2025

# NIGERIAN JOURNAL OF SOCIAL PSYCHOLOGY

Online ISSN: 2682-6151 Print
ISSN: 2682-6143

Volume 8, Issue 2, 2025

**Editor-in-Chief**
Prof. S.O. Adebayo
**Managing Editor**
Prof. B.E. Nwankwo

**Published by**
Nigerian Association of Social Psychologists
www.nigerianjsp.com

# Estimating the Determinants of Labour Turnover Intention among Employees in the Hospitality Industry in Abakaliki Metropolis, Ebonyi State, Nigeria, using Logistic Regression

**Peter Nworie[1] and Ogbonnaya I. Orji[*2]**
[1,2]Department of Economics, Ebonyi State University, Abakaliki, Nigeria.
*Corresponding author's email: ogbonnaya.orji@ebsu.edu.ng

**Abstract**

High labour turnover has serious implications for the stability of organisations hence, this study investigated the determinants of turnover intention of employees of the hospitality industry in Abakaliki metropolis, Ebonyi State, Nigeria. The study's objectives were to determine the marginal effects of wage differentials, work-time flexibility, and training and development on labour turnover intention of employees in the area. Data were obtained from 306 employees in the industry and analysed using logistic regression (logit). The study found that employees who felt their wage was at par with other firms in the industry had 10% less chances of turning over, whereas those who felt otherwise were 4.5% more likely to quit; that employees who disagreed that their employers offered flexible work schedule were 8.95% more likely to turn over, whereas those that strongly agreed had lower probability (0.1%) of turning over; and that employees who agreed that their employers had provided training and development had up to 8% less chances of turning over compared to those who had received no such opportunities with 6% more chances of turning over. The study concludes that financial factors such as wage, and non-financial factors, such as flexible work schedules and training and development, are strong determinants of labour turnover in the hospitality industry in Ebonyi State. Managers of hospitality businesses in Ebonyi State should offer adequate wages commensurate with their competitors, and offer flexible work schedules to curb employee turnover.

**Keywords: Abakaliki metropolis, Labour turnover, hospitality industry, turnover intention.**

## 1.0 Introduction

Labour is a traditional factor of production that is crucial to the production of goods and services. Organizations need to be able to retain their talented workforce for stability and growth (Heneman, Judge, & Kammeyer-Mueller, 2018). However, as a human factor, labour is subject to behavioural changes driven by personal and impersonal factors.

The determinants of labour turnover intention are typically financial and non-financial matters within the workplace. These include job satisfaction, job stress, organizational culture, organizational commitment, salary, organizational justice, promotional opportunity, demographic variables, leadership styles, and organizational climate (Belete, 2018). Take salary for example, agitations for salary increases imply higher costs and lower profits for the firm in the short run. However, productivity would eventually rise because the employees are well motivated (Irabor & Okolie, 2019). Employers usually do not want to offer higher salaries which may increase labour turnover. Rapid employee turnover can have a detrimental impact on businesses in particular and the labour market at large. The implications are well-documented in the literature (see Abet, et al., 2024; Haines, Guerrero, & Marchand, 2024; Adjei, Boateng, Amin, Agyemang, & Buabeng, 2022).

In this study, we gave attention to the hospitality industry in Ebonyi State, Nigeria. The Nigerian hospitality sector has quickly grown to become one of the biggest and most diversified, employing millions of people in different hotel enterprises, restaurant businesses, tourism, food and beverage services, and other facets of hospitality (Ejiofor, Ajah, Ugwu, Obike, & Okorie, 2020). Since 2015, it has continued to develop at an average rate of 12% annually, making it the fastest-growing market in Africa (Nwosu, 2016). It is estimated that the hospitality industry in Nigeria employed about three million persons in 2022 (National Bureau of Statistics, 2023) and contributed about 1% of the gross domestic product (GDP) in 2022 (Central Bank of Nigeria, 2022).

A cross-section of firms in the hospitality industry in Abakaliki, Ebonyi State, gives evidence of the degree of employee turnover within the period 2020-2024. For example, Grace Court Hotel was reported to have lost an average of 8 employees annually to labour turnover within the period. Akadike Suite recorded the highest turnover (12), Green Card Hotel in Kpiripiri had 10, while Monabliss and Cerene Hotels recorded the lowest (5 each). The trend seems to suggest that firms with smaller capital tend to have higher employee turnover relative to those with higher capital. This is because the latter tends to offer better incentives than the former. For firms in the hospitality industry to sustain meaningful growth, they must retain a sizeable workforce. The foregoing suggests that employees respond to financial and non-financial stimuli. In this study, we therefore gave attention to wage or remunerations, work time flexibility, and training and development, among others.

Research attention in Nigeria seems to have focused on the effect of job satisfaction on employee retention in the financial and health sectors (Lazzari, et al., 2022; Rajan, 2021; Irabor & Okolie, 2019; Akinyomi, 2016), whereas the case of the hospitality industry has not been fully explored, particularly, concerning Ebonyi State. We therefore seek to establish whether wage-related factors, work-time flexibility or inflexibility, and training and development have a bearing on the decision to change jobs among employees of the hospitality industry in Nigeria.

The general objective of this study is to ascertain factors that explain the labour turnover intention of employees of the hospitality industry in Abakaliki metropolis, Ebonyi State, Nigeria. The specific objectives are to (i) determine the marginal effects of wage differentials, (ii) determine the degree to which work-time flexibility, and (iii) ascertain the marginal effect of training and development, on labour turnover intention of employees in the hospitality industry in the study area.

This study is significant for promoting job satisfaction and productivity in the hospitality industry in Nigeria. High labour turnover will destabilize productivity and may hamper the growth of the firm. Managers and business owners would therefore want to avoid this. Understanding the reason employees tend to change jobs is crucial for both employers and policy makers, especially when they desire to avert it.

## 2.0 Related Literature

### 2.1 Conceptual review

#### 2.1.1 Employee turnover

Turnover refers to the entire process associated with filling a vacancy: each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995). The term “turnover” is defined as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period (Price, 1977) as cited in Iqbal (2010).

