

Masters Thesis
**WHY EMPLOYEES QUIT
BOSSSES, NOT JOBS**

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Abstract

The reasons that employees leave companies are limitless. The top five most common reasons employees leave jobs are: limited advancement opportunities, lack of advancement, lack of recognition, inadequate salary and benefits, and lastly the employee's unhappiness with management. It's important for companies and managers to try and control and limit as much of this loss as possible. Often, managers don't realize that their own management styles cause employees to leave their companies.

The study of "why employees leave their jobs" is a relatively new one, being around for just over 60 years; there is a great deal of information that is still unknown. It wasn't until the mid 1980's until researchers started looking into how a place of employment and the relationship with direct superior affect employees and why they quit.

An effective manager or leader is not only one who meets their quotas, and deadlines, while creating the most profit for their company, but also one who knows how to retain their staff in order to help them make these goals. Bosses who fail to retain their staff end up costing the company anywhere from 90% to 200% of that employee's annual salary, the cost is linked to finding, hiring, and training that employee. The costs incurred from losing employees are a great deal higher than those required to retain good staff. Training management on how to maintain a positive boss-employee relationship is the most effective way to retain quality employees.

This research paper explores the relationship between an employee and their boss, specifically how it pertains to employee retention. Being that bosses hold a significant amount of power over whether the employees desire to stay with the company or not, they need to be able to effectively engage in a positive boss-employee relationship in order to retain their staff. I also explore the components of training that should be given to management so that they can have a successful relationship with their employees. Lastly the most effective way to convey to management what the relationships should entail is to give them training. Management should be trained on how to initiate, develop, nurture, and maintain the very fragile boss-employee relationship.

CHAPTER 1

Introduction

One of the most challenging tasks for a business is to retain skilled employees. Knowing this, it is important for bosses to actively pursue ways to retain their staff. Often times it's not the job that employees quit, it's the boss. Bosses can inadvertently drive good employees to quit (Allen, Bryant and Vardaman 2010, 53). At times this occurs as a result of poor management qualities, which involve managers being overly: passive, judgmental, defensive, intimidating, closed-minded, tardy in their performance, and they have created a barrier from their employees (West and Berman 2012, 70).

The constant need for companies to find and hire employees is a costly one. It has been calculated by the Job Openings and Labor Turnover Survey that since the middle of 2009 to now the turnover rate has increased by 0.5% (Clark, Phillips, and Stephens). This may seem insignificant however it represents a large number of individuals in the workforce and may be indicative of an upward trend in future years. Finding ways to retain employees will cut down on expenses throughout an organization. The strategic plan is to reduce employee turnover rates while strengthening an organizations management and leadership philosophies.

When it comes to employee retention, surprisingly, compensation is often the smallest contributing factor (Allen, Bryant and Vardaman 2010, 49). Compensation is considered to be a satisfier not a motivator. A yearly percentage increase in an employee's salary usually does not translate to increased productiveness but

actually may lead to the opposite. It is important to keep wages competitive but it is not what necessarily motivates the employee. An employee seeks a comfortable work environment in which he or she feels appreciated. The task falls on the manager to ensure that this remains the case. For a manager, it is important to establish the best possible working atmosphere and to effectively communicate with employees. Communication is critical to retention. The most effective form of communication for any business is a regular employee small group meeting. It will provide employees an opportunity to showcase their contributions and make them feel more a part of the company. On a more personal basis it is often important to showcase flexibility as a manager. This is a very appealing quality to many employees. An Open Door Policy is often an effective way to make employees comfortable and to get their issues out on the table where they can be solved (McCabe 1990, 551).

Employees are looking for guidance and support from their managers. It can start as early as the first day of a new hire's on-the-job training, or even the new hire's first interview. It's never too early or too late to start building engagement. Management can help new hires by coaching and mentoring them; always keeping them exposed to the positive high performing peers, while keeping them away from people with negative attitudes (Coleman 2009, 57).

Having management that unintentionally makes employees' jobs so intolerable that they end up quitting is a real concern of many companies. Since losing an employee is so costly it makes retaining these employees a priority. The national annual average according to the Bureau of Labor Statistics reports that the

national voluntary quit rate in the United States is typically 25% (“Table 16. Annual quits rates (1) by industry and region, not seasonally” The Bureau Of Labor Statistics). The biggest issue is the expense associated with replacing employees. All the work that goes into recruiting, selecting, and hiring new employees often exceeds 100% of the annual salary of the lost individual. Then the, harder to calculate, real concern is the direct costs associated with work disruptions, loss of employee morale, and loss of organizational knowledge.

In order to understand why people quit, it’s important to know that not all people that quit, even for the same reason, do it in the same way. According to Maertz and Campion (2004) there are four different types of quitters: Impulsive quitters, comparison quitters, preplanned quitters, and conditional quitters. Each different type can be influenced by some typical management behavior. All of the categories have the ability to be directed at a bad boss, and the impulsive category will almost certainly be directly related to a boss and employee interaction.

A recent survey reported that, “54% of employed adults, including 71% of those between the ages of 18 and 29, are likely to seek new jobs once the economy improves” (Allen and Vardaman 2010, 49). It’s important for companies to educate their management about the real reasons why employees quit jobs, and that they are part of the problem. Thought the recession has helped with retention of employees, when normalcy returns to the market, companies my see a large departure of valued employees.

My objective is to research exactly why people quit bosses, and explore opportunities that large organizations can utilize in order to retain their staff.

CHAPTER 2

Literature Review

Research Questions

Throughout my academic studies at Dowling College I have found myself continuously interested in employee retention. The in-depth studies into the various areas of the business-world that the Management and Leadership M.B.A. program at Dowling College exposed me to have really helped me to look past the surface of business issues. One issue that I focused upon while in my “Excellence in Organizations: Leadership” course was employee retention. This topic, though broad in nature, really intrigued me. Although employee retention is not a new issue in the business world, the school of thought on why employees quit is an ongoing study. As the job market continues to change, so do reasons for quitting (McFarland 2006, 22).

Once I started researching why employees will leave a job, and how to retain them, I was curious as to what deeper factors may cause employees to quit their jobs. Not much to my surprise I found that employees will quit jobs because of things their boss would do, or not do. Besides having found articles on this topic, I myself had quit a boss. This drove me to ask a few deeper questions into why bosses drive out employees. These questions will be used to guide my research on this topic:

- Are there common characteristics in bosses who demonstrate poor employee retention?
- What do exiting employees say about why they left their jobs?

The Literature

The contents of the literature review are made up of a balance between empirical research and theoretical research. Throughout my investigation of the literature, I found that the majority of the articles I viewed were composed of theoretical reviews. Though the majority of articles I have used in this review are theoretical in nature, my literature review utilizes a healthy balance of studies that used both empirical and theoretical research.

Companies are concerned more than ever with saving money and making great investment choices. It's important that companies invest in their employees to make sure that they are retaining their talent. Companies cannot afford to have a high rate of employee turnover because of easily preventable causes. This comprehensive review of literature will cover the following topics: why managers should study employee turnover, understanding turnover costs, the history of how turnover has been viewed in the past, managements misconceptions regarding employee turnover, current quit rates, will your staff be looking to leave your company when the economy recovers, top reasons employees leave, the turnover contagion process, types of quitters, analyze the boss-employee relationship, stories of people who quit their boss, Leader vs. Boss, and lastly what management can do to help retain good employees.

