Causes and prevention of staff turnover within micro retail businesses in South Africa: Lessons for the Tourism industry

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Abstract

This article sought to ascertain the causes and provide guidelines to prevent staff turnover within micro retail businesses in South Africa. Staff turnover is one of the key challenges facing business owners and managers within the micro retail sector, including tourism ventures. Current literature focuses on driving factors of staff turnover for mainly large retail businesses but lacks appropriate guidelines or principles to assist micro businesses. A quantitative research approach was followed. This article solicits the opinion of micro retail business in Cape Town, South Africa by mapping seven general retail driving factors to three theoretical models, i.e. the universal turnover, modal and subpopulation theories, to guide the research. Specific internal and external factors which principally contribute to the high staff turnover were used. The findings suggest that many factors affecting large businesses in the retail sector also apply to the micro retail sector. However, a list of six driving factors pertaining to micro retail business is provided. The paper concludes with good recommendations to assist micro retail businesses in the task of reducing high staff turnover rates. The article contributes to literature on staff turnover with specific special focus on the micro retail sector in the tourism industry.

Keywords: Staff turnover, micro retail sector, SMME, Tourism, South Africa.

Introduction

Human capital has been identified as one of the key factors to enhance business competitiveness, particularly in the service sector, of which retail is an example (Barcala *et al.*, 1999:335). The role of human resources (HR) in business potentially provides a prominent component of sustaining organisational competitive advantage (Kochan & Dyer, 1993:569; Pfefer, 1994:15). Huselid (1995:635) confirms human resource management practices can contribute to organisational business outcomes by shaping employee behaviour and attitudes. Maximising employee performance while at the same time, gaining staff loyalty is an objective many employers aspire

towards. Camps and Luna-Arocas (2008:26) for example, find that most research activity is conducted on large retail business organisations, making staff turnover issues a challenge facing many human resource departments. According to the United States Bureau of Labor Statistics (2010) for example, an increasing number of employers are finding that employees stay employed for only about 24 months. Furthermore, in the UK clothing retail sector, staff turnover levels are reported to be in excess of 50% per year (Chevalier *et al.*, 2006:4). In Hong Kong, the retail sector in 2008 recorded its highest annual turnover rate of 36.7%. This is still higher than found in South Africa where the retail business sector has an average staff turnover rate of between 20% and 25% (Shoprite Holdings Annual Report, 2010).

Researchers have developed models and frameworks which are mostly constructed around three core turnover mechanisms; *attitudinal variables* (job satisfaction, organisational commitment) (March & Simon, 1958; Lee & Michell, 1994), *job-search mechanisms* (whether perceptual or market-based) (Steers & Mowday, 1981; Hom & Kinicki, 2001), and *turnover intentions* (stay-quite intentions) (Mobley, 1977; Steel, 2002). It could be concluded that these mechanisms form the backbone of contemporary staff turnover theory where factors driving high staff turnover for larger businesses are categorised as internal or external (refer sections 2.1 and 2.2). Internal factors are those controlled by employers whereas, factors that are not controlled by employers are deemed as external (Hendrie, 2004:434; Karakowsky & Mcbey, 2000:137; Gustafson, 2002:107). Both, internal and external factors in the retail sector fall under the three turnover core mechanisms alluded to above. However, there is limited literature on staff turnover on micro retail businesses as explained where the focus is on large retail businesses. The question then arises; could human resource management practices or direct management interventions, influence employees to stay employed for longer periods? This paper thus focusses on the micro retail sector which is very different to medium and large size organisations. More specifically, this research is conducted in Cape Town, South Africa, where the micro category of small medium and micro enterprises (SMMEs) is widely used (South Africa, 2003).

This research provides a more comprehensive understanding of factors driving staff turnover in the micro retail business sector. This is carried out by drawing from three theoretical models which provide a holistic view by combining an explanation of staff turnover from individuals, processes and situational perspectives of employees. At a practical level the findings and recommendations will assist micro retail businesses to establish clear strategy to reduce staff turnover in their respective businesses and in the industry as a whole.

