

Winona State University

OpenRiver

---

Leadership Education Capstones

Leadership Education - Graduate Studies

---

12-2019

## Business Leaders' Strategies for Addressing Employee Turnover and Promoting Stability

ke huang  
khuang13@winona.edu

Follow this and additional works at: <https://openriver.winona.edu/leadershipeducationcapstones>



Part of the [Educational Leadership Commons](#)

---

### Recommended Citation

huang, ke, "Business Leaders' Strategies for Addressing Employee Turnover and Promoting Stability" (2019). *Leadership Education Capstones*. 22.

<https://openriver.winona.edu/leadershipeducationcapstones/22>

This Capstone Paper is brought to you for free and open access by the Leadership Education - Graduate Studies at OpenRiver. It has been accepted for inclusion in Leadership Education Capstones by an authorized administrator of OpenRiver. For more information, please contact [klarson@winona.edu](mailto:klarson@winona.edu).

Business Leaders' Strategies for Addressing Employee Turnover and Promoting Stability

Ke Huang

Winona State University

Scholarship

Holmes Barbara

## **Introduction**

One of the major issues that business leaders face are high rates of employee turnover. From 2013 to 2017, the annual total separation rate increased by 38.1 to 43.0 across all industries (Bureau of Labor Statistics, 2018). This demonstrates that employee turnover is increasing over time in the United States. Turnover is problematic because it forces business leaders and managers to replace reliable and trained employees with new employees, which is a time-consuming process that is often quite costly. Out of all industries that deal with employee turnover, the hospitality industry is known for having one of the highest employee turnover rates across all industries (Kavanaugh, 2018). This is evidenced by the fact that the United States Bureau of Labor Statistics reported that the turnover rate for restaurants and accommodations was 73% in 2016 (McNamara, 2018).

The high rate of employee turnover within this industry is explained by a few factors. For one, seasonality leads to a higher turnover rate because many part-time employees are hired as seasonal workers during summer months, and these workers are often younger students who leave their restaurant positions to return to school in August and September (Navarra, 2018). The turnover rate may also be broken down by position, as roles involving performing counter service or working as the cashier had a turnover rate of 36%, which is much higher than the bar staff turnover rate of 25% or the managerial turnover rate of 23% (Navarra, 2018). Turnover is not something that is inherently inevitable to this industry however, and business leaders within the hospitality industry focus on implementing viable strategies to reduce turnover to a more manageable rate.

## **Problem Statement**

Despite the fact that there are many statistics on how industries such as the hospitality

industry have a high turnover rate, there are few solutions being implemented to reduce turnover to something more manageable. Many businesses within this industry end up spending an excess amount of money on training and employee replacement as a result of so many employees leaving these companies on an annual basis. Fast food restaurants such as McDonald's and Taco Bell are seeing an average turnover rate as high as 150%, which is the highest workforce turnover rate in 23 years (Premack, 2018). These businesses are in clear need of a strategy that could be implemented for reducing the turnover rate.

### **Significance Statement**

Turnover within the hospitality industry is a major preventable cost that causes substantially negative effect on the global economy. If business leaders and hospitality managers are better able to understand the nature of turnover, what motivates employees to leave a business and what could be done to prevent further incidents of turnover, will be a much more advantageous position to deal with this issue (Laureani & Antony, 2010). By examining issues such as employee attitudes towards benefits and compensation in addition to strategies on reducing interpersonal communication issues, business leaders will be able to reduce the turnover rate within the organization through applying efficient strategies (Carragher, 2011). This will produce an overall net change for business leaders and consumers alike as businesses will have fewer unnecessary costs and employees within the hospitality industry will have access to increased job security (Laureani & Antony, 2010). The research analyzed will also be applicable to other industries such as the healthcare industry. This is because many of the same core causes of turnover in hospitality also apply to healthcare as issues involving compensation and interpersonal communication issues and disputes exist within both industries (Waldman et al., 2010)

## **Problem Background**

Turnover is a difficult problem to measure, however, as turnover is not always necessarily a bad thing. For instance, the National Business Research Institute describes how “low turnover rates may have more problems than are first apparent, filled with employees who really want to leave but are unable to due to the economy” (2018). Still, turnover is always something that is costly to employers as it increases the real recruitment cost of replacing former employees through costs such as advertising, surveys, background checks, drugs screens, specialty testing, etc. Historically, the leisure and hospitality sector is an industry affected by turnover at a higher ratio compared to other industries. For instance, during 2001 to 2006, all industries averaged a 39.6% turnover rate while the hospitality industry saw a turnover rate as high as 74.6% (Bureau of Labor Statistics, 2018). There are a couple factors that explain this, with age and compensation being two of the major reasons. For example, from 2010 to 2012, around 30% of all fast food employees were ages 16 to 19 while 30.7% were ages 20-24 (Schmitt & Jones, 2013). Combined with the fact that the majority of these workers receive the federal minimum wage, this sector tends to have a naturally high turnover rate because these employees often look for better opportunities within higher-paying positions (Schmitt & Jones, 2013).

The reason why so many employees working in entry-level positions within the hospitality industry tend to leave is because of a lack of pay, an excess amount of internal conflict and a lack of opportunity for advancement (Iverson & Deery, 2007). Restaurant employees make a meager minimum wage that often forces them to rely on tips while being at the mercy of potentially mismanaged kitchens (Iverson & Deery, 2007). Once employees realize that it may not be possible to move up within the company and secure a management position, they may decide to leave in order to seek improved working conditions within another industry.

The cost of losing a single hourly employee within the restaurant industry costs a company around \$5,864, so restaurants need to do everything in their power to reduce turnover rate (McNamara, 2018). This will be accomplished by providing employees with a rewards system, establishing clear business goals and creating an effective training system. Restaurants that fail to do so will be burdened by preventable costs directly related to employee turnover. Iverson and Deery describe how excessive turnover "...dramatically increases costs and reduces the quality of service delivered..." so avoiding unnecessary turnover is crucial for the success of a business (4, 2007).

### **Purpose of the Study**

The purpose of this study is to explore strategies business leaders use to address employee turnover and promote stability.

### **Research Methodology**

The research methodology that will be used within the study will involve a meta-analysis of existing literature that has been published on the topic of employee turnover in the restaurant industry. The meta-analysis will be separated into three sections to independently address each of the research questions involving employee incentives, training processes, and the effects of long-term goal setting. The purpose of conducting the meta-analysis will be to extract valuable and worthwhile information from each study to create an overview of the most important bits of data. This will include a mix of quantitative and qualitative data depending on the studies being investigated.

### **Definition of Terms**

There are a few key terms that will be used frequently throughout the research in discussing the issue of the high turnover rate within the hospitality industry. The following words

will be defined:

**Concerted activity** – Activities that employees can engage in which are protected by freedom of association and the National Labor Relations Act (Griffith, 2015)

**Footfall** – A business metric used to monitor the number of people who frequent an establishment in a given period of time (Griffith, 2015)

**Seasonality** – A characteristic of a time series in which the data experiences regular and predictable changes that recur every calendar year (Investopedia, 2018)

**Turnover rate** – The percentage of employees leaving a company within a certain period of time (CriteriaCorp, 2018)

**Gig Economy** - A workforce market characterized by the prevalence of short term work as opposed to long-term, permanent jobs (Griffith, 2015)

### **Theoretical Perspective**

One of the more recent models on employee turnover was published in 2004 by Peterson, which is the Organizational Model of Employee Persistence. This model examines the effect of organizational practices on the rate of employee turnover using a human resource development perspective (Peterson, 2004). It breaks down the reasons that lead to a turnover decision into a few categories including initial intention, goals, commitment and satisfaction. For instance, the performance integration section includes both job performance and interactions with managers (Peterson, 2004). If employees feel as though job performance is lacking and they have unpleasant interactions with managers, then this will have a positive impact on the decision to leave the company. The same is true of the organizational integration section. Employees who have a poor social experience in the workplace in addition to unpleasant interactions with co-workers will be more likely to make the decision to leave the company (Peterson 2004, p. 219).

Peterson's model helps show how the single turnover decision is influenced by a series of factors which all build in to the employee's final decision.

Peterson's model is not entirely new in the sense that much of it is based off of an earlier model known as the *Longitudinal Model of Institutional Departure*. This is an academic model created by Tinto in 1987 which breaks down the departure decision into a few different steps and categories. Even though it was originally designed for use in academic institutions, it is still quite relevant to professional organizations. In regards to the model, individuals will enter into an institution with pre-entry attributes while developing goals and commitments (Tinto, 1987, p. 25). From there they will go through institutional experiences and personal/normative integration that will reshape their goals and commitments that will have a final effect on the outcome, or decision on whether or not they will depart from the organization. So at every step in the individual's journey, he or she will encounter a series positive or negative experiences that will be unconsciously totaled in their perception of the organization.

Another relevant theoretical model is the Meta-analytical *Model of Organizational Commitment*. This is a model from 1990 which examined the effect of personal traits, role-related characteristics, structural characteristics and work experiences on organizational commitment (Mathieu & Zajac, 1990). The model made a few important distinctions, such as the fact that personal traits such as education, company tenure, age and self-efficacy can all have an effect on commitment (Mathieu & Zajac, 1990). The researchers who built the model also noted that employees tend to commit to companies that are able to fulfill their need for growth and achievement (Mathieu & Zajac, 1990). This is important research that is relevant to the hospitality industry, as employees who feel unfilled in their work duties will seemingly be more likely to leave if they are not growing or achieving anything substantial.



## **Limitations of the Study**

Though much research is published on the topic of employee turnover, this study will be limited in the sense that not all relevant information about turnover reduction strategies will be available. For instance, some business leaders may prefer to keep turnover strategies confidential in order to protect their organization, which would mean these strategies could be examined within this study. There is also the fact that the study will be dealing with limited information in examining reasons for turnover, as only a limited number of employees go on to participate in research in which they reveal their motivations for leaving an organization. Therefore, an approach will be needed that considers what information will not be available so that the available information can be properly extrapolated to make up for this data deficiency.

## **Delimitations of the Study**

In terms of boundaries being placed on the study, the study will be focused on employee turnover within the United States over the past twenty years from 1998 to 2018. This will allow the research to be more focused and specific to a single geographical area such as, a specific city or business district, and time period than if it were to examine turnover within multiple regions in various years. The study will also focus on turnover within the legal marketplace as the black market is likely to have different operating rules when it comes to turnover and less data will be available for black market employees. Finally, the study will not be factoring in the effects of the freelance “gig x” in which contractors consistently shift through employers and are not expected to retain employment at a single location for a significant period of time.