Why Bosses Should Study Employee Turnover

Despite a tough current job market employee turnover is not to be forgotten. U.S. workers are surprisingly willing to relocate jobs when another opportunity presents itself. The U.S. job market saw over one million workers voluntarily leave

jobs last October. This was the highest number of quits in one month in over a decade. Though the U.S. Bureau of Labor Statistics does not make specific data available on why these employees are exiting their jobs, according to Garry Kranz, it's "logical" to say that poor managers and management practices are at the heart of the problem (Kranz 2012)

Employee turnover may be on the rise; one in four high potential employees quit last year, as compared to one in seven in 2005. Kranz (2012) exclaims that the managers' relationships that are built with their employees remains the single largest factor in retention. He then goes on to say that too often businesses will try "quirky things" to get their people to stay, like casual Fridays, and pet insurance. He states that retention is something that companies are trying to fix by going through the human resources department instead of involving the line-managers.

Kranz (2012) states that supervisors exert the most influence on whether employees stay with a company or whether they feel that they should be looking elsewhere for employment; it is for this reason that the quick fixes that companies use to enhance their retention, don't work. It's not human resources' job to come up with silly things that try and raise morale in the entire company; it should be the job of each manager to set up and establish positive relationships with their employees. Kranz is confident that it takes a team effort and a culture change to inspire the rate at which a company can retain its employees.

Kranz offered some tips to help retain employees through the use of management relationships. He suggests that employees need to feel that they can trust their managers. This should be so important to a company that it becomes part

of each manager's year-end review. The ability to establish a trusting, positive, and open communication in the employee-boss relationship is crucial to the retention of employees; so why not have it as part of the manager's duty, in which the bosses will get rated on it during performance appraisals. Kranz also says that it's important to hire people that are going to stay with the company, and there's nothing wrong with looking them in the eyes during an interview and asking them if they will be committed to staying with your company once hired (Kranz 2012)

Understanding Turnover Costs

Employee turnover happens all the time in every industry and eventually to all companies, so why try and stop it? Well according to Allen, Bryant, and Vardaman (2012), the cost of employee turnover can range from 90% all the way up to 200% of the annual salary of the employee who has quit the company. These cost include some obvious direct costs, such as accumulated paid time off, and staffing costs, however the replacement of an employee can also have a great deal of hidden, or less obvious costs attached to it. For a list of costs associated to an employee departing a company see table 1 below. All of these costs add up, and can put a serious dent in your company's bottom line. In a study from 2006, Price Waterhouse Coopers estimates the more than 12% of pretax income for the average company is spent on turnover related costs (Allen, Bryant and Vardaman 2010, 51).

Table 1

Voluntary Turnover Costs

Separation Costs	<i>Tangible</i>
	HR staff time (salary, benefits, exit interview)
	Manager's time (salary, benefits, retention attempts, exit interview)
	Accrued paid time off (vacation and sick pay)
	Temporary coverage (temporary employees, or overtime for existing employees)
	<i>Intangible</i>
	Loss of workforce diversity
	Diminished quality while position remains vacant
	Loss of organizational memory / knowledge
	Potential loss of clients
	venture
	Contagion (other employees decide to leave)
	Teamwork disruptions
	Loss of seasoned mentors
Replacement Costs	<i>General Costs</i>
	HR staff time (benefits enrollment, recruitment, selection, orientation)
	Hiring manager time (input on new hire decision, orientation, and training)
	<i>Recruitment</i>
	Advertising
	Employment agency fees
	Hiring inducements (signing bonus, relocation, perks)
	Referral bonuses
	<i>Selection</i>
	Selection measures expenses (Selection testing)
	Application expenses
	<i>Orientation and Training</i>
	Orientation program time and resources
	Formal and informal training (time, materials, equipment, mentoring)
	Socialization (time of other employees, travel)
	Productivity loss (loss of production until replacement is fully proficient)

Adapted from Allen, Bryant, and Vardaman 2010

History of How Employee Turnover Has Been Viewed In The Past

In 1958 March and Simon's wrote a seminal book, *Organizations*; this was the real beginning of the attempt to develop an overall philosophy explaining why people leave their jobs. According to March and Simon there were two real factors that influenced an employee to leave his or her job; they are: the perceived desirability of leaving the employing organization, and the perceived ease of leaving the organization. So in 1958 the world thought people left jobs because of job satisfaction, organizational commitment, and the quality of job alternatives (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009, 546).

Then in 1977 Mobley identified the "sequential and intermediary" variables leading from job dissatisfaction, which lead to eventual quitting (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009, 546).

In 1986 Price and Mueller added to Mobley's research by including in the study an element of pay, social integration, instrumental communication, formal communication, centralization, routinization, role overload, promotional opportunity, professionalism, general training, supervisor support, coworker support, and disruptive justice. (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009, 546).

Lastly the current philosophy on employee retention is as follows, the global economy becomes increasingly knowledge-based every day; businesses that can keep their people have an advantage over businesses that cannot. In fact, a number of studies that have been performed concluded in the same way; turnover negatively effects performance. Firms that have high turnover will significantly

underperform their competition (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009, 545-546).

Common Misconceptions

In order for bosses to understand the processes of employee retention, it's important to inform them of the most common misconceptions surrounding the issue. According to Allen, Bryant, and Vardaman (2010) there are five big misconceptions surrounding employee turnover:

1. All turnover is the same, and it's all bad.
2. People quit because of pay.
3. People quit because they are dissatisfied with their jobs.
4. There is little that managers can do to directly influence turnover decisions.
5. A simple one-size-fits-all retention strategy is most effective

(Allen, Bryant, and Vardaman 2010, 49).

Employee turnover is not all the same. Employees leave an organization for many different reasons, some include: leaving an abusive supervisor, going back to school, taking a better paying job, following, following a relocating spouse or getting fired. Though employee turnover can be debilitating and sometimes devastating to a company, it can also, at times provide certain benefits (see Table 2).

Table 2

Voluntary Turnover Benefits

Turnover Benefits	
	Savings may be achieved by not replacing quitter
	There is an infusion of new skills or creativity into the organization
	Vacancy creates transfer or promotion opportunity for others
	Cost savings may be achieved by hiring a replacement with less experience or seniority
	Replacement could be a better performer and organization citizen
	Replacement could enhance workplace diversity
	Departure may offer the opportunity to reorganize the work unit

Adapted from Allen, Bryant, and Vardaman 2010

There are also different types of voluntary turnover, dysfunctional and functional. Dysfunctional turnover is harmful to the company because of the type of employee that's leaving. Dysfunctional turnover consists of exiting high performers or employees who have skill sets that are very difficult to replace. Functional turnover, although it can disrupt current workflow in a company, may not always be as harmful as dysfunctional turnover. Functional turnover consists of employees who are easy to replace. This can be beneficial to a company if the employee exiting is a poor performer. Due to the nature of the two types of voluntary turnover, it's no surprise that retention management strategies typically focus on dysfunctional turnover (Allen, Bryant, and Vardaman 2010, 50).

A person quit because of pay is the second misconception. Although compensation does matter for retention, and employees will often leave an organization to take a position with higher pay, it is still considered a weak

predictor for a turnover decision. The reason for this is that there are usually several other reasons an employee will start looking for new positions before pay level, and pay satisfaction even enter into the complex turnover equation. In fact, pay is listed lower on the list of reasons employees stay with a company than any relationship factors including: leader-member exchange, supervisor satisfaction, co-worker satisfaction, and work group cohesion (Allen, Bryant, and Vardaman 2010, 52).

