



Research Paper

Impact of NGO Governing Issues for the Employee Turnover Intention (A Study Based on Sri Lanka)

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Abstract

NGOs plays a pivotal role in peace and development. NGOs have risen as an imperative on-screen character within the Sri Lankan civil society all through the last three decades. Be that as it may, NGOs concerned with improvement confront the administration of a complex and different run of issues. NGOs confront inner administration issues, for illustration questions of key arranging, budgeting, staffing, and the administering structure of the organization, development and alter inside the organization. NGOs moreover confront the administration of outside connections, relations with government, the private division, other NGOs and with their target communities.

The analyst of this research has gone by various NGOS in Ampara and Batticaloa area utilizing another task for finding nearby accomplices for the execution of Peacebuilding ventures in those area. The genuine point of this paper was to find the existing reasons of turnover, and the representatives to produce the intention of turnover within the NGOs and to get it the in-depth understanding of basic causes and migratory measures through open and one to one discourse the coordinate parties who have concerns and results of this issue. An overview instrument was utilized with 150 interviews and by using SPSS, relationship and relapse tests were performed to reach at the discoveries.

Based on the discoveries a number of administration suggestions and headings for further inquire about are given. Finding appears that representative turnover purposeful encompasses a critical relationship with the factors i.e. Work fulfillment, Believe Relationship, Work Security, Organizational Commitment and Work Push but it has an inconsequential relationship with Individual, Organization Fit while the major supporter to turn over deliberate is Work Push and Worker Believe Connections.

Key words: NGO, Governance, Peace and Development, Employee Turnover Intention

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I. INTRODUCTION

Due to the economic liberalization late 1970s and the consequent relaxation of foreign exchange regulations, trade and travel restrictions, there arose a phenomenal increase in the number of foreign NGOs. Further 30 years of civil war which prevailed in North and East in Sri Lanka and 2004 Indian Ocean Tsunami also increased many INGOs presents in Sri Lanka. With the increased flow of foreign assistance and the expansion of community and rural development, a further proliferation of NGOs was observed in the country. Since NGOs were expected to play a complementary role to that of the government, and its selfless nature, the presence and operation of NGOs was welcomed by the Government. (NSNGO,2017)

High employee turnover is one of the main issues in many NGOs mostly in national or local NGOs. It is comparatively much higher than in any other corporate sector or government institutions. Sarvodaya in its 25th year's anniversary publication stated that "one of the main challenges in retention of experienced staff in national organizations is higher pay by the international NGOs and UN Agencies". International NGOs, International Red Cross Movements and UN agencies which are in the similar industry pay much higher than the national NGOs (DI , 2015). This study critically examine the governing issues and their impact upon the employee turnover.

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01.1 NGO Governance and Employee Turnover Intention

NGOs are born out of a want to illuminate an issue or make new opportunities to assist others. They frequently begin out as little organizations with two or three companions and colleagues as individuals of the overseeing body and volunteers functioning as staff. In some cases the NGO is begun and run by as it were one individual. As these authors pick up involvement, the organization advances from a group of companions overseeing all angles of the NGO to one that depends primarily on enlisted staff to handle the day-to-day exercises (Peace Crops, nd). The center gather of founders may stand up to for a long period of time expanding the differing qualities and comprehensiveness of the governing body. In spite of the fact that it isn't bizarre, and maybe typical, for difficulties to rise as the NGO develops, it is still troublesome and uncomfortable for those making the move from a little bunch of devoted people to an effectively administered, professionally overseen organization. In most nations, the board contains a legitimate, ethical, and guardian duty for the organization. NGOs seek to foster lie in their capacity to empower and foster group autonomy, related knowledge with action, sensitivity to local contexts, flexibility, non-hierarchical and directive values and relationship, participatory interaction with intended beneficiaries (Uddin et al, 2019).

High staff turnover is a major hindrance to organizational effectiveness among NGOs in Sri Lanka. The problem is more pronounced among professional staff. Blau and Boal(1987) shows that of being able to recruit competent and skilled staff when local NGOs are competing with international NGOs which generally offer higher salaries and better terms and conditions. Whereas Turnover intention can be the best predictors of actual turnover based on past studies. It was argued by Grogery et al. (2007) that behaviour intention to quit is theoretically see as an important predecessor to actual turnover. Mobely (1982) describes that turnover intention as the final cognitive step in the decision-making process of leaving or staying.

