



**ST.MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**ASSESSMENT OF FACTORS AFFECTING EMPLOYEES TURNOVER
INTENTION IN THE CASE OF TIKUR ABAY TRANSPORT PLC.**

BY

YIMAM KASAAW

MAY, 2018

ADDIS ABABA ETHIOPIA

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**A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY COLLEGE,
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THE REQUIREMENTS FOR THE MASTER OF BUSINESS
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ADDIS ABABA ETHIOPIA

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YIMAM KASAAW

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DECLARATION

I declare that “Assessment of Factors Affecting Employees Turnover Intention In The Case Of Tikur Abay Transport Plc.” the undersigned, declared that this thesis is my original work, prepared under the guidance of Merga Mekuria(PhD). 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 masters.

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STATEMENT OF CERTIFICATION

This is to certify that AtoYimam kassaw has carried out his post-graduate thesis work on the topic entitled “**Assessment of Factors Affecting Employees Turnover Intention In The Case of Tikur Abay Transport Plc.**”. This work is original in nature and suitable for submission for the award of Masters of Business Administration (MBA).

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Advisor: Merga Mekuria (PhD)

Date:

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LIST OF ACRONYMS

- ❖ TATPLC-Tikur Abay Transport Private limited company.
- ❖ HR- Human Resource
- ❖ NGOs - Non-Governmental Organizations
- ❖ PA-Performance Appraisal
- ❖ MBA-Masters of business Administration
- ❖ TO-Turnover
- ❖ CO-Company

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ABSTRACT

This study assesses the factors affecting employees' turnover intention in the case of TAT PLC. The study used a descriptive research design to identify the employee turnover causes. Both quantitative and qualitative methods were used to gather information through the utilization of a questionnaire and interviews. The study addressed both existing and ex-employees. Two hundred thirty three (233) questionnaires were distributed to the current employees and 28 ex- employees were responded for interview questions. Documents that were received from the human resource department were helpful in determining the turnover trend. Descriptive statistical and qualitative analysis method were used for data analysis. The study showed detailed discussion of major factors affecting Employee' Turnover such as benefits and salaries, orientation, job description , relationship of management and supervisor with their employees , job satisfaction, promotion, work environment, workload and fairness, and intention to leave or stay. In overall, the research assessed the various factors why employees leave TAT PLC and the reasons why they stay in the company. Hence, the study revealed that the company has not attractive salary and benefit package, the employee employer relationship was not good, there is good job security, the employee reward program was not competitive, the work place were unfavorable, employees were treated by their supervisors fairly and respectfully . All those factors influence most to leave and increased the intention of existing employees to leave the company. The study recommended that the company need compensation policy, retention scheme policy, implement more attractive salary and benefits, develop proper reward and recognition program and create conducive working environment to retain its experienced and qualified employees.

Key word: Turnover

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Transportation services are needed to deliver raw and intermediate materials to producers and to deliver final products to retailers and final customers. Improvements in freight transportation efficiency, reliability and level of service have numerous economic benefits for production efficiency, optimization of distribution networks and product choice and cost to consumers. As improvements are made in transportation infrastructure, producers are able to centralize their production operations and site their operations in lower-cost areas, because the uncertainties concerning the movement of goods to customers are reduced. Improvements in transportation infrastructure also allow a more efficient design of the distribution network. The cost of inventories can be reduced as the needed hedge against transportation uncertainties is reduced. This also allows firms to change their inventories quickly in response to customers' changing needs or desires. This ultimately leads to lower cost and greater product variety for customers.

Transport companies also take significant share of the market in foreign exchanges. The scarcity of resources has been a burning issue for manufacturers, producers and fabricators in the globe. This is especially critical for developing nations as they have already used their resources for manufacturing and construction industries. With this regard, Ethiopia is one of the landlocked country and the country usually import and export materials via Djibouti. There are many companies that provide freight transport service. TAT PLC is one of the leading companies that play a pivotal role of transportation of goods for cross border countries and with the different regions of the country.

Employee turnover refers to the rate at which an employer gains and losses employee, how long the staff tend to leave and join the organization (Armstrong, 2006). Employee turnover is one of the most important issues to organizations, and one that needs special attention. It has high significant effects on organizations effectiveness. High turnover can be a serious obstacle to

organizational efficiency, quality, and profitability of firms of all sizes, which is considered to be one of the challenging issues in business nowadays. The impact of turnover has received considerable attention by senior management, human resources professionals and industrial psychologists. It has proven to be one of the most costly and seemingly intractable human resource challenges confronting by several organizations globally.

In general, employees either leave their jobs voluntarily by their own decision or forced to leave by the decision of the employer. Voluntary turnover is a major problem for organizations in many countries (Syrett, 1994). For service-oriented professions, high employee turnover can lead to customer dissatisfaction and turnover, as clients feel little attachment to a revolving contact there might be a delay of service delivery while waiting for the replacement staff to arrive. In addition, there might be production losses while assigning and employing replacement staff. Customers are also likely to experience dips in the quality of service each time their representative changes. Companies incur direct and indirect expenses, which include the cost of advertising, headhunting fees, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. (Miller, 2006) Each employee has his or her own set of expectations upon entering an organization. When these expectations were not met, the individual will become dissatisfied and leave. (Mobley, 1977) 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.

In Ethiopia, even though few studies like: study conducted on Oromia Water Works Design and Supervision Enterprise (OWWDSE) shows about turnover of employees, there is no empirical studies conducted on public organizations employees' turnover which were supported by formal and published research.

Therefore, because of employees' turnover is a big issue in the organization, this study was done on TAT PLC. Most new and experienced employees were leaving the company due to various reasons. Hence, this study was conducted on factors affecting employees' turnover intention in TAT PLC.

1.2 Background of the Organization

TAT PLC is one of the Known transports organization in Ethiopia which has been established under Tired Investment Center to contribute its share on the transport sector since October 1992 GC. The company is established with an aim of delivering land transport services to their respective customers. It has been established at Kombolcha town by considering the town as one of the economic corridor for economic growth. The initial capital during its establishment was about 18,344,097.00 Birr. Initially the company had 14 administrative, 4 finance, 17 professional and 66 technical employees.

