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Governance and Employee Retention: An Industry Risk and Outlook During Pandemic

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Abstract

This paper focused on the assessment of governance risks and its effects to employee retention of service-based businesses in Laguna, Philippines. The study exclusively adopted the governance risks from LaConte's Strategic Risks Model and Job Embeddedness' Theory for employee retention. Descriptive research and purposive sampling were employed with 360 retrieved questionnaires. The questionnaire used in this study were subjected to reliability testing with acceptable to good internal consistency. Data were evaluated using statistical tools of frequency, rank, mean, weighted mean and ANOVA. The highest governance risks experienced by business owners during the pandemic in relation to planning is the suspended implementation of goals and objectives while in terms of monitoring and control, unpreparedness on future risks was ranked first. Management support to the professional needs of its employees is significant for reduced turnover of employee retention. Moreover, for the employee productivity, involvement of the employees to the business planning got the highest mean. Planning, and monitoring and control have strong significant difference when grouped according to service sector while under employee retention, reduced turnover is significantly different when grouped according to profile factor. However, the employee productivity showed only strong significant difference in service sector. The study suggested that LGUs may develop a program for governance management and employee empowerment program to aid the recovery programs for service-based businesses.

Keywords: *governance risks, employee retention, micro, small, medium enterprises and pandemic*

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1. Introduction

Epidemics and pandemics are not merely passing through; they have a lasting influence on the economy, people and society. World Health Organization, Country Leaders and people of the community claimed that COVID-19 epidemic has affected many lives throughout the world and poses an unprecedented threat to public health, food systems, and the workplace. Likewise, hundreds of millions of businesses are in danger of going out of business. Many people are unable to feed themselves and their families during lockdowns since they do not have the means to make money.

COVID-19 was first reported in the Philippines in the year 2020, month of January, exactly after two months, the country had been placed under a strict community quarantine, restricting mobility, and business activities. While these measures slowed the spread of COVID-19, they had far-reaching consequences for family incomes, employment, education, food security, and businesses. Data released by the Philippine Statistics Authority stressed that between April and July 2020, eighty-eight percent of businesses reported a drop in sales. In addition, they have declared that the leading causes of decreased sales were limited operations – fifty-eight percent and customers' inability to visit brick-and-mortar businesses, thirty-eight (38%). Many industries claimed to be cash-strapped and behind on payments. Sixty-six percent of businesses had insufficient cash for more than a month to cover all expenditures and liabilities, including workers, suppliers, taxes, and loan repayment. In forty-eight percent of cases, businesses were in default. Despite cautious optimism that sales and jobs will recover over the next three months, many businesses expect their financial situation to worsen. The government passed two financial stimulus laws last year that provided targeted aid to workers in specific businesses, despite some critics calling them insufficient. Two-thirds of businesses have adopted or increased their use of the internet, social media, specialized applications, and digital platforms for various business tasks, with these companies claiming that digital solutions accounted for 10% of their sales. Companies of all sizes, sectors, and regions have increased their use of digital solutions in response to COVID-19. Hence, for businesses that rely significantly on in-person contact, such as those in the banking and insurance industries as well as those in the hotel, telecommunications, and personal and industrial services, the task is particularly difficult. Physical separation, the elimination of unnecessary operations, and limited interaction are crucial for protecting human health, but they also present serious problems for these businesses' ability to continue serving their clients and exceeding their expectations. The human dimension of the problem will need adherence to workplace safety and health measures, as well as providing access to decent employment and the preservation of labor rights in all industries. This paper was sought to determine the governance risks experienced by the business owners during the pandemic as well as the status of the retention of their employees. Moreover, this will be a basis to future risk reduction and employee empowerment programs.

This research paper aims to identify the intensity of governance risks experienced by the business owners of service - based businesses during the pandemic. Likewise, to determine the effects of the governance risks as perceived by the business owners. To recognize the significant differences of strategic risks as well as employee retention when grouped among the profile factors.

