

Labor Turnover in Tanzania – Telecom vs Banking Sectors

Neema A. Kweka1,*
n_asantael@yahoo.com
Eliamani Sedoyeka2
amani@rightclick.co.tz

¹Private Corporate Practicing Lawyer – Tanzania

²Lecturer – Faculty of Computing, IS and Mathematics – IFM - Tanzania

ABSTRACT:In today's competitive scenario, the awareness and technology plays a vital role in developing the competition more vigorous and intense. Retention becomes one of the biggest issues for telecom and banking industry in Tanzania, because people are the one who generates profits and considered as assets for organization. This study has been conducted to explore the motivating factor for increased rate of turnover in telecom industry in comparison with banking industry of Tanzania. Questionnaires developed by researcher was completed by participants from both industries, interview technique was applied to complement the gathered information. Data were tested via excel format, descriptive and charts were used to analyze the findings.

A determinant used as the focus on this study includes; poor compensations & benefits, working environment, ability to access new job, work life policies and career development. The results revealed those independent variables which are; poor compensations, benefits and working environment are key significant factors affecting employee's turnover in the respective industries. This study encountered some limitations including accessibility of data directly via human resources of the respective sectors, sample of this study was also limited as the focus was on the middle and junior employees of the pointed sectors. In light of this study it is apparent to the stakeholders, including employers, human resource managers, human resource consultant, outsourcing companies etc that it is very expensive to hire, train and "bring up to speed" new replacements hence it is therefore important to understand the antecedents of turnover intent of employees before they decide to quit.

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* Authors Address: Neema A. Kweka1, n_asantael@yahoo.com, Eliamani Sedoyeka2, amani@rightclick.co.tz

¹Private Corporate Practicing Lawyer – Tanzania, ²Lecturer – Faculty of Computing, IS and Mathematics – IFM – Tanzania.

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1 .INTRODUCTION

Employee turnover is a global phenomena so is the case in Tanzania. In the present world of economic growth, changing social economic factors, dynamic labour market and hyperactive micro environmental factors of almost all the organization face the problem of employee's turnover. In this very competitive environment no business can enjoy and sustain the success until it deals with this turnover problem efficiently and successfully (Mehmood et al, 2009). There can be many reasons for taking decisions regarding staying or not staying with an organization. Some of these reasons are hygiene factors or sometimes referred to as "dissatisfiers" these are elements in the working place that makes employees unhappy. Whilst other reasons may be motivators these are sometimes referred to as "satisfiers" these are workplace aspects that give employees job satisfaction. Employees spend a considerable part of their lives at work, so it is not surprising that they expect to be rewarded and satisfied with the job that they do.

Result of lacking such rewards to the extent considered satisfactory to meet their psychological needs, it lead to demotivation of employee's morale in a work place. Motivation is concerned about why people do things as well as what drives them to behave in particular way. It is fundamental to understanding features that motivates individuals in a working place, to do what they do.

Labour turnover in various organizations in Tanzania is a challenge just as how it is in other parts of the world. As also pointed out by another researcher that employee turnover has become a point of concern in Pakistan's Telecom Industry as is the case with many other countries. Employees are believed to exploit the labour market conditions and shortage of skillful workers in this industry (Abdullah, 2006). Purposely labour turnover in telecom and banking sector in Tanzania is noted to be in alarming ratio. This problem is noted to be caused by both hygiene and motivator factors as pointed above. The observations found throughout this study is that basis of labor wastage in telecom sector, is not necessarily the same causes for labor wastage in the banking sector. In banking sector losing employee means losing current and prospective clients and ultimately business. The exploration of sub-prime reasons for turnover will help the managers to effectively manage the push factors, so the employees may be retained through the use of corrective measures at very grass root level (Jaffari et al, 2011).

Regardless of the reasons found to be the causes of the problem in each sector, it is still worth mentioning that the remedial actions are needed if not to the extent of eradicating the problem but at least to establish a control mechanism of such situations in the aforementioned sectors.

Telecommunication sector is among of the fastest growing sector in Tanzania contributing to the country economy. In 2011 the telecoms industry grew by 22% ranking itself in high growing sector. Telecom sector contributes about 2.5% to the countries GDP. Likewise banks contribute to economic growth through their financial intermediation role. Banking sector in Tanzania has experienced fundamental changes over decade following banks and other financial institutions reforms starting from the early 1990's (Clarke G. et al, 2001). The banking sector contributions to the GDP had grown from 21.05 in 2010 to 24.4 in 2011 according to World Bank Report published in 2012.

This paper provides a new dimension to a turnover literature, by making analysis of the outlined problem in the analytical form. This is by analyzing the specific variables pointed as motivator of labor turnover in telecom sector in

comparison with banking sector. This paper has discusses the turnover in detail by explaining the different aspect that causes turnover generally, aspects that causes turnover in the researched organizations, analysis of the proposed variables, finding presentation, provide recommendations on potential damage caused by turnover, as pointed that employee termination can hurt the overall productivity of an organization and is often a symptom of other difficulties (Newaz et al, 2007). Distinctive factors pointed out for hypothesis, as subject matter for discussion in this paper includes compensations and benefits, career opportunities, working environment, ability to access new jobs as independent variables and Labor turn over as dependent variable. These factors have being significantly examined, and dependable resolution has being issued in respect of the problem.

In making analysis of the factors above, to acquire the finding it is crucial to point that each variable has being analyzed independently in each sector, and lastly the comparisons were made among the sectors for each variable which its response tends to vary from the hypotheses given. The rationale for establishing the comparison part herein is to express the diverse findings which are renowned to be varying as of one sector to the other.