As far as its organizational structure is concerned, the organization is organized with six departments, two service delivery offices, two branches (at Kombolcha and Adama), two coordinating offices (at Djibouti and Gondar) and a marketing department at Addis Ababa.

Currently, the TAT PLC parallel to the transport service providing to its costumers vehicle Technical examination (bolo) and giving driving license education since 2016 GC, with total number of 556 employees out of which 183 are heavy duty vehicle drivers. Similarly its fleet size is 48 Volvo, 75 Sino-Tracker, 25 Tracker, 25 new Volvo and around 27 Euro-Tracker a total of 200 heavy duty vehicles. In general TAT PLC is currently one of the biggest transport companies actively operating in the country bulk cargo operation.

Geographically the organization head office is found in Kombolcha and it operates with 200 heavy duty vehicles, two mobile work shops, two branch offices Kombolcha and Adama with their own workshops, four coordinating offices in Djibouti, Bahirdar, Gondar and Debreberhan, one liaison office in Addis and one contact office (Mile). Internally the company is organized in 7 departments which are directly responsible to the general manager. They are Marketing, Operation, Technique, Supply, and Human Resource and Administration, Corporate Service and Finance.

1.3 Statement of the problem

Employee turnover can be harmful to a company's efficiency if skilled workers often leave the organization and the work population contains a high percentage of novice workers (Armstrong, 2009). In today's competitive business world, it is considered to be an important task to manage employee turnover for any organization. Managing turnover successfully is essential to achieve the organizational overhead goals. Significant amount of research has been undertaken to understand the major causes of employee's turnover and retentions mechanisms that organizations should develop. Most of these studies were carried out by developed countries and few developing countries. The efficiency of many organizations have been thus been threatened by huge costs/expenditure incurred on recruitment and selection of new staff to replace the work force gap created by the leaving employees.

High turnover has become a problem for both private and governmental organizations. For instance, Ruth Nyaga conducted the study on international livestock research institute (employee turnover on organizational efficiency) in 2015 G.C: concluded that the major causes of employees turnover that impacted negatively on organizational productivity including; lack of employees retention strategies, low level of employee motivation, lack of career development opportunities and poor work environment. The manner in which human resource management employs measures to address these factors determines the state of employee turnover in the organization. However, lack of effective retention strategies for minimizing employees' turnover leads to lack of employees reward incentives and bonuses and lack of regular increment of employees remuneration packages. Another researcher AmanRacho (2015) has conducted his research on Oromia Water Works Design and Supervision Enterprise (OWWDSE) (the cause and effects of employees turn over) in 2015 G.C and concluded that the turnover is affecting the organization in terms of loss in competition on market, costs of recruiting and training employees, loss of profit as a result of lack of timely deliverance of required transport service to customers, a combination of one or more stated effects come on the organization.

TAT PLC is one of the biggest freight transport service rendering company compared to other cross boarder transport companies within the country. It has less attractive benefit packages, unfavorable

work environment, and lack of training and development programs to its staff compared to the similar transport service companies. The importance of coordinating and using human resources of the company has great value in context of its work. However, turnover of the employees recognized as one of the factors that are affecting the effectiveness of the company.

1.4 Research Questions

This study primarily addressed the following basic research questions;

- ❖ What major factors contribute for Employees' Turnover in the company?
- ❖ What is the effect of employee's turnover on the company's performance?
- ❖ What strategies and mechanisms would mitigate staff turnover in the company?

1.5 Objectives of the study

The main objective of this research is to identify the major factors behind the frequent staff turnover in TAT PLC and provide professional advices that would help the company to reduce turnover and retain its competent employees.

1.5.1 General Objectives

The general objective of the study was to assess the factors affecting employees' turnover intention in TAT PLC.

1.5.2 Specific objectives

The specific objectives of this study consisted;

- To assess the factors those were contributing for Employees' Turnover in the company.
- To determine the effect of employee turnover on the performance of the company
- To assess the mechanism used by the company to reduce the employee turnover rate in the company

- To assess possible solutions to mitigate employee turnover in the company

1.6. Operational Definition of Terms

- Turnover refers to the movement of employees in an organization which is determined by calculating the ratio of the number of employees who left during the period considered and the average number of employees of the organization in the same period.
- Employee refers to a person working in TAT PLC rendering service.
- Transport refers to services are needed to deliver raw and intermediate materials to producers and to deliver final products to retailers and final customers.

1.7 Significance of the Study

Governmental and public sector organizations success can be measured mainly through delivery of quality service to their beneficiaries. This can be achieved through well formulated plans and programs, allocation of resources, assignment and retention of committed and competent employees. However, since skilled work force turnover can affect the organization has to achieve the intended objectives and expected results will not be achieved. Therefore, this study addressed the factors in context of employees' turnover of TAT PLC. It could also serve as literature for future studies on similar topic. What is more, it would serve as a facilitator for further researcher. In addition it would also be used as input for policy makers and implementers'. Finally, the author hoped that the approach of this research would be further applied to study in relation with employee turnover.

1.8 Scope of the Study

Delimitation

Because of time and budget constraint, this research was delimited to geographical location and the sample was restricted on the head quarter of the company that were found in Kombolcha, Liason offices in Addis Abeba and Adama branch. The study used causal survey method and conducted during April 2018 to March 2018 G.C. This research is also delimited to the data collection tools used. There are data collection tools such as questionnaire, interview, observation and experiment. However, the researcher employed only questionnaire and interview type of data collection tools for this study. This research is further delimited to the number and type of respondents. The company has 7 departments and 2 branches. For the purpose of this study all departments were selected and out of 2 branches both branches and the head office were selected. Besides, the sample size for ex- staff was delimited to those employees that were left the company in the period from 2016- 2018. Thus, even though there might be a lot of employees that were left before 2016, they were not been included in the sample. The study aims to assess the factors that lead or encourage employees to leave the company.

