



ST MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

**ASSESSMENT OF EMPLOYEE RETENTION PRACTICES IN DEVELOPMENT BANK
OF ETHIOPIA**

BY:

ABEBE SHAREW

JANUARY, 2018
ADDIS ABABA ETHIOPIA

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**A THESIS SUBMITTED TO SCHOOL OF GRADUATE STUDIES ST. MARY'S
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List of Acronyms/Abbreviations

BSC: Balanced Scorecard

DBE: Development Bank of Ethiopia

HR: Human Resource

HRMD: Human Resource Management Director

NBE: National Bank of Ethiopia

PM: Performance Management

SPSS: Statistical Package for the Social Sciences

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Abstract

The objective of the study was to assess employee retention practice in Development Bank of Ethiopia. The study implemented a descriptive research design to evaluate the employee retention practices and the researcher used both quantitative and qualitative approaches to collect data through the utilization of a questionnaire and interviews. The respondents were selected from currently employees of the Bank similarly the sample of the study consists of 158 respondents, 143 of them responded to the questionnaire. Primary and secondary data were used to find out the research output. To generate the output of the study results, the statistical software version 20.0 was used. The data were processed by using descriptive statistics which includes frequency distribution, percentage, mean score and standard deviation. The findings of the study revealed that there are no employee retention strategies and programs in place in the Bank. The researcher concluded that, the Bank's workforce is unstable and will incur high recruitment, selection cost and unable to meet the objectives of the Bank. The study recommended that the Bank should enact employee retention strategies and programs through involving employees in creating positive employee perception by establishing conducive work environment and by making opportunities available for training and career development via need assessment, use of effective appraisal system, provide fair rewarding system and competitive benefit package to the financial sector. The Bank also should have a constant communication between top management and all employees of the Bank to retain valuable employees and to achieve the strategic goal of the Bank.

Key words: *Development Bank of Ethiopia, program, Retention, Strategy, Employee turnover*

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

The prevailing development agenda of Ethiopia is poverty reduction. Development Bank of Ethiopia is among the institutions which contribute to the development of the country's economy by providing project finance and technical support to viable projects that contributes for the economy in saving/generating foreign currency, improving consumption of local raw materials, creating employment opportunity for the society, generating tax revenue to the government and conveying new technologies & systems to the local economy. It is well known that economic role of the Development Bank of Ethiopia is paramount important in financing government development priority areas which are believed as engine of growth like Manufacturing Industry, Agro-Processing, Commercial Agriculture, and Mining & Energy. The Bank has been offering medium and long term loans to different kinds of viable projects (www.dbe.com.et).

Since its establishment in 1909, the Bank has been playing a significant role in promoting overall economic development of the country. According to the Commercial Code of Ethiopia 1960, the Bank has an authorized capital Birr7.5 billion; the Bank has now so many different borrowers, 107 branches, and 2,206 numbers of employees at head office and branches. The audit report of the Bank states that by the fiscal year 2015/16 it earned total revenue of 366,149,724 million birr before tax and net profit of 373,520,416 million birr; its total asset has reached to Birr 49,475,946,645(Audit Report on June, 2016).DBE is a public financial Institution supervised by a Board of Directors composed of nine members appointed by the Government. The Bank's President manages the overall activities of the Bank with the assistance of five Vice Presidents who are in charge of different functions. The Bank is recently restructured in the form of Directorates, Offices, Districts and Branches (www.dbe.com.et).

Currently, Development Bank of Ethiopia (DBE) is demanded its lease financing directives, which was adopted in March 2016 in a bid to support small and medium enterprise (SMEs and financed by DBE in the form of capital goods (Development Bank of Ethiopia revised credit policy 2016).

Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs Christine Ruth Nyanjom, (2013). According to Ahlrichs, (2000), cited by Ali Hussein Alkahtani(2015) an effective retention program is one that embraces a variety of policies and practices to create a work environment where employees feel comfortable. Whatever the employee retention strategy adopted, an organization must ensure that the action align with the mission, vision, culture, objectives, and values of the Bank. It must as well be a realistic measure to meet employees' needs and expectations. In line with this, studies show that an employer can increase employee retention and engagement through a number of practical people – focused strategies (Aguenza, 2012).On the study of motivational factors of employee retention and engagement in organizations; they contended that any organization should concern its capacity to attract, engage, and retain the right employee. Extending their retention, they indicate that certain factors are crucial in influencing the employees' decision to either leave or remain in the Bank.

Today we are living in a dynamic world, advancement of information technology has brought to centre stage the importance of human resource, more than ever before Jyothi and Venkatesh, (2006, p. 1), and retention of valuable employees is one of the most critical issues confronting leaders Mayfield, (2008:41).Talented employees who have competencies that are critical for the survival of an organisations are difficult to retain because they often attach more importance to their own career path than to organisational loyalty, which, in turn, can result in voluntary turnover De Vos & Meganck, (2009:45-46).

Employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs Christine Ruth Nyanjom (2013). Porter and Steers (1973) ,cited by (Aman Racho Fursso, 2015) suggested that the issue of met expectations was central to the individual's decisions to leave an organization. Each employee has his or her own set of expectations upon entering an organization. Should these expectations not be met, the individual will become dissatisfied and leave.

According to Mobley (1977) cited by Asmara Argeta(2011),suggested that a negative evaluation of the present job leads to job dissatisfaction, thoughts of quitting, and an evaluation of job seeking expectation utility and cost of quitting.

The retention of such employees are shown to be significant to the development and the accomplishment of the organization's goals and objectives especially in building competitive advantage over similar organizations in the phase of increase globalization. An employee's decision to resign from an organization is rarely due to a single event. Most employees leave because of multiple factors-such as less employee compensation package, the work itself, less training and career development opportunity, inappropriate performance management, weak governance and leadership, a stressful work environment and better advancement opportunities elsewhere. As turnover is a symptom of a larger systemic problem such as ineffective retention management, an organization should understand what causes professional employees to commit themselves to being productive and loyal (Bhawana Ahuja, 2016). Fostering commitment means an understanding that employee need to have a stake in their work, and that employees respond when Bank pay attention to their needs and involve them. Development Bank of Ethiopia (DBE) has been the main strategic governmental Bank for the last hundred years, specialized in project financing. In line with this the Bank needs very professional and qualified employees in order to carry out the duties and responsibilities vested on it by the government to attain the maximum customer satisfaction through efficient service delivery and achieve its vision and mission and it needs to retain its qualified and experience staff. Therefore, to achieve quality retention programs, the Bank needs to determine the retention factors relevant to its employees and then focus strategies on these factors.

1.2. Statement of the Problem

According to (Ahlrichs, 2000), cited by Christine Ruth Nyanjom, (2013) Employee retention refers to policies and practices organizations used to prevent valuable employees from leaving their jobs. Knowing employee perception and appraising their retention factors are very important to an organization's achievement. Conversely, each employee in an organization constructs his or her own understanding of an event and assumptions (Argyris and Schon, 1978). It is the understanding of the situation that provokes an action (Weick, 1979; 1995).

Retention of employees is becoming a real challenge in today's operating environment as employers begin to realize the value of people that make up the bank Christine Ruth Nyanjom, November,(2013).According to results of a recent nation-wide employee survey (Kenexa, 2011).the main cause of employee retention in the organizations is Lack of Opportunities for Professional Development (30%), Inadequate Compensation (28%), and Lack of Challenge (27%), Poor Work/Life Balance (20%), Job Stress and Unfair Treatment (20%).

In addition to the above researcher, a number of valuable research studies also conducted in locally such as Biruk Walelgn BOA (2013), Kirubel Arega at DBE(2014), Ayalikbet (2013)and Bekalu (2006)analysis of the causes consequences, and management of employee turnover in the commercial Bank of Ethiopia and practices of promotion and strategies of staff retention in private college in Ethiopia respectively and Egigu Mekonnen on employee retention strategies and organization performance at Awash Tannery (2014).

As Bernadette Kenny reports in "Forbes" magazine, any rate above 85 percent annually is considered healthy and no cause for retention alarm, similarly the Bank's standards of strategic plan is 85% and above.

However, the bank's HRM five years annual BSC performance report indicated that on average of 83% of employee are retained. So it is a cause of employee retention problem.

Therefore, the researcher motivated to assess the employee retention practice in the case of DBE.

1.3. Basic Research Questions

The study seeks to answer the following basic research questions:

- I. To what extent the Bank's workforces stable?
- II. What employee's retention strategies/scheme and programs are currently in place by the Bank?
- III. To what extent are those strategies and programs implemented successfully?
- IV. What is the overall perception of employees on the employee retention practices of the Bank?

1.4. Objectives theStudy

1.4.1. General Objective

The general objective of the study was to assess employee retention practice in DBE.

1.4.2. Specific objective of the study

- To determine the stability of the bank's workforce.
- To assess the practice of employee's retention strategies and programs
- To find out the implementation of employee retention strategies
- To determine employee perception on the employee retention strategy and program
- To identify the major factors of employee retention in bank practices

1.5. Definitions of Terms

To simplify and recognize throughout the study the following terms were used defined

Bank:-is an establishment authorized by a government to accept deposits, pay interest, clear checks, make loans, act as an intermediary in financial transactions, and provide other financial services to its customers (Egigu Mekonnen, 2014).

Compensation:-Refers to all the extrinsic rewards employees receive in exchange for their work (www.kau.edu.sa)

Employee Retention: -refers to policies and practices companies use to prevent valuable employees from leaving their jobs.

Employee Turnover:-The terminations of relationship between an organization and hired employees who receive monetary and other compensations from the organization.

Employee:-refers to a person working in Development Bank of Ethiopia rendering professional service

Job satisfaction:-is an employee's general attitude toward the job.

Professional employees:-refers to employees who possess diploma and above in the area of business and Banking and holding at least clerical position.

Retention: -The condition of retaining (keeping) something.

Human Resource Practices- Organizational practices implemented to motivate, discipline, hire, and train employees (Robbins & Judge, 2007).

1.6. Significance of the Study

Professional employee retention is a universal problem and can challenge any organization in any part of the world. It depends not only on the internal dynamics of the Development Bank of Ethiopia but also on external environment and job market factors. The study will be useful for Bank striving to increase job satisfaction and institutions which are concern with keeping their staff. Government and private organizations will benefit from the study alike. The study will also serve as useful resource for researchers in the area of employee retention.

The study of this research will help management of the Banks, particularly human resources practitioners to have a clear understanding on the causes of employee retention in the Banks and this will help them to design the appropriate strategies to maximize employee retention mechanisms. According to Chiboiwa, (2010), cited by Christine Ruth Nyanjom, (2013) the main purpose of retention is to prevent the loss of competent employees from leaving the Bank as this could have adverse effect on productivity and profitability.

For the practical contributions, this study is expected to provide new solutions and evidence on the usefulness of segmentation techniques for human resource management at Development Bank of Ethiopia.

1.7. Delimitations of the Study

The scope of this study is delimited due to time and budget constraint in the geographical location of Development Bank of Ethiopia at head office and the sample is restricted in different head office departments were selected from Addis Ababa as of December 31, 2016. The respondents were choosing from the sample Bank at head office, which were working present and to make precise research. This research is also delimited to the data collection tools use. There are data collection tools such as questionnaire, interview, observation and experiment. But, the researcher used only questionnaire and interview types of data collection tools for this thesis and also the gathered data were only analyzed by means of descriptive statistics that included frequencies, percentages, means, and standard deviations.

1.8. Organization of the Research Report

The research report was organised into five chapters. Chapter one contains background of the study, back ground of the company, statement of the problem, research questions, objectives of the study, definition of terms, significance of the study, scope of the study and Chapter two contains a gap in the literature relate to employee retention practice in Development Bank of Ethiopia. Chapter three stated description of research design, population and sampling techniques, type of data and tools or instruments of data collection employed, procedures of data collection, methods of data analysis used, data reliability, validity and ethical considerations of the study. The fourth chapter includes findings of the study, interpretations and analysis of findings. The last fifth chapter consists of summary findings, conclusions, recommendations, and limitations of the study.

CHAPTER TWO: REVIEW OF RELATED LITRATURE

This provides an outline of literature review on employee retention, the relevant retention theory, employee retention strategies/schemes and programs, stability of work force and factors influencing employee retention. The specific areas covered here are employee retention and factors influencing employee retention. The chapter is basically concerned with discussing literature by other scholars on the factors influencing employee retention.

