

A CRITICAL ANALYSIS OF THE IMPACT OF LABOUR
TURNOVER ON ORGANISATIONAL PERFORMANCE- THE
CASE OF UNICEF MALAWI

MASTER OF ARTS (HUMAN RESOURCE MANAGEMENT)

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DECLARATION

I hereby declare that this thesis entitled: A CRITICAL ANALYSIS OF THE IMPACT OF LABOUR TURNOVER ON ORGANISATIONAL PERFORMANCE- THE CASE OF UNICEF MALAWI is my own work and that it has not been submitted to any university before for any award.

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August 2008

CERTIFICATE OF APPROVAL

We, the undersigned, certify that we have examined and recommend to the Postgraduate Studies and Research Committee and Senate the acceptance of this thesis entitled: “A CRITICAL ANALYSIS OF THE IMPACT OF LABOUR TURNOVER ON ORGANISATIONAL PERFORMANCE- THE CASE OF UNICEF MALAWI” submitted by ALICK TAHUNA in fulfillment of the requirements for the award of the degree of Master of Arts (Human Resource Management).

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Abstract

This study critically analyses the impact of labour turnover on the performance of an organisation. This study investigates the impact of labour turnover on the performance of the United Nations in Malawi with particular emphasis on United Nations Children Fund (UNICEF). The four specific objectives of the study are to analyse the magnitude of labour turnover at UNICEF Malawi, identify the major causes of labour turnover, and ascertain the impact of labour turnover and then suggest strategies to address labour turnover.

The methodology used in the analysis of the impact of labour turnover is both qualitative and quantitative methods. The tools used for data collections are the questionnaires and interviews. The target population for the study is the UNICEF current and former staff members.

The study major findings include that there is a high turnover rate at UNICEF. Apparently, the major causes of labour turnover relates to compensation, performance and management style. The high labour turnover has resulted in increased volumes of work, lack of committed staff, increase in operating costs, loss of competitiveness and damage to organisation image

The study has concluded that high labour turnover is affecting the performance of UNICEF and has recommended a review of performance management, closer involvement of management in development of job descriptions and streamlining the reporting lines. These recommendations have been made with the aim of improving the overall organisational performance of United Nations Children Fund (UNICEF) in Malawi.

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Chapter One: Introduction

1.0 Introduction

In this chapter the background to the study of labour turnover at United Nations Children Fund (UNICEF) Malawi, the problem statement, the objectives of the study, the methodology used in carrying out the study and a chapter outline are presented.

1.1 Background

This study forms an analysis of the impact of labour turnover on the performance of an organisation. The issue of labour turnover is one of the contentious issues among human resource practitioners and academics. It is even more debatable when labour turnover is related to organisational performance.

According to Torrington (2002:211), in Western Europe and North America, labour turnover is high among people in the age group of 18 to 24 years. The trend has shown that people in the age group of 25 to 50 years on average change jobs 3 and 4 times. This trend can be different to some parts of the world and Africa in particular. The impact of labour turnover varies from organisation to organisation depending on a variety of factors. According to Cole (2002:146) a turnover of 25 percent would be considered as perfectly satisfactory by most firms whereas a turnover rate of 100 percent would be considered as a major problem. However, in professional service organisations where personal relationship established between employees and clients are central to success of the organisation, a turnover in excess of ten percent is damaging (Torrington, 2002:212).

The United Nations (UN), through its agencies in Malawi such UNICEF, World Food Program, United Nations Development Fund among others, supports government in implementing its development policies such as reducing child maternal death and raising social economic status of the general population by providing financial and technical assistance to different ministries and government departments for their operations (Health Management Information Bulletin, 2003:14). UNICEF, which is one of the UN agencies,

provides support to government, focusing on children and women in areas of education, health and nutrition, water and sanitation and protection of women and children rights. UNICEF seeks to support government to achieve two of the United Nations Millennium goals, the fourth and fifth, and these are reducing child mortality and improving maternal health (UNDP 2003:68).

1.1.1 Organisational structure of UN and UNICEF

The following analysis centers on the background of UN and UNICEF worldwide, then the structure in Malawi. It also discusses the key functions of UNICEF globally.

Firstly, the United Nations is an organisation of nations that was formed in 1945 to promote peace, security and international cooperation. It is central to global efforts to solve problems that challenge humanity. In its effort to achieve its objectives, established more than 30 affiliated organisations that constitute the UN system. The UN and its network of organisations work to promote respect for human rights, protect the environment, fight disease and reduce poverty. In the last two decades, UN has taken a lead in the fight against HIV/AIDS (UN Web Services Section, DPI United Nations, 2005). It has taken decisions aimed at implementing the collective vision expressed in the Millennium Declaration of September 2000.

Historically, the name "United Nations," was coined by President Franklin D. Roosevelt of the United States. It was first used in the "Declaration by United Nations" of 1 January 1942, during the Second World War. In this declaration, representatives of 26 nations pledged their governments to continue fighting together against the military and political alliance of Germany, Italy and later Japan that fought the allies in World War II (UN web service section, DPI, United Nations, 2005).

The forerunner of the United Nations was the League of Nations, which was established in 1919 under the Treaty of Versailles with the sole objective of promoting international cooperation, and achieves peace. The International Labour Organisation was also created under the Treaty of Versailles as an affiliated agency of the League. The League of Nations ceased its activities after failing to prevent the Second World War.

In 1945, representatives of 50 countries met in San Francisco at the United Nations Conference on International Organisation to draw up the United Nations Charter. Those delegates deliberated on the basis of proposals worked out by the representatives of China, the Soviet Union, the United Kingdom and the United States at Dumbarton Oaks, United States, in August-October 1944. The Charter was signed on 26 June 1945.

Thus the United Nations officially came into existence on 24 October 1945, when China, France, the Soviet Union, the United Kingdom, the United States and a majority of other signatories had ratified the Charter. United Nations Day is celebrated on 24 October each year (UN Web Services Section, DPI United Nations, 2005).

Currently, the United Nations has six principle organs namely: The Trusteeship Council, Security Council, Secretariat, Economic and Social Council, General Assembly and International Court of Justice. The head of United Nations is the Secretary General who is the Chief Executive Officer of the organisation (see Appendix B for details)

1.1.2 Structure of United Nations in Malawi

The United Nations system in Malawi consists of the United Nations Development program (UNDP), UNICEF, World Food Program (WFP), Food and Agriculture Organization (FAO), World Health Organisation (WHO), United Nations High Commissioner for Refugees (UNHCR), and the Joint UN Program on HIV/AIDS (UNAIDS), as well as three non-resident UN organisations, International Labour Organisation, United Nations Educational, Scientific and Cultural Organisation (UNESCO), and United Nations Industrial Development Organisation (UNIDO). The UN system in Malawi also jointly set up a UN resource Centre and the UN Clinic to support its functions.

The UNDP which coordinates the UN activities in Malawi is headed by the Resident Coordinator, a designated representative of the UN Secretary-General for all operations of UN at the country level.

1.1.3 Structure of United Nations Children's Fund

The United Nations Children's Fund or UNICEF was established by the United Nations General Assembly on December 11, 1946. In 1953, its name was shortened from United Nations International Children's Emergency Fund, but is still known by the popular acronym, UNICEF, based on this old name. It is headquartered in New York City, in United States of America. UNICEF provides long-term humanitarian and developmental assistance to children and mothers in developing countries. It relies on contributions from governments and private donors. Its programs emphasise developing community-level services to promote the health and well-being of children and mothers.

UNICEF methods of work range from direct and legal interventions to education, research and census data collection. UNICEF is currently focused on five primary priorities: Primary Education and Gender Equality, Young Child Survival and Development, Child protection, HIV/AIDS, and Early childhood.

i) Primary Education and Gender Equality

Education is a proven intervention for improving the lives of all people, including children. Educating young women yields spectacular benefits for the current and future generations, and specifically affects a range of UNICEF priorities including child survival, children in family, immunization, and child protection.

UNICEF's aim is to get more girls into school, ensure that they stay in school and that they are equipped with the basic tools they need to succeed in later life.

ii) Young Child Survival and Development

Immunization is a direct intervention, a method which has made great improvements in the health of children world-wide over the past 20 years. But every year, more than 2 million children die from diseases that could have been prevented by inexpensive vaccines.

iii) *Child protection*

UNICEF works in a variety of ways to provide protection and support, from child's rights advocacy to child soldier demobilization programs, working with individuals, civic groups, governments, and the private sector to bring about positive change. Every day children are forced to be soldiers, sex workers and servants. They are abused, exploited, and subjected to violence which results in uneducated, unhealthy, and impoverished children.

iv) *HIV/AIDS*

There are about 15 million children who are orphans due to AIDS pandemic worldwide. It is estimated that by the year 2010 in sub-Saharan Africa alone, more than 18 million children, will have lost at least one parent to AIDS. Half of all new infections are people under the age of 25, with girls being hit harder than boys. Apart from working to protect and support orphaned children, to prevent parent-child transmission, and to give young people gender-sensitive and youth-friendly services, UNICEF also advocates for a protective familial, social and legal environment. UNICEF is also running several programs dedicated to controlling both online and offline child pornography.

vi) *Early childhood*

UNICEF ensures that every child must have a best start in life as their future, and indeed the future of their communities, nations and the whole world depends on it. UNICEF applies a holistic, evidence-based approach to early childhood, including preventive and curative health care, birth registration and that girls and women, especially, should have good nutrition and health care, education, family support, and their rights must be respected. (UNICEF 2003 Annual Report, 2004)

1.1.4 Organisational set up of UNICEF Malawi office

In Malawi, a Representative who is the Chief Executive Officer at the country level heads UNICEF. The Representative reports directly to UNICEF Executive Director at headquarters in New York. The Representative provides oversight in program planning

and implementation and general management of the cooperative agreements with government and other donors. The Program Coordinator is the deputy in terms of ranking and supports the Representative (UNICEF/Ministry of Finance Master Plan of Operation, 2001:13).

UNICEF Malawi has six sections, namely; Water and Sanitation, Social Policy Advocacy and Communication, Early Child Care, Health, Basic Education and Operations. The heads of these sections make up the management committee, which assists the Representative in running of the organisation. (See Appendix C)

Water and Sanitation section is involved in the national water development and care. It advocates the government policy of increasing access to safe water by ordinary Malawian. The section aims to empower and build the capacity of vulnerable remote communities to provide an adequate supply of safe drinking water and provide for safe disposal of waste. It is also involved in advocating good hygiene through improved latrines.

The Social Policy, Advocacy and Communication section plays the role of public relations by giving out information to the public on activities being implemented by UNICEF. The section supports the strengthening of advocacy, policy and programming functions related to children and women. The section aims at building national capacity to establish and maintain a strong and reliable statistical database on the welfare of women and children, in order to facilitate research, monitoring, and policy analysis and formulation.

The Health section supports government interventions in improving the health of Malawian. The section focus includes issue of prevention of mother to child transmission of HIV and reduction of maternal death. The Early Child Care section supports activities relating to orphans and vulnerable children whereas Basic Education section supports government interventions in primary and secondary education. The section aims at

improving access, quality and effectiveness of basic education in selected schools through a community-based, participatory approach.

While the other five sections are involved in the actual program implementation, Operations section supports the other sections in their activities. It is sub-divided into four units namely; Finance, Information Technology, Supply; and Administration and Human Resource. (See Appendix D)

The achievement of UNICEF's objectives requires a greater input of skills and experience of the employee. One of the factors to develop an efficient and effective human resource is the ability of an organisation to retain skilled and experienced employees. It was however noted during the time the author was working for UNICEF Malawi that staff members do not stay for long periods in UNICEF's employment. It was observed by the author that most staff members at UNICEF separate after their first employment contract.

For the purpose of the study, a rate of ten percent and above of labour turnover is high and detrimental to the performance of the organisation. As argued by Torrington, (2002:212) that turnover in excess of ten percent for a service organisation is detrimental and UNICEF Malawi, being a service organisation can be expected to have a labour turnover of less than ten percent if it is to provide a satisfactory support to the government.

1.2 Problem Statement

The issue of labour turnover has been highlighted by human resource management practitioners and academics as a factor in Human Resource Planning. Human Resource Planning determines the human resources required by an organisation to achieve its strategic objectives. Armstrong (1999:311) has defined Human Resource planning as the process for ensuring that human resource requirements of an organisation are identified and plans are made for satisfying those requirements. The issue of labour turnover is a

contested concept with some emphasising the positives while others emphasizing the negatives of labour turnover.

A certain degree of labour turnover is desirable since it provides an incentive to recruit fresh staff (Cole, 2002:148). A high labour turnover rate is also a good indication of more fundamental organisational problems. A high labour turnover compels the organisation to pay serious attention and analyse the reasons that are influencing people to leave the organisation. Skilled employees and trained managerial staff are not easy to come by and to have an exodus of these groups of employees requires a critical examination of the whole corporate culture (Ubeki, 1975:250). According to Carrel, (1982:626) turnover helps to rectify poor hiring and placement decisions.

A high degree of labour turnover, however, adversely affects the performance of an organisation. Carrel (1982:626) argues that excessive turnover creates an unstable workforce and increases personnel costs and organisational ineffectiveness. The increase in personnel cost is in both direct and indirect costs. On the one hand, direct costs associated with labour turnover include recruitment, selection and training of new people. On the other hand, indirect costs include an increased workload and overtime for co-workers, as well as reduced productivity associated with low employee morale. For example, Mushroom (2002) estimates that on average, it costs an organisation one-third of a new employee's annual salary to replace a separated employee. According to Walsh (1991:675), high labour turnover deprives an organisation of institutional memory. It is argued that an organisation needs information of its past that can be brought to bear on present decisions. Thus better decision-making involves drawing on history to frame sharper questions, which are necessary to promote efficiency.

As partners to government in development, the calibre of staff in bilateral and multilateral organisations affects the supports, which they provide to the government. Although the contribution of UNICEF to the socio-economic development of Malawi is appreciated, it was however noted during the three years the author worked for UNICEF that staff members frequently separating from UNICEF's employment, vacancies for the

organisation were frequently appearing in the local press and a review of the organisational personnel records showed that a number of established positions were vacant.

For example, in December 2000, there were 23 vacant posts out of the established 61 posts for UNICEF Malawi. The figure dropped to 15 vacant posts by December 2001 and was at 10 vacant posts by December 2002. (UNICEF Malawi Annual Reports, 2003:30). These figures show that 37% of the established positions were vacant in 2000 and 24% in 2001. In 2002, 16% of the established posts were still vacant at UNICEF Malawi (see appendix E). The downward trend reflects the efforts, which UNICEF had been making to reduce the number of vacant positions over the three-year period but still the level of labour turnover was still high to negatively affect the support provided to the government. The timely and quality achievement of objectives could be a good indicator of the performance of UNICEF since UNICEF's role is to support the government in delivering service to the people. This high turnover rate does not only negatively impact on performance but also adversely affect the image of the organisation to the public.

It was observed that senior members of staff at UNICEF were working outside normal working hours in order to cover for vacant positions. Further it was noted that staff members were being denied to proceed on annual leave because of too much work still to be done. One of the reasons staff were denied to proceed on leave could be that there was no one to work on their positions when they would be on leave. These observations impacted negatively on the performance staff members because they could not get enough time to rest and recuperate. The longer working period and lack of enough rest were sources of stress and this could have contributed to labour turnover.

