

**ST.MARY'S UNIVERSTIY COLLEGE
BUSINESS FACULTY
DEPARTMENT OF MANAGEMENT**

**AN ASSESSMENT OF COMPENSATION AND BENEFIT
ADMINISTRATION SYSTEM ON MOTER AND ENGINEERING
COMPANY OF ETHIOPIA (MOENCO)**

**BY
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SMUC
ADDIS ABABA**

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ADMINISTRATION SYSTEM ON MOTOR AND ENGINEERING
COMPANY OF ETHIOPIA (MOENCO)**

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ADMINISTRATION POLICY ON MOTER AND ENGINEERING COMPANY
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CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Remuneration is the compensation an employee receives in return for his or her contribution to the organization. Remuneration occupies an important place on the life of an employee. Is or her standard of living, status in the society, motivation, loyalty, and productivity depend up on the remuneration her or she receives. For the employer too, employee remuneration is significant because of its contribution to the cost of production. Besides, many battles are fought between the employer and the employees on issues relating to wages or bonus. For HRM (Human Resource management) employee remuneration is major functions the HR (human Resource) specialist has a difficult task of fixing wages differentials acceptable to employees and their leaders. (Asawathappa, 2004:243)

According to this author, in today's modern business era, the core area of management which helps for the achievement of organizational goal is human resource management. Human resource management /HRM/ is a management function hat helps managers recruit, select, train and develop members for an organization. Obviously, it is concerned with the people dimension in organizations.

Background of the Organization (MOENCO)

In the heart of Addis Ababa, around the area commonly wnon as Mexico, a small garage with a capital of 200,000 Ethiopian birr was founded by Mr. Y.D. Lappine 50 years ago in a small rented house. His far sighted bison became reality with the help of other resourceful people, such as Ato Menasseh Lemma, the then governor of the national bank of Ethiopia, and the boss of imperial insurance company.

Nine years, later, MOENCO took over the Toyota franchise business for Ethiopia when inscape, a London based international organization, become a major shareholder and injected a considerable amount of capital. This was a mile stone moment in the firm's journey to become the MOENCO of today.

Today MOENCO as four operational sites: two in Addis Ababa: one in Awassa which opened in 1998, and one in Bahir Dar that opened in 2004. Additional outlets are planned to open soon in Nazareth and Kality. The company's network includes 13 dealers across the country, representing over 20 brands (Source: MOENCO's broacher)

1.2. Statement of the Problem

Compensation does more than provide for the physiological needs of employees, however, what a person is paid indicate his or her worth to an organization for the employer. Compensation is one of the most important HRM function. In today's service based economy, pay often equal 50% or more of the cash flow of an organization (Ivancevic 2004:298)

Based on an assessment (informal discussion) with the employees, the main problem of compensation and benefit practice in MOENCO is that lack of efficiency to manage compensation and benefit system effectively, when organization is unable to pay appropriate compensation employee become unmotivated and they lose sense of belongingness, for this there is high turn over for other better payments.

As a result, organization decreases their productivity which they get from such employee. Since MOENCO's compensation and benefit practice are no balanced and an appropriate employees are not satisfied with their jobs.

1.3. Research Questions

This study would try to get answers for the following questions that are related to compensation and benefit administration:

- What does look like the compensation and benefit administration systems in MOENCO?
- What are the basic employees' attitudes on compensation and benefit administration systems in MOENCO?
- To what extent that compensation and benefit administration system of MOENCO satisfy its employees?
- What are the challenges (problems) of MOENCO in practicing an appropriate benefit and compensation system for its employees?

1.4. Objective of the Study

1.4.1. General Objective

The objective of the study is to assess the compensation and benefit administration practice of MOENCO

1.4.2. Specific Objectives

Specifically, the objective of the study was:

- To investigate the current employees attitude on compensation and benefit administration policy of MOENCO;
- To identify that MOENCOS' compensation & benefit administration policy satisfied its employees or not; and
- To investigate the problem (challenges) of MOENCO on compensation and benefit administration system

1.5. Significance of the Study

Making such kind of study is very vital, because it has a benefit for the student researcher, that he or she can get more practical knowledge, about how to make research with (for) a given problem, and by applying

his or her knowledge how to solve that problem or to show alternative. In addition, the research paper will help the organization (MOENCO), to know its strength and weakness of compensation and benefit administration. This paper can also help for other research makers as a secondary data.

1.6. Delimitation of the Study

MOENCO have four branches: two in Addis Ababa, one in Awassa and the other in Bahirdar. This study was done in Addis Ababa (Gerji) Branch in Human Resource Department, by interviewing the human resource manager and distributing questionnaire for employees.

1.7 Limitation of the Study

To make research it requires, sufficient time, money and other resources. In this study the main problems were finance and time. In addition to this, the willingness of employees to give the necessary information to fill questionnaire can be mentioned as another limitation of the study.

1.8 Operational Definitions of Terms

Compensation

- In financial terms the salary and wages that pay to the workers (employees for the work they do. Other non-financial forms of compensation ca also offered to attract and retain staff (Dessler Gary, 2004:302).

Benefits

- Are elements of remuneration given in addition to the various firms of cash pay that is basic salary and incentive or bonus payment (Michael 1991: 620).

Administration

- Is the universal process of organizing people and resources efficiently so as to direct activities toward common goals and objectives (www.commerce.state.ak.us).

1.9 Research Design and Methodology

1.9.1 Research Design

Descriptive method is used in making this study because it shows the current situation in the organization and indicate accurately the characteristics of a particular situation. In addition, it also helped the researcher together several kinds of data related to the subject under study.

1.9.2 Population and Sampling

The research was made by conducting with Human Resource Management Department, because compensation and benefit demonstration is the concern of Human resource Department. In addition stratified sampling method was applied because of different groups or departments stratified sampling help to group (stratified) employees.

The total number of employees of MOENCO is 580, but 448 employees found in Addis Ababa Branch (Gerji). Therefore, 89 (20%) of the total population was taken as sample.

1.9.3 Sample Size

Department	No. of Employees	Sample Size
Auto service	159	32
Engineering service for large machine	24	5
Automotive sales	12	2
Spare part	52	10
Heavy machinery sale	11	2
Finance	30	6
HR (Human Resource)	60	12
Manager	70	14
Guards and cleaners	30	6
Total sampling		89
Total No.	448	

1.9.4 Source of Data Collection

To collect relevant data, primary and secondary source of data collection method was used. Primary data was collected from the human resource department manager. By interviewing, and from employee by questionnaire. The secondary data were books, reports, internets, published and unpublished research papers and other related materials.

1.9.5 Methods of Data Collection

By looking (assessing) the policies and rules of the organization (MOENCO), and by interviewing the human resource manger, and distributing questionnaire for the employees.

1.9.6 Data Analysis

All the collected data (interview and questionnaire) was analyzed and interpreted by counts and percentage form.