2.1. The Concept of Employee Retention

According to (Ahlrichs, 2000), cited by Ali Hussein Alkahtani, (2015), employee retention refers to policies and practices companies use to prevent valuable employees from leaving their jobs. Hiring knowledgeable people for the job is essential for an employer but retention is even more important than hiring and this true as many employers have underestimated costs associated with turnover of key staffs Turnover costs can be incur through issues such as reference checks, security clearance, temporary worker costs, relocation costs, formal training costs and induction expenses (Kotzé and Roodt, 2005). Other invisible and hidden costs such as missed deadlines, loss of organizational knowledge; low morale and client's negative perception of company image may also take place. Organizations should develop human resource policies and strategies, including selection and recruitment, training and development and performance management that reflect their beliefs and principles as well as maintaining acceptable relationships between management and employees. However, some human resource departments merely devise policies that deal with current problems or requirements (Oakland & Oakland, 2001). Retaining good employees is critical to a firm's long term success. One of the major drivers for investing in a retention program is the financial impact of recruiting and training valued employees (Abraham, 2007). Job dissatisfaction can be a cause for labour turnover. Labour turnover levels can be very high in organizations with poor working conditions, undesirable jobs, pay inequities and limited opportunities for advancement (Nzuve, 1997). According to (Glen, 2007), Cited by (Christine Ruth Nyanjom, 2013) good managers' help people stay engaged; bad ones push them towards disengagement.

As stated by Christine Ruth Nyanjom, (2013) main purpose of retention is to prevent the loss of competent employees from the organisation, which could have an adverse effect on productivity and service delivery. This is achieved by providing these managers with information on retention and retention strategies that will ensure that the goals and objectives of the Bank are realised.

Creating a retention strategy means placing the employees' needs and expectations at the centre of the organisation's long-term agenda in order to ensure the professional satisfaction of the employee and create a trusted relationship. In this stable relationship, the employee remains in the organisation by personal choice based on free will and considered decision. Retention of employees is crucial to the overall success of any organisation. Talented and high performing employees should be encouraged to remain in the organisation by designing retention policies that will provide individual employees with opportunities to demonstrate their skills and ensure that they are matched with the right jobs. Such retention policies should, in the view of Nyoka (2006: 2) also include strategies that will enable employees to balance their work life demand with their family life by establishing family friendly policies and enabling flexible work arrangements to accommodate essential personal commitments. With such effective retention policies in place, managers are able to keep the employee turnover at a manageable rate. Phillips and Connell (2003) stated that employee retention involves being sensitive to employees' needs and demonstrating the various strategies in meeting those needs. These strategies, according to Czakan (2005: 8) include career growth and development, competitive compensation benefits, opportunities for training and supportive management. Apart from the strategies mentioned above, employers should use a flexible approach to encourage retention and this approach should consider a number of value-adding components. Such components, Brown (2006: 2) contends include mentoring/coaching, opportunities for skill and career development, as well as flexibility around the frequency and size of performance rewards and incentives. The whole process of retention is to ensure that employees are retained in the organisation, especially employees with valued or needed skills or experience in a scarce/critical field (where recruitment is difficult) competitive advantage. Turnover is a costly expense and a huge concern to employers and must be avoided. Organizations to continue working with their current employees than to encourage labour turnover by hiring new employees. This is may be similar with the Amharic proverb the devil you know is better than the angel you do not know.

It is generally accepted that the quality of an organization human resources represents critical factor for business success. One human resource challenge is how to attract, retain, motivate and develop individual talent and if that is not a challenge, consider the impact of a confused business environment presents, the difficulty of managing a diverse and ever changing legal climate and government regulation. business grows, it often increasingly necessary to attract and retain good employee (Carrell, 1995).Employee retention encompasses talent management which is the use of an integrated set of activities to ensure that the organization attracts, retains, motivates and develops the talented people it needs now and in the future. It is assumed that talent management is only concerned with key people – highfliers. Smolensk, 2005 stated that it is aimed at improving, the ability, availability and flexible utilization of exceptionally capable (high potential) employees who can have a disproportionate impact on business performance (Armstrong, 2006). According to (Deane, 2004), cited by (Christine Ruth Nyanjom, 2013), Retention rate measures what is wanted rather than what is undesirable Effort to Retain Employees. To be effectively retaining workers, employers must know what factors motivate their employees to stay in the organization and what factors cause them to leave. So, reducing employee turnover is a primary goal for almost every human resource professional (Catherine, 2002).According to Irshad,(2009),retention of employees is one of the most important on-going practices of human resource management, efforts to increase employee retention start with improving the recruitment and training process, but continue on to providing challenging, interesting work, a cooperative work environment, and comparable compensation programs Therefore, it is always important to keep professional employees in any organization in order to improve the kind of service that is provided to the relevant customers (Nadeem et al. 2011).

2.2. Concepts of Employee Turnover

According to Rion (2009:8) and Beam (2009) had defined employee turnover as a ratio comparison of the number of employees an organization must replace in a given time period to the average number of total employees. According to Robbins (2003) definitions turnover is the voluntary and involuntary permanent withdrawal from an organization, and a high turnover rate results in increased recruiting, selection, and training costs. However, this study will focus on voluntary turnover.

Type of Turnover

The two general types of turnover which different researchers classified are voluntary and involuntary (Morrell, Loan-Clarke & Wilkinson, 2001).

Voluntary turnover –It is an occurs when employee chooses to leave his/her organization for whatever reason at their own will (Dess & Shaw, 2001: 446).

Involuntary turnover-It is also arises when an employer decides to terminate the employment contract by layoffs and similar actions where the decision for an employee to leave is made by the company and not the employee. Allen (2000) states that involuntary turnover generally occurs for reasons which are independent of the concerned employee such as when organizations incur losses or unavoidable expenses, and perceive the need to cut costs, re-structure or downsize.

2.3. Job Satisfaction to Retain Employee

According to Steyn & Van Wyk (1999), defined as the degree to which individuals feel positively and negatively about their jobs. Job satisfaction occurs when a job meets the expectations, values and standards of an individual and will influence their commitment and performance Gordon, (1999). According to Bateman and Snell (1999), and mentioned by Abuduaini Wubuli, (2009), staff will be satisfied if they are justifiably treated by the outcomes they receive or the processes that are implemented. However, they also warn that a satisfied worker may not necessarily be a productive worker.

McShane and Von Glinow (2005) also claims that, job satisfaction is a multi-faceted concept, that's made up of past and present oriented pleasurable feeling that results when one evaluates his or her work role. According to Robbins (2001:447-449), Hackman and Greg Oldham developed the Job Characteristics Model (JCM). Their research was based on work redesign, which is defined as altering jobs to increase both the quality of employees' work experience and their productivity. As stated by Gordon (1999:439), goals are set jointly with management and workers, and workers are liable for attaining these goals.

2.4. Basic Strategies/Schemes and Programs to Retain Employees

To retain employees in the organization requires having strategies and program.

Employee Retention Strategies/Schemes

All employees are an investment. Some bring a good return while others are less worthwhile. Either way, their departure means that the opportunity to obtain any return in future is forfeited (Hakett, 1996). The first few weeks in a new environment are generally very difficult and it is during the first three or four months of employment that the highest proportion of resignation occurs. Therefore, the first few months of employment can be the most critical in determining whether a new recruit will stay with the organisation. The reception he or she is given on their first day and the help and guidance they receive while settling in may be very important.

Managers need to have a clear understanding of the needs, abilities, goals and preferences of the workforce (Pendulwa, 2011). According to, Rehman, (2012) & Achoui and Mansour,(2007) to improve retention by taking in to consideration of the many factors such as better recruitment effort, review job content, compensation practices, leadership and supervision, career planning and development, alternative work schedule, working conditions, non-work factors, team building, centralization, organization communication and commitment, counselling leavers, flexible working hours, compressed work week, employee involvement, proper exit interview policies for turnover, and recognitions In addition to the above, given the growing needs for organizations to retain best employees they face a competition. Samuel and Chipunza (2009) in their findings suggest that, certain variables are crucial in influencing employees' decision to either leave or remain in an organization. Such variables include training and development, recognition/reward for good performance, a competitive salary package and job security. Nonetheless, the importance of other variables should not be under estimated when formulating a retention policy. It is only a comprehensive blend of intrinsic and extrinsic motivational variables that can enhance retention and reduce the high rate of employee turnover in various organizations (Nadeem et al. 2011). So, for those organizations who are struggling of retaining employees they must understand the requirements of the employees and the factors discussed below. This could help in retaining the best professional employees for the long run success.

According to Kim et al. (2005), empirical evidence suggests that the establishment of well-defined organizational goals and objectives influence employee retention and study on corporate orientation found that organizational direction and support had a significant impact on employee job satisfaction and overall commitment. Results of empirical studies of lodging properties in Central Florida confirmed that hourly employees' retention was predicted by self-fulfilment and working conditions, even over monetary rewards (Milman& Ricci, 2004). Other studies posit that retention practices such as job enrichment, workspace characteristics and socialization can reduce turnover and its effects (Boles et al., 1995).

Numerous like Becker and Huselid, 1999; Huselid, 1995; Milman and Ricci, 2004 studies examine the impact of hiring and promotion practices on retention; made a case that firms wishing to succeed in today's global environment must make adequate HR investments and build employees who possess better skills and capabilities than their competitors. As mentioned by Huselid (1995) and Becker and Huselid (1999), selective hiring procedures are necessary to ensure effective retention of the most qualified employees while lowering employee turnover in the long term. One tool that can assist with ensuring proper screening of candidates is pre-employment tests. Cho et al. (2006) theorize that the practice of reemployment testing and the result of candidates passing such skill-based tests can heighten new hires' sense of organizational commitment. However, their research also found that once employees are on-board and seek upward mobility, promotions can actually increase turnover rates of non-managerial employees if not practiced appropriately. For example, in instances in which inadequate employee training and development exist, employees can become frustrated and stressed by assuming greater responsibility for which they are ill-equip. The research study by Dienhart , (1992), found that there were positive relationships between customer centeredness and the employees' constructive views of job involvement, job security and satisfaction. If employees feel the company takes good care of them, they are, in return, likely to take time to provide a better service to meet and/or exceed customers' expectations. This will likely lead to higher satisfaction among those customers and to better employee performance, thereby making them less likely to leave (Arnett et al.,2002), positively impacting employee retention.

A study by Kim et al. (2005) also revealed that employers with strong customer-centeredness and employee focus have a positive impact on employees' job satisfaction

and overall organizational commitment, thus significantly reducing employee turnover. Several studies show that training activities are correlated with retention (Walsh and Taylor, 2007; Becker and Huselid (1999), argue that the economic returns of extensive training are more likely to be captured by the firm if employees are motivated to stay and contribute to the firm's success fostered in part by selective hiring, competitive pay packages and team-orientated work environments. Youndt et al. (1996) theorize that human resource practices designed to develop talented and team-oriented workers improve employee productivity and customer satisfaction. According to Shaw et al. (1998), organizations with substantial training opportunities should experience lower turnover rates. But, an interesting finding by these researchers included a positive relationship between training and the discharge rate. They theorize that companies that provide more training are concerned about employee skills and performance and thus experience a high percentage of employee terminations. Conversely, companies that experience a high discharge rate initiate training programs because of lower workforce skill levels (Shaw et al., 1998). In a recent study of young professionals, respondents rated formal and professional job training lower on their challenging work scale, indicating that the type of learning that respondents sought occurs through actual work experience (Walsh & Taylor, 2007). According to (Huselid,1995), prior empirical work has consistently found that use of effective human resource management initiatives enhances employee retention. Specifically, selective recruitment and training procedures, working environment, labour-management participation programs and performance Management, promotion and incentive compensation systems that recognize and reward employee merit have all been linked with valued firm-level outcomes (Huselid,1995).

Retention factors are utilized as an important topic for managers, organizations and organizational researchers (Abbasi and Hollman, 2000). Consequently, retention of talented employees can be a source of advantage for an organisation. However, there are challenges in attempting to retain these employees. Compensation, job characteristics, training and career development opportunities, leadership, the work environment and Performance management were identified as the top six retention factors. Companies try to keep valuable employees with their cutting edge knowledge and skills, but the demand for high technology employees with skills have qualified (Murphy, 2000).

Employees who succeed in changing dissatisfying work situations will lower their dissatisfaction and with intent to leave changed to intent to remain, the likelihood increases that these employees will ultimately remain with their organization (Steers & Mowday, 1981). It is the primary responsibility of the management to identify talented and high performing individuals in the first place and they should be recognized on merit in every aspect including monetary rewards (Sigler, 1999). Many of the conditions that cause people to leave are unable to attract new applicants (Susan & Schuler, 2000). Employee turnover can be extremely costly to an organization as the company loses income for every professional or managerial employee who leaves (Torrington et al, 2008). Specific employee retention strategies are reviewed below.

