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ST.MARY'S UIVERSITY SCHOOL OF GRADUATES STUDIES

**FACTORS CONTRIBUTE TO EMPLOYEE TURNOVER INTENTION IN
THE CASE OF ETHIOPIAN ROAD AUTHORITY**

BY
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June 2017
ADDISABABA ETHIOPIA

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THE CASE OF ETHIOPIAN ROAD AUTHORITY**

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**A THESIS SUBMITTED TO ST MARY'S UNIVERSITY, SCHOOL OF
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Date

DECLARATION

I hereby declare that this submission is my own work towards the Master of Business Administration (In the concentration of human resource Management) and that, to the best of my knowledge, it contains no material previously published by another person nor material which has been accepted for the award of any other degree of the University, except where due acknowledgement has been made in the text

Meron Getachew

.....

Student) Signature

ST MARY'S UNIVERSITY, ADDIS ABABA

Date

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LIST OF Acronyms

HRM Human resource management

ERA Ethiopian road authority

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ABSTRACT

The purpose of this study is to assess factors that contribute to employee turnover intention in EHTIOPIAN ROAD AUTHORITY (ERA) in particular and how it can be reduced by using cross sectional data derived from a self-completed administered.

Both probability and non-probability sampling were used to select respondents and data gathered from both primary and secondary sources. Thus, survey, interview, and document review were used to gather the data. Cluster and purposive samplings were used to select the study participants. For analysis purpose the study utilized SPSS statistical software and descriptive method. The result showed that poor communication system, unattractive salary and staff benefits, unfair and not transparent promotional procedure, poor managerial effort to retain employees, organizational policy & procedure of related to job that are not adequately communicated and poor moral of employees are factors contributing for employees turnover intention. However, loving their job better than other job they have had in the past were employee retention factor. In addition the study revealed attractive Compensation system for skilled labor, availability of fair and transparent promotional procedure managerial effort to retain employees in ERA, open communication system, empowering employees to participate in decision making equal and adequate welfare for staff and better managerial effort to retain employees in ERA are as strategies that could be adopted to reduce employee turnover intention at ERA, So ERA must give more attention for the factors that contribute for employees turnover intention. Hence, ERA must give more attention for factors, that could impact on staff turnover and strategies that could be utilized to retain staff.

Key words:, Turnover Intentions, retention, employees, retention strategies

CHAPTER ONE

INTRODUCTION

1.1 Back Ground of the Study

Employees are the valuable resource of any organization. The achievement of organizational objectives largely depends on employees who are motivated to work.

Achievement retention and staff turnover are two important issues that affect organizations in several ways, In this context, It is important to cite Andrew Carnegie, the famous industrialist of the 19th century, who mentioned: take away my factories, my plants; take away my rail roads, my ships, my transportation, take away my money; strip me of all of these but leave me, my key employees in two or three years I will have them all again. (Gruptan & Srivastava.2007).

The term “turnover” is defined by Price (1977) as: the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period

Turnover refers to retirement, resignation and redundancy. Employee turnover is considered to be one of the persisting problems in organizations (Armstrong, 2009 cited in Hana and Lucie, 2011) if it involves quality employees who have worked for the organization for many years, high performers and experienced and loyal individuals. (Branham2005, Katcher, Snyder, 2007; Somaya, Williamson, 2008)

The turnover means that another organization may gain a new knowledge employee who can become its competitive advantage. The loss of knowledge thus is a threat for the former organization, which increases the significance of knowledge continuity.

Employee loss remains one of the most widely researched topics in organizational analyses. Despite significant research progress there still remains a great deal of confusion as to what factors actually cause employees turn over intention from the organizations. Among those factors are the external factors (the labor market); institutional factors (such as physical working

conditions, pay, job skill, supervision and so on); employee personal characteristics (such as intelligence and aptitude, personal history, sex, interests, age, length of service and so on) and employee's reaction to his/her job (including aspects such as job satisfaction, job involvement and job expectations).

Internal factors such as facilities in the organization and should be taken in account to reduce the turnover rate. More specifically, the following points stated as causes of turnover intention. Ineffective communication about job expectations, inability to listen well and ask the right questions respectfully, wage problems, under-utilization of skills, adverse working conditions, and lack of opportunity for advancement through seniority, lack of well-organized training program

In **Nigeria**, studies like: study conducted on **Nigeria plc** shows about turnover of employees, Employees' turnover is a big issue in the organization. Most young employees are leaving the organization due to unknown reasons. Hence, this study clearly examines job satisfaction and employees' turnover intentions in Total Nigeria PLC in Lagos State The studies also highlights and defines basic concepts of job satisfaction and employees' turnover intention. It specifically considered satisfaction with pay, nature of work and supervision as the three facets of job satisfaction that affect employee turnover intention. Strategy .identified the causes of employees' turnover and its management or retention mechanism will help in developing appropriate policy and training program at country level in general and at public organizational level in particular.

This study tries to assess specifically those factors that contributing to the employees turn over intention in Ethiopian road authority "this paper aims at proposing a conceptual framework that highlights the main antecedents of turnover intention as highlighted in the literature"

1.2. Statement of the problem.

Employee turnover is one of the most widely researched topics in an organizational analysis but there is no enough research conducted what factor actually causes employee turnover intention in an organization.

The main turn over factors is external factors that are labor market, institutional factors like physical working condition, pay, job skill, supervision and so on. In addition, employee personal characteristic such as intelligent and aptitude, personal history, sex, interest, age, length of service and employee reaction to his or her job like job satisfaction and involvement considered as employee turnover factors.

In Ethiopian road authority employees turn over for the year 2013, 2014, 2015 and 2016 were 103, 107, 109, 111 and 113 respectively (ERA). On average it was 108.6 and if the trend continues like this it is beyond question this will have negative impact on achieving the mission of Ethiopian road authority.

Besides, most research studied by Joshi (2002), Comber (2006), Houkes (2003), Iverson and Roy (1994), Rose and Miller (1984), Brukelen (1989), Al-Qahtani (2009), Mobley (1979) and Robert and John (2006) tries to depict different variables such as promotion and transfer, positive working environment, the nature of work performed, respect for organization, job satisfaction, salary, career opportunities, demographic variables such as age educational level and value have relationship with employee turnover.

In summary, In Ethiopian road authority there is increasing turnover trend and no enough research done on factors that contribute for employee's turnover.

Hence, in order, to fill this gap, to identify the real cause of turnover intention in ERA by using the above variables and to propose solution to minimize turn over in Ethiopian road authority the researcher conduct this research

1.3. Basic Research Questions

Therefore, this study will try to answer the following questions:

- What are the pushing (internal) and pulling (external) factors that lead employees to leave the organization?
- What are those retention factors that make employees to retain or stay in the organization?
- To what extent do variables that predict employees' turnover intention have effects on

Employees in Ethiopian road authority in particular?

1.4. Objective of the study

1.4.1 General objective

The general objective is to asses factors that contribute to employees turn over intention in Ethiopian road authority in particular.

1.4.2 Specific objectives

1. To identify the push and pull factor that lead employee's turnover intention on Ethiopian road authority
2. To identify the retention factor that lead employees to retain in Ethiopian road authority;
3. To show the impact of the most crucial variable which lead to have turnover intention in employees in Ethiopian road authority in particular?

1.5. Significance of the Study

The study will have a significant contribution to give feedback to the responsible persons and other stakeholders about the factors that contribute to employee turnover intention and will take necessary measures to overcome the problem. It enhances the knowhow of the researcher in the area of the research topic. Besides it also serve as a stepping stone for other researchers who want to make further investigation on the issue of employee turnover intention.

1.6. Scope of the study

The geographical organization of the ERA constitutes 10 Road network management directorates but the study is limited to only to assess factors that are contributing to employee's turnover intention in Addis Ababa working at head office only due to time constraint, cost and manageability. In addition, getting exit employee for interview is difficult as a result the study used exit interview done by ERA when employees exit the organization.

1.7. Organization of the study

The paper is organized as follows: the first chapter presents introduction, statement of the problem, objective of the study, scope of the study and significance of the study. After the introduction, chapter two provides a review of related literature. Chapter three provides information on research methodology. Chapter four demonstrate the result and findings of the research and the final chapter provides the conclusion and recommendations followed by biblio

CHAPTER TWO

2. LITERATURE REVIEW

Human resources professionals continually work to control their companies' employee retention and turnover rates. Retention is the term given to keeping loyal employees on board with your company. Turnover is the term given to the rate at which you lose existing employees and replace them with new ones. According to Babcock (2005), understanding employee retention and turnover, and how you can use each to your advantage, can enhance your human resources policies and build a productive workforce.