1.10 Organization of the Study

The study has four chapters. In the first chapter there is objective of the study, statement of the problem, significance of the study and scope. Review of literature is found in the second chapter, in the third chapter the collected data was discussed and analyzed. Summary of the study, conclusion and recommendation is found in last and the fourth chapter.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

This part of the study will discuss briefly about compensation and benefit from other researchers' papers and from different books.

2.1. Definitions of Compensation

Employee compensation refers to all forms of pay or rewards going to employee and arising from their employment, and it has two main components: direct financial payment (in the form of wage, salaries, incentives, commissions and bonuses) and indirect payments (in the form of financial benefits like employer paid insurance and vacations) (Dessler, 2004: 302).

Compensation is the recompense, reward, wage or salary given by an organization to a person in return to a work done. Service rendered, or a contribution made towards the accomplishment of organizational goals (Michale, 2002:696).

Remuneration (some authors use Remuneration and compensation interchangeably) is the compensation an employee receives, in return for his or her contribution to the organization (Aswathappa, 2004:243). Compensations do more than provide for the physiological needs of employees, however, what a person is paid indicates his or her worth to an organization for the employer. Compensation is one of the most important HRM (Human Resource management) functions. In today's service based economy, pay often equals 50% or more of the cash flow of an organization (Ivancevich, 2004:298).

Compensation is the process of establishing fair and equitable pay practices. It is one of the more important activities of an organization. The level of pay assigned to various jobs is important to the organization because of its impact on morale; retention and the ability to attract

Capable employees (Hill, 1980) compensation levels determine employees.

Life style, status, worth and attitudes towards the organization:

Compensation for termination of contract of employment without notice a worker who terminates his contract of employment in accordance with Article 40, to a payment of compensation, which shall be thirty times his daily wages of the last week of service this provision shall also apply to a worker covered by the relevant pension law (Federal Negant Gazeta, 2004:2464-2465).

Flex-benefits, again sharing, skill-based pay, performance shares, tow tier wages, bonuses, and lump-some merit award are among the compensation plans offered as new and improved method of pay (O'Dell and Mc Adams, 1987). The design of an organizations compensation system may have a critical impact on the organizations ability to achieve its_ strategic goals. Management must decide the importance of external equity in the organization's compensation system. External equity occurs when an employer pays wage rates that correspond to those prevailing in the external labor markets.

An organization must also determine its stance on internal equity, i.e. internal equity is the objective of setting wage rates that conform to the job's internal worth when designing compensation systems.

During the post decade, composition system has been studied as a way to deploy HRM (Human Resource management) systems strategically. (Gerhart and Milkovich 1992, Gomez Mejia and Balkin, 1992) Designing the compensation system that regain forces the organizations business more competitive, increase its effectiveness, a help management focus on both short term and long term goal say Anthony et al 1993).

According to Cummins (1984), the compensation philosophy must reinforce and reflect the organizations culture, extremely environment and business strategy. The goals of compensation systems can include:

- Attraction and retention of employee
- Cost efficiency
- Legal commence
- Equitable salaries for all employee
- Motivating employee performance

2.1.1. Components of Compensation

An average employee in the organized sector is entitled to several benefits, both financial as well as non financial to be specific, typical remuneration of an employee comprises-wages and salary, incentives, fringes benefits, perquisites and non-monetary benefits (Aswathappa, 2004:244).

2.1.1.1. Wages and Salary

Wages represent hourly rates of pay and salary refers to the monthly rate of pay irrespective of the number of hours put in by an employee. Wages and salaries are subject to annual increments. They differ from employee to employee and depend up on the nature of job, seniority and merit.

2.1.1.2. Incentives

Also called 'Payment by Results' incentives are paid in addition to wages and salaries. Incentives depend upon productively sales, profit, or cost reduction efforts. There are two types of incentive (i) individual incentive schemes, and (ii) group incentive programs:

- **Individual Incentives:** Are applicable to specific employee performance where a given task demands group effort for completion incentives are paid to the group as a whole. The amount is later divided among group members on an equitable basis.

2.1.1.3 Fringe Benefits

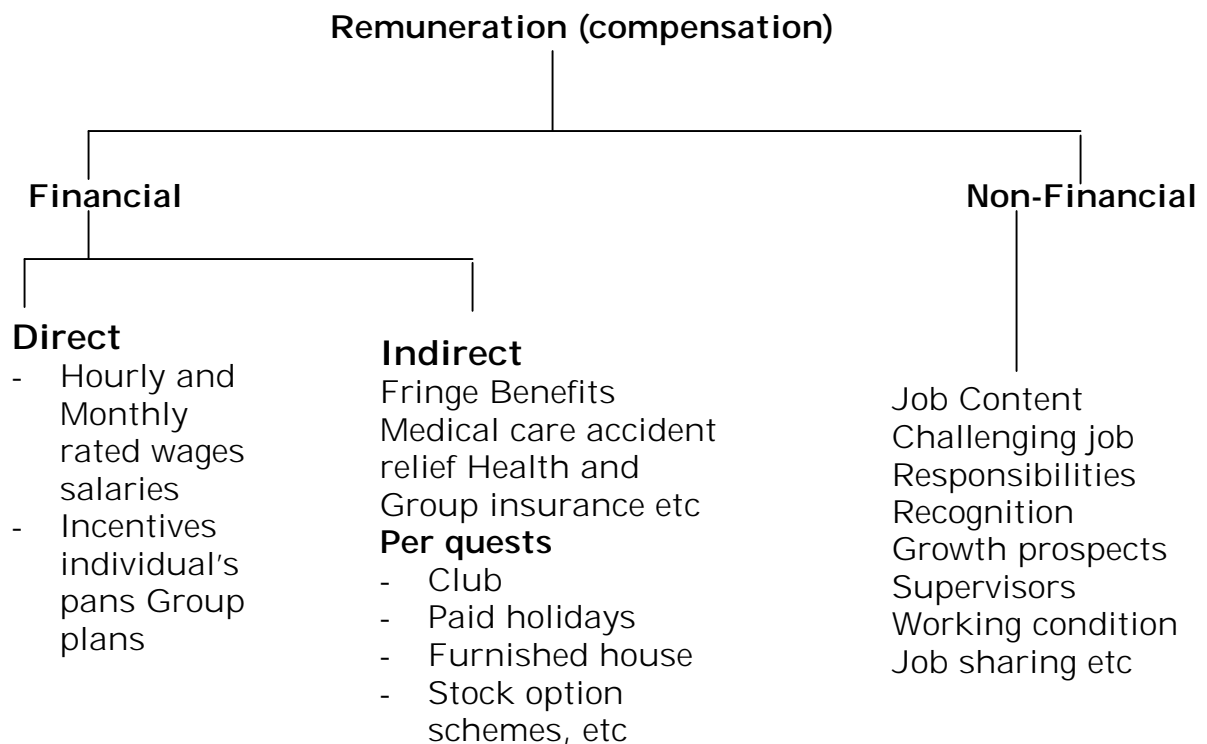
These include such employee benefits as provident fund gratuity, medical care, hospitalization, accident, relief health and group insurance, canteen, Uniform, recreation and the like.

