Voluntary employee turnover phenomenon in Newmont Ghana Gold Limited: Is Hay pay system the force behind employee exit decisions?

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Voluntary employee turnover phenomenon in Newmont Ghana Gold Limited: Is Hay pay system the force behind employee exit decisions?

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Abstract

The paper examines voluntary employee turnover in Newmont Ghana Gold Limited, a multinational gold mining company operating in Ghana. The aim is to investigate whether the company's pay system contributes in any way to the employee exit decisions. Data was predominantly in-company and collected from three sources, including; employee resignations from the company's electronic database; exit interview notes from personal manual files; and interviewing of some serving employees. The electronic data and exit interview notes were discussed after tabular presentation of the results, while the face-to-face interview was transcribed and discussed qualitatively.

It is concluded that dissatisfaction with pay is a major contributor to the employee exit decisions; that employees' concern over their career development and progress influence their decisions to look for alternative employments; that the phenomenon is more of collective in nature which has more serious organisational consequences than individual turnover; and that senior management are less concerned about the situation. The paper ends with three recommendations including effective use of exit interviews; conduct of employee engagement survey; and strategic approach to retention of talented employees, which could help check the phenomenon and also have policy implications for other organisations in tackling employee turnover.

Key words*: voluntary turnover, Hay pay system, employee, Newmont, Ghana, retention*

Introduction

Turnover is an important organisational phenomenon that has been subjected to much scrutiny for decades (Bartunek, Huang & Walsh, 2008). Researchers have revealed that voluntary employee turnover is expensive, and particularly so in the case of talented employees whose productivity is difficult to match (Boxall, Micky & Rasmussen, 2003). There is ample evidence that high levels of voluntary turnover adversely affect business performance. In their study on the relationship between job satisfaction and employee turnover, Tan, Kim and Tang (2000) observe that job satisfaction is an effective response to specific aspects of the job and has a direct effect on turnover as well as an indirect effect through organisational commitment. They continue that (lack of) organisational commitment is one of the most immediate determinants of turnover intentions.

Some national senior and management staff of Newmont Ghana Gold Limited have been resigning, a trend which has been worrying especially to serving employees and the industry. Newmont Ghana Gold Limited (NGGL) is an American multinational subsidiary operating in the Ghanaian gold mining industry. NGGL, having its first gold pour on 1st July 2006, is a pretty new company among the big players in the industry. It uses the Hay pay system (used here to include compensation package, and also referred to as 'pay' in this paper). Perceived to be one of the multinational subsidiaries in industry with the best compensation package, NGGL did not have much difficulty attracting most of the required national talents. Against this background, the employee exits phenomenon became a surprise to the industry particularly, and the Ghanaian business community in general. For the purpose of this paper focus will be on voluntary turnover (employees who leave on their own will), which is also dysfunctional (that seriously affects the organisation).

Due to the effect of voluntary turnover on organisations, Bussin (2002) reports that the issue of increasing retention and decreasing turnover has become paramount in organisational life and that, retaining key employees has become a critical organisational competency. Lewis and Hackman (2006) advocate moves for retention strategies to justify investments in the employees including recruitment, compensation and training costs. Cappelli (2008), on his part, warns that retention should be well managed and should be one of the pivots of employee commitment because, as he puts it, a deep bench of talent has become expensive inventory these days – inventory that can walk through the door and ambitious executives should not allow this to happen. Studies by a US consulting firm, Watson Wyatt show that people who have received training are the most likely to leave, as they leave for opportunities to make better use of those new skills. This raises the question of how to retain talented individuals in organisations. Goss (2010) advises that any incentive for retention should have clearly defined objectives that are aligned with the overall company strategy. Believing that poorly managed incentives scheme or retention approach may defeat its purpose, Goss (2010) recommends that organisations should think about the overall impact of the scheme so that employees do not do only the tasks that are measured and rewarded.