1.3 Rationale of the study

The assumption of the study is that labour turnover has a negative impact on the performance of UNICEF Malawi. The number of staff members separating from the organisation was perceived to be high if the frequent adverts of vacancies in the

newspapers could be relied on but there was no evidence to support the assumption. The other factors that could not be explained at UNICEF were why there were frequent departures of staff. The other factors that were not clear were the effects of the frequent departures. The consequences of high labour turnover are increased cost and loss of highly experienced staff. The high levels of labour turnover if not checked can result in few high calibre staff members remaining who are well knowledgeable, experienced and have adequate skills for UNICEF to provide the necessary support to the government.

The second reason for the study is that most individuals have not looked at labour turnover in the UN in Malawi. This has, therefore, resulted in few studies done on labour turnover in the UN agencies in Malawi and UNICEF Malawi in particular.

It is for these reasons that this study seeks to analyse UNICEF Malawi's capability in retaining staff members. The study will try to suggest solutions where appropriate to reduce labour turnover in order for UNICEF to provide the necessary support to the government of Malawi in fulfilling its objectives.

1.4 Overall objectives of the study

The overall objective of this study is to critically analyse the impact of labour turnover on performance of UNICEF Malawi with the aim to make recommendations in order to improve the operations and performance of the organisation.

1.5 Specific Objectives of the study

In order to achieve the overall objective of the study, focus is placed on the following specific objectives:

- a) to assess the extent of labour turnover in UNICEF
- b) to analyse the causes of labour turnover in the organisation
- c) to identify major effects which arise from labour turnover
- d) to suggest strategies to address labour turnover

1.6 Methodology

This section focuses on how the research has been planned and the type of research design adopted. It outlines the methods used in conducting the research. It covers the research design used, the target population of the study, the sampling methods, the research instruments, the research process and the limitations faced in conducting the study.

1.6.1 Research design

The study is based on both quantitative and qualitative analysis of the primary and secondary data relating to labour turnover at UNICEF Malawi.

1.6.2 Type of research design

This study adopted a cross sectional study design that requires only one contact with the study population. In this type of study design, either the entire population or a subset of the population is selected and from these individuals, data are collected to help answer the research questions of interest. It is cross sectional study because the information from the sample represents what is going on at only one point in time.

This cross-sectional study design was chosen as it was deemed appropriate because it was relatively cheaper to carry and easy to analyse as compared to other designs like pre-test and post-test design. Cross sectional study design is also appropriate to this study because of the nature of the problem being studied and the subjects in the study.

1.6.3 Sampling methods

It is important to point out that two sampling strategies were adopted in order to capture the information required for the study. The systematic random sampling strategy was used to collect information from UNICEF staff while purposive sampling was used on former UNICEF staff. Using random process to select a sample from a population

enhanced the ability to generalize the findings and thus maximizing external validity. A systematic random sampling of the UNICEF staff was done.

Purposive sampling was used in picking former UNICEF staff that was judged to be typical of the population of former UNICEF staff of course with an assumption that errors in judgement in the selection will counterbalance one another.

The population was categorised into three groups namely, the International Professionals (IP), National Professional Officers (NPO) and General Services (GS). Thirty (30) UNICEF current and former staff members constituted the population frame broken down as follows; seven (7) International Professional staff, seven (7) National Professional staff, sixteen (16) General Service staff. The sample size was made up of 23 percent of International Professionals, 23 percent of National Professional Officer and 53 percent of General Services. The target sample size of 30 was chosen because of perceived fewer variations in the characteristics of the respondents.

1.6.4 Data collection tools

The two major tools that were used for collecting data relating to the specific objectives are questionnaires and interviews

i) Questionnaire

The questionnaire was used for collecting quantitative and primary data relating to issues such as the magnitude of labour turnover, causes of labour turnover, major effects, which arise from labour turnover and ways of curbing labour turnover. The collection of primary data helped to understand the sources of the data, the circumstances under which the data was collected and also inadequacies in the data collected. The limitation of primary data is the high cost involved in collecting the data.

It was advantageous to use questionnaires as a tool of data collection as it was cost effectiveness, and also provided for the possibility of asking more questions as the respondents filled the questionnaire at their own time. The questionnaire also provided

respondents with time to look up information to use in filling the questionnaire. The questionnaire also had questions asking the respondents to write a naïve description of their experience that was used during the data analysis. The limitation of questionnaire was that some questionnaires were not returned from the respondents.

The questionnaire was pre-tested among staff members working within the United Nations system in order to check if it was capturing the intended information. The draft questionnaire was sent to six UN staff members working for United Nations Development Program (UNDP), Food and Agriculture Organisation (FAO) and World Food Program (WFP). These staff members, despite not working for UNICEF, had characteristics and were exposed to similar environment as staff members working for UNICEF. The feedback helped to revise the questionnaire and make it ready for admission.

The sampled participants were then approached and informed that they had been randomly selected for the study. The participants were told why the study was being conducted. They were advised that filling of the questionnaire was voluntary. They were also asked about their preference in filling the questionnaire. Some chose to get hard copies of the questionnaire while others preferred to have the questionnaires sent to them by e-mail.

ii) Interviews

The semi-structured interviews were used to support the variation of information sourced for the study during the literature review and questionnaire responses. The interviews were conducted with International Professional and former UNICEF staff, as they were mostly senior staff and fewer in number. It was important to have face-to-face interviews with these two groups of respondents in order to have a high response rate (See Appendix J). The interviews encouraged people to answer all the questions, which were prepared for the study. The interviews also helped to explain questions that the interviewee did not understand properly.

1.6.5 Data analysis

Quantitative data analysis is the process of presenting and interpreting numerical data. The qualitative data analysis methods are methods that do not involve the use of measurements and statistics.

The quantitative analysis was done on primary data, which was collected using questionnaire and face-to-face interviews. The quantitative analysis enabled the tabulation of the causes, analysis of the impact and development of solutions that emphasise negative effects of labour turnover.

The qualitative methods protocols were used to analyse secondary data. Qualitative data analysis was very useful in assessing the extent of labour turnover. The literature review was used as a tool to collect qualitative data. It involved a content analysis of textbooks, published and unpublished journals on labour turnover and related issues. The major disadvantage of secondary data was the failure to know the limitations in the data as it was collected and compiled for other purposes than the present study. The positive side of secondary data was its cost effectiveness in collection as compared to primary data.

The unit of analysis in the study was aggregate grouping of individual staff members' under International Professionals, National Professionals and General Services staff. The choice of unit of analysis was influenced by the awareness of the different traits in the individuals in the different staff categories in terms of their levels of education, cultural backgrounds, earnings and levels of maturity. Data collected during the study was analysed using Microsoft Excel computer package and reproduced as graphs to highlight the relationship of one variable on the other.

1.7 Limitations

It must be pointed out that there were some limitations to the study, namely, time constraints, difficulties in contacting separated staff and inadequate financial resources.

i) *Time constraints*

Time was a major limiting factor to the study as the study was done while the author was also doing the normal day-to-day work. The time to deliver and collect the questionnaires was a problem as the only time when the author was free was during lunch or after normal working hours and during these times the respondents had either gone for lunch or had knocked off as well. The author then had to find time within the working hours to deliver and collect the filled questionnaires.

ii) *Contacting separated Staff*

It was not easy to contact staff members who had separated from the UNICEF despite getting their names from their former employer.

(iii) *Inadequate financial resources*

This study, was self-financed as the author was unable to get sponsorship therefore it was costly to procure stationery for the questionnaires and transport for delivering questionnaires and conducting interviews.

1.8 Organisation of chapters

The study has been organized into four chapters. The first chapter outlines the study and covers problem statement, overall and specific objectives and methodology used for the study. In chapter two, a review of issues relating to labour turnover is presented. Furthermore, concepts such as labour turnover, how it is measured, its causes and effects are discussed. Chapter three focuses on study findings and a critical analysis of these findings. The discussion centers on organisational structure, recruitment, training and induction and compensation. Furthermore, the extent of labour turnover, factors that cause labour turnover, and its impact are also presented. Finally, in chapter four, conclusions are drawn and recommendations are made in order to minimize the impact of labour turnover on the organisational performance.

1.9 Chapter summary

In this chapter the general background on which the study has been based, the problem statement, the overall and specific objectives, the methodology, the limiting factors and the organisation of chapters have been presented. The major issue is that labour turnover at UNICEF is a critical phenomenon whose causes and effects require systematic investigations in order to come up with viable solutions that will lead to improved performance and operations.

Chapter Two - Literature Review

2.0 Introduction

This chapter reviews literature on labour turnover and focus is on aspects that relate to the operations in UNICEF Malawi. The definition of labour turnover, the procedures used to measure labour turnover and how to assess and document the magnitude of labour turnover are presented. The chapter further outlines causes of labour turnover and concludes with the impact of labour turnover on organisational performance.

2.1 Nature and meaning of labour turnover

It must be stated from the outset that the concept of labour turnover has been viewed and interpreted by authors differently. For example, Carrel (1982:626) defines labour turnover as movement of employees in and out of an organisation, through resignation, discharges, retirement and death. Labour turnover is the percentage figure which indicates the rate at which employees move in and out of employment with an organisation (Cole, 2002:8) Therefore, labour turnover basically refers to the number of employees leaving an organisation.

Furthermore, labour turnover is considered either voluntary or involuntary. For example, ACAS (2005) argued that voluntary turnover is that turnover which is not foreseen by management. This type of labour turnover is disruptive as management is not ready that an employee is leaving and has to be replaced. Mathis (1988:19) defined voluntary labour turnover as employees leaving the organisations due to their own choices, which are caused by dissatisfaction with their employment. On the other hand, involuntary turnover is a management planned lay off of employees because of factors decided by management (ACAS, 2005, www.acas.org.uk/publications).

With the changing employment culture, it is relatively common to change jobs every few years rather than grow with one organisation throughout ones life until retirement or death (ACAS, 2005:www.acas.org.uk/publications). Labour turnover can either be beneficial or detrimental to an organisation.

A recurring problem for Personnel Managers is the recruitment and selection of qualified, motivated people at reasonable salaries. Thus labour market conditions, which are heavily influenced by supply and demand for labour, determine if an organization can satisfy its staffing and compensation objectives. (Carrell, 1982:13)

2.2 Measurement of labour turnover

It is important to have accurate information on levels of labour turnover since it assists the organisation in planning recruitment and training to renew skills of staff. The measurement of labour turnover also helps the organisation to develop policies and practices to minimise the loss of valuable trained employees and also manages career progression of the staff. According to ACAS (2005 www.acas.org.uk/publications), personnel records must be well maintained with relevant information including details of starters and leavers particularly on information on length of service, departments in the organisation and year of separation for accurate measurement of labour turnover.

There are procedures, which are used to measure turnover. Labour turnover is measured in a number of ways. The most commonly used measurement procedure for labour turnover is the labour turnover index (Cole, 2002:146). There are five methods for measuring labour turnover. These are turnover index, stability index, length of service analysis, survival rate and half-life index (Armstrong (1996:18), Cole (2002:147) Carrel (1982:627), Hackett (1998:6). These are discussed below:

i) Turnover Index

The turnover index, which is also, called the separation rate or crude wastage rate is a traditional way of measuring employee turnover. It involves calculating the number of

leavers in a period, usually a year, as a percentage of average numbers employed during the same year (Cole, 2002:146).

According to Carrel, (1982:627) the separation rate is useful in comparing one organisation's labour turnover with that of the other local employers or with the industry as a whole. However, it is a crude way of measuring labour turnover problem since it does not make distinctions between new starters and experienced workers who can be difficult to replace. This method does not indicate in which areas of the organisation the rate of leavers is high or does it indicate any sudden changes in the numbers employed from one year to the next (Cole, 2002:147).

ii) *Stability Index*

The stability index links the leaving rate with the length of service. It is calculated by dividing the number of leavers with more than one years' service by the number employed one year ago then multiply by a hundred (Cole, 2002:147). If stability index is used in conjunction with turnover index, it helps to focus and identify problems including whether the organisation is failing to bring in new blood because of low turnover (Hendry, 1995:196).

This measure is useful where it is used to compare the rates in similar periods or similar organisations. It is also useful in the sense that it illustrates the extent to which the experienced workforce is being retained. According to People and Organisation (2005 www.tutor2u.net), labour turnover vary between different groups of employees and because of this therefore, stability index is useful as it compares people who have left the organisation according to departments or sections or according to such factors as length of service, age or occupation. Stability index enables an organisation to determine whether the organisation does have at least a nucleus of experienced staff, however, stability of the workforce needs not to be extreme as complete lack of movement in and out of the organisation prevents an influx of new employees with fresh ideas and initiatives (Hackett, 1998:6).

iii) *Length of Service Analysis*

The length of service deals with those employees who have left the organisation. This method indicates how long an employee has worked before leaving the organisation. The disadvantage of this method in measuring turnover is that it only focuses on those who leave (Cole, 2002:147).

iv) *Survival Rate*

The survival rate method of analyzing labour turnover entails analyzing the proportion of employees who are engaged within a certain period with the organisation after so many months or years of service (Armstrong, 1996:326). The survival rate method allows a more informative and efficient analyses of the conditions in the organisation that affects the employees and makes them to stay or leave at the end of the follow-up period.

v) *Half-Life Index*

The half-life index method is derived from the survival rate analysis. According to Armstrong, (2000:327) half-life index defines the time taken for a group of starters to reduce to half of its original size through voluntary labour turnover or wastage process. In this analysis, a comparison is made for a successive entry years or between different groups of employees in order to show where action may have to be taken to counter undesirable wastage trends.

ACAS (2005:www.acas.org.uk/publications) argues that there is a pattern on how employees leave their organisations based on the period an individual has worked for the organisation. However, the degree to which the pattern applies in any single organisation naturally varies. On the one hand, the highest rate of labour turnover tends to be among employees who have recently joined the organisation- an issue referred to as 'induction crisis' and the number decreases over time. On the other hand, longer serving employees are more likely to stay, mainly because they become used to the work of the business and have established relationships with those around them. Armstrong (1999:326), however, argues that the most used methods of measuring labour turnover is through labour

turnover index but this method has to be supplemented by some methods which measures levels of stability.

In addition, the labour turnover problem can also be identified through attitude surveys and exit interviews. According to Carrel (1982:628), job dissatisfaction is a significant cause of turnover and attitude surveys and exit interviews are useful in collecting opinion of the staff and discovering the causes of turnover.

i) *Attitude Surveys*

The attitude surveys involves asking employees on wide range of issues affecting them including pay and remuneration, conditions of service, employment relations, equal opportunities, management style and organisation image. The surveys seek to find out what workers like and dislike about their jobs and the organisation. It involves designing questionnaires that are used to collect opinion of employees on wide range of issues that pinpoint specific areas of work that cause job dissatisfaction (Carrel, 1982:628). According to Dessler, (2004:284) attitude surveys are anonymous that allows employees to express their feelings about the organisation and their managers.

The attitude surveys raise the expectations of workers and generate goodwill towards the employers, but survey success depends on free communication of the results to the employees and the action taken on the results. If expectations are ignored, the survey may become counterproductive (Carrel, 1982:614). The other point to consider when carrying out the attitude survey is close consultations between management and employee representatives. Attitude surveys will be successful if worker representatives are involved from the planning stage onwards.

ii) *Exit Interviews*

The exit interviews involve separating staff that are interviewed to obtain reasons for their departure. According to Dessler, (2004:161) exit interviews are aimed at eliciting information about the job or related matters that might give an employer some insights into what is right or wrong about the organisation. These interviews highlight problem

areas within the organisation and identify any characteristics, which may be common to leavers.