2.1.1.4 Perquisites

These are allowed to executives and include company car, club membership, paid holidays, furnished house stock option schemes and the like. Perquisites are offered to retain component executives.

2.1.1.5 Non-Monetary benefits

These include challenging job responsibilities, recognition of merit, growth prospects, competent supervision comfortable, working conditions, job sharing, and flextime.

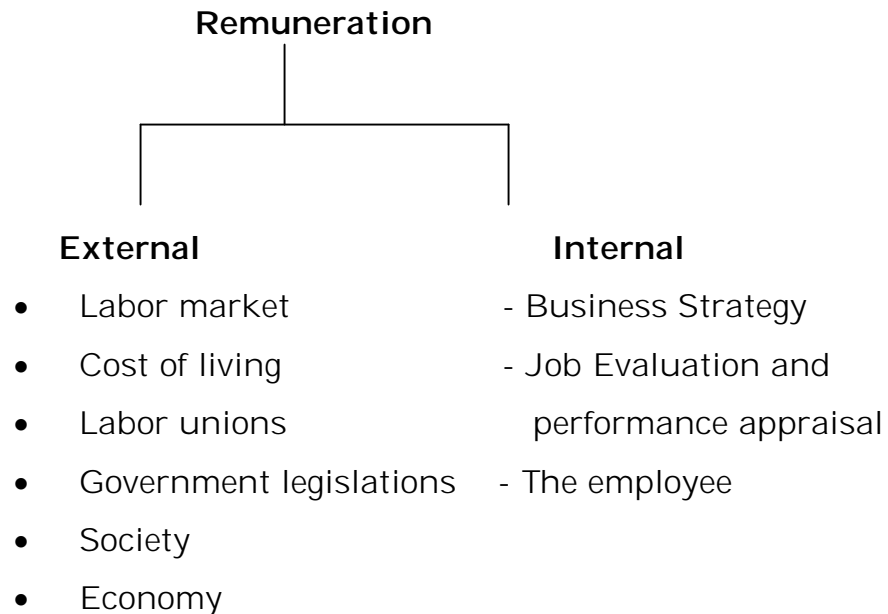


(Source: Aswathappa, 2004:245)

2.1.2. Factors Influencing Employee Remuneration

According to (ASWATHAPPA, 2004: 246) a number of factors influence the remuneration payable to employees they can be categorized into:

- i. External
- ii. Internal



2.1.2.1. External Factors

- **Labor Market:** Demand for and supply of labor influence wage and salary fixation. A low wage may be fixed when the supply of labor exceeds the demand for it. A higher wage will have to be paid when the demand exceed supply as in the case of skilled labor. A paradoxical situation is prevailing in our country excessive unemployment is being juxtaposed with shortage of labor while unskilled labor is available in plenty; there is a shortage of technicians, computer specialists and professional managers. High recreation to skilled labor is necessary to attract and retain it. But exploitation of unskilled labor, like, for instance, paying niggardly wages because it is available in plenty is unjustifiable. The minimum wages Act, 1948 is precisely meant to prevent this kind of exploitation (Flippo, 1984:282).

- **Cost of Living:** Next in importance to labor market is the cost of living. This criterion matters during periods of rising prices, and is forgotten when prices are stable or falling. The justification for cost of living as a criterion for wage fixation is that the real wages of workers should not be allowed to be whittled down by prices increases. A rise in the cost of living is sought to be compensated by payment of dearness allowance, basic pay to remain undisturbed. Many companies include an escalatory clause in their wage agreements in terms of which dearness allowance increases or decreases depending upon the movement of consumer price index (CPI). (SMUC, 2006:245).
- **Labor Unions:** The presence or absence of labor organizations often determine quantum of wage paid to employees. Employers in non-unionized factories enjoy the freedom to fix wages and salaries as they please. Because of large-scale unemployment these employers hire workers at little or even less than legal minimum wages. An individual non-unionized company may be willing to pay more to its employees if only to discourage them from forming one, but will buckle under combined pressure from the other non-unionized organization (Ivancevich and Gluek, 1989:498).
- **Labor laws (Government Legislative):** Different in each country for example in India, some of the control laws which have a bearing on employee remuneration are the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; the Equal Remuneration Act, 1976 and the Payment of Gratuity Act, 1972. The Payment of Wages Act was passed to regulate payment of wages to certain classes of persons employed in the industry (Ivancevich and Gluck, 1989:499).

The minimum wages act on the other hand enables the central and the state governments to fix minimum rates of wages payable to employees in sweated of wages payable to employees in sweated industries. The payment of Bonus act provides for payment of a specified rate of bonus to employees in certain establishments. The Gratuity Act provides for payment of gratuity to employees after they attain superannuating. The equal compensation Act provides for payment of equal compensation to and women workers for same or similar work (Heneman Schalab et. Al. 1996:565).

- **Society:** Remuneration paid to employees is reflected in the prices fixed by an organization for its goods and services. For this reason, the consuming public is interested in remuneration decisions. (Invacevich and Gluek, 1989:498).
- **The Economy:** The last external factor that has its impact on wage and salary fixation is the state of the economy while it is possible for some organizations to thrive in a recession; there is no question that the economy affects remuneration decisions. For example, a depressed economy will probably increase the labor supply. This in turn should serve to lower the going wage rate (SMUC, 2006:18).

2.1.2.2. The Internal Environment

Among the internal factors which have an impact on pay structure are the company's strategy, job evaluation performance appraisal, and the worker himself or her self:

- **Business Strategy:** The overall strategy which a company pursues should determine the remuneration to its employees where the strategy of the enterprise is to achieve rapid growth, remuneration should be higher than what competitors pay (SMUC, 2006:18-19).

Job evaluation and performance appraisal job evaluation helps establish satisfactory wage differentials among job performance appraisal helps award pay increases to employees who show improved performance (both job evaluation as well as performance)(SMUC, 2006:18-19).

The Employee

Several employee-related factors interact to determine his or her remuneration. These include performance, seniority, experience, potential, and even sheer luck (SMUC, 2006:19).

2.2 Employee Benefits

2.2.1 Meaning and Definition

Employee benefits and services include any benefits that the employee receives in addition to direct remuneration.

A Formal Definition is: Fringes embrace a broad range of benefits and services that an employee receive as part of their total compensation package, pay or direct compensation, is based on critical job factors and performance benefits and services, however, are indirect compensation because the are usually extended as a condition of employ related to performance. Employee benefits and services are alte natively known service programs, employee benefits or hidden payroll.as fringes, The ward fringes is not appreciated by management practitioners on the ground that now a days benefits and services constitute substantial labor cost for any organization. They are no longer more fringe costs or fringes items. They are important to managements, employees and unions alike. Fringe benefits help build up a good corporate image schemes like housing, educational institutions, and recreational activities bring benefits to the society at large (ASWATHAPPA, 2004:286-287).