Employee Retention Programs

As stated by (Montgomery, 2006) cited by International Journal of Economics and Financial Issues Vol 5 Special Issue 2015, Training and development programs can increase retention when they meet the needs of the employees and meeting employee needs through training programs occur when the information provided is perceived as useful, applicable and desirable by them. He further suggests that the keys to employee retention are skills development, competence of management, and rewards both psychological and financial. A successful retention strategy must include training (Roberts and Outley, 2002). Training helps to create an urge among the employee to stay in the organization for a longer period. Professional training and career development programs should be an essential part of the organization policies. The organizations should encourage employees to participate in training programs. According to Baer, Flexer, Luft and Simmons (2008) an individual's career development is a lifetime process that encompasses the growth and change process of childhood, the formal career education at school, and the maturational processes that continue throughout a person's working adulthood and into retirement. Executive coaching is a one-on-one relationship in which a (typically external) coach works with an executive-level employee in order to facilitate behavioural change by increasing self-awareness (Joo, 2005). According to Jeromey Boettcher (2009) onboarding is a process of spending time with an employee to help them understand the inter-working of the company, and allow them to get a sense of belonging.

Major Factors that Affecting Employee Retention under the Bank Strategies and programs

2.4.1. The Work Itself

The factors involved are interesting and challenging work, responsibility (feeling that the work is important and having control over one's own resources), autonomy (freedom to act), scope to use and develop skills and abilities, the availability of the resources required to carry out the work, and opportunities for advancement.

The most significant influence over employee retention appears from the nature of the work given to them. Sharma and Bhaskar (1991). Whether a person enjoys performing the work itself has a major effect on overall employee retention. People who view their jobs as boring, dull, or unchallenging tend to have low levels of job satisfaction (Lussier, 1990). Supporting this Lock, as cited by Muchinsky (1990), generalized the following: Tiresome work is dissatisfying, personally interesting work is satisfying, and mentally challenging work that the individual can successfully accomplish is satisfying. Three of the most important aspects of the work itself, as considered by Feldman & Arnold (1983) as sources of job satisfaction were: workers who were permitted to decide how that job should be done found to be more satisfied than who were not given such chances. Workers who had chances to use valued skills and abilities were found to be more satisfied than others who didn't have such chances. And an employee who works on a whole piece of work or if his personal contribution to the whole is clear and visible, was found to be more satisfied.

Other studies emphasized that besides the work situation, personality of the individual contributes for employee retention. For example, Miner (1992) pointed out that some people continue to seek out situations where they will be satisfied, while others are drawn toward situations where they will not. Despite this difference, forces internal to the individual and external forces do operate to determine job satisfaction. Moreover, Spector (1996) stated that job satisfaction is partly caused by underlying personality of the individual. Some people are predisposed to like their jobs, whereas others are predisposed not to like their jobs.

2.4.2. The Work Environment

According to Luthans (2006) employees are highly motivated with good working conditions as they provide a feeling of safety, comfort and motivation. On contrary, poor working condition brings out a fear of bad health in employees. The more comfortable the working environment is more productive will be the employees. These include work processes, equipment and facilities, and the physical conditions in which people work. A supportive environment will be one in which proper attention is paid to achieving a satisfactory work–life balance, emotional demands are not excessive, attention is paid to providing healthy and safe working conditions, job security is a major consideration and personal growth needs are taken into consideration. An inspirational environment will be where what John Purcell and his colleagues (2001) refer to as ‘the big idea’ is present – the organization has a clear vision and a set of integrated values that are ‘embedded, collective, measured and managed’.

The environment is affected by the organization’s climate, which, as defined by French *et al* (1985), is ‘the relatively persistent set of perceptions held by Bank members concerning the characteristics and quality of organizational culture’. It is also directly influenced by its work and HR practices. As Purcell (2001) points out, the way HR practices are experienced by employees is affected by organizational values and operational strategies, such as staffing policies or hours of work, as well as the way they are implemented. He also emphasizes that work climate (how people get on in the organization) and the experience of actually doing the job (pace, demand and stress) all influence the way employees experience the work environment. This has an important effect on how they react to HR and reward practices and how these influence organizational outcomes. Employees react in a number of different ways to practices in their organization, and this affects the extent to which they want to learn more and are committed and satisfied with their jobs. This, in turn, influences engagement – how well they do their jobs and whether they are prepared to contribute discretionary effort.

2.4.3. Opportunity For Training And Career Development

According to Latham (1988), Employee training is defined as the systematic acquisition and development of the knowledge, skills and attitudes required by employees to adequately perform an assigned job or task to boost performance in the job environment. If the training is relevant and if it is efficiently and effectively designed and delivered, it should impart new knowledge and skills as well as meet the employees' and organizational needs. When the results of training is reflected by improvements in relevant knowledge and the acquisition of relevant skills, employee job performance should also improve provided that the skills learned in training transfer to the job (Salas, 1999).

Improvement in performance such as productivity, quality and services are the training outcomes provided that the job is strategically aligned to the organization's needs. For an individual employee, if their desired needs are fulfilled through the training programs provide, there is no doubt that the desired outcome by the organization, retention on employees, will be reached. Huselid (1995) suggested that perceptions of HR practices such as providing training and job security by the company are important determinants of employee retention. Moreover, some studies also state that HR practices such as benefits and training are positively related to retention because the practices motivate employees and lock them to their jobs which is so called employee retention. According to Landsman (2004), he suggested that training is a valuable activity for enhancing skills and improving staff performance and that training can address some of the factors contributing to staff retention, such as perceived support from the supervisor, the agency and community. Training can define roles more clearly to employees thereby minimizing job stress. Organizations with sufficient training opportunities should thus have a higher retention rate. Training alone, however, cannot address all of the factors contributing to staff retention such as excessive caseloads and promotional opportunities within the organization. It is therefore reasonable to say that training can play a role in improving retention but it may not be sufficient to improve retention if other systematic barriers are not addressed. The level of promotion has a stronger impact on job satisfaction as compared to recognition and achievement. The promotion to the next level will result in positive changes such as pay, autonomy and supervision, Arnold and Feldman (1996).

However, Hoy and Miskel (1991), warns that those top achievers promoted too quickly can result in dissatisfaction amongst loyal, intelligent but less creative senior workers. The human resources department, at most times, is constantly asked the question does the job position entails opportunity for advancement (promotion).

Locke (1976) advocates that the wish to be promoted stems from the desire for psychological growth, the desire for justice and the desire for social stays. Management should therefore bear in mind, that promotion can serve as a very positive motivating tool in ensuring that the employee attains goals at a higher level. Martensen and Gronholdt (2001) also found that the development of individual competencies through various training programs has a positive impact on employee satisfaction. When employees attended to training programs, they achieve self-confidence of making their jobs, they observe career development opportunities and they think that their companies make investment in them. As result of this positive situation, employee satisfaction increases Jun.M. (2006).

2.4.4. Leadership

The degree to which jobs encourage engagement and positive discretionary behaviour very much depends upon the ways in which job holders are led and managed. Managers and team leaders often have considerable discretion on how jobs are designed, how they allocate work and how much they delegate and provide autonomy. They can spell out the significance of the work people do. They can give them the opportunity to achieve and develop, and provide feedback that recognizes their contribution. Although there is no ultimate definition of leadership exists Yukl, (2002), the majority of definitions of leadership reflect some basic elements include, group, influence, and goal Bryman, (1992). Leadership is associated with management, although the emphasis in leadership is on development, strategy, vision and adapting the organization to a changing environment.

Management is about planning, organizing and controlling, both human and non-human, to achieve the goals and objectives Riggs, (1997). As leadership focuses on the social exchange relationship between leaders and employees, possible outcomes such as subordinate satisfaction, supervisor satisfaction, performance, commitment, role conflict, role clarity and turnover intentions et. al.2011); Yukl, 2002) can be observed. Staff-related tasks like delegating, informing and communicating also correlate positively with employee retention.

Howell and Avolio (1993), suggest that an awareness of the role of leaders and the effect of leadership style provides a partial explanation for developing organizational effectiveness.

This is consistent with the findings of leadership theorists who suggest that the presence of certain leadership styles may significantly influence employee motivation and ultimately company performance.

2.4.5. Employee Compensation

Compensation is something, typically money, rewarded to someone as compensation for injury, loss or suffering or money received by an employee from an employer as a salary or wage. Compensation is not only in the form of money (Reville, Boden & Biddle, 2003). It can also be in non-cash form. Benefits, such as pension, life and health insurance, retirement plans and allowances that include company cars or subsidized transportation, all represent a significant pay element in many large firms. In addition, for organizations where tax advantages and economies of scale of purchasing that make it economically advantageous for the firm to provide these elements, the compensation and benefits are always viewed as tools for attracting and retaining desired employees (Hauser & Baggett, 2002).

As mentioned by McNamara (2008), compensation includes issues regarding wage and/or salary programs and structures accruing from job descriptions, merit-based programs, bonus-based programs, commission based programs and so on, while benefits typically refers to retirement plans, health life insurance, disability insurance, vacation, and so on. In addition as Werner (2001) and Martineau T and colleagues (2006) indicated compensation and benefits packages entail some basic features that tend to make employees satisfy on their job. The importance of how payment determines job satisfaction varies among different studies. For example, Lawer&Porter, as cited in Feldman & Arnold (1983), indicated that amount of payment in the form of wages and salaries were found to be very positively related to job satisfaction. Moreover, Dyer & Theriault (1976) revealed that keeping other things equal, level of payment correlate well with payment and job satisfaction. Organ & Bateman (1991) suggested that the most satisfied groups typically earn higher salaries than do other occupational groups. But, they noted that money is not the only source, or even the most important source of job satisfaction. Extending their explanation, they pointed out that insufficient pay or the perception of inequitable pay is a more decisive determinant of job dissatisfaction

than sufficient or fair pay to determine job satisfaction. Moreover, Deci & Rayonas cited in Devoretzky (1994) stated that increasing a person's salary and reward doesn't always increase job satisfaction.

In addition, researchers have agreed that rewards offered by organizations may have a powerful impact on employees' attitudes towards their jobs and the company for which they work (Lincoln & Kallerberg 1990). Moreover, Cole (2002) infers compensation as strategic to the organization's goals and thus should be able to ensure employee satisfaction. Even though research findings vary how strong the relationship between payment and job satisfaction is, they support the idea that payment is one key determinant of job satisfaction. First, money is a means of satisfying several important needs of individuals such as food, shelter, clothing, and to pursue value - leisure interests outside of work. Secondly, pay serves as a symbol of achievement and as a source of recognition. Employees often see pay as a reflection of management's concern for them (Feldman & Arnold, 1983). Supporting this idea, Lussier (1990), Organ & Bateman (1991), and Spector (1996) indicated that money has a rich and complex symbolic meaning to most people.

Research has shown those employees' positions and length of employment traditionally determine wages in most companies. A number of studies have shown evidence that compensation satisfaction plays an important part in employee retention. DiPietro and Condly (2007) used the Commitment and Necessary Effort (CANE) model of motivation to find out how hospitality employees are motivated. They discovered that non-financial compensation or the quality of the work environment played an important part on employee turnover intentions. Companies are in danger of creating an unsatisfactory working environment if there is no any compensation planning. There are also numbers of researchers who demonstrate that there is a great deal of inter-individual difference in understanding the significance of financial rewards for employee retention (Woodruffe, 1999).

2.4.6. Performance Management

Performance Management is a process of inspecting and evaluating an individual's performance in his or her duty to facilitate the decision of career development of the individual. It evaluates the individual's overall contribution to the organization through assessment of his or her internal characteristics, working performance and his or her capability to pursue higher positions in organization (Gruman & Saks, 2011). In order to

enhance organizations' ability to survive through turbulent environment, most top corporations take great care in managing the performance measures of their employees. It is common understanding that top talents are keys to business success today, but how accompany manages its talents or human resources would be fundamental to the success where the effective structure of performance measurement would ensure that a company fully utilizes its competitive resources to a maximum. As extracted from the literature review, performance Management plays the role as a medium of communication between management and employee. An effective appraisal would result in enhanced employee development from feedback as well as better employee satisfaction comprehension by company.

However, if appraisal is simply applied as a tool of measurement and monitoring, problems would arise where tension would overwhelm both the evaluator and respondent. Webster,

Beehr and Love (2011) studied how work stressors cause role ambiguity and conflict and subsequently increased job dissatisfaction and turnover. It is mentioned in the literature review that appraisal can be stressful to both evaluator and respondent if both parties do not take its importance seriously or a confusing message is produced from the appraisal. Similar to a negotiation, stress can affect an employee's job performance where he or she might be too concerned with the effect of the appraisal to career development or compensation (O'Connor, Arnold & Maurizio, 2010).

