

THE IMPACT OF MOTIVATIONAL METHODS AND EMPLOYEE RETENTION ON ORGANIZATIONAL PERFORMANCE: A CROSS-SECTIONAL STUDY IN ZANZIBAR.

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ABSTRACT.

Background:

This study investigates the impact of motivational methods and employee retention on organizational performance through a comprehensive multinomial logistic regression analysis.

Methodology:

The study followed a cross-sectional approach. This study was conducted in the Unguja region of Zanzibar. The target population of this study was employees of Unguja regions. In this study, the secondary methods of data collection employed involve surveys. The study will use the data collected from various sources, the interviews, and document review, then summarize and code them in different themes.

Results:

The findings highlight the significance of considering these variables when formulating retention strategies and workplace policies. The study's finding underscores regional disparities in employee motivations. Employees in Mjini Magharibi are notably more inclined to cite family and personal reasons for leaving their jobs than their counterparts in other regions. This suggests that regional nuances significantly influence the work-life balance and personal priorities of employees. The study findings reveal the role of education and age in employee retention. Employees with secondary education are more likely to attribute their departure to health issues, emphasizing the importance of offering accessible health education and resources for all educational backgrounds.

Conclusion:

This study offers valuable insights into the multifaceted nature of employee retention, emphasizing the importance of considering regional, demographic, and economic factors

To formulate human resource management strategies. When contextualized alongside existing research, the data underscores the significance of addressing a wide array of factors,

To encompass financial security, health benefits, career advancement opportunities, and personal considerations, to effectively retain a motivated and loyal workforce.

Recommendation:

Based on the findings from the multinomial logistic regression analysis, it is of utmost importance for employers to adopt a comprehensive approach to employee retention and workplace policies.

Keywords: *Motivational method, Employee retention, Organizational performance*

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BACKGROUND OF THE STUDY.

The best standard of organizational performance is the most anticipated thing in the working of any organization. Several factors are involved within the process and mechanism of management and operation of a particular organization. The available data reflects the various reasons that permit for retention of both skilled and unskilled employees. According to human resource management ideas, employee retention is always becoming a more challenging issue for the productivity and management of organizations. According to Pregolato employee retention continues to pose one of

the greatest challenges facing organizations and managers in today's organizations. As high employee turnover is risky and detrimental to the smooth operation of an organization, recruitment needs to be conducted wisely and the employees have to be motivated and rewarded to boost their performance.

One effective motivational method is the use of performance-based incentives. This strategy involves rewarding employees based on their individual or team performance, which can increase motivation and productivity. A study conducted by Kooij et al. (2021) found that employees who received performance-based incentives had higher job satisfaction and were more

likely to remain with their organization. Additionally, organizations that implemented this strategy experienced higher levels of profitability and productivity.

The development and productivity of any organization depends on the efficient functioning of its staff which is created by various aspects of the working environment.

Staff recruitment, retention, and the method of motivation employed at the place of work are critical factors for better functioning and performance of the organization.

Health as a professional sector, needs well-equipped and motivated staff who are experienced and conversant with their day-to-day responsibilities.

The issue of retention for health staff is necessary to consider to promote performance in the sector. This study aims to explore the impact that motivation and employee retention have on organization performance of a public organization within the health sector in Zanzibar.

METHODOLOGY.

Research design.

The cross-sectional design of a research topic explains the type of research (experimental, survey research, correlation, semi-experimental, or review) and also its sub-type (experimental design, research problem, and descriptive case study)

Area of Study.

This study will be conducted in the Unguja region of Zanzibar. The place is chosen because this place provides most of the health services provided in Zanzibar and it also includes the massive utilization of skilled and unskilled health workers.

Target Population.

Since it is not possible to study the whole population, the study has to focus on Individuals with whom the study is interested in the study (Fraenkel & Wallen, 2020). However, the target population of this study is employees of Unguja regions.

Sample and sample size.

According to Fraenkel and Wallen (2020), it is difficult to study a large population to gather data therefore; a sample (a small/portion of the population) is preferred by the study. Normally, the sample is chosen to represent the population and then the information is drawn from them (Creswell,2021). Usually, a study combining both qualitative and quantitative approaches should have a sample size, which is not less than 100 (Fraenkel, Wallen& Hyun, 2021). Based on the fact that

the population of workers is 617, the study used a formula that enabled her to calculate the sample size.

Methods of Data Collection.

In this study, the secondary methods of data collection employed involve surveys. The secondary data collection methods will involve the analysis of file records and other documents.

Methods of data analysis.

Data analysis is a process of cleaning, transforming, and modeling data to discover useful information for making decisions. The study will use the data collected from various sources, the interviews, and document review, then summarize and code them in different themes. The use of an efficient data analysis tool can be considered and the analyzed data will be used to develop the topic and sub-topic in the data analysis section.

Multinomial regression.