2.3 Benefits as Incentive

Fredrick Herzberg groups benefits along with other factors such as work in condition into the hygiene area - they are needed, and the human appetite for them is limitless. Yet, they do not motivate people to perform people. In Maslow's need structure, benefits may affect the various aspects of 'security' (e.g. individual needs to cover hospitals cost retirement, support when unemployed, or life insurance money for the family's protection in case of death) but little else. In fact if one views the major dimensions of job satisfaction, such as satisfaction with the supervisor, coworkers, the job itself, pay and work environment, the benefit is seen as entering in to little of this and, therefore, may have little effect on the employee (ASWATHAPPA, 2004:218).

2.4. Significant Benefit and Service Programs

The discussion below however focuses on major benefits to which organizations contribute a substantial amount of service (ASWATHAPPA, 2004:291).

2.4.1. Payment for Time Not Worked

Companies provide payment for time not worked, both on-and off-the-job. On-the-job free time includes lunch periods, rest periods, coffee breaks, wash-up times and get-ready times. Off-the-job time includes, vacations sick leaves, public holidays, and personal or casual leaves.

2.4.2. Insurance Benefits

Organizations offer life and health insurance programs to their employees. Most organizations offer insurance at a cost far below what individuals would have to pay to buy insurance by themselves.

2.4.3. Compensations Benefits

Disability and workers' compensation benefits are also offered to employees. Employers contribute funds to assist workers who are ill or injured and cannot work owing to occupational injury or ailment. These benefits are regulated by the workman's compensation act.

2.4.4. Pension Plans

Most organizations offer plans to provide supplementary income to employees after they retire. These are either company - paid or joint employee - and - company - paid programs meant to supplement social security.

Along with pensions, organizations pay gratuity to employees attaining superannuation. There is, however a ceiling on gratuity which may not be justified. If an employee has served an organization for a long time, there is no reason why he or she should be denied the benefit of higher gratuity.

A company's social security and worker's compensation contributions are set by the law, but how much to contribute for other kinds of benefits is up to each company to decide.

2.6. Factors Affecting Benefits

According to (ASWATHAPPA, 2004: 246) there are two types of factors that influence benefits:

1. External factors
2. Internal factors

1. External Factors

- i. Government policies and regulation
- ii. Unions and
- iii. Economics factors.

i. Government Policies Which Influence Employee Benefits And Services Are:

- Wage regulations;
- Tax policies and;
- Specific benefit law.

ii. Unions

When labor unions and the management sit for a wage negotiation, benefits and services figure prominently in their discussion and the settlement reached invariably covers indirect remuneration to the advantage of the employee.

iii. Economics Factors

Economics factors influence benefit decisions in conflicting ways struggling to achieve competitive prices for their products and services, managers look to reduce, or at least curtail, increases in labor costs.

2. Internal Environment

- (i) Organizational strategies and objectives
- (ii) Employee preferences and demographic

CHAPTER THREE

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

In this chapter, data is presented and analyzed based on the 85 copies of questionnaires that filled out and returned by employees of MOENCO to get the necessary information. 89 copies of questionnaires distributed 85 were filed and returned. In addition the student researcher held interview with the Human Resource Manager of MOENCO.

The data are presented in the form of table, in order to make the presentation understandable.

Table 1 General Characteristic of the Respondents

No	Item	Response	
		Frequency	Percentage
1	Sex		
	- Male	65	76
	- Female	20	24
	Total	85	100
2	Age		
	- Below 20 years	1	1
	- From 20-29 years	40	47
	- From 30-39 years	40	47
	- From 40-49 years	4	5
	- 50 and above	0	0
	Total	85	100
3	Educational background		
	- Below 12 grade	4	5
	- Certificate	1	1
	- College diploma	46	54
	- First degree	26	31
	- Second degree & above	8	9
	Total	85	100
4	Years of service		
	- Less than 5 years	50	59
	- From 5-10 years	35	41
	- From 10-15 years	0	0
	- Above 15 years	0	0
	Total	85	100

Table 1, shows, sex, age, educational background and years of service of the respondents. According to the table in item 1, 76 percent of the respondents are male, and 24 percent of them are female. Regarding to age 1 percent of respondent are below 20 years of age, and from 20-29 years and from 30-39 years of age are 47 percent, the rest 5 percent of employee respondents are between 40-49 years of age. This implies that the majority of respondents were youngsters. This implies that the majority of respondents were youngsters who have productive and ambitious desire to satisfy their multi needs. As a result, they might want more compensation and benefit packages that motivate them for more production. Concerning educational background 5 present of the respondents are below 12 grade, and 1 percent of the employee respondent has certificate, 54 percent and 31 percent of employee respondents have college diploma and first degree respectively. The remaining 9 percent of the respondent have second degree and above. This shows that majority of employees have sufficient educational background and academic maturity so as to provide sufficient information for this research. Regarding their work experience, 59 percent of employee respondent stay in organization for less than 5 year, and 41 percent work for 5 up to 10 years. As can be seen form the data employees didn't stay for long it shows they are not satisfied with their organization.

Table 2 Responses of Employee on Compensation Administrative

No	Question	Alternatives	Response	
			Frequency	Percentage
1	Does the organization payees compensation and benefit to employees based on their performance?	Strongly agree	-	-
		Agree	2	2
		Agree to some extent	37	44
		Disagree	46	54
		Strongly disagree	-	-
Total			85	100
2	Is there any periodic review of salaries incentive bonus schemes and other benefits?	Yes	27	32
		No	56	66
		Do not know	2	2
Total			85	100
3	How do you see the wage and salary administration system of the organization?	Very good	-	-
		Good	1	1
		Fair	34	40
		Low	30	35
		Very low	20	24
Total			85	100
4	If your answer in the above questions is "low" or "very low", what is the reason?	Managerial problem	47	94
		Lack of budget	-	-
		Because of weakness of employees performance	-	-
		If other please specify	3	6
		Total		

Table 2 shows responses of employees on compensation administration as item 1 indicates 54 percent of employees respondents believe that the payment is not according to their performance. On the other hand, 44

percent of respondents are agree to some extent, the payment is on their performance, the remaining 3 percent of respondents, said the payment is based on the performance of employee. Most of the respondents believe that payments (compensation) are not given according to their performance this make the employee demotivate as a result, productivity will decrease. The management says compensation is given based on performance of employee, which contradict with the employee respondent. From this it is possible realized that the compensation and benefit package of MOENCO is discriminatory as a result of its policy.

As the above Item 2 shows, 66 percent of the respondents response shows that there is no periodic review of incentive and bonus, 32 percent of the respondents agree there is periodic review of incentive, bonus and salaries. The rest 2% respondents said that they don't know weather, there is periodic review of compensation system or not. The Human Resource Manager believe that the existing compensation is enough however most of the employee are dissatisfied.

Item 3 deals about the satisfaction level, with the existing wage and salary. To this end, 24 percent of the employee respondents said, it is very low 35 percent of the respondents said low, 40 and 1 percent of the employee respondent confirm fair and good respectively. This data show that majority of the employee are not satisfied with the existing wage and salary which indicates that the rate of turnover will decrease since employee need better payment.