The third misconception is that people quit because they are dissatisfied with their jobs. This for the most part is true, however it's not the only reason. Research shows that job dissatisfaction is the driving force in less than half of the individual turnover decisions. Often times the path to turnover is really started by a shock. A shock is an event that leads an employee to start his or her job search. The shock can be unexpected, job-related, or non-job related. A coworker or boss mistreating the employee may cause an unexpected shock. A job-related shock may be caused by the employee feeling passed over for a promotion. A non-job related shock may come from a spouse being offered a new position that requires relocation. Other types of shock include positive, neutral, and negative. Positive shocks may include job offers, neutral may be the company merging with another, and than negative shocks may include a bad performance evaluation (Allen, Bryant, and Vardaman 2010, 55).

The fourth misconception is that there is little managers can do to influence turnover decisions. Managers often believe that most all voluntary turnover is unavoidable. They think the reason most employees quit is because of other job

offers, and events that are unrelated to work. So then if this was the case why bother trying to influence your staff to stay at all? It is true that in some situations employee turnover is completely unavoidable, however there is evidence regarding relationships established with managers that help organizations reduce their turnover rates. Some strategies for reducing turnover include the use of a:

- Realistic job preview during recruitment
- Assessing the person to ensure a good fit with the organization during the selection process
- Offer training and development opportunities throughout his or her career
- Tailor compensation and reward to the individuals needs and preferences
- Train supervisors and management how to lead, how to develop effective relationships with subordinates, and other retention management skills
- Design jobs to increase meaningfulness, autonomy, variety, and coworker support

(Allen, Bryant, and Vardaman 2010, 56).

The fifth and last common misconceptions is that a one-size-fits-all retention strategy is most effective. Though it is true that there are some best practices used to improve employee retention throughout companies, it is not wise to sink a significant amount of money into a generic retention strategy. Its important for a company to understand the causes of the turnover in their specific company before they can try and fix it. This requires the ability to diagnose the turnover problem, adapt an underlying retention principle to it and then figure out a good way to

reduce or some times eliminate the cause of that one issue (Allen, Bryant, and Vardaman, 2010 57).

Current Quit Rates

The annual quit rates across all industries in the United States were as follows: 2007 – 25.2%, 2008 – 22.3%, 2009 – 16.1%, 2010 – 16.9%, 2011 – 17.9% (“Table 16. Annual quits rates (1) by industry and region, not seasonally” The Bureau Of Labor Statistics).

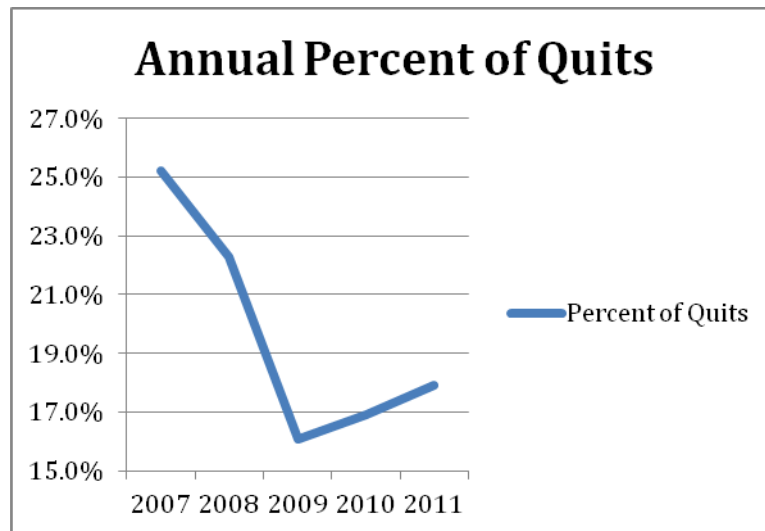


Chart 1

As shown above in Chart 1, there was a drastic drop in quit rates from 2007 – 2009, it can be concluded that this drop was due to the unfavorable labor markets that existed during this time period (Allen, Bryant, and Vardaman 2010, 48). However what should be on the minds of all companies concerned with employee retention is how do we slow steady growth of employee quits since 2009. The rate climbed almost 2% in the last two years. It should be worrisome for companies for the reason that this upward change may be indicative of another upward trend.

Will Your Staff Be Looking To Leave Your Company When The Economy Recovers?

Skilled employees are progressively becoming in short supply. One scary survey for companies reported that 54% of employed adults were likely to seek new jobs once the economy improves. This survey included 71% of those looking to seek new jobs were ones from the ages of 18 through 29 (Allen, Bryant, and Vardaman 2010, 49). These numbers though shocking is a real issue for companies looking to retain good employees, but why is this the mentality for so many employees? It seems as though over the past ten years the business industry sent a clear message to it's employees, "don't count on us for anything except your next paycheck" (McFarland 2006, 22). This put a bad taste in employees mouths; people haven't forgotten about layoffs, and outsourcing. It's hard to promote from within when companies have removed their entire middle level manager positions; then to add insult to injury, now you have no chance of moving up but you also now have your normal workload plus a share of your former midlevel manager's work (McFarland 2006, 22).

Top Reasons Employees Leave

In 1999 surveys of human resources executives revealed that the number one cause of employee turnover was limited advancement opportunities. Lack of advancement was followed by lack of recognition, inadequate salary and benefits, and then lastly the employee's unhappiness with management (Thomas 1999, 11). A more recent study that included surveyed answers from 215 human resource professionals, and 862 employees revealed that not much has changed in the way of employee turnover in the last 9 years. This survey is useful because it gives perspective to what HR thinks and what the employees are thinking. Lack of growth

opportunities was still the number one reason for turnover, but it's what the employees and HR professionals disagreed on which is interesting. Employees find the need for work to be interesting, and benefits to be a primary reason for turnover, where as HR professionals placed them as secondary reasons (Turnover and Retention 2008, 28).

The Turnover Contagion Process

When employees' coworkers engage in looking for other jobs, or leaving their current jobs, it causes a ripple effect on the surrounding coworkers. So if a coworker looks for job alternatives or quits, this mentality can spread. The process is called social contagion. The reason for this contagion is primarily because humans are constantly comparing their self-perception with that of their coworkers. So when an employee leaves, the coworkers will actually compare themselves with that individual and think, can I do better as well? The most likely employees who will ride the quitting wave are those who have low levels of job embeddedness. Job embeddedness refers to the employee's attachment to a particular job, low embeddedness is when employees don't need much of a reason or shock to leave, high embeddedness means that that employee needs a big push or shock to leave the company (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009, 546).

Types Of Quitters

It's important for managers to understand the different types of quitters so they can try and avoid management characteristics that will cause people to leave. There are types of quitters that can be kept with good management skills, and then there are some that have quitting preplanned when to quit and these types cannot

be stopped by management. Impulsive quitters are driven to quit by a sharp negative experience in the workplace or at home, which is followed by quitting “on the spot.” Management should, when interacting with employees, focus on increasing good feelings toward the organization, while simultaneously minimizing policies that elicit strong negative affects on employees (Maertz and Campion 2004, 578).

Comparison quitters are most likely attracted away from their current position by alternative jobs, and in most cases there are no hard feelings that exist between the employee and employer. Managers must strive to keep open lines of communication with key employees at all times. This is to determine when they are contemplating other jobs and to make sure that they know that their company wants to keep them. When employees feel valued they are more likely to stay (Maertz and Campion 2004, 578).

Preplanned quitters plan some time in advance to quit. This is usually planned to be at a specific time in the future. These quitters are less likely to be dissatisfied with their current position than impulsive quitters. One major distinction involving preplanned quitters is that it is rated of the four types of quitters the least avoidable and this means that it is the least preventable for managers (Maertz and Campion 2004, 579).