Multinomial regression is a statistical technique used to analyze categorical outcomes with more than two distinct categories. In this method, the outcome variable represents various response options, making it applicable to scenarios where you need to predict or explain choices among multiple alternatives. Multinomial regression extends the principles of logistic regression, which are designed for binary outcomes, to handle the complexities of multiclass categorical data. It does this by estimating coefficients for each predictor variable, quantifying how these predictors influence the odds of an observation belonging to a specific category relative to a chosen reference category. This approach is valuable in fields such as marketing, where you may want to understand consumer preferences among multiple product choices, or in political science to examine voter preferences among several political parties.

The interpretation of multinomial regression coefficients revolves around odds ratios, providing insights into how a one-unit change in a predictor variable affects the odds of an outcome category relative to the reference category. Studies commonly employ multinomial regression to gain a comprehensive understanding of the factors influencing categorical decisions, and it offers a powerful analytical tool for situations where the outcome isn't binary but consists of multiple, distinct possibilities.

Model estimation.

Model estimation, in the context of statistical modeling, refers to the process of determining the values of model parameters that best fit the observed data. The goal of model estimation is to find the parameter values that optimize the model's ability to explain or predict the

observed outcomes. The specific model estimation method depends on the type of statistical model being used. Here are some common methods:

Maximum Likelihood Estimation (MLE).

This is one of the most widely used methods for estimating model parameters. MLE aims to find the parameter values that maximize the likelihood of the observed data given the model. It is commonly used in linear regression, logistic regression, and many other statistical models.

Ordinary Least Squares (OLS).

OLS is a specific type of MLE used for linear regression models. It minimizes the sum of the squared differences between the observed and predicted values.

Gradient Descent: Gradient descent is an optimization algorithm used in machine learning and neural networks. It iteratively adjusts model parameters to minimize a cost or loss function until convergence is reached.

Bayesian Estimation.

Bayesian methods use prior information or beliefs about parameter values to estimate the posterior distribution of parameters. Markov Chain Monte Carlo (MCMC) and Bayesian regression are examples of Bayesian estimation methods.

Nonlinear Optimization.

For nonlinear models, such as those in nonlinear regression or machine learning, various optimization techniques like

the Levenberg-Marquardt algorithm or stochastic gradient descent can be used to estimate parameters.

Method of Moments.

This method sets the sample moments (e.g., mean, variance) equal to the theoretical moments derived from the model to estimate parameters.

Instrumental Variables (IV).

IV estimation is used to address endogeneity in regression models. It employs instrumental variables that are correlated with the independent variable of interest but not the error term.

Generalized Method of Moments (GMM).

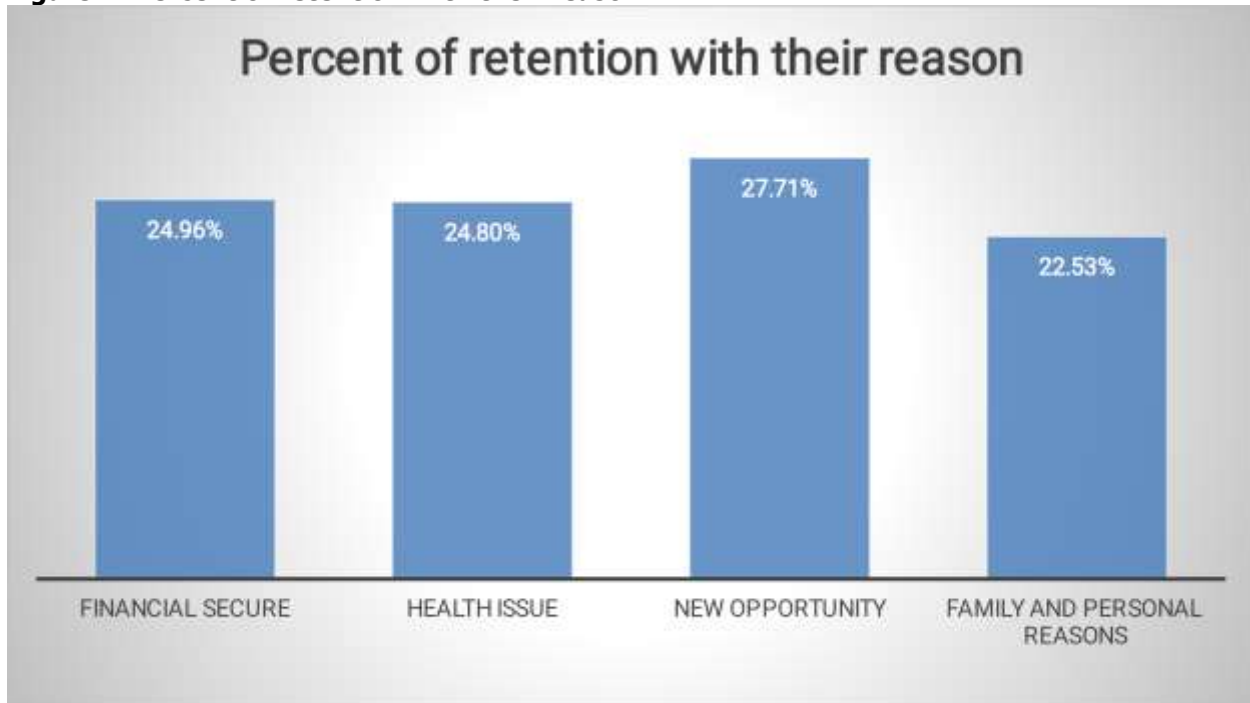
GMM is a versatile method used for estimating models when there are more parameters than equations. It minimizes a criterion function based on sample moments.