Apart from the need to align reward to overall company strategy, it is also important to communicate and discuss the reward with employees. As CIPD (2010) point out, no matter how good a company's total reward strategy, it will not deliver its objectives if it is not communicated effectively. Employees need to be fully involved in discussions with the human resource (HR) department from the outset in order to 'own' the concept of total reward. Because of lack of such important communication there is a telling difference between the views of employers and expectations of employees about the most motivating elements of rewards. When this happens the rewards rather act as drivers of turnover instead of the intended purpose of retaining employees; indicating that rewards influence employee turnover.

Study of human resource management practice in sub-Saharan Africa reveals that retention of talented employees is a necessary tool for multinational companies operating in Africa to succeed (Nyambegera, 2002). The need for retention is also highlighted by MaCauley and Wakefield (2006) who, perceiving more talent shortage in the future, warns that employee retention becomes even more important as many old and experienced employees approach retirement, leading to companies worldwide competing for a smaller pool of talents. Wirtenberg, Abrams and Carolyn (2004) link the need for retention to the challenges that globalisation presents. They identify these challenges as the increasing complexity of businesses with almost unimaginable global challenges; ever-changing marketplace challenges; an ever-changing workplace and workforce; and an increasingly diverse multicultural and multigenerational workforce. Development and retention of employees that could meet these challenges are really critical to an organisation's ability to minimise employee turnover.

With specific reference to the retention of employees in gold mining companies in Ghana and Zimbabwe, Premoli (1998) notes that African countries have exceptional gold potential and could match the rest of the established gold-producing countries such as Australia. To realise this potential, however, Premoli (1998) reveals that gold development in Africa demands contrasting talents and these include "a sure technical expertise" (p.85). Emphasising the need for development and retention of talented employees in the gold mining industry in Africa, he states that gold exploration techniques can easily be transferred from one continent to another, but people cannot easily relocate. It is, therefore, justified that "most major explorers in Africa feel that their greatest problem is a lack of suitable personnel, particularly at a senior level" (Premoli, 1998: 82). This view highlights the need for the development and retention of employees in the gold mining industry in Africa, especially in the multinational companies.

The study examines the trend of the exits, and if Hay pay system is the cause of this lack of commitment from national senior and management staff leading to their departure. This section has touched on the importance of organisations to retain their employee and minimise turnover. The rest of the paper is organised under five headings. The next section reviews relevant literature on the two main areas of the study – voluntary employee turnover, and the Hay pay system; then the methodology, which spells out the research aim, the data sources and methods of data collection and discussion. This is followed by a section on the presentation and discuss of data results; and a section on the conclusions drawn from the discussion and recommendations to control the turnover phenomenon. The paper ends with a suggestion for further research.

Literature Review

This section reviews popular and academic literature on the two main issues of the paper. These include voluntary employee turnover and the Hay pay system.

Voluntary Employee Turnover

Employee turnover is a situation where employees leave the services of a company on their own will (not committed to it). Turnover is an important organisational phenomenon that has invited close scrutiny for decades. A review of the subject matter reveals extensive research on it by Mowday, Porter and Steers (1982); Boyett and Boyett (1998); Guthrie (2000); Tan, Kim and Tang (2000); Mitchell, Holdom, Lee, Sablynski and Erez (2001); Boxall, Micky and Rasmussen (2003); and Wright and Kehoe (2008). Tan, Kim and Tang (2000), for instance, study the relationship between intrinsic job satisfaction and voluntary employee turnover.

Generally, employee turnover can be extremely costly and most employers are better served with lower employee turnover than a higher one. Guthrie (2000) places employee turnover into two categories – voluntary and involuntary. Voluntary turnover is controllable thus, employers would like to prevent it, if they want to, and actually can do so. Involuntary, on the other hand, is one that cannot be controlled such as death (natural cause) and retirement (legal requirement). Any of these two categories could also be either functional i.e. beneficial to the organisation or dysfunctional, thus, harmful to the organisation. This is a pointer to the fact that not all employee turnovers that employers view as harmful or costly. However, when this appears to be harmful or costly employers need to take measures to mitigate the effects (Markos & Sredevi, 2010).

