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Employee turnover and maintaining knowledge continuity in large and small organisations

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Abstract

Determining the causes and consequences of employee turnover is necessary in order to maintain competitive advantage in today's knowledge economy. For an organisation, an employee's departure can mean the outflow of the knowledge that he or she possesses, and it is thus necessary to ensure its transfer in order to maintain knowledge continuity. The objective of the present article is to present the results of surveys on the causes of employee turnover and its perception by employers as possible knowledge loss. The impact of employee turnover on knowledge continuity was examined by combining quantitative and qualitative surveys. The differences between provable factors leading to an employee's departure from small and large organisations provided a base for a follow-up survey focusing on the preservation of key knowledge in organisations dealing with turnover problems. One of the conclusions is that the threat arising from a departing employee with critical knowledge about the organisation is dependent on their ownership interest in the organisation, on the size of the organisation and on the sector of the economy. Today's knowledge-based organisations must be aware of the main causes and consequences of employee fluctuation in order to maintain competitiveness at this time of economic crisis.

Keywords

Causes of employee turnover, employees, knowledge, knowledge continuity, turnover.

JEL Classification: J53, J63

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1. Introduction

Employee turnover is often perceived as a negative factor affecting staffing and knowledge continuity in organisations (Fritz-Enz, 2002; Doorewaard and Benschop, 2003; Branham, 2005). Employees working out their notice periods fail to perform at full capacity and take away important knowledge (often providing it to competitors). Furthermore, their departure and replacement is both time- and money-consuming¹ (Doorewaard and Benschop, 2003;

Branham, 2005; Somaya and Williamson, 2008). Organisations, therefore, attempt to keep their turnover rates at the lowest possible level.

A high employee turnover is a threat for the majority of organisations. To eliminate the cause, it is critical to concentrate on all processes of employee

Organisations must also consider the costs related to personnel planning, searching for new employees, interviewing and lower performance during the first days/weeks/months (Armstrong, 2009); the costs related to covering the job position while searching for a new employee (CIPD, 2004) and the wasted time of other employees (colleagues, team members, mentors) who help new employees to adapt (Fritz-Enz, 2002).

¹ The costs include not only recruitment, education and orientation but also administrative costs, golden handshakes (Reiß, 2008), teambuildings and educational programmes.

guidance, starting from their recruitments until their departures (Armstrong, 2009; Bělohávek, 2008; Branham, 2005; Hájek, 2007; Milkovich and Boudreau, 1993). If valuable employees want to leave, their new organisations stand to gain a competitive advantage. On the contrary, the loss of knowledge for the former organisation represents a threat, which increases the significance of knowledge continuity.

Previous studies have found two main ways that knowledge leaves organisations. Beazley et al. (2002) and Stam (2009) stated that the main danger for the forthcoming 25 years is the aging population and the retirement of strong age groups, which is supported by statistical data from US organisations. The second way of knowledge loss is the turnover of labour (Beazley et al., 2002; Eucker, 2007). The aging population according to Stam (2009) represents two major risks for organisations, namely the underemployment of older employees and the loss of knowledge. According to the US Bureau of Labor Statistics (Harvard Management Communication Letter, 2003), the issue of knowledge transfer is primarily a challenge for existing American organisations. Because of downsizing, the growing mobility of labour and the broader use of random workers, a high turnover rate is a reality for the majority of organisations. Thus, management have to consider how to cope with the potential departures of their employees for competitors or for retirement. This is one of the essential factors influencing knowledge continuity and thus it is necessary to eliminate its consequences by means of knowledge management and knowledge continuity management. The objective of the article is to present the results of surveys focused on the causes of employee turnover and its perception by employers as possible knowledge loss.

Paper examines causes and consequences of employee turnover and knowledge transfer. Based on the literature review article presents results of primary surveys focused on employee turnover in connection with knowledge loss. Internal organisational factors affecting both employee turnover and knowledge loss will be examined and described. To validate the results, all data will be presented together with statistical verification. Differences found between small and large organisations will be presented in order to suggest recommendation to eliminate negative impact of employee turnover and knowledge loss.