1.9 Limitation of the Study

The limitation of this study was access to information. The other constraint was to get recent studies related with this study and enough supporting data from the company. Moreover, the organization has different branch offices which are Addis Ababa, Djibouti, Kombolcha, Gondar, Bahirdar, Debrebirhan, Adama and Mile. However due to the geographical factors, time and financial constrain, this research only addressed employees feedback who have been working in Addis Ababa and Adama and in the head office Kombolcha.

The data gathering instruments employed were survey questioner and key informant interview. Concerning with interviews it was expected to have a limitation of bias and subjectivity. In addition to this there was document analysis including articles, books, unpublished document, and journals. So there was also a limitation of the study to come across with important documents, previous works related information with employee turnover.

1.10 Structure of the Study

The paper was organized in to five chapters. The first chapter provided general introduction information about the study. In this part, background, statement of the problem, objective of the study, significance of the study will be included.

The second chapter outlined the review of different literatures related to areas under study. It contains definition of terms and concepts about destination image and marketing implications.

Chapter three dealt with study area, describing the study area background, sampling technique, data source and data collection instrument, method of data analysis.

Chapter four was about verifying data for analysis and interpretation of the research findings that accompanied with and the final chapter dealt with conclusions and recommendations

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

This section reviewed the relevant literature to form a basis for the study. It evaluated both the theoretical and empirical literature on the causes and impacts of employee turnover on organization. The views of various articles and previous research done in the field of employee turnover were discussed to provide a background for the research preparation and serve as basis for the formulation of a conceptual framework, which was tested in the field by an analysis. It included definition of employee turnover, types of turnover involves voluntary and involuntary, avoidable and unavoidable, functional and dysfunctional, internal and external, skilled and unskilled turnovers; and causes of employee turnover which consists of demographic factors, job satisfaction, compensation package, leadership style, peer group relationship, working environment, promotion and job scope; theoretical framework, study model and study hypothesis.

2.2 Definition of Employee Turnover

Employee turnover has been one of the most studied subjects in organizational behavior literature. To better understand the causes of employee turnover, one must understand how turnover is defined.

Employee turnover refers to people coming into and people moving out of an organization. Usually, the term refers to what is sometimes called voluntary employee turnover which is the normal turnover as opposed to people being fired in unusual situations (Mattsson and Saraste, 2002). As cited by H. Hammerberg (2002), Price (1977) defines turnover as the degree of individual movement across the membership boundary of a social system. This definition includes the attainment and the hiring of new employees to the organizational work performance. Clifford (2012), briefly states that turnover is any departure beyond organizational boundaries. This indicate

that the separation of employee from the employer by any means. Khatri (1976) has defined employee turnover as, “the period of deteriorate to move from a job in one place to some other job in some other place”. This indicates that the movement of employees from one organization to other organization for the same position or some different position derived by the internal desires of the individual. “Employee turnover is a part of normal business activity” said by Hope and Mackin (2007). This implies that employees join the organization or the employer and separate from the organization as their life situations change. Deepa and Stella (2012), define employee turnover as, “Employee turnover is a ratio comparison of the number of employees a company must replace in a given time period to the average number of total employees”. According to this definition employee turnover means that the assessment of the number of workers an organization should substitute during a given time period to the existing number of workers in an organization.

According to Lensa (2007), employee turnover is defined as the entry and exit of individuals into and out of the workforce of an organization over a specific period of time. Exit from an organization can take the form of resigning, retirement, dissimilar or death. For this reason, employee turnover can be defined as the entrance of new employees into the organizational work environment and the departure of existing employees from the organizational work environment.

In line with Kuria and Ondigi (2012), employee turnover is a gradual process. This indicates that an employee starts by an assessment of the on hand job and the atmosphere in the work is being performed. It is believed that work atmosphere plays an essential role on an employee’s decision to carry on working in an organization or to stop. Job dissatisfaction follows in deciding to stop working in an organization. On the other hand, the employee may assess the value of searching for the new job. The search for an alternative job takes place and employee evaluates all the jobs that are available for him or her. Judgment is further made with the on hand job and the most option jobs that are searched and final decision is arrive at by either to continue working on the existing job or separating from the existing work as the final step. Employees who are dissatisfied with the existing job are may take the decision to separate from that organization which is not satisfied employees.

Turnover rates for employees can be measured and compared over time and across companies using what is commonly referred to as the employee turnover index. The index is calculated as follows: (Hammerberg, 2002)

$$\text{TTR} = [S/N] \times 100$$

Where;

TTR = Total Turnover Rate

S = Number of Employees Separated in the Period

N = Average Number of Employees in the unit in the Period

2.3 Types of Turnover

There are a few generally accepted forms of employee turnover. These include that Voluntary and Involuntary Turnover; Functional and Dysfunctional Turnover; Avoidable and Unavoidable Turnover; Internal and External Turnover; and Skilled and Unskilled Turnover. This sub-topic was discussed about those different types of turnover that are mentioned in above paragraph. It is necessary to understand the types of turnover to identify the fundamental causes of employee turnover which leads to employees leave of the organization.

2.3.1 Voluntary Turnover

When employees leave an organization at their own discretion, it is referred to as voluntary turnover (Curran, 2012). According to this definition the turnover is initiated by the choice of the employee. Abdali (2011), stated voluntary turnover as “The turnover in which employee has own choice to quit or instances of turnover initiated at the choice of employees”. Voluntary turnover is voluntary cessation of membership of an organization by an employee of that organization (Katamba, 2011). Ronra and Chaisawat (2009), had described that voluntary turnover is the situation when an employee decides to end the relationship with the employer for personal or professional reasons. As per this description, the decision to leave the organization is associated with being unsatisfied with the circumstances of current job and having attractive alternative from other organization.