The various studies show that dissatisfaction may ‘push’ employees to look for alternative employment (Mitchell et al., 2001); whereas the perception of attractive alternative job opportunities may 'pull' them to consider alternative employment (Tan, Kim & Tang, 2000). Morrell, Loan-Clarke and Wilkinson (2001) advance two schools of thought on antecedents of employee turnover. These include the labour market school or economic school, which considers issues such as labour supply and demand; job search techniques; and objective opportunities. The other one is the psychological school which looks at issues such as individual decision-making, and particularly the factors that affect job dissatisfaction. Morrell et al. (2001) explain that the labour market or economic factors are external to the organisation, and are those over which the organisation has almost no control, while the psychological factors are within the control of the organisation and include problem with pay; the manager; lack of development opportunities; and change process. The research of Rouse (2001) also produced two models of antecedents of turnover, namely: rational and instinctual models. The rational model assumes that employees rationally follow a linear sequence towards turnover, the beginning of which starts with the employee experiencing job dissatisfaction. Therefore, factors that determine job dissatisfaction and organisational commitment are important tenets of this model. Some of the factors that lead to lack of organisational commitment include unchallenging job, jobs that lack skills variety and autonomy, and job that has less meaning to the employee. The instinctual model presupposes that most people who leave an organisation are fairly satisfied with their job but are forced by precipitating event – termed as "shock". Aside all these factors, Sutherland and Jordaan (2004) believe that the mere intention to leave is seen as the best predictor of turnover. Management, therefore, needs to develop the skills of predicting such intentions before they develop into exit decisions.

The general premise of research on turnover is that it is an individual phenomenon because individuals independently decide to leave their organisations, regardless of whether antecedents to their decision are individual or organisational. In recent years, however, as identified by Bartunek, Huang and Walsh (2008), recognition that focuses solely on the experiences of individuals ignores other crucial levels of analysis, especially the group level – collective turnover, which has more severe consequences for organisations than individual turnover. Collective turnover is the turnover of two or more organisational members in close temporal proximity based on shared social processes and decisions to leave an organisation. These are described by the authors as phases or interaction processes leading to collective turnover. The process starts with two or more members of an organisation experiencing unresolved dissatisfaction with some aspects of their organisation despite complaints to supervisors/managers (exercise of voice). These individuals' negative experiences are transformed into shared group perceptions through group sensemaking and emotional infection that occurs in cohesive groups that view themselves as superior to others without exit intentions. When such group members feel no hope of resolvability but have other opportunities available and few constraints on leaving, they collectively decide to leave and thus start looking for placements and eventually leave (turnover). At this stage, the escalating interaction process moves from exercise of voice to exit tactics. The possibility of turnover here is thus characterised by the availability of external alternatives and the lack of constraints on leaving, representing the boundary conditions of the process.

Turnover is seen to be closely linked to employee commitment, which Wright and Kehoe (2008) define as the strength of an individual's identification with, and involvement in a particular organisation. Wright and Kehoe (2008) consider organisation commitment as one of three components which explain employee behaviour and exit decisions. These components include: a strong belief in and acceptance of organisational goals and values; a willingness to exert considerable effort on behalf of the organisation; and a strong desire to maintain membership in the organisation. When any of the three is absent, which may be caused by such factors as favourable external employment conditions and lack of internal constraints to exit, an employee may want to leave the organisation. Gelade, Dobson and Auer (2008) describe this as a break in the link in the psychological contract between the employee and the employer that makes it more likely that the employee voluntarily leaves the organisation. Sutherland and Jordaan (2004) mention hidden nature of turnover costs, the impact of which are under-appreciated by organisations because these costs, such as loss of organisational memory, conceals its true identity. This is supported by the finding of Michaud (2000) that the financial impact of employee turnover is difficult to estimate. Much of the literature however put the financial cost of one knowledge worker to be equal to more than a year's salary. Other costs include high-performing employees leaving and poor-performing employees staying; and cost of replacing departed employees.

