

Assessment of the Relationship between Organizational Diagnosis and Employee Turnover

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Abstract: *This paper examined the relationship between organizational diagnosis and employee turnover within the Nigerian hospitality industry. The hypothesis stated was tested with Pearson's correlation coefficient (v) to determine the strength of the relationship between organizational diagnosis and organizational performance (employees' turnover). The computed correlation coefficient ($r = 0.65$) shows that there is a significant relationship between organizational diagnosis and organizational performance in Nigeria hospitality industry hence, the rejection of the null hypothesis. This result is in tandem with the findings of Howard (2003:21) that to effectively improve organizational performance, as well as individual and group development organizational development (OD) practitioners must be knowledgeable of quantitative methods, as well as, the different diagnosis models to choose the most appropriate, given the intervention objectives, resources, and organizational culture and context. More so, organizational diagnosis, in contrast with medical diagnosis, necessitates not only removing the problem but also making changes and taking new paths. Such changes can help improve the future performance and developments of the organization.*

Key Words: *Organisation; Diagnosis; Employee Turnover; Nigeria.*

1. INTRODUCTION:

Adequate diagnosis/research is considered necessary before quality actions could be taken. Consequently, minimization of bias and error during problem diagnosis is important in ensuring successful organizational change (Cummings, 2004:3). Organizational diagnosis helps to identify the most robust organizational systems and organizational processes and recommends the improvement as the organization increases its capability to reach the strategic goals (Liviu, 2009:10). Organizations are confronted with ever increasing turbulence and uncertainty in their external and internal environments. Root causes are often complex, spanning multiple functional, geographic, hierarchical and other organizational boundaries. Finding and analyzing such cross-boundary issues require an ability to see the organization as a macro-system and think beyond single functions or specializations (David, 2010:3).

Therefore, in order to survive and ensure success, organizations must be flexible and able to adapt to the new changes in the business environment in a short period of time. Over time practitioners and academics have identified many strategies to improve organizational performance. One of such strategies is the organizational diagnosis, which represents the assessment of the current situation of an organization in order to identify the most appropriate interventions for future development (Roxana, Corina, and Anamaria, 2010:1). Organizational diagnosis is one essential step in the organizational development process. In order to improve organizational performance, an evaluation of the current performance is needed. These evaluations can be planned, systematic and explicit or unplanned and implicit (Roxana, Corina, and Anamaria (2010:1).

Lowman (2005) posits that the organizational diagnostic process is influenced by three basic questions: what does the practitioner diagnose? For what purpose? And using what system? Organizational diagnosis has two main purposes: one is the evaluation of organizational dysfunctionalities (Lowman, 2005:2) and other is the evaluation of the current state of the organization.

Smith (2003) posits that managers in most of the organizations invest great amounts of time and energy in planning and managing organizational change. These planned change efforts are intended to respond to challenges arising from turbulent and competitive environments in which the organization exist (www.egyankosh.ac.). While the need for change is felt by all organizations, that alone do not make change happen. The success or failure of an organizational change effort depends crucially on understanding and realizing "why the change, how to change, what to change and when to change". Unfortunately, most often organizations initiate change processes without addressing these basic issues (Burke and litwin, 2001:5). Asking these basic questions involve organizational diagnosis, which involves gathering and analyzing data about the system. Di Profi (2002) avers that organizational diagnosis is important because it establishes the appropriate direction for change effort.

2. METHOD AND DATA:

2.1 Research Design

In view of Asika (2001), research design is simply a map or plan of action showing what and how the researcher will carry out the step-by-step procedure for accomplishing the research task. For the purpose of this work survey design was adopted. This is because the opinions of respondents were sought using research tools like questionnaire and oral interview. The data used for this research were obtained from two sources namely; primary and secondary sources.

2.2 Description of Research Instruments.

The instruments for data collection in this research work include structured questionnaire and oral interview guide. The questionnaire contains 26 questions categorized into section A and section B. Section A is on Biographical information of the respondents while section B, designed in 5 likert-type contains questions on the subject matter Organizational Diagnosis. The oral interview guide, however, has 9 questions designed to complement the questions on the questionnaire.

2.3 Population of the Study

The study population is made up of all the staff of the five selected hotels.