Employee turnover, as a voluntary phenomenon, refers to an individual's self-initiated and permanent termination of membership in an organization (Reiche, 2008). As this explanation the turnover occurrence is initiated by the employee his or her self and the turnover is the permanent one. This means once the employee separated from the employer, he or she does not join that organization again. Academic interest in voluntary turnover results from the fact that organizations have less control over employee initiated turnover than company-initiated discharge (Reiche, 2008). Also, since high performing employees are thought to have access to more external employment opportunities than poor performers and are therefore more likely to quit, voluntary turnover is particularly harmful for organizational performance (Reiche, 2008). According to this idea, high performer employees have more opportunity to leave the organization.

According to Nawaz, Rahman and Siraji (2009), Voluntary Employee Turnover means when an employee leaves the company with his own intension. It might be due to better job opportunity, existing job dissatisfaction, bad working conditions or negative behavior of supervisor. This indicates that voluntary turnover is caused by better job opportunity from other organizations, existing job dissatisfactions due to different factors in the current organization, bad working condition in the current organization, and unenthusiastic behavior of manager in the current organization.

2.3.2 Involuntary Turnover

Involuntary Turnover is the turnover initiated by the organization (often among people who would prefer to stay (Ronra and Chaisawat, 2009). This type of turnover occurs when manager of the organization decides to terminate its relationship with an employee due to organizational bankruptcy or a poor fit between the employee and the organization. Involuntary turnover can be defined as "The turnover in which employees have no choice in their termination e.g. sickness, death, moving abroad or employer's initiated termination" (Abdali, 2011:3). As per this explanation the turnover is initiated by the natural phenomenon or by the organization itself. Curran (2012:11-12), define involuntary turnover as "an instance of involuntary turnover, or a discharge" that "reflects an employer's decision to terminate the employment relationship". This type of turnover

is initiated by the employer and the relationship between employee and employer come to an end. The involuntary turnover includes retirement, death, and dismissal because of poor performance result or unethical behavior at work place, as well as resigning to take care of a lethally ill family member or movement of a spouse to another area. The employer may initiates involuntary turnover due to organizational bankruptcy, desires to decrease costs, introduction of new technology, and organizational restructure.

2.3.3 Avoidable and Unavoidable Turnover

It is also important to differentiate between avoidable and unavoidable turnover. Unavoidable turnover results from life decisions that extend beyond an employer's control, such as a decision to move to a new area or a job transfer for a spouse. Avoidable turnover is something organizations can prevent by hiring, evaluating and motivating their employees more effectively (Curran, 2012). A turnover that happens in avoidable circumstances is called 'Avoidable Turnover', where as "A turnover that happens in unavoidable circumstances is called 'Unavoidable Turnover. According to this definition, the organization first of all understands the causes of the turnover then can take corrective action to avoid the avoidable turnover. For instance, if the cause of the turnover is poor working procedure, the management of the organization can avoid the turnover by improving the working procedures. But, the unavoidable turnover such as death, permanent disability, regular retirements and likes are cannot controlled by the management of the organization.

2.3.4 Functional and Dysfunctional Turnover

Functional turnover can be defined as "a turnover in which poor performers leave" while Dysfunctional turnover can be defined as "a turnover in which good performers leave" (Abdali, 2011). The poor performer employee can leave the organization in any means and this situation is functional turnover because, the poor performer employees can be invaluable for the organization. When these poor performer employees leave the organization, the company can benefited by cutting unnecessary costs that incurred for that poor performer employees. But, when good

performer employees leave the organization it negatively influences the organization by losing employees who benefit that organization.

2.3.5 Internal and External Turnover

Turnover can be classified as 'internal or 'external'. Internal turnover happens when employees send-off their current position and getting a new position within the same organization. It is related with the internal recruitment where organizations filling the vacant position by their employee. According to this definition, when employees of the organization move from one position to another position or from one department to another department or within the same organization, the employee leaves the position or the department and the movement is known as internal turnover. However, external turnover is the separation of employees and employer voluntary or involuntary.

2.3.6 Skilled and Unskilled Turnover

Untrained, uneducated and unskilled positions often face high turnover rate. Without the organization or business incurring any loss of performance, employees can generally be replaced. On the other hand skilled and educated positions may create a risk to the organization while leaving. Therefore, turnover for skilled and educated professionals leads for incurring replacement costs as well as competitive disadvantage of the business (Abdali, 2011). In accordance of this definition, when inexperienced, unqualified, inexpert, and untalented employees leave the organization, the turnover is termed as unskilled turnover and vice versa. Employers do not worry about unskilled employee turnover because of the ease of hiring new ones. On the other hand, high turnover of skilled employees pose a risk to the business and ultimately in the organization in the form of human capital lost. These include skills, training and acquired knowledge. Since these specialized employees have skills that are relatively scarce and can be re-employed within the same industry, their leaving can act as a competitive disadvantage to the organization in addition to the cost of replacing them (Emeka and Ikemefuna, 2012). In general organizations face low risk with the unskilled turnover and face high risks with the skilled turnover.

2.4 Causes of Employee Turnover

Employees voluntarily resign their engagements in organizations for various reasons which can be classified into two: pull and push factors. The pull factors include the attraction of a new job in other organizations. Push factor may be dissatisfaction with the present job that motivates an employee to seek alternative employment elsewhere. However, this study is focused on demographic factors, job satisfaction, compensation, working environment, leadership styles, peer group relationship, employee advancement, and job scopes.

2.4.1 Demographic Factors

As said by Abdali (2011), the demographic and personnel characteristics of an employee may be reason of leaving from the organization. These characteristics are include; age, gender, qualification, marital status, experience and tenure. According to Parker and Skitmore (2003), top performing females have turnover rates that are 2.5 times those of their male counterparts, a fact that they point out to the demands of balancing work and family life. Moreover, it has been found that female managers are more likely to leave their organizations when they perceive a lack of career opportunities within their organizations.

Besides, employees more qualified in their professionalism tend to leave their current organization because they have more opportunity to gain better work than employees who have less qualification. Marital status also has great influence on employees' turnover. Employees who have married, have children, and have stabilized family life situation prefer to stay in organization areas that they stabilized their family life. However, employees who do not married and free to move from place to place can have more chance to exercise turnover.