## **Organization of the Study**

Chapter 1 introduces the problem of turnovers with employees in the business industry. The purpose statement of the study is as follows; turnovers stunt business growth and require

extra time and money to makeup for lost business. Chapter 1 also explored the purpose of the study, which is to conduct research that shows the significance of management to employee turnover. Then, a mention of important and relevant terms and definitions. Chapter 1 concludes with stating the limitations and delimitations; limiting factors are employee involvement, delimiting factors are the specifics within time and era and location that the study will take place. Chapter 2 is a literature review that analyzes the statistics of employee turnovers in American business. Through the several readings, it is concluded that management has a direct effect on turnovers in business. They show that if management behaves in a way that is restricting to the freedom of employees, the employees will respond negatively and ultimately, want to leave the company.

Chapter 3 discusses the survey results that will be collected to determine the working strategies that managers across businesses in Minnesota are currently using to reduce turnover. Four managers will be surveyed from Minnesota businesses to determine what sorts of strategies can be implemented in a variety of contexts to reduce turnover. The results of these surveys will then be further analyzed to determine if there is any sort of connecting theme between the surveys. It will also be important to analyze which strategies have not worked in reducing turnover to determine if any adjusts can be made to such strategies or if they should be eliminated altogether.

### **Implementation of Solutions**

There are a few questions that managers and owners can ask and follow up on to enact the necessary changes that will lead to a lower turnover rate. The first involves asking questions on how internal conflicts can be prevented, which often stem from employee dissatisfaction. A recent Accenture report found that the top four reasons that employees are unhappy is because

the employees do not like their boss, the employees do not feel empowered at work, there are issues with internal politics and there is a lack of recognition for employees who are good at their jobs (2013).

## **Chapter 2: Literature Review**

### **Introduction:**

This study will explore strategies business leaders use to address employee turnover and promote stability. The literature review analyzes, explores, and synthesizes the studies that are most relevant to the current research. Three sections comprise the literature review. Section one gives a historical perspective on employee turnover and impact on business stability. Section two provides an overview of a business leader's role in employee turnover. Section three explores the strategies a business leader may utilize to promote employee stability. A conclusion will summarize the information provided within the theoretical framework.

### **Historical Perspective of Employee Turnover and Business Stability**

Historically, employee turnover is a remaining problem in business and economic activity. This is a result of turnover being a dynamic problem that is always changing over time, similar to the way interest rates and inflation are factors that never stop evolving. Turnover is something that is directly tied to economic activity and economic stability, as there were significant fluctuations in turnover during periods of recession and depression starting with the Great Depression of the 1930's (Economic History Services, 2018). Modern turnover rates continue to present a challenge for employers because there exists a trade-off between a high and low turnover rate. If employees are constantly leaving a business, it is quite difficult for the business to achieve any sort of stability and work towards a long-term goal. However, if there are

zero employees leaving a business, this makes it more difficult to populate the business with new hires who might have valuable and unique skills that the current workforce lacks. Because of this, employers must have a knowledge of the cause of effect of turnovers so that there is a balance.

Employees choose the location they work in for several reasons, including location, economy, and the need for the employment (Huang, 2016). Hierarchical structures with perceived lack of pay advancement or title advancement can often spur high turnover rates in fields such as the law. Competition, as referenced earlier, is key to countermand natural market forces, but the threat of too high turnover can affect company morale and performance.

Turnover rate itself is not the most specific term because it does not refer to the quality of employees. Corporations that experience a high turnover rate of their best performers will often struggle while those that lose some of their lowest performers will perceive turnover to be a useful process. Therefore, it is better to measure high-performance turnover to determine the percentage of top performers that are leaving a firm. It has been demonstrated that “top performers contribute an average of 10 times more than average performers,” so this clearly indicates that employers should be concerned about this metric (Sullivan, 2018). There have been concentrated efforts in industrial sectors such as the Silicon Valley dedicated to finding and sustaining high workplace morale (Huang, 2016). Metrics such as time worked in the office are thought to have direct impacts on employee performance. Firms will always operate in their interests, and altering such metrics would in theory be the best for employees. With reduced workloads, firms can ensure higher productivity levels without having to increase margins between revenues and labor costs. Studies show that money and income is often the least important factors in departures by employees. 88% of the population of employees who leave

their job depart for reasons other than pay (Brown, 2015). Historical data indicates that the problem likely does not correlate between employees wanting more income and satisfaction or job performance (Brown, 2015).

Turnover naturally becomes a positive factor when removing poor performers within the firm. More often than not, turnover is required to replace poor performers who simply are a mismatch between the job and themselves. A variety of factors may play into these departures, as the workforce is constantly evolving with new targets and new needs. Often, with higher degrees of skill required for achievement required by the firm, educational standards and training become more important than ever before. The development of technology sees a massive generational gap between workers who are able to adapt - often of a younger profile, with adaptive motor skills as well as recent education - and those who are not (Brown, 2015). Future trends suggest that turnover will likely continue as often as business cycles continue to trend upward or downward, but competition will typically remain high.

Additionally, firms can examine their marginal performance turnover to examine the number of poor performers who are leaving a firm. An ideal firm would want their marginal performance turnover rate to be high and their high-performance turnover rate to be low to replace their least efficient employees with more effective employees. Historical trends have always indicated that turnover is very costly. As examined earlier, industrial sectors seem to be adapting to the trend by reducing employee dissatisfaction with their working conditions. The replacement of poor performers within a firm brings a “dead salary” component which can weigh down a firm’s budget (Hom, 2017). Many studies have indicated that the cost of replacing an employee is about three times the salary of the employee who is leaving, which accounts for the

recruitment of a new employee, severance of the employee who is leaving, lost productivity for the time spent searching for a replacement, and the loss of opportunity (Hom 2017).

Performance of industrial sectors is often the best historical data to examine and make claims from. The Silicon Valley area has become known for its high turnover, with opportunities abandon within the region. Competition between firms remains highest in this arena, with many transplants entering the workforce due to the reputation of the firms within the area. Studies indicate that more than 50% of employees recruited and hired to a firm will depart within two years, creating ongoing operational costs that can be avoided. 25% of employees within the Silicon Valley area have been found to leave within the first six months (Hom, 2017).

The departures during this timeline create a deadweight cost from the added responsibility to the firm as well as its employees to recover the labor that is lost. With an evolving workforce that requires change, firms will find it hard to replace high performance turnover more so than the poor performance turnovers. Studies indicate that firms often find difficulty in replacing employees, no matter their respective performance (Hom, 2017). More often than not, the study of attempting to curb employee turnover is a rather pointless one, as many firms will suffer departures even if their quality of life and work is as optimal as possible to employees.

Examining historical data from firms that are trained in turnover analysis yield interesting claims. There seems to be a very evident importance in how leaders play a role in limiting their employee turnover, but that will be analyzed in a later section. Training is the most cited example of how to improve employee turnover as it sets a clear set of expectations for employees and reinforces their value to a company. From a fiscal perspective, increasing investment in training and retention would come anyway from having to replace employees who depart from the firm.

Goals and objectives for the company are clarified to the employee, and they begin to have a better understanding of their position within the firm. Other strategies include monitoring to appendix training efforts, providing a feedback loop built into the workplace that allows employees to affirm their position and see where improvements are needed. Through implementing these coherent sets of work practices that exist to make employees have a more favorable work experience, organizational performance increases and turnover is lowered (Arthur, 1994) Expectations and communication are often the most cited skills of a top performing employee within a firm, and such a process would likely vet out the poor performers within the firm (Sun, 2017). By setting expectations for employees and providing the infrastructure to monitor and adhere to, it becomes a filter for the company to learn and observe the qualities and potential of replacements.

### **Business Leaders and Employee Turnover**

Business leaders play a tremendous role in having an effect on employee turnover as good leaders encourage employees and push them to succeed while poor leaders have a negative effect on employees that create a higher overall rate of turnover. The first step for leadership to take in reducing employee turnover is to admit some degree of fault. Studies show that complaints about their relationship with their supervisor or boss were the third highest reasons for voluntary departures (Sun, 2017). Employee turnover be cut immensely at large firms with a dedication from supervisors or bosses to engage more with their subordinates. Recent studies indicate that the growth of the philosophy of servant leadership, where those in supervisory roles puts the power within the company at the hands of the employees (Sun, 2017). Traditional leadership yields a focus on company health as well as efficiency.

Servant leadership is not the most effective way to lead a business. The leader, or the “servant”, shares and delegates power whilst handling employee needs and developing employee performance. Metrics from studies have already indicated that employee engagement is the most important of factors for retention (Sun, 2017). A commitment to unified success and personal growth therein supersedes old objectives, as it begins to shift accountability to follow the directives and training that they have been given. The main unit that studies analyze the servant leadership model through is the through subordinate-superior relationship within customer service related positions.

Studies suggest that servant leadership plays on human psychology to reduce the perceived negative relationship that may exist between the subordinate and the supervisor (Sun, 2017). With the perceived level of commitment of the supervisor to the employee rather than the company, the subordinate feels duty bound to return the obligation and perform to produce their best work. Differentiation is often key to attracting employees into a firm, outside of the typical factors of prestige, income or power within the firm (Zou, 2018).

A commitment to service leadership would differentiate firms from the typical model of putting the company first. Supervisors would shift their objectives from company performance towards brand perception, making the company a more enjoyable place to work at. Thus, a direct correlation exists wherein supervisors have a direct impact on employee turnover. The supervisor-subordinate relationship would seek to duplicate more servant leaders within the firm, creating a windfall of high performing employees. In essence, the procedure would filter down high performance turnover while marginal or poor performance would likely remain unchanged.

Productivity per worker is a consideration for supervisors, as they seek to hire as many productive workers as possible while minimizing labor costs. The brand of the company



improves as the relationship between the supervisor and the subordinate is modeled for success. Latent stress levels from the employee has a drastic effect on their life outside of work (Zou, 2018). The social support network of the supervisor as well as colleagues within the office is studied to enrich the family life of an employee.

One of the variables that plays a role in leader-employee relations is vertical dyadic linkage (Dansereau, Graen & Haga, 1975). This variable measures the frequency of communicative exchanges between employees and leaders. Graen et al. found that the vertical dyad linkage (VDL) level is strongly correlated with the resignation of an employee, with more frequent exchanges and a higher VDL being correlated with a lower chance of turnover (1973). According to Graen and Ginsburgh, “This relationship was so strong that it appeared that leaders at some point completely ceased sending relevant communication to those members who subsequently resigned...” (Graen & Haga, 23)

What this indicates is that VDL level seems to predict employee turnover because the cessation of frequent exchanges between leaders and their employees often leads to employee resignation. Graen and Ginsburgh extended this idea by creating a model in which factors such as “leader attention, sensitivity, support, reward, and satisfaction with leader relations” all determine the overall VDL level (1977). If an employee perceives have an inadequate level of attachment, they will have lower levels of these variables and their VDL level will decrease. The overall attachment to work will then decrease and employee’s will have a higher tendency to resign.