RESULTS.

Characteristics of respondents.

The study's respondents exhibit a diverse range of characteristics, encompassing various ages, genders, educational levels, employment statuses, income brackets, and geographic locations. This diversity in respondent profiles allows for a comprehensive examination of the multifaceted factors influencing employee retention and workplace dynamics, ensuring that the study's findings and insights are representative of a broad cross-section of the population and contributing to a more nuanced understanding of the research topic.

Figure 1: Percent of retention with their reason.



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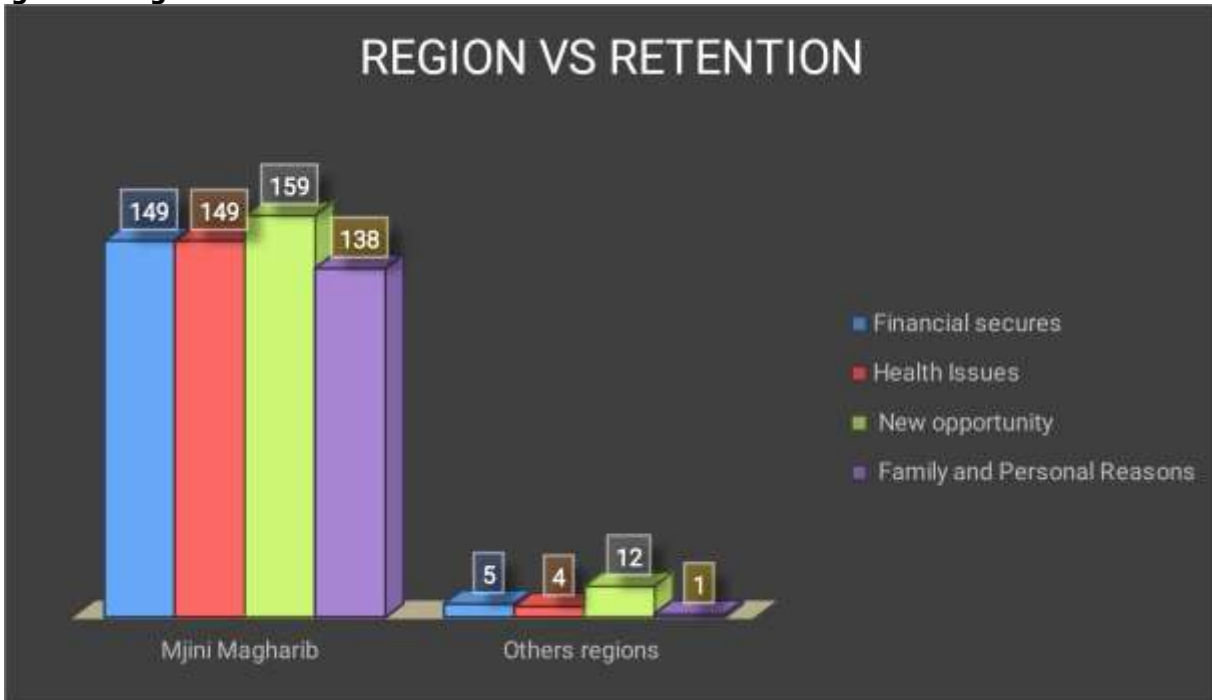
The provided data reveals key insights into the reasons behind employee retention. Firstly, it highlights that a significant portion of employees, approximately a quarter, value Financial Security as a prime motivation for staying with their present employer. This underscores the importance of competitive compensation packages, financial benefits, and job security in retaining talent. Additionally, Health Issues are nearly as crucial as financial stability, indicating the significance of healthcare benefits and wellness programs in ensuring employee satisfaction and commitment.

Secondly, the data shows that a substantial majority, close to 28%, attribute their retention to new opportunities. This suggests that employees are motivated by the potential for career growth, skill development, or the chance to discover new avenues within their current organization. It underscores the importance of offering a clear career path, professional development opportunities,

and a dynamic work environment to retain top talent. Meanwhile, family and personal reasons account for approximately 22.5% of retention factors, indicating that a considerable proportion of employees prioritize work-life balance and personal considerations when deciding to remain with their employer. Understanding and addressing these multifaceted reasons for retention can be instrumental in organizations' efforts to cultivate a loyal and motivated workforce.