2. Objective and methodology

Because the data were collected on a selective basis, it was necessary to determine whether they were dependent attributes and whether the findings could be generalised. Thus, the first part of the article deals with theoretical approaches to the issues of turnover

and knowledge continuity in organisations, while the second part analyses the findings of surveys carried out in the Czech Republic.

The article has been processed based on the analysis of secondary sources, outcome synthesis, the evaluation of the results of a questionnaire survey and the evaluation of the results of a qualitative survey with 19 managers of small and large organisations.

Based on a literature review, the reasons for employee turnover were deduced and the main factors constructed. In two successive surveys, 29 determinants² were used to describe the seven main factors causing employee turnover. These factors are remuneration, certainty, relationships, recognition, communication, culture and expectations. These factors were confirmed by the method of induction based on the results of the surveys. In order to provide a clear understanding, the factors were structured as generally as possible, similar to the surveys carried out by Gosling et al. (2003), John et al. (2008) and Benet-Martinez and John (1998). The conclusiveness of the outcomes was supported by aggregation, namely by adding individual tested items the superordinate item and the whole were supported.³ The conclusiveness of factors and their determinants were tested using a correlation analysis at the significance level of 0.01. The outcomes indicate a direct and strong dependence between employee dissatisfaction with the identified factors and the decision to leave their work positions. The factors were therefore used for further analyses.

Both surveys were completed by 100 respondents who had left their jobs within the past year. Employees were surveyed to find out their hidden reasons for leaving the organisation. The method used for data collection in the first survey was CAWI (computer-assisted web interviewing). The second control questionnaire was based on the CATI (computer-assisted telephone interviewing) method. The selection of a representative sample of employees across sectors was carried out by a random selection of telephone numbers, which allows for the advantages of multi-level random selection (Disman, 2008). The sample was selected solely for the purposes of the survey and included employees or managers in the age category from 20 to 55 who had left their jobs within the past 12 months. Following an introduction, respondents were included in the survey provided they satisfied predefined conditions.

Their answers were categorised according to identification questions that formed the first part of the

² Statements used by the respondents to characterise their main reasons for leaving.

³ Individual items of the construct were tested separately and their reliability was added up to the whole.

questionnaire. In the first survey, measurement was based on closed questions with one or several possible answer(s) that had been selected based on the literature review, documents and other related surveys carried out by Branham (2005), Hackman and Oldham (1980), Meyer and Allen (1991) and Katcher and Snyder (2009). In the second survey, a semantic differential was applied that permitted the identification of nuances in respondents' attitudes throughout the questionnaire. Respondents' reactions to target statements and their attitudes to the given matter were restricted by offering a set of several statements (Hayes, 1998). The extremes of the seven-point scale⁴ represented the bipolar concepts of the evaluation dimension.

Respondents were first surveyed in August and September 2010 and then secondly in November 2010. The overall response rate to the first questionnaire was 22%. The response rate to the second questionnaire was not possible to find out because of using the CATI method for surveying. In total, 61% of respondents to the first survey were female. The second survey did not include a question on the gender of the respondent, because the chi-squared test indicated that there is no dependence between gender and reasons to leave an organisation.

The analysis was carried out using the Microsoft Excel 2007 and SAS programmes. The conclusiveness of the outputs and relationships obtained were supported by descriptive statistics and factor analysis.

The data on the potential threats to organisations from a loss of knowledge and on the identification variables were gathered through a questionnaire survey, in which 167 higher and middle managers from various organisations took part; the branch in which the organisations operated was not taken into account. The questionnaire contained 19 questions (15 closed and four semi-open) on knowledge sharing and knowledge transfer as well as eight identification questions. The questionnaire was distributed to 814 respondents. The overall response rate was 20.52%, i.e. 167 respondents took part. Altogether, 55.1% held a senior management position, 68.9% had university education, 45.5% were aged between 46 and 62 years, 70.1% were employees of Czech organisations, 51.5% worked in the tertiary sector and 38.9% worked in the primary sector. Over three quarters (76.6%) of respondents were male.

The data were processed by means of absolute and relative frequencies using the LimeSurvey application

⁴ Using a scale of 1 to 7, respondents expressed their inclination towards one of the pre-set extreme statements or, provided it was not possible to favour either of the sides, selected a median, neutral value.

and Excel 2007. Testing was carried out by using the Pearson chi-squared test in association and contingency tables. The power of dependence was determined by the correlation coefficient and Cramer's coefficient.

