals, groups or situations. The quantitative approach was applied to identify the trend of employee turnover determinant in Nigerian construction companies. Some qualitative information was also gathered using interview check lists to address the determinant of employee turnover of the construction companies under investigation. The study covered all the quoted construction companies in South West Geo-Political zone in Nigeria Stock Exchange. This zone is the key base of majority of the construction companies in Nigeria as a result of the economic activities and the uniqueness of the states that make up the south west geopolitical zone. Random sampling was used to select a total of 400 current employees which comprises of 25 key employees from each of the sixteen (16) construction companies. Out of the 400 questionnaires administered, 380 were returned while 15 were found to be wrongly filled and were discarded in the course of sorting and collating. At the end, 365 questionnaires were considered to be adequate for analytical purpose representing 91% respondent’s rate. The sample size is composed of responses of selected employees from all the 16 construction companies in South West Geo-Political zone quoted in Nigerian Stock Exchange. The questionnaire that was used was self-administered with four hundred (400) participants. Twenty-five (25) participants each from all the quoted construction companies were selected for the purpose of analysis using stratified random sampling given the heterogeneous nature of the staff population. The choices of these construction companies was necessitated in order to compare whether there are differences between different determinants of employee turnover in Nigerian construction companies with respect to their different levels of their scale of operation and technological knowhow in Nigeria.

3.2: Model Specification
Ordinary least square regression method of analysis was adopted to show the causal or significant relationship between employee turnover and its determinant. In this study, employee turnover was the dependent variable while its determinant was the explanatory variables. The model for analysis is stated as follows;

Employee Turnover (ET) = f (Determinants)(DTS) ................................................. (i)

\[ \text{ET} = \beta_0 + \beta_1 \text{CP} + \beta_2 \text{JS} + \beta_3 \text{WE} + \beta_4 \text{LS} + \epsilon_i \] ............................................... (ii)

Where, ET = Employee turnover. CP connotes Compensation Package
JS represents Job Satisfaction, WE denotes Work Environment
LS means Leadership Style, \( \beta_0 \) and \( \beta_1 \) = are the regression coefficients to be determined.
\( \epsilon_i \) = the error term measured at 5% level of significance.

Decision Rule
Accept the null hypothesis if the mean response of respondents is less than the critical value (3.0) otherwise reject. That is to say that you accept the alternative hypothesis, if the Prob (F-stat) of the test is less than 0.05. Otherwise reject.

RESULTS
4.1: Demographic Findings
This section presents findings in descriptive form upon which inference is made to response from the questionnaires in which the respondents’ demographic characteristics in the form of age, marital status and education were established. This helped to provide a profile of the sample surveyed. Some of the information was useful on its own because it highlighted various features of the employee turnover in the construction company. We employed the use of open and close ended questionnaires in order to elicit relevant information from the respondents chosen from the existing 16 construction companies in South West geo-political zone in Nigeria while the close ended questionnaire was developed in line with 5 point Likert rating scales and cover all the six objectives stated in the work. To ensure that every employee had an equal chance of being sampled, the research work employed simple random and purposive sampling techniques for picking out respondents in the course of administering the questionnaires to 400 respondents who were the employees of the 16 construction companies in South West geo-political zone.
Out of the 400 questionnaires administered, 365 questionnaires were collected and considered to be adequate for analytical purpose representing 91% respondent’s rate. This section therefore served as a prelude to a more focused and descriptive analysis in subsequent sections.

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<tr>
<td>Educational Qualification</td>
<td>* M.Sc / MBA</td>
<td>69</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>* B.Sc/HND</td>
<td>168</td>
<td>46%</td>
</tr>
<tr>
<td></td>
<td>*CITN/ICAN /ANA</td>
<td>47</td>
<td>13%</td>
</tr>
<tr>
<td></td>
<td>* ND/NCE /SSCE</td>
<td>81</td>
<td>22%</td>
</tr>
<tr>
<td>Work Experience</td>
<td>*Less than 1 year</td>
<td>29</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>*1-3years</td>
<td>84</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>*4-6years</td>
<td>95</td>
<td>26%</td>
</tr>
<tr>
<td></td>
<td>*6years and above</td>
<td>157</td>
<td>43%</td>
</tr>
</tbody>
</table>