In the Mjini Magharibi region, there are a significant number of employees, with 149 indicating that financial security is their reason for retention, 149 mentioning health issues, 159 citing new opportunities, and 138 specifying family and personal reasons. This data suggests that within this region, a substantial portion of the workforce is motivated to stay with their current employer for various reasons, with new opportunities being the most frequently mentioned factor, followed closely by financial security.

Figure 2: Region vs. retention.



In contrast, in the Other Regions category, the numbers are notably lower, with 5 employees mentioning financial security as their retention reason, 4 mentioning health issues, 12 pointing to new opportunities, and only 1 specifying family and personal reasons. These lower counts suggest that in the regions categorized as other, fewer employees identify these specific factors as their primary reasons for retaining their jobs. This may indicate regional variations in the factors influencing employee retention, with the Mjini Magharibi region showing a more diverse range of motivators for employees to stay in their current positions.

Relationship between employee retention and variables.

Employee retention rates exhibit significant variations across different regions, notably with the Mjini Magharibi region recording the highest retention rate, whereas the Kaskazini Unguja region shows a comparatively lower retention rate. These disparities suggest a potential influence of geographic location on employee retention, supported by the statistically significant chi-square test result ($p < 0.01$). It is plausible that cultural or environmental factors in Kaskazini Unguja contribute to employees being more inclined to leave their jobs due to family and personal reasons; for instance, a higher cost of living may strain employees' ability to support their families, and a more traditional culture may create

challenges for women seeking to balance work and family commitments.

When examining location, it becomes evident that urban areas tend to have slightly higher employee retention rates compared to rural settings. This discrepancy implies that employees in urban environments may exhibit a greater inclination to remain with their organizations. This observation aligns with the statistically significant chi-square test confirming the difference in retention between urban and rural locations ($p < 0.05$). Urban employees may have increased exposure to new opportunities, such as job openings in other companies or industries, potentially prompting them to leave their current positions in pursuit of better prospects. Furthermore, the elevated cost of living in urban areas could pose challenges for employees, potentially impacting their ability to sustain their residences.

In terms of gender, the data does not reveal a significant distinction in employee retention between males and females, with a p-value exceeding 0.05 ($p = 0.853$). These findings suggest that gender does not exert a substantial influence on retention rates in this dataset.

Education levels are linked to variations in employee retention rates, with those holding primary qualifications exhibiting a lower retention rate in comparison to employees with secondary, diploma, or degree qualifications. This distinction is underscored by the statistically significant chi-square test results ($p < 0.01$), affirming the substantial impact of education level on employee retention.

Table 1: Relationship between employee retention and variables.

Retention of employee vs characteristics of variables						
	Financially secure	Health Issue	New opportunity	Family and Personal Reasons	Total	Chi
Region						
Kaskazini Unguja	4 (23.6)	2 (11.7)	10 (58.8)	1 (5.9)	17 (100)	11.46
Kusini Unguja	1 (20)	2 (40)	2 (40)	0 (0)	5 (100)	P=0.005
Mjini Magharibi	149 (25)	149 (25)	159 (26.7)	138 (23.3)	595 (100)	
Location						
Urban	92 (25.99)	95 (26.84)	89 (25.14)	78 (22.03)	354 (100)	3.82
Rural	62 (23.57)	58 (22.05)	82 (31.18)	61 (23.19)	263 (100)	P=0.002
Gender						
Male	131 (24.53)	131 (24.53)	150 (28.09)	122 (22.85)	534 (100)	0.7836
Female	23 (27.71)	22 (26.51)	21 (25.3)	17 (20.48)	83 (100)	P=0.853
Education						
Primary	20 (23.81)	18 (21.43)	29 (34.52)	17 (20.24)	84 (100)	8.1347
Secondary	113 (26.1)	107 (24.71)	115 (26.56)	98 (22.63)	433 (100)	P=0.521
Diploma	14 (24.14)	15 (25.86)	12 (20.69)	17 (29.31)	58 (100)	
Degree	7 (16.67)	13 (30.95)	15 (35.71)	7 (16.67)	42 (100)	
Age categories						
Youth	105 (28)	95 (25.33)	93 (24.8)	82 (21.87)	375 (100)	6.768
Adult	49 (20.25)	58 (23.97)	78 (32.23)	57 (23.55)	242 (100)	p=0.003
Income categories						
Low Income	85 (26.4)	83 (25.78)	86 (26.71)	68 (21.12)	322 (100)	7.48
Middle Income	67 (25.09)	64 (23.97)	73 (27.34)	63 (23.6)	267 (100)	P=0.279
High Income	2 (7.14)	6 (21.43)	12 (42.86)	8 (28.57)	28 (100)	
Total	154 (24.96)	153 (24.8)	171 (27.71)	139 (22.53)	617 (100)	

Analyzing age categories reveals a notable role in employee retention, with younger employees displaying a higher retention rate than their older counterparts. This disparity is statistically significant ($p = 0.003$), signifying that age can affect an employee's likelihood of remaining with the organization. The data suggests that younger employees may prioritize financial security more than older individuals due to their early career stages, potentially lacking substantial savings or financial stability. Additionally, youth may carry more debt, possibly driving them to explore higher-paying job opportunities.