Employee turnover refers to the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment (Abassi & Hollman, 2000). Put succinctly, labour or employee turnover refers to the situation where an employee leaves an organization. It can be classified as voluntary, when it is the employee who decides to terminate the working relationship, or involuntary, when it is the employer who decides (Holtom, et al., 2008). Voluntary turnover is divided further into functional and dysfunctional (Hom & Kinicki, 2001), which refer to, respectively, the exit of low-performing and high-performing workers.

### 2.1.2 Employee turnover intention

Labour turnover intention is an employee's reported willingness to leave their organization within a given period and is often used for studying actual employee turnover (Lazzari, et al., 2022). The period considered when determining intention to switch jobs is usually between one and five years. The focus on turnover intention makes it possible to survey current employees rather than past employees, and the outcome may help management to initiate remedial measures.

### 2.1.3 Hospitality industry

The hospitality industry encompasses a wide range of fields within the service industry (Andrews, 2007). It includes lodging (hotels and accommodations), food and beverage services (restaurants, cafes, bars, and nightclubs), travel and tourism (travel agencies, airlines, and theme parks), recreation (event planning and tourism-related activities), and related services.

From another perspective, Ataya (2022) stated that the hospitality industry comprises a variety of industries that house, feed, transport, and entertain visitors. Within the industry are sectors that cover a broad range of fields, providing a distinct variety of goods and services. Although the sectors function on their own, they can often overlap and work harmoniously to create a unique hospitality experience.

## 2.2 Theoretical review

Three theories are considered relevant to the present study, namely, labour mobility theory, equity theory, and the expectancy theory.

### 2.2.1 Labour mobility theory

The theory was developed by Feldman and Weitz (1988) and refined by Rosenfeld (2003), and the basic argument of the theory is that there are multiple instances of job mobility throughout individuals' careers, beginning with the school-to-work transition (i.e. exploration stage) and ending with the transition into full retirement (i.e. disengagement stage) (Savickas & Super, 1993). These various job experiences form the basis on which people make sense of both their careers (Arthur, Khapova, & Wilderom, 2005; Savickas, 2005) and their lives (Richardson, 1993).

The labour mobility theory examines how labourers move within an economy (occupational) and between different economies (geographical) (Radcliffe, 2023). It is an important factor in economics, affecting growth and production. However, in the long-run, it is expected that labour migration should have an equalizing effect on wages thereby discouraging the desire to move. This theory recognizes wages, and by extension, other financial incentives, as a factor accounting for occupational labour mobility. It also implies that non-financial factors also come into play in the labour mobility model. This is very relevant to the present study which makes it the central theory of the study.

### 2.2.2 Equity theory

Equity theory is concerned with the perceptions people have about how they are treated as compared to others. Equity theory proposes that a person's motivation is based on what they consider to be fair in relation to others (Redmond, 2010). As noted by Gogia (2010), when applied to the workplace, equity theory focuses on an employee's work-compensation relationship as well as that employee's attempt to minimize any sense of unfairness that might result. When compared to other people, individuals want to be compensated fairly for their contributions. A person's beliefs in regards to what is fair and what is not fair can affect their motivation, attitude and behaviour. Employees who feel unfairly treated may be compelled to seek better opportunities elsewhere. This theory therefore encompasses both the financial and the non-financial factors that may affect employee turnover.

### 2.2.3 Expectancy theory

The theory states that individuals have different sets of goals and can be motivated if they believe that: (i) there is a positive correlation between efforts and performance; (ii) favourable performance will result in a desirable reward; and (iii) the reward will satisfy an important need. Expectancy theory provides an explanation of why individuals choose one behavioural option over others. The basic idea behind the theory is that people will be motivated because they believe that their decision will lead to their desired outcome (Redmond, 2010). Expectancy theory proposes that work motivation is dependent upon the perceived association between performance and outcomes and individuals modify their behaviour based on their calculation of anticipated outcomes (Chen & Fang, 2008). This theory is built upon the idea that motivation comes from a person believing they will get what they want in the form of performance or rewards.

The desire to satisfy the need is strong enough to make the effort worthwhile (Lawler, Porter & Vroom, 2009). Thus, employees who feel their expectations are not being met may be compelled to seek better opportunities elsewhere, where they feel their expectations would be met.

## 2.3 Empirical review

### 2.3.1 Wage and labour turnover intention

The study by Abet et al (2024) delved into the factors influencing the inclination of employees in small and medium-sized enterprises (SMEs) to depart from their current workplaces in Nigeria. Additionally, the study explores how organizational commitment moderates the connections between attitude, subjective norms, perceived behavioural control, and intentions to leave. The outcomes from the partial least squares structural equation modelling indicated that the three primary predictors of the theory of planned behaviour have a substantial impact on turnover intention, with perceived behavioural control exerting the strongest influence.

In Ghana, Adjei, et al. (2022) examined the effect of job satisfaction on employee retention among those in Stanbic Bank. The study employed quantitative methodology involving a survey of 130 employees of the bank. Regression method was used in the study and results showed that better remuneration is the factor most considered by employees of the bank to have the paramount influence on their satisfaction on job. Also, employees revealed that compensation (remuneration or wages) was the top factor influencing their turnover intention, followed by career growth and development. The study by Muda et al (2022) involving 130 employees of GCB Bank in that country also reported similar findings.

In Sri-Lanka, Rajapakshe (2021) assessed the determinant factors of labour turnover. It was a cross-sectional study conducted involving data collected from 384 employees who have left the garment industry in Sri Lanka. Data were analysed through Analysis of Variance

(ANOVA) and multiple regression analysis and it was found that dissatisfaction with government rules and regulations, work environment, social environment, a shock to the system, age, service, and wages significantly influence labour turnover.

In India, Rajan (2021) investigated the extent to which organization structure and management practice related factors influenced employee turnover among nurses. The study involved 80 nursing employees who were contacted through a structured questionnaire. The author analysed the data using percentages and found that the majority respondents agreed that autocratic leadership style with lack of motivation and communication, lack of respect, inadequate salary, and discrimination in compensation system, fuelled employee turnover among the nursing employees.