2.5 Successful Implementation and Employees Perceptions on Retention

These HR practices can help the employee in deciding the intentions of an employee whether to stay in the organization or not (Chew and Chan, 2008). As stated by Armstrong, (2006) cited by Mariam Kathini Maliku (2012), employee retention refers to how an organization keeps their employees from leaving the organization thus coming up with retention strategies to ensure that employees remain in the company and HR practices can be especially powerful in enabling an organisation to achieve its retention goals. As stated by International Journal of Economics and Financial Issues Vol 5 Special Issue 2015, the organizations should encourage employees to participate in training programs. Retention of good employees in an organization is one of the biggest challenges, which the companies' now-a-days are facing. Management, top-level executives and HR departments of the companies are splitting their sweat and blood, spending their time, effort, and money to stop turnover and to retain key employees. There are innumerable reasons regarding voluntarily good-bye of the people from their organizations in which they work. Recruitment and Selection are the activities that are at the origin of human resource management. In other words, recruitment and selection are the main activities of human resource management. Recruitment is the process of looking for suitable candidates willing to offer services to an organisation. Organisations usually invite a good number of aspiring employees judged as qualified from which the best candidates are then selected to fulfil the job requirements. Selection has to do with the collection of details concerning the background of the candidate to evaluate and choose suitable candidate to be employed for the job (Nde, Martin Nche, 2012.P)

According to (VanMaanen&Schein, 1979, p.209-264), cited by Jeromey Boettcher (2009), Socialization is broadly defined as "a process in which an individual acquires the attitudes, behaviours and knowledge needed to successfully participate as an organizational member" Similarly according to (Bassi & Van Buren, 1998) cited by (Sean Albert McSherry Foley Fall, 2010), socialization training can take numerous forms, including orientation training, job skill training, or legal liability training. However, the most common form of socialization training employed by organizations is orientation training orientation training is a form of socialization training intended to introduce new employees to their jobs, organizations, and the people with whom they will work (Klein & Weaver, 2000).

2.5. Stability of Workforce

According to the five consecutive fiscal years of DBE's HRMD employee retention trend report the number of employee retention in the Bank in 2011/2012 is 84%, 2012/2013 is 83%, 2013/2014 is 84%, 2014/2015 is 82% and 2015/2016 is 83%. As observed from DBE five years HRMD employee records, DBE faces professional employees' retention problem or unstable workforce. Besides, the data shows that the average number of employees retained in the Bank under review periods is 83% employees per annum. Retention rate measures what is wanted rather than what is undesirable (Deane, 2004). Similarly, the researcher conducted an interview question about the reasons employees leaving the Bank, the Bank's director replied as employees leave the Bank due to various reasons but majority of them leave the Bank due to salary and benefits since new Banks offer higher salary and benefits which is beyond the scale of DBE.

In the strategic planning of the Bank the tolerable retention rate is 85% and above. However, the data reflects that the professional employees' retention rate is less than the tolerable retention rate set by the Bank. This shows that the Bank faces professional employees' retention problem. Stability of workforce is a degree to which workers remain employed with an organization and it has a number of advantages for the Bank's health, for workers, for customers, for suppliers, for investors, for the industry, and for the economy at large.

2.6. Conceptual Framework

The thesis conducted conceptual framework which was more emphasis between independent variables and dependent variable. A conceptual framework is not merely a collection of concepts but, rather, a construct in which each concept plays an integral role. According to Miles and Huberman (1994), a conceptual framework lays out the key factors, constructs, or variables, and presumes relationships among them

Under the figure 2.7.1 below given emphasis to the independent variables for this study that was stability of the Bank's workforce, successful implementation of strategies/schemes and programs (the work itself, performance management, employee compensation, leadership and training & career development) and perception of employees on the employee retention practices and employee Retention in the Bank which was dependent variables.

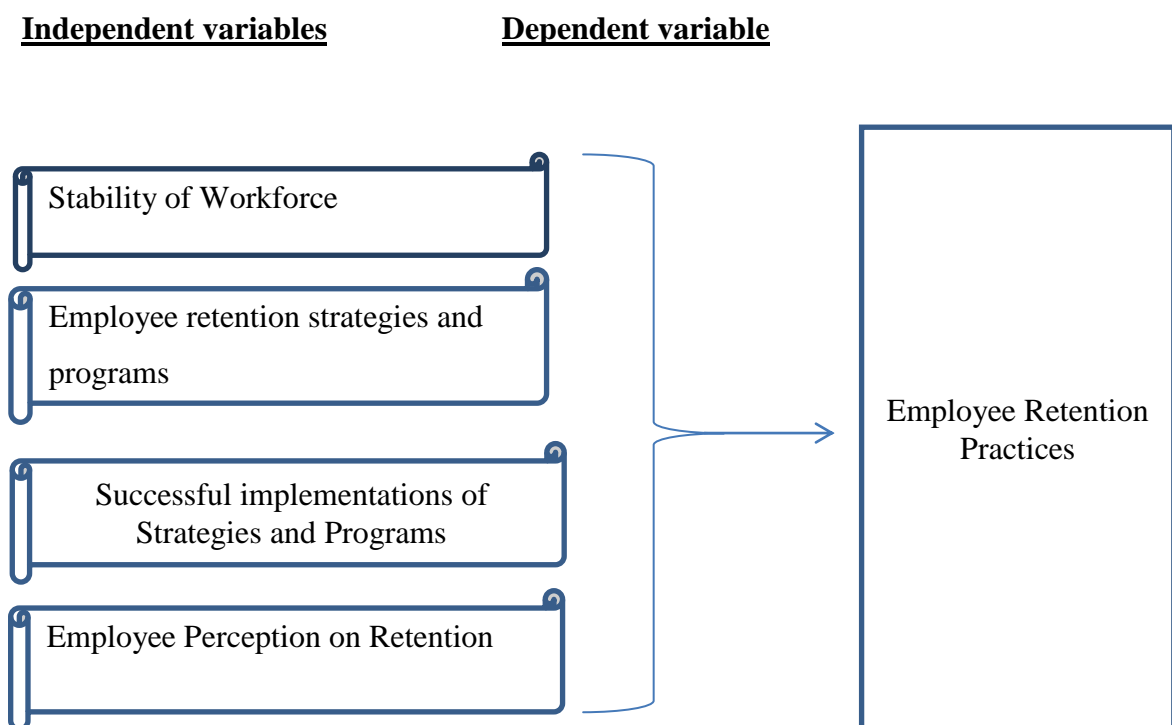


Figure 2.7.1 Researcher's own construction

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

These sections include an outline of the research methodology and comprise of the following sub sections:

3.1. Research Design

Research design refers to the overall strategy that researcher choose to integrate the different components of the study in a coherent and logical way. A research design is a plan or a blueprint of how to design conducting the research (Babbie and Mouton, 2001). Since this research contains clear objectives derive from basics research questions and specifies the source. This method was also used to measure and use some qualitative information to know the current conditions of Development Bank of Ethiopia with regard to employee's retention factors.

Descriptive research examines a situation as it was and enables us to understand the way things were (Welman and Kruger (2004)). Therefore, a descriptive research survey is employed to conduct the study and to assess employee retention practice in the Development Bank of Ethiopia.

Both quantitative and qualitative data is utilized to conduct this study. The quantitative approach was applied to identify the trend factors of employee retention practice in Development Bank of Ethiopia. Some qualitative information was gathered from the organization by using interview check lists.

3.2 Population and Sampling Techniques

For this study, the population were permanent professional employees of Development Bank of Ethiopia who were working in Addis Ababa and the target population of this research refers to the 705 professional employees out of those 158 employees includes in the sample frame from Head Office different departments in a city of Addis Ababa as of December 31, 2016

Under probability sampling the researcher grouped the population into five (5) thematic groups/Vice Presidents namely; VP Customer relationship Management, VP project Appraisal & Portfolio Management, VP Branch Lease & Project Financing, VP Banking & Finance and VP corporate service. There searcher used simple random sampling techniques by using lottery method from each strata for current employees. Stratified sampling is used to achieve representation of the respondents. The respondents were stratified on the basis of their thematic groups (Vice presidents) the stratified sampling was applied in order to identify the number of sample employee selected by self-administered from each head office Vice Presidents.

Table 3.2.1 Population and Sampling Techniques

Random Sampling of the Study Population(kinds of respondents)	Target Population	Sample Size	Sampling Design
VP Customer Relationship Management	133	35	Strata
VP Project Appraisal & Portfolio Management	153	33	Strata
VP Branch Lease & Project Financing	43	19	Strata
VP Banking & Finance	162	56	Strata
VP Corporate Service	204	15	Strata
Total	<u>705</u>	<u>158</u>	

Source: DBE HRMD Data Base December 31, 2016

The stratified random sampling was used to identify the employee of each Head office VPs 158 employees fill the questionnaires. Therefore, the sample from each thematic group obtained by using the method of proper allocation proposed by Kothari (2007) in which the size of the samples from each Vice Presidents kept proportional to the total sample size of the study population. Finally random selection carried out from each site to select representatives among the study population. Even if, a total of 158 respondents were selected from the employee or non-management staff, at the same time the researcher also include management staffs by the method of judgemental sampling techniques through interview.

The researcher used Yamane's (1967:886) simplified formula to calculate sample sizes. This formula was used to calculate the sample sizes

$$n = \frac{N}{1 + N(e)^2}$$

Where:-

n: is the sample size-----?

N: is the population size -----705

e: is the level of precision-----7%

Therefore, representative sample of population is determined at 93% degree of confidence.

Hence at 93% degree of confidence,

$$n = 705 / (1 + 705(.07^2))$$

$$n = 705 / (1 + 3.4545)$$

n= 158.26 which was approximately equal to 158

According to table of sample size determination developed by Yamane's (1967:886), at 93 present degree of confidence, the representative sample size for 705 populations was equal to 158. This was similar with the above-calculated result. Therefore, 158 employees were participated on survey.

Source: Yamane's (1967:886)

3.3. Source of Data and Data Collection Tools Used

For this study both primary and secondary data sources were used. Managers and Employees of the Bank used as the primary sources of data because this gathering in a survey were personal interviewing, telephone interviewing and self-administered surveys data was collected by a questionnaire. The questionnaires were develop by the researcher on the basis of literature review and distributed for current working employees to collect quantitative data which, used to fulfil the objectives of the study. Whereas annual reports of DBE, Bank's website, documents, minutes, Strategic Planning document and unpublished materials that the personnel management kept for administrative purposes were used as secondary source of data because it tends to be readily available and inexpensive to obtain. Questionnaires were used as primary data collection method and helpful instruments for observed data beyond the physical reach and allow large area coverage; therefore, the researcher employed this instrument to gather information and views from employees and managers.

Document review of annual reports of the DBE, previous research, minutes, unpublished materials and strategic planning document of the Bank are also used to collect secondary data's to reference the study with actual and support facts. Quantitative data analysis involved because of computation of descriptive statistics mostly percentage and qualitative data analysis on the other hand involved factual and logical interpretation, comparison and explanation of study findings. The researcher narrated the findings in words especially the data that were obtained through documentary sources and observation.

3.4. Procedures of Data Collection

The following procedures were strictly followed by the researcher to collect the data required for the study.

Data collection tools that were questionnaires and interview check list were prepared and develop for current employees of the Bank at head office. The questionnaires was delivered by hand to the respondents at their duty stations during working hours, after questionnaires stayed for one week the respondents were filled data then collected by researchers, respondents and his friends. The researcher after collected and amended the questionnaire he was made Correction from the total distributed questionnaires based on the feedback obtained from the respondents of the Bank. Interview session was also conducted with the management staff, HRM directorate and the information obtains was compiled accordingly.

Finally, researcher used Statistical Package for the Social Sciences (SPSS) software for processing data.

3.5. Data Analysis Method

Data analysis means the categorizing, ordering and summarizing of data to get answers to research questions (De Vos, AS, Strydom, H, Fouche, CB &Delport, CSL, 2005). Hence, the researcher obtained data through responses of questionnaires was organize into MS-Excel spread sheets and compiled at first. Then the data was summarized, edited, coded, tabulated and analysed. Descriptive research can be either quantitative or qualitative. It involves collections of quantitative information that can be tabulated along a continuum in numerical form. Therefore, for this study, combinations of both qualitative and quantitative analysis were employed. The qualitative analysis used to describe the existing scenarios regarding employee retention in the Bank in comparison against the given theoretical framework. In addition, in this research descriptive statistics techniques were used. Frequency count, percentage, mean and standard deviation were employed to analyse the responses of the respondents on the assessment of employee retention practice. Descriptive statistics data analysis method was applied to analysed quantitative data where data was scored by calculating the number and percentages. Qualitative data analysis method was also employed to analyse qualitative data gathered used the interview check list and documents from the department Furthermore, to assess employee retention practice Likert-type scale ranging from strongly disagree =1, disagree=2, neutral=3, agree=4 and strongly agree=5 are use.

3.6. Reliability and Validity of Instruments

Data qualities were explored through reliability and validity of the information collected through the field.

3.6.1. Reliability

Reliability is the degree of consistency measurements of the same thing (Mehrens and Lehman, 1987). The measure of how stable, dependable, trustworthy, and consistent a test is in measuring the same thing each time is reliable (Worthen et al., 1993). The researcher can use suitable method for reliability of research. Wolf and Pant (2007) suggest the reliability of the measurement be obtain by- Spilt-half or dividing a measurement into at least two equivalent parts (p. 153). Gib (2007) suggests the procedures.