Theoretical Background

Literature on staff turnover suggests that most staff turnover models are following one of three conceptual policies. These are the universal turnover (Hausknecht & Trevor, 2011), a more limited modal representation of staff turnover processes (Hom *et al.*, 2012) and attempts to specify unique staff turnover paths of various sub-populations (Allen *et al.,* 2012; Steel & Lounsbury, 2009).

Universal staff turnover model - describes processes that may be appropriated to explain the staff turnover of individuals. This kind of model provides an overarching framework that is intended to apply to some degree, to the turnover decisions of all workers without regard to an individual's unique circumstances or situation.

Modal-theory model – this approach attempts to describe a *most typical* or most *frequently-occurring* staff turnover process. This conceptually acknowledges the fundamental diversity among

individual decision processes. However, commonalities across employees may be identified by focusing on recurrent patterns or searching for the existence of predominant decision styles.

Sub-populational model - staff turnover model predicts on the belief that staff turnover processes are qualitatively different for employees in different situations. Situational differences may result from personal factors, contextual factors, or a combination of these two.

These three theoretical models are combined and constituted a research framework for this research. The framework assisted the researchers to create a more comprehensive platform to research the turnover phenomenon in the micro retail sector and facilitated to identify; driving factors of turnover amongst all employees in the micro retail sector, typical patterns of staff turnover process for individual employees and commonalities among workforce within the micro retail sector and driving factors of turnover of individual employee according their situations in the micro retail sector.

Internal factors for staff turnover in the retail sector

Five internal factors driving high levels of staff turnover are found and are: poor training, working conditions, management practices, rate of pay, recruitment and staff selection processes and now briefly discussed:

- **Poor training -** It is found that there is a correlation between increased levels of employee training and decreasing staff turnover (Barcala *et al.*, 1999:335). Training promotes a higher degree of job satisfaction and reduces work stress which in turn, leads to staff retention. Most managers continuously ignore the value of staff training. It can be deduced that it is de-motivating when new employees start jobs without receiving proper staff training (Michaels, 2010).

- **Working conditions -** According to Zuber (2001:147), staff turnover is also related to organisational stability and working conditions. This implies that employees are more likely to stay employed when there is a predictable work environment and the organisation is stable. In contrast, organisations experiencing high levels of inefficiency, there is a high level of staff turnover (Alexander, Bloom & Nuchols, 1994:508). Some particular types of employment could increase staff turnover due to work stress. Most South African retailers operate between ten and twelve hours daily, seven days a week and may well contribute to a high level of staff turnover, as mentioned before, it influences personal and social lives of employees (Hart *et al.*, 2007:195).

- **Management practices -** It is found in literature most staff turnover incidents can be traced back directly to management practices. Staff turnover tends to be higher in environments where employees feel helpless, unimportant or not respected. In these cases, they feel that they are taken advantage of or   feel undervalued and are ignored. Clearly, if managers are impersonal, arbitrary, and demanding, there is a greater risk of staff turnover. Management policies may also affect the direct environment such as employee benefits or whether the company is responsive to employees' needs (Michaels, 2010). Maslow's hierarchy of needs, state for example, when employee's lower needs have been reached, they will then be looking for higher needs to be satisfied. Therefore, management policies should aim to balance the needs of employees. Employees have a desire to work in a stable work environment and it also includes having a strong need to be kept informed (Ongori, 2007:50). Businesses that do not have acceptable communication systems in place could experience staff turnover

(Gustafson, 2002:107). In addition, it has been found that employees react favourably and stay longer in positions, if they are informed about issues which affect their working environment (Gustafson, 2002:107). When employers expect unachievable results from employees, employees will feel they are working in an unfair environment. This situation is very likely to result in staff turnover action (Michaels, 2010). High expectations are often raised during the recruitment process leading people to compete for such position. They could accept jobs which they are actually unsuitable for. A lack of opportunities for advancement and the lack of recognition of employee achievement can both lead to job dissatisfaction and become the reason of staff turnover (Gustafson, 2002:107).