According to Drucker, P. In his study "employment in competitive industries" he noted that the first sign of declining industry is its loss of appeal to qualified able and ambitious people (Drucker,P 1974:100). While staff turnover is inevitable, higher rates can be costly and disruptive. Addition to financial costs, loss of key personnel may lead to low organizational effectiveness as new people coming to replace those who left may bring with them different or sometimes contradictory values (Bradley, et al , 1994).

II. OBJECTIVES OF THE STUDY

2.1 Main Objective

The broad objective of the study is to explore the issues relating to NGO governance and determine the factors, causing employee turnover intention in non-governmental organizations in Sri Lanka.

2.2 Specific Objectives

- i. To study the nature and patterns of various governing issues in the NGO sector of Sri Lanka
- ii. To examine the connection between employee turnover intention and governing issues.
- iii. To analyze the consequences of employee turnover intention in non-governmental organizations.

III. RESEARCH METHODOLOGY

3.1 Research Design

The research was a micro study applying qualitative descriptive (describing major characteristics of NGOs/staff relationships) and diagnostic methods to determine the factors affecting the employee turnover intentions among the NGO sector in Sri Lanka. Descriptive research can be explained as describing something, some phenomenon or any specific situation. Descriptive surveys are surveys that describe the current situation, rather than interpretation and decision making (Creswell, 1994).The geographical area is selected as Batticaloa and Ampara District because of the presence of great number of NGOs in multicultural and faceted socio-factors.

3.2 The research sample

The research sample was drawn from a list of NGOs working in the Eastern Province covers the district of Batticaloa and Ampara. The two districts were chosen because of big numbers of NGOs both local and International. A stratified sampling was applied and NGOs were divided into three categories of international, national, district and community based. The sample size for the study is 150 employees serve for non-governmental organizations in Batticaloa and Ampara Districts of Sri Lanka. These were included of 8 National Organizations, 20 regional and district organizations and 12 community-based organizations.

3.3 Summary of Design and Response

The questionnaire was distributed among 160 respondents in the NGOs sector who employed in Batticaloa and Ampara Districts of Eastern provinces. These respondents are selected based on the criteria above mentioned. Before giving the questionnaire, the purpose of study and questions were explained to the

respondents so they can easily fill the questionnaire with relevant responses. Total 150 questionnaires were selected and rests of them were not included in the further analysis due to incomplete or invalid responses. After collecting the completed questionnaires, these questionnaires were coded and entered into SPSS sheet for further analysis.

3.4 Data Analysis

The study focused on fifty non-governmental organizations. Analysis and discussing of the findings are then presented question after question. Analysis in the study was carried out using the statistical package for Social Sciences (SPSS). In order to achieve more accurate, stable test results, Cronbach's Alpha coefficient was used to measure the reliability of the questionnaires.

IV. RESEARCH FINDINGS

Along with the results of the observed data analysis, that the information given by the directors and few employees at the open discussion time were worthiness. Employees explained their controversial and contemporary issues and impediments at NGOS with the current funding availability and demand for the development project operations.

There was an argument brought up by the executive level at the NGOs says that the predictors for the employee turnover intentions identified here in the study are significantly influenced by the current trend and understanding of the donors. Further elaborating that the Western donors drastically reduced development aid for Sri Lanka without creating or recommending alternatives to funding mechanisms they had helped with, in continuing the beneficiary work initiated. Western countries recognizing Sri Lanka as a mid-income nation and dropping it from the limited number of countries they can support, priority being given to major man made (such as the current Syrian refugee) crises or natural disasters in developing countries as well as those in their own backyards and the dislike of NGOs by the previous government due to a few of them sympathizing with separatist politics. The void created thereby, is a need that should be addressed without delay.

4.1 Causes for High Employee Turnover Intention:

The responses of the employees for the question about micro and macro issues that trigger up the intention to leave the workplace or the employer were clustered against the identified dependent variables of the study.

Poor policies and management structures contribute to high intention of employee turnover within NGOs sector. They tend to focus their recruitment, staffing and remuneration to short term project rather than organizational mission, vision and values. The result is employee's job dissatisfaction and urge to seek greener pastures

Job Stress has significant role towards influencing the turnover intension of employees the NGOs sector. Rather comparing to the government sector, program staffs have to work more without time consideration and limitations and also have to travel geographical distances to reach project identified locations. During the visit of Donor and monitoring visits, the employees of Project and project support staff enforced to a stressful situation by the directors and president of the organizations. Further job stressors were inadequate pay, inequality at work, too much work, staff shortages, lack of promotion prospects, time pressure, job insecurity, and lack of management support. Occupational stressors related to organizational policies, duties, and interpersonal relations were the best predictors of job stress of employees with NGO sector.