Source: Field Survey, (2020)

Table 4.1.2 above has demographical information of the respondents. It was revealed that 237 (65%) of the respondents were males while only 128(35%) were females. Age was categorized into four groups. The grouping was from the age of 20 years to 51 years and above. This grouping was based on the consideration that the economically active and productive group in Nigeria is from the age of 20 years old to 51 years. The findings show that the majority of the respondents 219(60%) employed in Nigerian construction companies were between 31 and 50 years of age, followed by 99(27%) of respondents which were between 20 and 30 years of age, and finally very few 47(13%) of respondents were 51 years and above. This implies that 87% of the total employees of the construction companies were within the active age, energetic and their needs were very high that could cause them to go for search of other sources of income unless regulations were observed properly and this group of age obviously could be useful and productive for quite a long period of time.

In the same category, majority are married respondents, respondents with first degree, respondents with over 6 years working experience and respondents whose age were between 41 and 50 years. This is followed by respondents that were single, respondents with professional qualifications, respondents that had been on the job between 4 and 6 years and also respondents whose age were between 31 and 40 years. The implication is that the respondents are matured, educated, qualified to understand what the questions in the questionnaire are all about and can be deduced that the respondents are emotionally stable going by the ratio of divorce and married respondents. The percentage recorded for age and work experience showed that the respondents can adequately comment on the issue at stake with reference to their daily activities.
Existing Determinants of Employee Turnover in Construction Company’s Environment:
From the pilot study that was conducted prior to the main study thirty different but related items were highlighted which were subsequently categorized into four determinants namely compensation packages, job satisfaction, work environment and leadership style in addition to employee turnover related questions. A total of 41 questions including demographic profile questions were answered by the respondents as contained in the questionnaire. The responses were in 5 point Likert Scale which implies that the research tool include 5-point scale. The values are coded from 5 to 1 as 5 represents strongly agree, 4 represents agree, 3 represents undecided, 2 represents disagree and 1 represents strongly disagree.

Critical Region: This is the region between acceptance and rejection of the null hypothesis in which the researcher made decision on whether to accept or reject the null hypothesis.

Decision Rule: Accept the null hypothesis if the mean response of respondents is less than the critical value (3.0) otherwise reject.

4.2: Descriptive Statistics
The detailed result of the descriptive statistics was presented in table 4.2.1 below.

<table>
<thead>
<tr>
<th>Determinants of Employee Turnover</th>
<th>N</th>
<th>Mean</th>
<th>Std. Dev</th>
<th>Mean rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation Package</td>
<td>365</td>
<td>5.51</td>
<td>1.03</td>
<td>2nd</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>365</td>
<td>4.86</td>
<td>2.21</td>
<td>3rd</td>
</tr>
<tr>
<td>Work Environment</td>
<td>365</td>
<td>4.63</td>
<td>2.20</td>
<td>4th</td>
</tr>
<tr>
<td>Leadership Style</td>
<td>365</td>
<td>5.65</td>
<td>1.16</td>
<td>1st</td>
</tr>
</tbody>
</table>

Source: Summary of researcher’s compilation from SPSS (2020)

Table 4.2 above showed the descriptive statistical result for variables of employee turnover and its determinant that was found in the construction sector of Nigerian business environment. The result revealed that leadership style (mean = 5.65) is the most determinant of employee turnover to Nigerian construction companies, this is followed by compensation packages made available by management of the institutions (mean = 5.51), next is job satisfaction (mean = 4.86) which can be said to be a follow up to compensation package. Work environment (mean = 4.63) is also an important determinant of employee turnover in the construction company ranking 4th. It is evident from the table that the high mean scores showed that construction companies are affected by various factors in their place of work. The low standard of deviations showed that there is no wide variation in their responses and that the results are constantly consistent across construction companies.

4.3: Correlation Analysis
Pearson correlation was employed to measure the strength and relationship between independent variables.