### 2.3.2 Work-time flexibility and labour turnover intention

The study by Haines et al (2024) examined the associations between flexible work arrangements and turnover intentions in England by testing four perspectives with consideration of the indirect effects that each conveys. The authors applied multilevel structural equation modelling to test the direct, indirect, and total effects of flex time, telecommuting, and overall flexibility on turnover intentions among 1,505 employees across 64 work units. It was found that work flexibility is associated with lower turnover intentions, whereas telecommuting was associated with higher work-to-family conflict and indirectly higher turnover intentions.

Ramdani (2023) investigated how much influence work flexibility and work stress have on employee turnover intention. The study samples from workers in several areas and the results of the questionnaire data show that work flexibility has no effect on work stress and work flexibility has no effect on turnover intention, while work stress has a positive effect on turnover intention.

Lazzari et al. (2022) analysed a unique European-wide survey on employee turnover intention. The authors compared a few baseline and state-of-the-art classification models as per predictive performances from which they settled for logistic regression and Light GBM rank as the top two performing models. The authors investigated on the importance of the predictive features for these two models, as a means to rank the determinants of turnover intention. Further, they overcame the traditional correlation-based analysis of turnover intention by a novel causality-based approach to support potential policy interventions. The study revealed that non-financial factors significantly drive turnover intention in the region.

Tsen et al (2021) investigated the moderating effect of perceived work independence in the relationship between different flexible work arrangements (flex time, flex leave, and working from home) and turnover intention. Mixed-effect modelling analysis is done using data from the International Social Survey Programme (ISSP) Work Orientation 2015, involving 35 nationally representative samples with a total number of 16,920 responses. The results show that perceived job independence significantly moderates the relationship between flexible work arrangements and turnover intention. Employees who perceived their jobs as highly independent have a lower turnover intention when flex time, flex leave or working from home were used, while interdependent employees who work from home and uses flex time may have greater intention to leave. This finding agrees with those of Mushtaq (2017).

### 2.3.3 Training and development and labour turnover intention

The study by Pepple et al (2023) investigated the conceptualization of employee commitment and turnover intention in the Nigerian public sector using a qualitative approach. The study used descriptive method and found that (i) employees expressed a lack of sense of ownership

and attached meaning to commitment based on (self-help) benefit gained from their organization, and (ii) the lack of scrutiny and accountability in the public sector resulted in low employee turnover intention.

In Italy, Martini et al (2022) explored the connection between employee development and turnover intention among 337 employees working in two large companies in the country. Results show that the overall effect of perceived investment in employee development on turnover intention is negative. This means that organizations that provide on-the-job training and development are more likely to retain their workforce.

Similarly, the study by Nandi et al (2020) investigated the effect of training and development and organizational commitment on turnover intentions in SMEs in Karachi, Pakistan. The study involved 385 valid responses obtained through questionnaire and analysed using Smart PLS. The authors reported that availability of training and managerial support for training stimulate organizational commitment and lowers turnover intention.

### 2.4 Gap in the literature

From the empirical review, the issue of determinants of labour turnover intention among employees have been researched in sectors such as banking (Adei, et al, 2022; & Muda, et al., 2022), health (Rajan, 2021), SMEs (Abet, et al., 2024; Nandi, et al., 2020) and the public service (Abet, et al., 2024). However, the case of the hospitality industry in Nigeria has not received adequate research attention, particularly, with respect to Ebonyi State, Nigeria. The present study therefore is an attempt to fill this gap in the literature.

## 3.0 Research Methodology

### 3.1 Study area

The area of this study is Abakaliki metrolpolis, Ebonyi State, Nigeria. Abakaliki is the capital city of Ebonyi State in southeastern Nigeria, located 64 kilometres (40 mi) southeast of Enugu (Cohen, 1998). The inhabitants are primarily members of the Igbo nation and the city was the headquarters of the Ogoja province before the creation of the Southeastern State in 1967 (Hoiberg, 2010). The choice of this area is based on the fact that the town is the capital territory of Ebonyi State Government, as such, it is the epicentre of the hospitality industry in the State.

### 3.2 Population of the study and sample size

The population for this study comprised all employees of various businesses within the hospitality industry in the State, such as hotels, bars, recreation centres, clubs, etc. There is no official record of this data so the study faces an infinite population. The researcher therefore used the Topman formula to determine the sample size using the default sampling proportion of 0.5. As such, the sample size of the study was determined as follows,

$$n = \frac{Z^2 * p * (1-p)}{e^2}$$

Where n = sample size, Z = Standard normal value corresponding to the 5% level of significance, p = sampling proportion, i.e., proportion of labour engaged in the hospitality industry, and e = margin of error. From the statistical table, Z = 1.96. In this study, p = 0.5 and e = 0.05. Hence,

$$n = \frac{1.96^2 * 0.5 * 0.5}{0.05^2} = 384.$$

### 3.3 Sampling technique and method of data collection

We used the judgement sampling technique in the study. The researcher visited bars, hotels, and recreational centres in Abakaliki, Ebonyi State, obtained phone contacts of current employees, and then shared the link to the questionnaire designed using Google form so that they could complete the questionnaire online. In some cases, the researcher could only obtain the phone contact of the receptionists. He therefore sent the link to them and they shared it with the rest of the staff on their social media platforms. Response to the questionnaire was closed when we obtained 384 responses based on the sample size of the study.

### 3.4 Measurement and validation of the instrument

The questionnaire contained 14 questions designed to answer the research questions of the study. Each item was derived from prior research and adjusted to align with the specific objectives of the current research investigation. The researcher collected primary data using a structured questionnaire which was developed in line with the objectives of the study. The research instrument was validated by the research project supervisor for content validity.

### 3.5 Reliability of the instrument

To determine the reliability of the instrument, the test-retest method was used by the researcher. The reliability was ascertained by administering the questionnaires to ten respondents twice at an interval of two weeks. The resulting data were correlated and a Pearson correlation coefficient of 0.82 was obtained implying the instrument is reliable which is an indication of internal consistency of the instrument.