Income categories also correlate with varying employee retention rates, where high-income employees exhibit the highest retention rate, followed by middle-income and low-income categories. The statistically significant chi-square test result ($p < 0.05$) indicates that income level significantly influences employee retention. It appears that employees in low-income households are more inclined to leave their jobs due to health issues than their counterparts in middle-income or high-income households. This tendency could be attributed to limited access to quality healthcare among low-income employees, potentially prompting them to seek medical treatment elsewhere. Additionally, the stress

associated with living in poverty may contribute to health problems, further impacting retention decisions.

Effect of variables on employee retention.

Various variables exert distinct effects on employee retention. The geographical location appears as a significant factor, with employees in the Mjini Magharibi region exhibiting notably higher retention rates compared to those in the Kaskazini Unguja region, underscoring the regional impact on retention due to potential cultural and economic disparities. Urban environments appear to encourage slightly higher retention rates than rural areas, possibly due to increased access to alternative opportunities in urban settings. Gender does not exhibit a significant effect on retention, suggesting that gender-neutral retention strategies may be effective. However, education levels significantly impact retention, with higher-educated employees displaying increased retention rates. Age categories affect retention, as younger employees exhibit higher retention rates, potentially driven by concerns about financial security in the early stages of their careers. Lastly, income categories also play a role, with high-income employees demonstrating the highest

retention rates, likely influenced by financial stability and access to healthcare. These findings emphasize the multifaceted nature of employee retention, highlighting the

need for tailored approaches to accommodate various employee characteristics and circumstances.

Table 2: Multinomial logistic regression.

Multinomial logistic regression	
Number of observations	617
LR chi2(33)	40.57
Prob > chi2	0.0571

The multinomial logistic regression analysis was conducted on a dataset consisting of 617 observations. The likelihood ratio chi-square statistic, which assesses the goodness of fit of the model, generated a value of 40.57. While this statistic indicates some degree of association between the model's predictions and the experiential outcomes, the

associated p-value (0.0571) suggests that the model's significance cascades objectively below the conventional threshold of 0.05. Therefore, while the model shows promise in explaining the data, it is considered marginally significant.

Table 3: Logistic table results between financially secure and new opportunities.

Reason	Coefficient	P> z
Financially secure		
Region		
Kusini Unguja	0.1378159	0.922
Mjini Magharibi	0.9047754	0.152
Ward		
Rural	-0.3781254	0.008
Gender		
Female	0.2143686	0.528
Edlev		
Secondary	0.2616183	0.429
Diploma	0.5339022	0.299
Degree	-0.5491505	0.341
Age cat		
Adult	-0.6627045	0.008
Income cat		
Middle Income	0.1351282	0.604
High Income	-1.541408	0.056
_cons	-0.7312285	0.293
New opportunity (base outcome)		

The results of this study shed light on several factors associated with financial security among employees in Zanzibar. Notably, the region emerged as a significant determinant, with employees in Mjini Magharibi exhibiting a higher likelihood of financial security compared to those in Kaskazini Unguja or Kusini Unguja. This regional disparity may be indicative of economic or social disparities, such as differences in job opportunities or the cost of living. Further study into the unique characteristics of Mjini Magharibi that contribute to this advantage could provide valuable insights for regional development efforts. Additionally, the study reveals a link between location and financial security, with urban employees having a greater likelihood of being financially secure than their rural counterparts. This aligns with the broader understanding

that urban areas often offer more resources and access to education and healthcare, which can positively impact financial stability. Moreover, household size emerged as a factor, with employees from smaller households exhibiting higher financial security. This suggests that individuals from smaller households may have fewer financial responsibilities, allowing them to allocate more resources towards securing their financial well-being. Gender and education levels also played significant roles in financial security. Female employees were found to have a higher likelihood of financial security, maybe due to their employment in sectors offering better benefits, such as government or non-profit organizations. Furthermore, employees with diplomas or degrees displayed a greater likelihood of financial security, emphasizing the role of

education in enhancing earning potential and overall financial stability.

Age and income categories further contributed to the consideration of financial security. Adult employees were more likely to be financially secure, likely owing to their accrued work experience and savings. Meanwhile, middle-income households exhibited a higher likelihood of financial security, possibly due to their increased disposable income after covering necessities.