Whereas Carrel (1982:595) has argued that information obtained from exit interviews is useful in pinpointing problem areas, the accuracy of the information is, however, questionable. Separating staff members might not always disclose the real reasons for leaving or their true views about the organisation during the exit interview because they do not want to hurt feelings or create waves. According to Dessler (2004:293) staff members who are separating cite salary and benefits at the time of separating as the main reason for their separation. A follow up exit interviews after some months, the staff cited supervision than salary as the main reason for their separation.

2.3 Causes of labour turnover

The following section focuses on the causes of labour turnover. Authors have advanced a number of causes of labour turnover. According to Carrel (1982:627) the causes of labour turnover are a complex mix of factors within and outside the organisation but the most notable ones are general economic conditions, local labour market conditions, personal mobility, job security and demographic factors. In this analysis, four major causes are presented. It is important to understand the causes of labour turnover as it affects both the employee as well as the organisation.

Employees' separate from the organisations for different reasons and the duration the employee has been with the organisation has a bearing on the reasons for his/her separation. Management, however, has varying degrees of control over other reasons for leaving, for example, a usually high proportion of dismissals calls for examination of recruitment and selection, discipline and planning procedures (ACAS, 2005, www.acas.org.uk/publications). The core reasons why individuals separate from the organisations relate to ineffective human resource management practices. These include inadequate wage levels, poor morale and low levels of motivation, ineffective recruitment and selection procedures, performance management, and organisational management

style. In this study, these five areas are looked in more details for their relationship to labour turnover.

2.3.1 Inadequate wage levels

The compensation is a broader concept, which encompasses terms like wages and salaries. According to Dessler, (2004:302) compensation refers to all forms of pay or rewards going to an employee and arising from their employment. Furthermore Carrel (1982:425) refers to compensation as not only the monetary extrinsic rewards but also intrinsic benefits like recognition, chance for promotion, and more challenging job opportunities.

Organisations have policies, which guide them on how compensation is effected. According to Cole, (2002:248) organisation's compensation policy serves to attract sufficient and suitable employees, retain the employees who are satisfactory, and reward employees for their effort, loyalty, experience and achievements. The two main components of compensation are the direct financial payments in form of wages and salaries and indirect payments such as employer paid insurance and vacations (Dessler, 2004:302).

The objectives of compensation have been stated differently by a number of authors. Other authors have emphasised the purpose of the compensation payments as the objectives of the reasons for compensation. According to Cole, (2002:249) the five main objectives of compensation are; to have a competitive advantage in the labour market, to equitably reward those who performed specified job, to motivate employees, and to keep pace with inflation and when compensation is paid as a legal requirement.

The compensation offered by the organisation with the aim of having a competitive advantage in the labour, affects recruitment and retention of qualified employees only to a certain extent. As organisations aim at having and retaining qualified employees, the availability of having qualified applicants for open positions is determined by market factors beyond the control of the employer. While an employer may set compensation levels for new hires and advertise those salary ranges, it does so in the context of other

employers seeking to hire from the same applicant pool. This results in new employees asking for higher wages than the current employees generally because of inflation. Dessler (2004:305) argued that salary compression, which is caused by inflation, results in salary inequity as longer-term employees' in a position earn less than workers recently recruited. The longer-term staff members perceive that they are unfairly treated and may leave the organisation.

The compensation may also be used to equitably reward for exceptional job performance. According to Carrel, (1982:431) employees expect their performance to correlate with the rewards received from the organisation. This relationship is possible where the organisation has a good performance appraisal system, good reward system and feedback by the supervisor to the supervisee. If employees perceive that superior performance is not being recognized by the organisation, they set minimal goals in order to retain their jobs while they are looking for more rewarding jobs in the industry.

According to ACAS (2005), providing equal pay means that you provide the same conditions for staff doing work that is the same or broadly similar. The jobs could be rated as equivalent under a job evaluation scheme or is of equal value in terms of the effort, skills, knowledge and responsibility required. For instance, in multinational organisations where employees are classified by their nationality, there is a high pay dichotomy. It is often perceived that employees recruited from outside the country of work, earn extra-ordinarily high salaries as compared to those recruited locally despite doing the same job. According to Carr, (1993) such perception heightens the locally recruited employee desire over time for the application of the 'principle of equity' to the working environment. The less paid employees have options of either working slower or less well than their higher paid counterparts or could physically or psychologically quit the job.

The fringe benefits also play an important role in labour turnover. Rees, (1964:66) classifies fringe benefits as those provided by law like sick leave and those unilaterally provided by the employer like pension fund. Employers use fringe benefits as a retention incentive by tying the enjoyment of such benefits to the length of service. Whereas

Carrel, (1982:426) argues that job applicants focus much on salaries being offered than other compensation factors, like benefits and intrinsic reward. In situations where organisation fails to recognize the importance of fringe benefits, it becomes uncompetitive and employees leave the organisation for more competitive ones.

The effect of compensation including fringe benefits on labour turnover is further manifested in organisations where staff is classified according to their nationality. The classification of employee creates a situation whereby those who get higher salary, mostly international staffs are perceived to be knowledgeable and high performer while those getting lower salaries, which are local staff, are perceived to be less knowledgeable and under performers. In this regard, Yoder, (1990:209) argues that the false expectations can produce new behaviors, which in turn, fulfill and reinforce the original expectancy. The situation creates the perception that international staffs are performers and in turn this lowers the esteem of local staff to the point that some are forced to quit their positions. The organisation that fails to take notice of changes in the environment relating to staff compensation and respond accordingly end up in the organisation compensation packages becoming non-competitive.

2.3.2 Poor morale and low levels of motivation

The second factor, which causes labour turnover, relates to poor morale and low levels of motivation. According to Cole, (2002:95) motivation is a process in which people choose between alternative forms of behavior in order to achieve personal goals. The effective performance of each staff member to achieve his/her desired goal is stimulated by a number of factors including knowledge and skills, management style and organisation climate. Different theorists have researched the field of motivation but according to Carrel, (1982:432) no single theory can resolve all motivational problems.

Motivational theories that focus on the specific causes of motivation are called content theories (Cole, 2002:96). Three well-known names that have contributed to content theories are Abraham Maslow and Fredrick Herzberg. The other theories that focus on

behavior are called process theories and major exponents of these theories are Skinner and Vroom.

According to Carrel, (1982:432) Maslow identified five human needs in a hierarchical order that stimulate individuals to behave in a particular way. Maslow's general argument in Cole, (2002:97) is that people tend to satisfy their lowest level of felt needs before moving to the higher- level needs. Whereas Frederick Herzberg (quoted in Cole: 2002:98) cited factors, which motivate employees and are linked to the job, other factors considered as hygienic are linked to the environment. Hygienic factors produce either dissatisfaction or no response to the employees.

According to Carrel, (1982:113) there is no easy solution to problems of motivation nor is there a way of designing jobs which are highly motivating. Dessler (2004:82) has proposed job rotation, job enlargement and job enrichment as three solutions to increase job satisfaction among employee.

Job rotation refers to the systematic moving of workers from one job to another (Dessler, 2004:82). In spite of assisting employers to cope with frequent absenteeism and turnover, job rotation does not curb the labour turnover as employee still feel dissatisfied with their jobs and could seek more challenging jobs in the labour market. According to Carrel (1982:114), job rotation does not solve the problem of job satisfaction as the rotation does not change the basic nature of the job and employee continues to perform several boring and monotonous jobs.

According to Dessler (2004:82), the best way to motivate workers is to build opportunities for challenge and achievement into their job through job enrichment. Job enrichment refers to a program, which is designed to increase worker satisfaction derived from the work itself (Carrel, 1982:115). The failure to recognize the need for job enrichment increases boredom and reduces the sense of accomplishment among employee, which results in employees looking for more, challenging jobs in the labour market.

It is, therefore, necessary for organisation to identify factors, which will motivate employees to be satisfied with their work. Carrel (1982:113) has also proposed pay increase as another way to increase employee motivation. He has further advised that the effectiveness of pay increase is short-lived and is also effective mainly to junior level staff.

2.3.3 Ineffective recruitment and selection systems

The major areas of recruitment and selection, which contribute to labour turnover, are ineffective recruitment systems, poor induction processes and poor training especially the training of new employees

i) Ineffective Recruitment Systems

Ineffective recruitment has been identified as one of the major causes of labour turnover (Mushroom, 2002). According to Carrel (1982:169), recruitment has been defined as the process of acquiring a pool of applicants, who are available and qualified to fill positions in an organisation. The basic objective of recruitment is to get a well-qualified person who will remain in an organisation at a lease cost. Cole (2002:172) has argued that the principle purpose of recruitment is to identify the most suitable applicants and persuade them to accept a position in an organisation. The ease of recruitment of employees, however, tends to flows with economic and unemployment levels (Dessler, 2004:97). According to Cole (2002:199), organisations in times of economic recession tend to cut back on employees. As a result there is an excess availability of qualified individuals on the labour market.

In most organisations, recruitment and selection process are simple with stages that can be followed as a routine whenever there is a vacancy to be filled and the system is monitored and adapted in light of experience. The three main features of a good recruitment and selection system that are often lacking are efficiency, effectiveness and fairness (ACAS, 2005). With efficiency, the system should be cost effective in methods and sources. Organisations need not to spend a lot of resources during the process of

hiring a new staff member. With effectiveness process, the system should be producing enough suitable candidates without excess and ensuring the identification of the best candidate fitted for the job and the organisation. The recruitment process is ineffective when under qualified individuals are recruited and later terminated for underperforming. It also occurs when overqualified individuals are employed and later resign out of frustration (Carrel, 1982:174). With fairness, the system should be right and transparent and that decisions are made on merit alone. When looking at recruitment and selection, the relevant issues focused on are job description developing, advertising, short listing, interviewing, selecting, placing, induction and job training.

ii) *Poor Orientation Processes*

The second major cause of labour turnover in relation to ineffective recruitment and selection processes especially among new recruits is the poor orientation process offered by management. An employee orientation process refers to a procedure for providing a new employee with basic background information about the organisation (Deshler, 2004:185). According to Ubeki (1975:28), an orientation process introduces the new employee to the organisation's culture. The process assists the organisation in assimilating a person who has accepted a job offer and also assists the individual in adjusting to the organisation. The employee orientation process reduces employees' anxiety, save supervisors' and co-workers time, develop positive attitudes towards the organisation and creates realistic job expectations (Carrel, 1982:281).

Separate programs are drawn for managers and non-managers. In case of managers, the programs are more elaborate and last between three and six months sometimes referred to as 'extended induction'. The actual length of the time depends on the seniority of the manager. Programs for non-managers are often simple and last about two days which are aimed at ensuring the new employee is made aware of the environment, what is expected of him and what the organisation provides in return (Ubeki, 1975:29).

In most organisations, orientation processes seem not to be well thought of in advance. They are not timely carried out and therefore, leave a gap of information in the staff

members regarding expectation on production standards. Overall, ineffective orientation processes affect the performance and settling in of the staff member. (Ubeki, 1975:27). Ineffective orientation processes make employees take longer to adjust to their current job and this affects their performance and causes frustration which contributes to employees' separation.

iii) Ineffective training of new employees

The third factor, which contributes to a high labour turnover of new employee, is ineffective training. Different authors have defined training differently. Dessler (2004:187) has defined training as the process of teaching new employees the basic skills they need to perform their jobs. However, Carrel (1982:282) has defined training as a systematic process by which employees learn skills, knowledge, abilities or attitudes to further organisational and personal goals.

The training is conducted for different reasons. According to Carrel (1982:183) training is conducted to orient new staff on the organisational processes, to introduce new changes in the work processes, to resolve skill deficiencies of an employee and to assist an employee to meet expected performance levels.

The two broad categories of conducting training are on-the-job and off-the-job training (Carrel, 1982:285). The on-the-job training method of conducting training involves training a person to learn a job while working on it (Dessler, 2004:193). The advantages of on-the-job training are that the employee works on the actual job, receives instructions from supervisor who has performed the task successfully. The training is also relatively inexpensive and easy to handle. The main disadvantage of on-the-job training is the motivation on the part of the trainer. The trainer may not be motivated to train which may result in the training being haphazard (Carrel, 1982:287). This can be the major cause of frustration on the new employee and contributes to employee's decision to separate.

2.3.4 *Performance Management*

The fourth factor that influences labour turnover is employees' performance. Performance management is the means of getting better results from the organisation, teams and individuals by understanding and managing performance within an agreed framework of planned goals, standards and competence requirements (Armstrong, 1996:232). The key component used in performance management is performance appraisal. According to Dessler (2004:241), performance appraisal means evaluating an employee's current and past performance relative to the person's performance standards while Hackett (1998:103) has defined performance appraisal as the regular formalized and recorded review of the way in which an individual is performing in his job. Performance appraisal is the method of evaluating the behavior of employees in the workplace that normally includes both the quantitative and qualitative aspects of job performance (Carrel, 1982:237).

The overall objectives of performance appraisal system are to let the employees know formally how their current performance is being rated, to identify employee who deserve higher pay, identify employees who needs additional training and earmark outstanding employees for promotion (Chatterjee, 2004:216) However, Hackett (1998:103) has argues that performance appraisal provides information about the competencies and aspiration of the workforce which is necessary for planning. Appraisal of performance also encourages commitment to organisational goals.

The performance appraisal process has been stated different by academics and human resource practitioners. According to Dessler (2004:241), the performance appraisal process involves setting of work standards, assessing employee's performance against the agreed standards then providing feedback to the employees. However, Carrel (1982:239) has outline seven steps in the process of performance appraisal and these are: determining performance requirements, choosing an appropriate performance appraisal technique, training the supervisors so that they do not commit errors during performance appraisal, discussing methods with the employees, appraising according to requirements, discussing appraisal with employees and determining future performance goals

There are problems which are encountered by supervisors while conducting the performance appraisal. According to Dessler (2004:252), Carrel (1982:242), the most common performance appraisal problems are supervisory bias, halo effect, central tendency, leniency or strictness, recency and unclear standards

The supervisory bias is the most common performance appraisal error, which happens consciously or unconsciously. The biasness in the appraisal is not related to job performance but may stem from personal characteristics such as age, sex or race (Carrel, 1982:242). The organisation's management has a responsibility to eliminate such biases as the biasness affects the morale of those who are not being favoured and lowers their esteem and commitment towards organisation objectives.

The second common performance appraisal error is the halo effect. Authors have defined the error of halo effect differently. According to Dessler (2004:254) halo effect problems occur when a supervisor's rating of a subordinate on one trait biases the rating of the subordinates on the other traits. However Carrel (1982:242) has argued that halo effect occurs when a supervisor lets one particular aspect of an employee's performance influence the other aspects that are being evaluated. This error affects negatively the employees who may not like one aspect of their job whereas the supervisor may make an overall impression based on that one aspect the employee does not like. This type of error in the performance appraisal demotivates employees who are rated lowly and can influence them to separate from the organisation.

The other errors associated with appraisal systems include central tendency problem when supervisor evaluates every supervisee as average, leniency error where supervisor gives every supervisee high evaluation and recency error where a supervisor is influenced by an act of an employee just prior to the appraisal time.

There are a number of tools used to assess employees' performance with rating and ranking scales being the most used methods in the appraisal process. According to Carrel (1982:244), rating scale compares an employee to some cognitive standard rather than measuring performance. The rating scales include graphical and non-graphical methods.