Conditional quitters plan to quit if and when some undefined event or surprise occurs. This conditional quit is judged by the employee, and may include “I’ll quit when I get another job offer” etc. Conditional quitters don’t only quit when they get better offers, but a conditional quitter may also tell themselves, I’ll quit if

my supervisor talks to me like that again. A condition of this nature is avoidable for companies that educate their management staff on how to talk to employees (Maertz and Campion 2004, 579).

Analyzing The Boss-Employee Relationship

In most cases if you want to know why employees quit their job, you don't have to go very far to find out, simply start with their direct supervisor. The boss-employee relationship can have the strongest inspiration on how an employee feels about his or her job. If the employee has a good relationship with his or her boss, then the employee tends to overlook other areas of the job that may be deficient. The inverse of that, when employees dislike their boss, this opens a large number of reasons that employees may have to leave because they have examined all the reasons they feel unsatisfied (McCullum 2009, 8).

Employees report several reasons why their relationship with their boss can take a turn for the worst, including not getting the feedback they need, to know how they are performing, not receiving the recognition they deserve, and not undergoing adequate training that allows them to do their job. According to McCullum (2009), these problems usually come with younger employees who are used to many years of receiving feedback and coaching from parents and teachers. For the younger employee, something as simple as the boss saying *thank you* or *good job* can go a long way toward job satisfaction (McCullum 2009, 8).

Stories of People Who Quit Their Boss

The stories that are to follow are examples of several people and how their bosses, who eventually lead them to quit, treated them. The behaviors of the bosses

classifies as a workplace bullying effect. For three years running, Joanne Wright was turned down for the position that she was already doing. She was being paid to be a noon-time radio host for a radio station. She for the last few years was doing the morning show and the 4pm show. These are the stations most popular times, and that position would come with a \$15,000 pay raise for Joanne Wright. Joanne approaches her boss one day and says she does not mind doing the extra work but would be happier with a raise to make up some of the difference. Her boss turned down the request then said, "your husband makes good money." So Joanne at this time was 7 months pregnant, and went on maternity leave soon after the conversation with her boss. On the very last day of her maternity leave, she called the boss and quit (Macklem 2005, 32).

For Lucy Child, a former regional manager for a national not-for profit agency, email was her boss's tool for destruction. The boss would send screaming emails, three pages long, with bold lettering, red lettering, capitalized words, and multiple exclamation points. Child says that 22 managers, including herself, left the not-for profit in the past three-years. Child states that opening his emails gave her anxiety. She says you get paralyzed so much so that you don't even defend yourself; she has never felt so vulnerable in her office (Macklem 2005, 32).

People don't usually leave a company, they leave bad bosses. In a survey of how bosses behave, the worst behavior is belittling employees in front of others, followed by lying, and a condescending attitude. The reason for the way these bosses behave is that they are establishing for all those to see that they are in charge (Macklem 2005, 32).

Leader vs. Boss

What's the difference between a leader and a boss? There are many character differences between the two. It's important to understand these differences as it relates to employee retention (Watson 2012, 32). Chart 3 shows the great differences between boss's and leaders.

Chart 3

Boss's	Leaders
Do things right	Do the right things
Focus on how things should be done	Focus on what can be accomplished
Conformity	Innovation
Control	Commitment
Rules oriented	Outcome oriented
Transactional	Transformational
Ensure stability of the system	Energize the system
Procedure, strategy, objective	Vision, inspiration, courage
Manage change – ensure the ability to handle it	Create change – take followers from one place to another

Chart adapted from Kyle, 2008

Leadership is about helping people reach their capacity through hard work, desire, and the use of effective team building skills. People follow leaders who will make them better for it. People don't want to leave a good leader. But, people may want to leave a good boss. A good boss is one who meets deadlines, fixes problems, and squeezes more out in less time, but a good boss to a company and a good boss for the employee-manager relationship are two different things (Watson 2012, 32).

What Management Can Do To Help Retain Good Employees

Though it is impossible to eliminate employee turnover, it is not impossible to limit. Though there are a host of reasons for an employee to leave a job, something had to happen to make the employee even consider leaving. One big reason is that that employee's particular boss didn't do what he or she needed to in order to keep them. Once a company can digest that hard to swallow pill, then it can move on to try to retain its employees. So what can management do to keep as many good employees as possible? The answer - falls into three broad categories: creating a great environment, create great jobs, and lastly, ask early and ask often.

Most managers assume that the company policies and corporate culture control the work environment; this is simply an outline of what a specific department culture is like. The manager controls his or her department's culture largely due to the fact that he or she runs the show. What's important to employees is the work environment that they are in. Friendly relationships are an excellent way to have a great work environment. If the boss shows ordinary courtesy and respect to all employees, plus positive recognition in the workplace and social settings, with a general interest in his or her employees, they are bound to have a positive atmosphere (Employee Retention: What managers Can Do 2000, 2).

Creating great jobs relies on the manager's ability to do three things, allow autonomy, let people stretch, and be flexible. Let your employees have some freedom, no one likes to be micro managed, create a team for a task and let them be creative with their process. Letting people stretch requires a manager assigning a challenging task to an employee. This shows an employee that his or her boss trusts the employee and has faith in his or her abilities. The last step in retaining good

people in the management-employee relationship is asking early and asking often. “Great work environments and great jobs are a matter of opinion” (Employee Retention: What Managers Can Do 2000) what makes a person stay is personal. It’s important that a manager doesn’t wait until the exit interview to ask what went wrong. Instead of waiting, hold the conversation now. Sit with your employees and tell them how important they are to the organization, and ask them how you, as a manager, can keep them. Get feedback on the work environment that you have established. Then continuously improve and tailor your work environment around your existing staff (Employee Retention: What Managers Can Do 2000, 2).

Conclusion of Literature Review

In this economy it's not only people who are tightening the belt on their finances but it's also companies. Companies are devising new ways for them to save money all the time. Between layoffs, outsourcing, and downsizing companies are struggling in anyway they know how to stay afloat. So why waste money in the human resources department by continuously replacing key employees? Companies need to focus on retaining their high potential employees. Last year alone, 2011, one in four high potential employees quit their jobs (Kranz 2012). It's important for management to understand the adverse financial affect this has on a company. Between tangible and intangible costs of voluntary turnover, a company will be setback between 90% and 200% of that individual employee’s annual salary (Allen, Bryant, and Vardamnan 2010, 51). There are five common misconceptions that bosses need to be aware of so they do not fall into the same mentality that has trapped managers in the past. The five misconceptions are:

1. All turnover is the same, and it's all bad.
2. People quit because of pay.
3. People quit because they are dissatisfied with their jobs.
4. There is little that managers can do to directly influence turnover decisions.
5. A simple one-size-fits-all retention strategy is most effective.

With the annual percent of quits on the rise since 2009, employers need to be on their guard. A leader and the boss are not the same. Managers who retain employees tend to be leaders; they are able to have employees follow them on the road to success. What did these leaders do to retain employees? Leaders listen to their employees, they create jobs with meaning, they empower their employees, and they maintain positive relationships with all employees (McCullum 2009, 8). Managers' relationships that are built with their employees remain the single largest factor in retention (Kranz 2012).

Chapter 3

Research Methods

In this chapter I will describe the methods that were used to investigate the following research questions:

- Are there common characteristics in bosses who demonstrate poor employee retention?
- What do exiting employees say about why they left their jobs?

There was no one method used to collect data for the exploration of the above research questions. I used a combination of literary review, data analysis, and content analysis.