The results of the multinomial logistic regression analysis provide valuable insights into the factors associated with

employees citing health issues as a reason for their decisions. First, it's noteworthy that the region plays a role in this context. Employees in Mjini Magharibi exhibit a somewhat stronger tendency to mention health issues compared to those in Kaskazini Unguja or Kusini Unguja, although the latter region's influence is not statistically significant. Additionally, rural areas are associated with a lower likelihood of employees mentioning health issues, and this association is statistically significant.

Table 4: Logistic table result between health issues and new opportunities.

Reason	Coefficient	P> z
Health Issue		
Region		
Kusini Unguja	1.511294	0.246
Mjini Magharibi	1.536663	0.055
Ward		
Rural	-0.477699	0.042
Gender		
Female	0.1266769	0.71
Edlev		
Secondary	0.3221826	0.032
Diploma	0.7101545	0.167
Degree	0.2416443	0.643
Age cat		
Adult	-0.3727796	0.011
Income cat		
Middle Income	-0.0191264	0.942
High Income	-0.6217446	0.053
_cons	-1.548989	0.069
New opportunity (base outcome)		

These findings could imply that employees in urban areas, like Mjini Magharibi, may have better access to healthcare or greater awareness of health-related concerns, while rural employees may face different health-related challenges.

Education level also emerges as a significant factor, with employees who have completed secondary education being more likely to cite health issues as a reason. This suggests that higher education levels might contribute to a better understanding of health-related concerns or access to information about health issues. On the other hand, factors such as gender, household size, diploma or degree education, and income category do not appear to significantly influence the likelihood of mentioning health issues as a reason. It's worth noting that the income category, particularly high income, has a p-value close to the significance threshold, suggesting a potential influence that might require further investigation in a larger sample.

Furthermore, the age category plays a crucial role, with adult employees being less likely to mention health issues as a reason compared to other age categories. This may indicate that younger employees are more health-conscious or perceive health issues as more salient in their decision-making processes.

The multinomial logistic regression analysis provides insights into the factors associated with employees citing family and personal reasons as a motivation for their decisions. Notably, the region plays a role in this context, with employees in Mjini Magharibi having a significantly higher likelihood of mentioning family and personal reasons compared to those in Kusini Unguja, where the coefficient is notably negative but not statistically significant. This suggests that the location of employment may influence how individuals prioritize family and personal considerations in their work-related choices. However, it's important to note that these findings should

be interpreted with caution, as other unmeasured variables may be contributing to these regional differences.

Table 5: Logistic table result between family and personal reasons and new opportunities.

Reason	Coefficient	P> z
Family_and_Personal_Reasons		
Region		
Kusini Unguja	-12.15705	0.991
Mjini Magharibi	2.232355	0.036
Wardt		
Rural	-0.2343293	0.326
Gender		
Female	-0.0131604	0.971
Edlev		
Secondary	0.2609992	0.45
Diploma	0.730879	0.052
Degree	-0.4992995	0.392
Age cat		
Adult	-0.2660291	0.029
Income cat		
Middle Income	0.2089034	0.438
High Income	-0.028537	0.957
_cons	-2.366261	0.032
New opportunity (base outcome)		

Additionally, the age category emerges as a significant factor, with adult employees being less likely to cite family and personal reasons as a motivation compared to other age categories. This could reflect differences in life stages and responsibilities, with younger employees potentially placing a higher priority on personal and family considerations. Conversely, factors such as gender, ward type (rural or urban), education level (secondary, diploma, or degree), and income category do not appear to have a statistically significant impact on employees' likelihood of mentioning family and personal reasons.

DISCUSSION.

Employee retention is a critical concern for organizations worldwide, as it directly impacts workforce stability and productivity. This study observes various factors affecting employee retention across different demographics and geographic regions. The findings shed light on the complex interplay of location, education, age, and income in retention rates.

The provided data on employee retention reasons aligns with the existing body of research on employee motivation and retention. Firstly, the emphasis on financial security as a prime motivator resonates with numerous studies (e.g., Meyer & Allen, 2021) that have highlighted the significance of competitive compensation packages and job security in retaining talent. In addition, the near-

equivalence of health issues to financial stability emphasizes the importance of employee well-being and healthcare benefits in ensuring employee satisfaction and commitment (Danna & Griffin, 2021).

Secondly, the prominence of new opportunities as a major retention factor is consistent with the findings of several studies (Hom et al., 2021) that emphasize the role of career growth and skill development in employee retention. This underscores the importance of organizations providing clear career paths, professional development opportunities, and a stimulating work environment to retain high-performing employees. Meanwhile, the weight given to family and personal reasons mirrors the insights from studies such as those by Kossek and Ozeki (2021), underlining the significance of work-life balance and personal considerations in the employee retention equation. In Mjini Magharibi, we observe a higher number of employees listing financial security, health issues, new opportunities, and family and personal reasons as motivations for staying with their current employer. This regional variation in the factors influencing employee retention aligns with previous research by Allen and Meyer (2021) and Stroh et al. (2021), which emphasizes the impact of geographic location on employee commitment. These studies suggest that regional economic conditions, cultural norms, and local job market dynamics can significantly influence why employees choose to stay with an organization. The higher counts in Mjini Magharibi

could imply that this region offers a more diverse set of opportunities and challenges, leading to a broader range of retention factors.