The above Item 4 shows reason for lack of attractive wage and salaries, 94 percent of employee respondents agrees that it is because of managerial problem 6 percent of respondents specify different reasons for the lack of attractive wage and salaries, such as 'all employee are not treated equally' and I don't know. However the human resource manger said that the organization believes that the payment is faire so that, the

response of management and employee contradict. And in efficiency of the management may lead to problem in composition and benefit system.

Table 3 factors that the management consider in determining employees compensation system & attention given to employee

No	Question	Alternatives	Response	
			Frequency	Percentage
1	What are the factors that the organizations consider to determine employee composition system?	Employees knowledge and ability	3	4
		Social relation and behavior of employees	1	1
		Close relationship of employees with management	56	66
		Performance related pay	25	29
Total			85	100
2	How do you see the attention given to employees by the management	Excellent	0	-
		Very good	0	-
		Good	31	37
		Bad	35	41
		Not good at all	19	22
Total			85	100

As the above table 3 item 1 indicates, most of the employees said that, the organization consider in determining compensation (Benefit) employees close relationship with management, that is 66 percent, 29 percent of the respondents said, that the compensation and benefit system is based on performance of employees 4 percent and 1 percent of the respondents said that compensation system is based on employees knowledge and social relations of employees respectively. Compositing employees based on their relationship it may demotivate and productivity

will decrease. The Human Resource Managers said that the compensation system depends on performance of workers.

As can be seen from the above table, Item 2 22 percent employee replied that, there is no good relationship between employee and management at all, and the remaining 41 and 37 percent of employee said bad and good respectively table 3 shows most of the employees have no good feeling about the management. This make the employee demotivate so that productivity decrease.

Table 4. The Satisfaction of Employee in MOENCO

No	Question	Alternatives	Response	
			Frequency	Percentage
1	To what extent is the existing compensation system attractive enough to retain good people and keep moral and motivation of employee?	To a great extent	-	-
		To some extent	23	27
		Undecided	1	1
		Not at all	61	72
		Total	85	100
2	How would you rate your satisfaction with the existing compensation system in Moenco	Very satisfactory	0	-
		Satisfactory	10	12
		Unsatisfactory	50	59
		Very unsatisfactory	25	29
		Total	85	100
3	If your answer for the above question "Unsatisfactory" or "very unsatisfactory" what is the reason?	Fringe benefit and other incentives are minimal	40	47
		Salary scale is not attractive	35	41
		No close relationship between employee and management	5	6
		Less attention given to employees from employer	5	6
		Total	85	100
4	To what extent your salary is enough to satisfy your basic needs in the current economic situation	Very high	-	-
		High	-	-
		Moderate	48	57
		Low	18	21
		Very low	19	22
		Total	85	100

Table 4 item 1 shows that, 72 percent of employee (respondents) said the existing compensation systems are not enough to retain employees. On the other hand 27 percent of respondents said to some extent, the existing compensation system are enough to retain good workers and keep moral and motivation of employee. The remaining 1 percent, respondent said not decided. It is obvious that, if the employees are not satisfied with the existing compensation system, they are likely their organization, to a better payment; in other organization so that the turn over rate increases. In addition competency of the company will be in question.

Employee's satisfaction level has an impact on the organization objective. So, knowing the satisfaction level of employees with the compensation system help the organization to modify compensation package. Item 2 deals with this issue. On the other hand, 59 percent of respondent's employee said that, they are unsatisfactory with the existing compensation system, 29 percent of the employee respondents are very unsatisfactory. The remaining 12 percent are satisfactory. Majority of the employee are not satisfied with the existing compensation system.

As indicated the above table 4 items 3, 47 percent of employees response shows that, the reason for the dissatisfaction of employees with the existing compensation system is fringe benefit and other incentives are minimal, and 41 and 6 percent of employee respondents said that salary scale is not attractive and no close relationship between employee and management respectively. The rest 6 percent of employee respondents replied that there is less attention given to employees from employer. This data shows most of employee are not attracted by the salary. This affects the productivity of the organization and there will be high turn over.

Item 4 shows employee satisfaction with the existing salary of the organization. Accordingly, 22 percent of employee respondents agree that they are not satisfied with the existing compensation system, the satisfaction level is very low 21 and 57 percent of the employees agree that low and moderate respectively. The Human Resource Manager said that they are trying to consider the current economic situation:-

Table 5. Compensation scheme and rate of turnover and absenteeism

No	Question	Alternatives	Response	
			Frequency	Percentage
1	To what extent do you think compensation scheme can affect the achievement of the organization objective?	To a great extent	40	47
		To some extent	30	35
		Undecided	15	18
		Not at all	-	-
		Total	85	100
2	How do you see the rate of turn over and absenteeism in the organization?	Very high	22	26
		High	48	6
		Medium	15	148
		Low	0	-
		Very low	-	-
Total	85	100		
3	Do you agree, that employee's turnover and absenteeism encountered related to the existing compensation system?	Strongly agree	28	33
		Agree	42	50
		Agree to some extent	8	9
		Disagree	7	8
		Strongly disagree	-	-
Total	85	100		

Unattractive compensation system can affect the achievement of the organization objective in many ways, because of these competent employees are not retained in the organization. So the organization objective can not be achieved. The above table 5 item 1 shows this 47 percent of employee respondents confirm that compensation system can affect the achievement of the organization to a very great extent, 35 and 18 percent of employee respondents said to some extent and undecided respectively.

The above table 5 item 2 indicate the case of turn over and absenteeism of employees in the organization, 26 percent of respondents agree that, there is very high turn over and absenteeism in the organization, 56 percent said high, and the remaining 18 percent said medium totally, the above data show there is high turn over and absenteeism which leads the organization to loss competent workers.

The above data item 3 shows that 33 percent of employees strongly agree that turnover and absenteeism encountered in the organization is related to the existing compensation system and 50 and 9 percent of employee respondents agree and agree to some extent respectively. However, the remaining 8 percent disagree. The Human Resource Manager said that only there is high turnover in technical staff because there is a job opportunity in Middle East countries in their filled but the data shows most of employee believe that there is high turn over in all departments which is due to unattractive compensation system.

Table 6 Employees Awareness

No	Question	Alternatives	Response	
			Frequency	Percentage
1	The benefit you obtain compared to other people in a similar position or job in another organization get is	Very high	0	0
		High	0	0
		Moderate	29	34
		Low	36	42
		Very low	20	24
Total			85	100
2	Have you ever thought to leave your organization?	Yes	81	95
		No	4	5
Total			85	100
3	Indicate the problems you observed in compensation and benefit system	The compensation and benefit can hardly compensate the current escalating inflation	18	21
		The compensation and benefit is not enough for the existing life	51	60
		Absence of strong labor union	0	-
		The compensation and benefit given when we compare to the organization profitability is very low	16	19
		If other, please specify	0	-
Total			85	100

Table 6 Item 1, shows the employees benefit, as compared to other organization 34 percent of employee respondents response that their benefit is moderate when compared to others and, 42 percent of employee said it is low, the rest 24 percent of employee said it is very low. From this it is possible to realize that the company paid low benefit when compared to other organization.

