## AC3.1 Examine turnover and retention trends and the factors that influence why people choose to leave or remain.

Employee turnover and retention rate are a great concern for organizations especially in tight market like energy industry in which SunEnergy operates in. Motivation and management styles are two typical factors that influence people choice to stay or leave an organization.

Motivational issues:

According to Herzberg’s motivation-hygiene theory, there are two mutually exclusive factors that influence motivation: motivators and hygiene factors. Motivators are the factors that keep employees motivated and satisfied like achievement, recognition, advancement, and growth. While hygiene factors are those that must be provided to the employee like job security, working conditions, and relationships. Lack of hygiene factors does not motivate employees, but it leaves them neutral, neither motivated of demotivated while motivators boost employee satisfaction (Nickerson, 2023). A study by Samuel and Chipunza (2009) found that factors like training and development, sense of belonging to the organization help retention rate in organizations. Consequently, SunEngery need to focus on L&D to retain current skills.

Management Style:

It is always said that “people leave managers not companies”. That sentence implies how much management style has a significant impact on employee retention and turnover rate. Employees might have excellent perks and benefits and awesome colleagues but terrible management style; they would choose to move to another place (Light house, n.d.). That is especially true in a tight market like green energy industry in which SunEnergy works in. A study showed that 56% of employees would work for a great boss rather than 10% pay increase (Maximillion, n.d). It is therefore vital for SunEnergy managers to adopt desirable style to retain its talents.