Retaining employees carries obvious advantages. Armstrong (2001) observed that long-term employees generally have higher productivity and efficiency on the job than newer employees, due to their length of experience with the firm. Loyal employees also improve operational processes and train incoming employees.

Staff turnover can have a negative effect on an organization. It can lead to a loss of productivity, profitability, corporate knowledge, and skills and competencies. In addition, staff turnover is not just an issue for the organization experiencing staff turnover; it can also cause headaches for external organizations communicating with them. It can be hard to maintain a relationship with an organization with high staff turnover, and it can be difficult to know how to effectively communicate with them through this period. Often correspondence between organizations relies on staff to staff communication, and the loss of one of these members affects the way the organizations interact

This section provides an overview of the existing literature on job satisfaction and Employee Turnover. It highlights various theoretical frameworks relevant to the investigation.

It presents, definition of employee turnover, why people leave an organization, Antecedents of Employee Turnover & Job Satisfaction, Turnover Intention & Determinants of Turnover

Intention, Job Satisfaction and Employee Turnover Intention, Organizational Commitment and Employee Turnover Intention, Strategies to minimize employee turnover.

2.1 Definition of Employee Turnover

Employee Turnover is the ratio of the number of workers that had to be replaced in a given time period to the average number of workers (Agnes, 1999). In simpler terms, employee turnover is the series of actions that it takes from the employee leaving to his or her being replaced. It is often utilized as an indicator of company performance and can easily be observed negatively towards the organization's efficiency and effectiveness (Glebbeck&Bax, 2004).

It is defined (Price, 1977) as: the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period.

Frequently, managers refer to turnover as the entire process associated with filling a vacancy: each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995).

However, for the purpose of this study, the term leaving and separating are used to imply termination of an employment contract with a particular organization. It is the rate at which an employer gains and losses employees.

Thus, employee turnover is not a relatively new concept in management but a typical issue in human resources management that is presently attracting the attention of public administration and industrial relations management practitioners across the globe.

Aside the cost of investment in employees, with globalization, which is enhancing competition, organizations must continue to develop tangible products and provide services, which are based on strategies created by employees (Ongori, 2007).

This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regardless of reason. "(Hom and Griffeth, 1995) by focusing more on the decisional aspect of employee turnover, in other words, Unfolding model" of

voluntary turnover represents a divergence from traditional thinking showing instances of voluntary turnover as decisions to quit. Indeed, the model is based on a theory of decision making, image theory (Beach, 1990). The image theory describes the process of how individuals process information during decision making. The underlying premise of the model is that people leave organizations after they have analyzed the reasons for quitting. Beach (1990) argues that individuals seldom have the cognitive resources to systematically evaluate all incoming information. They rather compare incoming information to more heuristic-type decision making alternatives.

2.2. Antecedents of Employee Turnover Job Satisfaction

An essential factor in an organization success is job satisfaction and it is defined in various contexts by different authors.

Low absenteeism is associated with high job satisfaction while high turnover and absenteeism are said to be related to job dissatisfaction (Saifuddin, Hongkraclent and Sermril, 2008). The Mobley model (Lee, TW 1988.)

Job dissatisfaction leads an employee

(1) to think about quitting, which may help that employee to lead in.

(2) To evaluate the expected usefulness of searching for another job and the costs associated with quitting the current job. From the evaluation,

(3) an intention to search for alternative jobs may occur, which in turn likely leads the employee

(4) To intend searching for alternative jobs and

(5) To the evaluation of the acceptability of any specific alternatives. From that second evaluation, the employee would likely

(6) Compare the new alternatives to the current job which in turn can lead to

(7) An intention to quit, and eventual employee turnover. The experience of job related stress (job stress),

the range factors that lead to job related stress (stressors), lack of commitment in the organization; and job dissatisfaction make employees to quit Flirth, David, Millor, Moore and Claude, (2004).

This study considers three facets of job satisfaction that affect employee turnover intention namely satisfaction with pay, satisfaction with nature of work, and satisfaction with supervision as relevant in the ERA context.

Based on personal experience we find that pay is considered one of the most important factors influencing employee turnover in ERA.

The reasons are high inflation in the economy which has adverse effect on the cost of living and extended family dependency. Culturally, much is expected from an average worker in ERA in terms of financial support to both his immediate and extended family as well as personal desire and societal recognition for monetary success

Porter and Steers (1973), and Price (1977) reported „pay“ to be consistently and negatively related to turnover. However, Mobley, Griffeth, Hand and Meglino, (1979) review concludes that findings concerning pay are not conclusive.

According to Griffeth, Hom, Gaertner (2000), pay and pay-related variables have a modest effect on turnover. Their analysis also examined the relationship between pay, a person's performance and turnover. They concluded that when high performers are inadequately rewarded, they quit. It is their opinion that jobs which provide adequate financial incentive are more likely to make employees to stay with the organization.

Large organizations can provide employees with better chances for advancement and higher wages and hence ensure organizational attachment (Idson and Feaster 1990). Contrary to the two-factor theory of Herzberg (1960) and Herzberg, Mausner and Snyderman (1959) that pay and supervision are extrinsic elements that do not enhance job satisfaction unlike the intrinsic factors such as achievement, recognition, advancement, autonomy, personal growth etc.

These factors encourage effective performance and ensure job satisfaction. Pay and supervision are “de motivators or dissatisfies” as used in the Herzbergs terminology and do not encourage job satisfaction. This implies that pay and supervision rather have positive effect on employees’ turnover intention.

The nature of work in ERA is also an important consideration because of higher educational levels and the level of affluence of in ERA.

Past generation of employees were basically school leavers who did not care much about the kind of work they were doing.

They joined organizations and rose through the ranks and hardly left since they were not so educated.

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279 Ologunde (2005) found that satisfaction with the nature of work is negatively related to turnover intention in her sample of University Teachers in South-western Nigeria. Koh and Goh (1995) also found that satisfaction with the nature of work was negatively associated with turnover intention in their sample of clerical employees in the banking industry in Singapore. This relationship it is believed will hold for other jobs and industries likewise.

Debrah (1993) noted that a supervisor with poor interpersonal skills and who is also inflexible very quickly drives employees away. Muchinsky (1990) argues that insufficient information on how to perform the job adequately, unclear expectations of peers and supervisors, ambiguity of performance evaluation methods , extensive job pressures, and lack of consensus on job functions or duties may cause employees to feel less involved and less satisfied with their jobs and careers, less commitment to their organization, and eventually display a propensity to leave the organization (Tor et al., 1997). If roles of employees are not clearly spelled out by management/supervisors, this would accelerate the degree of employees quitting their jobs due to lack of role clarity.

2.3. Empirical Literature Review

2.3.1. Turnover Intention & Determinants of Turnover Intention

There are very few areas in industrial and organization psychology that have received as much attention and research as employee turnover. Most researchers, including Bluedom, (1982), March and Simon (1958), Pettman (1973), Porter and Steers (1973); Price (1977), and Peters, Bhagat, and OConnor . (1981) have attempted to investigate what determines people's intention to quit by examining the possible antecedents of employees intentions to quit.

The researchers employed different methods of approaches and analytical techniques, consequently, to date; there has been little consistency in their findings. Therefore, there are several reasons why people leave an organization.

The reasons range from job-related factors, external factors to personal characteristics of the employees.

These previous reviews have agreed on some factors concerning turnover; factors such as effectiveness of job satisfaction, age and tenure as predictors of turnover.

The framework for this research includes independent and dependent factors: Job satisfaction and employees turnover intention as variables in this study.

Many reasons describe why employees withdraw from an organization especially in an economy where skills are relatively scarce and recruitment is costly , or where it takes several months to fill vacant positions as the present situation in the Ethiopian public Sector. .