### 3.6 Method of data analysis and model specification

Data collected from the study were subjected to both descriptive and inferential statistical analysis. Simple descriptive statistics such as frequency, mean, percentage, and standard deviation were used to describe the statistical properties of the data. Thereafter, we used linear logistic regression (logit) to estimate the regression model.

A Logit regression is a nonlinear regression model that limits the output (predicted values) to be either 0 or 1. The logit regression model follows the logistic distribution. The general form of the linear probability model is,

$$P_i = (Y = 1|X_i) = \beta_1 + \beta_2 X_i \quad (1)$$

where X (in this study) is a set of possible determinant of labour turnover intention and Y = 1 (if the employee intends to leave the organization or will turnover) or Y = 0 (if they will stay).

Equation (1) could be rewritten as a logit model as:

$$P_i = (Y = 1|X_i) = \frac{1}{1+e^{-(\beta 1+\beta 2Xi)}} \quad (2)$$

If we say let, $\beta_1 + \beta_2 X_i = Z_i$

then (2) becomes

$$P_i = \frac{1}{1+e^{-z}} = \frac{e^z}{1+e^z} \quad (3)$$

Equation (3) represents what is known as the (cumulative) logistic distribution function.

Following the labour mobility theory, the following mathematical equation expresses the determinants of labour turnover in the hospitality industry in Nigeria,

Turnover intention = f (Experience, turnover in the past 5 years, wage disparity, work-time flexibility, long-term welfare, training and development) 4

We used the logit method to estimate the model because the dependent variable is binary. We estimated the log odds, odds ratio and, the marginal effect regression models. Among the three the marginal effect results are preferred because they are easier to interpret.

## 4.0 Results

We targeted 384 respondents as the ideal sample for the study. However, at the end of the period allocated for data collection, we obtained 306 responses. There were no invalid responses because the survey was hosted online, and the responses were provided sequentially, one item after another. This means 80% response rate which is adequate.

### 4.1 Summary of the survey data

**Table 1: Bio data of the respondents**

| Variable name | Variable code | Variable type | Value | Frequency |
|---|---|---|---|---|
| Gender | Gender | Categorical | 0 = Male | 61 (20%) |
| | | | 1 = Female | 245 (80%) |
| Age | Age | Numerical | Mean = 24 years | N/A |
| | | | Range = 15-39 years | |
| Educational level | Edulevel | Categorical | 0 = None | 17 (6%) |
| | | | 1 = O'Level | 151 (49%) |
| | | | 2 = Degree | 1238 (45%) |
| | | | 3 = MSc | 0 |
| | | | 4 = PhD | 0 |
| | | | 5 = Other | 0 |
| Years of experience in the hospitality industry | Experience | Numerical | Mean = 4 years<br>Range = 1-9 years | N/A |

Source: Researchers' compilation from STATA results

Table 1 shows the biodata of the respondents, their codes, variable type, values, and frequencies. We conclude from the data that the survey comprised of more females (80%) than males (20%); the respondents have a mean age of 24 years ranging from 15-39 years; comprised more of O'level holders (49%) and degree holders (45%) than those without formal education (6%); and their mean years of experience in the industry is 4 years, ranging 1-9 years.

Similarly, the data obtained for the main items of the study are present below.

**Table 2: Data on determinants of employee turnover in hospitality industry in Ebonyi State**

| Variable name | Variable code | Variable type | Value | Frequency |
|---|---|---|---|---|
| Are you likely to leave your current job for another one in the next 3 years? | Turnover | Binary/Dependent | 0 = No | 100 (33%) |
| | | | 1 = Yes | 206 (67%) |
| Have you changed job in the last 5 years? | Turnoverin5yrs | Categorical | 0 = No | 123 (41%) |
| | | | 1 = Yes | 183 (59%) |
| You consider your wage poor for your current job. | Poorwage | Categorical | 1 = SD | 56 (18%) |
| | | | 2 = D | 69 (23%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 83 (27%) |
| | | | 5 = SA | 98 (32%) |
| You left your previous job because of poor wages. | Poorprevwage | Categorical | 1 = SD | 50 (16%) |
| | | | 2 = D | 83 (27) |
| | | | 3 = N | 0 |

| | | | | |
|---|---|---|---|---|
| | | | 4 = A | 76 (25%) |
| | | | 5 = SA | 97 (32%) |
| Your company's wage are smaller compared to other companies in the industry. | Wagedifferential | Categorical | 1 = SD | 37 (12%) |
| | | | 2 = D | 95 (31%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 112 (37%) |
| | | | 5 = SA | 62 (20%) |
| You feel secure in your current job. | Jobsecurity | Categorical | 1 = SD | 115(38%) |
| | | | 2 = D | 106 (35%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 60 (20%) |
| | | | 5 = SA | 25 (8%) |
| You have a flexible work time | Flexworktime | Categorical | 1 = SD | 60 (20%) |
| | | | 2 = D | 114 (37%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 76 (25%) |
| | | | 5 = SA | 56 (18%) |
| Your organization is concerned with your long-term welfare. | Longtermwelf | Categorical | 1 = SD | 75 (25%) |
| | | | 2 = D | 130 (42%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 44 (14%) |
| | | | 5 = SA | 57 (19%) |
| You feel your employer treats you fairly. | Fairtreat | Categorical | 1 = SD | 41 (13%) |
| | | | 2 = D | 95 (31%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 112 (37%) |
| | | | 5 = SA | 58 (19%) |
| Your employer provides training and development | T&D | Categorical | 1 = SD | 100 (33%) |
| | | | 2 = D | 152 (50%) |
| | | | 3 = N | 0 |
| | | | 4 = A | 31 (10%) |
| | | | 5 = SA | 23 (7%) |

Source: Researchers' compilation from STATA results (2024)

(Where: SD = Strongly disagree; D = Disagree; N = Neutral; A = Agree; SA = Strongly agree)

Table 2 shows the variables of the study, their codes, type, values and frequencies. 67% of the sample revealed they are likely to change job within the next 3 years while 33% revealed otherwise; 59% indicated that they had changed jobs within the 5-year period preceding the survey whereas 41% had not; 59% considered their current wage poor while 41% did not; 57% had left their previous jobs due to poor wages while 43% had not; 57% felt that their company's wage is smaller compared to other companies in the industry; 72% felt insecure in their current job; only 43 indicated that they have a flexible work schedule; 67% felt their organization is not concerned with their long-term welfare; only 56% felt their employers treated them fairly; and only 17% agreed that their employers provide training and development.