A literary review is the combination of multiple sources of literature, which contains corresponding information; this information is then written in one coherent analysis of the literature given. The reason a literary review was chosen as the primary way of collecting data for the research was because it allowed me to compare what others have already written on this topic, then I compared the similarities, and offered a comprehensive review of what is considered “known” on the topic. Another benefit of a literary review is the ability for the writer to see where the gaps are in the topic of study (Zorn and Campbell 2006, 172).

Data analysis is simply a method of analysis that helps to describe facts, detect patterns, develop explanations, and test hypotheses. Data analysis is used in all types of sciences, and is also used in business, administration, and in policy (Levine, 1996, 1). Data analysis helps find averages, and differences of a group or

groups of raw data. Then using that data is what allows researchers to make claims, or prove hypothesis.

Content Analysis, as defined by the University of Texas, is a research technique used for unbiased, systematic, and quantifiable description of apparent content of communications. A content analysis like a literary analysis uses the information collected from texts, which includes books, essays, interviews, discussions, newspaper and journal articles, etc. however, unlike a literary analysis, a content analysis breaks down the text into a variety of words, phrases, or themes and then scrutinizes them (“Content Analysis”).

I started with a literary review where I compiled literature from sources which were found in various journals, magazine articles, and books. I was looking for information, which pertained to the principal reason of why employees quit bosses and not jobs, and I was also looking for ways to retain employees with regard to this specific area. In addition to compiling literature on why employees quit bosses and not jobs, I will also be collecting information on why employees leave jobs in general so that way I can test my hypothesis. If I am successful in finding similarities between both searches I will then know that my hypothesis is supported.

I did not collect original or human subject’s data for this thesis; however I did utilize others’ data, and analyses. Being able to use others’ data was helpful in offering a quantifiable aspect to the research. When sorting what kind of data analysis to use, it had to pass through a few barriers that I created to help keep me aimed at the actual thesis questions: Does this data apply to my topic, does it lend

itself in anyway to my research questions, and then lastly, what conclusion can I draw from this data.

I was continually using content analysis throughout my research. With this search method, I was looking for key words, phrases, and sentences. Some topics that I was drawn to instantly were: Management, boss, employee retention, quitting, and leadership. Those were just a few words that caught my attention while conducting research.

Once I collected all necessary data to prove the point I wanted to make I analyzed them to find the similarities and what left me wanting to know more. I then would try and find more on that topic; if I was unable to find the data I pursued, I would consider it a hole in the information.

Operational Definitions

Boss – A boss is a person who uses control of authority or influence, specifically, one who directs and supervises workers. The word boss also is synonymous with master, someone who is “bossy”, someone who controls, and someone who orders about (Mitchell 2010, 8). Bosses have subordinates (Maund 2012, 29). This definition emphasizes the distinct differences between a boss, and a leader.

Leader – A leader is a person who leads (“Leader,” Merriam-Webster Online Dictionary). Leadership is about the people in the organization. Leadership is about how to help and guide people to reaching their highest potential. Excellent leaders need to be able to have great people skills, and management skills. Leaders do things “right”, they have the right people in the right places, at the right times, and

equipped with the right knowledge (Watson 2012, 32). Leaders maintain, guide and educate followers not subordinates (Maund 2012, 29).

Chapter 4 **Results**

In order to collect raw data and general information with respect to my research questions:

1. Are there common characteristics in bosses who demonstrate poor employee retention?
2. What do exiting employees say about why they left their jobs?

I scrutinized dozens of articles in the hopes that I would be able to find evidence to test my research questions. After sorting through several business and human resources journals I was able to find a total of twenty-two relevant references. I obtained the vast majority of these references using the Business Source Premier database. I was exposed to this database from the Dowling College library website.

Business Source Premier is a comprehensive online business database. The database supports articles from business related, and some non-business related journals, newspapers, periodicals, and some various other publications that focused on business management theories and best practices, economics, and lastly business strategies and trends.

While searching I wanted to see a few key words in the abstract or introduction before I would allow myself to continue to read the article to find out if it had pertinent information for my thesis. Some words I was looking for in the title, abstract, and introduction was: employee retention, manager-employee relationship, how managers affect retention, why people quit, why employees stay, and what makes a good and bad manager. When I came across these words in an

article it would immediately draw my attention. I then would read the article scouring it for any relevant data that I could use to test my thesis questions.

Of the twenty-two articles, ten of them focused directly on management's ability to negatively influence employee retention. These articles also provided other pertinent information on the topic, such as: the top reasons employees leave organizations, managers good and bad work habits, how to properly manage retention, and what the current (industry accepted) retention methods are and the value of them. To locate these articles I searched Business Source Premier for key words and phrases like: managers retain employees, employee retention, why people quit, and employee management.

Six of the articles depict the boss-employee relationship. The articles also provided me with other information such as: some retention strategies, the open door policy, what the early warning signs of defection are, why employees stay, trust issues, and the expected employee tenure rate. In order to find these articles in the Business Source Premier database I searched for key words and phrases like: boss-employee relationship, employer-employee relationship, management retention strategies, and why employees stay.

Three other references focused on what makes a great leader. These three references also touched on: the differences between managers and leaders, bad management practices, and what makes a great leader. One article focused on several different stories, which were related to bad bosses. Another article focuses on the different types of quitters. My last reference focused on what the "quit" rate has been in the last five years. I searched Business Source Premier for only two of

the last three references. I searched for: what makes a great manager and what makes a bad boss. I found the quit rate for the last five years on the government run Bureau of Labor Statistics website.

During my research I would constantly try and limit the results by choosing the option to search by title, subject, and if I had too abstract. Only out of frustration would I ever open up my database search to include the whole document. This being said I did find one or two good articles by doing so.

Of the twenty-two relevant articles that were read, there was a large amount of information that I considered useful. I extracted this useful data and have come up with 10 general groupings for them. These groupings are a general outline for the larger topics they outline. These groupings are as follows:

1. Despite a tough job market, employees are willing to leave jobs. The national quit rate has been on the rise for the last two years. This affects all companies in all industries. Its said that one in four high potential employees quit last year (Kranz 2012).
2. Companies cannot afford to continuously loose great employees. The cost is between 90% and 200% of the employees' annual salaries that left the organization (Allen, Bryant and Vardaman 2010).
3. Some, not all, turnover can be prevented. There are many different types of quitters and for some there are no work related reasons for them leaving the company (Allen, Bryant and Vardaman 2010).
4. An employee's negative relationship with his or her manager can be the single greatest reason that an employee open him or herself up to the idea of

- alternate employment. Good boss-employee relationships help employees overlook other job deficiencies that get in the way, and can cause an employee to deflect during times of a poor boss-employee relationship (McCullum 2009).
5. Employees often times quit jobs for more than one specific reason (Allen, Bryant and Vardaman 2010).
 6. It should not be the responsibility of the human resources department to create gimmicks to retain employees, but a function of the employee's direct supervisor (Kranz 2012).
 7. A great manager and a great leader are not the same; however both are important in successful organizations (Watson 2012).
 8. Trust is a large function of the management – employee relationship and should be closely guarded by the manager (Kranz 2012).
 9. Job embeddedness is an important job characteristic when trying to fight the wave of the turnover contagion process. Its imperative that management empowers the employees to create a high level of job embeddedness (Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009).
 10. Management must be educated on the misconceptions related to employee turnover; they are the frontline defense against employees leaving. For the company management is also the cheapest way to influence the retention of workers (Allen, Bryant and Vardaman 2010).