Joshi (2002) pointed out that there are a number of reasons attributed to the high rates of labor turnover and absenteeism. Comber et al., (2006) defined Turnover intention (or intent to leave/stay) is consequently considered as an outcome of affective variables (such as job

satisfaction) rather than actual turnover, which may be mediated by other variables such as age and tenure. Houkes et al., (2003) Iverson & Roy (1994) Rosse& Miller, (1984) Breukelen, (1989) suggested that, pertaining to work related factors, particularly conditions of employment (e.g. salary, career opportunities) are important causes of turnover intention. When employees consider their career opportunities within the organization as limited or absent (unmet career expectations), a withdrawal reaction may be evoked in order to cope with the frustrations.

Al-Qahtani (2009) argued that the turnover is impacted by the demographic variables such as age, educational level etc. and further stated and Mobley et al., (1979) cited that “Reviewers of the turnover literature report a consistent negative relationship between age and turnover younger employees have a higher probability of leaving”. Robert and John (2006) pointed out the reasons for turnover intention include employee moves out of the geographical area,

Employee decides to stay home with young children or elder relatives, employees spouse is transferred, and the employee is a student worker who graduates from a college.

Blau (1987) Rosse& Miller (1984) found that, in particular, lack of satisfaction with salary was associated with turnover intention. Bawa et al., (2005) mentioned and Huselid’s (1995) found that perceptions of Human Resource (HR) practices such as job security and compensation level are important determinants of employee turnover. A poor working environment is among the main reasons. Workers’ facilities greatly vary among the garment factories, with only a few of the ‘stronger’ enterprises having satisfactory working conditions. Differences in allowances and facilities among factories have resulted in the continual movement of labor to enterprises where working conditions are better. Similarly, Mowday et al., (1982) mentioned the negative relationship between working conditions and voluntary turnover has received attention from many researchers indicating the propensity of employees quitting their jobs when working conditions are not conducive.

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Blau (1987) and Rosse& Miller (1984) found that in the case of voluntary turnover, many researchers hold the position that employees leave their jobs when their needs are not being satisfied by their present job and an alternative job becomes available. Griffeth et al., (2000) Perceived employment alternatives modestly predict turnover. Unemployment rates influence the perceived availability of alternatives and hence the expected utility of job searches activities. Further Joshi (2002) stated that a poor social image of factory workers is another factor contributing to high labor turnover. Due to the bad reputation the industry has gained for harassment of women workers and the poor working conditions, the factory worker has a social stigma. These factors too have led to high labor turnover, which in turn has impeded the productivity of labor and affected Sri Lanka's international competitiveness.

2.3.2 Job satisfaction and Employee Turnover Intention

Al-qahtani (2009) stated that when the job provides what the employee like or values, satisfaction is increased. And on the opposite side, when employee belief the job is not providing what he likes, satisfaction is decreased. There are many aspects of job satisfaction are important to understand satisfaction and its relationship with turnover. Satisfaction is different between people based on their interests. Some individuals like repetitive jobs, rotating shifts, and no overtime. Conversely others like involving in decision making, flexible work hours, and high-incentive earnings. Khatri et al., (1999) mentioned that consistent and negative relationship existed between job satisfaction and turnover as dissatisfied employees are more likely to leave an organization than satisfied ones.

2.4. Organizational Commitment and Employee Turnover Intention

Cohen (1993) and Steers et al., (1982) contended that highly committed employees wish to remain with their employing organizations. Khatri et al., (1999) highlighted the importance of organizational commitment in explaining turnover. Since then organizational commitment has been frequently explored in the turnover literature, and like job satisfaction, has been shown too

2.5 Strategies to minimize employee turnover

Strategies on how to minimize employee turnover, confronted with problems of employee turnover, management has several policy options viz. Changing (or improving existing) policies towards recruitment, selection, induction, training, job design and wage payment. Policy choice, however, must be appropriate to the precise diagnosis of the problem. Employee turnover attributable to poor selection procedures, for example, is unlikely to improve were the policy modification to focus exclusively on the induction process. Equally, employee turnover attributable to wage rates which produce earnings that are not competitive with other firms in the local labor market is unlikely to decrease were the policy adjustment merely to enhance the organization's provision of on-the-job training opportunities. Given that there is increase in direct and indirect costs of labor turnover, therefore, management are frequently exhorted to identify the reasons why people leave organization's so that appropriate action is taken by the management. Extensive research has shown that the following categories of human capital management factors provides a core set of measures that senior management can use to increase the effectiveness of their investment in people and improve overall corporate performance of business: Employee engagement, the organization's capacity to engage, retain, and optimize the value of its employees hinges on how well jobs are designed, how employees' time is used, and the commitment and support that is shown to employees by the management would motivate Employees to stay in organizations.

Knowledge accessibility, the extent of the organization's collaborative and its capacity for making knowledge and ideas widely available to employees, would make employees to stay in the organization

.Sharing of information should be made at all levels of management. This accessibility of information would lead to strong performance from the employees and Creating strong corporate culture Meaghan et al. (2002). Therefore; information accessibility would make employees feel that they are appreciated for their effort and chances of leaving the organization are minimal.

Workforce optimization, the organization's success in optimizing the performance of the Employees by establishing essential processes for getting work done, providing good working Conditions, establishing accountability and making good hiring choices would retain employees in their organization. The importance of gaining better understanding of the factors related to recruitment, motivation and retention of employees is further underscored by rising personnel Costs and high rates of employee turnover (Badawy, 1988; Basta and Johnson, 1989; Garden1989; Parden, 1981; Sherman, 1986). With increased competitiveness on globalizations

Managers in many organizations are experiencing greater pressure from top management to improve recruitment, selection, training, and retention of good employees and in the long run Would encourage employees to stay in organizations.

Job involvement describes an individual's ego involvement with work and indicates the extent to which an individual identifies psychologically with his/her job (Kanungo, 1982). Involvement In terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics.

Workers who have a greater variety of tasks tend stay in the job. Task characteristics have been found to be potential determinants of turnover among employees (Couger, 1988; Couger and Kawasaki,

1980; Garden, 1989; Goldstein and Rockart, 1984). These include the five core job Characteristics

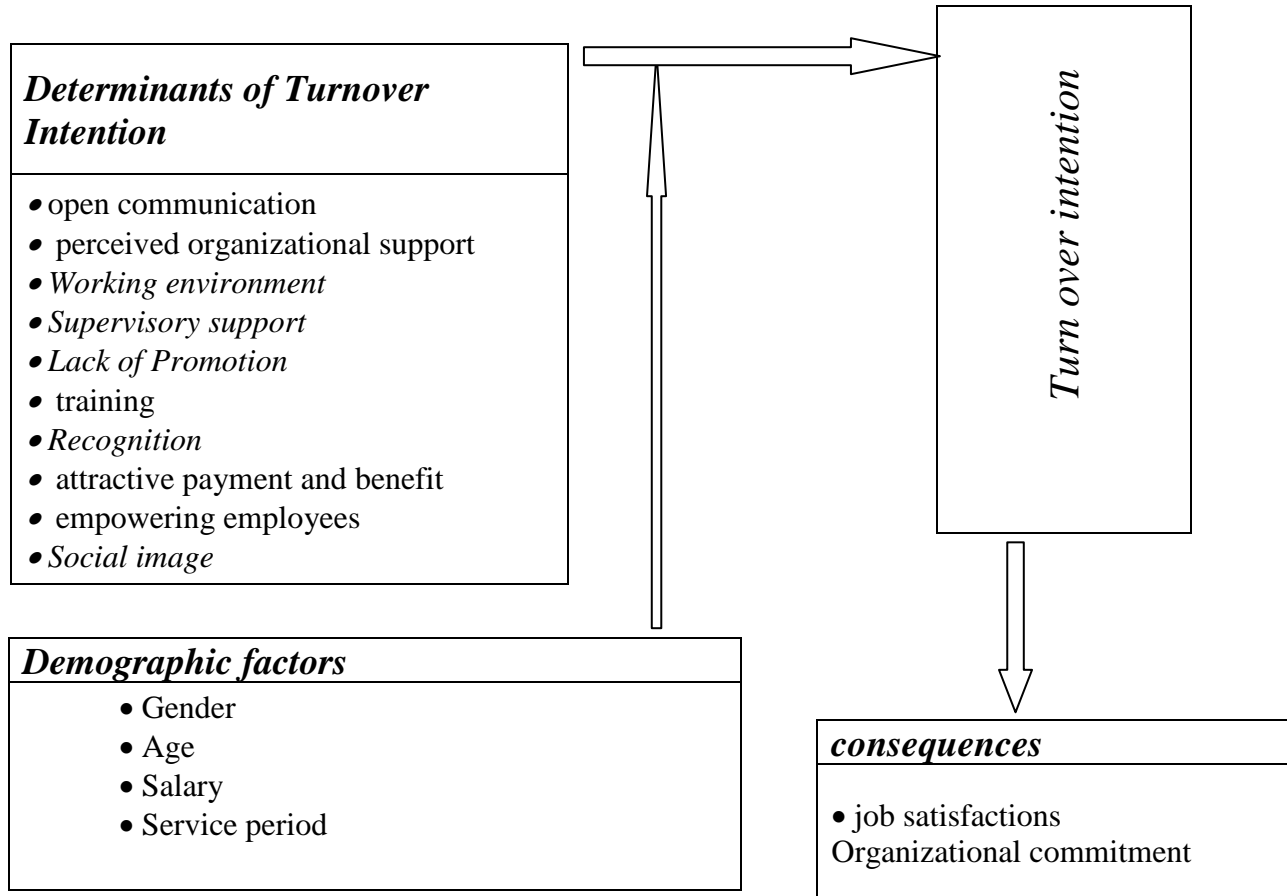
Identified by Hackman and Oldham (1975, 1980): skill variety, which refers to the Opportunity to utilize a variety of valued skills and talents on the job; task identity, or the extent to which a job requires completion of a whole and identifiable piece of work - that is, doing a job From beginning to end, with visible results; task significance, which reflects the extent to which The job has a substantial impact on the lives or work of other people, whether within or outside the organization; job autonomy, or the extent to which the job provides freedom, independence, and discretion in scheduling work and determining procedures that the job Provides; and job feedback, which refers to the extent to which the job provides information