Reliability is defined as the accuracy or precision of an instrument and also the extent to which the independent administration of the instrument will yield a similar or same result under comparable situation De Vos, Strydom, Fouche and Delport (2011).

The reliability of the instrument was checked by using Cronbach's alpha. It was tested by using SPSS. The standard value of reliability is 0.7 and results indicate the value of 0.89 which is well above of the standard value 0.7 and thus is reliable.

Table 3.6.1.1 Cronbach's Alpha

Employee retention practice	No of Items	Cronbach's Alpha
Availability of employee retention strategy & program	13	0.89
Implementations of retention strategy & program ³	15	0.88
Perceptions of employee on retention practices	24	0.88
Stability of workforce	17	0.92
Total		<u>0.89</u>

3.6.2. Validity of Instruments

Before the data collection made, researcher developed the questionnaire based on the literature review by addressing the basic research question and tested the data collection tools via pilot test and also properly incorporate experts and the research Advisor's comments, suggestions and all required information to valid the study.

Validity indicates the soundness or extent to which an instrument measures the construct was aiming to measure Goodwin (1995).According to Trochim, (2005) cited by Mary Calist Irema, (2015) data validity refers to empirical measurement which adequately reflects the real meaning of the concept under study. Churchill, (2007) defined validity as the extent to which the instrument accurately measures what was intended and supposed to measure.

3.6 Ethical Considerations

This study would fully consider the ethical matters of the Development Bank of Ethiopia. The study would observe the non-negotiable value of honesty and fairness. The researcher also enables the respondents to make a voluntary consent to participate in the study and without disclose the name of employee to the third parties. In addition, the researcher distributed the questioner without any discrimination and provide free of personal opinion. Similarly, the researcher gave proper acknowledge or cited the source that used during the study and the respondents became more open to provide better information needed to be gathered for the study. There are also several reasons why it was important to adhere to ethical norms in research. Such as norms promote the research, a great deal of cooperation and coordination among many different Bank employee's in different disciplines and managements, help to ensure that researcher can be held accountable to the organization, the research also help to build Bank support for research.

CHAPTER FOUR: DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1 Introduction

This chapter presents analysis and interpretation of the study result. The questioners were distributed to the 158 respondent. While 143 responses were collected (i.e 91%) of the questioners were analyzed. This implies that the responses were put in place at excellent and representative of the sample. According to Mugenda and Mugenda (1999) stipulation that a response rate of 50% of the questioner is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and above is excellent. For the data analysis the statistical software version 20.0 was used to input the collected data and to find out the output information. The collected data were analyzed by means of descriptive statistics that included frequencies, percentages, means, and standard deviations.

4.2 Demographic Information of Respondents

The reviews of literature of demographic factor variables that have been found to have stable relationship with retention like age, gender, education, experience , position, and income levels. These have influenced employee retention overtime. Demographic factors have been chosen because they have an influence on employee retention strategies. Several studies in which demographic factors have been employed to investigate work environment, work itself, opportunities and career development, leadership and compensation package have shown that they are strong predictors of retention (Furnham et al. 2009; Kavanaugh et al. 2006;and Sorensen 2008; Schroder 2008).

Table 4.2.1 Demographic information of respondents Vs Employee Retention**(F=Frequency, P=Percentage)**

Variable		F	P
Gender	Female	37	25.9
	Male	106	74.1
	Total	143	100.0
Age of the respondents	<26 years	87	60.8
	26 up to 35 years	54	37.8
	36 up to 45 years	2	1.4
	Total	143	100.0
Education level of the respondents	Technical school graduate	1	.7
	BA Degree	123	86.0
	MBA Degree	19	13.3
	Total	143	100.0
The Position of the respondents	Trainee junior officer	76	53.1
	Officer	21	14.7
	Sr. Officer	42	29.4
	team manager	4	2.8
	Total	143	100.0
The salary range of the respondents	10759 up to 14115	35	24.5
	2935 up to 10759	107	74.8
	14115 up to 26110	1	.7
	Total	143	100.0
The experience of the respondents	0 up to 5 years	114	79.7
	6 up to nine years	26	18.2
	10 up to 20 years	2	1.4
	21 up to thirty years	1	.7
	Total	143	100.0

Source: Survey, 2017

Table 4.2.1 reveals that the breakdown of the sample respondents selected from the DBE in terms sex composition, range of age, educational qualification, position, salary range and length of services. A total of 143 respondents participated in this study.

It can be observed from table 4.2.1 that the gender distribution of the selected sample. The male respondents are taken a lion share of the respondents which is (n=106), 74%. The female respondents (n=37) encompass 26% of the sample. The most studied and the most consistent in its relationship to retention is the employee's age supported by Ahuja, (2007) on the IT industry in India. They found that age had a modest but significant effect on employee retention. There are different perceptions of job satisfaction and motivation across the age spectrum. In their separate studies on retention of healthcare professionals, they found younger nurses had lower levels of job satisfaction while the older age group of 40 and above had higher levels of job satisfaction (Griffeth, 2000; Kavanaugh, 2006; Wilson et al. 2008).

Table 4.2.1 reveals that the respondents whose age is younger than 26 years old accounted (60.8 %, n=87) and (n=54 or 37.8%) of the respondents was between the ages of 26 and 35 years old. n= 2 or 1.4% of the respondents fell between the ages of 36 and 54 years old. This implies that most of the experienced employees were released, as a result the Bank is recruited the fresh graduated. This also indicates that there is less knowledge transferring between the superior and subordinates as a result the Bank might not able to discharge the duties and responsibilities in effective and efficient manner. The result of the study is also supported by (Griffeth et al. 2000). According to Crawly (2005) Level of education or qualification is found to be positively associated with retention suggesting that the more educated employees are, the more likely they're to quit. As can be seen from table 4.2.1 majority of the respondents have BA degree which is 123 (86%). 19(13.3%) have a master's degree and technical school graduate were taken a share of 1 (0.7%) from the total respondents. This indicates that the majority of the Bank employees have BA degree holders.

As indicated in table 4.2.1 also the position of respondents ranges from trainee junior officer to Team manager. From the total number of respondents 76 (53.1%) are trainee junior officer, 21 (14.7%) are officer, 42 (29.4%) senior officer and 4 (2.8%) are team managers which are lower level management members. This implies that the Bank do not have strategies to retain the experienced employees. Higher income levels are significant for employees to be retained.

A large number of studies have examined the relationship between pay and retention and have found a consistent association between larger salaries and lower rates of attrition (Kelly, 2004; Stockard and Lehman, 2004; Johnson and Birkeland, 2003; Ingersoll, 2001). As indicated in table 4.2.1 a majority of the respondent 107 (74.8%) earned a salary range between birr 2935-10,759. Following to that birr 10,759-14,115 salary range take a share of 35 (24.5%) from the total respondents. The remaining respondent's salary range between 14,115 and 26,110 takes a share 1(0.7). The finding of the study is also supported by the above author.

It can be viewed in table 4.2.1 shows that the majority of the respondents (n = 114 or 79.7%) had 0-5 years of experience, (n=26 or 18.2%) of respondents had 6-9 years of experience, (n=2 or 1.4%) of respondents had 10-20 years of experience, (n=1 or 0.7%) of respondents had 21-30 years of experience at the Bank. This reveals that majority of the Bank employee have less than five years of experience.

4.3 Analysis of Data Collected for the Study

The study basic questionnaires comprise of the Bank's workforce stability, employee retention strategies and programs, successful implementations of existing strategies and the overall employee perception on employee retention practices in the Bank.

4.3.1 Quantitative Data Analysis

Table 4.3.1.1 Stability of the Bank's workforce

(F=Frequency, SD=strongly disagree, D=Disagree, N=Neutral, A=Agree, A=strongly Agree)

Items	Response Category n=143								
		SD	D	N	A	SA	Total	Mean	Std. Dev.
Bank Creates an inspiring vision	F	34	61	32	14	2	143	2.22	0.97
	P	23.78	42.66	22.38	9.79	1.40	100		
Motivates and inspires people to engage with that vision.	F	53	40	29	19	2	143	2.14	1.10
	P	37.06	27.97	20.28	13.29	1.40	100		

		SD	D	N	A	SA	Total	Mean	Std. Dev.
Good results to attract rewards	F	56	34	32	20	1	143	2.13	1.11
	P	39.16	23.78	22.38	13.99	0.70	100		
Employees satisfied by responds of management.	F	36	71	31	4	1	143	2.04	0.80
	P	25.17	49.65	21.68	2.80	0.70	100		
Top management treats & respect their employee.	F	54	48	25	13	3	143	2.04	1.05
	P	37.76	33.57	17.48	9.09	2.10	100		
Workers' resistance to change is recognize	F	37	66	29	10	1	143	2.10	0.89
	P	25.87	46.15	20.28	6.99	0.70	100		
The Bank management takes long time to take appropriate solutions	F	56	37	23	17	10	143	2.22	1.27
	P	39.16	25.87	16.08	11.89	6.99	100		
The physical working conditions are very good.	F	54	38	15	27	9	143	2.29	1.32
	P	37.76	26.57	10.49	18.88	6.29	100		
Individual differences are respected	F	31	57	14	36	5	143	2.49	1.19
	P	21.68	39.86	9.79	25.17	3.50	100		
DBE has convenient and economical workable employee.	F	51	35	21	30	6	143	2.34	1.27
	P	35.66	24.48	14.69	20.98	4.20	100		
There is job security	F	53	39	16	34	1	143	2.24	1.20
	P	37.06	27.27	11.19	23.78	0.70	100		
There is no too much conflict and fighting	F	27	60	19	28	9	143	2.52	1.19
	P	18.88	41.96	13.29	19.58	6.29	100		

		SD	D	N	A	SA	Total	Mean	Std. Dev.
DBE has built a legal & more stable workforce.	F	51	40	26	23	3	143	2.21	1.16
	P	35.66	27.97	18.18	16.08	2.10	100	Mean	
Employee believes working up to retirement.	F	56	46	22	17	2	143	2.04	1.07
	P	39.16	32.17	15.38	11.89	1.40	100		
I recommend the Bank as a career to my friends.	F	56	38	27	16	6	143	2.15	1.18
	P	9.16	26.57	18.88	1.19	4.20	100		
I'm satisfied with my current salary	F	8	19	41	70	5	143	3.31	0.95
	P	5.59	13.29	28.67	48.95	3.50	100		
Readily available loan facilities	F	13	22	56	47	5	143	3.06	0.99
	P	9.09	15.38	9.16	2.87	3.50	100		
There is a consistent system of rewards	F	35	66	23	14	5	143	2.22	1.04
	P	24.48	46.15	16.08	9.79	3.50	100		
I feel satisfied with the Bank's Bonus incentive	F	51	40	24	24	4	143	2.23	1.18
	P	35.66	27.97	16.78	16.78	2.80	100		
I receive adequate training and development	F	59	47	21	12	4	143	1.99	1.07
	P	41.26	32.87	14.69	8.39	2.80	100		
The Bank has sufficient opportunities for advancement	F	33	69	25	13	3	143	2.19	0.96
	P	23.08	48.25	17.48	9.09	2.10	100		
Management participate employees in planning and decision making	F	57	43	30	10	3	143	2.01	1.04
	P	39.86	30.07	20.98	6.99	2.10	100		
Training, career development and promotions are unbiased.	F	60	50	22	8	3	143	1.91	0.99
	P	41.96	34.97	15.38	5.59	2.10	100		

		SD	D	N	A	SA	Total	Mean	Std. Dev.
Opportunities for career progression in the Bank is critical for me to stay for a long term	F	35	63	15	24	6	143	2.32	1.14
	P	24.48	44.06	10.49	16.78	4.20	100		
Employee training and career development programs offered	F	57	46	25	13	2	143	2.00	1.03
	P	39.86	32.17	17.48	9.09	1.40	100		
I am satisfied with my chances for promotion	F	59	44	14	25	1	143	2.06	1.13
	P	41.26	30.77	9.79	17.48	0.70	100		
Employees are motivated to continue working or stable in Bank in the coming	F	52	66	22	3	-	143	2.01	1.08
	P	36.36	46.15	15.38	2.10	-	100		
Average number of respondents		45	48	25	21	4	143	2.24	1.09
Average		32%	33%	18%	15%	3%	100%		

Source: Survey, 2017

Stability of work force is a degree to which workers remain employed with an organization. Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers. Stability in the Bank's workforce has a number of advantages for the Bank's health, for workers, for customers, for suppliers, for investors, for the industry, and for the economy at large. According to Chaminade (2007: 1), this attachment relationship should be durable and constant and link the employee to the organisation by common values and by the way in which the organisation responds to the needs of the employees. As a result of no better salary and benefit paid to the employee, the work environment, the work itself is not as per their expectation employee volatility of employee retention is questionable. In consequence, as depicted the current employee response rate on table 4.3.1.1 93(65%) of the respondents feel that there is no stable of workforce in the Bank. 25(18%) of the respondents are remain in neutral. While the rest