2. Literature Review

2.1 Governance Risk

Institutional approaches, policy mobilities, spatial imaginaries, and planning styles are the four major tenets of urban change in terms of planning and governance. The issue for metropolitan regions—especially those with policy and decision-making responsibilities—is a growing realization that these spaces are often reliant on insufficient urban-economic infrastructure and fragmented planning and governance systems (Zimmermann et al., 2020). The global economic crisis of 2008 and 2009, as well as various financial scandals involving the managements of Enron, WorldCom, and Parmalat, have piqued the interest of a wide range of stakeholders in the effectiveness of corporate governance (CG) in firms (Kyereboah-Coleman, 2008; Benjamin, 2009; Gill and Mathur, 2011; Fallatah and Dickins, 2012; Marn and Romuald, 2012; Shahwan, 2015). Similarly, conferring to the International Monetary Fund (IMF) Report (2009), the problem of corporate failures as a result of the global financial crisis has worsened because it is linked to financial institutions, which are the Asian Economic and Financial Review main pillars in capital market stability, serving as financial intermediaries for mortgages, government securities, corporate debt, equity markets, and derivatives, among other things. Several prominent financial institutions around the world no longer exist or have been defunct.

The leader's involvement in defining and implementing company purpose and vision has received a lot of attention in research, but employee worldviews on mission and vision have been overlooked. For instance, the exploratory study of Kopaneva and Sias, (2015), which is guided by the communicative constitution of organizations (CCO) perspective, recognized that employees, as well as leaders, contribute to shared knowledge about what their organization stands for and where it is headed. The findings of the study revealed a significant lack of alignment between employees and their employers. In general, less than half of the themes were shared between the employee and official versions. Official statements tended to be significantly broader and more complicated than employee versions in terms of content. These discrepancies show that incorporating employee worldviews into higher-level organizational documents may be problematic.

According to Sonmez and Adiguzel (2020), the first step to organizational success, which is the main purpose of leadership, is to have the right strategic vision, given the environment at any given time. The mission, or purpose, stems from the vision. However, a good vision without the capacity to communicate it to personnel in a way that they understand could be ineffective. There are suggestions for making the connection between vision and purpose.

Organizations of all types, whether public, not-for-profit, private, for-profit, multinational, or small and medium-sized, have largely adopted mission and vision statements as an essential part of the strategic management process. Mission and vision statements are widely regarded to have an impact on strategy and most aspects of organizational success. The majority of businesses have mission and vision statements. Mission and vision statements are inherent in the worst-case scenario. Darbi (2012) asserts that mission statements have consistently been demonstrated to be the top-rated management tool employed by senior managers throughout each of the ten years prior to his study. Similarly, Mullane (2002) suggests and empirically supports the usage of mission and vision statements for in contrast to many who claim they are ancient documents that are often displayed as wall hangings, they are realistic day-to-day activities.

In the recent years, a new participatory governance dynamic has reshaped relationships and responsibilities in policy and program formulation and implementation. Participatory governance encompasses not just the public, private, and non-profit sectors, but also the internal workings of an organization. It allows for individual and group participation while also challenging long-held institutional conventions. Cerna (2013) brings together a multi-disciplinary team of practitioners and scholars from North America, Europe, Africa, and Australia to evaluate new evidence relating to planning, conflict mediation, and public decision-making processes in civil society. The contributors examine the dynamics of stakeholder involvement as deliberative processes built around the primary principle of shared responsibility in a study that spans institutional viewpoints and operational issues. This diversity of participation might lead to more effective public decision-making. This is also applicable to private sectors where in planning is a crucial part to business success and survival.