about the effectiveness of one's performance (Tor et al., 1997). Involvement would influence job satisfaction and increase organizational commitment of the employees. Employees who are more involved in their jobs are more satisfied with their jobs and more committed to their organization (Blau and Boal, 1989; Brooke and Price, 1989; Brooke et al., 1988

Kanungo1982). Job involvement has also been found to be negatively related to turnover intentions (Blat andBoal, 1989). Job satisfaction, career satisfaction, and organizational commitment reflect a Positive attitude towards the organization, thus having a direct influence on employee turnover Intentions. Job satisfaction, job involvement and organizational commitment are considered to be related but distinguishable attitudes (Brooke and Price, 1989). Satisfaction represents an Effective response to specific aspects of the job or career and denotes the pleasurable or positive emotional state resulting from an appraisal of one's job or career (Locke, 1976; Porter et al., 1974; Williams and Hazer, 1986).Organizational commitment is an effective response to the whole organization and the degree of attachment or loyalty employees feel towards the organization. Job involvement represents the extent to which employees are absorbed in or preoccupied with their jobs and the extent to which an individual identifies with his/her job (Brooke et al., 1988).The degree of commitment and loyalty can be achieved if management they enrich the jobs, empower and compensate Employees properly Empowerment of employees could help to enhance the continuity of employees in Organizations. Empowered employees where managers supervise more people than ina traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997). Managers act like coaches and help employees solve problems.. Superiors empowering subordinates by delegating responsibilities to them leads to subordinates who are more satisfied with their leaders and consider them to be fair and in turn to perform up to the superior's expectations (Keller and Dansereau, 1995). All these Makes employees to be committed to the organization and chances of quitting are minimal

2.6 Conceptual Frame Work

Fig 1



A turnover intention may be emerged with the impact of variety sub determinants and those were identified according to the literatures. The frame work further identifies the relationship in between the turnover intention and its outcomes. Employees' turnover has become a critical issue in today's organizations. The rate of employee turnover has been increasing from time to time due to a lot of factors. The common factors that are found to be related to turnover; namely, organizational commitment, job satisfaction, training, perceived organizational support, open communication , organizational climate, empowering employees, encouraging employees to participate in decision making , participating employees in designing and implementing organizational policy and procedure , fair and transparent promotional procedure ,organizational justice and attractive

payment and benefit.

These factors have to be taken care of by the organizations to ensure that they can retain their employees especially those that can contribute significantly to the well-being of the organizations. Employee-organization link is considered as a reciprocal relationship. If the employees feel that they are taken care of by the organization, they will repay in terms of their loyalty to the organization.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

The research methodology begins by presenting research design, by providing important frame works and give lines on how to collect and analyze data. Hence this section of the paper research design and method will help to answer research question

3.1 RESEARCH DESIGN AND APPROACH

As the research study intends to discover the general consensus of workers at ERA center with regards to employee turnover intention, the immediate research study methodology in mind is the descriptive research study design.

The purpose of using and considering the descriptive method is to explain and depict the nature of the situation, as it takes place during the time of the research and to explore the causes of a particular situation.

The author opted to consider this kind of research study considering the desire to acquire first-hand information from employees so as to formulate rational and sound conclusions and recommendations for this thesis

The researcher uses in this study mainly focused on descriptive analysis, dealing with assessment on employs turn over intention in Ethiopian road authorities.

The study uses both and quantitative and qualitative approach for analysis purpose tables and graphs is going to be implemented.

The qualitative phenomenological approach was an appropriate strategy for this study because it provided a systematic way of looking at events, collecting data, analyzing information, and reporting the results (Moustakas, 1994

A quantitative study conducted to provide further numeric information on which of the three potential avenues for reducing turnover would be likely to have the greatest effect. The three potential avenues found in the current study were a reduction in firings and layoffs, improving management’s treatment of employees and offering more money to employees

3.2 Population of the study

The target population for this study consisted of the entire staff of the ERA’ in Addis Ababa branch ,ie Human resource directorate, Planning and ICT directorate, Design and building directorate Strategic management& institution transformation Directorate, Northern region contract management directorate, Easter region contract management directorate, Financial management directorates, Western region contract directorate, Central region contract directorate, Southern region contract management directorate ,Communication service directorate ,Plan and program management Directorate, Engineering procurement Directorate, Women’s and youth affair directorate, Internal audit directorate, Legal service Directorate .

The total number of employees and respondents used for this study is indicated in table 3.1below.

Table 3.2 Population for the study

DEPARTMENT	Total Population Size	Sample Size Selected
Human resource directorate	26	16
Planning and ICT directorate	6	3
Design and building directorate	78	15
Easter region contract management directorate	83	15

Western region contract management directorate	91	15
Strategic management& institution transformation Directorate	5	5
Northern region contract management directorate	88	20
Financial management directorates	90	15
Central region contract directorate	91	10
Southern region directorate	91	15
Communication service directorate	25	15
Plan and program management Directorate	68	34
Engineering procurement Directorate	48	10
Women's and youth affair directorate	4	2
Internal audit directorate	15	5
Legal service Directorate	35	5
TOTAL	791	200

Source: HR, ERA

Gill and Johnson (2002) state that surveying from the entire population could be expensive and require adequate time for data collection and analysis. Based on this reason, the researcher selected some staff and management for this study

3.3 Sampling Techniques

In the study the undersigned used, both probability and non-probability sampling. From probability sampling the undersigned used cluster sampling and from non-probability sampling purposive sampling used to select the study respondents.

Out of 1753 employees of Ethiopian road authorities in Addis Ababa at head office and 10 road networks 150 respondents selected based on cluster sampling method to fill survey questionnaires because of the geographical distribution or the unit is highly scattered and 50 official or experts who are directly working on issues selected based on purposive bases (non-probability sampling) because these peoples have rich knowledge data than other person.

3.4. Data Type and Sources

The data for this study are both primary and secondary data that deals with on the assessment on employee turnover intention in Ethiopian roads authorities. The source of primary data is the employee of Ethiopian road authorities and secondary data is from literature and research made in this regard.

3.5. Data Collection Techniques

For collection of data for the analysis purpose the population could be literate and the needed data some of them need further conversation rather than handed only by the questioners, so the researcher will use both questioner and interview. The researcher employed 3 data collectors to collect data from February 15 to 30 2016.

The data collected by data collectors by distributing the questioners to respondents before two days. In addition, the researcher uses interview methods when required. The survey took fifteen

days assuming that everything is ok. The questioners contained open ended questions and closed questions.

3.6 Ethical Considerations

Researcher has tried to establish good relationship with all the interviews by making herself clear where she comes from, why she decide to conduct the research. Why she choose the interviews for the study etc. She has also arranged the interview time without affecting or without consent of each informant and interview.