The advantage of rating scale is the numerical evaluation for each employee. However, the method is viewed as subjective. Armstrong (1996) argues that the ratings are largely subjective and difficult to achieve consistency between different rates. The rating sum up the total performance of a person with a single rating which is a gross over-simplification of what maybe a complex set of factors influencing that performance. Another disadvantage of rating scale is lack of relatedness to specific jobs allowing supervisors bias and halo effect errors to enter the appraisal process (Carrel, 1982:245). This disadvantage allows the supervisors to penalize supervisees by terminating their employment contracts under a guise of none or under performing. When employees feel that they are not fairly be appraised and properly rewarded, they become de-motivated and may separate.

2.3.5 Management style

Fifthly, a major cause of labour turnover is management style. Management refers to the process of accomplishing goals through other people. According to Carrel (1982:35) the core functions of management includes planning, organizing, staffing, motivating and controlling. On management style, focus is on policy development and implementation in areas of decision-making, strategic planning, pay, communication, promotion, grievances and supervision. There are different theories and different approaches to management. The most common theories are scientific theory, systems theory and contingency theory as explained below.

i) Scientific Management Theory

Frederick Taylor developed the “scientific management theory” which espoused the careful specification and measurement of all organisational tasks. With scientific management theory, tasks are standardized and workers are rewarded and punished. This approach appears to work well for organisations with assembly lines and other mechanistic, routine activities (<http://www.managementhelp.org/mgmt/history.htm>).

ii) Contingency Theory

Basically, contingency theory asserts that when managers make a decision, they must take into account all aspects of the current situation and act on those aspects that are key

to the situation at hand. Contingency theory is the continuing effort to identify the best leadership or management style that depends on the situation. For example, if one is leading a hospital or university, a more participative and facilitative leadership style is probably best whereas this type of style may not be appropriate for other types of situations like the war.

iii) Systems Theory

Systems theory has had a significant effect on management science and understanding organisations. A system is a collection of part unified to accomplish an overall goal. A system can be looked at as having inputs, processes, outputs and outcomes. Systems share feedback among each of these four aspects of the systems. Systems theory has brought a new perspective for managers to interpret patterns and events in the workplace. They recognize the various parts of the organisation, and, in particular, the interrelations of the parts (www.managementhelp.org/mgmt/cntmpory.htm).

The common factor among these different types of management systems is how the employee relates vis-à-vis the employer.

Management style affects both new and long-term employee but applies more to long-term employee in the organisation. This relates to how the organisation views the employee or the attitude of the employer towards the employee. It is argued that if people are not valued for their worth, productivity, creativity or other contributions they make to the organisation, they leave to work for the employer that does value them (Mushroom, 2002). Employees perceive not valued if management does not consult them in decisions affecting them especially in areas of working environment, conditions of service, types of work and also supervision. They may opt to separate from the organisation and seek alternative employment where they would be valued.

2.4 Effects of labour turnover on an organisational performance

Authors such as Cole (2002), Torrington, (2002) and Deshler (2004) have outlines the effects of labour turnover as both negative and positive. The following analysis focuses much on the negative than positive aspects of labour turnover.

The labour turnover is beneficial when an organisation has among its objectives to trim down the workforce or reduce labour related costs. It is also advantageous when an organisation is not certain about future demand. The employers are relatively happy if a poor performer were to leave and there are suggestions that employers actually encourage turnover if future demand is uncertain so that they do not end up ‘carrying’ staff (Marchington, 2005:163).

The impact of labour turnover depends on the nature of the organisation and the type of service the organisation operates. A question of optimal level of labour turnover which is sufficient to balance the advantages and disadvantages of labour turnover depends on a number of factors including type of organisation, environment in which it is operating and the calibre of people leaving. Gerald (1995:621) argues that the impact of labour turnover depends not on how many people are leaving but on who is leaving. Different authors have quoted a range of six to ten percent as ideal but it is not really sensible or worthwhile to rely on quantification of information without analyzing the characteristic of the leavers. (Marchington, 2005:164)

While the major advantage of labour turnover is the incentive to recruit fresh staff into the organisation labour turnover however negatively affects the overall performance of the organisation. It negatively impacts on the organisation’s financial position and competitive edge over the competitors. High labour turnover also affects the employees’ job satisfaction and negatively affect the image of the organisation to the public.

2.4.1 Effects of high labour turnover on organisation costs

Firstly, according to People and Organisation, (2005), high rates of labour turnover are costly in terms of advertising, hiring, training relocation costs, and costs associated with processing the human and non-human resources. Although costs related to recruitment and training may be seen as not that substantial, resources are inefficiently utilized while the new employee is being trained, and performance of both the trainer and trainee is low and costly errors are likely to arise (Carrel, 1982:287)

It is further argued that when there is a high labour turnover in an organisation, the proportion of new employees in the workforce is higher. In situations where organisations opt to provide on-the-job training for the new hires, old employees spend most of their time training the new employees and this affects their performance and morale and in turn productivity goes down. While labour turnover is not possible to eliminate completely, it is achievable to keep it as low as possible, (High Price of turnover: 2005 www.saipattribution.com).

Secondly, high labour turnover negatively impacts on organisation competitiveness. ACAS (2005) argued that increased production costs due to high labour turnover reduce profits. For example, the organisation spends on training new employees on their positions but more training means higher cost. Thus high production costs result in high levels of inputs for a product as compared to a competitor in the same industry with lower production costs.

Furthermore, in an organisation where labour turnover is increasing, the organisation's customer defection rate is likely to rise. Companies that have practices that create or maintain a highly loyal workforce have superior customer retention. High-quality employees that remain with the company tend to produce high-quality products and services that attract high-quality customers. This becomes a value cycle where the relationship between the three elements continues to create greater value. If any one of these fails, the other two will suffer as well (High Price of turnover: 2005 www.saipattribution.com).

Thirdly, labour turnover impacts on employees' job satisfaction (Carrel, 1982:286). The low morale in an organisation is a catalyst for high labour turnover cost as it causes more employees to leave at the same time creates dissatisfaction of those employees who remain (ACAS, 2005). In cases where labour turnover is high, there is pressure on management to recruit as soon as possible but this often times results in replacements, which do not fit the job. The new recruits are likely to leave the job when induction and training is haphazard and rushed.

Fourthly, high labour turnover negatively affects the image of an organisation (Cole, 2002:148). The increased volume of work, the high operating costs and loss of competitiveness of the organisation are factors, which create negative image of the organisation to the public. Poor image of the organisation sets in motion a chain of events that is difficult to break. There is poor customer service delivery because the new or inexperienced employees are generally not as good at serving customers as those who left with years of experience. Poor service may translate into lower satisfaction of customers and return visits. The services are interrupted, training costs are high, projects are put on hold, competitive information is lost and customers may switch their patronage to where former employees are now working. The emotional and financial costs of labour turnover are high (Laurie Murphy – People Management, 2005 www.vault.com/community).

2.5 Remedial measures to labour turnover

Authors such Carrel (1982) have proposed measures to curb labour turnover and retain employees in the organisation. The solutions target specific individuals as well as organisational members as a whole in areas of compensation, recruitment and selection of employees, job satisfaction and employee motivation and management style.

Firstly, compensation is one of the major factors included in the retention strategy. While many factors cause employees to leave an organisation, inadequate compensation is the most frequent cause of labour turnover. If employees perceive that there is inequity in the compensation package, and that they could be equitably treated in another organisation,

unpleasant emotional state develops and this may cause employees to leave the organisation (Carrel, 1982:430).

In compensation package, issues looked at do not only include basic pay but also fringe benefit and welfare issues. Other relevant issues on motivation include job security, intrinsic job satisfaction, recognition that they are doing their jobs well and suitable training to enable them develop their potential. As employees' needs vary considerably according to employee status among others, organisations should assess the employees' needs when looking at retention strategies.

Compensation may also be used as a retention tool for employees. An employer wishing to reduce employee turnover may seek to increase salaries and salary levels. It is argued by Armstrong (1996:435) that a fair compensation package is a vital tool in the retention strategy particularly where it is consistent as well as transparent.

Secondly, effective recruitment and selection help minimize labour turnover. An organisation needs to examine its staffing and recruitment procedures to ensure that right people are being hired to fit in the right jobs and that efforts are being made to develop their careers. Hiring right people and provide them with necessary training provides good incentives to ensure employees' loyalty and retention. (Mushroom: 2005) When employees are loyal to an organisation, they cannot be motivated to look alternative employment.

Thirdly, management style plays a vital role in both turnover and retention of employees. Management can further enhance the loyalty and trust by soliciting views of the staff in its decision-making and encourage 'open door' policy. Employees must believe that they have a voice and are recognized for their contribution, (Mushroom: 2005). If employees are valued for their contribution a sense of loyalty develops in them and this paves way for trust in the management.

2.6 Chapter summary

This chapter has defined labour turnover as presented by different authors. The causes of labour turnover that have been discussed include ineffective recruitment and selection systems, poor management style and unfair and inequitable pay system. The chapter has focused on the impact of labour turnover that is reflected in high production costs and poor morale among other factors. Though some labour turnover is functional, turnover is generally expensive to an organisation, as such control measures should be put in place to reduce the problem.

Chapter 3 – Study findings and discussions

3.1 Introduction

This chapter focuses on the findings relating to assessment of labour turnover at UNICEF Malawi. Particular attention is paid to extent of labour turnover in UNICEF Malawi and factors, which cause labour turnover, and the impact of the turnover. However, the background and organisational set up of United Nations and UNICEF both at headquarters in United States and in Malawi are presented first. The issues covered include the institutional structure, the major functions and coordination mechanism.

3.2 Major findings on the study of labour turnover at UNICEF

The following sections focus on the major findings relating to the study of labour turnover at UNICEF. It will discuss these finding and relate them to what other authors have written on labour turnover. The section will briefly recap the process of staffing at UNICEF Malawi.

3.2.1 Staffing in UNICEF

Staffing in UNICEF has its basis in the specific Country Program Plan (CPP) that provides a strategic framework of programs to be carried out within a specified period. It is the CPP that specifies number of staff positions to carry out different program activities. CPP is often for four years with an allowance of a mid-term review after two years. The CPP provides details regarding number of staff positions who will be locally and internationally, recruited.

The posts in UNICEF are classified either as International, National Professional or General Services. Individuals who are Malawians by nationality cannot work as International staff category within Malawi regardless of whether they applied for the position while residing outside Malawi or not. All employees in UNICEF who were recruited after December 1990 are employed on contract basis. These contracts vary from

six months to two years subject to renewal based on performance and availability of funding.

For this study, employment has been defined as a relationship that exists between an employer and an employee. The contract of employment therefore exists wherever one person, an employee, agrees to serve another, the master or the employer. This agreement in the relationship between an employer and an employee is said to arise from the contract of service (Kambuto, 2003:2).

3.2.2 Staffing for International Position

The recruitment of international staff is done through UNICEF headquarters in New York starting from vetting of the job description, assigning the appropriate identification number, and advertising, short listing, interviewing and making of the offers. After the interviews are held, headquarters forward the files of the candidates to the country office. It is the country office, which makes the decision on who to hire, and communicates to headquarters. It is UNICEF Headquarters, which makes reference checks, negotiates on salaries and makes the offer. Most of the initial contracts for international positions are for two years but not more than that.

3.2.3 Staffing for local position

All local positions before they can be advertised require that there be a job description, which has been approved by regional office, which is in Nairobi, Kenya for General Service's positions and headquarters for National Professional positions. The final approval to hire the General Services staff is done by the Country Representative whereas for National Professional Officers is done by the Regional Director.

While the process of recruitment requires the approval of regional office and headquarters for General Services and National Professional Officers respectively, termination of employment for whatever reason, country office does not require approval of either region office or headquarters.

The process of recruitment and selection at UNICEF is as detailed as such it takes a longer period for the staff to come on board.

3.3 Participants demographic characteristics

UNICEF and participant's sex: Table 3.1 presents a cross-tabulation of the participants' sex by their categories i.e. International Professional, National Professional and General Service. There were sixty-one individuals working for UNICEF in Malawi. Thirty of the sixty-one UNICEF employees were interviewed individually through the questionnaire or face-to-face interviews with 53.3% females and 46.6% males. The table indicates that International Professional and National Professional had 23.3% of the respondents while General Services had 53.3% of the respondents. The General Services staff made a bigger proportion of the respondents, as they made up 50% of staff members at UNICEF Malawi (See Appendix E)

Table 3.1

Participants by Sex

UNICEF	Sex of respondents		Total
	Female	Male	
International Professional	4	3	7
National Professional	2	5	7
General Service	10	6	16
TOTAL	16	14	30

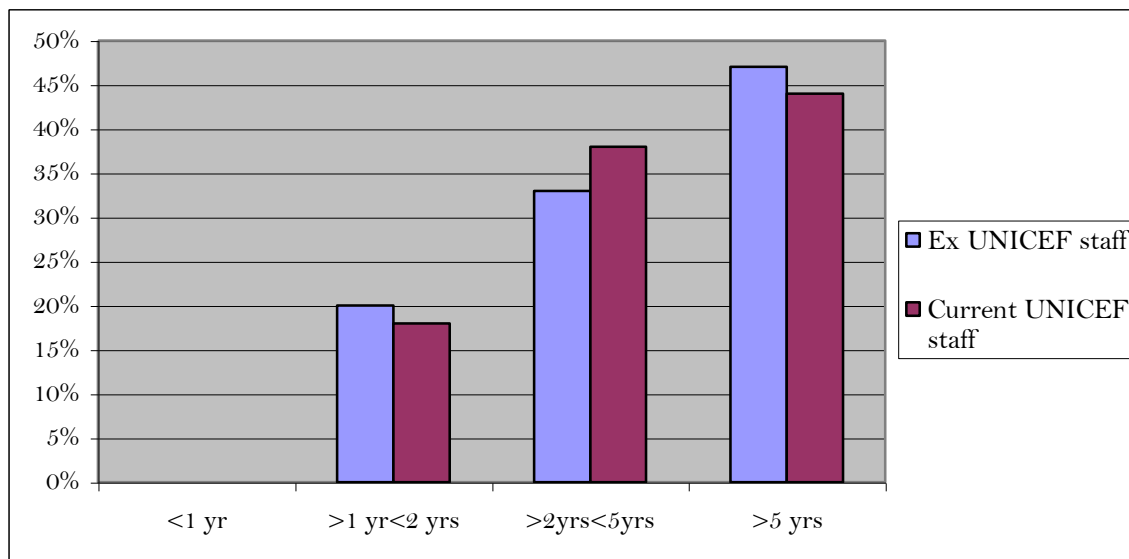
3.4 Extent of labour turnover in UNICEF

This section focuses on what was identified as the extent of labour turnover based on the literature reviewed and also on responses to the questionnaire administered and the interviews conducted at UNICEF Malawi with current and former staff members.

The study has found that in December 2000, 23 posts representing 37.7 % of the established 61 posts were vacant. The figure of vacant posts dropped to 24.5 % in December 2001 and was at 16 % in December 2002. According to Torrington (2002), a level of labour turnover in excess of 10 % is damaging for a service organisation and yet for UNICEF, the level of vacant position had been over 10 % for a period of three years. It has also been argued by Marchington (2005:164) that different authors have quoted a range of 6-10 percent as ideal but it is not really sensible or worthwhile to rely on quantification of information without analyzing the characteristic of the leavers.