2.4.2 Job Satisfaction

Employees of an organization may do have many attitudes about their work and their working environment. These attitudes vary along many dimensions; include objectives, specificity, strength,

salience, and stability of the work and in this sub-topic the attitude of employees on job satisfaction was discussed.

Aziri (2011), defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job. According to this definition even though job satisfaction is under the pressure of many external factors, it remains something internal factors that has to do with the way how the employee feels. That is job satisfaction presents a set of factors that cause a feeling of satisfaction. Job satisfaction is defined as the pleasurable emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values (Ping He, 2008). According to (Judge, Hulin and Dalal, 2009), Job satisfactions are defined as multi-dimensional psychological responses to one's job. These responses have cognitive (evaluative) and affective (emotional) components. Job satisfactions refer to internal evaluations of the favorability of one's job. These evaluations are revealed by outward that is verbalized and inward that is felt emotional responses. The multi-dimensional responses can be ranged along good or bad, positive or negative phenomenon.

2.4.3 Compensation (Monetary Rewards)

Monetary reward has been defined in such a way like cash or equivalent that an employee receives against his services from the employer. Here equivalent reward includes fringe benefits, medical facilities and provident fund. Monetary rewards have negative effect on employee turnover. This reward helps to raise job satisfaction and likewise suite for minimizing the intent to leave the job (Nawaz, Rahman and Siraji, 2009).

Compensation plays an important role to retaining employees (Abdali, 2011). Researchers believed that frustration with salary and pay strongly motivate employee turnover. The lack of different compensation packages like fringe benefits and incentive pay certainly generate a force on holding experienced and qualified employees. Employees demand an appropriate level of compensation for their effort. Such compensation may be offered in monetary (direct) reward, such as salary and bonus, or bundled with other non-monetary (indirect) reward such as medical insurance and

transportation services (Ut Lon IM, 2010). Poor compensation is widely known as one of the problems in the organization that leads to employee turnover.

According to Shamsuzzoha (2003), one of the most common reasons given for leaving the job is the availability of higher paying jobs. This implies that employee leaves the current organization to gain better payment from other organization. When looking at specific vacancy characteristics, pay level is one that stands out that as being important to most applicants. Pay is considered one of the most effective and important job attributes in determining applicant attraction to the organization. Employees preferred organizations with high rather than low pay, flexible rather than fixed benefits, individual rather than team-based pay, and fixed rather than variable pay (Payne et al, 2010). This indicates that compensation is the most important element in attracting, retaining and utilizing qualified workers. The perception of getting fairness about the level of compensation, the equality in the sharing of pay and rewards, strongly create turnover.

2.4.4 Leadership (Supervision) Styles

According to Rosse (2010), Leaders are defined as senior executives, those described in academic literature as the upper echelons or the top management team, and more formally referred to as members of the C-suite that is president, CEO, COO, CFO, CHRO, and CIO. The coordination between managers or supervisors with their sub-ordinates may create impact on employee turnover. It depends on the employee's satisfaction with their supervisors and also the communication skills of supervisors to handle their subordinates (Abdali, 2011). Employees are trusted in how they manage their own time and outputs and they have access to parts of the business previously reserved for management such as strategic, tactical information, and profit. Decision making is a collective and interactive exercise that requires committed participation from both management and employees (Swanepoel, 2008). This implies, are interested in sharing of organizational decision making.

2.4.5 Peer Group Relationship

The employee turnover can be seriously effect due to peer-group relations. The strong relation among the work group, integration, and satisfaction with the coworkers decreased turnover. The well-built peer group relations are remote cause of turnover and also a source of job satisfaction (Abdali, 2011). As this explanation, good and cohesive relationship among workers of the organization can reduce turnover.

2.4.6 Working Environment

Working conditions play vital role to increase job satisfaction and organizational commitment in the labor force community. The work environment includes factors or features that have all work related conditions for employees. Employees want to stay within the organizations just have of clean and healthy environment. The match between proportions of environment and employee values may characterize out trustworthiness with the organization (Abdali, 2011:18). Since employees prefer to work in environment which suitable for their live, working environment is one of the main causes that influence employees to decide on whether to continue or to leave the organization. According to Lambert (2006), Work environment factors, including supervision, autonomy, communication, support, authority, promotion, and input into decision-making, have also been found to be related turnover.

2.4.7 Lack of Promotion or Advancement

Promotion is defined as ‘the movement of a person to higher level position in the company’. Conceptually, promotion is also defined as ‘there assignment of an employee to a higher level job within an organization’ (Masri, 2009). Job promotions might review through different measure scales like, satisfaction with promotions, opportunities for promotions and actual promotions (Abdali, 2011). When employees perceive no growth for future or desire to advance within the system, they have no reason to remain in the current work situation. If employees are not properly promoted, they will leave the organization.

2.4.8 Work Assignment (Job Scope)

Job scope can be defined as, the density of the job and challenges of the job contents. Job scope may depend upon some moderators. One of the possible moderators of job scope is the strength of the growth need. Complexity of job most increases job satisfaction with work and loyalty to the organization in employees who have strong growth needs (Abdali, 2011). This implies that when the job content of the organization is large and complex, it leads to high satisfaction of employees in that organization. In this sense, when employees are satisfied with the works of the organization, it resulted in the reduction of turnover intention. Job involvement may discourage employee to exit. Logically, employees who consider engage in their jobs, psychologically, acknowledged with their jobs, may feel bound to jobs (Abdali, 2011). This implies that when employees are assigned to the position according to their profession and specification, they are more interested and satisfied with their work, and the working environment becomes clear for employees to accomplish intended organizational objectives and objective accomplishment lead to job satisfaction.

2.5 Theoretical Framework about Employee Turnover

Employee turnover is the most studied events in the past and several theories have been developed to explain why employees voluntarily decide to leave their current organization. These include the Theory of Organizational Equilibrium, the Met Expectation, the Linkage, the Unfolding Model of Turnover, and The Job Embeddedness Theory of turnover.