Preparedness and knowledge in expected and unexpected risk like fire, national disaster and Pandemic like COVID-19 is necessary to the survival of the business, people and nation. In the study of Bartik et al. (2020), a survey of more than 5,800 small businesses between March 28 and April 4, 2020 investigated the impact of COVID-19 on small businesses. Several common threads emerged. First, just a few weeks into the crisis, enormous layoffs and closures had already occurred. Second, the likelihood of closure was adversely related to the anticipated duration of the crisis. Furthermore, firms had vastly differing perspectives on the duration of COVID-related outages. Third, many small firms are financially vulnerable: at the time of the survey, the median business with more than $10,000 in monthly expenses had just around two weeks of cash on hand. Fourth, the majority of enterprises intended to use the Coronavirus Aid, Relief, and Economic Security (CARES) Act to obtain funds. However, many people anticipated hurdles in obtaining the program, such as bureaucratic red tape and determining eligibility. They also compare loan take-up rates and company resilience effects to grant-based programs using experimental variation.

2.2. Employee Retention

According to Wisconsin State Government (2015), worker maintenance is a methodical work to establish and encourage a climate that valour representatives to stay utilized by having strategies and practices set up that address their different needs. Mita (2014) characterized representative maintenance as "a procedure took on by business to keep a powerful labor force and simultaneously meet necessities." Bidisha (2013) describes it as a process "in which the representatives are urged to stay with the association for the most extreme timeframe or until the finishing of the task." However, the term representative maintenance is characterized in various ways, it fundamentally signifies those different measures taken by associations to empower its worker so they stay with it for a more extended length of time. The essential justification behind maintenance of representatives is to keep its capable workers from leaving (James & Mathew, 2012). The fundamental point of representative maintenance procedures and practices is twofold. One is to lessen representative turnover and second is to impressively decrease the related costs of recruiting and preparing and direction of the new workers (Iqbal & Hashmi, 2015).

Representative maintenance advances the wellbeing and outcome of the organization. The time, stress, and cost of recruiting and preparing new representatives are critical, and turnover can adversely affect business results. High representative turnover achieves various issues including significant expenses, information misfortune, and low efficiency (Paulsen, 2021). It is additionally a significant variable in corporate procedure and is one of the capacities in human asset the executives that is the functional capacity. In this functional capacity of upkeep which means keeping up with the labor force to endure work in the organization (Tampubolon, 2014).

Kossivi and Kalgora (2016) identified factors for employee maintenance which include balance between fun and serious activities, pay, style of administration of the board, workplace, independence, preparing and improvement, and social help. However, Shin et al. (2020) assert that academics have paid relatively little attention to the relationship between managers' job crafting and their turnover intention, as well as the intermediary mechanisms. Through regression-based path modeling, there is a negative link between job crafting and role ambiguity, a positive relationship between role ambiguity and emotional tiredness, and a positive relationship between emotional exhaustion and turnover intention after controlling for role conflict and role ambiguity.

In a study of Maurer (2021) of 2,000 working persons, results showed that 52 percent are looking for work, up from 35 percent a year before while forty-six (46%) of respondents feel less connected to their work, and forty-two (42%) believed company culture has deteriorated since the outbreak began. Only twenty-one (21%) stated they are extremely engaged at work. According to Wen et al. (2020), emotional weariness has been identified as a critical mediator in the relationship between role stress and turnover intention. The link between emotional tiredness and the desire to change jobs has been extensively established. Resources theories like the JD-R model and conservation of resources (COR) theory can explain this link. Mental exhaustion caused by difficult job expectations has a long-term negative impact on people's health and well-being, causing many to leave their jobs, according to the JD-R framework.

2.3. Model and theory

This study came from theories and models of Strategic Risk of LaConte (2020) for governance risks and Job Embeddedness Theory for employee retention. In business, the company must take several risks and bear the consequences if the risk does not pay off. However, there are concerns that if certain decisions are not made, such as changing the business strategy or something similar, the firm would be eviscerated. These are tactical dangers.

In the organizational paradigm, every corporation takes risks. They must do so or they will never grasp the market's direction or how they will need to improvise to keep their ship afloat in this wide, ever-changing ocean. Strategic risks are those that have an impact on a company's overall strategy for operating and conducting business. They, like the other hazards that confront enterprises today, are extremely difficult to detect and manage.