After the introductory part of this paper, the following chapter presents the literature review of the studies taken, followed by the novelty presentation of the findings as the major scope of the study. Subsequent chapter is for methodology applied in this study for acquiring data and finally conclusions and recommendations are marked as the last chapter of this paper.

2. LITERATURE REVIEW

Turnover is and personal choice behavior, so individual is the prime unit. Even though there may be other prevailing conditions which influence turnover, still individual are the focus of the study in terms of decision for leaving. Therefore in this study individuals are the focus in terms of choice of quitting the organization. Mehmood et al, 2009 pointed that employees are considered as the operating unit of the organization, when the organization invests heavily to attract recruit and then train the employees, after all these effort losing these employees is a great loss to the concerned organizations. Author insisted that due to the very competitive environment no business can enjoy and sustain the success until it deals with this turnover problem efficiently and successfully.

Mehmood observation was based on Asian context while identifying factors playing important role in increasing employee turnover rate focusing Islamabad, Karachi and Lahore; the views issued by him herein are very relevant, even though it is not the intention of this study to address the matter on the same context.

Banking and telecom industry in Tanzania got the highest improvements over last few years and they are among of highly contestable sector. Banking sector in Tanzania has experienced fundamental changes over decade following banks and other financial institutions reforms starting from the early 1990s (Budget Report 2011/2012). It is for this very fundamental changes experienced in these sectors that led the researcher to undertake the study with intent of identify the causes of the increased rate of turnover in this vital sector.

Banking Industry in Tanzania is open to entry and therefore it is highly contestable (Clarke et al, 2001). Due to the financial liberalizations, substantial changes in the banking industry were seen in developing countries (Ataullah, 2004). The competition addressed by the authors herein are in terms of providing services which is believed to have

impact on its human resources as well, it is therefore the focus of this study to identify the impact on human resource specifically in comparison with telecom sector.

According to (Behitsa and Diyamett, 2010), among of the authors on the sector subject of this analysis pointed out that; a milestone in telecom sector was liberalization which was achieved by the establishment of TCRA in 2003 as independent agency for regulating broadcast and communications industries. These authors argued further that human resource development for the telecom sector in Tanzania is not adequate, although engineering and ICT training institutions have increased enrolments. It is expressed that university enrolments in engineering science and ICT rose from 3,334 in 2001 to 6,404 in 2005. Authors focus was analyzing the challenge associated with establishment and development of private telecom industry in Tanzania generally; however this study intends to asses a specific issue of human resource turnover problem in the sector, which the above likely to complement.

Human resource management issues in the sectors was also conversed by (Jaffari et al, 2011) where emphasized that, the exploration of sub-prime reasons for turnover will help the managers to effectively manage the push factors, so the employees may be retained through the use of corrective measures at very grass root level.

Jaffari make the above analysis during the boom phase of industry in Pakistan and find out that the causes of voluntary turnover in the sectors is alternative opportunities and career development. His study was focusing on the voluntary turnover and in the boom phase while we had no such phase in Tanzania and also our factors set for analysis are not voluntary as the result the study will take a different analysis.

Apart from the above researcher from banking perspective, another researcher focusing on telecom point out that employee turnover has become very critical problem in Pakistan's Telecom Industry as is the case with many other countries (Abdullah, 2006). It is said that employees are believed to exploit the labour market conditions and shortage of skillful workers in this industry. Though the writers' views were focusing on the Pakistan situation and draw his conclusion on the same. It is crucial to point that his finding on the study especially on skills in telecom sector is shared with Tanzania environment.

Further it can be observed that employee turnover challenge is not an issue that face only the African sectors but, it is a crisis in many other continents of the world like Asia. Retention becomes one of the biggest issues for the telecom industry of Pakistan because people are the one who generates profits and considered as the capital or asset of the organization (Shoab et al, 2009). Researcher whilst assessing the problem in discussion pointed that the need of retention strategy is vital by creating conducive environment of work, the study in question goes beyond the causes of the problem of turnover.

There can be chunk of reasons for taking decisions regarding staying or not staying with an organization. According to, (Bennison and Casson, 1984); the loss of an organizations employee can be divided into three broad groups, induction crises, natural wastage, and retirement. According to the author the reasons for induction crisis can be found in the job not fulfilling employee's expectation. The author wrote the groups basing on his own environment; the same is not exactly the case for Tanzania whereby retirement is planned and anticipated based on the age.

Another author from Tanzania whilst addressing the subject matter from a banking perspective clarified that; x-inefficiency, poor labour compensation as among of the sources of uninspired work effort in banks (Aikaeli J, 2010). He added that, banks should offer competitive compensations to their employees to reactive workers exuberance in order to raise productivity. Study undertaken by this scholar was analyzing why banks in Tanzania experience low productivity and the human capital management was pointed as one among the source, nonetheless the study in question does not intend to take that subsidiary approach of analyzing the subject.

Moreover (Newaz et al, 2007) underlined that people want to work in a place where they can succeed and feel their contribution is appreciated. It is very clear employee want to work in the great working environment; the absence of this environment can push people to explore other opportunities. Writer focused more on management impact as the which is also subject of analysis in this study. Large number of job opportunities, ease of job switching, attractive salaries and huge demand of skilled workers are some of highlighted reasons of this problem (Abdullah, 2006) although these reasons might not be a key and real motivators in Tanzania labour market situations the same play a vital role in shedding light for observing the same in Tanzanian environment.

Bhatti and Quresh, 2007, while scrutinizing the impact of employee participation toward commitment, job satisfaction and productivity focusing on three sectors Oil and Gas, Banks and Telecom, advised that employee participation not only an important determinant of job satisfaction components. But increasing employees participation will have a positive effect on employees job satisfaction, employee commitment and employee productivity. It is necessary to note that the scholars did independent finding for each sector and not in the comparative mode as the case in this study.