VDL also ties in to leader member exchange (LMX) and the emotional intelligence of leaders (Jordan & Troth, 2011). This is a result of data indicating that leaders who are able to encourage more emotionally intelligent responses in employees are able to facilitate better

exchanges and improving the overall attitude of employees (Jordan & Troth, 2011). Leaders who are charismatic and more emotionally intelligent can use these skills to increase employee morale, cultivate a more transformational style of leadership, and reduce instances of turnover (Jordan & Troth, 2011). Emotional intelligence in leadership has thought to be a by-product of the self-awareness of leaders, as Sosik and Megerian produced a 1999 study which found that “correlations between emotional intelligence aspects, leader behavior, and performance varied as a function of self-awareness of managers” (p. 367). Therefore, leaders who are more self-aware are in turn more emotionally intelligent, and this emotional intelligence can help produce employment stability.

### **Leadership Strategies to Promote Employee Stability**

To understand the way in which employee stability is manifested, it is necessary to review the factors that affect it. This is something Porter et al. examine by arguing that organizational commitment is a result of “a strong desire to remain a part of the organization, a willingness to exert high levels of effort on behalf of the organization, and a definite belief in and acceptance of the values and goals of the organization” (1976). Therefore, organizations with leaders that fail to cultivate these feelings in their employees will inevitably experience higher levels of turnover if the employees are unwilling to commit to the organization.

The stance of response that a company take in response to the trend of employee turnover ultimately dictates how it will go about “fixing” the issue. The current normative social behavior is to keep the workplace professional, and to remove the stressors or isolate the problems that an employee may have that prevent them from being productive (Duhigg 2016). These inputs that companies have adopted range from free transportation in urban centers, childcare centers on campus, places to sleep and transforming the workplace into a second home (Duhigg 2016).

Much like a controlled experiment, firms have been working to eliminate any variables that can affect company performance. Perceived comfort and work-life balance have been known to be high on the priority list of most employees who apply to firms (Duhigg 2016).

Another strategy involves the use of reward and recognition. Ramlall conducted a series of surveys in 2003 to study factors affecting employee turnover and found that “The three forms of recognition and reward most frequently cited by the respondents were verbal praise from supervisors and other leaders, salary increases, and gift certificates” (p. 67). These rewards corresponded with employee performance and were given out by managers in an attempt to please the employees. Ramlall measured their satisfaction with these rewards and recognition and found that their satisfaction measured between neutral and satisfied (2003, p. 67). More specifically, the mean score of the respondents was 3.53 with a three indicating a neutral response and a four indicating a satisfied response.

Other respondents from Ramlall’s study spoke about a flexible work schedule being something that could specifically be implemented as a strategy to reduce employee turnover (2003, p. 67). This is something that has been studied in experiments such as Dalton and Mesch’s 1990 study on the effects of a flexible-scheduling program on absenteeism and turnover. The authors’ results indicated that there were “gross reductions in employee absenteeism after the flexible-scheduling intervention for the experimental group, while no such changes were evident in the control group” (Dalton & Mesch, 1990, p. 370). The reason this is effective is that it gives employees more power to distribute their schedule and working hours over the course of the day to be more convenient to their wants and needs. Dalton and Mesch state that the goal of a flexible work schedule is to “allow employees maximum latitude in scheduling their hours” (1990, p. 371).

Flexible scheduling falls under the umbrella of work-family policies that help employees to have a more balanced work and family life, which in turn is thought to increase their workplace satisfaction and reduce the risk of turnover. Batt and Valcour examined some of these work-family policies in their 2003 study such as “referral and financial resources for child and elder care, on-site child care, family leave, and flexible scheduling and work arrangements” (p. 190). The reason many of these employees end up retaining their jobs and experience an increase in work satisfaction is because these human resource systems “shape desired employee behaviors and attitudes by forging psychological links between organizational and employee goals” (Arthur, 1994). Effective human resource practices allow employees to work better effective communication.

### **Theoretical Framework**

One of the more recent models on employee turnover was published in 2004 by Peterson, which is the Organizational Model of Employee Persistence. This model examines the effect of organizational practices on the rate of employee turnover using a human resource development perspective (Peterson, 2004). It breaks down the reasons that lead to a turnover decision into a few categories including initial intention, goals, commitment and satisfaction. For instance, the performance integration section includes both job performance and interactions with managers (Peterson, 2004). If employees feel as though their job performance is lacking and have unpleasant interactions with managers, then this will have a positive impact on the decision to leave the company. The same is true of the organizational integration section. Employees who have a poor social experience in their workplace in addition to unpleasant interactions with co-workers will be more likely to make the decision to leave the company (Peterson 2004).

Peterson's model helps show how the single turnover decision is influenced by a series of factors which all build in to the employee's final decision.

Peterson's model is not entirely new in the sense that much of it is based off of an earlier model known as the Longitudinal Model of Institutional Departure. This is an academic model created by Tinto in 1987 which breaks down the departure decision into a few different steps and categories. Even though it was originally designed for use in academic institutions, it is still quite relevant to professional organizations. According to the model, individuals will enter into an institution with pre-entry attributes while developing goals and commitments (Tinto, 1987). From there they will go through institutional experiences and personal/normative integration that will reshape their goals and commitments that will have a final effect on the outcome, or decision on whether or not they will depart from the organization. So at every step in the individual's journey, they will encounter a series positive or negative experiences that will be unconsciously totaled in their perception of the organization.

Another relevant theoretical model is the Meta-analytical Model of Organizational Commitment. This is a model from 1990 which examined the effect of personal traits, role-related characteristics, structural characteristics and work experiences on organizational commitment (Mathieu & Zajac, 1990). The model made a few important distinctions, such as the fact that personal traits such as education, company tenure, age and self-efficacy can all have an effect on commitment (Mathieu & Zajac, 1990). The researchers who built the model also noted that employees tend to commit to companies that are able to fulfill their need for growth and achievement (Mathieu & Zajac, 1990). This is important research that is relevant to the hospitality industry, as employees who feel unfilled in their work duties will seemingly be more likely to leave if they are not growing or achieving anything substantial.

## Summary

In summary, business leaders play a substantial role in determining employee turnover. It must be acknowledged that it would be decidedly difficult to minimize employee turnover because circumstance may force voluntary or involuntary departures from a firm. Nonetheless, modular recommendations can be made towards how companies currently control for employee turnover. The process is largely ineffective, as most employers continue to forego an employee-based model for the holistic needs of the company.

Employee turnover is affected by the nature of the leader and the leader's ability to demonstrate emotional intelligence. Leaders who are more self-aware have higher levels of emotional intelligence, which are used to bring out better exchanges better employees that over time can reduce instances of turnover. A commitment from leaders to bettering relationships with subordinates goes quite a long way to improving the morale of the company. With improved morale as well as lowered levels of stress, supervisors may notice an improved performance from their subordinates. Companies are embracing these models of leadership to reinvent how they prevent employee turnover. Improvements to the quality of life at work along with identifying the qualities of the most productive workers likely will improve. In terms of specific strategies, leaders implement rewards and recognition to help foster employee commitment.

Performing actions such as praising employees, providing them regularly expected raises, and compensating them in other forms all work towards reducing turnover by increasing employee satisfaction. Additionally, flexible work schedules motivate employees to retain their position as the benefits of flexible work allow employees more balanced family lives.

## Chapter 3

### Survey Questions

Providing survey questions to representatives of several Minnesota industries can help to extract information about techniques to reduce turnover that would normally be inaccessible to a research team. Surveys offer the advantage of being convenient to answer for the managers, but there are some disadvantages to this method as well. For instance, follow-up questions cannot be asked when distributing a survey and the survey is less interactive compared to an in-person interview. However, o This is especially true if they feel as though they are being monitored by their companies during an in-person interview and would be motivated to distort their answers in order to please their employers. Surveys help to eliminate this problem and the anonymous nature of the results means that the managers can be free to praise and critique as much of their company's turnover techniques as they would like.

In designing the survey, it was important to consider how a manager might approach the issue of turnover and what questions they are asking on a regular basis. The decisions that lead to an employee's decision to leave an organization are ultimately issues that tie into internal conflict, so managers need to ask questions such as:

- What can be done to improve employee-management relations if the employees are unhappy with the managers?
- How can employees better be recognized for their work and empowered on the job?
- What can be done to resolve internal politics in a more constructive and beneficial manner?

- What issues might be perceived to be benign and irrelevant to managers but important and relevant to employees?

Additionally, business leaders can start to ask questions about a potential rewards system to incentivize employees to stay on the job. This might involve asking:

- What type of reward system can be implemented that brings value to both the company and employee?
- How can employees be motivated to work harder for both the customer and themselves?
- What are the most cost-effective incentive systems that could be implemented that also help to reduce turnover?
- Are all corporate positions able to be integrated into an incentives system?

Finally, managers need to question their existing training system to determine if there is some kind of underlying flaw that is producing employees who experience the same issues without them being resolved during the training process.

### **Research Design**

The research design selected for this field project is the use of data collection and survey research. Surveys allow for a wide array of data to be collected from a remote location while also being scalable and modifiable. For instance, a follow-up study could be performed by distributing the same survey used in this study to a greater number of managers. The survey could also be modified to be distributed to employees. Additionally, survey research will be used to show the role management and ownership has on employee turnover. This will be linked to external data describing the turnover rate of each of the four companies and how poor and



successful management and ownership practices can lead to an increase and decrease in employee turnover.

The survey research will have four groups consisting of managerial representatives from four Minnesota industries. This will include managers from the four largest businesses in Minnesota ranging from 150,000 to 323,000 employees (Kolmar, 2019, para. 3). Considering the size of these companies, it is likely that only examining one manager from each company will mean that an accurate sample size of the company's practices may not be evaluated. This is especially true given the fact that each company location may differ in terms of management practices and each company also has different types of internal teams that utilize different management styles and techniques. For instance, Cargill has products and services ranging from beauty to transportation, pharmaceutical, agriculture, and risk management. A manager working in one of these areas of specialization will likely have an experience that is far different from another manager even though both are under the umbrella of a single corporation.

In terms of the design, the survey was created to cover as many different areas that affect turnover as possible. This was done to ensure that managers can provide comprehensive answers about their experience. The process of conducting the survey is relatively simple as it involves a design phase, a distribution phase, and a collection and analysis phase. The study will then conclude by taking note of the results and determining what similarities and differences exist between the management styles.

This research design will contain the following characteristics:

- Time limitations; the survey will be distributed within a two-month period. Specifically, the months of February and March.

- Location limitations; the data will be collected only from Minnesota businesses and will be gathered remotely and inputted into a single workstation.