3. Theoretical background

Turnover or inter-organisational mobility is the transfer of employees between the organisation and its surroundings, i.e. other organisations or institutions. It can have both desirable and undesirable effects (Reiß, 2008). Undesirable effects may include the failure to use the expertise and experience gained by a leaving employee, the development of unwanted features and approaches in other employees in the organisation, the disruption of the attitude to work and work morale, the higher demands placed on other employees during the period of substitution, the possible loss of other customers, the increase in the costs of recruiting a replacement and the costs of his/her selection, training and adaptation (Armstrong, 2009; Branham, 2000; Katcher and Snyder, 2007). On the contrary, desirable effects include that new recruits bring new inputs and ideas, there is no stagnation, a more suitable employee (with broader knowledge and experience) can be hired, an improved and less costly process of personnel planning, development management and succession management (Armstrong, 2009; Reiß, 2008; Somaya and Williamson, 2008; Stýblo, 1993).

Bělohlávek (2008), Jenkins (2009) and Ramlall (2004) described the causes of turnover as disharmony with internal motivation. If a need at a higher level of Maslow's hierarchy of needs is not satisfied, an individual aims at satisfying a need at a lower hierarchical level (Bělohlávek, 2008). The most common case is that an employee's unfulfilled expectation in the area of self-development translates into the development of relationship needs. Should these be unsatisfactory as well, an employee leaves his/her job (unless conditions can be changed).

A frequent cause of the problem of employee turnover lies in the switched responsibilities of the personnel departments and executives (Hájek, 2007). It is essential to think systematically and separate causes from consequences. The causes of problems are often poorly working or inappropriately set-up systems rather than employees since human failures result from system causes (Folwarczná, 2010). The process of selecting an employee for the team should be the responsibility of its head, together with the personnel department. In practice, this is often the other way round. Personnel departments, however, lack precise information on what kinds of skills and competences the new employee should have. Similarly, the training, retaining and strengthening of an employee's relation-

ship to the organisation should primarily be the responsibility of the manager who is *fostering* a quality employee to ensure that he or she is able to perform tasks set by the manager in a way that meets the superior's expectations (Hájek, 2007; Kocianová, 2010). However, managers often do not have experience with staff management, and despite growing problems they are not interested in their development and consequently decreasing their turnover. Systematic thinking eliminates the culture of accusation and focuses on dealing with the gist of problems, thus eliminating them in the long run (Folwarczná, 2010).

The current economic crisis has forced organisations to identify solutions that mitigate disaffection and foster employee retention. Average employee turnover is fluctuating around 16% (Armstrong, 2009) depending on the sector and type of the organisation. Most problematic is the tertiary sector (up to 32% turnover). By contrast, less problematic are highly qualified and skilled employees, such as experts and managers (Armstrong, 2009; Branham, 2005). In the Czech Republic, median employee turnover reaches 14% to 16%. However, the suggested and natural level of turnover is considered to be 5% to 10% (Fritz-Enz, 2002). Most organisations thus face high turnover rates and its subsequent costs (Katcher and Snyder, 2007).

For employers, it is very important to monitor the volume of employees who leave the organisation and how this factor influences it. That, of course, is dependent on the size of the organisation, its location and the special teams of employees that can help formulate a general strategy of sources (Hutchinson and Purcell, 2003; Stýblo, 1993).

According to Stam (2009), organisations are facing a crisis of knowledge management. This means that they are also facing a *knowledge preservation crisis* as their knowledge is being threatened. In this respect, knowledge continuity management becomes a key means of reducing the risk of losing critical knowledge.

Similarly, Beazley et al. (2002) also assessed the loss of knowledge as a serious threat. One method of confronting this threat is to introduce a structured programme for the transfer of critical knowledge. It is evident that not all knowledge can be collected and transferred, but that is not the goal. The goal is to transfer solely the critical knowledge related to the work position that would, if lost, endanger the operation of the organisation. Some continuity is definitely better than is none.