Apart from having only negative consequences, turnover helps in getting rid of “*bad eggs*” and “*bring new blood*” in the organization as the healthy sign of growth (Williams, 1999). It necessary to note that it not always that turnover creates negative impact in the organization. It is therefore the objectives of the study to understand whether the increased rates of turnover has positive or negative impact on the aforementioned sectors.

Based on the literature survey above and the expressed gap of identify the problem in the aforementioned sectors in Tanzanian environment and in comparative form. It is therefore intent of this study to glide out the prime factors for turnover in the aforementioned sectors, by taking a fresh look into the problem. As it can be sincerely noted that almost research work covering the subject matter directly is discussed and addressed focusing other environments, out of this jurisdictions.

3. METHODOLOGY

3.1 Introduction

Selecting research strategies and methods for a particular study is undoubtedly a challenging task. In this paper the research methodology used, study design, sample used and the instrument used to collect the data including methods implemented to maintain reliability of the instrument is described. As pointed by (Twaakyondo et al 2002) that in

every research there is one hand a gain and on the other hand a loss, nevertheless one can only weigh up both strategies and benefits against their limitations and select accordingly.

The type of research herein is basic one, which is done for knowledge enhancement, the research which does not have immediate commercial potential. The main motivation for this type of research is to expand man's knowledge in the respective area of the study. Primary as well as secondary data is among of the vital requirements to accomplish the study. The secondary information's were collected from library books, journals, articles and both from principal and subsidiary legislations. Primary data were collected directly from the field used as the case-study for this research.

3.2 Instrument Applied

The relevant primary data for this study was gathered by questionnaires. Banks and telecom industry experience the clouds of turnover and have suffered the consequences. Therefore data from major players of these industries was taken for accurate sampling. The focused player from the banking industry is the NIC Bank, a Kenyan oriented bank established in Tanzania in the recent years after acquiring part of shares from the former Savings & Finance Commercial Bank Ltd. Whilst from Telecom Vodacom was taken into account, as key player in the industry. These questioners can be considered suitable and reliable for sampling purpose of the study because the questionnaires were to be filled by the employees who were presently on job and also by those who had switched the job to other industries. Questionnaires were routed directly to the employees of NIC Bank head office at Samora Avenue in Dar es Salaam, while for telecom the same were directly routed electronically to the head office located in Mlimani City along Sumnujoma Road in Dar es Salaam.

3.3 Procedure

In the focus of obtaining needed information's for this work, questionnaires were designed in line of the objectives of the study in the form of close ended questions, which were restricting the respondent to pre-determined responses. Questionnaires were administered directly to the respondents without involving human resource managers. Personal contacts were used to approach the desired respondents. Respondents were alerted that the rationale for this study was more of academic purposes with an intention of examine the motivating factors responsible for high turnover in each of the determined industry. Respondents were requested to send completed questioners directly to the researcher with the guarantee that all the information will be treated in utmost confidence and will be used for the purpose of this research only and not otherwise.

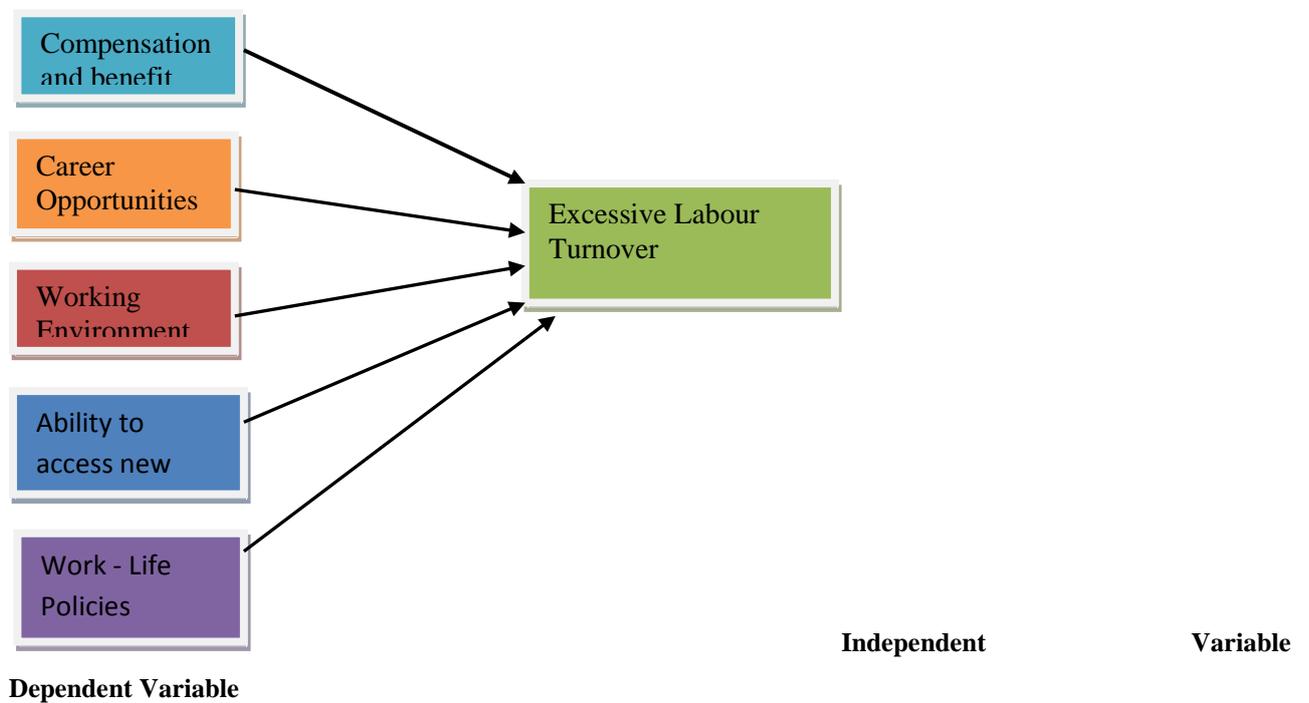
3.4 Measures

Questionnaires was formulated for gathering data and multifarious dimensions were explored using predetermined variables that is compensation & benefits, career opportunity, working environment, ability to access new jobs and work life policies (see figure 1.0 below). Apart from questionnaires relating to the study variables different demographic and tenure related to the particular job were taken into consideration for adding conceptual lucidity in the study.