Managing commitment is therefore an important HR task since commitment improves work performance and reduces turnover of employees in organisations. Concerned with employee turnover, Cappelli (2008) warns that a deep bench of talent has become expensive inventory these days – inventory that can walk through the door, and it is the trained and skilled ones who are most likely to leave, as they leave for opportunities to make better use of those skills. In this regard, employee retention should be aligned with HR strategy. As noted by Gbadamosi (2003), a satisfied and committed workforce translates into higher productivity due to fewer disruptions caused by absenteeism or the exit of valuable employees.

Hay Pay System

NGGL pay system is described as the Hay pay system or traditional American pay plan. Edward Hay and other associates of the Hay Group developed the method of job evaluation known as the Hay System of Compensation in the early 1950s and described as a method that proved to be very unique and revolutionary compared to other job evaluation processes already in use. In developing the system, the Hay Group believed that there were many factors common to evaluation of all jobs but there were a few factors significant enough to be applied to observe the differences between different types of jobs. Most important consideration of the system is that "the job itself should be evaluated not the job holder. The job holder's specific background, characteristics and prior pay should not be considered in the evaluation of the job" (Skenes & Kleiner, 2003: 109). The final product of the Hay Group's research was a Guide Chart-Profile made up of three-factor classification. The three factors include know-how, problem-solving, and accountability. A fourth factor was later added to address extraordinary working conditions which some jobs exposed but which had not been addressed by the first three factors. Giving the process of the job evaluation system, Sun and Luo (2013) say that the design core of the point factor is to select job evaluation factor based on weighting (amount and quality of labour), and adopt a certain number of points (scores) to indicate each factor weighting. Then, subject to predetermined criteria each factor is evaluated and compared to the core, with the total score to be charged to volume of money for specific grade.

Lawler (1990) revealed that businesses were pleased with the point-factor pay system because it ensured high level of fairness and internal equity as every job in the company was paid based on one system; and the point-factor approach ensured centralised control as the system ensured easy comparability across a single organisation and also to compare jobs across different companies. Other advantages include a well-established system that created large and complex databases that silenced the messy issues of pay, and the linkage of individual's pay to their performance appraisal meant that outstanding performers were being rewarded and mediocre performers punished. The relevance of the pay system is also revealed in the work of Sun and Luo (2013), who believe that it is significant and fundamental for fair and reasonable compensation system. This was because it was believed to offer the capability of evaluating managerial jobs, and described as wonderful tool to have when assigning salary ranges and grades to your positions. Considering the system as having the potential to check employee turnover, Sun and Luo (2013) write that it establishes internal equity in organisations. It is explained that it does not matter how competitive an organisation is in paying its employees but there will be dissatisfaction among employees who feel cheated in relation to others' pay. Using the point factor system to establish points and performing a regression analysis, employers can ascertain those being underpaid or overpaid for the necessary corrections to be made. This establishes direct relationship between organisation's pay system and employee turnover.

Boyett and Boyett (1998), assessing the point-factor pay system, said that it was suitable for organisations which top executives made all decisions, middle and lower managers were responsible for implementing decisions and workers were made to obey and follow. The system is especially useful when there are unique positions that employers cannot find market data for. This is on the premise that the system provides a guide as to where each position should fall throughout the organisation. It is, however, argued that this system became less suitable when companies began to compete globally and needed to be flexible, responsive (to host country environments) and innovative (from the traditional pay practices). Sun and Luo (2013), realising that the system is not in tune with globalisation, consider it as restricted on practicality in practice due to unsystematic researches. It, therefore, needs a deep-going research on the whole establishment of the system. To Boyett and Boyett (1998), the system is rigid because it encourages people to do just their job descriptions as the system is based on rigid job description and it strictly concentrates on what should be done (the job) thereby depersonalising people who are equated to set of duties and, therefore, ignoring who they are and what they can do. The job being so important than the person, people could even lie when creating job description to get points required to receive good pay. Also, during the time when change becomes crucial, the point-factor system could make restructuring difficult as all job descriptions would have to be re-written and this would most likely result in in-fighting as people would try to maintain their responsibilities, accountabilities and other point-fetching factors. The problem is even of more concern as companies insist that ratings across the organisation has to be 'normally' distributed, implying that the only way for some employees to get higher ratings is for others to get lower ratings. Martin, Wiley and Legree (2007) conclude that race difference, together with differences in cultural adaptability, would result in different treatment to compensation.