<table>
<thead>
<tr>
<th></th>
<th>ET</th>
<th>CP</th>
<th>JS</th>
<th>WE</th>
<th>LS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ET</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CP</td>
<td>-0.039</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JS</td>
<td>-0.394</td>
<td>0.352</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WE</td>
<td>-0.361</td>
<td>0.276</td>
<td>0.345</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>LS</td>
<td>-0.436</td>
<td>0.260</td>
<td>0.062</td>
<td>0.450</td>
<td>1.00</td>
</tr>
<tr>
<td>T-stat</td>
<td>6.412</td>
<td>2.251</td>
<td>3.014</td>
<td>2.112</td>
<td>2.672</td>
</tr>
</tbody>
</table>

Source: Researcher’s summary of correlation result (2020)

Table 4.3.1 above shows the extent of association between the dependent and independent variables used in the study. From the correlation matrix table above, the result shows that employee turnover is negatively correlated with four variables (CP, JS, WE and LS). However, none of the variables were found to be more than 0.50, ie no two exploratory variable were perfectly correlated. This indicates that
multi-co linearity is not a serious problem that would distort the regression result in the model used for analysis. To further buttress this point, the correlation between compensation package (CP) and employee turnover (ET) shows the value of -0.039 which indicates that compensation package and employee turnover are weakly correlated. Job satisfaction recorded a correlation coefficient of -0.394 with employee turnover which means that job satisfaction has a negative moderate correlation on employee turnover.

4.4: Regression Result
A total of 41 questions were answered by the respondents as contained in the questionnaire. Questions, 7, 8, 9, 10 and 11 were analyzed to test hypothesis 1 (H₀₁) Questions, 12, 13, 14, 15 and 16 were analyzed to test hypothesis 2 (H₀₂) Questions, 17, 18, 19, 20 and 21 were analyzed to test hypothesis 3 (H₀₃) Questions, 22, 23, 24, 25 and 26 were analyzed to test hypothesis 4 (H₀₄)

The responses were in 5 point Likert Scale which implies that the research tool include 5-point scale. The values are coded from 5 to 1 as 5 represents strongly agree, 4 represents agree, 3 represents undecided, 2 represents disagree and 1 represents strongly disagree. In 5-point scale, the critical region is 3.0 which is the mean of the coding values. This is the ratio of sum of the coding values (15) and the number of coding values (5) used.

Critical Region: This is the region between acceptance and rejection of the null hypothesis in which the researcher made decision on whether to accept or reject the null hypothesis. In 5-point scale, the critical region is 3.0 which is the mean of the coding values. This is the ratio of sum of the coding values (15) and the number of coding values (5) used.

Decision Rule: Accept the null hypothesis if the mean response of respondents is less than the critical value otherwise reject.

4.4.1: Test of Hypotheses/ Regression Analysis
Regression analysis was employed to test the effect of independent variables on the dependent variables. That is to say that it measures the extent of association between employee turnover and its determinants. The result of the regression analysis was presented in the table below:

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R²</th>
<th>Fcal</th>
<th>Ftab</th>
<th>t-Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Variation</td>
<td>0.758</td>
<td>0.68</td>
<td>1.196</td>
<td>1.069</td>
<td>0.547</td>
</tr>
<tr>
<td>Variables</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant/coefficients</td>
<td>-0.031</td>
<td>-0.074</td>
<td>-0.159</td>
<td>-0.091</td>
<td></td>
</tr>
<tr>
<td>Std. Error</td>
<td>2.121</td>
<td>0.059</td>
<td>0.053</td>
<td>0.064</td>
<td></td>
</tr>
<tr>
<td>t-stat</td>
<td>2.251</td>
<td>3.014</td>
<td>2.112</td>
<td>2.672</td>
<td></td>
</tr>
<tr>
<td>Sig.</td>
<td>0.000</td>
<td>0.012</td>
<td>0.003</td>
<td>0.026</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), CP, JS, WE, LS
b. Dependent Variable: ET
Source: Researcher’s compilation (2020) SPSS Version 22.0