Data obtained from the field were processed in the excel system. Consequently the drawings of charts were used to present, discuss and analyze the findings from the respective sectors. It is worth pointing in this research that regardless of the few challenges faced while soliciting information's from the participants including rebuff of support from the human resource managers of this particular sectors, still we deem the response from which these measures are based is considered reliable.

It bears mentioning that the decision to employ different methodologies that is library research, questionnaire and interview, depends on number of factors including its advantages. Suffice to say that all methods complemented each other, as each provided data and clarification which would otherwise not being attained by any other means.

3.5 Theoretical Framework



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Figure 1.0 (Determinants Variables)

The variables that are being considered are described in the theoretical frame work above. Excessive labour turnover is the dependent variable, which was assessed for a relationship with career opportunities, working environment, ability to access new jobs, work life policies and compensations and benefits that are independents variables. As pointed prior, questionnaires disseminated to respondents basically focused and limited to the avenues of the variables in the above framework.

RESEARCH FINDINGS & ANALYSIS

4.1 Research Findings & Analysis

Data collected via questionnaires were analyzed through excel methodology. The correlation and testing of the variables were done by the excel system. In consideration of the fact that the questionnaires were advanced separately to the different sector, the response reveal that reasons given for employee's turnover are diverse in each sector. Variables set into test are; ability to access new job, career opportunities, work life policy, poor compensations & benefits and working environment. Therefore chart 1.1 below presents the finding of the entire variables in the banking sector.

4.2 Remarks of Banking Sector

Figure 1.1

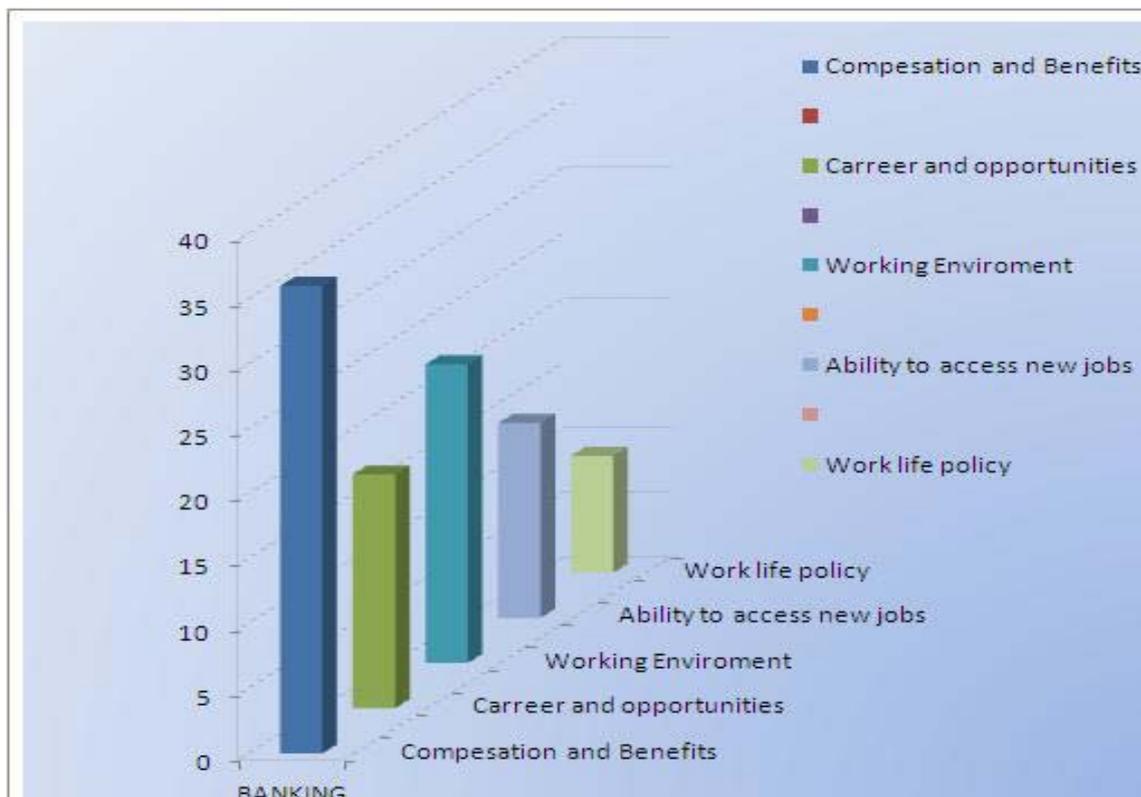
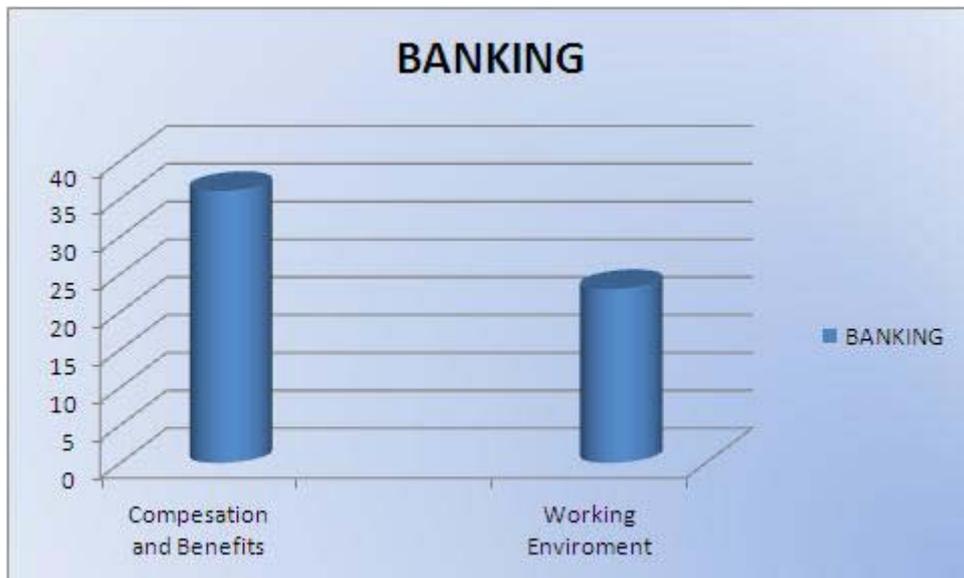