In similar way she has made herself clear to the Directors and team leaders. Before the beginning of the document analysis.

3.7 Data validity and reliability

The findings of a study take credibility from its validity and reliability

Validity confirms if the findings actually represent what they implication refers to it as: “the ability to generate findings beyond a specific study. Writing in the context of quantitative data analysis. For qualitative data analysis, he refers to validity as how the researchers’ data and analysis accurately represents the realities in the field. He gives three points on the authentication and trustworthiness of a research project

i. Ecological Validity: how the researchers data represent the response of respondents and the extent to which the researcher serve to distract respondents.

ii. Member Validation: confirmation of researcher’s report by the elements he studied.

iii. Competent Insider Performer: researchers participation as an element of studied population

The validity of the study is rooted in the close alignment of the research questions, frame of Reference and the design and purpose of the questions administered in both the interview with

Some departmental heads and questionnaires distributed to staff. The data that was gathered

Directly addressed the issues raised in the research question. With a well- calculated approach to Sampling, cross checking of data and alignment of the research questions to respondents’

Answers, the findings of the study reflect the general situation of job satisfaction of workers as a pertinent problem at era.

The reliability of a study refers to demonstrating that the operations of the study such as data collection procedure -- can be repeated with the same results”.

In this regard, the researcher first established rapport with the people by visiting them on few occasions and familiarizing herself by interacting with them, reading their brochures on their products and services and browsing their website. The respondents of the questionnaires were treated with tact and the author administered the questions meticulously so as not to influence any response. They generally showed a lot of interest and willingness to offer their responses. The researcher used simple language in the questionnaire to facilitate understanding in addition to thorough explanation of the purpose of the questionnaire. Furthermore, respondents were quite educated in terms of their levels of expression of the English language. The steps employed to gather data were coherent and reinforced each other

- i. Initial interaction with staff and few personnel managers of ERA
- ii. Administering of questionnaires to staff

3.8. Hypothesis

H1: There is a significance difference of turnover intention, job satisfaction and organizational commitment among male and female.

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H2: There is a significance difference of turnover intention, job satisfaction and organizational commitment among service periods of the employees.

H3: There is a significance difference of turnover intention, job satisfaction and organizational commitment among' age.

H4: Turnover intention, job satisfaction and organizational commitment are significantly negatively correlated.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.0 Introduction

This chapter presents analysis of the data collected from the field survey and the discussion thereof. Data gathered from the field survey was analyzed by using Statistical Package for Social Sciences (SPSS) software and Microsoft excel spreadsheet (2007). SPSS is used for transforming data in the form of cross tabulation, percentages and for designing bar graphs and pie charts. Out of the 250 questionnaires administered, 177 questionnaires were completed and collected. It is therefore evident that a total of 80 % percent response rate of is obtained.

4.1 Demographical information of respondents

The questionnaires are administered for ERA staffs who work in Head office but in different departments'. Based on the information collected the biographical information of the respondents was analyzed. According to the collected information- their gender, age, qualification, and length of service the respondents' response is depicted here below-

Table 4.1.1: Respondent's Demographic Information

No	Variables		Number	%
1	Gender	Male	107	39.55
		female	70	60.45
2	Age	18-30	114	61.41
		31.40	47	26.55
		41-50	13	7.345
		Above 50	3	1.695
3	Educational Background	Diploma	8	4.5
		First Degree	143	80.8
		Master's Degree	26	14.7
4	Experience	1-5 years	143	80.8
		5-10 years	30	16.9
		10-25	4	2.3

The result accumulated from the field survey with respect to the sex of the respondents. From the responses received, 107 of the respondents were males representing 60.45% while 70 were females also representing 39.55%. Therefore it could be deduced that majority of sample respondents or participants are males than females.

Majority of the respondents in this study were those in the age group 18-30, this represents (64.41%) of the total respondents or 114 in number. The second highest age group was of 31-40 representing 47 respondent or (26.55%) of total sample. The third age group was 41-50 which is representing 13 respondents or (7.345%) and >50 age group representing 3 (1.695%). This indicates that most of the respondents were found in the age group of 18-30 or can be categorized as young.

Question.6 required of the respondents to indicate the number of years employed at the ERA. Responses to this question are presented in Table 4.13

majority of the respondents in this study have served for 1-5 years representing 80.0% of the total response rate. Following are those who have served for 5-10 years representing 16.9%, then

those who have served for 10-25 years representing 2.3%. The results suggest that majority of the samples are male , BA/BSC holders and have a work experience of less of on average 1-5 years, which is total monthly salary ranged from 2750- 3950.

Table 4.1.2 Monthly income of Respondents

Monthly income	Frequency	Percent	Valid Percent	Cumulative Percent
From 2,701-3,950	137	77.4	77.4%	77.4
From 4,207-6,898	35	19.8	19.8%	97.2
From 7,311-10,994	3	1.7	1.7%	98.9
Above11,653	2	1.1	1.1%	100
Total	177	100	100	

From the total sample repose of 177 staff of ERA; 77.4% of respondents are paid a gross salary ranged from birr 2701-3950 followed by those professional who got a higher salary ranged from 4,207-6,898.- which comprises of 19.8% of total sample. 1.7% or 3 in number and 1.1. % or 2 in number of total sample has got a total monthly gross salary of birr ranged from 7,311-10994 and above 11,653 respectively. From this we can deduce that most of the ERA employee’s gross salary is below 3950. However’ in the previous tables we have seen that more than half of the samples are degree holders.

Source: Field Survey, february2017

As indicated in the above table, majority of the respondents in this study have served for 1-5 years representing 80.0% of the total response rate. Following are those who have served for 5-10 years representing 16.9%, then those who have served for 10-25 years representing 2.3%. The results suggest that majority of the samples are male , BA/BSC holders and have a work experience of less of on average 1-5 years, which is total monthly salary ranged from 2750- 3950.

Table 4.1.3 Respondents’ Terms of Employment

Terms of Employment	Frequency	Percent	Valid Percent	Cumulative Percent
Contract	11	6.2	6.2	6.2
permanent	166	93.8	93.8	100.0
Total	177	100.0	100.0	

From the sample of 250 employees of ERA, 93.8% of 177 respondents are permanent employee and the rest 6.2% are temporary staffs.

Table4.2.1 Respondents’ Perceptions on Employees turnover intention in ERA

No	Item	High	Medium	Low	Total
1	Respondents’ Perceptions towards employee’s turnover intention of the organization	(142) 80.2%	(35) 19.8%	0	177
2	How did you see the current salary and other benefit package of ERA in relation to other external markets	0	(20) 11.3%	(157) 88.7%	177

80.2% of 177 samples have a perception that the employee turnover of ERA is high and 19.8% of them or 35 in number has perception that employee turnover found in ERA is low. And there is no body enumerated that stated employee turnover is low.

From the above information one can deduce that majority of the employee thinks that there is high employee turnover in ERA

As stated above most of BA/BSA holder salary in the organization under research is ranged from 2,701-3,950, but as stated in the same stances above. It is above 5,000 in other organization other than CPA organization, so in this analysis most of the respondents or 88.7% of them state that,

ERA salary and benefit package in comparison to other organization outside the domain of CPA is low .where as 11.3% of them stated that it can be considered as medium.

From the above information one can deduce that majority of the employee thinks that there is high employee turnover in ERA

What factors would you consider mostly affecting the current turnover of the employees?

Table 4.2.2

Factors	Frequency	Percent	Valid Percent	Cumulative Percent
Working condition	70	39.5	39.5	100.0
External market that attracts the Employees	107	60.5	60.5	60.5
others				
Total	177	100	100.0	

Out of 177 sample studies 60.5% of the respondent's state that the cause of employee's turnover in ERA is external market or external organization other than CPA. The remaining 39.5% of the employees or 70 of them state that , it is not external market rather the working condition of the organization is the major factor that lead the working staff to move to other organizations.

Table 4.2.3

no	Item	Yes	NO	Total
1	Do you believe that employee's turnover is the major factor that affecting negatively the overall achievements and growth of the organization?	(176)99.4%	(01)0.6%	177
2	If your is yes is the organization effective in efficient use of the existing staff?	(11)5.1%	(166)94.9%	177

As clearly stated in the literature part of this paper, Employees are the valuable resource of any organization. The achievement of organizational objectives largely depends on employees who are motivated to work.