Seven of the ten of these groupings contain evidence that managers do influence an employees desire to stay with a particular company, the three other groupings state

that the employee population is willing to relocate jobs if given the reason to do so. Despite the majority of the articles in my research using general terms and phrases about employee retention, after every few sentences in the research, I was able to find one sentence or phrase that pertained to my research questions or managements effect on employee retention in general. Through out all my research one message was received crystal clear; management styles/attitudes have a direct relation on employee retention.

CHAPTER 5 **Analysis and Discussion**

Analysis

In the results chapter, I provided ten major groupings of data points that were extracted from literature pertaining to the topic of why employees quit bosses, and not jobs. Besides collecting data to answer that question of why people quit their bosses, I also looked for topics such as the different types of quitters, how management should make attempts to retain employees, and also how employee turnover affects companies. Most of this research came from searching terms like employee turnover and quits. Though some of this research did not directly state that managers are the reason for employee turnover, the research results provide evidence that can be related to these research questions.

In this chapter I have reviewed the ten data groups from the results chapter and compared them. When comparing the different groups I was most interested in the root of the group and how it may be similar to the roots of other groupings. While scouring the groups for similarities, I was interested in trends, themes, and similarities among the groups. After doing so I found that group numbers one and two have created the first theme in the data. Data group numbers three, seven, and ten have also formed a common theme. The third common theme I noticed was between grouping numbers four and six. Then the last theme I have noticed was among group numbers five, eight and nine.

In total, after analyzing, combining and further analysis of the like groups of data, I have noticed and identified four evolving themes. These themes include:

1. There is a strong likelihood of turnover in all companies across all types of work, and it is costly. The rate at which people leave and the cost associated with it is huge. As said before, the cost of an employee leaving is 90%-200% of that individual's annual salary. Besides the financial loss associated, it is inefficient to be constantly looking for new people. Being that one in four high potential employees quit last year, companies have got to start thinking of ways to retain those employees that would be most damaging should they quit. What this suggests is that the theme is loss of progress and a financial burden to the organization (Kranz, 2012; Allen, Bryant and Vardaman 2010).
2. The relationship among groups three, seven, and ten is about education of management inside organizations. It is crucial that management knows the differences between a great manager and leader, what the actual causes of turnover are, and that not all turnover can be prevented. It is the function of management to retain employees; they are the cheapest way for a company to do so. This second theme is all about educating bosses on what turnover is, and how they can be apart of the process in retention of employees (Allen, Bryant and Vardaman 2010; Watson 2012).
3. The third theme uses the groupings of numbers four and six. This theme speaks to whose responsibility it is to retain employees, and the relationship between boss and employee. The employer-employee relationship is a crucial one in the attempt to retain employees (McCullum 2009; Kranz 2012). It is management's responsibility to develop, grow, and nurture the boss-employee relationship. It is their rapport, demeanor and attitude

toward the employee that can affect that relationship. Employees are looking to feel appreciated and valued by their bosses.

4. The last theme came from groups five, eight and nine. This one is related to reasons employees quit bosses. There are often times that employees will quit for many different reasons, including the amount that they can trust their boss. Trust is a big part of any type of relationship. The employee – boss relationship is what the common theme is here. In several cases that I read the writer described the employees as afraid of their bosses. It seemed that the mere sight of the boss, or the sight of an e-mail they had received, would make them cringe. After some time the employees who told these horror stories all quit, and so did other members of their teams (Macklem 2005). Can the small things be overlooked because of how much an employee trusts the boss, or can it be another reason for that employee to what to exit the company (Allen, Bryant and Vardaman 2010; Kranz 2012; Felps, Mitchell, Hekman, Lee, Holtom, and Harman 2009).

Of the four themes that emerged from the literature, only half of the themes related directly to the literature that was used to synthesize the themes. Themes one and four are familiar ideas that I saw in the literature during my initial search in trying to find out why employees quit their bosses and not their jobs. However it seems that something a little bit different emerged in themes two and three.

Though some of the literature spoke about the topics in themes two and three, none were so specific.

The first theme is consistent with the literature that was researched. It has the cost of replacing an employee that has terminated, along with a few other details about the effects of turnover on a company. Both theme one and the literature (Kranz 2012) recognized the enormous cost of recruiting, hiring, training, and what it costs to make up for the loss of productivity. The first theme is mainly based on the consequences of turnover as a whole. Most articles mentioned the negatives for turnover which shows that this theme is consistent with the literature.

Theme number four, like theme number one, is consistent with the literature that was researched. This theme however unlike the first is related to why employees quit bosses. As described by the literature (Allen, Bryant and Vardaman 2010) trust is a large reason that the boss-employee relationship can go a-rye. There are a great deal of reasons employees will quit jobs, however it is clear in the literature that when employees lose trust in their bosses they may start to look at alternative employment options. The boss-employee relationship is an important piece of the employee retention puzzle. The elements of this theme were scattered throughout a few articles however it is consistent with the overall opinion of these articles. Another element this theme brings was rather disappointing to me, that managers that caused employees to exit were abusive. I agree with this fact however, I was looking for more. I'm not sure if employees don't share stories about their bosses or if only the extreme cases were worth writing about but I was hoping for something a little bit more extensive besides a few cases of abuse that I was able to find during my research.

Theme number two suggests that education should be a company's primary line of defense against employee turnover. This theme is different than what was seen in the research. This theme emphasizes the importance of educating management throughout the company. This provides the company with the cheapest way to increase employee retention. The most common way companies would try and retain employees was through the use of gimmicks. Executive management has notoriously tasked the human resources department with the responsibility of devising ways to retain employees. There have been some radical programs companies have come up with including pet insurance and other programs that cost the company a lot to offer and don't work effectively to retain employees. This theme offers a nice transition to the third theme which is about whose role it is to retain employees.

The third theme is short but direct to the point. It should not be the responsibility of the human resources department to retain employees; it is the obligation of management to maintain the boss-employee relationship. This being said however, it is the responsibility of the human resources department and executive management to ensure that management has the training needed to effectively initiate, develop, and maintain that relationship. It's important that they be trained on the way to nurture the relationship back to good health if something was to go a-rye. This concept is completely different than what was found in the literature that my research brought. This theme is one that was developed from compiling data from the reading and then assembling it into one theme.

In theory these four themes should relate back to my initial research question, which are:

1. Are there common characteristics in bosses who demonstrate poor employee retention?
2. What do exiting employees say about why they left their jobs?

In the discussion section of this chapter we will analyze these questions to see if they were thoroughly answered. Any answer that is offered in this section will be based on the research that was conducted before the section was written. No additional research has been conducted since the literature review.

Discussion

Again the purpose of this study was to answer two questions:

1. Are there common characteristics in bosses who demonstrate poor employee retention?
2. What do exiting employees say about why they left their jobs?

However, much to my surprise, the research questions which I asked before I started my actual research were designed to give me self direction. As you can see from my themes, I am nowhere near answering my initial research questions. The reason for this was because; during my research I could not find solid concrete evidence to answer both of the questions properly. The information I would have had would have left gaping holes in this paper and this would leave me wanting more. Due to the qualitative nature of my research and the use of secondary data, I did not conduct interviews on the topic and was unable to directly answer these questions. So what I decided to do was follow the data that was most abundant during my initial search. I began to become more interested in finding out the answers to two almost entirely different questions, which were inspired during the research for my original questions. The questions that were developing during my research which I have now gravitated toward are as follows:

1. Is employee turnover solely related to a poor relationship with the employee's direct boss?
2. Are there any effective retention strategies that companies and organizations can implement to help lessen the loss of high potential employees?