Figure 1.2

Finding of figure 1.1 above, reveal that poor compensation & benefits and working environment has being rated as the most important and strong factors with varying score which are considered to be the basis of excessive labor turnover in the banking sector. Next variables career opportunity and ability to access new job has being rated as the factors which accelerate the turnover in the banking sector but with no strong pressure while work life policy has being considered as the factor with negative impact to the excessive turnover in the banking sector. Therefore in banking

sector the noted key influential factors for labour wastage are poor compensation and benefits and working environments. (See figure 1.2 below)



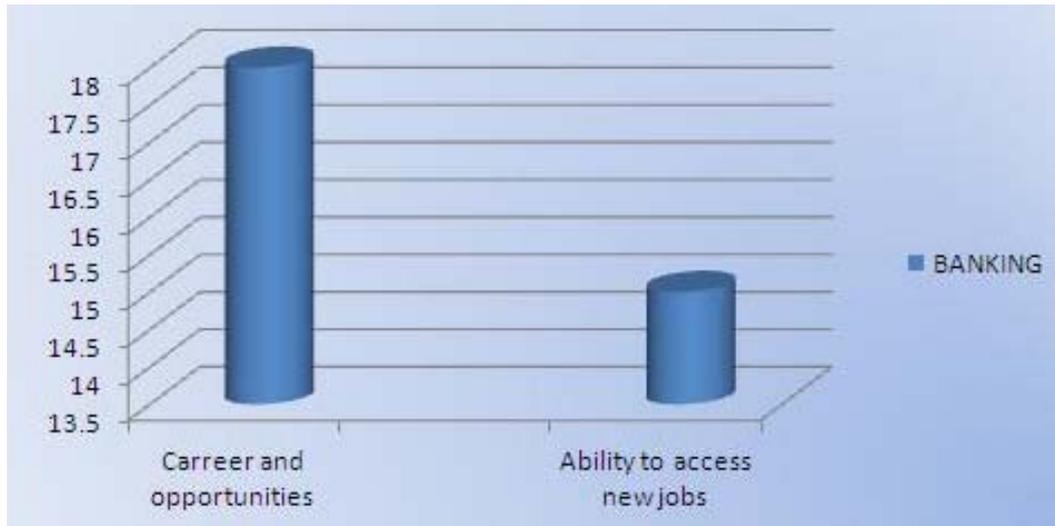
In making analysis on the factor of poor compensation and benefits, it is crucial to point that the focused group who responded to our questionnaires is the employees at the operational level (middle managers and junior positions). The above response expresses that compensations and benefits which are offered by the banks are the motivating point for labour wastage in the said sector. The decision to offer such a modest salary at the start could be industry strategy for ensuring that it does not invest heavily into the human capital which is not yet proven on its ability to perform in accordance with the organization demands. Even though this is still a challenge for retaining the recruited staff, among of the proposed alternative is to set a reasonable standard of salary then make adjustment thereof by considering the inflation. And also strategize on hiring from within or promoting in-house employees in the senior posts whenever the need arises instead of hiring from external which the costs may be very high.

The challenge of poor compensation in banking sector has also been pointed by (Aikaeli J, 2008) in his paper on efficiency of banks in Tanzania, expressed poor labour compensation as among of the sources of uninspired work effort in banks, recommended banks to offer competitive compensations to their employees to reactive workers exuberance.

On the other hand working environment means the milieus around a person. It is inclusive of social and professional environments in which employees are suppose to interact with a number of people. Correlations of values (figure1.1) presents that there is positive and very strong correlation of employee turnover with the working environment. As expressed that the working environment in this scenario includes but not limited to supervisors control, co-workers, working hours, working tools, management, company policy etc .Responds from the bank expressed that lack of supervisor’s support, lack of recognition of job well done, putting pressure on unrealistic goals as the key reasons for

terminating their tenure of services. The only way to control the above is to set the realistic goals that may be done by mutual consents between manager/supervisor and employee, make recognition of task well performed either via compensation or even by mere acknowledgement. Newaz et al, 2007, remarked on this very issue as that people want to work in a place where they can succeed and feel their contribution is appreciated. Employees want to work in the great work environment; the absence of this environment can push people to explore other opportunities.