● **Rate of pay -** When employees are paid the lowest rate within the industry, it is likely to result in dissatisfied staff and might result in a higher level of staff turnover (Michaels, 2010). The prospect of receiving a higher salary elsewhere is one of the most common reasons for voluntary resignations. It is found that if high staff turnover persists in certain jobs and businesses create an atmosphere in which employees look for reasons to leave, remuneration is a convenient justification to leave employment (Gustafson, 2002:107).

● **Recruitment and selection processes -** Poor recruitment and selection processes are also possible reasons for staff turnover, as previously discussed under HRM aspects. Informal recruitment programs could attract the wrong employees. They will seldom stay long, either resign or be dismissed (Co *et al.*, 2006:186).

External factors driving high staff turnover

There are two external factors driving high levels of staff turnover and these are: unemployment rates and employee personal interest and status.

● **Unemployment rate -** There is a strong negative correlation between staff turnover levels and unemployment rates. When unemployment rates decrease, staff turnover rates increase (Hendrie, 2004:435). Research conducted by the Chartered Institute of Personnel & Development confirms that high staff turnover level are found where unemployment is at its lowest and where it is unproblematic for people to secure desirable alternative employment (Chartered Institute of Personnel & Development, 2010).

● **Employee personal interest and status -** According to Muchinsky and Tuttle (1979:48), there are several factors which influence staff turnover. The factors are; an individual's personality such as their interests, aptitudes and abilities, an individual's attitude, such as their level of moral and the opinions they have regarding the organisation, an individual's marital status, age and gender.

● **Environmental indirect external factors**

Other external reasons for high levels of staff turnover have been identified such as skill shortages, supply and demand, improved rewarding packages for employees or high cost of living influences. Economic environment changes can also possibly be an external reason for staff turnover (Hendrie, 2004:434).

In summary, the researchers will use the seven factors (internal and external) pertaining to larger businesses and mapped to the three models discussed before, presented in Table 1. Furthermore,

Table 1 serves as the research framework for this paper and the questionnaire developed covers these factors to solicit data from micro retail businesses.

Table 1. Factors driving staff turnover in retail businesses.

	Universal turnover model	**Modal theory model**	**Sub-population turnover model**
Internal factors	• Poor training • Working conditions • Management practices • Rate of pay • Recruitment process	• Poor training • Working conditions • Management practices • Rate of pay • Recruitment process	• Poor training • Working conditions • Management practices • Rate of pay
External factors	• Unemployment rate	• Unemployment rate • Employee personal interest	• Employee personal interest

Research methodology

Quantitative research is concerned with the collection and analysis of data in numeric form. This form of research tends to emphasise large data sets. In a quantitative approach the use of variables is critical in describing social phenomena, with a central role being the handling of potential sources of error either through experimental or statistical control (Mouton, 2006:38). This approach was used in this research by means of a questionnaire.

Selection of participants

For this research, micro retail businesses in Cape Town, South Africa is the population. Collis and Hussey (2003:55) define a target population as a set of people or a collection of items which is under consideration that researchers use to interpret their findings and results. Micro retail shop employees as well as owner mangers were approached to participate. This is in accordance to McMillan (2000:103) stating a population is the study object consisting of elements such as groups, organisations, human products and events, or the conditions under which they are exposed. Furthermore, for this research, purposive sampling is selected as the research focuses on the group of people (unit of analysis) who are employed and involved in some way, in staff turnover within micro retail businesses. According to Watkins (2010:56), purposive sampling is used for a specific *purpose* for instance, choosing participants who represent diverse perspectives on a problem and who are likely to provide the responses needed by virtue of their knowledge or position in an organization. For example, Bruwer (2010:30) applied purposive sampling for retail businesses.

Selection of samples

As mentioned earlier, micro retail businesses were targeted as informants for this research in the Cape Town area according to the delineation of this research (refer section 3.5). A careful distinction had to be made between SMME businesses and sole traders such as street vendors, artist and other similar traders. The only areas micro retail businesses could be physically accessed, were in various shopping centres in and around Cape Town's municipal areas, discussed in section 3.5.

Shopping centres can be classified as either, regional shopping centres or convenience shopping centres. Regional shopping centres provide shopping of goods such as general merchandise,

apparel, furniture and home furnishings in full depth and variety. Furthermore, regional shopping centres are built around main-line department stores and cover between 6 000 and 8 000 square meters (Bhoola, 2008:25).