The respondents were asked to indicate the number of years they had worked for UNICEF. The study found that 47% and 44% of former and current UNICEF employees respectively have worked for more than five years as graphically shown below.

Figure 3.1
Number of year's respondents worked for UNICEF



It is the aim of every organisation to have employees who are not only qualified but also experienced enough to perform satisfactory in delivering the objectives. According to Ubeki (1975), skilled employees and trained managerial staff are not easy to come to come by and the graph above cast doubts on the number of staff who are experienced enough as not more than half of UNICEF staff members had worked for over 5 years.

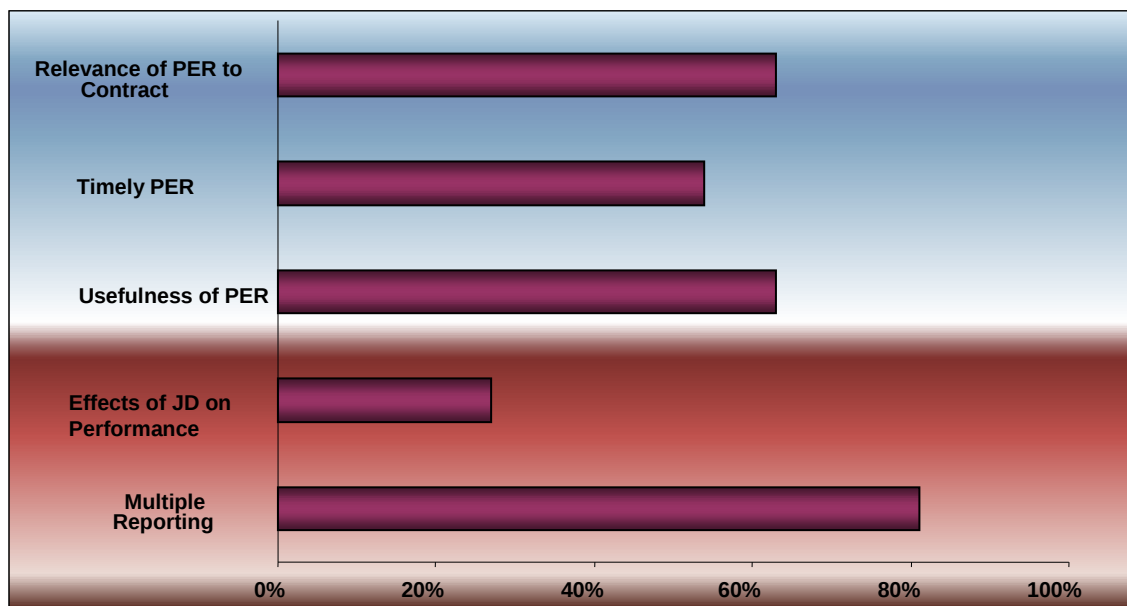
3.5 Causes of labour turnover in UNICEF

The study found that staff members at UNICEF separate because of reasons relating to performance, management styles and compensation package.

3.5.1 Staff member's performance

In trying to establish the effect of staff members' performance as a contributing factor to staff members' reasons for separation, the respondents were asked on the following areas; the relevance of the Performance Evaluation Review (PER) to contract renewal, the effect of conducting PER when its time for review, the usefulness of PER to improve performance, the effects of Job Description (JD) on staff member's performance and the effect on staff member's performance of reporting to more than one supervisor. The results of the study are as shown in figure 3.2 below.

Figure 3.2



Performance Related Items of the Respondents

i) The relevance of Performance Evaluation Review to staff member contract renewal

The literature gathered for UNICEF Malawi showed that it uses performance-rating scale as a tool of performance appraisal in the performance management (See Appendix I). The

formal appraisal, which is documented, is done on a yearly basis. At UNICEF, performance appraisal is not tied to salary increments rather it is tied to contract renewal. Each department sends the documented appraisal forms to Human Resource unit, which consolidate the figures and present them at the annual management review meeting that normally takes place in December of each year. It is during the debate of the presentation where members of staff express how the levels of performance in one section affect the operations of other sections. But it has been argued by Armstrong (1996:198) that graphic ratings of performance are largely subjective and difficult to achieve consistency between different rates. The rating sum up the total performance of a person with a single rating which is a gross over-simplification of what maybe a complex set of factors influencing that performance.

The study has found that 63% of the respondents perceived that performance appraisal was related to the renewal of their employment contracts. These findings put a lot of stress on the employee as he tries to perform to the satisfactory level especially in an organisation where performance is not measured objectively as established above. As pointed out by one of the employees, 'Employment in UNICEF is stressful as you have to work hard so that your contract can be renewed- the problem with this is that one can easily be penalized by a supervisor with whom he does not get along with for whatever reason.' (Quoted from one of the questionnaires). It is very difficult for individuals who are stressed to perform to their highest level of excellence.

ii) Timeliness of performance appraisal

According Armstrong (1999:439), key components of performance management include performance agreements, managing performance throughout the year, performance reviews, documentation and its introduction and evaluation. Timely review of performance is of essence as staff members anticipate the rewards of their performance. The study however found that only 54% of the respondents had timely review of their performance. The delays in having timely review of performance put a lot of stress on the staff members and affect their performance.

iii) *Performance appraisal serving to improve their performance*

The study established that 63% of the respondents found performance appraisal useful in improving their performance. Armstrong (1996:197) has argued that performance measures will only work if they are derived from clear main task definitions that focus on end results and suggest measurements. As Figure 3.2 above has shown that only 27% of UNICEF staff members perform their tasks according to their job descriptions, it is difficult to have a clear definition of the performance measurement tool. But as UNICEF uses the graphic rating scale as a performance appraisal tool, the organisation as well as the staff member is negatively affected by the absence of proper performance appraisal system which would evaluate the job performance and enables a perspective to be obtained on past performance as a basis for future plans.

iv) *The relevance of job description to the type of work of staff member*

As illustrated in Figure 3.2 above, the study established that 27 % of staff members in UNICEF found the job description relevant to the present tasks. But, according to Mathis (1988:87), a job description helps to clarify in the employee's mind what is expected of him/her and also tells the supervisor his limits of supervision. The implication of the foregoing statement is that it is only 27% of UNICEF staff members who are aware of what is expected of them in terms of performance.

The literature has also established that management makes decisions on the specific assignments staff members perform when drafting job descriptions for the staff members. As the study has found that only 27% of the respondents were doing their tasks as stipulated in the job description, most staff members were therefore performing their tasks without any guidance, which comes with following the job description.

v) *Multiple reporting*

The study has established that staff members in UNICEF report to more than one supervisor when performing their assignments. This is evident by the study finding in Figure 3.2 above that 81% of the respondents reported that they report to more than one supervisor. Multiple reporting is detrimental to the individual as well as the organisation

as staff members may take conflicting instructions from their supervisors. As employment in UNICEF is mostly on a two-year contractual basis, focus on renewal and non-renewal is primarily on performance but performance is a function of several factors. It would be very difficult for staff members especially those who are not experienced enough to cope with multiple reporting and perform to the required levels. The failure to perform that can be attributed to multiple reporting results in staff members feeling insecure as to whether their contract will run to the end or if at all the contract will be renewed after expiring. The job insecurity creates instability in the way employees view their work and their future at UNICEF. Instead of staff members waiting to see their contract to the end which may not be renewed, they opt to seek employment elsewhere.

3.5.2 Management style

The management team of UNICEF Malawi is made up of the heads of sections and chaired by the representative. The management team meets every fortnight and at the end of each month, each section presents to the management team a summary of the activities carried out during the month. Two other staff members, the chairperson of staff association and the ombudsman, who may not be heads of sections but by virtue of their positions, also attend the management meeting. The chairperson of staff association presents to the management team the concerns of the staff while the ombudsman moderates the decisions of the management team if they are affecting individual employee.

Management style at UNICEF Malawi is more of paternalistic as propounded by Vroom and Deci (1970) cited in Cole (2002:123). Staff members holding international positions are allowed to occupy houses that are paid for by the organisation. Staff retreats and frequent social gathering are part of the organisation strategy of team building. Individuals working for the organisation have a range of fringe benefits and well-managed family health insurance.

Management style in an organisation focuses on policy development and implementation in areas of decision-making, strategic planning, pay, communication, promotion, grievances and supervision. Literature reviewed has established that management style

plays a vital role in both turnover and retention of employees. Employees develop a sense of loyalty, which paves way for trust in the management if they perceive that management value their contribution. (Reducing Employee Turnover: 2005).

At UNICEF, the Resident Representative has the final say on decisions relating to contracts of employees. The paternalistic management style coupled with unclear standards of measuring performance and the subjectivity in the performance appraisal tool results in having the representative to make decisions on the future of employees not necessarily based on performance but rather from what the supervisor says.

3.5.3 Compensation package

The literature has established that compensation package offered by an organisation influences the retention of workers in the organisation. Among the notable factors related to compensation package includes fringe benefits, equity and classification of employees in organisations (ACAS Advisory Booklet: 2005 www.acas.org.uk/publications).

The compensation in UNICEF Malawi is attached to the position individual's hold in the organisation and the category of the staff of the employee. Compensation is not based on the level of performance but rather to the position one is holding. Each position is graded and classified depending on the tasks and academic requirements. When individuals are interviewed for a particular position, their past levels of earnings and the years of relevant experience to those required for the position are considered in deciding the grade and step the individual can be placed on. The employees who are locally recruited are paid in local currency while those holding international positions are paid in United States dollars.

The literature has found that salaries and benefits information in UNICEF is not confidential information as is the case in most organisations. The study has established that different salary structures exist for different categories of staff members. The study has also found that there are big differences in term of basic salary and fringe benefits especially between local and international staff despite minimal differences in the nature of work.

The study has established that even within a salary structure, there is overlapping of salaries emanating from the design of the salary structure. For example, a staff member who is in a lower grade can be earning more than someone in a higher grade. This is particularly prevalent in salary structures of locally hired staff. The study has also found that there is inequity in the compensation packages among UNICEF staff members. The differences in the categories of staff members create a big disparity in staff members' earnings. This disparity is a cause for dissatisfaction especially when it does not correlate with the volume of work and levels of responsibilities. The study found that staff members in one category can earn as much as three times than those from another category despite performing similar jobs. It has been argued by Carrel (1982:430) that if employees perceive that there is inequity in the compensation package and that they could be equitably treated in another organisation, unpleasant emotional state develops and this may cause employees to leave the organisation.

3.6 Impact of labour turnover in UNICEF Malawi

The study has established that high labour turnover has increased the volume of work on the current staff, has affected the commitment of the staff to the organisation's objectives, has affected the operation costs of the organisation, has reduced the competitiveness of the organisation and has also affected the image of the organisation to the general public.

3.6.1 Increased volume of work.

The study found that with high levels of labour turnover, staff member work outside the normal office working hours, staff members are asked to work on assignments of staff that have separated and also staff has a high number of accumulated leave days. The increased volume of work has a negative impact on the achievements on UNICEF's objective. Child protection, which is one of UNICEF's objectives, is still a big problem the country is facing. Child abuse, sexual exploitation and child labour are serious problems, especially among girls and orphans. 27 percent of children aged between 5 to

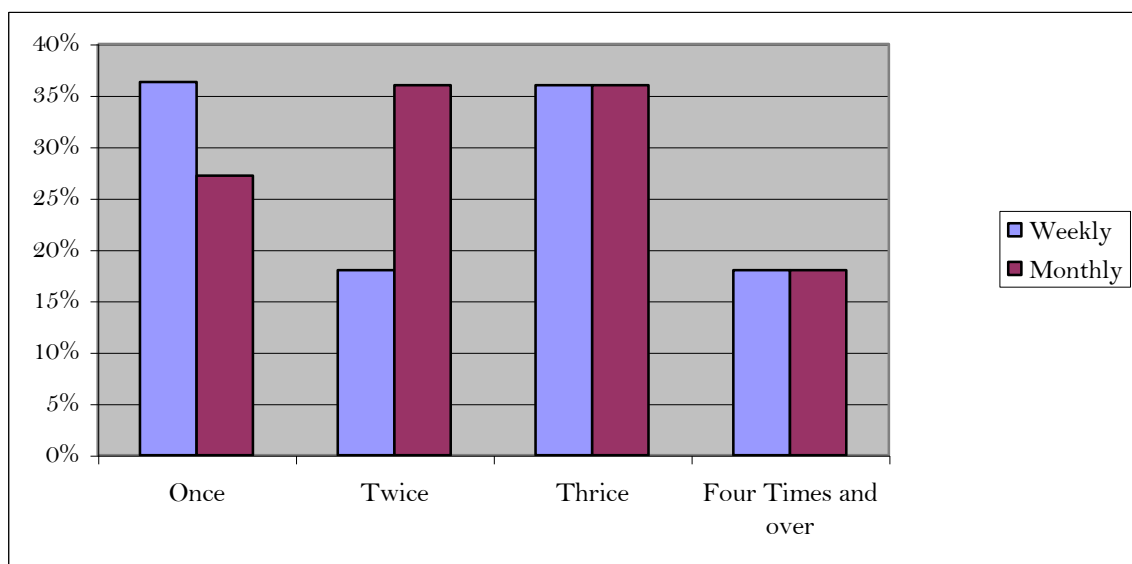
14 years are either working for non relatives or spending 4 or more hours a day doing household chores (UNICEF Malawi situation report -9-15 November 2002).

i) Working outside official working hours

It is the assumption of the study that staff members are supposed to work within the stipulated office working hours. The study has however found evidence to the contrary of the assumption as presented graphically in Figure 3.3 below.

Figure 3.3

Number of times respondents work outside normal working hours and days

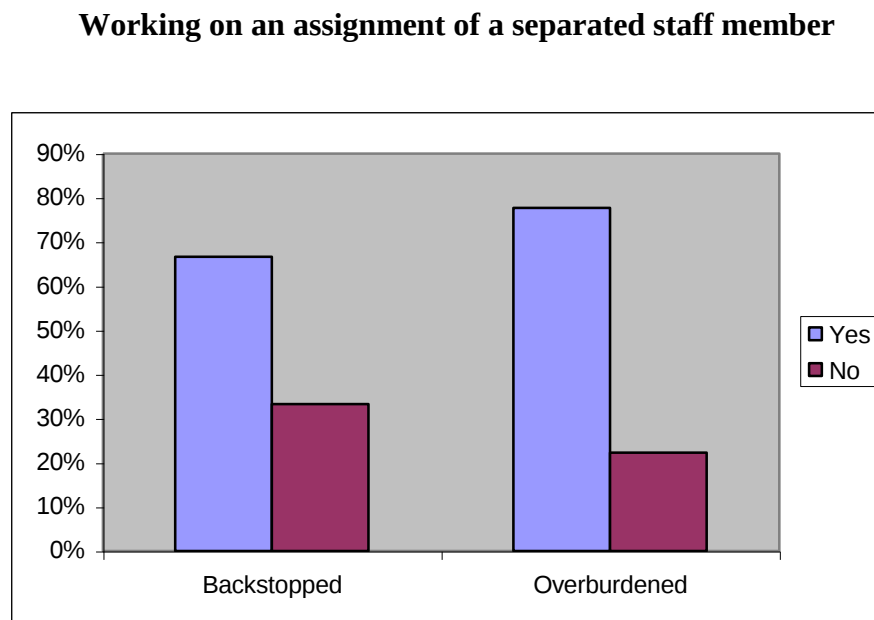


It can be noted from the graph above that 36% of the respondents work three times in a week outside the normal working hours and this happens three weeks in a month. This study finding shows that staff members work additional time to finish their work by working outside the established office working hours. Working outside the official working hours could also be a manifestation of inadequate skills in the staff members, as it takes longer for an inexperienced staff to finish an assignment.

ii) Work load

One major finding of the study is that staff members in UNICEF are overburden by the work. The study found that 78% of staff feels overburden because of working on assignments of staff member who have been separated as illustrated in figure 4.4 below.