In the face of these setbacks, there have been calls for the replacement of the point factor system with skill-based or group-based compensation (Boyett & Boyett, 1998; Guthrie, 2000). The knowledge or skill-based pay considers base pay that is tied to the skills an individual possesses rather than the job he holds. Comparing this pay plan with the point-factor system, Guthrie (2000) said that although there may be pay adjustments (e.g. merit increases) associated with performance, large pay adjustment with the point-factor are only accomplished when employees change jobs. This is because the system works to assign simple pay to similar jobs regardless of who performs them. Any variation in pay may be due to mismanagement, discrimination or other biases (Skenes & Kleiner, 2003). This means once the three elements, and in some cases the fourth, have not changed to call for revaluation, salaries remain unchanged. Considering these problems associated with the Hay pay system, which also happens to be the pay system of NGGL, the author speculates that it could be a valuable tool for assessing the course(s) of the turnover phenomenon in the company.

Methodology

The study employed techniques that could help achieve the research aim by identifying appropriate methods which help identify suitable data collection methods to ensure that data collected is of sufficient quality and reliable to offer good discussion for evaluation of the problem.

Data for analysis is largely in-company and from three sources: (1) employee data from Ellipse (specialised computer software used by NGGL for employee data management); (2) data from exit interview notes from personal files of resigned employees; and (3) data from face-to-face interviews with 12 serving senior and managerial staff. Employee data from Ellipse was obtained from weekly report printouts, while the exit interview data was accessed from the filing section at the HR department. Exit interview notes, as well as transcribed face-to-face interview notes focused on employees’ responses to the questions on pay, and how best the exits could have been prevented.

The three sources of data are combined to provide multiple angles to the problem. Relationships of the issues from responses to exit decisions were then explored. Categories of employees are limited to national senior and management staff since information on pay and turnover on expatriates was not easily accessible, either from personal files or from Ellipse database. The mining and finance departments were chosen for the study because employees in each of these departments exhibit similar skills and professional backgrounds that may induce similar behavioural patterns towards compensation and exit decisions. The

Ellipse data and the exit interview notes were presented in tabular format while the face-to-face interview data was transcribed into raw text before the discussion. The face-to-face interviews were, however, not restricted to only the mining and finance departments though more than a half came from the two departments. The interviews were not structured and interviewees were not prompted of the purpose of the interviews. Interviewees were engaged informally, usually in the form of chats. As the purpose of the interviews was not disclosed employees expressed opinions without fear of being quoted or intimidated. Following Leitch and Palmer's (2010) approach to multiple text/data analysis, inter-textual discussion style was adopted. By this, the results of the multiple data were established to ascertain how they corroborate or otherwise the earlier research findings on employee turnover and pay systems as emerged from the literature review. This is because, "it is not individual texts that produce social reality, but structured body of texts of various kinds …that constitute social phenomena" (Leitch & Palmer, 2010 p. 1197).

Results and Discussion

National senior and management staff resignations from the finance department are presented in Table 1. It could be seen from the table that there were four resignations between 19 December 2006 and 3 January 2007, a period of about three weeks. Also, between 3 December 2007 and 4 February 2008 three senior positions, including the Assistant Site Controller, second in command after the expatriate boss, all resigned. Another feature is that the phenomenon is not limited to given units/sections of the department but cuts across all functions – analysts; account payable; financial reporting; capital and business planning, and the resignations happened within short intervals. For instance, four resignations from 19 December 2006 to 3 January 2007, happened a period of a little over two weeks. This means given the notice period of one month, four senior and management staff were being prepared to leave and HR department was faced with the problem of replacing them, including their induction, training and arranging for overtime till positions were filled.