When employees are not satisfied with the existing compensation system, they want to leave their organization, as the above Tale 6 Item 2 shows, 95 percent of employee respondents have thought to leave their organization, the rest 5% of the employees were not thought to leave their organization. This indicates the organization would suffer from turn over problem unless it correct the current compensation and benefit system.

The above Item 3 shows, problems which is observed by employees. Accordingly 21 percent of employees said, the compensation and benefit can hardly compensate the current escalating inflation and 60 percent of employee said, the compensation and benefit is not good enough for the existing life, the remaining 19 percent of employees said the compensation and benefit give when we compare to the organization profitability is very low.

Table 7 Types of Benefit

No	Question	Response	
		Frequency	Percentage
1	Which of the following benefit do you get from the organization?		
	- Loan Service	0	-
	- On duty harm compensation	85	100
	- Pension	85	100
	- Transport	85	100
	- Uniform and shoes	54	67
	- Annual leave	85	100
	- Medical service	85	100
	- Tuition fee	33	39
	- Sick leave payment	85	100
	- Holidays leave payment	85	100
	- Over time	85	100
	- Recreation and sport facilities	0	0
	Total	-	-

* Multiple responses questions

On the other hand, in multiple response questions, all respondents get on duty harm compensation, pension, transport, annual leave, medical service, sick leave payment Holiday leave payment, overtime. However only 67 percent of employee respondent gets uniform and shoes and 39 percent of employees get tuition fee:

- The researcher also asked to the respondents in the form of open ended question to reply the type of benefits to be fulfilled in order to satisfy their interest. Their response are summarized as follows:
The respondent said that the compensation and benefit must be

consider the current life in addition to this, if there is increment of bonus and loan, must be given.

- When the employees were asked the overall strengths with regard to affecting the employee's motivation to work by open ended question majority of employees said compensation and benefit must be given according to performance of each employee.

CHAPTER FOUR

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter summarizes the main findings of the study and gives recommendations for the identified problems based on the conclusions.

4.1 Summary

The student researcher conducted this study with the general objective of investigating compensation and benefit system of the organization. To find out problems related to the existing compensation and benefit system, questionnaires and interviews, are used to collect information from employees and the human resource manager. Then the data were collected, analyzed and interpreted.

Therefore on the basis of data collected and analyzed the study has come up with the following findings.

- Regarding employees' sex and age majority of employees are male and most of the employees are young. (which is 20-39 years). In addition majority of employees are not senior but most of the employee are professionals i.e. they have diploma, degree and above.
- The study indicates that an attractive compensation and benefit system, is attractive enough to retain good people and keep moral and motivation of employee. But the existing compensation and benefit system of the company is opposite to the above issue.
- Most of employees agree that, compensation and benefit are not paid based on their performance.
- The study confirms that managerial inefficiency is the main problems that limit to give attractive compensation and benefit for the employee.

- Majority of employees agree that the existing compensation and benefit system is the cause of turnover and absenteeism in the company.
- The study shows that the management that considers determining employee's compensation and benefit has close relationship of employees with management.
- Most of employee's response shows that, there is no any periodic review of incentive bonus and other benefits. According to the study, the attention given to employees by the management is unsatisfactory.
- According to the study most of the employee are not satisfied with the existing compensation and benefit system. Majority of employees said that fringe benefit and other incentives are minimal and salary scale is not attractive.
- Majority of employee's response shows that, the compensation and benefit they get are very low when compared to other people in similar position

As the study shows, problems which is observed by employees, related to compensation and benefits are the following:

- The compensation and benefit is not good enough for the existing life.
- The compensation and benefit given when compared to the organization profitability is very low, And it is not compensate the current escalating inflation.

4.2 Conclusions

On the basis of the findings stated above the following conclusions can be drawn:

- The finding shows that majority of employees have few experience and this shows that there is turnover in the organization.
- Good employee's compensation and benefit system helps the company to retain, recruit and select competent employees. In addition, it increase employees morale and productivity. From the findings, it is possible to conclude that employees agree about this concept; however the organization did not apply a good compensation and benefit system, to attain the above issues.
- According to the findings, compensation and benefits are not applied or paid according to employee's performance; from this it is possible to conclude that for effective achievement of organizational objective there should be appropriate payment.
- As can be inferred from the related literature, there are different factors that affect appropriate compensation system. In this study employees mentioned, management problems as the major problems that hinder the company from giving appropriate compensation system. i.e. the management of the company is inefficient to design appropriate compensation system for employees. There fore if the management of the company is inefficient it directly affects he compensation system of the company.
- According to the findings the satisfaction level of the employees are limited with the existing compensation and benefit system of the organization. Thus can show, employees are going out to other organization to find out attractive payment, and this is likely to increase the rate of turnover of the company. From this, the

organization cost is increasing from day to day for the recruitment of new employees.

- The findings show that, the management criteria to determine the compensation for the employee has 'close relationship of employee with the management'. This situation may raise question on compensation system of the company. In addition this may cause dissatisfaction of employees and less productivity.
- According to the findings, there is no any periodic review of incentive bonus and other benefits; moreover the attention given to employees by the management is unsatisfactory, from this it is possible to conclude that to create sense of belongingness in employees, and to increase productivity, there should be review of incentive bonus and other benefits, and good attention must be given to employees.
- The finding shows that, monetary incentives, fringe benefit and other incentives are the most choices of employees. However, as can observed from the analysis employees are not satisfied with the existing compensation system, so that, they leave their organization and there is more absenteeism. From this, it can be conclude that, if employees are not satisfied with the existing compensation system, the company is likely to face high level of turnover and employees dissatisfaction. This may cause problem to achievement of the company's objectives and significantly hinder the productivity of employees.
- Employees that work in a similar position must get equal payment other wise it become unethical. From the findings employees confirm that, the compensation and benefit they get are low when compared to other people in a similar position. It is possible to conclude that if their is no equal payment employee's moral and productivity will decrease.

4.3 Recommendations

Based on the conclusions, the student researcher realized and learned that there were lots of problem, on compensation and benefit system of the organization. Since the problem, must be improved, the following recommendations are forwarded:

- The organizations also need to create a good compensation and benefit system that can help for the organization to retain, recruit and select competent employees. Good compensation and benefit system can be created like, by giving award and appreciation based on their performance. When the management do these employees feel that they were getting attention from the management so that sense of belongingness and productivity will increase.
- In this study managerial problem is the major factor that limits the organization from giving appropriate compensation and benefit system. So, to survive, the organization is advised to give more attention to those factors that limit the company to give appropriate compensation and benefit. In addition, the management staff is advised to improve their efficiency by conducting different training which focuses on principles and core concept of management and it helps the manage employees and give appropriate compensation and benefit for the employees.
- To increase productivity and decrease the turnover and absenteeism the company is advised to improve lack of period review of salary and other incentives. In addition to that, the management considers employees performance for the payment. Payment must not be based on their relation with management, these things make employees demotivated.
- As can be mentioned in the conclusion, monetary incentive is best choice of employee. Though, compensation and benefit system are

applicable in the organization employees are not satisfied with the system so that the company is advised to improve the existing monetary incentive fringe benefit to motivate employees to better production.