### **Rationale for Research Design**

Survey and data collection are the best design for the study as they hold stronger advantages to how the study concludes the relationship between variable changes within research groups. The results of a true experimental design are statistically analyzed so there is fact-based information that cannot be altered or denied. Because the research is experimental, other researchers and studies can replicate the study easily. Based on the groups within this study, it is easy to have a variable change (having one group's schedule changed). Also, cause and effect of a hypothesis can be derived so that researchers can again analyze the details of the study.

### **Research Questions**

The following research questions will provide guidance for this research project:

What role does leadership play in regard to turnovers in the workforce?

Does amount of time working for the business affect the employee's turnover rate?

Is workplace freedom (the ability to choose a schedule, have say in changes, etc.) something that is of true value to employees

Does work availability (part-time, full-time) affect turnover rate?

### **Research Setting**

The research study will be conducted online after four managers involved in running Minnesota businesses are identified. An online setting is preferable because it will remove the time and resource constraints that may come with a traditional in-person interview setting. Given the busy schedule of many of these managers, it is considerably easier to ask them to fill out an online survey in their own time than to have them come to a physical location. After the surveys

are distributed, the managers will be told that they have one week to complete and return the survey via email. Once the email results are collected, the surveys will be encrypted on a single workstation so that the data is protected. This will also help to prevent unnecessary changes to the data.

### **Research Sample**

The research sample consists of management employees from four businesses. Each of the management employees have been employed in their respective businesses for at least one year. Due to the role leadership plays in this company, almost all management positions require full-time schedules. All employees agreed to be part of research of employee satisfaction through the company. Each manager also agreed to refrain from providing confidential information that could risk harming their companies. To maintain an even, anonymous, and genuine research study, the managers were asked to not discuss the standards required from the survey. The survey was not mandatory and managers who chose to opt out were not included in the study. Additionally, each of the managers were chosen from business locations within the city of Minneapolis. This was done to create consistency across each of the four companies.

Although identifying information will not be included within the study, some basic demographic information regarding the managers will be included to provide a better picture of their background, experience and qualifications. The ages of the managers were initially collected but were ultimately left out of the study as to protect the privacy of the participants. First, the manager of Target is a woman who had previously worked for the company for seven years as a guest service team member as well as a sales floor team member. Through showing excellence in her work effort as well as a dedication to learn multiple positions, this employee was able to apply for an internal management position after a previous manager at her store

retired. She has currently worked in management for two years and her official job title is “Executive Team Leader.” In addition to performing standard employee management duties, she also helps in assisting with operations like sales, payroll, and performance management.

The next manager that was surveyed is a woman working at UnitedHealth Group. She has been employed in management for five years and prior to this worked in both administrative and clerical duties and also worked as an RN for several years after obtaining a four-year degree. Her official job title is “Project Manager” and much of her work is done remotely through conference calls in which she speaks with and organizes projects with team members across the country. Given this remote nature of her work, the way in which she approaches turnover could be considered different compared to the other employees because she does not have many face-to-face interactions with her team. As a result, this has presented a few challenges in keeping employees motivated and team-oriented while communicating with them primarily through an electronic medium.

The third manager is a man working at Country Inns & Suites. Like the previous managers, this manager had also acquired previous experience in their industry and also earned an education by pursuing a hospitality degree. This manager’s career path differed though because he previously worked as a staff member at a Hilton and Westin location before applying for the title of “General Manager” at a Minneapolis Country Inns & Suites. He has now been working in this position for three years and has several responsibilities including supervising and recruiting staff members, balancing the hotel budget, taking care of maintenance planning, dealing with customer inquiries, marketing the hotel, etc. This position has some similarities with the Target management position because the turnover rate for the hospitality and retail sales business tend to be a bit higher compared to other industries. This is often a result of the fact that

many of the positions are low-wage hourly positions filled by college students or employees without a degree.

The last manager is a man with the title of “Sales Operations Manager” who is currently working at Cargill in Minneapolis. He has been with Cargill for the past ten years with his previous work experience coming from working in sales positions at GM and Ford. Management positions at Cargill tend to vary because of the many industries that this company is involved in, but this specific manager is currently working in the agricultural supply chain division of the company. This means that his duties involve managing the business connections between production companies and consumers of grains and oilseeds. He is involved in overseeing the trading and distribution of these products and also occasionally takes on risk management tasks by performing quantitative risk analyses on farm services. Compared to the other four managers, this manager likely does the most traveling and often travels to and from farm locations to oversee grain production facilities. In terms of turnover, he has to balance both internal employee turnover as well as external turnover by maintaining the previous contracts that he has formed with farmers.

### **Role of the Researcher**

For this study, the researcher should maintain an unbiased and professional tone. The researcher will not personally know the status of each manager within the stores so that their conclusion is not altered or bias. The researcher must acknowledge that participation is entirely voluntary. Neither parties will accept monetary compensation or compensation in the form of discounts and goods. Both the researcher and the scheduling managers will not discuss the survey or the study to any employee. Moreover, the researcher and scheduling managers will not

discuss the survey or the study outside the initial conversation to start the project. The only time it will be appropriate to discuss the study is during the conclusion of the research project.

Some of the ethical concerns that the researcher has to consider when conducting survey research involve maintaining a respect for persons, minimizing risks to participants, selecting from groups that could benefit from the research, and respecting the communities that the participants are selected from. In this case, this means that the researcher should maintain a respectful and positive attitude when interacting with the participants and should spend time considering the ways in which harm to the participants could be reduced. Although there is essentially no physical harm that the participants face, there is some risk of harm if the participants choose to criticize their employers and the results of the study are leaked to them.

Therefore, proper precautions need to be taken so that the participants can be assured that their involvement is completely anonymous and that they will not be specifically identified through the study. The results of the study should also help to benefit the participants because the conclusions and recommendations will synthesize the data obtained from the participants to reveal new insights about employee turnover that could not be identified from single responses. Finally, the “communities” or the organizations that the managers are representing will be respected as the study will avoid making unnecessary criticisms about each business and will only make objective and fact-based statements about the business structure or practices of each organization.

### **Process and Data Collection**

To ensure that an accurate representation of Minnesota businesses is included within the survey results, four of the largest employers within Minnesota were chosen to be included in this survey. This includes Target, UnitedHealth Group, Country Inns & Suites, and Cargill. Each of

these businesses also represents a unique industry including retail sales, healthcare, hospitality, and agriculture. The initial process of data collection will involve phone calls made to several of the aforementioned locations to find managers that will willing to complete the survey. Once these managers are found, initial contact information will be acquired including the manager's store location, job title, previous experience, and email address. The managers will be thanked for their participation and should be told that the surveys will be distributed to them within two weeks via email.

During the process of finding the managers, the survey will need to be created so that it reaches anonymity and standards goals. The survey will be electronically distributed and completed so that data is easily and quickly retrieved. It will be taken on a computer. More specifically, the survey will only be distributed and can only be taken on password protected computers. This ensures that the survey answers will not be altered in anyway. The survey will be taken in private and no other employee may be in the vicinity or able to view the survey while another employee is answering questions.

For the duration of this process, the researcher will not have any contact with possible participants and then true participants of this study. The data will then be collected in the form of spreadsheets and then transferred to a graph so that the information is easily readable. The spreadsheets will contain the employee ID number, long-term or short-term employee, and whether they are full-time or part-time. The scheduling managers will be responsible to track the number of employees who have quit in the duration of the two months. They will then list the employee as 'Quit' and that is all. It is the responsibility of the researcher to convert the information and make conclusions based off of it.

## **Instrumentation**

The instrumentation process will consist of a single data sample collected from four managers. The goal of this will be to question the managers regarding how the strategies they use can reduce employee turn-over in areas such as internal communication, employee training, supervisor encouragement, employee recognition, etc. The survey will proceed as follows:

### **Manager Survey**

*Please complete the following survey about the strategies you use to reduce employee turn-over and email this back to me. Your expertise is highly valued and greatly appreciated.*

*The survey items are derived from current research. I am interested in which practices you use, their effectiveness, and any recommendations. If you do not utilize a particular strategy, please note that in Additional Comments. The intended outcome of my research is to develop helpful guidelines for employers and management.*

#### **FOR THE MANAGEMENT:**

1. Internal Communication with Employees.
2. Employee Training
3. Encouragement from Supervisors
4. Employee Recognition / Reward
5. Positive Workplace Social Experiences
6. Opportunities for Work and Personal Life Balance
7. Employee Input About the Work Schedule
8. Other Strategies Used to Reduce Employee Turn-Over

The survey will conclude with a thank you to the manager and a notice that no further action is needed. These areas of interest are simple and to the point. They gather only what the researcher



needs so that the research study can be properly conducted. The statements the managers are asked to fill out also rely on the provision of factual information rather than conjecture or analysis. It is the role of the researcher to synthesize the data and form these conclusions so the participants were only asked to provide observations and factual statements rather than hypotheses and suppositions.

## Chapter 4

### *Insert introduction*

**Table 1: Internal Communication with Employees**

PARTICIPANT	STRATEGIES	DETAILS/EXAMPLES	COMMENTS
1	Professional tone	Employees are spoken to in a professional tone of voice to make them feel respected as equals.	This is also done for new hires so they do not feel alienated and understand that they are in a formal employment scenario.
	Limited External Communication	Managers are discouraged from using external communications with employees for anything other than business-related communications.	Managers are told to refrain from forming inappropriate relationships with employees so any communication outside of work is kept professional.
2	Clear Communication Encouraged	Employees are trained to communicate in a clear and concise manner to avoid misunderstandings and mistakes.	Many issues within a workplace can be prevented using clear communication and employees are encouraged to ask questions when they are unsure of something.
	Clarification	Employees are trained to ask for clarification	It has been found that a large percentage of

		on things they might not understand such as work responsibilities or unclear handwriting.	medical errors are due to problems with a lack of clarification on issues like physician handwriting, so our employees are trained to ask for clarification to clear up any issues with this.
3	Open Discussion of Issues	Employees are told to discuss any issues they may have with managers before the issues are allowed to balloon up and become more problematic.	Open communication creates a healthier work environment and allows employees to deal with issues before they get out of control.
4	Open Communications	Managers often work to create an atmosphere of open communication where employees do not feel threatened to speak out on perceived workplace issues.	This has helped create several positive changes regarding the display of merchandise as well as on holiday work hours.

**Discussion:**

Every participant emphasized the importance of effective internal communication. Collectively, the strategies focused on clear and open professional communication.

Participant 1 uses a professional tone with employees, and limits communication to only business-related issues. The manager spoke about how setting a professional tone can quite literally set the tone of the work environment and will let the employee know that they are in a formal and professional setting. This manager also noted employee feedback allows staff to speak their mind about the training processes. The company can then make improvements based on their recommendations. If the employees are allowed to give input, then this makes them feel more valued as team members and reduces their odds of turnover.