In contrast, convenience shopping centres provide convenience goods and services. These shopping centres cater for busy one-stop shoppers and provide services needed by consumers who are normally from the immediate area or neighbourhood. Convenience shopping centres are built around supermarkets and cover between 1 000 and 5 000 square meters. Samples have been chosen from different shopping centres, where micro retail outlets are concentrated, according to the rules categorising micro businesses.

Questionnaire

The questionnaire consisted of carefully selected and structured questions to establish what the target group of participants do or think about the phenomenon being investigated (Watkins, 2010:67). Leedy and Ormond (2005:196) express the opinion that a questionnaire should have a simple design and pose a series of questions to participants. The questionnaire is based on a five-point Likert scale (Likert, 1932:55) for most of the questions. According to Emory and Cooper (1995:180-181) the advantages of using a Likert scale includes easy and quick construction where each item meets and empirically test for discriminating ability. It is more reliable than the Thurston[1] scale and provides a greater volume of data than the Thurston differential scale. It is also treated as an interval scale.

The questionnaire consists of eight main questions sourced from Table 1. Question 1 provides a table to record employee working hours and questions 2 to 8 deals with gender, recruitment, management, training, working conditions, remuneration and staff turnover. Specifically, questions 2 to 6 are five point Likert scale questions. For these questions, participants were asked to rank one of the five choices presented.

Data collection process

The researchers needed to delineate a population of micro retail businesses in Cape Town, from which a sample could be selected. This included contacting or referring to sources such as the Cape Chamber of Commerce, Department of Trade and Industry (DTI), Statistics South Africa and local business publications. Exhaustive investigation by the researcher did not reveal any meaningful population. Due to the unknown population of the micro retail business sector in Cape Town, the researchers could not guarantee that each member of the population will be represented for the research. Therefore, non-probability sampling was applied (Leedy & Ormrod, 2005:206, Emory & Cooper, 1995:274). There are various non-probability sampling methods, namely: accidental sampling, quota sampling, purposive sampling, snowball sampling, self-selection sampling, and convenience sampling.

As background, there are six municipalities in the greater Cape Town. They are: Blaauwberg Municipality, Cape Town City Council, City of Tygerberg, Helderberg Municipality, Oostenberg Municipality and South Peninsula Municipality (City of Cape Town, 2011). Although the researchers used non-probability sampling, a fair representation of the different areas needed to

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[3] Thurstone L.L. 1928. Attitudes can be measured. *American Journal of Sociology*, 33 (1928): 529-554.

be sought. According to the purposive sampling method, the researchers could choose three distributed geographic areas. The areas that were chosen were: City of Tygerberg, South Peninsula Municipality and Blaauwberg Municipality. In each area, the researchers selected one regional shopping centre and one convenience shopping centre. These are listed in Table 2.

Table 2: Target shopping centres for research empirical study (Source: Han, 2013)

MUNICIPALITY	REGIONAL SHOPPING CENTRE	CONVENIENCE SHOPPING CENTRE
City of Tygerberg	Canal walk	Brighton Square
South Peninsula Municipality	Cavendish	Stadium on Main
Blaauwberg Municipality	Bayside Mall	Flamingo Square

All the retail businesses in these shopping centres which fall within the category of micro retail businesses were selected as research subjects. A business directory was used to compile a list of micro retail businesses, excluding for example, restaurants within the respective shopping centres. This list also excluded all supermarkets (e.g. Pick 'n Pay, Checkers, Spar etc.) and department stores (e.g. Edgars, Clicks, Foschini, Mr Price and others). Also excluded, were chain stores such as The Crazy Store, Accessorize, Shymansky and others. Lastly, the researchers made contact with every shop owner or manager of the remaining lists of businesses to ascertain if their business falls within the category of a micro retail business.

Over a four month period, 83 responses were received. During the data collection process, the researchers translated the responses from the completed questionnaire into raw data by logging the data from questionnaires to a set of raw data sheets, depending on the questionnaire questions.