S/No	Name Of Enterprise	Number Of Staff
1.	Gold Value Hotels	70
2.	Mavis Hotels	70
3.	Ikenga Hotels ltd	74
4.	Connis Hotels	64
5.	Cytadels Hotels	58
6.	Beemattz Hotels	64
	Total	400

Sources: Nigerian Tourism Development Cooperation

2.4 Sample Size Determination

The formula adopted in determining the sample size for this study is that pro-pounded by Taro Yamane (1964). The mathematical formula is given as:

$$n = \frac{N}{1 + N(e)^2}$$

Where;

N = sample size

N = population size

E = maximum acceptable margin error (0.05)

Thus, applying this formula in determining the sample size for this study, we substitute as follows:

$$n = \frac{400}{1 + 400(0.05)^2}$$

$$n = 200$$

3. RESULT AND ANALYSIS:

3.1 Questionnaire Analysis

H₁: There is significant relationship between organisational diagnosis and employees' turnover.

Table 2: Organizational Diagnosis and employees' turnover.

OPTIONS	HOTELS						FREQ.	%
	GDV	MH	IH	CH	CYH	BMH		
s.Agree	20	25	27	24	22	27	145	77.13
Agreed	7	5	3	4	5	3	27	14.36
Undecided	1	-	1	-	1	1	4	2.13
Disagree	3	2	1	2	1	-	9	4.79

S. Disagree	1	2	-	-	-	-	3	1.59
Total	32	34	32	30	29	31	188	100

Source: Field Work, 2012

The essence of the question was to validate or disprove an assertion that there is a significant relationship between organizational diagnosis and employees’ turnover in Nigeria Hospitality industries. Out of 188 respondents, 145(77.13%) strongly agreed that there is a significant relationship between organizational diagnosis and employees’ turnover, 27(14.36%) also support this view, 4(2.13%) are indifferent, 9(4.79%) disagreed with the assertion and 3(1.59%) supported the view.

3.2 Test of hypothesis

To test the hypothesis stated in chapter one, the work adopted Pearson correlation coefficient test and chi-square test aided by computer Microsoft special package for social science (SPSS). Pearson correlation coefficient was used in testing hypothesis one while chi-square was used in testing hypothesis two and three.

Table 3. Descriptive Statistics

	Mean	Std. Deviation	N
Organizational diagnosis	1.8918	1.20714	564
Employees’ turnover	1.9450	1.44730	564

Table 3 displays the descriptive statistics of organizational diagnosis and employees’ turnover. Organizational diagnosis had mean score of 1.8918, standard deviation of 1.20714 and number of cases as 564; employees’ turnover had mean score of 1.9450, standard deviation 1.44730 and number of cases as 564.

Table 4: Correlations

		Organizational diagnosis	Employees’ turnover
Organizational diagnosis	Pearson Correlation Sig. (2-tailed) N 1.9450	1 564	.653** .000 564
Employees’ turnover	Pearson Correlation Sig. (2-tailed) N	.653** .000 564	1 564

Table 4 shows the correlation co-efficient significance values of number of cases for the various study. The result in the correlation table shows that there is a significant relationship between organizational diagnosis and employees’ turnover (r.65). The correlation co-efficient shows moderate relationship between organizational performance and organizational performance.

4. CONCLUSION:

Hypothesis one was tested with Pearson’s correlation coefficient (v) to determine the strength of the relationship between organizational diagnosis and organizational performance (employees’ turnover). The computed correlation coefficient (r = 0.65) shows that there is a significant relationship between organizational diagnosis and organizational performance in Nigeria hospitality industry hence, the rejection of the null hypothesis. This result is in tandem with the findings of Howard (2003:21) that to effectively improve organizational performance, as well as individual and group development organizational development (OD) practitioners must be knowledgeable of quantitative methods, as well as, the different diagnosis models to choose the most appropriate, given the intervention objectives, resources, and organizational culture and context. Moreso, Lambat, (2000) maintains that organizational diagnosis, in contrast with medical diagnosis, necessitates not only removing the problem but also making changes and taking new paths. Such changes can help improve the future performance and developments of the organization (Cummings, 2005:2).

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