Figure 3.4



This finding means that staff members overstretch themselves to adequately perform on both their assignments and the assignments of the separated staff member. Staff members thrive to perform to the required standards on both assignments, as they are aware that their contract renewal is tied to performance. As has also been noted that recruitment process in UNICEF takes long for the staff to come on board, the delays in filling vacant positions increases the period when other staff members have to cover for the vacant position. This does not only overburden the staff member covering the position but also affect the operations of the organisation. Working on two assignments puts a lot of pressure on the staff members thereby making the staff members vulnerable to mistakes. The staff members, for fear of being seen as not capable, shy from seeking direction from their supervisors, which results in making avoidable mistakes.

iii) Accumulation of annual leave days

The study found that 81% of the employees at any point in time of their employment had been denied to proceed on annual vacation and 63% of the employees' annual leave days balances were in excess of thirty days (see Appendix G). Staff members accumulate high annual leave days because there is too much work to be done thereby being denied vacation to rest and recuperate.

The situation in terms of accumulated annual leave days is different between local and international staff. Staff members who are on international staff category are compelled to utilize their annual leave because they are provided with air tickets as fringe benefit for travel and failure to proceed on annual leave will entail forfeiting the benefit. The provision of air tickets to international staff provides a chance for the staff members to go on vacation and recuperate.

3.6.2 Lack of committed staff to UNICEF objectives

It was found that staff members in UNICEF are not committed to the organisation's medium and long-term objectives. Staff members in UNICEF do not stay long enough to develop that acquaintance and ownership of medium and long-term objectives as most of them separate before working for more than five years. The UNICEF Country Program Plan (CPP) is for four years but as established by the study findings, 56% of staff separate from the organisation before working for five years.

The lack of commitment by staff to the overall objectives of UNICEF is reflected in the situation relating to primary education, young child survival and development, child protection and early childhood. Reports indicate that 48 % of children under five years of age in Malawi are stunted; 5% are wasted or severely malnourished; 22 % are underweight or malnourished. (Damien Personnaz, 2006, UNICEF Media, Geneva UNICEF website).

The achievement of reducing HIV/AIDS and early childhood has also been difficult because of the lack of committed staff in UNICEF. Despite funding being available to UNICEF, Malawi is still experiencing a high HIV/AIDS infection of nearly a million

people, including 83,000 children. Nearly a third of infected mothers pass the virus to their babies. (UNICEF Malawi Website 2008).

3.6.3 Increased operating cost

Another finding of the study is that there has been a turnover rate of over 10% at UNICEF for a period of three consecutive years. As argued in People and Organisation, (2005), high rates of labour turnover are expensive and damaging to the organisation's functioning. The organisation incurs the direct costs of replacing the separated staff in costs of advertising, hiring, and training. The organisation also incurs the indirect costs associated with the separated staff including inefficiency of incoming personnel, inefficiency of co-workers closely associated with incoming employees and relocation costs.

The study has also found out that 36% of the staff members work three times in the week outside the normal working hours and this happens three weeks in a month as has been illustrated in Figure 3.3 above. This study finding has also a cost implication in terms of overtime of the staff working outside the normal working hours. The overtime diverts funds from the core organisation objectives to cater for the staff costs that have resulted from staff members' separation.

While operating costs are high due to high labour turnover, UNICEF objectives of young child survival and development have been negatively affected. According to Chinyama and Kwakwarhi (2008) diarrhea continues to be a major cause of sickness and death among young children. On average, a Malawian child experience six bouts of diarrhea a year, and 20 per cent of deaths in infants and children under the age of five are due to diarrhea. The main causes are the use of contaminated water, as well as unhygienic practices in food preparation and excreta disposal.

3.6.4 Loss of competitiveness

It has been found that labour turnover at UNICEF is above the recommended threshold of 10% as argued by Torrington (2002:212). The high levels of labour turnover make the organisation to lose job specific skills that are important for its competitive edge. Apart

from losing job specific skills, the organisation is also affected by the disruptions in its activities. These factors reduce the organisation's competitiveness with other organisations as it is deprived of the specific job skills, loss of information and adequate funds for its core activities. The loss in competitiveness reflects in the reduced support in terms of funding for UNICEF to address her key objectives. For example, in 2003, UNICEF received US\$ 11,582,403 in contributions or pledges against the US\$13,000,000 Appeal. A total of US\$ 1,417,597 was still required to respond to the deteriorating situation of children. Some 400,000 children under 15 years have been orphaned by HIV/AIDS, many of them cared for by relatives who are already under economic hardships (Damien Personnaz, 2006, UNICEF Media, Geneva UNICEF website).

3.6.5 Damage of Organisation Image

It has been found that there is an increased volume of work that has resulted because of staff members separating from the organisation. The study has also established that the organisation incurs costs, both direct and indirect because of the high labour turnover. The increased volume of work and the high operating costs have reduced the competitiveness of the organisation. These three factors have negatively affected the image of the organisation to the public

3.7 Chapter summary

This chapter has presented findings of the study. The findings were based on responses from the literature review, questionnaires and face-to-face interviews. The major findings of the study discussed in the chapter include a high turnover rate above the recommended rate. Three major causes of the high rate of turnover have been identified as staff members performance, management style and compensation package. The high rate of turnover has resulted in increased volume of work among staff members, lack of committed staff, increased operating costs, loss of competitiveness and damage to the image of the organisation.

Chapter 4 – Conclusions and recommendations

4.1 Introduction

This chapter is a conclusion of the analysis of labour turnover on the operations of an organisation with particular reference to United Nations Children Fund in Malawi. The study has concentrated on five specific areas in the analysis of the impact of labour turnover on the operations of UNICEF. The study has documented the nature and measurements of labour turnover. It has also analyzed the extent of labour turnover in UNICEF and the causes of this turnover. It has also analysed the impact of labour turnover on the operations of the organisation. This chapter concludes the analysis with recommendations to mitigate the impact of labour turnover on the organisational operations.

4.2 Extent of labour turnover at UNICEF Malawi

The extent of labour turnover at UNICEF has been established to be higher than what authors have recommended as a minimum level of turnover. According to Torrington (2002:212), the recommended rate of turnover for service organisation like UNICEF is 10% and below. The study has, however, established a labour turnover rate at UNICEF of above 16% over a period of three years which the study has focused on.

4.3 Causes of labour turnover at UNICEF Malawi

It has been established that high labour turnover at UNICEF is caused by three main factors namely staff performance, management style and compensation package.

The staff performance has been established as a major cause for high levels of labour turnover at UNICEF. Staff members who are judged as failing to perform above the required performance standards have their contracts either terminated or not renewed. Mathis (1988:87) has argued that a job description helps to clarify in an employee's mind

what is expected of him or her but the study has found that it is only 27% of the staff members who found the job description relevant to their jobs. The standards of performance are set from the job description but with the study findings, the standards of measuring performance are thus not objective.

The management style at UNICEF Malawi is the second factor which has been concluded to contribute high labour turnover. Management's roles in an organisation, according to Carrel (1982:35), focus on planning, organizing, staffing, motivating and controlling. The study has however found areas in the organisations which if management can address them, labour turnover could be greatly reduced. These areas include situations where staff members reporting to more than one supervisor (81% of staff report to more than one supervisor), staff members working outside the official working hours (36% of the staff work outside the official working hours) and staff members being denied to proceed on annual leave because of too much work to be done.

The study has also concluded that compensation in UNICEF is not fair and equitable. The study has established that UNICEF staff, especially locally recruited staff, perceive compensation system as not fair and equitable. According to Mushroom (2002), pay systems which are perceived by workers as not fair and consistent are catalysts for demotivation. Mushroom has further argued that pay systems which are inappropriately structured affects the compensation offered to different individuals or categories of staff in an organisation. The inappropriately structured pay system applies to UNICEF particularly on compensation between international professional staff and locally recruited staff. The study has noted that international recruited staff gets as much as three times what are locally recruited staff get despite no major differences in the volume of work and levels of responsibility.

4.4 Impact of labour turnover at UNICEF Malawi

It has been concluded that high levels of labour turnover at UNICEF Malawi has resulted in increased the volumes of work among staff members as they cover up for staff who

have separated. This conclusion has been established to cause staff members to work outside official working hours. The high volume of work has also been concluded to cause staff members to feel overburden by the additional work which results from working on the assignment for a staff member who separated for one reason or another.

The study has also concluded that staff members at UNICEF Malawi have accumulated a high number of annual leave days because they are denied to proceed on annual leave. This conclusion is attributed to an increased volume of work due to staff members who had separated and the current staff members have to cover them up.

4.5 Recommendations on labour turnover

In view of the conclusions drawn above on labour turnover at UNICEF Malawi, the following recommendations are being suggested to mitigate the impact of the turnover on the operations of the organisation. These recommendations are on the extent of labour turnover, cause of labour turnover and impact of labour turnover on the organisation's operations. It should however be noted that effective dealing with the problem of labour turnover requires a continuous and coordinated efforts by personnel managers, line managers, including first-line supervisors and worker representatives.

The measures described in this thesis are designed to help reduce labour turnover. They should also help organisations to improve their efficiency and their workers to realize that they have an important contribution to make in bringing this improved efficiency.

4.5.1 Extent of labour turnover at UNICEF Malawi

It is recommended for UNICEF to review the recruitment process so that the process does not take long period of time to be completed. The improved recruitment and selection process will reduce the time when staff members have to cover up the vacant positions. Apart from working on reducing the recruitment and hiring process, UNICEF should also develop a career development program as this type of program improves employee loyalty and commitment.

UNICEF should intensify data collection on leavers using exit interviews and attitude surveys to establish the main underlying factors for staff member's separation from the organisation as it is at such a time that staff members can give out honest answers without fear from the management. UNICEF needs to have the data on the cost of turnover and the cost of the investments made in the staff. This would be a starting point for retaining the current staff members, as it will utilize the data to draw out plans to improve the situation.

4.5.2 Causes of labour turnover at UNICEF Malawi

It is recommended that UNICEF has to revisit the compensation package in order to reduce levels of turnover. UNICEF should review the salary structures so that all employees perceive the compensation package as fair and consistent. It should put in place policies that should check that equal job assignments are compensated equally. The different salary structures and different benefits applicable to the categories of staff do not only reduce morale among low earners but also decreases commitment and loyalty to the organisation and its goals.

UNICEF should also work on reducing employee dissatisfaction by increasing involvement in the organisation's activities and decisions which affect them. As high labour turnover can often be a symptom of workers' dissatisfaction with their jobs, UNICEF should adopt the measures which will reduce the dissatisfaction like job rotation, enlargement and job enrichment. UNICEF should strive to have sound, fair and consistent policies and procedures that can provide a framework within which labour turnover problems can be better handled.

UNICEF should make recruitment for the vacant positions as one of its priorities if labour turnover is to be mitigated. UNICEF should carry out a review of volume of work against the available staff so that each staff member should have a right volume of work to perform not only efficiently but also effectively. This will involve UNICEF carrying out

a review of job descriptions to make them more current and reflect the actual assignments staff members are performing.

It is recommended that UNICEF should invest in orientation and staff training as orientation provides a positive entry experience of an employee to an organisation. A good orientation program will provide a better environment for the new staff members to undergo training either on-the-job or off-the-job as the case maybe. UNICEF should identify ways to keep staff learning and developing even after a few years on the job. UNICEF should also have clearly laid down policies of staff backstopping each other to avoid inefficiency and ineffectiveness during the learning process as they are asked to work on an assignment of a staff member who has separated.

It is recommended that UNICEF should review the performance appraisal system, as the current system is not objective. The current system of performance appraisal is further abated by the fact that staff members perform their assignments not as stipulated in the job description.

It is also recommended for management at UNICEF to recognize the role of the employees. UNICEF management should encourage the staff to feel appreciated by soliciting their input and involvement in decisions that affect them. UNICEF should not only adopt family friendly policies and flexible time schedule but should enforce these policies in order to reduce stress levels among staff members and also allow staff members enough time to rest and recuperate.

4.6 Chapter summary

This chapter has focused on conclusions that have been drawn on labour turnover. The study has concluded that there is high labour turnover at UNICEF Malawi. The study has also concluded that performance, compensation and management style are major factors that contribute to labour turnover. The study has recommended a review of UNICEF compensation package, the recruitment and selection process. Recommendations have

also been on checking staff levels of satisfaction and morale, performance management and management style. UNICEF should be aware that best performing organisations have tremendous advantage in getting and keeping good people.

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Appendices

Appendix A

Labour Turnover- A case of UNICEF Malawi

Individual Interview Questionnaire with staff members worked/working for UNICEF in Malawi

FOR OFFICIAL USE ONLY	
<i>Questionnaire ID</i>	
<i>UN Agency</i>	
<i>Location</i>	
<i>Date Administered</i>	

A STUDY AS PART OF THE MASTERS DEGREE IN HUMAN RESOURCE MANAGEMENT

SECTION A: PERSONAL INFORMATION

01 Indicate the sex of the respondent (1) ☐ Female (2) ☐ Male

02 What is your section? _____

03 What is your job category?

- ☐ General Service
- ☐ National Professional Officer
- ☐ International Professional
- ☐ Temporary Fixed Term appointment
- Other (specify) _____

04 In what age group are you?

- ☐ 15- 20 years
- ☐ 21- 25 years
- ☐ 26- 30 years

- ☐ 31- 35 years
- ☐ 36 years and above

05 In what group is your highest level of qualification?

- ☐ Junior Certificate
- ☐ Malawi School Certificate
- ☐ Bachelors Degree
- ☐ Masters Degree
- ☐ PhD

SECTION B:

For current UNICEF staff members only

06 Is this the first time for you to work for UNICEF?

- ☐ Yes
- ☐ No

07 How long have you been working with this organisation?

- ☐ Less than one year
- ☐ More than one year but less than two years
- ☐ More than two years but less than five years
- ☐ More than five years but less than ten years
- ☐ Over ten years

08. How long have you been in your current position?

- ☐ Less than one year
- ☐ More than one year but less than two years
- ☐ More than two years but less than five years
- ☐ More than five years but less than ten years
- ☐ Over ten years

09 How many people you know have left the organisation during the time you have been with the organisation?

- ☐ One person
- ☐ More than one person but less than five
- ☐ More than five people but less than ten people

- ☐ More than ten people but less than fifteen people
- ☐ Over fifteen people
- 10 Have you ever worked on the assignment of an employee that separated from this organisation on top of your own regular assignments?
 - ☐ Yes
 - ☐ No
- 11 Have you ever felt overburden by doing extra work because there is a vacant position within the organisation?
 - ☐ Yes
 - ☐ No
- 12 Have you ever felt let down by your supervisor?
 - ☐ Yes
 - ☐ No

SECTION C:

For former UNICEF staff members only

- 13. How long did you work for UNICEF?
 - ☐ less than one year
 - ☐ more than one year but less than two years
 - ☐ more than two years but less than five years
 - ☐ more than five years but less than ten years
 - ☐ over ten years
- 14. Did you have exit interview at the time of separating from your employment in UNICEF?
 - ☐ Yes
 - ☐ No
- 15. Did UNICEF contact you say six months after you separated as a future exit interview?
 - ☐ Yes
 - ☐ No

16. Could you attribute your separation from the organisation to any of the following:

- ☐ your supervisor?
- ☐ your remuneration
- ☐ boredom
- ☐ cultural differences

17. Were you ever exposed to additional assignment(s) which you viewed as challenging and stimulating during your time with UNICEF?