2.5.1 Organizational Equilibrium Theory (OET)

Nawaz, Rahman and Siraji (2009), stated that Employee Turnover occurs when individuals perceive that their contributions to an organization exceed the inducements they received from that organization. According to Osamu (1994), an individual tries to satisfy his needs or motives, in many cases he cannot get enough satisfaction due to many types of human limitations. When an individual cannot get satisfaction, he will withhold or withdraw his contributions and will separate from the organization. According to this theory, employees are looking from the organization to

provide incentive that balance their contribution. This indicates when the incentive offered by the organization to the employees is less than their contribution, employees become dissatisfied with the inducement and this leads to turnover.

2.5.2 Met Expectation Theory

Premack and Davis (1992) stated that the concept of met expectations as the discrepancy between what a person encounters on the job in the way of positive or negative experiences and what he expected to encounter. Employees' expectations may include fair remunerations, advancement, and good relationship with colleagues and supervisors, suitable working environment, and appropriate work assignment. The essential thought of this theory is that when an employer fails to fulfill an employee's expectations, it will lead to employee turnover.

2.5.3 Linkage Model

Linkage model explains a series of interrelated links between job satisfaction and voluntary employee turnover. In this model one major factor is considered by job dissatisfaction which leads a series of withdrawal intensions like thoughts of quitting, job search intension and fringe benefits comparison, this behavior ultimately is the cause for high voluntary employee turnover (Nawaz, Rahman and Siraji, 2009).

2.5.4 Unfolding Model of Turnover

According to Morrell (2006), the unfolding model is a retrospective, classificatory account of voluntary turnover that treats quitting as a decision process. Unfolding model of employee turnover is specifically focused on four psychological paths that an employee chooses when he leaves the job. Process of turnover starts from a shock that employee's premeditated judgment about their jobs. This shock then directly linked with employees system of belief and images. Ultimate result of this shock employee has to quit the job without considering emotional attachment with the organization (Nawaz, Rahman and Siraji, 2009).

2.5.5 Job Embeddedness Theory

As said by Ramesh (2007), job embeddedness describes the factors that keep an individual from leaving the organization, in spite of experiencing situations that might lead to thoughts of leaving. Job embeddedness can be work related (positive relationships with supervisor and coworkers, good health benefits) or non-work related (spouse works in the same area, parents live in the same community). These work and non-work domains can be further divided into three types of attachment that is links (how many people is the individual connected with), fit (does the individual feel well matched with their work and non-work environment), and sacrifice (what does the individual have to give up in order to leave).

2.6 Empirical Literature about Turnover

Empirical studies have revealed that factors such as competitive salary, good interpersonal relationships, friendly working environment, and job security were reported by employees as key motivational variables that influenced their retention in the organizations. Mercer Human Resource Consulting (2004) advised 5 key factors influencing employee commitment and motivation with % age of employees voting for each of the factors as follows:

- ✓ Being treated with respect - 85%
- ✓ Work-life balance - 79%
- ✓ Providing good service to others - 74%
- ✓ Quality of work colleagues - 74%
- ✓ Type of work - 73%

It is important to recognize the commitment of individuals to an organization, as well as the organization's need to create an environment in which one would be willing to stay (Harris, 2000). It is often believed that an organization is only as good as its people (Templer & Cawsey, 1999). Organizations failing to retain high performers will be left with an understaffed, less qualified workforce that ultimately hinders their ability to remain competitive (Rappaport et al., 2003). Therefore, worldwide, retention of skilled employees has been of serious concern for organizations

in the face of ever increasing high rate of employee turnover (Samuel & Chipunza, 2009). Globally, managers admit that one of the most difficult aspects of their jobs is the retention of key employees in their organizations (Litheko, 2008).

Retention is a critical element of an organization's approach to talent management (Lockwood, 2006). Empirical studies such as Stovel and Bontis (2002) have shown that employees, on an average switch employers every six years. Replacing existing employees is detrimental to organizations and may have adverse effects on service delivery. It is therefore imperative for management to reduce, to the minimum, the frequency at which employees, particularly those that are crucial to its operations quit (Samuel & Chipunza, 2009).

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

Research methodology is the specific science of research that followed to accomplish predetermined research. Hence, all specific method the researcher used presented in this chapter. It included research design, method of data collection and analysis.

3.2 Research Design

The main objective of this research was to assess the employee turnover in TAT PLC. In this study, both qualitative and quantitative types of research methodology were implemented jointly. Such kind of strategy enabled to get more comprehensive information.

Considering the purpose of the research and the nature of the phenomenon, descriptive type of research and survey research were applied. The major purpose of descriptive research was description of the state of affairs as it exists at present. The study considered this design appropriate since it facilitated towards gathering of reliable data describing of employee turnover in the company.

3.3 Research Approach

Mixed research approach was used for this study completion to generate rich data from multiple sources, which were both quantitative and qualitative type. The researcher interested to present both employees view and managements attitudes towards retaining employees of the company. Primary data from survey questions had quantitative characteristics. Qualitative data was gathered through key informant interview.

3.4 Method of Data Collection

Required data was collected from both primary and secondary sources, which complement each other. To gather primary data; key informant interview with HR director, and survey questionnaire were used. Thus, interview of officials, ex-employees, who were working directly or related job in concerned departments of the company were included.

For collection of secondary data, necessary documents such as official reports, planning, and other important statistics data were reviewed.

3.4.1 Primary Data Sources

The Primary data was gathered from sample respondents that were chosen through sampling from the total study population. The instruments engaged in order to collect primary data was structured questionnaires and interviews.

Concerning the primary data the following techniques were used.

3.4.1.1 Employee Questionnaires Survey

In the questionnaires survey, both open and closed ended questions were used to gather data from the representative samples of employees, who have been working in TAT PLC. Until April 20, 2018 G.C. In this survey, background information, reasons for retentions, factors for staff turnover and other attributes were included to assess the employee turnover.