Participant 2 utilizes two strategies for internal communication category: encouraging the use of clear communication, and stressing the importance of clarification. For instance, the manager reported that many misunderstandings and mistakes can be avoided by training the employees to communicate in a clear and concise manner. If vague communication is used, then this leads to an increased chance of a problem occurring which could potentially lead to some tension between the employee and the organization. However, if the employees are trained in communicating as clearly and precisely as possible, then this greatly reduces the chance of a communication issue occurring.

Participant 3 reported that one of the strategies they used involved the open discussion of issues. Employees are encouraged to discuss any issues or disputes they may be experiencing so that the manager can attempt to help them solve the issue before it becomes more problematic. By addressing the issues early, they can be quickly dealt with and this creates a healthier overall work environment in which employees are not discouraged from speaking up about problems they are facing. If problems feel as though they will be ignored and will not be listened to, this may increase the likelihood of turnover.

Participant 4 noted how using open communications is important to creating an environment in which employees do not feel threatened to speak out on perceived workplace issues. This strategy has helped create a few positive changes in which things such as holiday work hours have been modified as a result of employee feedback. Environments in which employees do feel intimidated to speak out are often quite hostile and may encourage employees to eventually leave the organization if they feel as though their managers and co-workers are constantly creating tension with them. These environments may often be a product of a passive aggressive

communication style that can be avoided by using a more open and direct style of communication.

**Table 2: Employee Training**

PARTICIPANT	STRATEGIES	DETAILS/EXAMPLES	COMMENTS
1	Employee Feedback	Employee feedback is valued during training to improve the training processes and to allow the employees feel as though their voices can make an impact.	Several changes have been made to both training and general store processes as a result of employee feedback during and after training.
2	Continual Training	Employees are given continual training throughout their employment regarding new company policies and products.	By providing continual training, employees often feel that they are getting something of value by committing to the organization and can avoid stagnation.
3	Employee Input on Training	Current employees are encouraged to give feedback on training methods for new employees to facilitate the creation of a better training system.	This makes the employees feel more involved and in control of their environment which can reduce turnover.
4	All-Encompassing Training	Training for new employees teaches them about all aspects of the business and does not just limit their training to the position they will be working.	Showing employees what managers and corporate employees do helps to keep them out of the dark and allows them to understand the business to a greater degree.

**Discussion:**

Every participant provides employee training. Collectively, the strategies focus on continual, all-encompassing training as well as employee input/feedback.

Participant 1 mentioned that positive feedback is regularly used. By encouraging managers to compliment employees when they exceed expectations, this creates a positive incentive for employees to continue to demonstrate competence. Not only that, but employees who receive such feedback may be less likely to leave the company if they feel as though their actions and efforts are being acknowledged.

Participant 2 said employees are provided continual training throughout their employment. This ensures that the employees are constantly learning about new company policies, products, and procedures and makes them feel as if they are learning new skills by staying employed. It is often the case that employees may feel as though their careers are stagnating if they stay with an organization long-term and do not improve any of their competencies.

Participant 3 reported that employee input on training is used to facilitate a better training system. This ties into the open discussion of issues strategy because it involves making the employees feel more in control of their environment and more involved in it. Employees who make good suggestions that are used to modify the training program are rewarded with praise and feel like they are making a positive difference within their organizations.

Participant 4 mentioned employees are often given an all-encompassing training program in which they are taught key skills in other areas of the business that they might not be directly involved in. This helps to ensure that they are more informed about the business and keeps them out of the dark regarding some of the business practices. Not only this, but it teaches the employees that the organization cares about them and trusts them to be involved with multiple disciplines. Although this area alone might not be able to prevent turnover, the combination of this and several other strategies may help to reduce turnover levels.

**Table 3: Encouragement from Supervisors**

PARTICIPANT	SPECIFIC STRATEGIES USED	DETAILS/EXAMPLES	ADDITIONAL COMMENTS (e.g., impact, recommendations)
1	Positive Feedback	Managers are encouraged to provide positive feedback by complimenting employees when they are exceeding expectations in their work and are regularly demonstrating competence.	Employees need to feel as if they matter and by providing them positive feedback, this acts as a form of encouragement that can reduce their likelihood of resignation.
2	Positive Feedback	If an employee exceeds a customer satisfaction goal or shows signs of improvement, supervisors will provide them positive feedback.	Positive feedback helps employees to feel accomplished and appreciated.
3	Managers are Told to Provide Positive Encouragement	Employees who are doing well in meeting and exceeding their goals are provided encouragement by management to continue doing a good job.	Positive encouragement makes employees feel better about themselves and their position in the company which can lower the rate of turnover.
4	Regular Use of Encouragement	Supervisors regularly encourage employees to do a good job by stressing goals and complimenting employees who meet those goals.	Compliments help employees feel appreciated and more integrated into the business.

**Discussion:**

Regarding encouragement from supervisors, the manager wrote that positive feedback is used to encourage employees who have shown signs of improvement. This helps the employees to feel appreciated and accomplished and also tells them that their employers recognize the work they have been putting in. If employees' work efforts are gone unnoticed, this may increase their odds of turnover because they might start to feel unappreciated for their hard work.

**Table 4: Employee Recognition / Reward**

PARTICIPANT	SPECIFIC STRATEGIES USED	DETAILS/EXAMPLES	ADDITIONAL COMMENTS (e.g., impact, recommendations)
1	Employee of the Month Program	Each month, one employee is chosen as the "Employee of the Month" and is given a special reward along with a small monetary bonus.	This strategy is similar to positive feedback in that employees who are rewarded for doing well will feel appreciated and will be less likely to leave.
2	Annual Employee Awards	The company hosts an annual awards program in which employees are recognized for outstanding achievement in areas like customer satisfaction or competency.	Recognizing these employees helps them to feel appreciated rather than having their talents go unrecognized.
3	Employee of the Month Program	An employee who does exceptionally well is rewarded as the Employee of the Month and is given a small bonus.	This is an incentive program that encourages employees to work harder and tells them

			that we appreciate their effort.
4	Employee of the Month Program	Employees who are able to exceed expectations over the course of a month are awarded with the “Employee of the Month” title.	The title usually shifts to a new employee each month but employees who demonstrate extraordinary effort over several months can win multiple titles.

**Discussion:**

The next category is employee recognition, and the manager reported that their company makes use of an employee of the month program that comes with a small monetary bonus. Just like positive feedback, this helps to reward employees who are doing well, makes them feel more appreciated, and discourages them from leaving early. Financial bonuses are especially powerful motivators, so if employees have something to work towards each month, this will give them more reason to remain with the company.

**Table 5: Positive Workplace Social Experiences**

PARTICIPANT	SPECIFIC STRATEGIES USED	DETAILS/EXAMPLES	ADDITIONAL COMMENTS (e.g., impact, recommendations)
1	Annual Events	Each year the store hosts an employee-only Christmas party to celebrate completing a busy holiday season and to reward the employees for their hard work.	This event allows the employees to socialize while also reviewing the work they’ve done throughout the year. It is not mandatory but most employees end up attending.



2	Monthly Lunches	Each month various teams will get together on a lunch outing to facilitate positive communication and the development of strong social relationships.	Employees don't always have the opportunity to build these relationships at work so ensuring they are communicating in this manner allows them to get to know each other on a more personal level.
3	Annual Events	The company hosts annual events such as Halloween and Christmas parties that employees are invited to so they can socialize and form stronger relationships.	This has helped to create a work environment with stronger social ties and employees are less likely to turnover when they realize how many friends they've made at work.
4	Social Relationships Encouraged	Employees are encouraged to form social relationships with one another to feel as though they are more integrated with the business and part of a family.	As a result of this, employees are more connected with one another and the urge to turnover is lowered because they feel more attached to the organization.

**Discussion:**

The next category involves positive workplace social experiences and the manager described how Target hosts annual events to reward the employees for their hard work. For instance, the store hosts an employee-only Christmas party to celebrate the end of a laborious holiday season. Hosting these events is important because it helps to strengthen the social fabric

of the company and also acts as an incentive that employees can look forward to at the end of each year. If they worked harder than ever during the holidays and then had nothing to look forward to, this may increase their odds of turnover.

**Table 6: Opportunities for Work and Personal Life Balance**

PARTICIPANT	SPECIFIC STRATEGIES USED	DETAILS/EXAMPLES	ADDITIONAL COMMENTS (e.g., impact, recommendations)
1	Employees Given Option to Switch Shifts	If an employee wants to have a Friday night shift off, they could choose to exchange their shift with another employee as long as the two employees have the same job title.	Providing this flexibility allows employees to optimize their schedules around their personal lives and reduces the chances they will leave based on a lack of personal life balance.
2	Flexible Scheduling	Employees who agree to work while being “on-call” can choose to modify their work hours with approval from management.	Having this type of scheduling reduces turnover because employees do not have to sacrifice part of their personal lives to come to work.
3	Flexible Work Schedule	Employees are provided the opportunity to design a flexible work schedule if they have other obligations they need to attend to.	We employ many students and parents with busy schedules so providing flexible schedules helps reduce the turnover rate for these employees.
4	Ample Sick Days Provided	Management has recognized the need to	Turnover has greatly decreased since the

		provide sick days as a result of previous employees having been dismissed after calling in sick and being unable to find a replacement.	sick day program was implemented for new and existing employees.
--	--	---	--

**Discussion:**

The manager also described the methods in place to institute work and personal life balance, one of which involves giving employees the option to switch shifts. This means that employees of the same rank can agree to switch shifts with one another to optimize their schedules and increase flexibility. Without this system in place, the employees would be stuck within their schedules and could not take time off if they needed to attend an important life event.

**Table 7: Employee Input About the Work Schedule (flexible schedule)**

<b>PARTICIPANT</b>	<b>SPECIFIC STRATEGIES USED</b>	<b>DETAILS/EXAMPLES</b>	<b>ADDITIONAL COMMENTS (e.g., impact, recommendations)</b>
1	Employee Input Encouraged	Employee input regarding schedules is encouraged and managers consider the requests of employees when putting together the schedules.	Employees who have their schedule requests met often report higher job satisfaction, which is something that can help to reduce turnover.
2	Flexible Scheduling	Employees are allowed to make requests regarding their schedules that	Employees who are allowed to modify their schedule are generally happier

		managers will use and adjust based on seniority.	and stick around longer because they do not have to give something up to work here.
3	N/A (Same as #6)		
4	Flexible Scheduling Program	Employees help provide input about their ideal schedule and are also allowed to trade shifts with other employees.	Employees are not always granted the schedule they requested, but the fact that they can trade schedules with other employees ensures that there are multiple strategies they can use to develop a schedule that works for them.