4. Results and discussion

In this section, we will describe findings from the primary surveys regarding causes of employee turnover in consequence with knowledge continuity ensuring. Results of statistical tests and analyses are presented below.

4.1 Factors affecting an employee's decision to leave the organisation

This study found that remuneration was the most important factor behind employee turnover in the Czech Republic (21% of respondents). This indicates that salary and the level of remuneration is still the most important motivating factor for employees. Other personal benefit programmes (such as benefits and individual work conditions) are still not developed and used in practice. Secondly, employees also left their job positions because of low future certainty (17%). Some were dissatisfied with interpersonal relationships within the organisation (16%). The average level of dissatisfaction was related to the recognition, role and position of the employee in the organisation (14%) and the same percentage left because of problematic communication. Organisational culture⁵ was the main reason for leaving for 11% and unfulfilled expectations forced 7% of employees to quit their jobs.

As mentioned above, most employees left their job positions because of remuneration (inadequate salary and benefits). The second most common reason to leave the organisation was a lack of trust in the leadership (31.5%), unfair treatment (27%) or dull and un motivating job (23%). A total of 19% of respondents had problematic relationships with a supervisor, excessive work or a lack of appreciation and recognition. Other commonly mentioned reasons were a lack of teamwork, cooperation, ethics and integrity together with unfair business practices (16%).

4.2 Comparison of the causes of employee turnover in small and large organisations

In small organisations (up to 19 employees), the most frequently cited reason for an employee leaving is insufficient or unsuitable remuneration. Almost one-quarter (23%) of respondents said they were unsatisfied with the amount of salary paid to them or the compensation/performance ratio or with the benefits and perks provided by a small organisation. Small

⁵ Organisational culture can be understood as a common and shared set of ideas, opinions, beliefs, attitudes, norms and values (Lukášová and Nový, 2004; Kachaňáková and Stachová, 2011). If employees of the organisation share the same basic assumptions, values and attitudes, they improve information and knowledge sharing (Fiedler, 1998).

organisations tend to retain their employees by meeting their expectations (only 7% of respondents disagree) and providing an agreeable organisational culture (convenient for 90% of respondents). Small organisations tailor positions to suit their employees; however, they are limited by their budgets and thus cannot pay high levels of remuneration.

Another reason for employee dissatisfaction is insecurity as far as the future of the organisation and their job is concerned (18% of respondents) and unsatisfactory relationships (16%), in particular managers' behaviour, such as trust in employee independence, unfair treatment and unsuitable structures of working teams or groups hindering cooperation. In the majority of cases, employees feel that management does not want to inform them about what is going on because the situation is unfavourable for the organisation and thus also for the employees (if the information is concealed they count on a worst case scenario). This reduces the feeling of certainty and recognition (they feel that management does not consider them to be equal partners and trustworthy collaborators and therefore does not think it fit to provide them with such internal information). Such employees feel undervalued and leave their jobs that were previously chosen with the hope that they would meet their expectations.

On the contrary, in large organisations (over 250 employees), the main reason for leaving is not remuneration. Much more frequently the employees of large firms show dissatisfaction with the impersonal relationships in their workplaces (26%). They also think that management does not show a disposed approach and degrades them to the wheels of a large machine. This is confirmed by another important reason of dissatisfaction, i.e. poor communication in the organisation, such as insufficient feedback, the failure to communicate important organisational information, a lack of ethics or integrity and the inability to fully appreciate new ideas and proposals

(16% of respondents). The employees of large organisations feel that their work is not duly appreciated and this threatens the security of future work. Furthermore, 16% of respondents do not trust the management of the organisation, do not consider some of its practices ethical or feel that the organisation is not interested in common employees and their development. Large organisations do not support independence or recognise the uniqueness of their employees, who therefore feel dreary and do not want to accept the idea that they are not being taken care of and that there is no effort being made as far as their development, self-fulfilment or prestige are concerned.

These differences in employees' reasons for leaving small and large organisations (see Table 1) were tested based on a Student's t-distribution and a statistically important difference at the significance level of $\alpha = 0.01$ was proven.

The above table shows that employees join both types of organisations with equal expectations. The factor of expectations is thus not a significant reason for leaving either a small or a large firm. We can say that current employees have realistic expectations as regards their jobs and responsibilities associated therewith.