## 4.2 Regression result

**Table 3: Results of the linear logistic model**

| Variable | Log-odds (logit) | | | Odds ratio (logit) | | | Average Marginal effects (logit) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Coefficient | Z-stat | p-val. | Odds-R | Z-Stat | P | dy/dx | Z | P-Val |
| Experience | .0350631 | 2.59 | 0.000 | 1.035685 | 2.59 | 0.000 | 0.085 | 2.59 | 0.000 |
| Turnoverin5yrs: | | | | | | | | | |
| Yes | .1235036 | 2.12 | 0.003 | 1.883819 | 2.12 | 0.003 | 0.030 | 2.52 | 0.003 |
| Wagedisparity: | | | | | | | | | |
| Disagree | -.4100226 | -2.02 | 0.019 | .6636353 | -2.02 | 0.019 | -.101 | -2.02 | 0.019 |
| Agree | .0841323 | 3.46 | 0.000 | 1.831826 | 3.46 | 0.000 | .0451 | 3.45 | 0.000 |
| Strongly agree | .1895622 | 2.20 | 0.039 | .093695 | 2.20 | 0.039 | .0217 | 2.20 | 0.039 |
| Flexworktime: | | | | | | | | | |
| Disagree | .3658907 | 2.11 | 0.029 | 1.44179 | 2.11 | 0.029 | .0895 | 2.11 | 0.029 |
| Agree | -.2101488 | -0.56 | 0.779 | .233862 | -0.56 | 0.779 | -.051 | -0.56 | 0.778 |
| Strongly agree | -.0059904 | -4.02 | 0.000 | .994028 | -4.02 | 0.000 | -.001 | -4.02 | 0.000 |
| Longtermwelf: | | | | | | | | | |
| Disagree | .0110909 | 2.03 | 0.022 | 1.01115 | 2.03 | 0.022 | .0027 | 2.03 | 0.002 |
| Agree | .2490912 | 0.62 | 0.535 | 1.28296 | 0.62 | 0.535 | .0606 | 0.62 | 0.535 |
| Strongly agree | -.0751521 | -4.19 | 0.000 | .92760 | -4.19 | 0.000 | -.018 | -4.19 | 0.000 |
| TandD: | | | | | | | | | |
| Disagree | .2466053 | 2.85 | 0.000 | 1.781449 | 2.85 | 0.000 | .0602 | 2.85 | 0.000 |
| Agree | -.3370116 | -3.77 | 0.000 | .713901 | -3.77 | 0.000 | -.082 | -3.78 | 0.000 |
| Strongly agree | -.024896 | -2.05 | 0.024 | .975411 | -2.05 | 0.024 | -.006 | -2.05 | 0.023 |
| _cons | .0814426 | 2.15 | 0.023 | 1.084851 | 2.15 | 0.023 | N/A | N/A | N/A |

Source: Researchers' compilation from STATA results

We present in Table 3 the log odds, odds ratio, and the average marginal effects results from the logistic regression of determinants of labour turnover among employees in the hospitality industry in Ebonyi State, Nigeria. In the first two results, the positive coefficients (log-odds) have greater-than-one odds ratio (OR), while the negative coefficients have less-than-one OR. However, it is usually more convenient to interpret the marginal effects results since the coefficients are rates of change (dy/dx) of the dependent variable with respect to a change in a given regressor.

The result shows that an additional year of experience significantly increases the probability of turnover by 8.5%, on the average, holding other factors constant. This means that experience is a contributing factor of employee turnover in the hospitality industry in the study area. Concerning wage, employees who disagreed that wage disparity exists with other firms in the industry had 10% less chances of turning over compared to those that strongly disagreed, whereas those that agreed had 4.5% more chances, and those that strongly agreed, 2.2% more chances of turning over compared to those that strongly disagreed. The result implies that employees who felt their wages were not at par in the industry were more likely to leave than those who felt otherwise.

Similarly, employees who disagreed that their employers offered flexible work schedule had 8.95% more chances of turning over (leaving) compared to those that strongly disagreed, whereas those that strongly agreed had lower probability (0.1%) of turning over. The result implies that work time inflexibility fuels employee turnover in the industry. In the same vein, employees who felt that their employers did not care about their long-term welfare are 0.27% more likely to turn over whereas those who felt otherwise were 1.8% less likely to leave their job. Again, the result points to employer's interest in the long-term welfare of the employee

as a determinant of employee turnover in the hospitality industry. Lastly, the result revealed that employees who agreed that their employers had provided training and development had up to 8% less chances of turning over compared to those who had received no such opportunities as the latter had about 6% more chances of turning over.

### 4.3 Diagnostic tests

To ascertain the robustness of the results, we administered the goodness of fit and the area under the curve tests. The goodness of fit test result is presented as follows,

**Table 4: Logistic model for Turnover, goodness-of-fit test**

| Statistic | | Value |
|---|---|---|
| number of observations | = | 306 |
| number of covariate patterns | = | 270 |
| Pearson chi2(255) | = | 261.46 |
| Prob > chi2 | = | 0.3771 |

Source: Researchers' compilation from STATA results

Based on the result in Table 4, we conclude that the logit model shows a good fit because the number of covariates (270) is smaller than the number of observations (306), and the probability of the Chi-square (0.3771) is greater than 0.05 which is desirable.

Similarly, the area under the curve (AUC) is an effective way to summarize the overall diagnostic accuracy of the model efficiency test. It takes values from 0 to 1, where a value of 0 indicates a perfectly inaccurate test and a value of 1 reflects a perfectly accurate test.