The use of SPSS model reveals the following predictors and variables for explanation. R explains the existing linear correlation of coefficient, R² represents coefficient of determination which explains the amount variation in the variables, and F statistic of ANOVA explains the effect of the variables while t-significance measures the extent of the relationship. Therefore, \( R = 0.758 \), \( R^2 = 0.68 \), \( F_{cal} = 1.196 \), \( F_{tab} = 1.069 \) and \( t – sig. = 0.547 \). The model summary shows that there is linear relationship between the variables (independent and dependent) because the R which is the predictor variable is 0.758 therefore there is a positive correlation between employee turnover and its determinants. That is to say that an increase in the determinants will increase employee turnover. Since the positive correlation in relationship has the value of \( R = 0.758 \) this suggests that the positive relationship is very strong and this was further confirmed by \( R^2 \) which is the coefficient of multiple determination. The \( R^2 = 0.68 \) indicated that determinants of employee turnover has only been able to explain 68% of the total variation in employee turnover.
turnover, this percentage is believed to be very high. The remaining 32% is explained by other variables not mentioned in the model. This further confirms that the linear relationship is very strong as $R$ was 0.758 at $t = 0.547$. ANOVA $F_{cal}$ is 1.196 and $F_{tab}$ is 1.069 the $F$ statistic explains the effect of the variables i.e it indicated that the combination of the predictor variable significantly predict the dependent variables. Therefore, $F_{cal}$ is 1.196 and $F_{tab}$ is 1.069 which means that the $F_{cal}$ is greater than the $F_{tab}$, the implication is that the null hypothesis is rejected while alternative hypothesis is accepted for majority of our hypothesis. It shows that there is significant relationship between the independent variables (determinants) and dependent variables (employee turnover).

4.5: DISCUSSION OF FINDINGS

In addition to the above, the specific findings from each explanatory variable are provided as follows:

Here, the four hypotheses formulated were tested using t-statistics and significance value of the individual variables in the regression result above. The essence of this is to ascertain how significant are the effect of individual explanatory or independent variables on the dependent variable.

$H_1$: Compensation package has no significant influence on employee turnover of construction companies

Questions, 7, 8, 9, 10 and 11 were analyzed to test hypothesis 1 ($H_0^1$). Based on t-statistics values of employee turnover and its coefficient, CP is negative and significant at 1% level which shows that CP is an important determinant of ET. It means that a percentage increase in CP is associated with a 0.031% decrease in the rate of employee turnover. This negative relationship that exists between CP and employee turnover implies that a 1% increase in the compensation packages of construction companies will drastically reduce employee turnover rate and is consistent with the X and Y theory and also supported by prior studies of Rizwam et al. (2014), Beruk Wallelegn (2013) and Chowdhury (2015) but negates the findings of Alkahtani (2015), Kariuki (2015) and Nasir and Mahmood (2016) who found that employees benefits and rewards were positively related to employee turnover. We therefore reject the null hypothesis and accept the alternate hypothesis which states that compensation package has significant effect on employee turnover of construction companies in South West geo-political zone in Nigeria.

$H_2$: Job satisfaction does not significantly influence employee turnover in construction companies

Questions, 12, 13, 14, 15 and 16 were analyzed to test hypothesis 2 ($H_0^2$). It can be observed that job satisfaction has a negative coefficient value of 0.074 which is statistically significant at 5%. It means that a percentage increase in job satisfaction is associated with a 0.074% decrease in the rate of employee turnover. This implies that a percentage decrease in the level of job satisfaction of employees will lead to them leaving their job which will automatically increase the rate of employee turnover. Our finding is in agreement with prior studies of Mbwana Esther (2013), Rizwam et al. (2014) and Beruk Wallelegn (2013) but in disagreement with the studies of Alkahtani (2015) and Nasir and Mahmood (2016) that recorded a positive relationship between job satisfaction and employee turnover. As a result of this significant results obtained, we therefore reject our second null hypothesis and accept the alternate hypothesis which states that job satisfaction significantly enhances employee turnover of construction companies in South West geo-political zone in Nigerian working environment.