In both small and large organisations, unsatisfactory relations in the workplace are one of the most frequently stated causes of dissatisfaction and an impulse leading to a decision to leave the organisation. In the case of large organisations, this factor strongly dominates other factors. More than a quarter of employees of large organisations leave their jobs because of relationships in the workplace. Compared with all other stated factors, the difference between small and large organisations in this area is the largest; nevertheless, there is a strong dissatisfaction in both types of organisations in this aspect. That said, small organisations show a 10% lower dissatisfaction. What dominates these firms are the feeling of unsatisfactory remuneration and a lack of security.

Table 1 Comparison of the factors which affect staff turnover (%)

Factor of disaffection (Relative frequency of factors as reasons to leave, %)	Small organisations (%)	Large organisations (%)	Difference	t-test
Expectations	7	7	0	$t = 4.5714^{**}$ $t_{\alpha} = 3.499$ $\alpha = 0.01$
Relationships	16	26	10	
Organisational culture	12	6	6	
Remuneration	23	19	4	
Recognition	14	10	4	
Communication	10	16	6	
Future certainty	18	16	2	
Total	100	100	–	

** statistically significant difference at the significance level of $\alpha = 0.01$

The state and style of organisational culture is perceived differently in both types of organisations. Although in small organisations more attention is paid to this factor (12% of respondents), in large organisations this factor is the least risky of all. The style of culture in large organisations can thus be considered more employee-friendly and appealing.

Although remuneration is the most frequent reason for leaving small organisations, in large organisations this factor does not stand out from the average. The cause of this can be excessive workload and an imbalance between remuneration and performance in small organisations compared with the automatically higher salaries paid by large organisations that are, in capital terms, stronger and may offer their employees adequate remuneration for strictly defined responsibilities. Small organisations usually do not have precisely defined tasks for individual employees and often apply the rule that each must be able to carry out all tasks in order to be able to substitute others. Employees may see this as extra workload. Thus, more people employed by small organisations suffer from poor recognition. They have no possibility of promotion or personal development. However, the total number of employees leaving for a lack of recognition does not dominate over the average of other factors. In 90% of cases, employees in large organisations do not have problems with recognition.

The contrary applies to communication. Employees of small organisations rate the style of communication much higher than do their colleagues in large organisations. In small organisations, communication is one of the least frequently mentioned reasons for leaving a job. Security as a factor of dissatisfaction also demonstrated no deviations from the average in either type of organisation. The difference between both types of organisation is also not significant. Figure 1 compares these factors based on the type of organisation.

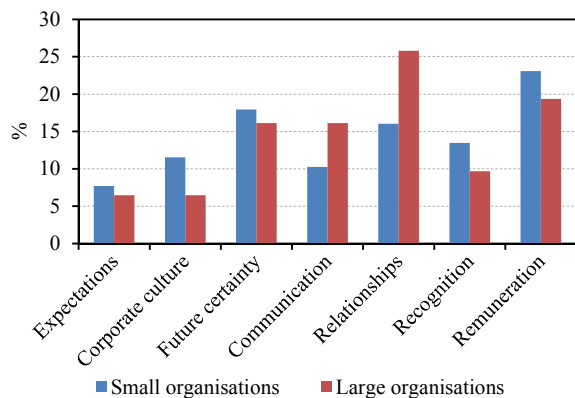


Figure 1 Difference in reasons to leave the organisation in small and large organisations

4.3 Comparison of maintaining knowledge continuity in small and large organisations

Based on statistical tests, it is possible to say that the experience of maintaining knowledge continuity is determined by the size of the organisation. A total of 50.3% of respondents said that they had never come across the concept of maintaining knowledge continuity. We can therefore say that the issue of maintaining knowledge continuity has not been discussed in organisations in the Czech Republic yet. The highest number of respondents that have experienced maintaining knowledge continuity at least once work for organisations with more than 250 employees (71.7%).

The present survey tested the following three hypotheses:⁶

- H1: The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on their ownership interest in the organisation.
- H2: The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on the size of the organisation.⁷
- H3: The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on the sector.