- The student researcher also advised to the company to apply on equal payment. If employees who work in a similar position didn't get equal payment it demotivate them and their sense of belongingness and productivity will decrease. In addition to this the company must consider, when pay compensation and benefit the current situation.

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APPENDICES

I

Appendix A

ቅድስት ማሪያም ዩኒቨርስቲ ኮሌጅ

ቢዝነስ ፋክልቲ ማኔጅመንት ዲፓርትመንት

uVÄ"ÿA /MOENCO/ ሠራተኞች የሚሞላ መጠይቅ

ይህ መጠይቅ የተዘጋጀው በቅድስት ማሪያም ዩኒቨርስቲ ኮሌጅ የማኔጅመንት ክፍል እጩ ተመራቂ ተማሪ ነው። የዚህ መጠይቅ አላማ ለመጀመሪያ ድግሪ ማሟያ የሚሆን ጥናታዊ ጽሑፍ ለማዘጋጀት ነው።

ጥናታዊ ጽሑፉ የሚሠራው በMOENCO የላብ መተኪያ (compensation) እና ጥቅማ ጥቅም (benefits) አሰራር ስርዓትን በተመለከተ በመሆኑ እርስዎ የድርጅቱ W^} – እንደመሆንዎ የግል አስተያየትዎን እንዲያሰፍሩ በአክብሮት እጠይቃለሁ። የእርስዎ የግል አስተያየት ለጥናቱ መሣካት ጉልህ ድርሻ እንደሚኖረው እየገለጽኩ ጊዜዎን መስዋዕት አድርገው ለሚያደርጉልኝ ትብብር ሁሉ በቅድሚያ አመሠግናለሁ።

ማስታወሻ

1. መጠይቁ ላይ ስምዎን መጻፍ አያስፈልግም
2. መጠይቁ ለጥናታዊ ጽሑፍ ብቻ እንደሚውልና አስተያየትዎ በሚስጥር እንደሚጠበቅልዎ ላረጋግጥለዎ እወዳለሁ።
3. በሳጥኑ ላይ የ «✓» መልክት በማኖር ይመልሱ

፲ ማህተም ለመሙላት

አጠቃላይ መረጃ

1. ፆታ	ወንድ <input type="checkbox"/>	ሴት <input type="checkbox"/>
2. ዕድሜ	ከ20 ዓመት በታች <input type="checkbox"/>	ከ30-39 ዓመት <input type="checkbox"/>
	20-29 ዓመት <input type="checkbox"/>	ከ40-49 ዓመት <input type="checkbox"/>
	50 ዓመት እና ከዚያ በላይ <input type="checkbox"/>	
3. የትምህርት ደረጃ	ከ12ኛ ክፍል በታች <input type="checkbox"/>	የመጀመሪያ ድግሪ <input type="checkbox"/>
	ስርተፍኬት <input type="checkbox"/>	ሁለተኛ ድግሪና ከዚያ በላይ <input type="checkbox"/>
	ዲፕሎማ <input type="checkbox"/>	
4. የአገልግሎት ዘመን	ከ5 ዓመት በታች <input type="checkbox"/>	ከ10-15 ዓመት <input type="checkbox"/>
	ከ5 - 10 ዓመት <input type="checkbox"/>	ከ15 ዓመት በላይ <input type="checkbox"/>

ክፍል ሁለት

ከስራ ጋር ተያያዙ ጥያቄዎች

የሚከተሉትን ጥያቄዎች በተቻለዎት መጠን በትክክል (እውነታውን) ለመሙላት ይሞክሩ። መልስ ይሆናል ብለው ላሰቡት በሳጥኑ ውስጥ የ«✓» ምልክት ያድርጉ። የእርስዎን (የግልዎን) አስተያየት ለሚፈልጉ ጥያቄዎች በአጭሩ ይግለፁ።

1. ድርጅቱ ለሰራተኞች የሚከፍለው ደመወዝም ሆነ ሌላ ጥቀማ ጥቅም በሰራተኞች የስራ ውጤት ላይ ተመርኩዘው ነው በሚለው ይስማማሉ?

በጣም እስማማለሁ	<input type="checkbox"/>	በጥቂቱ እስማማለሁ	<input type="checkbox"/>
እስማማለሁ	<input type="checkbox"/>	አልስማማም	<input type="checkbox"/>

2. ድርጅቱ በየዓመቱ መጨረሻ የስራ እድገት ሆነ የደመወዝ ጭማሪ እንዲሁም ሌላ ጥቅማ ጥቅም ጭማሪ ያደርጋል?

አዎ	<input type="checkbox"/>	አያደርግም	<input type="checkbox"/>	አላውቅም	<input type="checkbox"/>
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3. በድርጅቱ ውስጥ ያለውን ደመወዝና ሌሎች ጥቅማ ጥቅሞች እንዴት ያዩታል

በጣም ጥሩ ነው	<input type="checkbox"/>	ዝቅተኛ ነው	<input type="checkbox"/>
ጥሩ ነው	<input type="checkbox"/>	በጣም ዝቅተኛ ነው	<input type="checkbox"/>
ደህና ነው	<input type="checkbox"/>		

4. ለ3ኛው ጥያቄ የሰጡት መልስ «ዝቅተኛ» ወይም «በጣም ዝቅተኛ» ከሆነ ምክንያቱ ምንድን ነው ብለው ያስባሉ?

የአስተዳደር ችግር	<input type="checkbox"/>	የሰራተኛው የስራ ተነሳሽነት ደካማ መሆን	<input type="checkbox"/>
የገንዘብ ችግር	<input type="checkbox"/>	የተለየ መልስ ካለዎት	_____

5. ድርጅቱ ለሰራተኛ ክፍያ /ጥቅማ ጥቅም/ ሲፈጽም በምን ላይ ተመርኩዞ ነው?

በሰራተኛው ዕውቀትና የመስራት ችሎታ	<input type="checkbox"/>
ሰራተኛው ከሰው ጋር ባለው ቀረቤታና ባህሪ	<input type="checkbox"/>
ሰራተኛው የተለየ ቅርርብ ከአስተዳደሩ ጋር ባለው መሰረት	<input type="checkbox"/>
በስራው ውጤት ተመርኩዞ ነው	<input type="checkbox"/>

6. አሁን ያለው የጥቅማ ጥቅም ሆነ የደመወዝ ክፍያ የሰራተኞችን ሞራል ለመገንባትና ተነሳሽነታቸውን ለመጨመር ምን ያህል በቂ ነው ብለው ያምናሉ?