25 (18%) of the respondents are believed that there is stable of workforce in the Bank. This reveals that the Bank has no Stability of workforce. To retain employees, the organizations must review their career plans and reorganize those plans according to the market so that intelligent and talented employees could serve more and would beneficial in the long run (Nadeem et al, 2011). Besides, for organizations to continue working with their current employees than to encourage labor turnover by hiring new employees

Table 4.3.1.2. Employee's Retention Strategies/Schemes and Programs of the Bank

Description	Response Category n=143								
		SD	D	N	A	SA	Total	Mean	Std. Dev.
The Bank's HRM policy, rules and procedures are clear and make sense to employee.	F	37	67	17	18	4	143	2.20	1.05
	P	25.87	46.85	11.89	12.59	2.80	100		
DBE has best strategy to retain valuable professional employees.	F	54	52	27	6	4	143	1.98	1.00
	P	37.76	36.36	18.88	4.20	2.80	100		
The Bank has preferable organizational culture	F	52	45	26	19	1	143	2.10	1.07
	P	36.36	31	18	13	1	100		
Flexible work schedules that recognize their need for work life balance	F	52	47	23	18	3.0	143	2.11	1.10
	P	36.36	32.87	16.08	12.59	2.10	100		
Coaches and builds a team, so that it is more effective at achieving the vision of the Bank	F	28	65	15	27	8	143	2.45	
	P	19.58	45.45	10.49	18.88	5.59	100		

		SD	D	N	A	SA	Total		Std.
There is job	F	53	45	21	20	4	143	2.14	1.15
	P	37.06	31.47	14.69	13.99	2.80	100		
There is job enrichment(vertically) redesigned by HRMD	F	53	45	22	20	3	143	2.17	1.26
	P	37.06	31.46	15.38	13.99	2.10	100		
There is job rotation redesigned by HRMD to employee's	F	34	75	12	19	3	143	2.17	1.01
	P	23.78	52.45	8.39	13.29	2.10	100		
Well defined Job design, descriptions and specifications are assign to employees	F	59	57	14	12	1	143	1.87	0.95
	P	41.26	39.86	9.79	8.39	0.70	100		
There is good upward employee communication in the Bank.	F	57	44	29	11	2	143	2.00	1.02
	P	39.86	30.77	20.28	7.69	1.40	100		
There is good downward employee communication in the Bank.	F	6	26	68	39	4	143	3.06	0.86
	P	4.20	18.18	47.55	27.27	2.80	100		
Average number of respondents		43	51	23	21	4	143	2.24	1.09
Average		30%	36%	16%	14%	3%	100%		

Source: Survey, 2017

It can be observed in Table4.3.1.2 the employee's retention strategies and programs currently in place in the Bank. The respondents' opinion on the existence of employee retention strategies and program in the Bank reveals that 30% and 36 % said that strongly disagree and disagree and they believed that believed that there is no employee retention strategy in the Bank. 16% of them are in between. While 14% and 3% of the respondents' are agree and strongly agree the existence of employee retention strategy and program in the Bank. Some of the major indicators of not existence of employee retention strategy and program in the Bank shown in the above table are: Bank's Human resource management policy, rules and procedures are not clear and not make sense to employee;there is no defined Job design, descriptions and specifications are assign to all employees by HRMD; no strategy to handle or retain valuable professional employees;there is no upward employee communication in the Bank; There is job

rotation(alternate job) redesigned by HRMD to employee's to employee's; job enlargement(horizontal) redesigned by core HRMD to employee's; no defined goals and objectives to retain employee set by the Bank. This reveals that the Bank has no strategy and program to retain their employee. retention policies should, in the view of Nyoka (2006: 2) also include strategies that will enable employees to balance their work life demand with their family life by establishing family friendly policies and enabling flexible work arrangements to accommodate essential personal commitments.

The mean value concerning the Bank's Human resource management policy, rules and procedures are clear and make sense to employee, strategy to handle or retain valuable professional employees, the code of professional conduct that employees are expected to follow, organizational culture to retain employee, code of professional conduct that employees are expected to follow ,the defined goals and objectives to retain employee ,Coaching and building a team, job enlargement, defining Job design, descriptions and specifications, downward employee communication ranges from 1.87 to 2.45 which point out the respondents disagreed with the idea. It deduces that employees are not satisfied concerning these aspects of working conditions. The mean value of the code of professional conduct that employees are expected to follow and downward employee communication in the Banks 2.62 and 3.06 respectively which indicates that the respondents are neutral on these aspects. The study as reflected in the table Stability of work force is a degree to which workers remain employed with an organization. As the labor market continues to tighten, employers are increasingly concerned about maintaining a stable workforce. They need competent, dedicated, and effective workers to serve their customers to fulfil their missions. Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers. Stability in the Bank's workforce has a number of advantages for the Bank's health, for workers, for customers, for suppliers, for investors, for the industry, and for the economy at large and respondents are disagree that the Bank has employee's retention strategies and programs in place with a mean value of 2.24 which appears to be lower. This shows that they generally disagree about the existence of employee's retention strategies and programs take in place. By taking a proactive approach to developing an effective employee retention program, the anxiety of high turnover can be reduced. True employee retention takes time, effort and resources, but the rewards can prove valuable. Employee retention requires people strategic plan. (Abraham, 2007).

Table4.3.1.3 Successful Implementation of strategies/schemes and programs

Description	Response Category n=143								
		SD	D	N	A	SA	Total	Mean	Std. Dev.
There is no adequate training and development	F	11	19	42	67	4	143	3.24	0.99
	P	7.69	13.29	29.37	46.85	2.80	100		
Opportunities for career progression is critical	F	7	44	9	74	9	143	3.24	1.11
	P	4.90	30.77	6.29	51.75	6.29	100		
Job rotation area implement unsuccessfully	F	10	27	23	80	3	143	3.27	1.02
	P	6.99	18.88	16.08	55.94	2.10	100		
Sufficient opportunities for advancement	F	10	14	72	43	4	143	3.12	0.88
	P	6.99	9.79	50.35	30.07	2.80	100		
Employees not satisfied by promotion	F	12	29	40	61	1	143	3.07	1.00
	P	8.39	20.28	27.97	42.66	0.70	100		
Employee career development programs offered	F	11	33	20	76	3	143	3.19	1.06
	P	7.69	23.08	13.99	53.15	2.10	100		
Employee satisfied with management efforts	F	35	82	20	6	-	143	1.98	0.75
	P	24.48	57.34	13.99	4.20	-	100		
Employee satisfied with the quality of orientation	F	8	44	69	21	1	143	2.74	0.80
	P	5.59	30.77	48.25	14.69	0.70	100		
I'm satisfied with mentoring from my senior peers.	F	35	46	44	15	3	143	2.34	1.03
	P	24.48	32.17	30.77	10.49	2.10	100		

		SD	D	N	A	SA	Total Mean		Std. Dev.
I'm satisfied with the health care benefits and insurance coverage	F	1	54	35	23	30	143	3.19	1.17
	P	0.70	37.76	24.48	16.08	20.98	100		
The rewards and benefits offered are comparable with the market	F	33	47	37	22	4	143	2.42	1.09
	P	23.08	32.87	25.87	15.38	2.80	100		
It is difficult to stay under the positions of Trainee and junior position	F	8	31	40	36	28	143	3.31	1.18
	P	5.59	21.68	27.97	25.17	19.58	100		
Employees' career goals are established and supported by the performance Managements.	F	10	40	51	41	1	143	2.88	0.93
	P	6.99	27.97	35.66	28.67	0.70	100		
Feedback from performance Managements	F	6	37	28	69	3	143	3.18	0.98
	P	4.20	25.87	19.58	48.25	2.10	100		
Performance Management system encompassing mentoring and coaching	F	7	45	50	39	2	143	2.89	0.91
	P	4.90	31.47	34.97	27.27	1.40	100		
Bank honour recognition/reward	F	8	53	17	35	30	143	3.18	1.29
	P	5.59	37.06	11.89	24.48	20.98	100		
The Bank has no responsible employee to discharge their duty	F	5	16	46	72	4	143	3.38	0.85
	P	3.50	11.19	32.17	50.35	2.80	100		
Average number of respondents		13	40	38	45	7	143	2.96	1.00
Average		9%	28%	27%	32%	5%	100%		

Source: Survey, 2017

As can be seen from Table 4.3.1.3 shows that the extent of successful implementation of employee retention strategies and programs. (n=13)9% of the respondents are strongly disagree that there is successful implementation of employee strategy and program. (n=40) 28% of the respondents are disagree that there is successful implementation of employee strategy and program. (n=38) 27% of the respondents are in between. While (n=45)32% of the respondent opinion agrees that there is successful implementation of employee strategy and program. The rest (n=7)5% of the respondents are strongly agree that there is successful implementation of employee strategy and program. This shows that the Bank has no strategy and program to retain employee but some components of employee retention strategies are implemented successfully in the Bank.

The majority (n=33)23% respondents agreed that rewards and benefits offered are not comparable with the market and (n=36)25% believed that it is difficult to stay under the positions of Trainee and junior position, similarly large (n=67) 46% number of employees believed that there is no adequate training and development.

The study as reflected in the above Table 4.3.1.3 the mean value reveals that the extent of successful implementation employee retention strategies and programs in place in the Bank. This also shows that the majority of the respondents are not satisfied on adequate training and development, Job rotation area implement successfully based on the settled strategy, sufficient opportunities for advancement of their employee profession, chances for promotion, health care benefits and insurance coverage provided by the Bank and Feedback from performance Managements leads to enhanced employee development. In order to in effect the retention strategies, the employees, and their managers or supervisors need to be actively involved in the development and implementation of the strategies. Managers need to have a clear understanding of the needs, abilities, goals and preferences of the workforce (Pendulwa, 2011).

Table4.3.1.4 Perception of Employees on the Employee Retention Practices in the Bank

Items	Response Category n=143								Mean	Std. Dev.
		SD	D	N	A	SA	Total			
Management encourages employee creativity & innovation	F	31	68	29	11	4	143	2.22	0.97	
	P	21.68	47.55	20.28	7.69	2.80	100			
Good or healthy competitions.	F	54	39	28	17	5	143	2.16	1.16	
	P	37.76	27.27	19.58	11.89	3.50	100			
There is an environment of transparency and trust	F	56	42	24	16	5	143	2.30	2.82	
	P	39.16	29.37	16.78	11.19	3.80	100			
Conflict of interest is very low in DBE.	F	34	70	23	12	4	143	2.17	0.98	
	P	23.78	48.95	16.08	8.39	2.80	100			
There is no discrimination.	F	56	40	34	11	2	143	2.04	1.03	
	P	39.16	27.97	23.78	7.69	1.40	100			
Employee are satisfied with their current job	F	55	40	27	19	2	143	2.11	1.11	
	P	38.46	27.97	18.88	13.29	1.40	100			
The Bank work is fully supported by latest Technology	F	34	70	17	20	2	143	2.20	1.00	
	P	23.78	48.95	11.89	13.99	1.40	100			
Management do not create stress	F	54	42	24	21	2	143	2.13	1.12	
	P	37.76	29.37	16.78	14.69	1.40	100			
Employee feel a sense of pride	F	4	16	77	43	3	143	3.17	0.76	
	P	2.80	11.19	53.85	30.07	2.10	100			

		SD	D	N	A	SA	Total	Mean	Std. Dev.
The Bank has too much paperwork,	F	30	62	24	23	4	143	2.36	1.07
	P	20.98	43.36	16.78	16.08	2.80	100		
The Bank has given appreciation	F	57	51	24	10	1	143	1.93	0.95
	P	39.86	35.66	16.78	6.99	0.70	100		
My work activities are personally meaningful to me.	F	25	56	17	32	13	143	2.66	1.26
	P	17.48	39.16	11.89	22.38	9.09	100		
This job adds significant pressure and anxiety	F	52	53	17	15	6	143	2.09	1.13
	P	36.36	37.06	11.89	10.49	4.20	100		
I am generally satisfied with the kind of work I do.	F	52	39	15	29	8	143	2.31	1.30
	P	36.36	27.27	10.49	20.28	5.59	100		
Management believes that employees are asset of the Bank.	F	34	61	23	18	7	143	2.32	1.12
	P	23.78	42.66	16.08	12.59	4.90	100		
There is enough career advancement to all	F	58	58	11	14	2	143	1.91	1.00
	P	40.56	40.56	7.69	9.79	1.40	100		
There is professional learning and growth opportunities in the Bank	F	12	15	71	41	4	143	3.07	0.92
	P	8.39	10.49	49.65	28.67	2.80	100		
Employees are recognized and rewarded for their commitment.	F	31	71	31	9	1	143	2.15	0.86
	P	21.68	49.65	21.68	6.29	0.70	100		