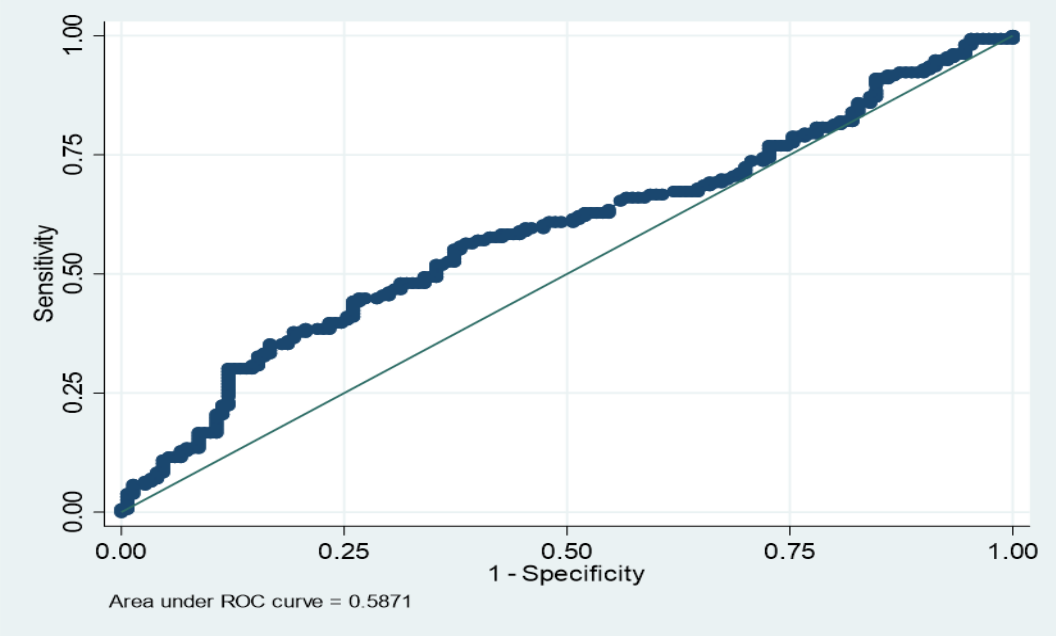


**Fig. 1: Area under the curve of the of the "Receiver Operating Characteristic" curve**

The result in Fig 1 indicates that the AUC is 0.59. This means that the logit model predicts the determinants of employee turnover in the hospitality industry in Ebonyi State with nearly 60% accuracy which is good.

### 4.4 Test of hypothesis

**4.4.1 Hypothesis One:** Wage disparity does not significantly affect labour turnover intention among employees of hospitality industry in Abakaliki, Ebonyi State, Nigeria.

**Decision rule and result:** Reject the null hypothesis at the 5% level if the p-value of the Z-statistic of the wage disparity variable is smaller than 0.05; otherwise, do not reject it. From

the result in Table 3, wage disparity has a coefficient of 0.0217 (for strongly agree) with Z-stat 2.20 and p-value 0.039. Since the result is significant at the 5% level, we therefore reject the null hypothesis and conclude that wage disparity significantly increases labour turnover intention among employees of hospitality industry in the study area.

**4.4.2 Hypothesis Two:** Work-time flexibility does not significantly affect labour turnover intention among employees of hospitality industry in Abakaliki, Ebonyi State, Nigeria.

Referring to Table 3, flexible work time (where not available) has a coefficient of 0.0895 with Z-stat 2.11 and p-value 0.029. Since the result is significant at the 5% level, we therefore reject the null hypothesis and conclude that lack of flexible work time or schedule increases labour turnover intention among employees of hospitality industry in the study area.

**4.4.3 Hypothesis Three:** Training and development does not significantly explain labour turnover intention among employees of hospitality industry in Abakaliki, Ebonyi State, Nigeria.

**Result:** From the result in Table 3, lack of training and development (T & D) has a coefficient of 0.06 with Z-stat equal to 2.28 and p-value 0.000. Since the result is significant at the 5% level, we therefore reject the null hypothesis and conclude that lack of T & D significantly increases labour turnover intention among employees of hospitality industry in the study area.

## 5.0 Discussion

### 5.1 Wage disparity and labour turnover intention

The study found that employees who disagreed that wage disparity exists with other firms in the industry (i.e., felt their wage is at par) had 10% less chances of turning over compared to those that strongly disagreed. On the other hand, those that agreed (i.e., felt their wage is not at par) had 4.5% more chances, of turning over (moving to another job) compared to those that strongly disagreed. The result implies that employees who felt their wages were not at par in the industry were more likely to leave than those who felt otherwise.

Wage is the basic financial reward for labour. Employees naturally want more wage whereas employers normally do not want to pay more in wage because it increases cost. However, existence of wage differentials in the industry will entice workers away from low-paying firms. The evidence presented indicates that existence of wage disparity fuels employee turnover intention among employees in the hospitality industry in Abakaliki, Ebonyi State, Nigeria.

The findings agree with those of Abet et al (2024) in Nigeria, and Adjei, et al. (2022) and Muda et al (2022) in Ghana. Also, Rajapakshe (2021) found that wage is a significant factor to explain labour turnover in Sri-Lanka, just as Rajan (2021) found that inadequate salary, and discrimination in compensation system, fuelled employee turnover among the nurses in India.

### 5.2 Work-time flexibility and labour turnover intention

This study found that inflexible work schedule increases labour turnover intention among employees of hospitality industry in Abakaliki, Ebonyi State. The survey data revealed that employees without a flexible work schedule had 8.95% more chances of leaving their current employment, whereas those that worked on a flexible schedule had only 0.1% chance. The result implies that work time flexibility discourages employee turnover in the industry.

Flexible work schedule allows employees with more time for leisure or other important personal goals. Some employers provide this by using work roster which sees some

employees work only a few hours each day, or work a few days only in a week and have the rest off from work. Larger organizations may use an annual leave roster which grants employees between 14-30 calendar days off from work in turns. Flexible work time are associated with higher productivity because it lessens fatigue. The findings agree with those of Haines et al (2024) in Italy, Tsen et al (2021) for 35 countries, and Lazzari et al. (2022) for selected European countries. However, the findings are at variance with those of Ramdani (2023) who reported that work flexibility has no effect on turnover intention in China.