በከፍተኛ ደረጃ በቂ ነው	<input type="checkbox"/>	በቂ አይደለም	<input type="checkbox"/>
መካከለኛ ነው	<input type="checkbox"/>	ለመውሰን አይቻልም	<input type="checkbox"/>

7. አስተዳደሩ ለሰራተኛው ያለው ቀረቤታና ትኩረት እንዴት ያዩታል?

እጅግ በጣም ጥሩ ነው	<input type="checkbox"/>	መጥፎ ነው	<input type="checkbox"/>
በጣም ጥሩ ነው	<input type="checkbox"/>	እጅግ በጣም መጥፎ ነው	<input type="checkbox"/>
ጥሩ ነው	<input type="checkbox"/>		

8. በድርጅቱ ውስጥ አሁን ያለው የአከፋፈል ስርዓት ለድርጅቱ ስኬታማነት ምን ያህል አስተዋጽኦ አለው?

በከፍተኛ ደረጃ	<input type="checkbox"/>	ምንም አስተዋጽኦ የለውም	<input type="checkbox"/>
መካከለኛ በሆነ ደረጃ	<input type="checkbox"/>	ለመወሰን አይቻልም	<input type="checkbox"/>

9. አሁን በድርጅቱ ውስጥ ባለው ክፍያ ምን ያህል ደስተኛ ነዎት?

በጣም ደስተኛ ነኝ	<input type="checkbox"/>	ደስተኛ አይደለሁም	<input type="checkbox"/>
ደስተኛ ነኝ	<input type="checkbox"/>	በጣም ደስተኛ አይደለሁም	<input type="checkbox"/>

10. ለተራ ቁጥር 9 የሰጡት መልስ «ደስተኛ አይደለሁም» ወይም « በጣም ደስተኛ አይደለሁም» ከሆነ ምክንያቱ ምንድን ነው?

ነፃ የህክምና አገልግሎትና ሌላ ጥቅማጥቅም አነስተኛ መሆን

የደመወዝ አከፋፈል መጠን ብዙም የሚያስደስት አይደለም

በሠራተኛውና በአስተዳደሩ መካከል ምንም አይነት ግንኙነት አለመኖር

ከበላይ አካል ለታችኛው መደብ የሚሰጠው ትኩረት አናላ መሆን

ሌላ ካለ _____

11. በድርጅታችሁ ውስጥ ያለውን ፍልሰት (turnover) እና ከሰራ መቅረት እንዴት ያዩታል?

በጣም ከፍተኛ ነው	<input type="checkbox"/>	ዝቅተኛ ነው	<input type="checkbox"/>
ከፍተኛ ነው	<input type="checkbox"/>	በጣም ዝቅተኛ ነው	<input type="checkbox"/>
መካከለኛ ነው	<input type="checkbox"/>		

12. አሁን ያለው የሰራተኞች ፍልሰትና ከስራ መቅረት በድርጅቱ ውስጥ ካለው የጥቅማጥቅምና የስራ ክፍያ ጋር ይዛመዳል በሚለው ይስማማሉ?

በጣም እስማማለሁ	<input type="checkbox"/>	በተወሰነ ደረጃ እስማማለሁ	<input type="checkbox"/>
እስማማለሁ	<input type="checkbox"/>	አልስማማም	<input type="checkbox"/>
በጣም አልስማማም	<input type="checkbox"/>		

13. እርስዎ የሚያገኙት ጥቅማጥቅም በሌላ ድርጅት ውስጥ ተመሳሳይ ስራ ከሚሠሩ ሠራተኞች ጋር ሲነጻጸር?

በጣም ከፍተኛ	<input type="checkbox"/>	ዝቅተኛ	<input type="checkbox"/>
ከፍተኛ	<input type="checkbox"/>	በጣም ዝቅተኛ	<input type="checkbox"/>
ተመጣጣኝ	<input type="checkbox"/>		

14. መስሪያ ቤትዎን ለመልቀቅ አስበው ያውቃሉ?

አዎ አላውቅም

15. በ MOENCO ውስጥ የላብ መተኪያና ጥቅማ ጥቅም /compensation and Benefit) ስርዓት ላይ አሉ የሚሏቸው ችግሮች?

- የሚሰጠው የላብ መተኪያና ጥቅማ ጥቅም ከወቅቱ ገበያ ጋር የተገናዘበ አለመሆን
 - የሚሰጠው ላብ መተኪያና ጥቅና ጥቅም ኑሮ ውድነትን የሚደግፍ አለመሆን
 - ለሠራተኛው የሚቆረቆር የሠራተኛ ማህበር አለመኖር
 - ከድርጅቱ ትርፋማነት ጋር ሲነፃፀር የሚሰጠው የላብ መተኪያና ጥቅማ ጥቅም አነስተኛ መሆን
- ሌላ ካለ ይጻፉ _____

16. ሃይል ሁኔታዎች ከተዘረዘሩት ውስጥ ቅጂውን ማሳየት እና ማረጋገጥ ይቻላል። ለዚህ አመልካች ቅጂውን አስፈላጊ ማድረግ ይቻላል።

- | | | | |
|------------|--------------------------|--------------|--------------------------|
| - ወይን ስርዓት | <input type="checkbox"/> | - የወር ስራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |
| - የሥራ ሰዓት | <input type="checkbox"/> | - የሥራ ሰዓት | <input type="checkbox"/> |

17. የሚከፈሉት ደመወዝ ካለው አካባቢ አንጻር መሠረታዊ ፍላጎትዎን ለማሟላት ምን ማድረግ ይቻላል?

ሁሉንም ያድርጉ አንዱን ያድርጉ

በቂ ነው ሁሉንም ያድርጉ

ትንሹን ያድርጉ

18. እርስዎ በሙያዎ ረክተው ጠንካራ ሰራተኛ እንዲሆኑ ድርጅቱ ምን ምን ጥቅማ ጥቅም ይሰጣል?

19. በአሁኑ ወቅት በሥራ ላይ ያለው አጠቃላይ የላብ መተኪያና የጥቅማ ጥቅም አሰራር መሻሻል አለበት የሚሉት ነገር ካለ ይጻፉ _____

APPENDICES

II

Appendix -B

St. May's University College

Faculty of Business

Department of management

Interview Questions to MOENCO's Human Resource Management

1. What is your general comment on your organization compensation system?
2. Do you believe employees are satisfied with the amount you pay and benefit and services you offer?
3. What are the major mechanism that you use to motivate your workers do their work effectively and efficiently?
4. How about explain the organization turnover and absenteeism?
Which department is more focus turnover what is the reason?
5. What are the major problems in relation to compensation policy to the organization?
6. What is the basic purpose of employees benefit in your organization?

Thank you very much for your cooperation!

Declaration

I, the undersigned, declared that this senior essay is my own work,
written under the guidance of Ato Aschalew Tameru.

Name: Ejigayehu Tilhun

Signature: _____

Place of Submission: St. Mary's University College department of
Management

Date of Submission: _____

Submission Approval Sheet

This Senior Research paper has been submitted to the Department of
Management in partial fulfillment for the requirement of BA Degree in
Management with my approval as an advisor.

Name _____

Signature _____

Date _____