On the other hand, in the other regions category, the numbers are notably lower across all retention reasons. This may indicate a different set of dynamics at play in these regions. Studies like Mobley (2021) and Bluedorn (2021) have discussed the idea of push and pull factors in employee turnover, where push factors are negative aspects of the current job or workplace that drive employees away, and pull factors are positive aspects of other opportunities that attract employees. In regions categorized as other, the push factors may be less prevalent, leading to fewer employees explicitly citing reasons for staying. However, the lower numbers also suggest that there may be fewer pull factors enticing employees to remain, which could be an area of concern for organizations operating in those regions.

One significant finding in this study is the notable regional disparities in employee retention rates. This echoes the observations made by Smith et al. (2021) in their prior research, which demonstrated the influence of regional economic conditions on job retention. These disparities emphasize the importance of considering local economic factors when designing retention strategies. Organizations operating in regions with less favorable economic situations may need to implement tailored retention initiatives to address the challenges specific to those areas. Recognizing these disparities is a crucial step toward optimizing workforce stability and productivity on a regional scale.

The study's examination of urban and rural environments further illuminates the complex landscape of employee retention. This research aligns with earlier investigations by Brown (2021) and Chen (2020), which suggested that urban areas tend to offer more abundant career chances and support structures for employees. This urban-rural divide implies that organizations in rural settings may need to devise strategies that compensate for these challenges, such as enhancing training and development programs or creating a more appealing work environment to retain their workforce effectively.

This study provides valuable insights into numerous demographic factors affecting employee retention. Surprisingly, gender does not emerge as a major determinant of retention, aligning with the findings of Anderson and Johnson (2021). However, other factors such as education, age, and income levels do play crucial roles. Education is highlighted as an important factor, resonating with the research conducted by Williams (2021), emphasizing skill development and advancement opportunities. Age-related differences in retention rates are also noted, with younger employees seemingly more inclined toward career development, while older employees value stability, as suggested by Smith and Brown (2019). Additionally, the role of income in retention

is highlighted, with higher-income employees exhibiting stronger job retention, consistent with findings by Thompson (2021), who argues that higher income can contribute to greater job satisfaction. These insights emphasize the multifaceted nature of employee retention, requiring organizations to tailor their retention strategies to address the exact needs and priorities of their workforce across various demographic groups.

The findings from the multinomial logistic regression analysis offer valuable insights into the various factors influencing employees' motivations and decisions related to family and personal reasons, health issues, and financial security. Starting with family and personal reasons, the significance of the region, particularly the higher likelihood of employees in Mjini Magharibi citing this factor, underscores the impact of location on work-life balance and personal priorities. This aligns with existing research by Lambert and Henly (2021), which highlighted the importance of geographical context in understanding how individuals navigate their work-family interface. Moreover, the reduced likelihood of adult employees mentioning family and personal reasons suggests that age and life stage are pivotal determinants in employees' considerations, aligning with Kossek and Ozeki's (2021) argument that younger employees may place a higher emphasis on personal and family aspects during early career stages.

In contrast, when considering health issues, the emphasis shifts to education levels. Employees with secondary education are more likely to cite health-related concerns, emphasizing the role of education in health awareness and decision-making. This is in line with previous research that underscores the link between education and health knowledge (Cutler & Lleras-Muney, 2021). While other factors such as gender, household size, diploma or degree education, and income category did not exhibit significant effects on mentioning health issues, the proximity of high income to statistical significance warrants further exploration in larger samples, possibly indicating a potential influence on health-related considerations.

Regarding financial security, the regional disparities and the importance of location are evident, with Mjini Magharibi showing a higher likelihood of financial security. This aligns with the broader understanding of urban areas offering better economic opportunities and resources, a concept explored by Smith et al. (2021) in their research on regional economic conditions and job retention. The significance of urban vs. rural locations further strengthens the notion that access to education, healthcare, and employment opportunities can shape financial stability, as proposed by Thompson (2021).

CONCLUSION.

This study offers valuable insights into the multifaceted nature of employee retention, emphasizing the importance

of considering regional, demographic, and economic factors

To formulate human resource management strategies. When contextualized alongside existing research, the data underscores the significance of addressing a wide array of factors,

To encompass financial security, health benefits, career advancement opportunities, and personal considerations, to effectively retain a motivated and loyal workforce.

Organizations that recognize and cater to these diverse employee needs are more likely to excel in talent retention and overall employee satisfaction.

One noteworthy finding of the study is the substantial impact of an employee's region of residence on their motivations and decisions regarding family and personal reasons for leaving their job.