Job insecurity were key factors affecting employee turnover intention in the NGOs, hence it is rare and most difficult to find funds for longer term projects because there are no smart employees to sell ideas through development project proposals to the donor the community. The trend has changed as very limited and potential funders are operating in the country like USAID, UNDP and all the great funders are located in abroad naming EU, DFid, Aus AID. Even there many funders/ donors operating from western countries. NGOs must be prepared and performed well to gain their funding opportunities.

And the main problem is staffs have to commit and work harder to submit concept proposals with more papers and references, and they get upset when the papers are not being selected. Based on such experience - most of the employees except the director board do not wanted to engage themselves in the proposal writings works due to failure ends. Therefore, most the staffs contracted with very short-term employment contracts and often they have to work without salaries with the hope of getting them from the next projects etc.

Very few pay focuses on other form of payments such as health care insurance, paid leave and bonuses. Some NGOs seem to provide acknowledgement certificates, awards for recognition, and other non-financial benefits. If the supervisors treat the staff with dignity and respect, and hold them that empowers people and become unwilling to leave the organization.

4.2 Consequences of Employee Turnover Intention

Apart from the costs, employee turnover affects the entire social system of the NGO sector organization. The employees made a network in the working place which has an amount of understanding, communication and team spirit of them. The sudden turnover breaks the existing links in the communication network among employees and disrupts existing social capital. According to Moreland, Employee turnover is a threat to the efficiency of organizational transactive memory systems. If the employees shared their opinion and who knows what among them is treated as transactive memory system. Such systems make better coordination among employees, leads quick problem solving, and overall higher productivity. The left of old experienced employees and the arrival of new people will affect the entire system of the organization

The consequences when employees work with the intention to leave the organization offered clear picture in the data presentation part. They attributed the impact of high employee turnover intention with the survival of NGOs with greater good reputation among the human development sector for longer term. There are absolute negative consequences to be faced by the NGOS sector when they do have more employees with the intention to leave.

4.3 Practical Implications

Most local and community based NGOs do not have comprehensive policies regarding managing and staffing their organizations. They rely mainly on copying from well-established organization and donors for guidance on given finances. This is reflected in ways they administer and run their operations. Even the so called International NGOs despite higher salaries and benefits they also experience higher challenges in retaining staff for long period of time. Some key factors such as retention strategies, work environment, existing policies and management structures are essential in retaining staff.

Many NGOs have always demand for new staff, which attracts new workforce from similar NGOs or other institutions. They also sometimes fill vacancies by using temporary employees and volunteers (One experienced NGO manager remarked during interview). This often causes additional stress for staff and results in service

Turnover Intention is obviously affecting the quality, performance of the organizations. The human costs to people who receive services are also significant. People living in difficult situations and who are receiving services from various NGOs such as all categorical work under Relief, resettlement, rehabilitation and reconciliation are routinely expected to engage and contribute proactively to the success of the project and the wellbeing of the implementing organization

If the intention converted as decision to turnover then it cost NGOs practice money — through direct costs and indirect costs. Some of the direct costs: Severance pay, recruitment fees, pay for temporary workers or overtime pay. Moreover, indirect costs include screening and pre-employment tests, training and orientation costs.

V. CONCLUSION

The research finds employee turnover intention as a complex spectrum, determined by a number of factors interacting together. There are various internal and external factors causing employee turnover intentions as well as employee turnovers in the NGO sector in Sri Lanka. Intention to leave is greatly affected by lack of commitment to the organization, stress, trust relationship, job security and job-satisfaction. Future researchers can take this survey as a benchmark and come up with a better research study by covering more samples all over the island. Workload monitoring and supervisory subordinate relationships from the management can not only reduce stress, but can also increase job satisfaction, job security and commitment to the organization. Moreover, given their importance in quitting intentions, managers must monitor both the extrinsic and intrinsic sources of job satisfaction provided to workers. This in turn may reduce the intention to leave, and subsequent turnover, saving organizations the high financial cost and efforts required for the recruitment, admission and training of replacement staff. However, the story does not end there, as well as other variables, described by us as push-pull factors should be considered in long-term studies.

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