Figure 1.3



Career opportunity and ability to access new job; the correlations of values (figure 1.3) show that there is positive with no strong correlation of employee turnover with the Career opportunities and ability to access new jobs. The finding herein converse that the though the termination of services from bank to a certain degree is motivated by career opportunity and ability to access new jobs, based on the finding these reasons are not the main pushing grounds. The outcome of the finding herein could be due to the fact that the responds herein were received from the respondents in that level of acquiring and developing their skills hence career opportunity could not be considered as good exit door.

Ability to access new jobs; still is a challenge in Tanzanian labour market. The imbalance between supply and demand in the Tanzanian labour market and freezing employment by public sector is considered to be among of the reasons that make this factor to lose its influence as main motivator of labour turnover in banking sector. Shortage of employment in Tanzanian market is noted as the crisis. And this becomes more challenge to the employees in the operational level, who most of them acquire minimal or lack work experience at all.

In this juncture it is pertinent to point out that if compensations& benefits increases, working environment are good, employee's career developments is valued then turnover plunge. It is common that people desires to work in conducive environment, rewarding, enriching and enjoyable. In the case that employees are highly dissatisfied with their compensations, depressing environment and in the environments that sheds no light for future growth then chances are that they will likely leave the job. Naturally workers who are happy with their working environment and with higher

compensations and benefits there is a greater chance that they will extend their tenure of services for a considerable period of time.

4.3 Remarks of Telecom Sector

Figure 2.1



In reference to (figure 2.1 above) on telecom sector analysis represent that ability to access new job and working environment has being rated as the most important and strong factor causing excessive labour turnover in the telecom sector, whilst poor compensations & benefits and work life policies has being rated as the factors which contribute to labor turnover with no strong influence, at the same time career development has being rated as factor with negative impact to the excessive labor turnover in the telecom sector.

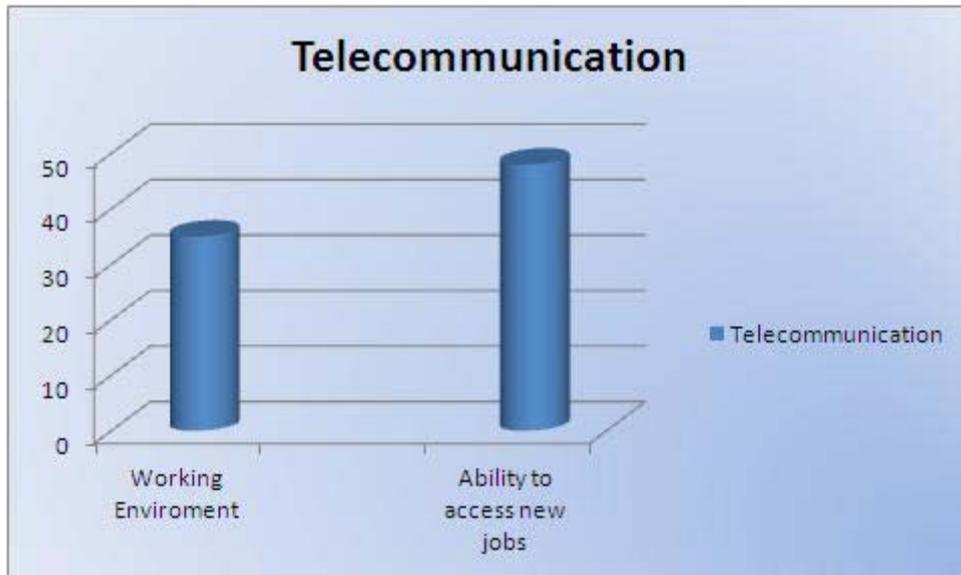


Figure 2.2 below express the key influential's for turnover in telecom.

In discussing results in figure 2.2 above expressing accesses to new job in telecom as the highly rated motivator for labour turnover contrary to banking sector. It is imperative to provide the summary history of founding of this sector in Tanzania. Telecom sector milestone was achieved from 1990's, when the 1st mobile operator Tigo entered the market in 1994, followed by Vodacom 1999, 2001 Celtel(currently Airtel), 2005 Zantel, later followed by newer entrants Benson Informatics, Sasatel and HiTs Telecom (The Business, Trade and Investment Guide 2010/2011). Further stern legal reforms in this sector was undertaken from 1990's, including enactment of the governing law, policy and establishment of regulatory authority, it is evident that the operations for most of private telecom sector in Tanzania build up all simultaneously lately 1994 -2000 onwards.

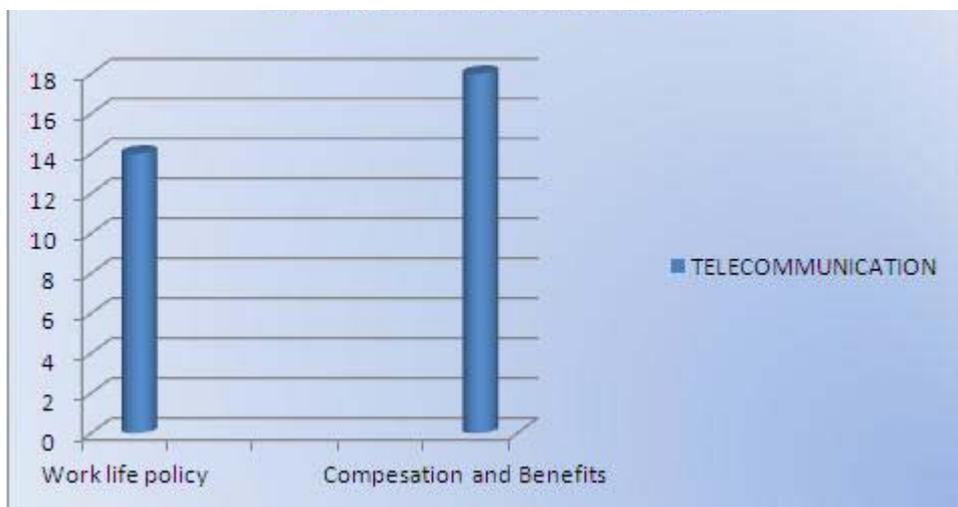
Whilst all the above was happening Tanzania education system specifically in the said field was not working on the same pace of investments in the sector as the results within short time market embark on demand of skilled workers with varying degrees of skills. Of which neither university nor colleges was able to provide for the same hence led to the crisis. Shortage of skilled manpower as the source of crisis in the telecom industry for turnover was also researched and confirmed by, (Abdullah, 2006), who expressed that; employees are believed to exploit the labour market conditions and shortage of skillful workers in this industry.