It is not the fixed asset that matter for the wellbeing of the organization rather the employee that supports the wellbeing for the organization. As we can see from the above table out of 177 respondents; 99.4 percent believe that employee turnover is the major factors that affect the organization survival or achievements of mission; However 6% of them responds otherwise. Believing this theory ERA is not applying it as stated, around 94.9% respondents in the second row of the table, think that the organization is not effective in efficient use of the existing staff, in terms of benefit, and salary adjustment.

What do you think is the benefit of staying here in ERA?

Table 4.3.1

Factors	Frequency	Percent	Valid Percent	Cumulative Percent
Getting better experience	177	100.0	100.0	100.0
salary and other benefit package				
Better working conditions				
Other				
Total	177	100.0	100.0	100.0

For the above question as stated in the table; out of 177 respondents all of them believe that the reason of staying is to get better experience.

4.3.2 Staffs reason for leaving ERA

Table 4.3.1 Pushing factors

Number	Item	Strongly Agree	Agree	Neutral	Strongly Disagree	Disagree	Total
1	My organization care about my wellbeing	(7)4%	(31)17.5%		(45)25.4%	(94)53.1%	177
2	My organization provide better working environment	(89)50.3%	(72)40.7%		(12)6.8%	(4)2.3%	177
3	There is better	(7)4.0%	(30)16.9%		(92)52.3%	(48)27.1%	177

	compensation system and benefit at era	%	9%				
4	The promotion procedure in era is fair and transparent	0	(29)16.4%		(92)52.0%	(56)31.6%	177
5	I do have a challenging Job	(35)19.8%	(118)66.7%		(24)13.6%	0	177
6	There is a good leadership role at the Era	(21)11.9%	(92)52.0%		(27)15.3%	(37)20.9%	177
7	I do have interest in the job that I currently do	(36)20.3%	(118)66.7%		(13)7.3%	(10)5.6%	177
8	I am recognized for my performance	(54)30.5%	(64)36.2%		0	(59)33.3%	177
9	My organization dose allow employees to develop themselves	(6)3.4%	(94)54.8%	3	(30)16.9%	(44)24.9%	174

The above table shows, the views of respondents as to their reasons why they intend to leave the organization? Out of the total number of the 177 sample of employees,(139) 78.5% of them perceive that the organization does not care about the wellbeing of the staff , out of 78.5 % or 94 in number 53.1% of them disagree about the organization care the staff wellbeing and 45 or 25% them perceives that they strongly disagree about the organization care the staff wellbeing, however ; the rest 21.5% of them perceives that the organization cares about the staff wellbeing out of 21.5% ; 15% of them thinks that the organization cares about the staff wellbeing whereas 4% of them strongly agree that the organization cares about the staff wellbeing this implies that

that out of 177 respondents majority of the respondents believe that the organization do not care about staff wellbeing.

Out of the 177 respondents who answered the questionnaire, regarding to the organization provide to employees better working environment 50.3% of the respondents strongly agree that the organization provides them better working environment and 40.7% also agree with better working environment of the organization; however around 9.1% of them in total or 6.8% of them strongly disagree and 2.3% of them disagree about the better working environment of the organization.

Out Of 177 respondents who answered the questionnaire, 79.1% of employees think that the organization does not have better compensation and benefit system visa -vise the market outside of the organization. out of 140 employees (52%) of the respondents strongly disagree, 27.1% disagree; however; 20.9% of them of the respondents thinks that the organization benefit and compensation is satisfactory and out of 20.9%; 16.9% & 4.0% of the respondents disagree & strongly and agree respectively with the statement; this implies that majority of the respondents, believe that inadequate compensation and benefit exist in ERA. ' is a strong push factor that make employees leave the organization.

Out of 177 respondents who answered the questionnaire about promotional procedure of ERA, 83.6.% of the respondents perceives that the promotion procedure of ERA is not fair and transparent. Out of 83.6%, 52% of them strongly disagree & 31.5% disagree with it; whereas the rest 16.4% of them perceives that it is promotional procedure is fair. This implies that majority of the respondents believe that the organization promotion procedure is not fair and transparent. so it ' is a strong push factor make employees leave the organization

Most of the sample employees who answered the questionnaire about job of ERA 86.5 % of the employees thinks that ERA has challenging job , out of 86.5%, 19.8%) of the response rate strongly agree 66.7% Agree and the rest 13.6% strongly disagree with the statement because they think that the job of era is rather routine this implies that majority of the respondents believe that the ERA has a challenging Job .From the factors above, it can be said that It has no significant effect to turn over intention of employees

Out of the 177 respondents who answer the questionnaire; regarding about leadership role in ERA 11.9% and 52% of them respectively strongly agree and disagree with the point that state, the leadership role in ERA is good; however; 20.9% of them disagree with this statement and 15.3% of them strongly disagree with it. So from this we can presume that leadership role in ERA is good ; This implies that the respondents believe that the organization leadership role is not strong factors that can push employees out of the era in other words It has no significant effect to employees turn over intention.

For the question about the job that they currently do, out of the 177 respondents who answered the question (154)86.7% do have interest in the job that they currently do out of (154), 36(20.3%) of the respondents strongly agree 118(66.7%) Agree and the rest 13(7.3%)) &10(5.6%) disagree and strongly disagree respectively.

For the question ERA gives recognition for employees based on their performance ;out of the 177 respondents who answered the question (103)58.2% the respondents believe that ERA gives recognition for employees based on their performance 6(3.4%) of the respondents strongly agree 97(54.8%) Agree and the rest 30(16.9%)) &44(24.9%) disagree and strongly disagree respectively.

For the question the organizations permission for the employees and help with everything necessary to develop them out the 177 respondents who answered the question about (118)66.7%of respondents of the employees does agree with the organizations permission for the employees and help with everything necessary to develop them, because the organization make a payment for the development of employees i.e. for tuition and also give training for them. The rest 59(33.3%)) of the respondents disagree with the above statement. So this implies that 66.7% of the respondents believe that organization does allow employees to develop themselves. so this variables has no that much significant effect on employees turn over intention

Table 4.32 Pulling Factors

Number	Item	Strongly Agree	Agree	Neutral	Strongly Disagree	Disagree	Total
1	Marketing price and benefit for skilled outside ERA is more attractive	(37)20.9%	(108)61.0%		0	(32)18.1%	177
2	The working environment outside era is more attractive	(19)10.7%	(16)9.0%		(40)22.6%	(102)57.6%	177
3	The culture outside the organization is more attractive	0	(78)44.1%		0	(99)55.9%	177
4	high morale among staff Outside ERA	(65)36.7%	(24)13.6%		(77)43.5%	(11)6.2%	177
5	other organization management effort to ensure that employees will not leave the organization	(98)55.4%	(79)44.6%		0	0	177
6	transparent and fair promotion outside the organization	(58)32.8%	(70)39.5%	5	0	(49)27.7%	177

7	open communication in other organization	(1)0.6%	(98)55.4%		(78)44.1%	0	177
8	other organization organizational policies related to the job are adequately communicated	(38)21.5%	(76)42.9%		(7)4.0%	(56)31.6%	177

As we can see from the above table out of 177 respondents who answered the question (145)81.9% thinks that the salary benefit and compensation packages of other organizations are more attractive than ERA 37 (20.9%) of the respondents strongly agree 108(61.2%) Agree and the rest 32(18.1%)) disagree with the statement This implies that 81.9% of the respondents believe that marketing price and benefit packages for skilled labor outside ERA is more attractive so this variables has great significant effect on employees turn over intention

The table above shows that the views of respondents as to the reasons why they intend to leave the Organization. Out Of the 177 respondents who answered the questionnaire (35)19.7% of the respondents believed that the working environment of era is not attractive out of (35)19.7% (19)(10.7%) of the respondents strongly agree 16(9.0%) Agree and the rest 40(22.6%)) &102(57.6%) strongly disagree and disagree respectively. This implies that 80.2% of the respondents do believe that the working environment inside the organization is better and most of the employees is likes it. So this variable has no significant effect on employees turn over intention.