Job embeddedness theory was first proposed in 2001 as a theory to explain why employees remain in firms. The theory's predictive value is demonstrated by the gathered empirical evidence reported in a compelling meta-analysis. Researchers have discovered that job embeddedness predicts remaining as well as other favorable work outcomes such as in-role and extra-role performance in a variety of contexts (for profit and non-profit, US and worldwide). Furthermore, those who are more immersed are less likely to be absent or participate in detrimental work practices, according to their findings. Both researcher and practitioner perspectives on staying have been supplemented by recent theoretical elaborations indicating additional causes, moderators, and outcomes of embeddedness. Many practical implications for companies striving to improve job embeddedness and its associated results are advanced based on theory and inquiry.

3. Methodology

This paper is descriptive research that employs questionnaires to compile information on a variety of topics. This information seeks to determine the degree to which certain conditions can be found among these subjects.

Purposive sampling technique was used as a type of non-probability sampling where people are chosen to take part in the survey using their own discretion. It was restricted to registered service-based businesses along Laguna Province. Researcher chose and distributed 420 survey questionnaires out from total population of 18,685 and retrieved only 360 from service-based businesses with margin of error of 5%. The participants of the research were limited to the business owners or managers of the business representing one from each of the business. In terms of the business profile, micro business has the highest frequency and percentage of 234 and 65%, while medium business has the lowest frequency and percentage of 35 and 9.72%. Majority have employees from 1 to 10 (65%) while 30% have 10 to 99 employees. The people and the business itself who participated in the study were assured that their identity would not be publicly revealed to prevent them from experiencing problems from the responses they provided to the researcher.

Questionnaires were made both in Google form and hard copy. As Google forms were not answered by the respondents, the researcher opted to gather in face to face set up. Structured survey questionnaires were made and validated using pilot testing.

Table 1

Result of Cronbach's Alpha analysis on survey questionnaire on Governance Risks and Employee Retention

VARIABLES	Cronbach's alpha	Internal Consistency
GOVERNANCE RISK		
Planning	.805	Good
Monitoring and Control	.825	Good
EMPLOYEE RETENTION		
Reduced Turnover	.734	Acceptable
Employee Productivity	.674	Acceptable

The questionnaire consists of three parts: part 1 was designated to business profile as to the business category according to the capital requirement, number of employees, years of business operation and service sector, whereas part II was intended to measure the intensity of governance risks as to planning, and monitoring and control experienced by the business owners during the pandemic with Likert scale of 5. On the other hand, the part III was used to determine the perceived effects of governance risks to the performance of employee retention of service-based businesses using the Likert scale of 5.

Frequency count and percentage were used to determine the profile of the respondents. Mean, composite mean and rank were used to measure the perceptions of the respondents as to governance risks and their business performance as to employee retention. ANOVA was the tool in computing the significant differences of governance risks and employee retention as to the business profile factors.

4. Results and Discussion

Table 1

Governance Risks Experienced by the Business Owners due to Pandemic

Governance Risks	WM	AR	Rank
Planning			
Difficulty in the formulation of vision and mission.	3.67	High	3
Suspended implementation of goals and objectives.	3.83	High	1
Loss of employees' training and development.	3.79	High	2
Absence of future strategic planning for expansion as to services offered.	3.39	Moderate	5
Lack of project plan for expansion as to branches or outlet.	3.49	High	4
Composite Mean	**3.63**	**High**	
Monitoring And Control			
Non awareness of future instances of fraud within the business.	3.56	High	5
Failure to monitor future risks.	3.65	High	2
Irregular documentation of risks.	3.62	High	3
Unpreparedness on the future risks.	3.66	High	1
Inconsistent evaluation of tasks in achieving objectives and goals of the business.	3.58	High	4
Composite Mean	**3.61**	**High**	
Average Composite Mean	**3.62**	**High**	

Legend: 4.21 – 5.00 Very High; 3.41 – 4.20 High; 2.61 – 3.40 Moderate; 1.81 – 2.61 Low; 1.00 – 1.81 Very Low Risk

Table 1 shows the intensity of governance risks faced by business owners as a result of the pandemic with an average composite mean of 3.62. This table illustrates that the highest weighted mean score of 3.83 for the governance risk experienced by business owners during the pandemic in relation to planning is the suspended implementation of goals and objectives. The absence of future strategic planning for service expansion has a weighted average of 3.39 and a moderate average rank. The composite mean of the governance risk experienced by business owners during the pandemic in terms of monitoring and control is 3.61. Unpreparedness on future risks is ranked first, with a weighted average of 3.66.