The survey tested the dependency between the threat arising from an employee leaving and majority ownership interest in the organisation. The survey results implied that 29.1% respondents in Czech organisations think that an employee with critical knowledge who leaves will threaten the organisation and 64% of respondents from foreign organisations or organisations with Czech participation are of the same opinion. Altogether, 44 respondents (37.6%) from the Czech Republic and 12 respondents (24%) from foreign organisations see the threat in the utilisation of the knowledge by competitors.

Using extracted data, we tested this dependency by applying Pearson's chi-squared test. As the p -value calculated using the chi-squared test of 0.000 is lower than is the selected level of significance $\alpha = 0.05$, the null hypothesis was rejected. The dependence between endangering the organisation caused by an employee leaving with critical knowledge and their ownership interest in the organisation is statistically important at the 5% significance level. With respect to the values

⁶ Critical knowledge is the knowledge necessary for the exercise of his/her position. Threat is that the employee can use his/her knowledge with competitors. Ownership interest is the organisation in terms of majority ownership (entirely Czech organisation, entirely foreign organisation, Czech organisation with foreign participation).

⁷ Size of organisation (sections are given by Czech Stats Office): up to 19 employees, 20 to 99 employees, 100 to 249 employees, 250 or more employees.

of the contingency coefficient, the proven statistical dependence between the features monitored is direct (with respect to its positive value) and weak (with respect to the calculated absolute value of the correlation characteristics close to the value of 0.3; Table 2).

The survey also tested the relation between the threat arising from an employee leaving and the size of the organisation. Based on the chi-square test, the null hypothesis was rejected and the degree of dependence was 0.334 (see Table 2).

The survey finally tested the relation between the threat arising from an employee leaving and the sector of the economy.⁸ The survey results imply that 41 (47.7%) respondents from the tertiary sector think that it would threaten the organisation and 27 (31.4%) see the threat in the utilisation of the knowledge by competitors. The second most numerous category was the primary sector where 19 respondents (29.2%) are convinced of the threat and 21 (32.3%) state that the threat lies in the utilisation of the knowledge by competitors. As the *p*-value calculated using the chi-squared test of 0.037 is lower than is the selected level of significance $\alpha = 0.05$, the null hypothesis was rejected. The dependence between the endangering of the organisation caused by an employee leaving with critical knowledge and the sector of the economy is statistically important at the 5% significance level. Based on the above, it is evident that the biggest threat arising from an employee leaving with critical knowledge is felt in the tertiary sector, i.e. the sector of services. The second most threatened category is the secondary sector and third is the primary sector.

⁸ Sections classified by the Classification of Economic Activities – CZ/NACE. The industry classifications of the economic activities according to NACE (level 1, total of 10 sections) were merged into three sectors for the realisation of the chi-squared test, i.e. primary, secondary and tertiary sectors.

With respect to the values of the contingency coefficient, the proven statistical dependence between the features monitored is direct (with respect to its positive value) and weak (with respect to the calculated absolute value of the correlation characteristics close to the value of 0.2).

Based the survey results, it can be summarised that:

- A) The threat arising from an employee leaving with critical knowledge about the organisation is dependent on their ownership interest in the organisation (direct dependence, weak).
- B) The threat arising from an employee leaving with critical knowledge about the organisation is dependent on the size of the organisation (direct dependence, weak).
- C) The threat arising from an employee leaving with critical knowledge about the organisation is dependent on the sector (direct dependence, very weak).

4.4 Impact of factors affecting employee turnover on maintaining knowledge continuity in organisations

Respondents from small organisations unanimously agreed that the most important factor that determines maintaining knowledge continuity is organisational climate⁹ (relationships, expectations, recognition). A friendly atmosphere among colleagues and superiors in an organisation will encourage maintaining knowledge continuity. The second most important factor in small organisations is motivation. If an employee is motivated, it strengthens his or her will to share knowledge with colleagues. In small organisa-

⁹ Organisational climate is how employees perceive the functioning of the organisation (Schein, 1992). There are always some ways to work with information, knowledge, experience and a certain evaluation of organisational resources and capabilities.