I became so interested in answering these questions that were inspired during my initial research that I naturally gravitated toward the articles that spoke to these two completely different questions. My current themes answer these questions which I will discuss throughout the chapter.

After compiling the data in my original research, comparing like words, phrases, and sentences, I have developed ten groupings, then four organic themes have emerged from those groupings. It is those themes that really put the questions into perspective. I will offer my answers to both questions and then discuss why I believe them to be the correct answer. The first question asks “Is employee turnover solely related to a poor relationship with the employee’s direct boss?” The simple answer here is “No”. This is consistent with my initial thought and also with the themes of my research. The second question asks, “Are there any effective retention strategies that companies and organizations can implement to help lessen the loss of high potential employees?” The simple answer here is “Yes”.

Now let’s explore these answers in more depth and talk about why I can say so confidently with a yes and no. Starting with the first question, when writing this question I knew asking if all turnover was caused by a bad boss-employee relationship the answer would be a “no,” however I wanted to find as many reasons as possible for why the boss-employee relationship was so significant. I did find data that suggest that it is the number one reason employees leave jobs, and also data that place it in the top five reasons employees leave jobs.

In a boss-employee relationship a boss has all the power; in many respects people who are empowered that don’t know how to use that power will adapt it

anyway they see fit. In some situations that were seen in the literature, bosses abused their power and would scold their employees for every little thing they may have done that was different than what the boss was expecting.

Theme numbers two and four lend a hand in answering the first question. It is a function of management to retain employees. The boss-employee relationship is fragile in nature. It doesn't take much to effect this relationship, sometimes the little things like saying "thank you", and "please" go a long way for this relationship and can cause an early departure for employees if they are lacking. Employees are looking for positive reinforcement from their managers. As revealed in theme number four and in the literature it is vitally important for employees to trust their bosses. If employees feel betrayed by their manager, the boss-employee relationship may never be salvaged, and other employees may also be weary of the lack of trust. The boss-employee relationship is very similar to other relationships in a person's life; they have a great deal of the same characteristics; trust, respect, communication, and compassion are four of the big things employees are looking for in a boss.

After careful review of all resources I can suggest that the sole reason employees leave jobs is not because of their relationship with their manager; but if it is the reason the employee is going to exit the company I suggest that it can be the first cause that makes the employee start looking for a job, or it can be the straw that broke the camels back. What does this mean, if an employee dislikes his or her manager then the employee may start to also evaluate other aspects of the company that they dislike. These reasons then build and eventually the employee will depart

from the organization. The straw that broke the camels back relates to the final reason the employee needs to leave the organization. Maybe the employee dislikes the advancement opportunities that present themselves, maybe they don't like the pay, or maybe they don't feel that their job has any meaning; then all it takes is a poor boss-employee relationship to send that employee to another organization or competitor.

Much like the first question, when I was writing the second question, I knew there would be retention strategies that were commonly used by companies. What I didn't know was if they were effective and on top of that will help retain high potential employees? This question was very interesting to me, it was clear that the traditional way a company tries to retain an employee was to offer a lot of money, using gimmicky insurance, and hard to reach rewards based incentives. After hearing how unsuccessful these individual methods were I needed more. My goal was to seek out a single solution that leaders could implement in their organizations today and get real results. It just so happens that the result I found was surprising to me in how easy it would be for any company to adapt and see results.

Sure I could have picked any one of the strategies that I had read about during my initial research, but I was looking for something very specific, direct and a bit different which I think came out in theme two and some good information from theme one. Though this was mentioned in my research it was not explored much. It's very important to first understand why it's so important for managers to study employee retention. Theme one clearly states the cost associated with employee turnover. Management should know what the cause and effect relationship is for

the company when they lose an employee; then it will be easier to understand that action needs to be taken to limit this loss. Theme two specifies the importance of being a function of management to retain employees simply because it is the cheapest and most effective way to retain employees according to my research.

To answer question two I believe that the most effective way to retain quality and high potential employees is to first create a strong boss-employee relationship. This can be accomplished with annual training on how to initiate, develop, nurture, and maintain the very fragile boss-employee relationship. Though I cannot quantify results of this retention strategy because I do not have a company to implement this strategy on, the secondary research that has been collected suggests the importance of this relationship, therefore why not train your managers how to handle such delicate relationships.

It's my conclusion that having management receives training on how to maintain the boss-employee relationship will significantly reduce turnover in any organization. If management understands how improving the morale of their employees can translate to better retention of employees, and increased productivity, they will be less stressed with deadlines and other normal burdens of a management position. If an organization wants results they should empower management with the knowledge they need to retain their own staff.

Now we once again ask the following questions:

1. Is employee turnover solely related to a poor relationship with the employee's direct boss?

2. Are there any effective retention strategies that companies and organizations can implement to help lessen the loss of high potential employees?

Our response(s) are now:

1. Though there is no one cause that employees leave companies, the boss-employee relationship can be one of the strongest reasons that employees defect.
2. A poor boss-employee relationship can cause an employee to start looking for new means of employment, or can be the last fault in a company that causes the employee to leave.
3. Empowering management to maintain the boss-employee relationship can have a great deal of advantages for the company and for the managers.
4. Training is the easiest and most effective way a company can increase its employee retention.
5. Educating management on how to develop, grow, nurture, and maintain the boss-employee relationship is the fastest and cheapest way to see immediate results with respect employee retention.

All things considered, no, employee turnover is not solely related to a poor relationship with the employee's direct boss, and, yes, there are effective retention strategies that companies and organizations can implement to help lessen the loss of high potential employees.

CHAPTER 6

Conclusion

The study of employee retention is an important field to study. Between layoffs, outsourcing, and downsizing, companies are struggling to stay afloat. So why waste money on the human resources department by continuously replacing such valuable employees? Companies need to focus on retaining their high potential employees. Since 2009, the rate at which employees have been quitting is on the rise. Employees have been more willing than ever to leave their jobs, so much so that, one in four high potential employees exited their company in 2011. This may be indicative of a scary trend for companies who are looking to tighten the belt on their finances.

This thesis had been motivated and guided by an initial inquiry to find if there were common characteristics in bosses who demonstrate poor employee retention, and what exiting employees say about why they left their jobs. During my research of these two questions, I became more interested in answering two almost completely different questions. The interest that I developed during my research was directed towards answering if employee turnover is solely related to poor relationships with employees and their direct bosses; I also wanted to know if there are any effective retention strategies that companies and organizations could implement to help lessen the loss of high potential employees. These two questions have been the true underlying driving factors of this thesis. As the title indicates, I was looking for a reason why employees quit bosses, not jobs; by researching these

two questions I found at least one reason why employees do quit their bosses, and not their jobs.

Though I did want to answer my initial questions about why employees quit bosses, not jobs, it would have been useless to use the title as a research question. Although I do want to know why employees quit their bosses and not their jobs, to make the search that broad would be irresponsible. It's important to ask the right question(s) when doing research of this nature. This is why I fundamentally decided to change my question to ask, "why is the boss-employee relationship so important to employee retention, and how can it be properly maintained?" To answer this question, I used my research which was compiled into groups. These groups were formed from compatible words and phrases. Then, the groups were compiled again into four different and comprehensive themes. Once these themes were developed, I then started to see the answers to both of my two questions.