### 5.3 Training and development and labour turnover intention

We found that lack of training and development (T & D) significantly increases labour turnover intention among employees of hospitality industry in the study area. Employees who receive training and have clear opportunities for development within the organization had up to 8% less chances of moving to another job compared to those who had received no such opportunities - the latter had about 6% more chances of turning over. Thus, we have a valid reason to believe that T and D curbs employee turnover.

Although employers may fear that providing training increases cost and may fuel employees' desire to leave for similar jobs in the industry where they can secure higher pay with their improved bargaining power; by providing T & D they have the chance to get employees to commit to the organization as well as to increase productivity which, in time, will yield the proceed needed to finance future wage increases to keep the employees motivated. So in the long run, the firm really benefits. Previous studies with similar findings include Martini et al (2022) in Italy and Nandi et al (2020) in Pakistan. However, the findings of the study contrast with those of Pepple et al (2023) for public sector service in Nigeria.

## 6.0 Conclusion

In the light of the findings, the study concludes that financial factors such as wage, and non-financial factors, such as flexible work schedule and training and development, are strong determinants of labour turnover in the hospitality industry in Ebonyi State. Employees are less likely to quit voluntarily when those are adequately provided by the employer. The study recommends as follows:

1. Managers of hospitality businesses in Ebonyi State should ensure they offer adequate wage commensurate with their competitors to curb employee turnover.
2. Managers of hospitality businesses in Ebonyi State should offer flexible work schedule to lessen high turnover among their employees.
3. Managers of hospitality firms in Ebonyi State should periodically organize on-the-job training and other opportunities for staff development to motivate their workers to stay.

## References


Abassi, S.M., & Hollman, K.W. (2000) Turnover: the real bottom line. *Public Personnel Management, 2,*333-342.

Abet, Z., Anuar, M.A.M., Arshad, M.M., & Ismail, I.A. (2024). Factors affecting turnover intention of Nigerian employees: the moderation effect of organizational commitment. *Heliyon, 10*(1), 1-12. https://doi.org/10.1016/j.heliyon.2023.e23087.

Adjei, B.F., Boateng, V., Anim, J., Agyemang, O.O., & Buabeng, B. (2022). Employee satisfaction and retention of Stanbic Bank Head Office in Accra, Ghana. *Journal of*

*Corporate Finance Management and Banking System, 2*(2), 11-21, https://doi.org/10.55529/jcfmbs.22.11.21.

Akinyomi, O.J. (2016). Labour turnover: causes, consequences and prevention. *Fountain University Journal of Management and Social Sciences, 5*(1), 105-112.

Andrews, D. (2007). *Introduction to tourism and hospitality industry.* McGraw-Hill Education, India.

Ataya, M. (2022). What is the hospitality industry? 5 key sectors explained. Prepzo online content. https://blog.prepzo.com/posts/what-exactly-is-the-hospitality-industry-5-key-sectors-explained. Accessed 15 August, 2024.

Belete, A.K. (2018). Turnover intention influencing factors of employees: an empirical work review. *Journal of Entrepreneurship and Organizational Management, 7*(3), 253-260. https://doi.org/10.4172/2169-026X.1000253.

Central Bank of Nigeria (2022). *Statistical bulletin.* Abuja: Central Bank of Nigeria.

Chen, Y., & Fang, W. (2008). The moderating effect of impression management on the organizational politics performance relationship. *Journal of Business Ethics, 79*(3), 263-277.

Chen, Y., Wang, W., Chu, W., & Chien, Y. (2010). Structural investigation of the relationship between working satisfaction and employee turnover. *The Journal of Human Resource and Adult Learning*, 6(1), 41-50.

Collins, B., Garin, A., Jackson, E., Koustas, D., & Payne, M. (2019). Is gig work replacing traditional employment? Evidence from two decades of tax returns. IRS SOI Joint Statistical Research Program, 2019. Unpublished paper. Internal Revenue Service, https://www.irs.gov/pub/irs-soi/19rpgigeconomy.pdf.

Ejiofor, C.C., Ajah, A.C., Ugwu, C.C.O., Obike, H., & Okorie, A. (2020). Digital economy drive and the development of hospitality Industry In Nigeria. *Webology, 17*(2), 1325-1344.

Feldman, D.C., & Weitz, B.A. (1988). Career plateaus reconsidered. *Journal of Management, 14*(1), 69-80. https://doi.org/10.1177/014920638801400107.

Gogia, P. (2010, September 14). *Equity theory of motivation*. Retrieved from http://www.businessihub.com/equity-theory-of-motivation/.

Griffeth, R. W., Steel, R. P., Allen, D. G., & Bryan, N. (2005). The development of a multidimensional measure of job market cognitions: The employment opportunity index (EOI). *Journal of Applied Psychology, 90*(2), 335-349.

Haines, V. Y., Guerrero, S., & Marchand, A. (2024). Flexible work arrangements and employee turnover intentions: contrasting pathways. *The International Journal of Human Resource Management, 35*(11), 1970–1995. https://doi.org/10.1080/09585192.2024.2323510.

Heneman, H.G., Judge, T.A., & Kammeyer-Mueller, J.D. (2018). *Staffing organizations*. (9th edn.). Pangloss/McGraw-Hill.

Holtom, B.C., Mitchell, T.R., Lee, T.W., & Eberly, M.B. (2008). Turnover and retention research: a glance at the past, a closer review of the present, and a venture into the future. *The Academy of Management Annals, 2*(1), 231-274.

Hom, P. W., & Kinicki, A. J. (2001). Toward a greater understanding of how dissatisfaction drives employee turnover. *Academy of Management Journal, 44*(5), 975-987.

Hom, P.W., Allen, D.G., Griffeth, R.W. (2019). Employee retention and turnover: why employees stay or leave. Routledge, New York, NY, 2019 [cited 2023 Nov 13]. Available from: https://books.google.com/books?

Iqbal, A. (2010). Employee turnover: causes, consequences and retention strategies in the Saudi organizations. The Business Review, 16(2), 275-281.