Data analysis techniques

Various methods have been used for the analysis for the responses obtained from the questionnaire. A simple summary analysis was used to analysis the working hours within micro retail businesses in Cape Town. Mean confidence interval analysis has been used to analysis the female employees' impact to the staff turnover issue within micro retail businesses. A statistical software package NCSS version 07.1.21 was used for the data analysis of the responses of remuneration, training, recruitment, working condition and management issues.

Results

Question 1 - Most (89.16%) of micro retail businesses in Cape Town are working on Saturdays. More than half (53.01%) micro retail businesses in Cape Town, work later than 17:00 during the week. Most (83.13%) micro retail businesses in Cape Town only have a single shift working hour pattern. Female employees are the majority of employees (80.72%) however, 49.39% respondents agree or strongly agree that female employee's family responsibility result negatively in work attendance.

Question 3 – The majority (more than 80%) of employers apply recruitment processes, namely:

- Formal interviews (87.96% respondents agree or strongly agree)
- Interview result notification (81.93% respondents agree or strongly agree)
- Formal employment engagement process/ signed employment contract (81.92% respondents agree or strongly agree).

Most (between 65% and 80%) employers apply the following recruitment processes:

- Make use of a scanning process (69.88% respondents agree or strongly agree)
- Have pre-defined questions for the interview (73.49% respondents agree or strongly agree)

Formal advertisements of vacancies are seldom posted on the Internet or in newspapers, nor are recruitment agencies commonly used. However, 45.69% employers agree that they apply this practice.

Question 4 - Most (between 65% and 80%) respondents experienced the following management practices:

- They have clear job descriptions (71.8% respondents agree or strongly agree)
- They have clear defined disciplinary processes (75.91% respondents agree or strongly agree)
- They have clear probation periods (66.30% respondents agree or strongly agree)
- More than half (between 50% and 65%) respondents apply the following management practices: - they have performance management processes (62.65% respondents agree or strongly agree) and they have employee development programs (56.62% respondents agree or strongly agree).

Question 5 - Most (between 65% and 80%) respondents apply employee training, namely:

- New employee induction (68.76%)
- Initial job training (77.11%)

It is found that 57.83% respondents apply updating employee training on new processes or responsibilities.

Question 6 - Most (between 65% and 80%) respondents have working conditions, as follows:

- They have clearly defined break times (65.06%)
- They have air conditioning (67.47%)
- They have security (77.10%)
- Employees are entitled to leaves (sick, annual, maternity, family responsibility) (75.90%) and 60.24% respondents answered that basic equipment items are provided by the employer in the canteen.

Question 7 – The most applied remuneration benefits are: overtime pay (78.31%) and annual bonus (62.65%). Sales commission is just on half of the respondents (49.4%). Other benefits are supplied by a few of the small businesses and are: Study bursaries (18.07%); company share option (16.87%); medical aid (19.28%); mobile phone allowance (15.66%) and pension fund (26.51%). About a third of employers give a travel allowance to their employees (33.73%).

Question 8 - Table 3 depicts that remuneration is the biggest cause of staff turnover. It appears that in micro retail businesses, only minimal remuneration benefits are applied most of time.

Physical and employment working conditions and working hours are both ranked as the second biggest cause of staff turnover in micro retail businesses in Cape Town. Two shared positions are working conditions and working hours and recruitment and training in second and fifth places, respectively.

Table 3: Ranking of possible causes of staff turnover

POSSIBLE CAUSES OF STAFF TURNOVER	RANKING
Remuneration	1
Working conditions	2
Working hours	2
Management	3
Recruitment	5
Training	5
Gender	7

Data reliability check

The researchers applied Cronbach's Alpha testing method to check the reliability of the data collected. According to the Cronbach's Alpha, collected data for questions should be in the range of 0.6 to 0.7 or above and all were within this range, making this questionnaire acceptable.