To identify the importance of the attributes, the respondents were asked about the importance of each attribute for intention to leave the organization. The response was ranked on a Likert scale from one (1) to five (5) representing the levels from “Strongly disagree” to “strongly agree” to identify the current employees reason for retaining or intention to leave in the organization in relation to the attributes mentioned in the questionnaire.

Self-administered questionnaires were distributed to respondents through the selected sample respondents.

3.4.1.2 Key Informant Interview

Both open and closed ended questions were used to gather information from selected samples of experts related with the study area. The participants consist of 3 HR directors from head office and main braches that the researcher purposefully selects believing to get adequate information. This key informant interview included general assessment of factors affecting employee turnover. Additionally, 28 ex-employees were selected who worked in the company for three years and interview was done to assess the factors that made them to left the company.

3.4.2 Secondary Data Sources

The main sources used for secondary data were company profile documents, various records found in the company human resource department, documents, books, articles and journals within the company. It was also consisted both published and unpublished source to make the thesis realistic i.e. books, annual reports, annual plans, and others.

3.5 Sampling Techniques

In the process of conducting this study, both probability and non-probability sampling were used to select the study respondents.

3.5.1 Survey: - Is the collection of data attained by asking individuals questions either in person, on paper, by phone or Online. Also survey is used to gather the opinions, beliefs and feelings of selected groups of individuals often chosen. Representative employees from the existing employees were selected based on systematic sampling to fill survey questionnaire.

3.5.2 Interview: - The study respondents from different departments of the organization were selected on purposive bases (non-probability sampling) because officials or experts who were directly working on the issues were expected to have rich knowledge data than other persons.

3.5.3 Sample size

To carry out the study from the total population of 556 employees, the sample size was 233 employees. As the sample size gets larger, the reliability and representativeness of the study increases. The number of respondent's representative sample size was 233 using the following sample size determination formula adapted from Israel (1992).

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

Where; N = the total population

n = the required sample size

e = the precision level which is = ($\pm 10\%$)

With Confidence Level is 95% at $P = \pm 5$ (maximum variability).

Thus the researcher targeted to contact a considerable number of participants to distribute the survey questionnaires. Considering this, the sample size was determined by using the above formula as of 233 respondents.

3.6 Method of Data Analysis

3.6.1 Quantitative Data: - Includes close - ended information such as that found to measure attitudes and behaviors.

3.6.2 Qualitative Data: - Consists of open – ended information that the researchers usually gather through interviews, focus group and observation.

After data gathering all information were coded and entered into Statistical Package for Social Science (SPSS) version 16.0 for analysis. The results of analysis were interpreted and discussed using descriptive statistics (frequency, mean, and standard deviation).

test at ($P < 0.05$) significance level.

The data was analyzed using descriptive statistics and the significance was tested by chi-square the qualitative data was analyzed by triangulation methods for the data gathered through open ended questionnaires and key informant interview questions. Moreover, supported secondary sources were used for analysis of the qualitative data.

3.7 Validity of Research Findings

Basic requirement for a good research is that it gives reliable answers to research questions.

The research should be conducted truthfully, objectively and in a way that does not cause harm for the respondents. (Heikkilä, 1998) Most research studies, either qualitative or quantitative, strive to attain validity and reliability. ‘Validity concerns the soundness, legitimacy and relevance of a research theory and its investigation. Reliability refers to repeatability or consistency of a

finding...’ (Mikkelsen ,1995). Validity refers to how much it has measured what it was supposed to measure. (Heikkilä, 1998). Validity means that the data collected through the questionnaires will be accurate and it will ensure that the researcher will be able to draw the correct conclusions. In rough, validity means the lack of systematic error. Research should measure exactly what it is supposed to measure. To avoid searching for the wrong things, the researcher should set specific goals for the research. Validity is difficult to research afterwards, so it has to be checked in advance by carefully planned and well considered data collection. (Heikkilä, 1998)

3.8 Reliability of Research Findings

Reliability means research results’ accuracy. The research results cannot be random. Repeatability to get similar results is a one requirement for a reliable research. The researcher has to be sharp and critical throughout the whole research process. There should not be any mistakes in collecting, entering, processing or interpreting the results. Most important for the researcher is to interpret the results right and use analyzing methods that he or she masters well. (Heikkilä, 1998) Research has to be as well as valid and reliable also objective. The researcher cannot allow his or her political or ethical beliefs to affect the research process. The use of multiple methods or different sources of information allowed the study to address the research questions and cross-check information exhaustively. Moreover, efforts were made to ensure that both validity and reliability of the empirical data can be taken into consideration.

The researcher tested the questionnaire to make sure that the questions were relevant and would give enough information to answer the research questions. The researcher interpreted the results objectively and reliably.

Triangulation was the approach to be taken to ensure that both validity and reliability of the research findings will be ascertained. Through triangulation different sources of information was adopted. The content of the questionnaire were written in both English and Amharic language in order to prevent misunderstanding from respondents’ side; it means that respondents clearly understood the content and meaning of each question. Besides, the researcher is knowledgeable enough of English language and could help respondents if they had some problems understanding the questions. Overall, respondents had enough time to answer the questionnaire. Respondents had time to read

the questions carefully. Every questionnaire was complete, so it means that every question was answered. In addition, respondents were expected to answer the questions honestly, because the researcher informed them in advance that there was no right or wrong answers and the questionnaire was anonymous.

3.9 Ethical Consideration

The aim of this research was clearly described to concerned management officials and for the company before distribution of the research questionnaire and to ascertain the confidentiality of the respondents, on the questioner respondents were not required to fill out their names. Publications and data's obtained from the company were used only for the purpose of concluding this research paper.

CHAPTER FOUR

DATA ANALYSIS, DISCUSSION AND INTERPRETATION

4.1 Introduction

This chapter consisted with the analysis and interpretation of the data gathered from employees of TAT PLC through distributed questionnaires and interview sessions arranged with the concerned officials and ex-employees of the company. Accordingly, an attempt was made to assess the general background of the current employees of TAT PLC. Moreover, detailed analysis and discussion of data collected through the distribution of questionnaires were presented. In addition,

interview results were summarized that were gathered from human resource director and employees.