The results coincide with Engidaw (2022) that crises undermine confidence, weaken company value, threaten business goals and objectives, and even result in business failure. Small businesses are thought to be more sensitive to crisis occurrences due to lower levels of preparedness, resource constraints, relatively weak market positions, and increased reliance on government and other domestic agencies, according to existing literature. Due to a scarcity of work opportunities, new start-up enterprises have a higher probability of surviving during crisis periods than during expansion years. However, during crises, entrepreneurs pursued new opportunities and established new directions for their firms, which helped to mitigate the negative effects of crises by maintaining the flow of goods and services and restoring the public confidence of other business owners and the community at large, and entrepreneurs pursued new opportunities and established new directions for their firm.

Table 2

Perceived effects of Governance Risks on Business Performance in terms of Employee Retention

Employee Retention	WM	AR	Rank
Reduced Turnover			
Strong support of the management to the professional needs of the employees.	3.13	Moderate Performance	1
Provided workplace security to the employees.	3.02	Moderate Performance	4
Compliance of the management to the government labor laws.	3.06	Moderate Performance	2
Security of tenure regardless of COVID - 19.	3.05	Moderate Performance	3
Composite Mean	**3.07**	Moderate Performance	
Employee Productivity			
Attractive remuneration packages for employees.	3.09	Moderate Performance	2.5
Embedded work - life policies to the employees' welfare.	3.09	Moderate Performance	2.5
Involvement of the employees to the business planning.	3.13	Moderate Performance	1
Composite Mean	**3.10**	Moderate Performance	
Average Composite Mean	**3.09**	Moderate Performance	

Legend: 4.21 – 5.00 Very High Performance; 3.41 – 4.20 High Performance; 2.61 – 3.40 Moderate Performance; 1.81 – 2.61 Low Performance; 1.00 – 1.81 No Performance

Table 2 shows the perceived effects of governance risks on business performance in terms of employee retention. On reduced turnover, indicator 1 got the highest weighted mean of 3.13 with moderate performance while indicator 2 got the lowest at 3.02 with the same performance with composite mean of 3.07 for reduced turnover. Management support to the professional needs of its employees is significant for reduced turnover of employee retention. Naujokaitiene et al. (2015) asserts that employees and employers benefit from organizational support in equal measure. Employees benefit from higher salaries, better working conditions, satisfaction with manager attention, and the sense that their work is meaningful and contributes to the organization's operations, whereas the organization benefits from more committed employees who work harder and more effectively.

Moreover, for the employee productivity, indicator 3 which indicates that *"Involvement of the employees to the business planning"* got the highest mean of 3.13 and indicators 1 and 2 got the same mean of 3.09, all indicators got moderate performance and composite mean of 3.10 while all stated variables got the average composite mean of 3.09 with moderate performance. Productivity of employees comprises involvement in the process of business planning since they are the vital part of the workforce. As Davis et al. (2012) affirm that employees are significant resource for strategy planning and they must be engaged, knowing that the best plans will be useless without them (Carlier et al., 2017; Lo & Fu, 2016), because input should be gathered from all levels and from all employees regardless of position (Wheelen & Hunger, 2012).

Table 3 interprets the significant differences on the perceived governance risks of businesses in the service industry in Laguna when grouped by business profile. In terms of business profile, on years of service, indicator 1 on planning got the p-value of .014 while indicator 2 on number of employees got 0.035. Moreover, indicator 3 on years of service got 0.333 p-value and indicator 5 got p-value of 0.041 in terms of business capital and p-value of 0.044 for number of employees.