**Discussion:**

After this, the manager recorded their answers about employee input for the work schedule. They wrote that employees are encouraged to speak with their managers to inform them about the optimal schedule they would want to follow, and the manager can consider these requests when forming the schedule. The manager stated that the employees who often have these requests met end up reporting higher job satisfaction and are less likely to turnover. This makes sense because job flexibility is a major part of being content and happy on the job, and if employees feel like they are forced to work a schedule that prevents them from working on important tasks in their life, they may be more likely to seek out work with another organization. Although the manager cannot always make these accommodations for every employee, the fact that the managers strive to do so at least tells the employees that their needs are being looked after.

**Table 8: Other Strategies Used to Reduce Employee Turn-Over**

MANAGER NUMBER	SPECIFIC STRATEGIES USED	DETAILS/EXAMPLES	ADDITIONAL COMMENTS (e.g., impact, recommendations)
1	Bonus Incentives	Employees are offered bonus incentives in the form of store discounts as long as they are continue to work for Target.	Many employees have an interest in our store’s product line-up, and the discount they receive while working here incentivizes them to continue working so they can receive this discount.
2	Opportunities for Advancement	Employees are given the ability to pursue advanced positions if they commit themselves to both training and education.	This is important because employees who feel they are working a “dead-end job” are less likely to stay on a long-term basis if they feel like their work will not allow them to achieve a better position.
3	Career Advancement	Employees who continue to impress with their work ethic and ability to complete goals are considered for management and corporate positions.	We want our employees to feel like exceptional effort is rewarded and this is something that is provided through higher-paying jobs that are occasionally made available.
4	Order Discounts	Employees who have stayed with our business for three months or more are provided discounts that	The increasing discount provides an incentive for employees to continuing working at the store because both

		increase by a small percentage each year.	their salary and discount rate will increase every year.
--	--	---	--

**Discussion:**

The last category involves reporting on any other strategies that the manager used to reduce employee turnover. The manager reported that bonus incentives are offered to employees who continue to work at Target in the form of store discounts. Many employees regularly use this discount to make purchases, and this discount incentivizes them to continue working at Target. This is especially relevant considering that Target sells “basic needs” items such as groceries and bathroom items like contact solution and shampoo that employees need to purchase on a regular basis. Unlike working at another retail store that might sell goods the employees may not have a personal interest in, the fact that Target sells consumer goods that are not “optional” means that employees will always have a reason to shop here if they are getting a considerable discount.

**UnitedHealth Group Manager Results**

Looking at employee recognition and rewards, the manager described how annual employee awards are given out through an awards ceremony. Employees are recognized for outstanding achievement in several different categories so there is not just one overall winner. By recognizing these employees and creating a formal ceremony dedicated to them, the company is showing that it cares about them and this can reduce the likelihood of turnover if the employee is being properly recognized. For the fifth category in positive workplace social experiences, one of the things that the company does is that it makes use of monthly lunches in which various teams from the company will come together to meet for a lunch outing. This provides the opportunity for teams to meet that do not normally communicate and also allows employees from other divisions to speak to one another. The fact that the employees are also provided a free lunch at a quality establishment is a positive gesture by the company that does not necessarily have to be done, but is done to facilitate social development and reduce turnover.

Regarding flexible scheduling and work/personal life balance, this is done through a system in which employees who are “on-call” are allowed to modify their everyday work hours. These on-call employees might be called in at all hours of the day in the event of an emergency or personnel issue, so UnitedHealth is trying to make up for the hectic nature of this schedule by encouraging them to decide when they normally work. This means providing employees the chance of three different shifts including a morning, daytime, and evening shift to choose from. Not only does this give employees more flexibility, but it also allows them to adopt to their own preferences as some employees may simply enjoy working nights more than mornings. This flexible scheduling is part of the seventh category as employees who are not considered to be on-call employees can make scheduling requests that are filled by seniority. Employees who are more experienced and have been with the company for a longer period of time are rewarded with the opportunity to make schedule adjustments first, which rewards these employees for being loyal and staying with UnitedHealth for a long period of time.

Lastly, one of the miscellaneous strategies used to reduce employee turnover is that employees are provided several opportunities for advancement within the organization. This involves opportunities for both training and education. Employees who wish to pursue graduate degrees have the option of having some of these costs covered by their employer and can use this education to apply for an internal position within the company. Providing such opportunities for advancement is crucial to reduce turnover because it is often the case that employees will leave a job and cite the fact that they feel as though they are working a “dead-end job” with little room for advancement, which is something that the manager reported.

### **Country Inns & Suites Manager Results**



. This also relates to the third category involving encouragement from supervisors because the managers are trained to provide positive encourage to employees. If the employees feel better about themselves and their work performance this may reduce the rate of turnover in the case of disgruntled employees. For instance, some employees have found ways to go above and beyond their expectations in the hospitality industry by folding the guest's towels into the shape of animals and will go out of their way to make the guests feel welcome. This kind of behavior is a direct result of the environments the employees are working in because an employee who is displeased with their job is not going to make the extra effort to do something like this.

For the fourth category, employees are given the opportunity to be recognized through an employee of the month program. This comes with a small monetary bonus and gives the employees an incentive to work harder. For instance, this organization has several categories of employee of the month so that employees working within the kitchen, in customer service, and in maintenance each have a chance to win this award by competing with others within their own divisions. This ensures that there are multiple winners each month and creates a bit of inter-group competition that might not normally exist without the program. Regarding the fifth category, the company hosts annual events to create positive workplace social experiences. This involves work parties that take place over Halloween and Christmas that allow the employees to celebrate their hard work, relax, and connect with one another. Employees who might not normally be able to interact with one another can do so at these annual events and can forge new relationships that could motivate them to stay within the company.

The sixth and seventh categories involving flexible scheduling and work and personal life balance essentially involve the same thing and have been combined into a single category. The flexible work schedule is offered to employees who may have other obligations they need to

attend to such as university classes or parenting. Through flexible scheduling, employees can work multiple shorter shifts over a single 24-hour period or can trade shifts with other employees within their division. Although a manager might not be able to trade positions with a cook, a cook has the option to trade schedules with another cook. Finally, the other strategy used to reduce employee turnover included a career advancement strategy in which employees who do exceptionally well can work towards obtaining a management or corporate position. These internal positions may require additional training or schooling, but they are there for any employee who wants to pursue this path. Just like with the previous companies, Country Inns & Suites has recognized that providing a path for career advancement encourages employees to stay within the company because it gives them something to work towards in the future.

### **Cargill Manager Results**

In the third category, the manager described how the regular use of encouragement is utilized so that employees who meet goals are complimented and those who lag behind are encouraged to do better. These struggling employees are not criticized and instead are provided suggestions on how they might be able to resolve the workplace issues they are struggling with. For the employees who are meeting their goals, the use of compliments and positive remarks helps them to feel more appreciated and more integrated into the business. If managers never acknowledged the employee's work ethic, then the employees would be less motivated to continue working as hard as they are. For the fourth category, the manager spoke about how there exists an employee of the month program that is used to recognize employees who are exceeding expectations. This is usually a title that shifts from one employee to another but

employees who are able to demonstrate extraordinary effort are able to win multiple titles in a row. With this award comes recognition and respect, which is often something that new employees strive to earn. By giving them a direct path to earning this, they can feel more at home in this new workplace and can adjust to it at a faster rate.

For the fifth category involving positive workplace social experiences, the manager described how social relationships between employees are encouraged. These social relationships are essentially workplace friendships that can help employees feel more integrated into the business and allows them to feel as though they are part of a family. If the organization is successful at encouraging employees to bond with one another in this manner, then turnover may be reduced if the employees feel more attached to the organization. In the sixth category dealing with opportunities for work and personal life balance, the manager wrote how the organization provides an ample number of sick days for its employees. In the past, management would often discipline or even dismiss an employee who took too many sick days. This would end up creating problems down the road because they employee would have to be replaced and the company might lose out on an otherwise good employee. By adding more sick days that employees can take each year, the company has provided a positive incentive for employees to continue working within the organization because few other organizations might offer this as a sort of incentive package.

Regarding the seventh category dealing with employee input about the work schedule, employees are given the chance to participate in a flexible scheduling program. Through this program, employees can request certain schedules and work hours from management and can also trade shifts with other employees. Even though employees are not always granted the shifts that they request, the fact that multiple options exist for them means that they have several

choices in crafting the perfect schedule. Having access to such a schedule is often a major part of why some employees choose to stay within an organization long-term because having a good schedule makes their workplace experience much more enjoyable if they can create an optimized schedule where they are forced to make fewer sacrifices.

Finally, the last category involving other strategies to reduce employee turnover involves order discounts. Employees that have been with Cargill for three or more months are provided discounts on company products that increase by a small percentage each year. Given the Cargill is responsible for the manufacture of so many different types of products, this benefit acts as a substantial bonus for employees especially because it only gets bigger over time. Paired with an increasing salary and bonus, employees within this organization are given several financial incentives to ensure that they will want to stick with Cargill over a long-term period of time.

## **Conclusions, Insights, & Recommendations**

It was mentioned that high rates of employee turnover occur in the hospitality industry as a result of three specific factors including lack of pay, excessive instances of internal conflicts, and a lack of employee-growth opportunities (Iverson & Deery). Avoiding dramatic rates of employee turnover is crucial within the hospitality industry due to the burden of costs that occur as a result of losing even a single employee to turnover (McNamara, 2018). Literature has established that reducing employee turnover effectively, requires that businesses develop strategies which address employee concerns that will, in turn, address the likelihood of employee turnover and promote stability within the business (Laureani & Antony, 2010).

This research experiment applied strategy concepts that were inferred under the discretion of literature collected on the topic of employee turnover in the restaurant and hospitality industries. Meta-analysis collections were attributed to each of the three major concerns impacting stability including employee incentives, training processes, and the effects of long-term goal setting. These factors were woven into the questions used to collect qualitative and quantitative data using surveys across four Minnesota organizations. The survey data was collected in order to address concerns of employee turnover and business stability in the hospitality industry. This section will address the conclusions and recommendations that can be inferred in regards to applying effective strategies that will likely promote stability and allow for optimal management of employee turnover within the hospitality industries.

The literature review presented in chapter two revealed that there is a direct connection between employee turnover and management interaction (Carraher, 2011). The Peterson model,

also known as the Organizational Model of Employee Persistence (Peterson, 2004) and the Longitudinal Model of Institutional Departure (Tinto, 1987) both echoed this influence. These collections imply that developing effective turnover management and business stability strategies begins with leader awareness of his impact on the company. Leaders must strive to prioritize the promotion of positive leader-employee interactions. Considering that survey data from Cargrill also revealed that those who feel intimidated and hesitant to speak to their leaders, often feel more inclined to leave the company, the role that business leaders play within the company should not be overlooked. For all of these reasons, it is essential that strategy development centers around the management and employee interactions, as this is the make-or-break factor determining business stability within the hospitality industry (Carragher, 2011).