- ☐ Yes
- ☐ No

18. Are you still interested to work for UNICEF again?

Organisation	Response	Response
(a) UNICEF	☐ Yes	☐ No
(b) Any other UN agency	☐ Yes	☐ No

19. Has your financial position after separating from UNICEF different from what it was while working for UNICEF?

- ☐ Yes
- ☐ No

20. If yes in (17), above, explain why?

21. Have you ever supervised someone in your position while working for the UNICEF?

- ☐ Yes
- ☐ No

22. If 'Yes' in 21 above, how many people were you supervising

- ☐ One person
- ☐ More than one person but less than five
- ☐ More than five people but less than ten people

- ☐ More than ten people but less than fifteen people
- ☐ Over fifteen people

SECTION D:

For both current and former UNICEF staff members

23. At the time of your recruitment, were you the only candidate competing for the position you got?
- ☐ Yes
 - ☐ No
24. Did UNICEF contact your previous employer to check on your caliber before you joined the organisation?
- ☐ Yes
 - ☐ No
25. Were you oriented on your position within the first week of your joining the organisation?
- ☐ Yes
 - ☐ No
26. Was/Is there at any point in time when you had/have to report to more than one supervisor?
- ☐ Yes
 - ☐ No
27. Were you given a Job Description at the time of joining the organisation?
- ☐ Yes
 - ☐ No
28. Were/Are your duties the same as those which were/are shown on the Job Description?
- ☐ Yes
 - ☐ No
29. Was/is the performance appraisal serve/served to improve your overall performance?

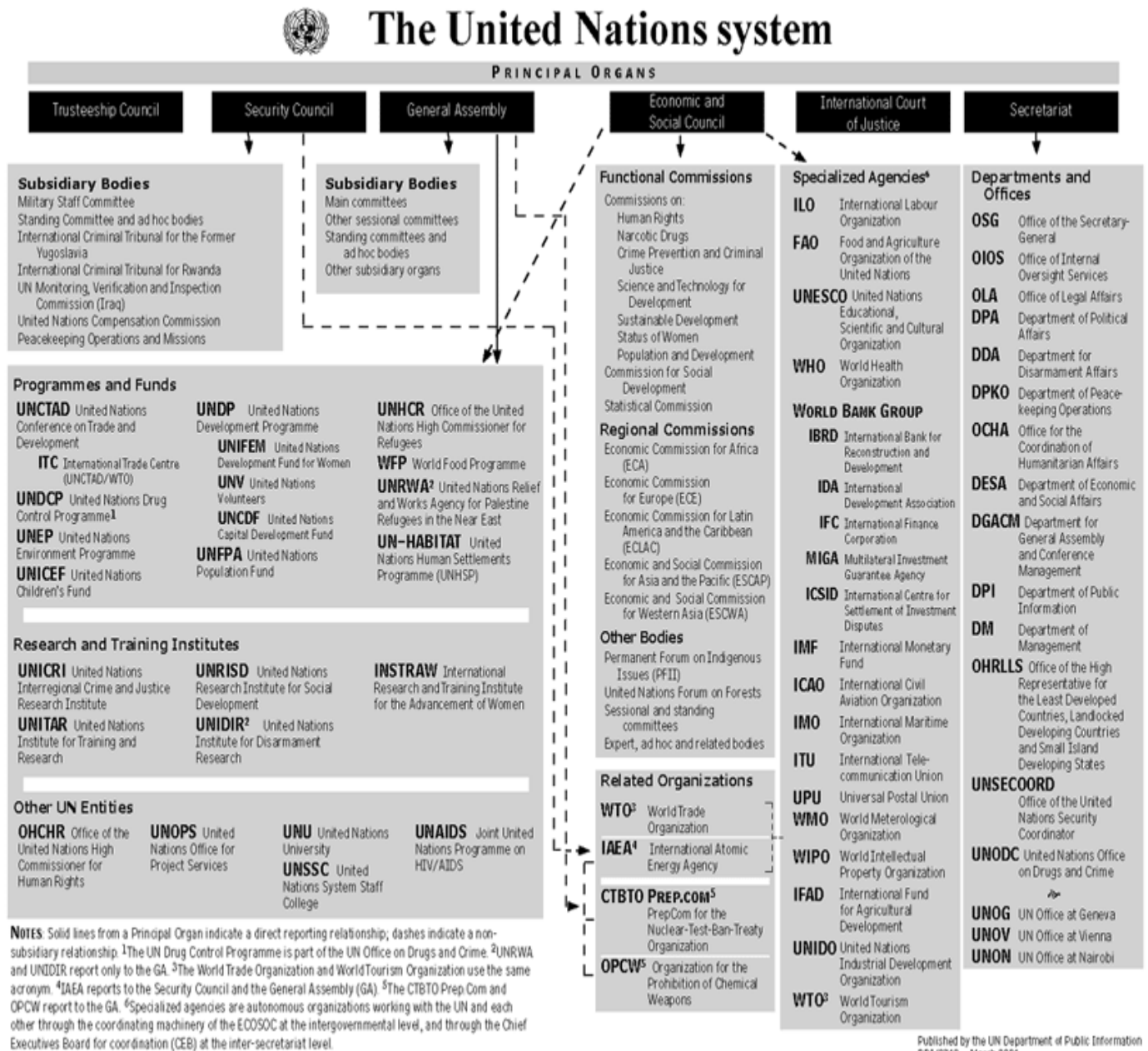
- ☐ Yes
☐ No
- 30 Did/Do you have timely Performance Evaluation?
☐ Yes
☐ No
- 31 If answer is 'No' in 28 above, who would, you contribute the delay to.
☐ Yourself
☐ Supervisor
- 32 Was/Is there a relationship between your Performance Evaluation and the contract renewal?
☐ Yes
☐ No
- 33 Does the organisation have a policy of rewarding outstanding performance or achievement?
☐ Yes
☐ No
34. Were/Are you comfortable with the established office working schedule?
☐ Yes
☐ No
35. How often did/do you work after the normal office working hours?
☐ Once a week
☐ Twice a week
☐ Thrice a week
☐ Four times a week
☐ Five times a week
-
36. How often did/do you work over the weekend?
☐ Once a month
☐ Twice a month
☐ Three times a month
☐ Over four times a month
-

37. How many days were/are you entitled for annual leave
- ☐ 12
 - ☐ 15
 - ☐ 18
 - ☐ 22
 - ☐ 30
 - ☐ Other, specify_____
38. In what range could your annual leave balance fall (a) at time of separation for ex staff member (b) at the time of filling the questionnaire for staff members
- ☐ 0-5 days
 - ☐ 6-15 days
 - ☐ 16-30 days
 - ☐ 31-50 days
 - ☐ Over 50 days
- 39 Had/have you ever been denied to proceed on planned annual leave because of pressure of work?
- ☐ Yes
 - ☐ No
40. What are your views regarding contract employment.
- _____
- _____
41. Do you think the differences in the type of employment contracts have a bearing at the relationship among staff in your office?
- ☐ Yes
 - ☐ No
42. Apart from the salary, what other benefits do you get from your employer?
- _____
- _____

End of questionnaire

Thank you for taking your time to fill in the questionnaire.

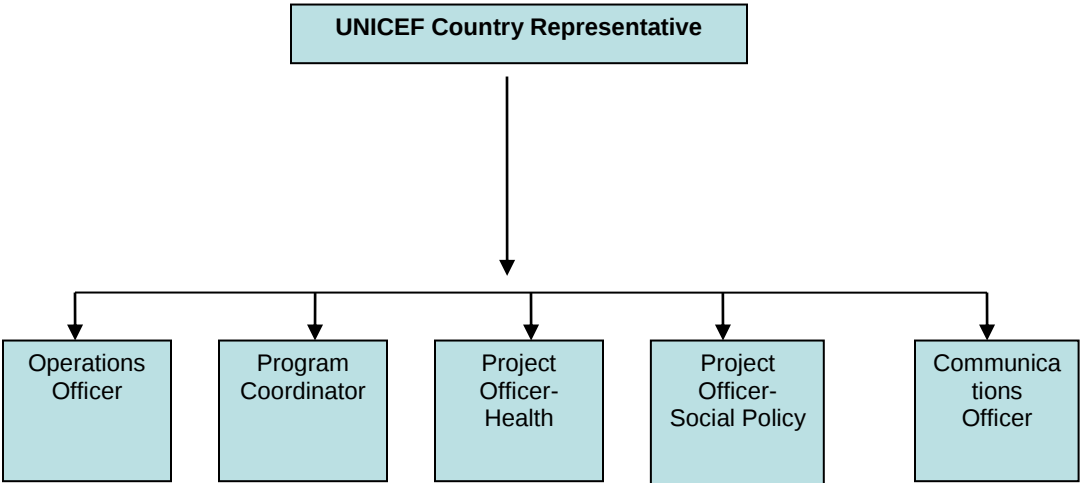
Appendix B



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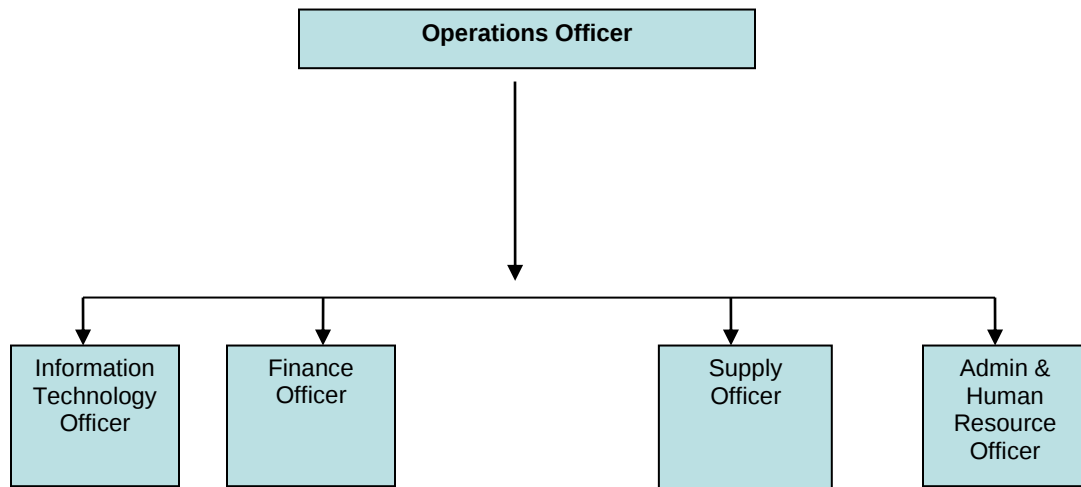
Appendix C

Country Program Structure



Appendix D

Operations Section Structure



Appendix E

STATUS OF RECRUITMENT AS OF 10 DECEMBER 2000 AND 6 DECEMBER 2001

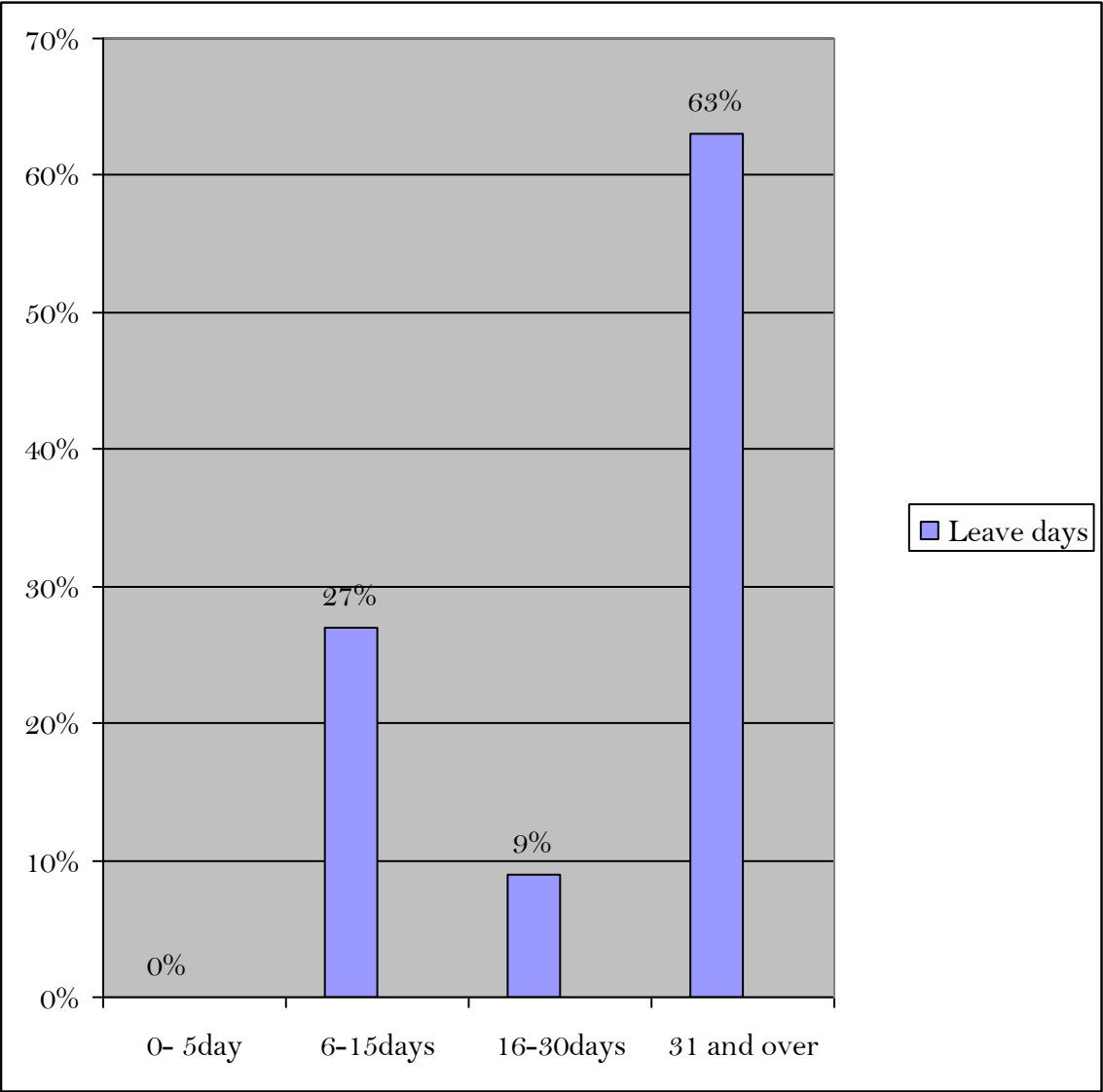
YEAR 2000					YEAR 2001			
	Total No. of Posts	No. of Posts Occupied	No. of Posts Vacant	Comments	Total No. of Posts	No. of Posts Occupied	No. of Posts Vacant	Comments
Office Total	61	38	23	- Under Recruitment - Pending Classification - To be advertised	62	47	15	- Under Recruitment - Pending Classification - To be advertised - No funding
Representative's Office	3	3	0	-	3	3	0	-
Program Coordinators' Office	2	1	1	Under Recruitment	2	1	1	Under recruitment
Operations	24	17	7	All except one pending reclassification. Office has problems in filling one post.	24	22	2	- 2 Vacant Posts Under Recruitment - Upgraded post under Recruitment
Health	7	6	1	Pending classification	9	5	4	- 3 Under Recruitment - No funding
Education	5	4	1	To be advertised	6	5	1	- To be identified by NORAD
WES	6	3	3	Pending reclassification	6	3	3	- 1 Recruitment finalized - 1 Under Recruitment - 1 No funding
ECC	5	3	2	Under recruitment	5	5	0	-
Social Policy/ SPAC	5	1	4	- Pending reclassification - Under recruitment - To be advertised	7	3	4	- 2 Under Recruitment - 1 No funding - Recruitment finalized
External Relations	2	1	1	Pending	-	-	-	- Post transferred to SPAC
HIV/AIDS	2	0	2	Under Recruitment	-	-	-	- Post transferred to Health