Table 1: Resignations in Finance Department

Position	Effective Date
1. Senior Analyst – Finance Systems	01 Nov 2006
2. Assistant Accountant Payables	19 Dec 2006
3. Senior Financial Analyst	22 Dec 2006
4. Account Payable Accountant	23 Dec 2006
5. Accountant - Payroll	03 Jan 2007
6. Financial Reporting Supervisor	28 Apr 2007
7. Manager – Management Accounting	05 Jul 2007
8. Manager – Capital and Business Planning	19 Jul 2007
9. Senior Financial Analyst	30 Dec 2007
10. Assistant Site Controller	01 Feb 2008
11. Senior Accountant	04 Feb 2008

Although the 11 resignations in the department are seen to be individually-based, the closeness of the exits corroborates Bartunek, Huang and Walsh’s (2008) definition of collective turnover as two or more members of the company leave within very short periods. These are professional knowledge workers and losing 11 within a period of 14 months proves costly to NGGL, considering the cost of replacing them, and the loss of organisational memory, which is under-appreciated by organisations because this cost is usually hidden (Sutherland & Jordaan, 2004).

Table 2 shows turnover in the mining department, a core operation department. Eleven senior and management staff resigned between 8 January 2007 and 8 September 2007, a period of nine months. Three mining engineers resigned from 20 July 2007 to 3 August 2007, a period of three weeks, while between 25 May 2007 and 4 July 2007 five employees (including four production geologists) tendered in their resignations. Being core operation and roles spread over three important functions – mining, geology and survey – the trend should be more worrying than even that of the finance department because the situation could lead to shutdown of the plant. Out of the three areas/units of the department, mining was the most hit by the resignations, which should call for more concern by senior management because a break in mining operation means shutting down the plant but may not be necessarily so with geology and survey. Out of the 11 resignations in the department, six were from the mining department, including a general foreman and a shift supervisor.

Table 2: Resignations – Mining Department

Position	Effective Date
1. General Foreman – Load and Haul	08 Jan 2007
2. Survey Supervisor	15 Feb 2007
3. Production Geologist	25 May 2007
4. Project Geologist	20 Jun 2007
5. Mining Engineer III	20 Jun 2007
6. Project Geologist	22 Jun 2007
7. Project Geologist	04 Jul 2007
8. Mining Engineer	20 Jul 2007
9. Mining Engineer	24 Jul 2007
10. Senior Mining Engineer – Long Term Planning	03 Aug 2007
11. Shift Supervisor IV	08 Sep 2007

Apart from its more severe consequences than the finance department, the turnover at the mining department happened in closer proximity, with all the 11 occurring in 2007. This is indication of how severe the costs associated with turnover impact on this department as identified by Michaud (2000); Gbadamosi (2003); and Sutherland and Jordaan (2004), including loss of the company's vital information parted with; cost of high performing employees leaving; cost of replacing departed employees; and cost of overtime till the positions are filled. Some interviewees even predicted all the national managers and professionals finding alternative jobs elsewhere, leaving only the expatriates to work and manage the junior employees.

To ascertain if salary/pay contributes in any way to the turnover trend, exit interview notes of twelve resigned senior and management staff were presented and discussed. Responses to the question on salary were collated, as taken from the company's exit interview notes to determine if responses related in any way to the departing employees' exit decisions. The responses to the question, *Salary: fair for work done? Compare with salaries elsewhere? Increase keyed to performance?* are as presented in Table 3. The responses, as written down by the employees themselves, are itemised in the first column and assessment of the individual responses, whether or not they are pay-related (Yes/No) also shown in the second column. Out of the 12 despondences, 11 could be said to have some levels of dissatisfaction about NGGL pay system; be it the base pay, other rewards, or total competition. In item 3, the respondent reveals the approximate salary to receive from his/her prospective employers, if he finally decided to join them from NGGL. An accountant or mining engineer, for instance, receiving 100% more of his or her salary elsewhere is a huge 'pull' factor.