Apart from mushroom of investors as the direct operators in the sector, the industry itself is associated, with demand for extended service's foristance service providers for the towers, constructions of the towers, agents, re-sellers of mobile related assortments etc. All these integration make the requirement of extra manpower to be very high in the sector. This crisis also pointed by another writer (Abdullah, 2006) that a large number of job opportunities, easy of job switching, huge demand of skilled workers and attractive salaries are some highlighted reasons of this problem.

The outcome herein is motivated by history of industry establishment. And as such it is apparent that there is still demand of skilled workers in this industry. According to (Behitsa and Diyamett, 2010) pointed out that the need for ICT expertise at telecom sector in Tanzania, has not been matched with the human resource development plan to build the expert capacity for its maintenance and further development. The proposed mechanisms to control this demands includes in-house training and development in the particular area.

On addressing working environment issue in telecom sector as pointed to be among second key factors for high turnover, Correlations of values (figure 2.2) show that there is positive and very strong correlation of employee turnover with the working environment in telecom sector. Due to coincidental ranking of this factor by both sectors, the interview was conducted to align the understanding of the point in the sectors. The response from telecom expressed that the telecom respondents expressed that the working environment on their part is concern with time spent at the working environment. The concern was mostly marked by the technical team especially the engineers. One of the site telecom engineer pointed out that, *“being a network engineer in this company, I neither recognize public holidays nor weekends”* .The rationale is that nature of work calls for consistency attention and sometimes physical presence on site, as based on emergency requirement of this nature of job, the same is not easily regulated by provisions of normal hours of work of Employment and Labour Relations Act of 2004.

Figure 2.3



Based on figure 2.3 above poor compensations & benefits and work life policies has being rated as the factors which contribute to labor turnover with no strong influence. On making analysis of poor compensations in this sector, it is mandatory to have a prior knowledge, on the fact that the services offered in this industry are varying depend as to whether employee is working directly with operator, or service provider to the operator or agent of the operator.

This study focuses on assessing benefits and compensations directly connected with the operator. In referring to the respondent's comments it is clear that the salary could be among of the motivating factor to the staff turnover in the sector, nevertheless the same does not have strong influence. In analyzing this response its crucial to point that telecom companies are among of the organizations which do hire a lot of fresh candidate direct from the university especially on ICT, and customer care. Based on salary standard set by Government Notice No. 172/2010 it is considered that the starting salary in telecom range around Tshs 450,000 – 800,000/= in comparisons with other sectors for graduate earning, this is rated to be reasonable. Hence salary is not taken in account as the key reason for labour wastage especially from the group which was targeted.

On the point of work life policies; this is considered as the reasonable motivator for labour wastage in the telecom. The response shows that challenge of managing work & life demands is still a challenge to the technical team, whose schedule of services is not regulated by normal working hours set out by employment and labour relations Act 2006. The technical workers believed that due to necessity and nature of company business are pushed to work over and above normal hours.

It can be therefore concluded that if the telecom company focuses hiring inexperienced or direct from school and focus on in-house training and development in the specific field than targeting experienced staff from other operators then the turnover in the sector could be highly controlled. Also by managing employees working hours making recognition of the initiatives expressed by employees who work after normal hours of work to achieve company goals & targets surely turnover could be effectively managed in the sector.

From this research it has being found that now bankers give less importance on work life policy as the reasons for bringing their services to an end while in telecom employees consider career development as the least factor to consider when making decision to switch the job.

4.4 Mechanism for Staff Retention

Subject to the finding of this study some of mechanisms for retention herein having being elucidated as follow:-

- Banks and financial sector should focus on fair pay and benefits. Inventiveness in compensations and benefits makes a real difference in the well fair of the employees. In managing the payroll and salary variation it is vital to focus on hiring from within, to avoid bring new blood on board with higher rates hence destabilize the payroll system.
- Telecom and banks should focus on managing hours of work spent by employees in the organization, by making recognition of the initiatives expressed by employees who work after normal hours to achieve company goals & targets. Recognition herein can be in form of compensating their efforts. Managing hours of work is health not only to the employees but also for organization to ensure value for money and creating

attractive working environment. By improving in this area can control even the enticement of external labor market.

- Telecom industry should focus on in-house training and development, that is by hiring inexperienced employees and train in the particular area than just targeting the experienced few from other operators. Investment in developing the workforce is one of the best investments a company can make when focusing on a long term growth and successes. Since the demand is expressed then it is health to train in-house those workers with basic skill on the areas that shows high demand.
- All of the sectors should focus on examine practicability of its policies and regulations. It is not enough to have policies for sake of compliance with regulators but have a policy in place that is updated and serve as the shield against rivals.
- It is vital for the sectors to develop tendency of auditing the existing supervisory skills of the people in the managerial/supervisory roles, whenever necessary hold them accountable for employee's turnover as managers has impact on stay or leaving organization for employees.
- Develop the procedure for all the sectors for provision of realistic job preview (RJP). This includes both good and potential bad news for the organization and vacant posts which wish to fill. This information's facilitate the new candidate to coup with any frustrating elements of the new job.
- Lastly telecom and banks industry in Tanzania should focus more on the employee retention strategies apart from pay levels, good supervisory knowledge and updated policies. It is fundamental to study market situation within the industry. These include undertaking confidential research of knowing what benefits and compensation are being offered by other companies in the same industry to the workers quantifying based on exposure and qualification. This task can be done internally, even though it's more effective when outsourced.