The most jarring insights that can be gauged from reviewing the literature is that 88% of the population of employees choose to leave their position for reasons exclusive of pay (Brown, 2015) and that poor rapport with leaders attributed to the third highest reason for voluntary departures (Sun, 2017). This would, therefore, imply that employee turnover is predominately the result of other factors that may be others unobserved by the organization at stake. This oblivion to other workplace factors influencing employee turnover may cause employers and managers to overlook other factors that encourage employee turnover. Addressing internal conflicts may be an oversight for even the best managers, given the level of common sense that culture carriers surrounding the idea that money is the biggest motivator. It would be a logical assumption that employees decide to enter and leave a company based primarily on the income that the given position is generating. This is not to denounce other vital factors that create job decisions, but it is, nonetheless, a logical presumption.

Considering that the literature debunks this common belief, there is all the more reason to establish proven strategies that work to better manage employee turnover in the hospitality industry, and really in any business industry seeking to thrive. Organizations require the feedback of employees in regards to their level of satisfaction, their feelings about the boss's likability, their sense of work empowerment, and any underlying factors of internal politics or recognition within the company. (2013). The literature documenting the historical perspectives of employee turnover and business strategy development have noted that employee turnover is akin to the movement of interest rates and inflation. The ever-changing nature of these conditions is similar to employee turnover because it is a matter that is directly influenced by the economy. For example, economic recessions are tied to employee turnover, implying that when the economy is doing poorly, so are the employees (Economic History Services, 2018). A useful insight here would be to keep tabs on the state of the economy and ensure that during times of recession as well as indications towards recession, companies strive to amplify their strategies by considering employee needs aggressively. This could potentially offset any tendencies toward turnover during unfavorable economic periods.

Although this is a helpful practice, the challenges of addressing the leader-employee relationship go beyond economic predisposition. Presently, turnover rates are difficult to manage because of the trade-offs surrounding the cause and effect of employee turnovers. In addition to the disadvantage that trade-offs create for organization success and stability, locational factors also play a role in the likelihood of employee turnover. If employees sense that their title is incompatible with the pay being offered for their option the employee is more likely to leave the company (Huang, 2016). For both economic factors and hierarchal implications, it is vital that the businesses strategies that are utilized to manage employee turnover rates, (that is, the management of

both turnover excessiveness and infrequencies), reflect healthy doses of competition within their implementations. Competition was noted in the review to balance the threats of employee turnover, all together. The reason competition addresses this process effectively, is because it makes it easy to initially weave out the employees that perform poorly. This leaves only those to employees who are the most beneficial to the company. Employee turnover can be best assessed from here, by observing how turnover takes shape amongst those remaining top performing employees in the given company, business, organization, or industry (Sullivan, 2018).

Furthermore, whatever the strategy a business chooses to implement as a means of managing employee turnover, please note that this report strongly advises against attempting to eliminate employee turnover altogether. Research has concluded that curbing employee turnover is unavoidable, even in situations with optimal employee and business conditions (Hom, 2017). For these cases, employee turnover may, in actuality, not be a bad thing, as the skill sets needed for positions evolve with the times, implying that younger newer employees may provide added benefits to the company, that the resigning employees were unable to offer during their time working for the company. Employee turnover also helps business leaders identify those employees who are mismatched with the company from the beginning. This can help leaders better determine the kinds of workers to employ and the kinds of workers to avoid, which helps in lowering the costs of future employee turnover as well. For these reasons, the optimal strategy to adopt is one that reflects to *manage* employee turnover, not eliminate it altogether. Employee turnover should, therefore, be viewed as a filtering process rather than a cut and dry problem.

An effective leadership strategy will include competent, employee-observant business leaders who are capable of balancing their position of authority with humbling characteristics that assign a respectable level of fault to employee and business shortcomings. This balance



allows for the most effective establishments of positively regarded subordinate-supervisor relationships to develop (Zou, 2018).

Leaders should also make a point to regularly engage with their subordinate employee base, as a way to reassure employees of their value and purpose within the company (Sun, 2017). Leader engagement should include correspondence that reflects high emotional intelligence as it has been shown that the percentages of responses facilitate better exchanges and improve the attitude of employees considerably (Jordan & Troth, 2011). An all-encompassing strategy will include establishing effective forms of training, monitoring, brand awareness (differentiation) and feedback protocols. These elements are, collectively, priceless implementations needed to promote stability within a company (Arther, 1994) (Sun, 2017).

In light of these findings, it is encouraged that business leaders move “out with the old and in with the new” and encourage differentiation, in order to prompt stability and regulate employee turnover (Zou, 2018). This is an observation attributed to the research surrounding the concept of “servant leadership” whereby, supervisory roles are placed in the hands of employees, balancing the power within the company in a way that reflects dependency and a sense of teamwork between members. This strategy works regardless of occupational placement within the business hierarchy (Sun, 2017). It is also advised that hospitality organizations pay special attention to company branding, as it has been shown to influence both consumer and employee rapport, therefore securing a greater level of stability within the company (Zou, 2018). The vertical dyadic lineage may intertwine with branding either positively or negatively depending on the exchanges that take shape between leaders and employees. Considering that the resignation rate was higher in those employees who had more exchanges with leaders than those with fewer exchanges, it is assumed that the quality of exchanges between leaders and employees is an

essential influencer of an employee's decision to leave the company as well (Dansereau, Graen & Haga, 1975).

The good news is that company branding, when done correctly, can positively work to reduce the level of stress experienced by the employees in regards to actual or perceived negative exchanges between leaders and themselves. Promoting company branding will influence leaders to behave in ways that match the company brand, and in turn, generate more positive exchanges, and subsequently lower rates of employee turnover. This turnover decrease, of course, excludes those who are mismatched with the company mission or objective from the beginning. These turnovers are, a positive realization for the company as poor performing employees can be replaced for better-performing employees (Gaen & Haga, 23). Positive branding, consistent and effective communication, and emotionally-intelligent driven communication styles collectively influence employee morale, which, in turn, reduce instances of turnover and/or allow preventative measures to take place prior to the employee's resignation, should turnover ensure (Jordan & Troth, 2011) (Sosik & Megerian, 1999).

In light of the research that supports employee turnover motivation, the optimal strategy should adopt methods of addressing the factors that encourage employee turnover, exclusive of pay. In addition to those factors aforementioned, further considerations include employee desire to remain in the company, employee willingness to exert heightened work effort, and a genuine belief in the values and goals established by the business (1976). Encouraging these kinds of commitments requires companies to encourage a home feel to the place of business. This requires accommodating work-related and work-associated needs of the employees, such as providing childcare, reliable transportation, sick-day accommodations, and places to sleep provided for by the business (Duhigg, 2016). Flexible work schedules (such as the option to switch

shifts, and accommodating the schedules of “on-call employees”), employee input on shift scheduling, increased family-policies, and effective human resource practices (Batt & Volcour) may all be integrated as forms of making the workplace feel like a second home (Ramlall, 2003).

The established strategy may also wish to encourage the use of reward and recognition as a way to manage employee turnover and promote stability within the organization. It was concluded that by attempts to please the employee, employee satisfaction increase reflected work stability and reduced employee turnovers (Ramlall, 2003) (Dalton & Masch, 1990). The data collected in this research pertained to the experiment that gathered data from four Minnesota companies. Concepts of reward and recognition that proved to promote stability and reduce turnover included room for employee feedback, financial bonuses, employee of the month recognitions, workplace discount shopping systems, promoting seniority privilege, annual award ceremonies, and setting a professional tone that encourages employee feedback. Target’s use of employee-only Christmas parties may be emulated to other businesses as a means of creating employee recognition for hard work, and as a way to strengthen the motivation across the company.

The research assessing the four Minnesota companies revealed that for Target, the use of being able to accommodate employee requests regarding shifts was a helpful tactic to reduce employee turnover and promote work stability. For UnitedHealth Group, positive feedback also contributed to this objective. The employee may feel that their needs are met and considered which promotes a positive outlook regarding their position in the company, and a positive outlook on the company itself. In addition to promoting employee accommodation, managers can prevent employee turnover and increase business stability by making the most out of internal communication. UnitedHealth Group revealed that the strategies that work best for them include utilizing clear communication and clarification in order to prevent any potential

misunderstandings and mistakes regarding employees and the objectives of their positions. The data revealed that in conjunction with consistent training, clear communication has aided in reducing medical errors within United Health Group business. Country Inn & Suites and Cargill both revealed that open communication also promotes clarity and positive employee outlook. A useful insight here would be that companies should strive to tailor their communication style to promote clarity and openness between leaders and employees during training and regular exchanges and discussions.

Training regimes should not only be consistently renewed during the span of employment, but should also provide employees with accurate information about new company policies, products, and procedures. Cargill attests to training programs that incorporate multi-disciplinary methods, in order to promote employee compensation in areas that are associated with their direct position. The training was said to not only improve employee competence but also to boost employee confidence in their position due to learning and retaining new skills established through regular training. Monthly lunches may also aid in promoting employee competence in addition to being used as a tactic for recognition and reward, as it may give teams who do not usually communicate a chance to interact. A useful insight here is that efforts to facilitate social development and promote company unity, reflect positively on employee outlook. Developing a strategy to promote stability within the company and manage employee turnover should integrate many opportunities for social interactions, in order for employees to feel secure in their place within the company.

Promoting company support through events like monthly lunches may provide employees with a sense of network support which, in turn, may reduce employee turnover with the impression that they have someone to lean on during difficult situations at work. Cargill echoes the use

of fostering social support within the company as a means of promoting positivity within the workplace and reducing turnover. Training should also reveal potential growth opportunities within the company. Employees who are aware that there is room to grow within the company are less inclined to resign (Brown, 2015). Education may also be viewed as a growth opportunity for career advancement, so companies should strive to include educational incentives such as covering costs of their employer. These opportunities prevent the feeling of stagnation in the workplace, which in turn encourages turnover and a lack of business stability. Country Inn & Suites revealed that their training systems do well with employee input. This may mean that tailoring the training program to fit employee insights will also encourage employee motivation and reduce turnover within the business. Leaders should be open to modifying their training programs in ways that echo the vision of the business but also validate employee insights.

Considering that interpersonal conflicts are one of the main reasons for employee resignation, it would be wise to adopt a strategy that evokes a feeling of family within the organization. In light of the research supporting strategies to make the workplace feel like a second home, as well as the research supporting the use of fostering social engagement within the immediate and extended members of company, hosting regular “family meetings” may also boost employee outlook, reduce employee turnover, and promote stability within the company. Similar to hosting monthly lunches and parties, family meetings can be an additional opportunity to reflect how well the business is doing, celebrate work that is going well, and encourage discussion about potential areas for improvement. By promoting an environment that reflects a family feel, employees and leaders can feel more comfortable expressing concerns without the element of status preventing comfortability in addressing certain topics on business-related discussions.