Discussion and recommendations

Remuneration

The finding of this research reveals that to retain staff, micro businesses should offer competitive salaries. Employers can benchmark similar micro retail business wage levels to offer competitive wages to their employees. The low average remuneration rate in the micro retail environment (identified throughout the literature), was verified in the responses received. Weekly wages might assist employees more in the short term, than monthly salaries in terms of financial implications, relieving immediate cash flow problems. Commission on sales is another important remuneration component that was highlighted and does influence the total remuneration package of employees. At the same time, it also emerged as a motivational factor. It was further found employees need to travel and spend sizeable amounts of money on traveling to and from work, resulting in lower net income.

The current poor economic environment necessitating maintaining low operational costs does help to improve business profitability in the short term, but increasing sales should be considered as a critical and sustainable intervention. If employees' remuneration packages are competitive, this could result in a more stable and motivated sales force. This in turn would result improved customer service. It is well known that in the retail environment, improved customer service leads to more sales. It is recommended that micro retail businesses should attempt to improve employee remuneration, as a long term strategic action.

Therefore, the micro retail businesses have to review their business scenarios and determine for example, a feasible sales target level for commission to be paid and which employees are able to achieve. This would not only benefit employees, but the businesses as well. Reducing operational costs is not the only method to achieve higher business profits, but to increase sales using whatever means they see fit to do this. Finally, if employers could assist by providing more travel allowances would also improve employee's net income.

Working conditions

Safety and security are essential aspects to consider under working conditions. If employees work without the assurance that they are safe and secure in their working environment, the motivation actually going to work is notably reduced. This could result in employees to even resign as soon as an alternative becomes available. Unfortunately in South Africa, safety and security is a pressing matter for everyone and everywhere they go. This is a particular challenge in the retail environment, both for employees and employers who need to provide a safe shopping and working environment.

It is recommended that employers should aspire to provide safety and security solutions in their shops such as armed response, closed circuit television (CCTV), drop safes and on-site security. The researchers were made aware that these matters also increase costs, thus affecting the whole business profit cycle. Besides safety and security, other basic working conditions are also important to retain staff in micro retail businesses.

Defined break times for tea and lunch

In micro retail environments, closing a shop for tea and lunch during trading hours could result in the loss of sales and customers. Customers want to be able to visit shops anytime within trading hours. However, everyone has the basic need for refreshments and short relaxation. In micro retail businesses that have more than one shop assistant, rotating break times for tea and lunch is the norm. However, in the case of single assistants, other options need to be considered. During busy seasons, the rotation time slots were found to change, depending on business requirements. Micro retail businesses simply have to provide break times for employees for example, tea and lunch breaks.

It is recommended that for micro retail businesses with only one shop assistant have to face loss of trading time which may result in losing customers. Alternatively, shop owners or managers could stand in while shop assistants take their breaks

Canteen facility

In addition to break times for tea and lunch, canteen facilities are also important aspects highlighted under working conditions. Cold food, especially in winter is not enjoyable. Hot water is mandatory for making hot refreshments such as tea and coffee and other arm beverages. Taking tea and lunch breaks, are not only to satisfy body requirement, but also serves as a physical break from the working environment as discussed above. Good canteen facilities would support the quality of break times. On the other hand, if there is no canteen facility, rooms or specially equipped space, then employees have to take breaks elsewhere which may not be comfortable or safe. If no equipment is provided, employees may need to do this elsewhere, or incur additional expense. This could pose serious problems to employees in term of providing basic human needs.

It is recommended that micro retail businesses attempt to try their best to provide basic canteen facilities. It may not even be too costly for example; an electric kettle, sandwich maker and microwave oven would suffice in most cases. However, this provision will assist and vastly improve the physical working conditions, thus meeting basic human needs.

Shop ambient environment

The way of life in South Africa, is somewhat different to other parts of the world due to the moderate to hot climate, whereas, Cape Town is known to have a mild climate. On average, Cape Town receives about 788 mm of rain per year and has a Mediterranean climate due to winter rainfall. The highest rainfall is in June which is in winter with wet, cold and often dark days. Temperatures may vary between 20 to 25 degrees Celsius during the day and between -5 to 10 degrees Celsius at night. In contrast, summer days are hot and dry and temperatures vary between 25 to 35 degrees Celsius with occasional summer showers. This is compounded by excessively windy conditions. Compared to the rest of South Africa, the climate has therefore, severe implications for staff traveling using public buses and trains.