My first research question is, "is employee turnover solely related to a poor relationship with the employee's direct boss?" This question can be answered simply with a "no". However it's important to analyze the significance of the boss-employee relationship because it remains the single largest factor in employee retention. As I have concluded from my research, the boss-employee relationship can lead to an employee quitting in two different ways. A poor boss-employee relationship can either be the first dislike of an employee, which spirals into many company wide dislikes and then ultimately leads to the employee leaving, or the other outcome for an exiting employee with a poor boss-employee relationship can

be the straw that broke the camels back. This means that the poor relationship was in fact the final reason why that employee decided to exit the company.

The second question being, “are there any effective retention strategies that companies and organizations can implement to help lessen the loss of high potential employees?” This question can be answered with a simple “yes”. This is an important question to be asked because companies can blow through a great deal of cash trying every gimmick available to try and retain their employees. Realizing this process can become very frustrating for an organization, I was looking for the quickest, most cost effective, and realistically implementable answer to this question during my research. The answer I chose was derived from my themes found in the analysis chapter, much like the answer to my first question. It’s about educating the management staff on how to manage the boss-employee relationship that will help instantly retain quality employees. It’s important for management to know that it’s their job to retain their staff. It should be conveyed to management why it’s so important for employees to be retained. This includes the cost burden of tangible and intangible voluntary turnover costs that a company can incur when employees depart. At a cost of 90% to 200% of the leaving employees annual salary, it is advantageous to the company to invest in its management so they can learn how to better retain their staff. Management should also be trained on the five key misconceptions that are associated with employee turnover which are:

1. All turnover is the same, and it's all bad.
2. People quit because of pay.
3. People quit because they are dissatisfied with their jobs.

4. There is little that managers can do to directly influence turnover decisions.
5. A simple one-size-fits-all retention strategy is most effective.

Managers who are unaware of these common misconceptions can cause great damage to the company's finances. Bosses who believe these misconceptions typically have a revolving door of employees. Employees will come and go all the time for managers who do not take the time to develop quality relationships with their staff.

So, in conclusion, management needs to be educated. This is important simply because they can be the difference between a high potential employee staying or leaving the company. They have a large impact on their employees' attitude toward their jobs, and their relationship with the employees remains the single greatest reason why employees leave organizations. Management should make a conscious effort at developing, growing, nurturing, and maintaining the boss employee relationship.

CHAPTER 7 **Limitations**

Throughout this study, I encountered several limitations; some of which were major, and others that were minor. The largest limitation by far was time. To fulfill my research requirement at Dowling College, in the pursuit of a Masters of Business Administration in Management & Leadership, the college allows its students to complete a thesis over the course of two semesters. In my case I took all six credits of the thesis in two different summer semesters. There are three summers semesters in total; I worked on my thesis in summer sessions I and III. This allowed me only three months to research, compile, analyze, write, and revise this master's thesis. I did this to satisfy my personal goal of finishing my masters in one calendar year. I started my graduate courses in September 2011 and upon the completion of this thesis, I will finish my master's degree in August, 2012. I started the thesis in May of this year, 2012, and will conclude writing by early August. If this were to be a doctoral dissertation, I would be allotted a great deal more time. Having the allotment of this time would enable me to do the primary research I so desire to answer my questions.

For this study, I used secondary research as my only source of data, and information collection. Using this method, I derived themes and theories with respect to my two research questions. Placing aside time for a moment, this secondary research is an enormous limitation. As I described in the analysis and discussion chapter of this study, I was unable to answer my initial research questions because of one of two reasons: first a gap in the research that has been

published, and secondly, in the time given I was unable to locate a sufficient amount of research that would have helped me answer my question to its fullest. I would have loved to have answered both of my initial research questions; however there would be no way for me to give a comprehensive answer to either question without using original research. This brings me back to my initial limitation of time. To keep on track with this rigorous process of identifying, collecting, and analyzing data, I could only use about three weeks of my three months to collect all resources necessary and then write about all these articles I collected. It was because of this reason that I could not fully answer my two original research questions and therefore I was left no choice but to change them both. Though I was not happy to change my research questions, I think it will be better in the long run. I like what I was able to learn for myself while developing some original conclusions, which answer the two new questions.

To answer the second and final set of research questions in this document, I believe I would have been able to procure a better, more proven, and tested answer had I been able to conduct my own primary research. I would have used questionnaires, focus groups, and one-on-one interviews with individuals, preferably in the business field, who has quit because of a boss. I believe I would have received great insight for this study by using original research, but as I have stated before, time was not on my side.

While I do whole heartedly believe that the research I conducted was sufficient enough to adequately answer the two rewritten and final questions, and at the same time create a sound theory regarding the severity of a poor boss-employee

relationship on the retention of employees, I believe my research, given more time, would have had more depth, and more supporting evidence to prove my theories. Despite the major time constraints, the substance, integrity, and adequacy of this thesis has in no way have been compromised.

CHAPTER 8

FUTURE RESEARCH

In consideration of the four theories generated by this study, there is a need for further research into the analysis of the boss-employee relationship and how it affects employee retention. A deeper look into how the relationship between a boss and employee affects retention, and then how to train management properly to lead successful relationships with their employees, is worth some further research. I would like to see further research to broaden the information pool that exists on the boss-employee relationship; I feel this is a relatively new mentality in the employee retention process and has much to be explored.

We know that the boss-employee relationship is crucial in the efforts to retain staff, but to have a statistic on how many people quit due to specifically a poor relationship with their boss would bring great insight into this study. Ideally I would like the future research to also answer my two original thesis questions, which I was unable to locate enough information about: What are the common characteristics in bosses who demonstrate poor employee retention, and I would like to know what exiting employees say about why they left their boss. Then I would like to know what the relationship of the departed employee was with their boss. Then lastly, I would like to know specifically what kind of training regiment can be implemented in order to reduce unnecessary turnover.

Kranz (2012) was headed down the right path with his analysis of the boss-employee relationship. He emphasized the importance of trust and maintaining a positive relationship between employee and boss. I agree with his point about

putting the boss-employee relationship aspect as part of the managers' actual duties. Then he goes on to recommend that the maintenance of this relationship should become a part of management's performance appraisals. I think it's a great idea to include a managers ability to maintain a positive boss-employee relationship; however, there was no mention of what it takes to maintain this relationship, or what to do to establish it in the first place. Being that supervisors exert the most influence on whether employees stay with a company or whether they feel that they should be looking elsewhere for employment, I think it's important to continue this research on what the boss-employee relationship should be, how to get it there, how to repair a damaged relationship, and finally how to successfully maintain one.

Another issue regarding the retention of staff through the use of a positive boss-employee relationship is, how to go about teaching the management staff the proper ways to effectively create/initiate, develop, nurture, and maintain the very fragile boss-employee relationship. I think this is a key issue that needs to be further researched. No articles I came across mentioned what would be included in theses trainings or the different elements that need to be taught. This is vitally important for companies looking to slow employee turnover because it will teach all levels of management how to communicate effectively with their staff and ultimately help complete the goals of management, which is contingent upon there being a positive relationship between a boss and employee. It would enhance the conclusion of this research paper if there were continued research done to analyze what the best tactics are to create/initiate, develop, nurture, and maintain the boss-employee relationship.

While the topic of employee retention has been so widely explored, there is still so much room in which to continue to grow the knowledge pool. My questions, which have been inspired by this study, have not been fully answered and leave me wanting to research the topic further. Recognizing that it wasn't until the 1980's when management started to realize that they played a big role in the retention of employees, the study of the boss-employee relationship is relatively new and still being researched. There is a great deal of room for further research which would enhance the understanding of exactly why the relationship is so important to employees and how it can be properly taught to managers so that they can maximize their ability to retain good staff.

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