Reviewing the chart between the four Minnesota business, it is clear that certain underlying themes between successes noted in business strategies are present. For example, in all of the businesses, managers support the idea of promoting effective communication strategies within the business. Although their processes are different on how to achieve effective communication, they each attempt to instill clarity and mutual understanding between the employees and leaders, regarding what is expected by both from the context of the company. Managers from two out of the four companies felt that hosting social events like Halloween and Christmas parties went a long way in regards to promoting unity and positivity within the workplace, which, in turn, better manages employee turnover and promotes work stability for the business. Considering that the research included a total of four companies, data would reflect that there is a fifty percent likelihood that hosting regular social events to celebrate and praise employees for hard work is beneficial to promoting stability and managing employee turnover within the company. This implies that developing a strategy with events like these to look forward to, may prove to be an essential component of strategy development.

All in all, businesses are different and there is no one-size-fits-all approach that will work for everyone. With that said, this research revealed that effective ways to manage employee turnover and promote stability within the workplace requires using humble leaders that are aware of employee needs. These leaders are to be aware of ways to encourage various social events that will encourage company unity and support between team members. Additionally, developing effective measures of communication should be a top priority for managers seeking to secure stability within their businesses. The implementation of effective communication styles must be considered from the perspective of instilling mutual company objectives that equally work to benefit the leaders and the employees of the company. Although some amount of turnover is

inevitable, this is not entirely negative, and companies can do their best to monitor business success by staying tuned in to employee needs in ways that reflect company branding. Branding incentives can work to promote a secure company image and also work to foster a sense of home within the workplace. Integrating room for growth and competition within company strategy will also help to promote employee work motivation and eradicate any preconceived notions that the employee may hold towards their managers and department leaders. The best strategy to manage employee turnover and promote company unity is one that is unique to the given company's needs but also emulates the data concluding the effectiveness of clear communication and employee.

## Works Cited

- Arthur, J. B. (1994). Effects of Human Resource Systems on Manufacturing Performance and Turnover. *Academy of Management Journal*, 37(3), 670-687. doi:10.5465/256705
- Batt, R., & Valcour, P. M. (2003). Human Resources Practices as Predictors of Work-Family Outcomes and Employee Turnover. *Industrial Relations*, 42(2), 189-220. doi:10.1111/1468-232x.00287
- Brown, E. A., Thomas, N. J., & Bosselman, R. H. (2015). Are they leaving or staying: A qualitative analysis of turnover issues for Generation Y hospitality employees with a hospitality education. *International Journal of Hospitality Management*, 46, 130-137.
- Bureau of Labor Statistics. (2018). Total separations Leisure and Hospitality. Retrieved from <https://data.bls.gov/cgi-bin/surveymost?jt>
- Bureau of Labor Statistics. (2018, March 16). Table 16. Annual total separations rates by industry and region, not seasonally adjusted. Retrieved from <https://www.bls.gov/news.release/jolts.t16.htm>
- Bureau of Labor Statistics. (2018). Total separations Leisure and Hospitality. Retrieved from <https://data.bls.gov/cgi-bin/surveymost?jt>
- Carraher, S. M. (2011). Turnover prediction using attitudes towards benefits, pay, and pay satisfaction among employees and entrepreneurs in Estonia, Latvia, and Lithuania. *Baltic Journal of Management*, 6(1), 25-52. doi:10.1108/17465261111100905
- CriteriaCorp. (2018). What is Turnover Rate? Retrieved from [https://www.criteriacorp.com/resources/glossary\\_turnover\\_rate.php](https://www.criteriacorp.com/resources/glossary_turnover_rate.php)
- Griffith, M. (2015, December 15). 10 Business Terms Every Restaurant Owner Should Know.



Retrieved from <https://www.rewardsnetwork.com/blog/10-business-terms-every-restaurant-owner-should-know/>

Dalton, D. R., & Mesch, D. J. (1990). The Impact of Flexible Scheduling on Employee Attendance and Turnover. *Administrative Science Quarterly*, 35(2), 370.

doi:10.2307/2393395

Dansereau, F., Graen, G., & Haga, W. J. (1975). A vertical dyad linkage approach to leadership within formal organizations. *Organizational Behavior and Human Performance*, 13(1), 46-78. doi:10.1016/0030-5073(75)90005-7

“Denver Metropolitan Areas.” City Data: Population, Crime, School Bluffs, 2015.

Duhigg, C. (2016). What Google learned from its quest to build the perfect team. *The New York Times Magazine*, 26, 2016.

Economic History Services. (2018). History of Labor Turnover in the U.S. Retrieved from <https://eh.net/encyclopedia/history-of-labor-turnover-in-the-u-s/>

Graen, G., Orris, J., & T., Johnson. (1973). A developmental study of the assimilation of new people into various office worker roles within a large public university. *Journal of Vocational Behavior*, 3, 395-420.

Graen, G., & Ginsburgh, S. (1977). Job Resignation as a Function of Role Orientation and Leader Acceptance: A Longitudinal Investigation of Organizational Assimilation. *Organizational Behavior and Human Performance*, 19(1), 1-17.

doi:10.1016/0030-5073(77)90051-4

Griffith, M. (2015, December 15). 10 Business Terms Every Restaurant Owner Should Know.

Retrieved from <https://www.rewardsnetwork.com/blog/10-business-terms-every-restaurant-owner-should-know/>

Hall, A. (2013, March 26). 'I'm Outta Here!' Why 2 Million Americans Quit Every Month (And 5 Steps to Turn the Epidemic Around). Retrieved from

<https://www.forbes.com/sites/alanhall/2013/03/11/im-outta-here-why-2-million-americans-quit-every-month-and-5-steps-to-turn-the-epidemic-around/#155ce3026484>

Hom, P. W., Lee, T. W., Shaw, J. D., & Hausknecht, J. P. (2017). One hundred years of employee turnover theory and research. *Journal of Applied Psychology, 102*(3), 525-530.

Huang, Y. H., Lee, J., McFadden, A. C., Murphy, L. A., Robertson, M. M., Cheung, J. H., & Zohar, D. (2016). Beyond safety outcomes: An investigation of the impact of safety climate on job satisfaction, employee engagement and turnover using social exchange theory as the theoretical framework. *Applied ergonomics, 55*, 248-257.

Investopedia. (2018, June 30). Seasonality. Retrieved from

<https://www.investopedia.com/terms/s/seasonality.asp>

Jordan, P. J., & Troth, A. (2011). Emotional intelligence and leader member exchange. *Leadership & Organization Development Journal, 32*(3), 260-280.

doi:10.1108/01437731111123915

Iverson, R. D., & Deery, M. (1997). Turnover culture in the hospitality industry. *Human Resource Management Journal, 7*(4), 71-82. doi:10.1111/j.1748-8583.1997.tb00290.x

Kantor, J., & Streitfeld, D. (2015, August 15). Inside Amazon: Wrestling Big Ideas in a Bruising Workplace. Retrieved from [https://www.nytimes.com/2015/08/16/technology/inside-amazon-wrestling-big-ideas-in-a-bruising-workplace.html?\\_r=0](https://www.nytimes.com/2015/08/16/technology/inside-amazon-wrestling-big-ideas-in-a-bruising-workplace.html?_r=0)

Kavanaugh, M. (2018, August 08). Restaurant Industry Report Reveals Insights into Turnover Statistics. Retrieved from <https://upserve.com/restaurant-insider/restaurant-industry-report-reveals-insights-turnover-statistics/>

- Kolmar, C. (2018, October 16). These Are The 100 Largest Companies In Minnesota. Retrieved from <https://www.zippia.com/advice/largest-companies-in-minnesota/>
- Laureani, A., & Antony, J. (2010). Reducing employees turnover in transactional services: A Lean Six Sigma case study. *International Journal of Productivity and Performance Management*, 59(7), 688-700. doi:10.1108/17410401011075666
- Mathieu, J. E., & Zajac, D. M. (1990). A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. *Psychological Bulletin*, 108(2), 171-194. doi:10.1037//0033-2909.108.2.171
- McNamara, A. (2018, February 28). Let's 86 The 73% Annual Restaurant Staff Turnover Rate. Retrieved from <https://pos.toasttab.com/blog/lets-86-the-73-annual-restaurant-staff-turnover-rate>
- National Business Research Institute. (2018). Survey Research Yields Data on Employee Turnover. Retrieved from <https://www.nbrii.com/employee-survey-white-papers/survey-research-yields-data-on-employee-turnover/>
- Navarra, T. (2018, August 10). The 3 Most Common Reasons For Restaurant Employee Turnover. Retrieved from <https://upserve.com/restaurant-insider/3-common-reasons-restaurant-employee-turnover/>
- Network of Executive Women. (2018, March 19). NEW report: Turnover at 'crisis level' for industry women. Retrieved from <https://www.newonline.org/news-insights/news/new-report-turnover-crisis-level-industry-women>
- Porter, L. W., Crampon, W. J., & Smith, F. J. (1976). Organizational Commitment and Managerial Turnover: A Longitudinal Study. *Organizational Behavior and Human Performance*, 15(1), 87-98. doi:10.1016/0030-5073(76)90030-1

Premack, R. (2018, May 01). The fast food industry is facing a growing crisis. Retrieved from <https://www.businessinsider.com/mcdonalds-taco-bell-fast-food-turnover-technology-2018-4>

Ramlall, S., Ph.D. (2003). Managing Employee Retention as a Strategy for Increasing Organizational Competitiveness. *Applied H.R.M. Research*, 8(2), 63-72. doi:10.1016/b978-0-7506-7484-3.50005-6

Schmitt, J., & Jones, J. (2013, August). *Slow Progress for Fast-Food Workers*. CEPR. <http://cepr.net/documents/publications/fast-food-workers-2013-08.pdf>

Sosik, J. J., & Megerian, L. E. (1998). Understanding Leader Emotional Intelligence and Performance. *Group & Organization Management*, 24(3), 367-390. doi:10.1177/1059601199243006

Sullivan, J., PhD. (2018). The Ideal Turnover Rate | Monster.ca. Retrieved from <https://hiring.monster.ca/hr/hr-best-practices/recruiting-hiring-advice/strategic-workforce-planning/employee-turnover-rate-canada.aspx>

Sun, R., & Wang, W. (2017). Transformational leadership, employee turnover intention, and actual voluntary turnover in public organizations. *Public Management Review*, 19(8), 1124-1141.

Zou, T. X., Snell, R. S., YL Chan, M., & Wong, A. L. (2018). A 7 Cs model of effective service leadership. *Leadership & Organization Development Journal*, 39(6), 745-761.