For the question why they intend to leave the Organization. Out Of the 177 respondents who answered the question 78 (44.1%) of the respondents agree 99 (55.9%) disagree This implies that (99)55.9% of the employees of the organization think that the culture of the organization other than ERA is not as attractive as the culture of the organization inside ERA and78)44.1% of them

do not agree with this perception so this variables has no that much significant effect on employees turn over intention

For the question the reasons why they intend to leave the Organization. Out Of the 177 respondents who answered the question (89)50.3%thinks that there is no high morale among staff outside ERA out of (89)50.3% 65 (36.7%) of the respondents strongly agree 24(13.6%) Agree with the statement and the rest (88) 49 % of the respondents do not agree with the statement i.e. 77 (43.5%)) &11(6.2%) strongly disagree and disagree respectively

This implies that 49.7% of the respondents do believe that there is high morale among staff inside ERA so this variables has moderate impact on employees turn over intention and it has no that much significant effect on employees turn over intention

For the question the reasons why they intend to leave the Organization. Out Of the 177 respondents who answered the questionnaire 98(55.4%) of the respondents strongly agree 79(44.6%) agree with it. Most of our countries problem is economy, so our need is circulated around the benefit and salary of the organization, that is the reason even though the organization give recognition for employees and though the working environment of the organization is good the employees of ERA is not satisfied because, most of the employees thinks that 100% of the employees think that almost 100% of the organization management do not tries their best to ensure that employee will not leave so this variables has a strong puling effect on employees turn over intention.

concerning the questions the reasons why they intend to leave the Organization. Out Of the 177 respondents who answered the questionnaire (128)72.3% thinks that the promotion outside ERA is more attractive when they compare it with ERA out of (128)72.3% (32.8%) of the respondents strongly agree 70(39.5%) agree and the rest 49(27.7%) disagree This implies that 72.3% of the respondents do believe that the promotion of ERA is not fair and transparent when they compare to other organization so this variables has a significant pulling effect on employees turn over intention

For the question to the reasons why they intend to leave the Organization. Out Of the 177 respondents who answered the questionnaire regarding to communication system in other organization (99)61.4% of the respondents state that unlike ERA there is an open communication outside the organization in any decision matters out of (99)61.4% 1(6%)of the respondents

strongly agree 98 (55.4%) agree and the rest 78(44.1%) strongly disagree with the statement This implies that majority of the respondents do believe .There is no an open communication in the organization when they compare to other organization so this variables has a significant pulling effect on employees turn over intention

Related to the questions why they intend to leave the Organization. Out Of the 177 respondents who answered the question (114)64.4% of the sample taken perceives that job related policies are not adequately communicated in ERA when they compare it with other organization out of (114)64.4% 38(21.5%) of the respondents strongly agree (76).42.9% agree and the rest 7 (4.0%) & 56(31.6%) strongly disagree and disagree respectively .This implies that 64.4% of the respondents do believe that organization policies related to the job are not adequately communicated in era so this variables has a significant pulling effect on employees turn over intention

Table 4.4.1

Retention factors

No	Item	Disagree	Strongly Disagree	Neutral	Agree	Strongly Agree	Total
1	I find real enjoyment in my work at era	(38)21.5%	(86)48.6%		(27)15.3%	(26)14.7%	177
2	I like my job at ERA better than other job I have had in the past	(42)23.7%	(41)23.2%		(49)27.7%	(45)25.4%	177
3	I would be happy working at ERA during the rest of my time	(75)42.4%	(81)45.8%		(21)11.9%	0	177
4	I feel emotionally attached to the work I do for this organization	(2)1.1%	(22)12.4%		(63)35.6%	(90)50.8%	177
5	I would Advise my friends to apply for the job at ERA	(74)41.8%	(76)42.9%		(27)15.3%	0	177
6	I feel Proud to work at this organization	(102)57.6%	(18)10.2%		(57)32.2%	0	177

Table no. 4.4.1 shows out of 177 respondents who answered the questionnaire (124)70.1% of the respondents think that they do not get real enjoyment in their work at ERA 38(21.5. %) of the respondents strongly disagree 48.6(86%)strongly disagree and the rest (53)30% of respondents agree with the statement out of (53)30% 2.7 (15.3%)&26(14.7%)strongly agree and agree respectively It is clear from the table above that the highest average response71% could therefore be said that retention 1 factors listed above do not helped to retain employees at ERA

Regarding the question whether they like there job at ERA better than other job they have had in the past or not ; (83)46.9% disagree with the statement and 41(23.2 %) of the respondents strongly agree 42(23.7%) agree and the rest (94)53.1% agree with the statement i.e. 49 (27.7%)&(45)25.4%strongly disagree and disagree respectively It is clear from the table above that the highest average response 53.1% could therefore be said that motivational factors listed above do helped to retain employees at ERA.

Related to the question which state that the employee are happy working at ERA during the rest of my time; out of the 177 respondents who answered the questionnaire (156)88.2% disagree with the statement 81(45.8 %) of the respondents strongly agree 75(42.4%) agree and the rest 21(11.9%) agree.

It is clear from the table above that, the highest average respondent 88.2% could therefore be said that motivational factors listed above do not helped to retain employees at ERA.

Concerning the question stated in table 4.4.1 which state that weather or not the employee are feel emotionally attached to the work they do for this organization. Out of the 177 respondents who answered the questionnaire (24)13.5 %) of the respondents agree with the statement 22(12.4%) strongly agree and the rest (153)86.4% do agree with the statement out of (153)86.4% 35.6%)& 90(50.8) agree and strongly agree respectively It is clear from the table above that the highest average response 86.4% could therefore be said that motivational factors listed above do helped to retain employees at ERA.

Regarding the questions that state weather the employee would advise his/her friends to apply for the job at ERA? Out Of the 177 respondents who answered the questionnaire (150)84.7% do not agree with the statement out of 84.7% of the sample employ 74(41.8 %) of the

respondents agree 76 (42.9%) strongly agree and the rest 27 (15.3%) agree. It is clear from the table above that the highest average response 84.7% could therefore be said that motivational factors listed above do not helped to retain employees at ERA.

Related to the question whether the employee feel Proud to work at this organization ; out of the 177 respondents who answered the questionnaire (120)67.8% do not agree with the statement out of (120)67.8% of sample employees 102(57.6 %) of the respondents disagree 18 (10.2%) strongly disagree and the rest (57)32.2% agree It is clear from the table above that the highest average response 67.8% could therefore be said that motivational factors listed above do not helped to retain employees at ERA.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Introduction

The chapter gives on the findings and analysis made on the data gathered. The necessary recommendations on how to improve working conditions and reduce the rate of staff turnover intention at era and the conclusion for the entire research.

5.1 Summary Of Findings

The study was conducted to evaluate the factors that contribute to employee turnover intention in ERA. Two hundred fifty (200) respondents who work at ERA were engaged in the study however response were received from one hundred seventy seven (177) respondents. These workers were in the form of professionals, sub professionals, senior Professional such as finance officer, cashers, documentation officer, procurement officers, engineers, Human resource personnel, Team leader, Director

Most of the respondents are male with 60.45% of the total and the dominant age group is fall in the category of 18-30years with 64.45% of the total followed by 31-40 years with 26.55%.Most of the respondents fall in the monthly income category of 2701-3950 birr with 77.4%of the total

The result suggest the ERA could benefit from giving attention to the statements in this section .the study found that factors that are affecting employees intention to leave are both from external and internal. Noncompetitive compensation system and benefit, poor managerial attention to the well-being of staff are internal factors while marketing price and benefits unfair and non-transparent promotional procedure of ERA, poor managerial effort to retain employees, organizational policy &procedure related to the job that are not adequately communicated , poor communication system, poor morale among staff and unequal and un adequate welfare for staff are main internal and external factors that have fertile ground for high staff turnover intention in ERA

When we come to retention factors from the table above response rate (expressed in percentages for all the variables under retention factors 86.4% of employees said that they feel they are emotionally attached to the work 53.1% like their job better than other job they have had in the past. This indicates that most respondents were engaged in the organization based on their educational background and profession they like to do.