$H_3$: Work environment has no significant relationship with employee turnover of construction companies in South West geo-political zone in Nigeria

Questions, 17, 18, 19, 20 and 21 were analyzed to test hypothesis 3 ($H_0^3$). The regression result in table 4.5 above revealed that work environment has negative and significant effect on employee turnover. This means that a 1% increase in conduciveness of work environment results to 0.159% decrease in the rate of employee turnover. By implication this suggests that decrease in the work environment variables is associated with an increase in employee turnover of banking sector in Nigeria. The negative relationship found is consisted with the findings of Shukla and Sinha (2013), Firth, et al., (2007) and Beruk Wallelegn (2013) but in disagreement with the studies of Alkahtani (2015) and Nasir and Mahmood (2016) that recorded a positive relationship between work environment and employee turnover. As a result of this significant results obtained, we therefore reject our third null hypothesis and accept the alternate
hypothesis which states that there is a significant influence between work environment and employee turnover of construction companies in the South West geo-political zone in Nigeria working environment.

**H4** Leadership style has no significant improvement on employee turnover of construction firms in South West geo-political zone in Nigeria

Questions, 22, 23, 24, 25 and 26 were analysed to test hypothesis 4 (H04). Based on t-statistics values of employee turnover (ET) and its coefficient, leadership style (LS) is negative and statistically significant at 5% level which shows that LS is an important determinant of ET. It means that a percentage increase in LS is associated with a 0.091% decrease in the rate of employee turnover. This negative relationship that exists between LS and employee turnover implies that a percentage increase in the way bank leaders/managers treat their employees fairly and equitably reduces the employees' turnover. The negative relationship found is consistent with the findings of Shukla and Sinha (2013) and Beruk Wallelegn (2013) but in disagreement with the studies of Kyule (2013) and Essien et al (2013). This significant effect found made us to reject our null hypothesis and accept our alternate hypothesis which says that leadership style has significant improvement on employee turnover of construction companies in the South West geo-political zone in Nigeria.

5.1: CONCLUSION AND RECOMMENDATION

Employees’ turnover poses a recurrent challenge to most business organization globally. There is virtually no organization that is immune to employees’ turnover; be it small size or big size organizations, they are all exposed to employees’ turnover. Although, it may not be feasible for any organization to totally eliminate employees’ turnover due to several reasons, nevertheless it could be reduced to the barest minimum. The determinant of employee’s turnover is mostly as a result of poor resource management in the firm. From the study, factors that causes employees turnover in construction company were ranked with leadership style, followed by compensation package which includes salary, fringe benefits, lack of financial management, unequal and or substandard wage, job satisfaction and lastly work environment. This study has presented the importance of assessing determinants of employees’ turnover rate on construction companies and possible ways of minimizing the turnover rate within construction firms in South West geo-political zone and Nigeria at large. This was done by using employee training, mentoring programme, feedback to employees, recruit from within the organization, provision of positive work environment, recognize and reward employees’ handwork. The factors that causes employee turnover in the construction firms were highlighted under some factors which include financial factors (compensation package), management factors (leadership style), personality factors (job satisfaction) and environmental factors (work environment). If all these factors are continually ignored, employee turnover rate will be on the increase. Many of the prior studies only focused on the causes of employees’ turnover without considering the remedies. Not satisfying in over all working environment is one of the main causes for employee turnover. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they move from company to company in just a few months. However, if they find an apt work environment in a specific company, they may work in the same organization for several years.

The study suggests an urgent need for construction firms to engage in anticipatory strategic planning and approaches to minimize employees’ turnover rate. So, the construction company should work on providing all required comfort and ease to perform the job to the employees to retain its qualified and experienced employees. Another strategy which can be utilized in addressing employees’ turnover is through the creation of conducive work environment for employees. Construction firms should provide positive working environment for its employees for the betterment of their work as it is one of the factors that affect employee’s decision to stay with the organization. This suggests that all the determinants explored in this study are key factors influencing employee turnover.
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