Irabor, I. E. & Okolie, U. C. (2019). A Review of employees' job satisfaction and its effect on their retention. *Annals of Spiru Haret University. Economic Series, 19*(2), 93-114. https://doi.org/ 10.26458/1924.

Kanchana, L., & Jayathilaka, R. (2023). Factors impacting employee turnover intentions among professionals in Sri Lankan startups. *PLoS One 18*(2), 29-41.

Lawler, E., Porter. L., & Vroom, V. (2009). Motivation and management Vroom's expectancy theory. *Value Based Management Website.* Retrieved August 8, 2015, From http://www.valuebasedmanagement.net/methods_vroom_expectancy_theory.htmlhttp:// www.valuebase dmanagement.net/methods_vroom_expectancy_theory.htm.

Lazzari, M., Alvarez, J.M. & Ruggieri, S. (2022). Predicting and explaining employee turnover intention. *Int J Data Sci Anal*, 14(1), 279-292. https://doi.org/10.1007/s41060-022-00329-w.

Martini, M., Gerosa, T., & Cavenago, D. (2022). How does employee development affect turnover intention? Exploring alternative relationships. *International Journal of Training and Development. 27*(1), 10.1111/ijtd.12282.

Muda, V., Opoku, O.A., Anim, J., & Opoku-Dadzie, I. (2022). The effect of job satisfaction on staff retention and attrition at GCB Bank PLC in Upper East Region of Ghana. *Journal of Corporate Finance Management and Banking System, 2*(4), 25-35. https://doi.org/10.55529/jcfmbs.24.25.35.

Mumtaz, R., Hasan, S.S. (2018). Determinants of employee turnover: a survey of employee intentions trend in urban societies of the region. *Business Economic Journal, 9*(2), 356-364. https://doi.org/10.4172/2151-6219.1000356.

Mushtaq, R. (2017). Flexible work time and turnover intention: a moderated mediation model of supervisor support and job involvement. Procedure of the Fifth International Conference. *Advances in Social Science, Economics and Management Study.* https://doi.org/10.15224/ 978-1-63248-133-7-71.

Nandi, V., Khan, S., Qureshi, M., & Ghias, S. (2020). Training and development, organizational commitment and turnover intentions in SMEs. *Market Forces. 15*(1), 24. https://doi.org/10.51153/mf.v15i2.457.

National Bureau of Statistics (2022). Review of the Nigerian accommodation and services sector. National Bureau of Statistics, available at: www.nigerianstat.gov.ng/pages/download/26 (accessed 4 October 2021).

Nwosu, B. (2016). A review of the hotel industry in Nigeria: Size, structure and issues. *Worldwide Hospitality and Tourism Themes, 8*(2), 117-133.

Osazefua, I.J. (2019). Operational efficiency and financial sustainability of listed manufacturing companies in Nigeria. *Journal of Accounting and Taxation 11*(1), 17-31.

Pepple, D.G., Akinsowon, P. & Oyelere, M. (2023). Employee commitment and turnover intention: perspectives from the Nigerian public sector. *Public Organization Review* 23, 739-757. https://doi.org/10.1007/s11115-021-00577-7.

Price JL. The Study of Turnover. US: Lowa State University Press;1977.

Radcliffe, B. (2023). The economics of labour mobility. Investopedia. https://www.investopedia.com/articles/economics/09/labor-mobility.asp. Accessed 15 August, 2024.

Rajan, D. (2021). Organization Structure and Management Practice Related Factors Causing Employee Turnover: An Empirical Study Among Nurses. *Eurasian Journal of Higher Education, 2*(3), 36-65. https://doi.org/10.31039/ejohe.2021.3.34.

Rajapakshe, W. (2021). Determinant Factors of Labor Turnover- A New Perspective. *Journal of Economics, Management and Trade, 27*(5), 19-35.

Redmond, B. (2010). Lesson 4: Expectancy theory: Is there a link between my effort and what I want? *The Pennsylvania State University Website*. Retrieved from https://cms.psu.edu"

Richardson, M. S. (1993). Work in people's lives: a location for counseling psychologists. *Journal of Counseling Psychology, 40*(4), 425-433.

Rosenfeld, R. (2003). Job mobility and career processes. *Annual Review of Sociology, 18*(1), 39-61. https://doi.org/10.1146/annurev.so.18.080192.000351.

Savickas, M.L., & Super, D. (1993). Can life stages and substages be identified in students? *Man and Work, 4*(1), 78-71.

Tsen, M. K., Gu, M., Tan, C. M., & Goh, S. K. (2021). Effect of Flexible Work Arrangements on Turnover Intention: Does Job Independence Matter? International *Journal of Sociology, 51*(6), 451–472. https://doi.org/10.1080/00207659.2021.1925409.

Woods, R.H. (1995). Managing hospitality human resources. East Lansing, MI: Educational Institute of the American Hotel and Motel Associations.

Work Institute, 2020 retention report, (Insights on 2019 Turnover Trends, Reasons, Costs & Recommendations) (2020). Available from: https://info.workinstitute.com/hubfs/2020%20Retention%20Report/Work%20Institutes%202020%20Retention%20Report.pdf.

## APPENDIX I: QUESTIONNAIRE

**Determinant of labour turnover intention**

Lead questions:

1. Are you likely to leave your current job for another one in the next 3 years? NO [ ] YES [ ].
2. Have you changed job in the last 5 years? NO [ ] YES [ ]

General questions: Indicate your rating of each of the following factors as it affects labour turnover in the hospitality industry. Note the following ratings: 1 = Strongly disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree.

| S/N | Employee performance/work environment factors | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | You consider your wage poor for your current job. | | | | | |
| 2 | You left your previous job because of poor wages. | | | | | |
| 3 | Your company's wage are smaller compared to other companies in the industry. | | | | | |
| 4 | You feel secure in your current job. | | | | | |
| 5 | You have a flexible work time rate. | | | | | |
| 6 | Your organization is concerned with your long-term welfare. | | | | | |
| 7 | You feel your employer treats you fairly. | | | | | |
| 8 | Your employer provides training and development | | | | | |