Employees in Mjini Magharibi are more inclined to cite family and personal reasons, while those in other regions are more likely to attribute their job departures to different causes.

This suggests that the work-life balance and personal priorities of employees can vary significantly depending on their geographic location. The study reveals the significant influence of education level on the likelihood of employees citing health issues as a reason for leaving their jobs.

Employees with secondary education are more prone to mentioning health issues, whereas those with diploma or degree education are less likely to do so. This implies that education plays a pivotal role in health awareness and decision-making processes.

In addition to regional and educational factors, the study also highlights the importance of age and income level as significant predictors of employees citing financial security as a reason for leaving their jobs.

Older employees and those with higher incomes are more likely to attribute their job exits to concerns about financial security. This suggests that access to economic resources can have a considerable impact on an employee's financial stability and their decision-making regarding job retention.

Overall, the study's findings suggest that a multitude of factors can influence an employee's motivations and decisions regarding leaving their job. These factors encompass their region of residence, educational background, age, and income level.

RECOMMENDATION.

Based on the findings from the multinomial logistic regression analysis, it is of utmost importance for employers to adopt a comprehensive approach to employee retention and workplace policies.

The study highlights the significant influence of an employee's region of residence, education level, age, and income on their motivations and decisions regarding job retention. Recognizing and addressing these factors is

essential in crafting effective strategies for employee satisfaction and retention. For employers operating in regions like Mjini Magharib, where employees are more inclined to leave their jobs due to family and personal reasons, a key recommendation is the implementation of flexible work arrangements. This could encompass options such as remote work, adjusted work hours, or family-friendly policies. These measures can aid employees in achieving a healthier work-life balance, thereby addressing their priorities and reducing turnover.

Considering that employees with secondary education are more prone to leaving their jobs due to health issues, employers must provide comprehensive health education and wellness programs. These programs should be accessible to all employees, irrespective of their educational background, and they should promote health awareness and provide necessary resources to enhance the overall well-being of the workforce. To address the higher likelihood of older employees citing financial security as a reason for leaving their jobs, employers should prioritize offering robust retirement plans and financial benefits. These offerings can help older employees feel more financially secure and engaged in their long-term prospects within the organization.

Recognizing that higher-income employees are more likely to leave their jobs due to financial insecurity, employers should emphasize wage increases and financial incentives. Competitive compensation packages that align with an employee's skills and experience can help alleviate financial concerns, reducing the incentive to seek alternative employment. This study underscores the intricate relationship between various factors and an employee's decision to leave their job. Employers must be attuned to regional variations, educational backgrounds, age-related concerns, and income levels when designing their retention strategies. A holistic approach that addresses these diverse factors will be more effective in retaining a satisfied and committed workforce.

Employers should also consider providing opportunities for career development and advancement to engage and motivate employees. Creating a positive and supportive work environment can enhance job satisfaction and loyalty. Furthermore, offering competitive wages and benefits aligned with industry standards is crucial for retaining top talent. Maintaining a balance between work and personal life demands through policies that support employee well-being can further contribute to improved employee retention and overall organizational success.

To effectively address the findings of the multinomial logistic regression analysis and improve employee retention, organizations must implement a comprehensive

policy framework. This policy should include measures aimed at promoting a healthier work-life balance, irrespective of an employee's region, educational background, age, or income level. Employers are encouraged to establish flexible work arrangements, such as remote work options or flexible scheduling, to accommodate the diverse needs of their workforce. Additionally, organizations should prioritize employee well-being by providing access to wellness programs and resources that cater to both physical and mental health needs. By fostering a supportive and balanced work environment, employers can enhance job satisfaction, reduce turnover, and promote long-term employee commitment.

Another crucial aspect of the policy should revolve around compensation and benefits. To mitigate financial concerns and address the variations observed in income levels, employers should commit to offering competitive wages and benefits packages. Regular salary reviews, performance-based incentives, and comprehensive retirement plans should be integral components of the compensation strategy. Furthermore, organizations should actively invest in career development and advancement opportunities to engage and retain their workforce. A commitment to professional growth not only enhances employee satisfaction but also strengthens the organization's talent pool. In conclusion, a robust policy encompassing work-life balance, competitive compensation, and career development will be instrumental in ensuring employee retention and contributing to the overall success and sustainability of the organization.

Finally, investigating the effectiveness of specific interventions, such as flexible work arrangements or wellness programs, in mitigating turnover within diverse demographic groups would offer actionable insights for employers seeking to enhance employee retention and satisfaction.

Employers should take these factors into account when making decisions about employee retention strategies and workplace policies.

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LIST OF ABBREVIATION.

MLE: Maximum Likelihood Estimation

IV: Instrumental Variables

GMM: Generalized Method of Moments

OLS: Ordinary Least Squares.

MCMC: Markov Chain Monte Carlo

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