		SD	D	N	A	SA	Total	Mean	Std. Dev.
Employees are satisfied with the number of annual leave.	F	47	43	18	29	6	143	2.33	1.24
	P	32.87	30.07	12.59	20.28	4.20	100		
The employees are satisfied with the educational and financial assistance	F	64	46	18	11	4	143	1.92	1.06
	P	44.76	32.17	12.59	7.69	2.80	100		
Average number of respondents		42	49	28	20	4	143	2.28	1.14
Average		29%	34%	19%	14%	3%	100%		

Source: Survey, 2017

As can be observed from table 4.3.1.4 the overall perception of employees on the employee retention practices of the Bank. 91(63%) of the respondents are confirmed that there is no employee retention practice in the Bank. On the other hand 28(19%) of the respondent remain neutral. Moreover, 25(17%) of respondents confirm that there is existence of employee retention practice. According to the finding in item (1) of table 4.3.1.4 reveals that a majority (21.68% + 47.55%) of the respondents had strongly disagreed or disagreed on the employee encouragement by management for creativity, innovation, and continuous improvement. More than fifty percent of the respondents do not believe that there is good or healthy competitions with employee to employees are available in the Bank; no transparency and trust in the Bank to retain and moreover; Conflict of interest is very low; discrimination. The Bank has too much paperwork, as a result the employee have stressed; The Bank has given appreciation to their employee; The job adds significant pressure and anxiety to their life; employees are generally satisfied with the kind of work they do in the job; Management believes that employees are the most important asset of the Bank.; There is enough career advancement opportunities to all employee; There is enough career advancement opportunities to all employee; Employees are recognized and rewarded for their commitment and dedicated service to the organization; Employees are satisfied with the number of annual leave days given by the Bank; The employees are satisfied with the educational financial assistance in domestic and foreign country given by the Bank.

This indicates that the Bank do not in place employee retention strategy. Empirical evidence suggests that the establishment of well-defined organizational goals and objectives influence employee retention. Kim, (2005) in their study on corporate orientation found that organizational direction and support had a significant impact on employee retention and overall commitment. Findings from Susskind, (2000) research also suggest that perceived organizational support strongly influences strategies and programs their organizations.

In the table4.3.1.4the researcher set out to assess the perception of employees on the employee retention practices in the Bank. The assessment statements were equally ranked in terms of their mean and standard deviation as a way of interpreting the results. The details of the study in this regards are discussed as follows:

The study as reflected in the above table found that the respondents seen to disagree that there was employee retention practices in the Bank with a mean value of 2.28 which is lower. This shows that they generally disagree about the existence of employee retention practices in the Bank like, management encourages employee to creativity, innovation, and continuous improvement, healthy competitions, transparency and trust in, conflict of interest is very low, the Bank work is fully supported by latest technology,management do not create stress to their employees, the Bank has too much paperwork, the Bank has given appreciation to their employee,the job adds significant pressure and anxiety to thier life, career advancement opportunities to all employee,there is enough career advancement opportunities to all employee, employees are recognized.

4.3.2 Qualitative Data Analysis

Based on the data that was obtained for this study through the available documents from the Bank HRMD department annual report document analysis was carried out to determine the employee retention magnitude and trend of the Bank. The findings are presented in the table below.

4.3.2.1 Document Analysis

Table 4.3.2.1 Document Analysis on Employee Retention Practice at DBE

Category	Fiscal year(July 1to June 30)				
	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016
Professional and High Level Team Manager	594	656	713	820	933
Total Leaving Employees in DBE	93	114	115	145	157
Total Retain Employee in DBE	501	542	598	675	776
Professional employees retention rate	<u>84%</u>	<u>83%</u>	<u>84%</u>	<u>82%</u>	<u>83%</u>

Source: DBE HRMD Document

The data in the above table shows that the practices of employee retention and the trend what it looks like from the period under review, i.e. from 2011/2012 to 2015/2016. Accordingly, as it was indicated in the table 4.3.2.1 the number of employee retention the Bank in 2011/2012 was 84%, 2012/2013 was 83%, 2013/2014 was 84%, 2014/2015 was 82% and 2015/2016 was 83% supported by Deane, (2004) retention rate measures what was wanted rather than what was undesirable

In the strategic planning of the Bank the tolerable retention rate was 85% and above. However, the data in table 4.3.2.1 above reflects that the professional employee's retention rate is less than the tolerable retention rate set by the Bank. This shows that the Bank faces professional employees' retention problem.

4.3.2.2 Analysis of Data Collected Through Interview

The Bank's Director pointed out that employee retention is a natural occurrence and that retention can also be positive as the Bank can separate itself from poor performer and make way for capable employees continue in the Bank. However, the management of the Bank is happy if qualified and trained employees not living the Bank. To handle the continuity of the retention unreserved efforts has been done from the top management up to other line manager as per their levels.

For the interview question about the reasons employees leaving the Bank, the director replied as employees are left the Bank due to various reasons but majority of them are left the Bank due to salary and benefits since new Banks offers higher salary and benefits which is beyond the scale of DBE. If DBE provides the offer to employees and tries to retain them it might bring priority with other competent employees in the Bank. He also mentioned that retention strategy is a non-stop phenomenon in a dynamic environment; hence, the Bank tries to set a system which the current or the new comers of employee should follow. According to him, employees are not stay lifelong. However, as a management, the top management of the Bank cultivates and upgraded a substitute through via incorporating strategies, program and procedures like different training and developments provide better compensation package, creating conducive work environment and influence the employee by better leadership. He emphasis that unless the needs arise and some vacant positions demands higher qualification, the Bank is not look for competent employees externally. According to him, currently the Bank has enough staffs which are qualified and experienced that can substitute their next positions. In addition, as a retention mechanism the Bank review the salary scale and released very soon. According to the HR Director, exit interviews have been conducted to gather information on the assessment of employee's retention in the Bank. The HR department is aware of the trend of retention that is the decreasing of employee retention practice especially for the last two years which more experienced and qualified staffs are quit from the Bank due to the Bank's HR policy. This information is needed in order to gain an understanding of how to address the problems that lead to employee retention practice.

On the question regarding career development, the Director stated that DBE lacks career development which is inconsistent with the existence of the policy on career development. According to him, professional employees leave as a result of the policy not being implemented. Employees reach a point of frustration after they have set measurable goals and have received the necessary training or intervention, and are unable to progress as inadequate attention is given to advancing employees.

He also pointed out that, at this time the Bank resolve the career advancement problems by not recruited and selected from outside instead the Bank focuses on the internal employees since DBE has spent time and money on training and supporting for those staffs. According to the responses of the Director, undoubtedly indicated that the Bank recognizes human resource training and development as one of its most important organizational activities to bring a desirable change in employees' behaviour and attain organizational effectiveness and efficiency. Besides, the Bank attaches great importance to effective human resource planning in order to ensure sustainable and efficient staffing Bank -wide and achieve its business objectives and corporate plans. For the proper execution of continuous training and development the Bank has policies and procedure manual. Hence, training specific to the need of the employee is conducted without fail and the Bank implements the training and development based on assessment as of the Bank human resource planning and development policy and procedure manual. In this manual Bank's support scheme is mentioned linked to career advancement. The Bank has supports their employees to have higher education. Based on the Bank support Employees obtain their diploma and degrees through the education program. For the diploma holder the Bank arrange exam to select from those employees when there is vacant positions whereas for degree holders no exam for screening rather the Bank arranges on job training and assign or promote those staffs as per their qualifications.

About the Bank's workforce stability the Director said that as the labor market continues to tighten, employers are increasingly concerned about maintaining a stable workforce. They need competent, dedicated, and effective workers to serve their customers to fulfil their missions. Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers.

But in our Bank workforce stability is inefficient because of different reasons like less compensation package when compared to other financial institutions, Opportunities to use skills and abilities, weak performance Management, Opportunity for training and career development, Overall corporate culture, lack of by Management's recognition of employee job performance, Offering less flexibility of work and weak participation in Corporate social responsibility (CSR).

The director also mentions that there are no documented programs that the Bank designed to maximize professional employees' retention. However, the Bank has different benefits package gives to employees used as retention mechanisms such as loans for various purposes, school fee, cover medical expenses and the like.

Finally, the Director pointed out that, the Bank gives due attentions to its employees since the success of the Bank is directly related with the contribution of the employees. It is obvious that without the qualified, competent and experienced employee it is very difficult to achieve the objective of the Bank.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of Major Findings

The survey as presented on this work assessed the employee retention strategies in Development Bank of Ethiopia. The assessment has been made using survey, document analysis and interview methods. The findings are evaluated against the literatures and previous related researches.

- ❖ Most of the current employee respondents (74%) are males and the majority of respondents below the age of 26, have BA/BSC, those who have the position of the employees are trainee junior officer, the majority respondent's salary range between 2,935 to 10,759 and has been in the Bank below 5 years.
- ❖ A large of the employee (64%) opinion indicated that there is instability of workforce in the Bank
- ❖ The most of the respondents' (66 %) said that strongly disagree and disagree opinion on the existence of employee retention strategies and program has been designed to retain professional employees.
- ❖ The most respondents (64%) agreed that there is no implementation of employee strategy and program.
- ❖ In general the majority of the employee perceived that (63%) of the respondents are confirmed there is no employee retention practice in the Bank
- ❖ Under the document analysis of the Bank's five consecutive years of HRM annual reports of employee retention trends indicates that DBE is facing frequent professional employees retention problem. The reports shows that the average rate of employees retention in the five years is 83% employees per annum which is below the Bank's standard employee retention rate.
- ❖ The Bank HRM Director believed that the existence of professional employee retention problem due to lack of employee retention strategies and program on the salaries and benefit packages, working environment, inefficient performance Management system, lack of inspirational leadership, lack of constant communication between top management and all employees.

- ❖ HRM Director added that , the Bank workforce is unstable because of different reasons like less compensation package when compared to other financial institutions, opportunities to use skills and abilities, weak performance Management, opportunity for training and career development, Overall corporate culture, lack of Management's recognition of employee job performance, offering less flexibility of work schedule and weak participation in Corporate social responsibility (CSR)

Finally, the Director pointed out that, the Bank try to create strategies and programs and implement successfully to retain valuable employees for the long time and gives due attentions to its employees since the success of the Bank is directly related with the contribution of stable workforce. It is obvious that without the stable workforce it is very difficult to achieve the objective of the Bank.

5.2. Conclusions

The study aims to assess the practice of employee retention in Development Bank of Ethiopia. To achieve the proposed objectives, the researcher has used survey, document analysis of the Bank and interview and reached the following conclusion.

The researcher has employed both quantitative and qualitative data to conduct the study. The data collection techniques were questionnaires and interview. The quantitative and qualitative data have been analyzed by descriptive statistics and qualitative analysis method respectively. The result of the study findings is based on the survey, document review and the interviews. Accordingly, the researcher comes to a conclusion based on the interpreted results and discussions of findings. Finally, the following conclusions are drawn by the four component of employees retention practice:

5.2.1. Stability of the Bank's Workforce

Staff Stability of the Bank's would positively affect both access to services, and the level and quality of service being delivered. The study result reveals that majority of respondents feel that there is no stable of workforce so the Bank vulnerable to unwanted employee turnover because of this the Bank lose its productivity, unable to accomplish the Bank's objective, frequently incurs high recruitment , selection and training costs.

5.2.2. Employee's Retention Strategies and Program of the Bank

The finding of study reveals that most of the respondents disagree about the existence of employee's retention strategies and programs in the Bank like un conducive work environment, more of stressful work, inefficient performance management, training and career developments take in place according to those problem it was very difficult to achieve the objective of the Bank.

5.2.3 Successful Implementetion of Strategies/Schems and Programs

When we come to successful implementation employee retention strategies and programs the study result reveals that the Bank do not successfully implimented employee retention strategies and programs because of Bank cannot measure how well strategic plan implementations was inprogress via key factors such as the work itself,work environment,leadership style, performance managment and employee

compensation packages due to those factors the Bank employees dissatisfied and leave the organization similarly the organization leads to low organizational performance and exposed to new recruitment and selection process via incurring huge costs.