Table 3

Significant Differences on the Perceived Governance Risks of Businesses in the Service Industry in Laguna Grouped by Business Profile

GOVERNANCE RISKS	Business Capital		Number of Employees		Years of Business Operation		Industry/ Sector	
	F	p	F	p	F	p	F	p
Planning								
Difficulty in the formulation of vision and mission.	0.913	0.402	1.755	0.174	2.431	.014*	11.912	<0.000*
Suspended implementation of goals and objectives.	2.473	0.086	3.371	0.035*	0.899	0.464	18.820	<0.000*
Loss of employees' training and development.	0.815	0.444	0.863	0.423	2.659	0.033*	13.009	<0.000*
Absence of future strategic planning for expansion as to services offered.	1.785	0.169	2.854	0.059	0.611	0.655	11.272	<0.000*
Lack of project plan for expansion as to branches or outlet.	3.213	0.041*	3.147	0.044*	1.272	0.280	2.793	0.002*
Monitoring And Control								
Non-awareness of future instances of fraud within the business.	0.758	0.469	0.706	0.494	0.535	0.710	1.675	0.077
Failure to monitor future risks.	1.259	0.285	2.985	0.052	4.700	<0.000*	3.757	<0.000*
Irregular documentation of risks.	0.067	0.936	0.007	0.993	0.288	0.886	1.216	0.274
Unpreparedness on the future risks.	2.298	0.102	1.593	0.205	0.620	0.648	3.934	<0.000*
Inconsistent evaluation of tasks in achieving objectives and goals of the business.	0.139	0.870	0.877	0.417	0.373	0.828	3.760	<0.000*

** Significant at 0.05 level*

The data indicate that through years of operations, formulating its mission and vision differs, though businesses are influenced by changing environmental factors, they must constantly adjust their strategic course in the face of numerous opportunities and threats (van der Walt et al., 2004). Furthermore, loss of training and development of employees differ through years of operations. Providing the employees with the necessary skills the first time, it will save time, money, and resources that would otherwise be spent on correcting mistakes (as suggested by (Martinelli, 2022).

In terms of business profile, the result demonstrates that *"lack of project plan for expansion as to branches or outlet"* differs when it relates to business capital and number of employees. The data show that when it relates to a lack of project plans for expansion, service industry businesses differ significantly from business capital and the number of employees in the business. Moreover, indicator 4 which implies that *"absence of future strategic planning for expansion as to services offered"* got the p-value of <0.000 and significantly demonstrates that with regards to industry/sector, business services had different views on the absence of future strategic planning for expansion as to services offered. However, the vision and mission statements, as well as clarification of strategic goals and development processes, will continue to be part of strategic development. These established strategic goals must be used by effective managers to implement, monitor, and evaluate operational strategies. Customers, suppliers, and shareholders frequently base hiring decisions on the organization's performance as well as the strength of its mission and vision. In fact, some studies have shown that high-performing organizations outperform low-performing organizations in many ways, including the creation of better mission and vision statements (Khalifa, 2011). As a result, this has led to the realization that "there is no plan without effective and measurable implementation."

For governance risks on monitoring and control, indicator 2 obtained the p -value of <0.000 both for years of business operation and industry/sector. The results indicated that failure to monitor future risks are significantly different on years of operations and the industry, respectively. While indicator 4 and 5 also got p-value of <0.000 which interpret those risks involve on the indicators were significantly differ as to industry/sector. Preparedness and knowledge in expected and unexpected risk like fire, national disaster and pandemic like COVID-19 is necessary to the survival of the business, people and nation. This is similar to the study of Bartik et al. (2020) that the impact of COVID-19 on small businesses include the emergence of threats such as enormous layoffs and closures and the likelihood of closure was adversely related to the anticipated duration of the crisis.