It can be therefore concluded that presence of all of the above proposed positive factors for employee retaining do not necessarily ensure quality or quantity of work or low turnover rate. Rather ensure more retention, less turnover and after all expected healthy work environment.

Conclusion & Recommendations

The all-purpose of this study is to examine the motivating factors for excessive labor turnover in baking sector in comparison with the telecom sector in Tanzania mainland, in view of revealing causes thereof, its effects and to establish control mechanisms. Having the finding thereof the comparative analysis is made for both sectors accompanied by recommendations.

It is evident from the findings above that, employee's turnover in the aforementioned researched sectors is accelerated by alternative job opportunities, compensation & benefits and working environment. It is therefore possible to point out that those people who are more dynamic, with capabilities always seek for alternates that can counter their favorite's needs. This study plus other literature shows there is high demand of expertise in the telecom sector, at the same time it has being found there is shortage of the skilled workers within the industry. Therefore the few manpower available, are competed for by the telecom operators in the country. Hence the few qualified personnel with interest with the new ventures can easily move from one company to the other. Therefore the cure is to hire the candidates with basic knowledge, then train them and develop them in the area of the organization interest.

Alteration of education system in Tanzania is believed to be among of the things which will enable to bring the permanent solutions in the Telecom sector and eradicate the current problem. It is apparent and it can be substantiated by telecom operators that they are not in need of the graduate engineers to provide support in most of their internal and external operations. If the system could be in a position to provide alternative course from degree to standard technical training, then same could be reliable in catering for the demand in the industry. It can be commended that it is easy to train and to work with a candidate targeted to save in the actual field than placing in the field work a candidate trained to serve as the manager. It is undisputable fact that the graduate engineers in ICT has their crucial role to play in this industry but the same cannot ouster the role of other technical-professional who may be by standard trained from other sources such VETA.

Likewise it has been found that poor compensations and benefits in banks is the accelerator for labour wastage. Growth of investment in the sector is visible equally by local investors and foreign banks having steered by liberalization of the financial sector as the way of complementing economic reforms. All of the investors in this sector are regulated by BOT on their operation in Tanzania. However it is not proven that BOT extend its control on the remuneration of the employees in this sector. This study plus other literature has confirmed that regardless of the role that this sector plays in contributing to the national GDP still some of its human capital are poorly remunerated.

It is realized that all of newer established banks/financial institutions, sacco's are targeting to hire definitely workers with exposure from the banking industry. The obvious techniques used are head-hunting and bettering of package. Therefore it is obvious that the hirer will always employ experienced not inexperienced as the result salary for junior employees in this sector will still continue to be modest until establishment of regulating mechanism/authority within the industry. As pointed prior that poor compensation in most of the banks Tanzania is said to be also the cause of its inefficiency. The standard salary set by the government is so modest comparing to the risk of tasks in this sector; industry has to set its own standard which may work better for its interest and that of the staff.

As working environment is highlighted, as among of strong motivator for turnover; it is crucial to point that this factor is a composition of many things includes but not limited to supervisors challenge, governing policy problem, challenge in implementing policy, recognition of work well done by the supervisors, working tools, working hours, management etc. In this case it is vital for these sectors to audit the existing supervisory skills of the people in the managerial/supervisory roles, whenever necessary hold them accountable for employee's turnover since hiring is very costly process to the organization, further examine practicability of existing organization policy.

In as much as the above is concern it can be summarized that good management can hold the good employees for longer term, by giving them fair pay, based on the analysis of the salary package in particular industry. In the companies with big number of staff such as big banks this can be done by targeting the staff that is considered important and highly productive to the operation of the particular unit in the organization. Make recognition of employees who work out of normal hours of work, control employee's hours of work & ensure that if they work more than provided hours, then there shall be clear and accessible remunerating scheme to cover for such avenues.

Provision of realistic job preview, this eliminate the chances of employee quitting after being subjected in the minimal job pressure. This is not a practice in many companies in Tanzania but some of new investing companies practice this procedure commonly. This is very important especially when hiring for sensitive posts. Applicants who have given a realistic job review are better able to cope with the frustrating issues of the job than employee who have given only inflated information. Hence upon slight change of the circumstances in the organizations then may lead to quitting the job.

Apart from the above telecom and banks industry in Tanzania should focus more on the employee retention strategies regardless of pay levels, good supervisory knowledge and updated policies. As described clearly in chapter five above developing retention strategy, it is vital to study the current market situation within the industry. These include undertaking confidential research of knowing what benefits and compensation are being offered by other companies in the same industry to the workers quantifying based on exposure and qualification. This arrangement can be done by creating internal sections of recruiting and retention but to make this more effective in the current competitive market, it can be well performed via outsourced independent consulting firm. The uses of an independent consulting firm it eradicate biasness.

It can therefore concluded that this study have clearly shown that the independent variables which are mainly poor compensations & benefits, ability to access new jobs, and working environment have a direct and strong impact on the employee turnover. Hence the enhancement of the said variables causes the employee retentions. In this case if banks and telecom sector in Tanzania work on these determinants and apply them in the industries would definitely foster the employee retention.

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