Table 3: Responses to exit interview question relating to 'pay'

Response	Pay Related?
1. Not fair for work done compared with salaries elsewhere. Much higher salaries elsewhere	Yes
2. Not really, as many other places have higher salaries. No, and this is the reason for job change – to higher paying company	Yes
3. Salary in NGGL needs to be adjusted to be competitive. I will receive about twice of NGGL salary if I accept to work with SRL, Sierra Leone	Yes
4. No, no. Salary structure should be reviewed	Yes
5. Salary not commensurate with job done and position held	Yes
6. No. about three times less	Yes
7. Salaries are favourable but more needs to be done considering the location of the mine and other locations in Ghana for mining. Mining settlements are far from Kenyasi	No
8. Compared to salary elsewhere, I was not well paid	Yes
9. No – believe should have been higher. Other areas pay more but I am not leaving because of that	Yes
10. Under paid, but there is room for increase in remuneration if I had stayed for long	Yes
11. Not fair compared with this position in other mining companies. It is far below expectation as indicated before acceptance of offer	Yes
12. Not fair for work done compared with salaries elsewhere	Yes

With regard to item 7, respondent admits that NGGL salary is favourable but would like more to be paid to compensate for the remoteness of the mine. This is a component of the Hay pay system – the fourth factor which relates to unpleasant work environment (Skenes & Kleiner, 2003). The respondent, however, thinks that this is not taken care of in the company's compensation determination. This shows that employees could also leave for opportunities closer to the cities but not necessarily for improved pay, though respondent still had concerns with pay. Deducing from respondent number 11, the 'unfairness' of the salary was raised even before accepting the offer of employment. This could mean the employee started looking for his next job from his first day in NGGL. The situation gives weight to the observation by

Sutherland and Jordaan (2004) that the mere intention to leave is the best predictor of turnover, and management should have paid attention to the respondent's concern. It is, therefore, not a surprise that this employee resigned in his sixth month (as shown from his personal file, data not included in the discussion).

Responses to another exit interview question are presented in Table 4. The question was considered for analysis for two major reasons. Apart from the perceived likelihood of the responses to reveal some turnover hints, it was also to find out if they had any relationship with pay. Unlike responses in Table 3, Table 4 responses are not up to 12 because not all employees answered all the questions but they all answered the question in Table 3. The responses presented in the table are exactly as were given by employees during exit interviews. These are responses to the question, *what action by the company might have prevented the separation?* The responses reveal important turnover/retention issues as many hinge on what employees expected from NGGL that were absent but could be present in their new or prospective employments. This worry was revealed by some interviewees who, although did not compare NGGL compensation with any other company, expressed regret leaving their former companies to join NGGL because promises made to them were not being fulfilled. This brings to the fore two issues. One, that employees leave NGGL in search of what they expect to get in the prospective employments that are not present in their current company; and two, that NGGL does not provide realistic job information to prospective employees and new hires.

The responses reveal that not only salary could have prevented the employees from leaving the company. Out of the ten responses three relate to either the pay structure or the total pay package (responses 1, 2, and 6). Three out of ten in the context of the table is, however, substantial number, considering that response 4 was purely personal with no link to pay, turnover, or anything related to the company; respondent 5 could not think of anything to say; while with respondent 9 the question is not applicable (N/A). Pay is a crucial internal antecedent of employee turnover, which is under Morrell, Loan-Clarke and Wilkinson's (2001) psychological contract school of thought and falls within the control of the organisation. Issue of pay is specially revealed by respondents 5 and 10 and also identified by respondents during the face-to-face interviews. These support Guthrie's (2000) concern about the problem of the Hay pay system that because of the rigidity of the factors that pay is based on, large pay adjustments with the point factor are only accomplished when employees change jobs, indication that the pay option resulting from the point-factor system is a contributory factor to the NGGL turnover phenomenon. This was also the view of most interviewees, who expressed that the company's compensation has a major role to play in the turnover situation.