Table 4

Significant Differences on Employee Retention when Grouped by Business Profile

Employee Retention	Business Capital		Number of Employees		Years of Business Operation		Industry/ Sector	
	f-value	***p-value***	***f-value***	***p-value***	***f-value***	***p-value***	***f-value***	***p-value***
Reduced Turnover								
The management strongly support the professional needs of the employees.	1.963	0.375	2.490	0.288	9.026	0.060	117.788	<0.000*
A workplace security is provided to the employees.	6.275	0.043*	5.560	0.062	12.416	0.015*	120.084	<0.000*
There is a security of tenure regardless of COVID - 19.	7.041	0.030*	7.323	0.026*	12.135	0.016*	119.179	<0.000*
Employee Productivity								
Attractive remuneration packages for employees are provided.	2.586	0.275	2.408	0.300	12.903	0.012*	96.956	<0.000*
A work - life policies are embedded to the employees' welfare.	1.104	0.576	1.103	0.602	13.073	0.011*	142.085	<0.000*
The employees are involved in business planning.	1.919	0.383	1.991	0.370	19.697	0.001*	103.425	<0.000*

** Significant at 0.05 level*

Table 4 shows the significant differences on employee retention when grouped by business profiles. The table shows a strong significant difference on employee retention when grouped according to the business industry/sector. This affirms that findings of Koys (2001) that there is a statistically significant association between an employee's average level of performance and the organization's total productivity. In the industrial sector, there is a negative association between turnover rate and productivity quality, as well as a middle relationship between employment stability and employee performance.

When a country's economy is strong or booming, and job chances for workers to change employers are available, turnover always rises. Employee turnover, on the other hand, decreases during a recession since there are less appealing and permanent job positions. Poor lighting, temperature, unpleasant noise and ventilation, as well as unfriendly co-workers, are all examples of business pressures or diversions (Goani, 2016). These factors can have a greater impact on turnover rates than sentiments about the company, pay, or the job itself. Employee turnover is also higher when relationships with their employers or managers are strained. Furthermore, due to the costs involved with staff turnover, employee turnover can have a direct negative impact on an organization's productivity, sustainability, competitiveness, and profitability. However, the company must understand its employees' needs in order to implement specific tactics to boost employee performance and reduce turnover. Thus, implementing techniques will boost individual and organizational job happiness, motivation, and productivity, reducing employment issues, absenteeism, and employee turnover.

5. Conclusions

This study found that planning is the highest governance risk while unpreparedness on the future risks under monitoring and control. In addition, the respondents claimed to have moderate performance in strong support of the management to the professional needs of the employees and involvement of the employees to the business planning. Results further revealed that business profile as to service sector has a strong significant difference on the difficulty in the formulation of vision and mission, suspended implementation of goals and objectives. Loss of employees' training and development and absence of future strategic planning for expansion as to service offered (p-value <0.000) while the lack of project plan for expansion as to branches or outlet had p-value of 0.002. Meanwhile, when grouped among the years of business operation, difficulty in the formulation of vision and mission and loss of employees' training and development have significant difference. The suspended implementation of goals and objectives and lack of project plan for expansion as to branches or outlet have positive significant difference on the number of employees. As to business category according to capital, only the lack of project plan for expansion as to branches or outlet had a significant difference.

There is a significant difference in the failure to monitor future risks as to years of business operation and service sector and the unpreparedness on the future risks and inconsistent evaluation of tasks in achieving objectives and goals of the business. The indicator that the management strongly supports the professional needs of the employees have significant difference as to service sector likewise with other two remaining indicators such as "a workplace security is provided to the employees" and "there is a security of tenure regardless of COVID - 19."

The establishment of capability programs supported by the local government agencies in partnership with business owners, to reinforce the formulation and implementation of Vision, Mission, Goals and Objectives. In addition, the continuous seminar-workshop for risk reduction management is highly suggested as well as launching free training programs for skilled rich jobs to ensure the employees' quality service to the clients. The government and the business itself may help hand in hand in providing good remuneration to the people. Secured contract if the regularization is unbearable, benefits and professional and emotional seminars and training are highly recommended. Moreover, other strategic risks and business performance assessments are indeed needed for deeper discoveries of the effects of the pandemic to businesses and different industries in the Philippines. Further researches may serve as references to future economic recovery planning of local and national government.

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