5.2 Turnover/Intention to leave Factors

The Study revealed that highest average response rate (expressed in percentage) for all the variables under turnover/intention to leave factors are both from external and internal noncompetitive compensation system and benefit, poor managerial attention to the well-being of staff are internal factors while Marketing price and benefits unfair and non-transparent promotional procedure of ERA, poor managerial effort to retain employees, organizational policy & procedure related to the job that are not adequately communicated, poor communication system, poor morale among staff and unequal and adequate welfare for staff are the reasons most staff stop working in ERA

The study revealed strategies could be adopted to reduce employee turnover at ERA. These are adequate and better compensation and benefit system, fair and transparent promotional procedure, adequately communicated organizational policy& procedure, better managerial effort to retain employees developing open communication system, empowering & encouraging employees to participate in decision making, delegating power, adequate welfare for staff

Retention

The study revealed that the highest average response rate (expressed in percentage) for all the variables under retention factors 86.4% of the employees said that they feel they are emotionally attached to the work they do and 53% like their job at ERA better than other job they have had in the past. The ERA could benefit from giving attention to the statement in this section since workers have not taken a stand on those

5.3. Conclusion

It is important for managers to have an understanding of why people would leave the organization and it is equally important to identify those factors that attract people to organizations.\

Job satisfaction has the largest direct effect on turnover intent, if the above strategies are taken into account the business would be able to survive in a dynamic environment by treating their employees as one of their assets which needs a lot of attention.

Employees are the backbone of any organization, they need to be motivated and Maintained in an organization at all cost to aid the organization to be globally competitive in terms of providing quality products and services to the society. We need to emphasize the importance of employee retention and that the impact on the organization. Claude Loquat, 2007. How can managers reduce Therefore the intention of the study in examining factors and relating them to the study is to provide a general view of what the management need to know and expect and what are the various avenues available for Individual future consideration to address acute issues pertaining to employee turnover.

Turnover is a burning issue for any organizations. For the steady productivity of an organization it is essential to maintain its skilled workforce. But most of the times it is very difficult to control the turnover rate within organizations.

There are so many factors that affect turnover, According to the theoretical discussion and the case studies many solutions to reduce turnover has been discussed. First of all obviously satisfactory salary structure helps to reduce turnover though job security also an important issue too. But it is not the only and always the solution for the authority. A person does not stay in an organization only for salary but he/she may stay for many other reasons such as, fair and transparent promotion procedure, open communication system, empowering & encouraging employees to participate in decision making, delegating power, adequate welfare for staff .

Productivity of an organization depends on the skills or expertise of its workforce. A skilled worker may be an asset for any organization. If a skilled person leaves an organization the effects will be very high where as in case of a semiskilled or un-skilled person the effect will be less. As a result, a vacant place of a skill labor may be filled by another new worker but

production falls due to their skill difference. On the other hand, five or six semi-skilled or unskilled labor may be turnover but those empty places can be filled by one or two skilled labors. It is therefore, crucial to maintain a constant workforce particularly for the skilled ones in an organization to reduce turnover for the improvement of the organization.

If the skill of the employee or worker is expressed in terms of weight or in percentage, a mathematical model then could be possible to measure the direct relationships of turnover and productivity. To develop such model we have to consider so many factors such as; relationships among wage and salary structure, compensations, fringe benefits, location advantage, job security, social and economic factors to turnover etc. To integrate all these factors in a model could show a new way to control turnover for the managerial concern

5.4. Recommendations

- It is vital to implement practicable strategies at least to reduce observed problems. Though individual differences were respected for each employee, more general and logically functional treatment is important. Thus, for this specific case the following points presented. Working on human resource retaining, developing, evaluating both internal and external factors that are affecting ERA will be important.
- Efforts started by the organization to reduce the turn over as well as using the existing professionals should continue. Hence, special attention should be given to human resource development and staff benefits, through revising benefit packages with external market
- It is better if the organization encourages & empowers employees to participate in decision making and accepting their constructive views in solving the problem and leading the organization.
- Proper treatment of employees will increase responsibility and enhanced pay, fair promotion. Therefore, the management of ERA should properly treat the employees.
- Giving recognition for significant accomplishment, chance of advancement and giving opportunity to grow and career development has to be taken in to consideration. .

- Develop system of, filling a vacant position by a person who already employed in the organization through upraising the employee currently holding the position, transferring an employee from a less desirable to a rewarding job elsewhere in the enterprise depending on employees' fulfillment of the necessary skill, competence and education needed for the position.
- It is better if the organization make the employees to participate in designing the organizational policy and procedure and tries It's best to adequately communicated it's policy and procedure to the entire employees of the organization
- The management should also tries It's best to ensure that employees will not want to leave the organization like by providing house rent allowance and the like

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Annex I: Survey Questionnaires

St. Mary University

School of Graduate Studies

Masters of business administration with concentration Human Resource Management

Survey of the Ethiopian Road Authority Employees

DEAR PARTICIPANT,

This questionnaire is designed to conduct a research on the topic factors contributing to the employees turn over intention in the case of Ethiopian road authority the purpose of the study is for the partial fulfillment of the requirement of MBA degree In Human Resource. For the success full accomplishment of the study, the response of customers of the era will have pivotal role by being used as valuable input for the study. So you are kindly requested to genuinely fill the questionnaire

Thank You in advance for your cooperation!

Instructions:-

- **Writing your name is Unnecessary**
- **Circle or put mark as per the questions required in the box or answer in the space provided**

Part I - Profile of Respondents

1. Gender:

- a. Male b. Female

2. Age:

- a) 18-30 b) 31-40 c) 41-50 d) > 50

3. Education level:

- a. Grade 10 and Below Grade 10 b) certificate c) Diploma d) BA/BSC e) MA/MSC

4. Monthly Income of the respondents

- a) Below 2701 birr b) from 2701-3950 birr c) From 4207 -6898 d) from 7,311-10,994
- e) above 11,653

5. How long did you work in ERA?

- a) 1- 5 years b) above 5-10 years c. above 10-25 years d above 25 years

6. Your total work experience:

- a) 1- 5 years b) above 5-10 years c. above 10-25 years d above 25 years

7. Terms of employment

- a) Contract b) Permanent c) Temporary staff

Part II-Questionnaire on Employee Turnover

8. How do you rate employee's turnover of the organization?

- a) High b) Medium c) Low

9. What factors would you consider mostly affecting the current turnover of the employees?

- a) Working condition b) salary and other benefit package c) External market that attracts the Employees d) a & b e ,all e) Specify if any other -----

10. How did you see the current salary and other benefit package of ERA in relation to other external markets?

- a) High b) Medium c) Low

11. Do you believe that employee's turnover is the major factor that affecting negatively the overall achievements and growth of the organization?

a) Yes b) no

12. If your answer for question no. 11 is yes is the organization effective in efficient use of the existing staff?

a) Yes b) no

Part III- Mechanisms of the Organization to retain employee

13. What do you think in the benefit of staying here in ERA?

a) Getting better experience b) Salary and benefit packages c) Better working conditions

d) Specify if any other _____

14. TURNOVER/ INTENTION TO LEAVE FACTORS

Please indicate the extent to which you agree with each statement by putting an ‘X’ in the appropriate box.

	Items	Strongly agree	Agree	Neutral	Strongly disagree	Disagree
1	My organization care about my wellbeing					
2	My organization provide me a better working environment					
3	There is a better –compensation system and benefit at ERA					
4	The promotion procedures in ERA is fair and transparent					
5	I do have a challenging Job					
6	There is a good leadership role at the ERA					
7	I do have interest in the job that I currently do					
8	My Organization does allow employee to					

	develop themselves					
9	I am recognized for my performance					
10	Marketing price and benefit for skilled labor outside ERA is more attractive					
11	The working Environment outside ERA is more attractive					
12	The culture outside the organization is more attractive					
13	There is a high morale among staff outside ERA					
14	Outside the organization's management tries their best to ensure that employees will not want to leave the organization					
15	There transparent and fair promotion in other organization					
16	There is an open communication in other organization					
17	In other organization Organizational policies related to the job are adequately communicated					

15. TURNOVER RETENTION FACTORS

Please indicate the extent to which you agree with each statement by putting an ‘X’ in the

Appropriate box

	Items	Strongly Agree	Agree	Neutral	Strongly disagree	Disagree.
1	I find real enjoyment in my work at ERA					
2	I like my job at ERA better than other jobs I have had in the past					
3	I would be happy working at ERA during the rest of my time					
4	I feel emotionally attached to the work I do for this organization					
5	I would advise my friends to apply for the job at ERA					
6	I feel proud to work at this organization					

16. In your view what can be done to retain staff of the ERA

17. If you have any additional comments, I would appreciate very much.

THANK YOU VERY MUCH FOR YOUR KIND CO-OPERATIO