5.2.4 The overall Perceptions of Employee Retention in the Bank

With regards to the response rate of overall perceptions of Employee Retention in the Bank reveals that the majority of the respondents are believed that there is no job rotation (alternate job) redesigned by HRMD to employee's to employee's; job enlargement (horizontal) redesigned by core HRM; no defined goals and objectives to retain employee set by the Bank. This reveals that the Bank has no strategy and program to retain their employee. Hence, most of the employees are not retained especially in the position of trainee/junior in the Bank and employee are searching better offer by the competitors employer. As a result of no better salary and benefit paid to the employee, the work environment, the work itself is not as per their expectation employee the volatility of employee retention is questionable. This is also confirmed by the research output depicted that most of the respondents feel that there is no stable of workforce in the Bank. This is also explained by the response items rate of lack encouragement of management for their subordinate to be creative, innovative, healthy competitions with employee to employees, transparency and trust, job satisfaction of the employee using of latest technology, creating of stress to their employees, too much paperwork, lack given appreciation to their employee. To improving employee retention the bank should have culture of providing on boarding and orientation, mentorship programs, employee compensation, recognition and rewards systems, work-life balance, training and development, communication and feedback, dealing with change, fostering teamwork and team celebration.

Further to the survey result the researcher has made document review and indicated that the professional employee's retention rate is less than the tolerable employee retention rate set by the Bank. Result obtained from the interview of HRM Director revealed that the top management of the Bank awareness was insufficient on cultivates and upgraded a substitute incorporating strategies, program and procedures because Employee retention strategy is a non-stop phenomenon in a dynamic environment; hence, the Bank tries to set a system which the current or the new comers of employee should follow, Like different training and developments provide, better compensation

package, follow good performance Management system, creating conducive work environment and influence the employee by better leadership

Lastly but no least the researcher concluded that, the Bank have low organizational performance, inefficient productivity and unable to met organizational objectives and goals(vision,mission and values of the Bank) due to lack of proper employee retention strategies , programs ,ineffective implementations of those strategies and programs practices ,lack of concern for stability of workforce to retain valuable employees for the long time and there was no good exit employee interviews would be conduct to gather valuable information to help how to retain employee's in the Bank and weak attentions to its employees since the success of the Bank was directly related with the contribution of the employees.

5.3. Recommendations

Based on the major summary findings and conclusions of the study, the researcher forwards the following recommendations to the management of Development Bank of Ethiopia to retain their experienced and qualified employees.

- ✓ The Bank should enact strategies and programs through participating employees, create positive employee perception and stable workforce by establishing conducive work environment and the work itself, facilitate opportunity for training and career development via need assessment, use an effective appraisal system, provide fair rewarding system and competitive benefit package to the financial sector to retain for the long time than previous practice of the Bank.
- ✓ To Successful Implementation of employee retention strategies the bank should have a culture of providing on boarding and orientation, mentorship programs, employee compensation, recognition and rewards systems, work-life balance, training and development, communication and feedback, dealing with change, fostering teamwork and team celebration.
- ✓ The Bank should design or customize HRM practices in order to retain the valuable employees, the Bank be safe from unnecessary recruitment and selection cost, the Bank to achieve their strategic goal and gain competitive advantage by establishing a fair rewarding system and provide equitable and competitive benefit package from the other Banking industry.

- ✓ The Bank's Human resource management policy, rules and procedures are clear and make sense to employee.
- ✓ The HRMD maintain transparent leadership.
- ✓ The Bank evaluates the work itself by establishing job descriptions whether the employee fit with job or not.
- ✓ Management should encourage employee to creativity, innovation, and continuous improvement.
- ✓ The Bank management takes short time to take appropriate solutions of workers
Complain
- ✓ Opportunity for adequate training & career development should be provided to all employees to improve the ability of workforce to perform their duties and responsibilities accurately and timely.
- ✓ The Bank HRM should redesign job rotation, enlargement and enrichment according to employee performance and the job needs the profession.
- ✓ Management should support the working system of the Bank with various latest technology to minimize too much paper work at the Bank which adds significant pressure and anxiety to employees' life
- ✓ The bank should assess their employee retention strategies at least once a year and conduct review of market salary rates and benefits, and best practices in developed workplace culture and manager-employee relations and accordingly make subsequent action based on the company performance.

5.4. Limitations of the Study

Since professional employee retention is a sensitive issue, to feel that some respondents may be unwilling to participate in the survey or may be suspicious about intentions of the management. They may feel reluctant to disclose their true opinions on satisfaction and motivation, fearing negative impact on their jobs or on their relationships with their managers.

Only existing employees were selected as respondents, key informant interview were conducted and it did not include employee who have left the Bank. It is also suspect that some employees may exaggerate the situation than it exists in reality based on their negative experience with the Bank. Due to this may i receive bias responses from some of the employees' survey?

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APPENDICES

Appendix-A: Questionnaire Distributed to Respondents (Employees)

St' Marry University College

School Of Graduate Studies

MBA Program

Questionnaire to be filled by Employee of Development Bank of Ethiopia

Dear Respondents:-

I would like to express my earnest appreciation for your generous time, honest and prompt responses.

Objective:

This questionnaire is designed to collect data about the **assessment of employee retention practice in the Development Bank of Ethiopia (DBE)**. The outcome of the study will be used in order to suggest possible solutions for problems identify to DBE while conducting the study. The information that you offer me with this questionnaire will be used as a primary data in my case research which I am conducting as a partial requirement of MBA Degree at ST. Marry University under the School of Business Administration.

NB.

- There is no need of writing your name.
- In all cases where answer options are available please tick (√) in the appropriate box.
- For questions that demands your opinion, please try to honestly describe as per the questions on the space provided

Confidentiality

I want to assure you that this research is only for academic purpose authorized by the St. Marry University. No other person will have to access this collect data.

Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in filling the questionnaire honestly and responsibly.

Thank you in advance for your kind co-operation in this regard

Section I: Demographic Information

1. Sex:

Female Male

2. Which of the following age categories describes you?

Under 26 26-35 36-45 46-55 and above 56

3. Number of years you have worked in the Bank (in years):

0-5 6-9 10-20 21-30 years or more

4. Your Educational Qualification:

High school graduate (12+2) Technical school graduate

College Diploma BA/BSc Degree Master's Degree (MSC/MA)

PhD

Other (please state) _____

5. Your Current Position:

Trainee Junior Officer Senior Officer

Team Manager Director and above

6. Your current salary range between

Less than Birr 2,935 between Birr 10,759-14,115

Between Birr 2,935-10,759 between Birr 14,115-26,110

Above 26,110

Section II: Assessment of Employee Retention Practice in DBE

7. Rate the extent to which each of the statements in the matrix represented below assessment of employee retention practice in your Bank.

Directions: using the key below, please tick (√) your best responses to the following statements on a scale of 1 to 5

□ Where; 1.Strongly Disagree 2. Disagree 3-Neutral 4- Agree 5- Strongly agree

1. Stability of the Bank’s workforce	5	4	3	2	1
Creates an inspiring vision of the future to employees					
Motivates and inspires people to engage with that vision.					
The expectation that good results lead to attractive rewards or incentives to retain valuable employees					
Employees are satisfied by the solutions or responds of management.					
Top management treats respect their employee.					
Workers' resistance to change is recognized or appreciates by management.					
The Bank management takes long time to take appropriate solutions of workers Complain.					
The physical working conditions (e.g., heating, airing, noise, space, cleanliness) are very good.					
Individual differences are respected here (e.g., gender, race educational background, etc.)					
DBE has convenient and economical workable employee.					
There is job security which encourages employees to stable in the Bank					
There is no too much conflict and fighting at work.					
DBE has built a legal & more stable workforce.					
Employee believes that working up to retirement.					
I would recommend the Bank as a career to my friends.					
I’m well satisfied with my current salary to stay in the organization					
Readily available loan facilities(staff, house and car) are fair to all employees					
There is a consistent and equitable system of rewards					
I feel satisfied with the Bank’s Bonus and incentive programs to stay in the Bank					
I receive adequate training and development to do my job well.					
The Bank has sufficient opportunities for advancement of their employee profession.					
Management participate employees in planning and decision making in the Bank					

Training, career development and promotions are offer to all employee or unbiased way and employees are satisfied.					
Opportunities for career progression in the Bank is critical for me to stay for a long term					
Employee training and career development programs offered are linked to each employee's career needs or skill gap					
I am satisfied with my chances for promotion					

2. Employee's retention strategies/schemes and programs of the Bank	5	4	3	2	1
The Bank's Human resource management policy, rules and procedures are clear and make sense to employee.					
DBE has best strategy to handle or retain valuable professional employees.					
The Bank has preferable organizational culture to retain employee.					
Flexible work schedules that recognize their need for work life balance					
Coaches and builds a team, so that it is more effective at achieving the vision of the Bank					
There is job enlargement(horizontal) redesigned by core HRMD to employee's					
There is job enrichment(vertically) redesigned by HRMD to employee's to employee's					
There is job rotation(alternate job) redesigned by HRMD to employee's to employee's					
Well defined Job design, descriptions and specifications are assign to all employees by HRMD					
There is good upward employee communication in the Bank.					
There is good downward employee communication in the Bank.					

3. Successful Implementation of Retention strategies/schemes and programs	5	4	3	2	1
There is no adequate training and development to do my job well.					
Opportunities for career progression in the Bank is critical for employee to stay for a long term					
Job rotation area implement unsuccessfully based on the settled strategy.					
The Bank has sufficient opportunities for advancement of their employee profession.					
Employees not satisfied with their chances for promotion					
Employee training programs offered are linked to each employee's skill gap.					
Employee career development programs offered are linked to each employee's career needs.					
Employee satisfied with management efforts to identify their strengths and weaknesses.					
Employee satisfied with the quality of orientation and training received from my senior peers					
I'm satisfied with the mentoring that I currently received from my senior peers.					
The rewards and benefits offered are proportionate to the volume and quality of service given by the employee					
I'm satisfied with the health care benefits and insurance coverage provided by the Bank					
The rewards and benefits offered are comparable with what the market offers.					
It is difficult to stay in the Bank under the positions of Trainee and junior position					
Employees' career goals are established and supported by the performance Managements.					
Feedback from performance Managements leads to enhanced employee development.					
Performance Management system encompassing mentoring and coaching of employees is in place.					
Bank honour recognition/reward for good performance					
The Bank has responsible employee to discharge their duty					
Immediate supervisor has given positive recognition to the employee.					

4. Perception of employees on the employee retention practices of the Bank	5	4	3	2	1
Management encourages employee to creativity, innovation, and continuous improvement.					
Good or healthy competitions with employee to employees are available in the Bank.					
There is an environment of transparency and trust in the Bank to retain.					
Conflict of interest is very low in DBE.					
I observed or experienced some forms of discrimination or harassment (e.g. racial discrimination, sexual harassment, age discrimination, gender discrimination, Sexual orientation discrimination etc.) at the Bank.					
Employee are satisfied with their current job to stay in the Bank					
The Bank work is fully supported by latest Technology					
Management do not create stress to their employees.					
Employee feel a sense of pride in doing their job					
The Bank has too much paperwork, as a result the employee have stressed					
The Bank has given appreciation to their employee					
My work activities are personally meaningful to me.					
This job adds significant pressure and anxiety to my life.					
I am generally satisfied with the kind of work I do in this job.					
Management believes that employees are the most important asset of the Bank.					
There is enough career advancement opportunities to all employee					
There is professional learning and growth opportunities in the Bank					
Employees are recognized and rewarded for their commitment and dedicated service to the organization.					
Employees are satisfied with the number of annual leave days given by the Bank.					
The employees are satisfied with the educational financial assistance in domestic and foreign country given by the Bank.					

Appendix-B: Interview Check List.

1. Is the management of the Bank aware about the factors influencing employee retention?
2. What is the current trend of the employee retention strategy taken by HRMD?
3. Do you feel that employee retention is a serious issue/problem in Development Bank of Ethiopia?
4. What are DBE's strategy, policy and programs towards employee retention?
5. Do you feel that those strategies and policies are support each other?
6. To what extent strategies and polices successfully implemented and what are there outcomes?
7. How do you evaluate the workforce commitment and stability in the Bank?
8. If you aware of factors influencing of employee retention, how did you overcome the problem to take the possible solution by the Bank? And if your solution have negative impacts what is your alternative solution?
9. Do you feel that employees of DBE earn adequate financial compensation as compared to other Banking industry?
10. Does the Bank conduct exit interview, when employees resign?
11. What are the main reasons the Bank identifies that make employee to resign?
12. Does the Bank use the information obtained from exit interview?
13. What are the mechanisms the Bank use to retain its experienced and qualified employee?
14. How DBE does recognize employee contribution to the success of the Bank?
15. What retention mechanism the organization made proactive to retain existing employees?
16. What is the view of current employees to stay in the organization?

DECLARATION

I, Abebe Sharew, declared that this thesis is my original work, prepared under the guidance of Assistance Professor Goitom Abraham unless the words have been placed in inverted commas (“,”) and referenced with the original source. All sources of material used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Name

Signature & date

St. Mary’s University College, Addis Ababa

January, 2018

ENDORSEMENT

This Thesis has been submitted to St.Mary's University College School of graduate studies for examination with my approval as a University advisor.

Advisor

Signature & date

St.Mary's University College, Addis Ababa