STATUS OF RECRUITMENT AS OF 6 DECEMBER 2001 AND 27 NOVEMBER 2002

YEAR 2001					YEAR 2002			
	Total No. of Posts	No. of Posts Occupied	No. of Posts Vacant	Comments	Total No. of Posts	No. of Posts Occupied	No. of Posts Vacant	Comments
Total number of Office Posts	62	47	15	- Under Recruitment - Pending Classification - To be advertised - No funding	63	52	10	- Under Recruitment - JPO posts-sponsors not yet identified - No funding
Representative's Office	3	3	0	-	4	3	1	- Under Recruitment
Program Coordinator's Office	2	1	1	- Under Recruitment	2	2	0	
Operations	24	22	2	- 2 Vacant Posts Under Recruitment - Upgraded post under Recruitment	23	19	4	- Supply Assistant under recruitment - Finance Assistant under recruitment - Two drivers under recruitment
Health	9	5	4	- 3 Under Recruitment - 1 No funding	9	8	1	- L3 Malaria post under recruitment by New York
Education	6	5	1	No funding	6	5	1	- JPO post-sponsor not yet identified
WES	6	3	3	- 1 Recruitment finalized - 1 Under Recruitment - 1 No funding	6	5	1	- JPO post-sponsor not yet identified
ECC	5	5	0		5	5	-	-
Social Policy/ SPAC	7	3	4	- 2 Under Recruitment - 1 No funding - Recruitment finalized	8	6	2	- L3 Child protection post awaiting funding - JPO post-sponsor not yet identified

Appendix F

Ranges of annual leave days balances for respondents



Appendix G

LIST OF UNICEF LILONGWE STAFF MEMBERS IN DECEMBER 2003

No.	Name of Staff Member		
International Professionals			
1.	Catherine Mbengwe		
2.	Runar Soerensen		
3.	Elizabeth Quaye		
4.	Juan Ortiz-Iruri		
5.	Jane Muita		
6.	Bernard Gatawa		
7.	Elizabeth Hughes		
8.	Gopal Sharma		
9.	Belinda Abraham		
10.	Degune Fall		
11.	Adebayo Fayoyin		
12.	Ayazika Nakwagala		
13.	Alessandra Dentice		
14.	Ketema Bizuneh		
15.	Calister Mtalo		
16.	Peter Hailey		
17.	Josephine Ippe		
18.	Astarekesh Anjajo		
19.	Tsedale Mihrete		
20.	Ali Omar Hussein		
21.	Kharka Limboo		
22.	Gibson Riungu		
23.	Anne Lindeberg		
24.	Maki Tomita		
National Professionals			
25.	Henry Mdebwe		
26.	Catherine Chirwa		
27.	Amos Kudzala		
28.	Thandi Honde		
29.	Jean Nyondo		
30.	Chimwemwe Nyimba		
31.	Patrick Chakholoma		
32.	Lucy Kachapila		
33.	Joyce Mphaya		
34.	Moses Sichawo		
35.	Alick Tahuna		
36.	Violet Orchardson		
General Service Staff			
37.	Juliet Ngwira		
38.	Lilian Gondwe		
39.	Jones Kamfose		
40.	Stanley Phiri		
41.	Ellen Katundu		
42.	Demetrio Kachingwe		

43.	Mathews Phiri		
44.	Hastings Samute		
45.	Joan Zenengeya		
46.	Jane Mlota		
47.	Gloria Liwewe		
48.	Beatrice Sabola		
49.	Hannah Sinoya		
50.	Phollita Chinere		
51.	Martha Gondwe		
52.	Barbara Mtsuko		
53.	Helen Chagoma		
54.	Regina Kumwenda		
55.	Nancy Mhango		
56.	Elsie Katete		
57.	Adelaide Gama		
58.	Patrick Mandanda		
59.	Davie Nkhoswe		
60.	Peter Mangwele		
61.	Mike Missi		

Appendix I

Performance Evaluation Report

UNICEF		PERFORMANCE EVALUATION REPORT		Before filling out this report, please read <i>Steps for Completing the Performance Evaluation Report</i> (form UNICEF 362A/Rev2.[3-94]) attached.	
PART I - Basic Information (To be completed by the Supervisor)					
NAME (LAST, FIRST)	TITLE OF POST		LEVEL NO-B-2	AT THIS LEVEL SINCE	
INDEX NUMBER	GRADE OF POST NO-B-2	IN POST SINCE 03 December 2001	POST No. 90103	APPOINTMENT TYPE Fixed Term	
DUTY STATION	DIVISION/SECTION/UNIT	PERIOD COVERED BY REPORT:			
PART 2 - Work Planning - Setting Objectives and Key Assignments, Training Plans (To be completed by the Supervisor and the Staff Member)			PART 4 - Performance Evaluation (To be completed by the Supervisor and the Staff Member)		
2.1 At the beginning of the reporting period, and after discussion with the Staff Member, the Supervisor lists, in descending order of priority, the key assignments and objectives planned for the period. The objectives should be stated in a manner which clearly indicates how success will be measured - normally in terms of quality, Quantity, deadline or cost.			At the end of the reporting period, the Staff Member and the Supervisor evaluate the achievements by indicating if the objectives were fully met, partially met or not met, and add brief comments as necessary.		
			4.1 Assessment and comments by Staff Member	4.2 Evaluation and Comments by Supervisor	
Before initialling below, the Supervisor and the Staff Member should agree on a date for their first performance-related discussion (see Part 3 below).					
Staff Member's initials:		Supervisor's initials		Planned date for first performance discussion: Date:	

JOB-RELATED TRAINING NEEDS ASSESSMENT AND EVALUATION
(To be completed by the Supervisor and the Staff Member)

Recommendation for Training: Immediately after setting the above objectives and key assignments, the Supervisor, in consultation with the Staff Member, should recommend any training that will be required by the staff member to perform evolving functions, or enhance performance of any of the above tasks.								
2.2a	List below the recommended training, the task(s) to be performed, the expected results of training, and the expected date for completion of training.	At the end of the reporting period, comment on whether the training was undertaken and its impact on performance.						
		<table border="1"> <tr> <td>4.1</td> <td>Assessment and comments by Staff Member</td> <td>4.2</td> <td>Evaluation and comments by Supervisor</td> </tr> <tr> <td colspan="2"></td> <td colspan="2"></td> </tr> </table>	4.1	Assessment and comments by Staff Member	4.2	Evaluation and comments by Supervisor		
4.1	Assessment and comments by Staff Member	4.2	Evaluation and comments by Supervisor					

PART 3 - PERFORMANCE DISCUSSIONS / WORKPLAN REVIEW
(To be completed by the Supervisor and the Staff Member)

3.1	PERFORMANCE-RELATED DISCUSSIONS: On-going discussions are essential between staff and supervisors to assess performance and to monitor the progress of the workplan. Besides discussions at the beginning and end of the reporting period, there should be <u>at least</u> two other performance discussions <u>during</u> the reporting period. List below the dates on which such discussions were held.
First performance discussion: date to be set upon completion of Parts 2.1a and 2.1b and should be within the first 3 months of the reporting period. (1) Date: 13/05/02 Supervisor's and Staff Member's initials:	
Second performance discussion: date to be set immediately following first performance discussion. (2) Date: Supervisor's and Staff Member's initials:	

MAJOR ASSIGNMENTS ADDED OR DELETED DURING THE REPORTING PERIOD
(To be completed by the Supervisor and the Staff Member)

3.2	During the reporting period the Supervisor indicates what <u>major</u> assignments were added or deleted, if any. (The Staff Member should initial and date each entry.)	4.1	Assessment and comments by Staff Member	4.2	Evaluation and comments by Supervisor

4.3	GENERAL COMMENTS: Comment, for example, on overall workload; on the assignments undertaken and on their relationship to the Job Description and the category/level of the Staff Member; on any other factor(s) (eg. training needs) which might have helped or hindered their achievement. Comment also on the quality and frequency of performance-related discussions.		
4.3a	Staff Member's comments:	4.3b	Supervisor's comments:
Staff Member's initials and date:		Supervisor's initials and date:	

PART 5 - PERFORMANCE RATING BY THE SUPERVISOR
(To be completed by the Supervisor after discussion with the Staff Member)

Performance ratings are an amplification of the assessment of the staff member's accomplishments in Part 4 above. Please use the following rating scale to assess how the staff member applied each of the performance factors listed below in performing his/her key assignments, objectives and overall duties and responsibilities.	
RATING SCALE: The following ratings should be used to describe a level of performance by the Staff Member which, on balance, throughout the entire reporting period: 6 - in every instance, continuously and substantially exceeded expectations 5 - frequently exceeded expectations 4 - fully met, and occasionally exceeded expectations 3 - met most expectations, however, there is room for improvement 2 - frequently did not meet expectations 1 - continuously did not meet expectations	

PERFORMANCE FACTOR	RATING Use only whole numbers from 1 to 6	COMMENTS All performance ratings, particularly ratings of 1,2,5 and 6, must be substantiated by comments and/or examples, and supported by the evaluation of the staff member's performance in Section 2 above.
5.1 PROFESSIONAL COMPETENCE: (Understanding and creativity in applying technical and professional knowledge, skills and expertise required for the job. Degree to which the staff member stays abreast of latest developments).		
5.2 QUALITY OF WORK: (Productivity in terms of accuracy, attention to detail, efficiency, effectiveness).		
5.3 QUANTITY OF WORK: (Productivity in terms of the amount of work completed, speed of work and ability to meet deadlines).		
5.4 WORK RELATIONSHIPS: (Effectiveness in working harmoniously with other staff members or with other persons outside the organisation in official contacts).		
5.5 COMMUNICATION SKILLS: (Effectiveness in communicating an idea or concept clearly and concisely; comprehending or giving instructions; negotiating. Comment on the Staff Member's use of more than one working language. If difference exists between oral and written ability, please describe).		

THE FOLLOWING SECTION APPLIES ONLY TO STAFF WHO SUPERVISE AND COMPLETE THE PERs OF OTHER STAFF.

5.6 SUPERVISORY SKILLS: (Ability to plan, organize and delegate work; to lead, motivate, guide and develop staff; communicate, build a team, and maintain a harmonious working environment. Indicate the number and levels of staff supervised. Comment also on the staff member's compliance with the Performance Appraisal System).		
--	--	--

PART 5 cont'd - PERFORMANCE RATING BY THE SUPERVISOR	
5.7a GENERAL COMMENTS - Supervisor: Comment, for example, on the Staff Member's overall performance and on any strengths, skills or qualities which he/she has (e.g. initiative, creativity, leadership) which are particularly noteworthy. Also indicate any attributes, skills, etc. which, if strengthened, would enhance his/her performance.	
5.7b PERFORMANCE FEEDBACK: To what extent were the above brought to the attention of the Staff Member during the reporting period?	
Supervisor's name: _____ Title: _____ Signature: _____ Date: _____	

PART 6 - STAFF MEMBER'S REVIEW OF RATINGS/ASSESSMENT BY SUPERVISOR	
6.1 AGREEMENT WITH RATINGS - Staff Member: (a) Do you agree with the ratings and comments given by your Supervisor in PART 5 above? Check one box. (b) If you do not agree with your Supervisor's assessment, please identify the ratings/comments with which you disagree and briefly explain why.	(a) ☐ Entirely (b) ☐ Mostly (c) ☐ To some extent (d) ☐ Not at all
6.2 GENERAL COMMENTS - Staff Member: Comment, for example, on your overall performance and on any strengths, skills or qualities which you possess (e.g. Initiative, creativity, leadership) which you feel are particularly noteworthy. Also indicate any attributes, skills, etc. which, if strengthened, would enhance your performance.	
Staff Member's initials: _____ Date: _____	

PART 7 - REVIEW/COMMENTS BY THE SECOND REPORTING OFFICER Note: The Supervisor must not act as the Second Reporting Officer; this is normally the role of the Supervisor of the Supervisor.	
7.1 GENERAL COMMENTS - Second Reporting Officer: Comment on your familiarity with the staff member's work; the consistency and reasonableness of the ratings and comments given by the Supervisor; and any significant statement(s) made by the Staff Member.	
7.2 Was the completion of the PER unduly delayed by either yourself, the Staff Member or the Supervisor? If "Yes", what was/were the reason(s) and what action has been/will be taken to prevent future delays?	☐ Yes ☐ No
Second Reporting Officer's name: _____ Title: _____ Signature: _____ Date: _____	
PART 8 - FINAL REVIEW AND SIGNATURE BY STAFF MEMBER AND SUPERVISOR	
8.1 SIGNATURES: The Staff Member's and Supervisor's signatures are acknowledgement that they have received a copy of this report. It is not an indication on their part of whether or not they agree with its contents. No further comments should be added at this point.	Supervisor's Signature and Date: Staff Member's Signature and Date:
The PAS process is now complete. Unless the Staff Member indicates in Part 8.2 below that he/she intends to issue a statement of explanation or a rebuttal, this PER will be placed on his/her official status file.	
8.2 EXPLANATION/FORMAL REBUTTAL: I am aware that, only for the reasons listed in Administrative Instruction CF/AI/1994-002, paragraph 2.38, I may, <u>within 30 days of signing Part 8.1 of this report</u> , either (a) submit a statement of explanation <u>or</u> (b) submit a formal rebuttal.	☐ I intend to submit a statement of explanation; or ☐ I intend to submit a formal rebuttal. Staff Member's Initials and Date:

Appendix J

Interview Schedule

No.	Name of Staff Member	Position	Status of Employee	Date of Interview
1	Runar Soerensen	Program Coordinator	Current staff	UNICEF Premises
2	Jane Muita	Project Officer-Health	Current staff	UNICEF Premises
3	Bernard Gatawa	Head of Basic Education	Current staff	UNICEF Premises
4	Elizabeth Hughes	Project Officer ECD	Current staff	UNICEF Premises
6	Ayazika Nakwagala	Project officer- SPAC	Current staff	UNICEF Premises
7	Peter Hailey	Project officer-Nutrition	Current staff	Area 9 Peter's house
8	Joseph Ndengu	Assistant Project Officer	Ex staff member	NRC- Joseph's workplace
9	James Chinula	Assistant Travel Officer	Ex staff member	Hunger Project-James' workplace
10	Jean Nyondo	Assistant Project Officer	Ex staff member	UN Resource Centre
11	Lucy Kachapila	Assistant Project Officer	Current staff	UNICEF Premises