It was found that the participatory micro retail businesses were scattered all over Cape Town and surrounding areas, far from residential areas. This necessitates employees to travel great distances mainly using public transport and often forced to use costly private transport after hours (taxi services). This travelling exposes employees to varying external climatic conditions, early in the morning and late at night. The situation is different in contrast to many other countries or even town conditions, which have sophisticated underground and travel infrastructure. It is recommended making the shop environment as amiable as possible and those employers' of micro retail businesses in Cape Town to be made aware of these basic working conditions, all part of an employee's basic working conditions and needs.

Working hours

To achieve maximum sales, long working hours are the norm in retail business. This also applies to micro retail businesses. Long working hours do impact on an individual's private life in terms of work, life balance and social status. To retain staff within micro retail business, it is recommended that employers schedule shift patterns for employees to provide them with the best possible options to achieve a balance of work and life. An example could be, equally rotating employees on Sundays, public holidays and late hour shifts. As a cross reference, this must also be considered in terms of Cape Town weather (6.5). The empirical evidence found in this research reveals that most driving factors of staff turnover in large retail businesses also apply to the micro retail sector. However, evidence suggests that there are specific driving forces of staff turnover factors in the micro retail sector, not found in larger businesses. The combination of these factors provides a holistic view of causes of high staff turnover and specifically, in the micro retail sector. Table 4 provides a summary of these driving factors, where the micro retail sector column factors are sorted according to Table 3.

Table 4. Factors driving staff turnover in the micro retail sector (adapted from Han, 2013)

High staff turnover Factors	Factors obtained from literature for large retail sector (Sections 2.1 - 2.2)	Factors obtained from Micro retail sector interviews (Section 3.5)
Internal factors	1) Poor training	1) Remuneration
	2) Working conditions	
	3) Management practices	
	4) Rate of pay	
	5) Recruitment process	
		2) Working conditions

		3) Defined break times for tea and lunch
		4) Canteen facilities
		5) Shop ambient environment
		6) Working hours
External factors	6) Unemployment rate	
	7) Employee personal interest	

Contribution of the research to the Tourism sector

The aim of this research is to ascertain what causes staff turnover within micro retail businesses in Cape Town, South Africa, and how this can be reduced or prevented. To satisfy this goal, the research problem formulated as: It is unknown what interventions are needed for micro retail businesses within the tourism sector to retain their staff.

Employees are important to any business and without them businesses could be unsuccessful. This is particularly the case with micro retail businesses where employees are in direct contact with customers and more often than not, generate most of the revenue. Staff turnover on the other hand, may play a significant role and have an impact on business performance especially, in micro retail businesses.

Within micro retail businesses in Cape Town, South Africa, the employment conditions in terms of remuneration, working hours, working conditions, and management practices are still at a basic stage. Long working hours, unsafe and insecure working environments and informal management practices are challenges for businesses to retain their staff. Yet, to prevent staff turnover is problematic in micro retail businesses. How to improve the employment conditions and prevent the causes of staff turnover is a constantly pressing point for all micro retail businesses in Cape Town, South Africa. The research findings suggests that businesses should offer relevant competitive remuneration packages, provide safe and secure environments, arrange fair shift patterns and establishes formal management practices. These would assist micro retail businesses to prevent, or at least reduce staff turnover.

In addition, the research provides insight into the changes that need to be made in micro retail businesses to retain staff. It also contributes to the body of knowledge, pertaining specifically to staff turnover issues in micro retail businesses in the tourism industry.

Conclusion

Within micro retail businesses in Cape Town, South Africa, low wages, long working hours, unsafe working environments and informal management practices are all challenges for micro retail businesses to consider retaining their staff. The research findings suggests that businesses should offer relevant competitive remuneration packages, provide safe and secure environments, arrange fair shift patterns and establishes formal management practices. These would assist micro retail businesses to prevent, or at least reduce staff turnover.

In summary, the question posed in the introduction *"… could human resource management practices or direct management interventions, influence employees to stay employed for longer periods?"* has attempted to be covered by this research.

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