Table 4: Responses to exit interview question relating to control of turnover

1. Overhaul of salary structure could help retain some calibre of professionals
2. Salary of about 12 million to 15 million Ghanaian cedis a month. Developmental and succession plans for advancement; official duty vehicle to facilitate work
3. Development/succession plan in place
4. My separation is purely on family ground and I feel nothing should prevent me from staying back in NGGL
5. I cannot think of any
6. Salary increase
7. Job training, recognition, satisfaction for others
8. If about a year ago when I indicated I had problems an option had been given to relocate to Accra, perhaps the separation could have been avoided
9. N/A
10. Develop potential in people to take up higher responsibilities when they come up

There are, however, other factors that, if taken care of by management, could have prevented some of the employees from leaving the company. Employees were concerned about their training and development. These are revealed in the responses with such words/phrases as succession plan; job training; development potential; development and succession plans for advancement. All these predict the progression issues in the company, as revealed by respondents 2, 3, 7 and 10 in Table 4.

Interviewees expressed their disappointment at management not doing much to contain the situation. Some interviewees attributed the situation to senior management's attitude that had to do with the American HR practices, which are rigid, difficult, and unfamiliar to the national employees. Respondents' concerns about management and the NGGL corporate culture as linked to pay go to support the observation of Martin, Wiley and Legree (2007) that race difference, together with differences in cultural adaptability would result in different treatment to compensation. Another factor that came up was job satisfaction. Though the respondent put it as "satisfaction" the author speculates that he/she meant job satisfaction. Only respondent 7 mentioned this but most of the other responses (from Table 3) gave the impression that the satisfaction level was low. This supports the research outcomes of Mitchell at al. (2001) that dissatisfaction with the job strongly influences turnover decisions, since dissatisfaction may 'push' employees to look for alternative employments.

Conclusions

From the above discussion, the author makes the following conclusions. Firstly, that pay is a major contributory factor to the employee exit decision, and the company's point factor pay system has a major role to play as employees compare the NGGL compensation package with other mining companies. Secondly, that employees' concern for their career development and progression influence their decisions to look for alternative employments where there are prospects for growth. The situation creates dissatisfaction among employees. Thirdly, the turnover phenomenon is collective in nature, considering the closeness of the individual exits. This type of turnover has more serious consequences for organisations than individual turnover. Finally, senior management seems less concerned about the situation, including not drawing lessons from the exit interview notes. The situation, the author speculates, is likely to make any measures taken to control the phenomenon difficult since it is not likely to get the needed support from senior management.

Based on the conclusions drawn, the following three recommendations are made. Firstly, NGGL should make effective use of their exit interview notes as they have valuable information from departing employees for minimising or preventing the phenomenon from further occurring. Secondly, that the company conducts employee engagement survey. The survey, mostly in the mining industry could enable NGGL know what internal factors (including their pay system) that make other companies attractive that NGGL does not have. Identifying and providing for your employees could help prevent them from leaving.

Lastly, that there should be strategic approach towards retaining talented employees. Once identified as a corporate level issue becomes a necessary concern for top management if the company is to redesign this to its competitive advantage. This, therefore, requires the approval and involvement of senior management including provision of realistic job information, if preventing or minimising the turnover is to be successful.

So far this paper has succeeded in investigating the turnover situation to conclude that the pay system is a major factor contributing to the NGGL employee turnover phenomenon, as well as concern for their career development and progression. A three-point recommendation is offered towards control of the turnover trend to retain talents in the company. As these recommendations are not based on any empirical evidence they open up new area for research – how effective are these factors in preventing or minimising employee exit decisions and eventual turnover? Suggested areas to be tested could include:

a. Factors that attract NGGL employees (that are absent in NGGL) to other companies; and
b. Efforts to be made by NGGL management to retain talents.

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