Table 2 The results of the quality characteristics test

Order	Null hypothesis – H0	Test depending	Rejection of H0	Power dependence test	Dependence
1	The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on their ownership interest in the organisation	0.000	yes	0.332	weak
2	The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on the size of the organisation.	0.005	yes	0.334	weak
3	The threat arising from an employee leaving with critical knowledge about the organisation is not dependent on the sector.	0.037	yes	0.248	weak

tions, the need for internal motivation to transfer knowledge is stronger than is remuneration, which was confirmed by the outcomes of the quantitative survey, i.e. employees in small organisations are motivated most and in large organisations they are stimulated most. Other factors that have the same effect include organisational culture and trust. It is possible to say that organisational culture in small organisations is based primarily on loyalty to the organisation. According to respondents, the least important factor both in small and large organisations is their organisational structures.

In large organisations, organisational climate has the biggest influence on maintaining knowledge continuity as well. This is followed by motivation and stimulation. Organisational culture is a more important factor in large organisations than it is in smaller ones. In large organisations, it is thus advisable to establish a firm organisational culture that can be respected by all employees. If maintaining knowledge continuity is anchored in the organisational culture, it will increase employee willingness to share knowledge and trust colleagues and superiors.

5. Discussion

Organisational culture and organisational climate are, in the context of this paper, understood differently (see above definition). The differences in this understanding were explained in the questionnaires and regarding respondents' positions it was implicitly expected that they were aware of them. Additionally, respondents did not answer questions on *organisational culture* or *organisational climate*. These were only constructs based on the deduced determinants (statements used by the respondents to characterise the main reasons to leave) of the reasons behind employee turnover. In total, 29 determinants were used to describe seven main factors, which were created based upon the aggregation of determinants.¹⁰ The factors were confirmed by the induction method based on the results of the surveys. The factors were structured similar to the surveys carried out by Gosling et al. (2003), John et al. (2008) and Benet-Martinez and John (1998). Each construct was tested (by correlation and factor analysis) and thus the whole was supported. The outcomes of this analysis indicate a direct dependence between employee dissatisfaction with the identified factors and the decision to leave the organisation. The construct (factors and its determinants) was therefore used for further analyses.

¹⁰ Those factors are remuneration, certainty, relationships, recognition, communication, culture and expectations.

6. Conclusion

A statistically significant difference has been proven between the reasons for leaving the job as communicated by employees in small and large organisations. In the case of large organisations, unsatisfactory relationships in the workplace strongly dominate other reasons. More than a quarter of employees of large organisations leave their jobs because of relationships in the workplace. In both types of organisations, the state and style of organisational culture is perceived differently. Although in small organisations more attention is paid to this factor (12% of respondents left their jobs for reasons of unsuitable culture), in large organisations this factor turned out to be the least risky of all. Remuneration is the most frequent reason for leaving small organisations. However, in large organisations, this factor does not stand out from the average. Furthermore, more people employed by small organisations suffer from poor recognition. In 90% of cases, the employees of large organisations do not have any problem with recognition. The contrary applies to communication. Employees of small organisations rate the style of communication much higher than do their colleagues in large organisations.

The summary of the quantitative and qualitative surveys shows that the majority of respondents who think that an employee with critical knowledge who leaves may threaten the organisation are respondents from organisations with more than 250 employees, which was also confirmed by 90.9% of the interviewed managers. The reason lies in the high specialisation of individual employees, which means that for the organisation it is necessary to be acquainted with the knowledge profiles of individual employees (practice, experience in individual projects) in order to enable the organisation to determine who is the carrier of critical knowledge and thus whose leaving might endanger the organisation.

Employees with critical knowledge who decide to leave are a smaller threat for organisations of up to 19 employees where the main threat is seen in particular in applying their knowledge with competitors. This was confirmed by 75% of the interviewed managers from small organisations.

Large organisations display a more intense utilisation of tools for knowledge sharing and preservation, for example customer databases, internal databases, shared disks and passages from email communication (dealing with specific issues) where employees can share all records. These databases are updated on a daily basis, which is the responsibility of individual heads of departments.

It is possible to say that in organisations there is pressure to ensure knowledge transfer between employee generations; however, in reality this is not

implemented sufficiently. Each organisation should educate its employees and make them see knowledge and experience sharing and transferring as an everyday part of their work and monitor their employees' knowledge to determine the carriers of critical knowledge.

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