4.2 Response Rate

The questionnaire was distributed for 233 sample respondents and all questionnaires were collected which is equal to 100 percent. This was due to better follow up and respondents were willing to fill the questionnaires. The key informant interview was planned to address 28 respondents. However, only 17 key informants were willing to respond and some of the respondents were not interested to the interview. The respondents are almost homogeneous, employees of TAT PLC who are working on freight transport service rendering company. Hence, it is enough to analyze the findings

4.3 General Background of Respondents

The characteristics of the respondents were assessed from the point of view of gender, age, marital status, qualification, and field of specialization in the company. Accordingly, analysis and interpretation of the data obtained from the respondents are presented as follows:

4.3.1 Age Group

Table 1: Age group of respondents

Age	Frequency	Percent
Below 25	19	8.15
25-30	20	8.58
31-35	118	50.64
36-40	54	23.17
Above 40	22	9.44
Total	233	100

Source: Own Survey, 2018

As regards with the age range of the respondents as indicated in table 1, majority of them lie in the age group of 31- 35. Thus, those in the age group of 31- 35 count for 118(50.64%) and those who lie in the age group of 36-40 count for 54(23.17%). Altogether, the respondents whose ages range from 31- 40 are 172(73.81%) of the total respondents. This clearly shows that the company is losing matured, energetic and experienced employees. This will certainly have serious impacts in the overall performances and growth of the company.

4.3.2 Gender Profile

Table 2: Gender composition of respondents

No.	Sex	Frequency	Percent	Valid Percent	Cumulative Percent
1	Male	172	72.9	73.8	73.8
2	Female	61	25.8	26.2	100.0
	Total	233	98.7	100.0	

Source: Own Survey, 2018

As the above table two shows 72.9 % (172) of the respondents are Male and 25.8 %(61) respondents are Female. The result indicated that gender composition in TAT PLC is not proportional. Thus it is important to the company to balance the male and female employees so as to be effective and efficient. It is also possible to assume that the intention of female employees to leave the company is less as compared to their male counterparts.

4.3.3 Marital Status

Table 3: Respondents Marital Status

No	Marital Status	Frequency	Percent	Valid Percent	Cumulative Percent
1	Married	120	50.8	51.5	51.5
2	Single	74	31.4	31.8	83.3
3	Divorced	29	12.3	12.4	95.7

Source: Own Survey, 2018

4	Widowed	10	4.2	4.3	100.0
	Total	233	98.7	100.0	

Relating to marital status of the employees as can be noted from table 2, 120(50.8%) of the respondents are married, and 74(31.4%) are single. Moreover, 29(12.3%) and 10(4.2%) are divorced and widowed respectively. So the results showed that majority of the respondents are married.

4.3.4 Qualification

Table 4: Educational qualification

No.	Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
1	<12	147	62.3	63.1	63.1
2	12+2	45	19.1	19.3	82.4
3	BSC/BA	36	15.3	15.5	97.9
4	MSC/MA	5	2.1	2.1	100.0
	Total	233	98.7	100.0	

Source: Own Survey, 2018

As can be perceived from table four, most of the respondents 62.3 % (147) completed grade 12. 36(15.3%) have BSC/BA degree and 5(2.1%) possess MBA/MS degree. Altogether, the number of those who possess first degree and above is 41(17.4%). This indicates that, the demand for qualified and experienced staff is high and the company is likely to continue losing its qualified and experienced professional staff unless it is prepared to revise its employee retention strategies and motivate its employees to stay with the company.

4.3.5 Field of Specialization

Table 5: Field of specialization

Source: Own Survey, 2018

As the above table five indicates 36(15.3%) are accountants, 10(4.2) are Management, 12(5.1%)

No.	Specialization	Frequency	Percent	Valid Percent	Cumulative Percent
1	Accounting	36	15.3	15.5	15.5
2	Management	10	4.2	4.3	19.7
3	Marketing	12	5.1	5.2	24.9
4	Engineering	4	1.7	1.7	26.6
5	Other	171	72.5	73.4	100.0
	Total	233	98.7	100.0	

Marketing, 4(1.7) Engineering and the majority of the respondents 171(72.5%) have different area of specialization. This indicates the company should try to hire balanced professional employees.

4.4 Satisfaction with benefit and salary package

It is known that, when employees are feeling not receiving good payment and compensation according to their experience, responsibilities and qualification they may decide to quit their job. In consequence, as depicted from the current employees responses on the below table five, majority of the respondents 121(50.6%) and 87(36.4%) replied that they strongly disagree and disagree respectively in relation to the payment compared to their experience, responsibilities and qualification that is equal to the required job. The data also showed, 22(9.2%) moderately agreed and 3(1.3%) agreed, the payment and compensation is equivalent to their experience, responsibilities and qualification. The result of the findings showed that current employees perceive that they had not got good payment and compensation in comparison with their experience, responsibilities and qualification. When employees get more experience and become more qualified, they may take more responsibilities. Following this, they may demand equitable payment and compensations with the experience they have and the qualification they possess and the responsibility they seek through time. Therefore, the company should develop appropriate mechanism for benefit and salary package based on employee's qualifications and experiences to motivate and retain its qualified and experienced employees.

4.4.1 Satisfaction with the benefit and salary package

Table 6: Satisfaction with the benefit and salary package

No	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	121	50.6	51.9	51.9
2	Disagree	87	36.4	37.3	89.3
3	Moderately Agree	22	9.2	9.4	98.7
4	Agree	3	1.3	1.3	100.0
	Total	233	97.5	100.0	

Source: Own survey, 2018

4.4.2 Satisfaction with the number of vacation, sick leave and Insurance policy (safety, health) set by TAT PLC

Table 7: Vacation, sick leave and insurance policy

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	103	43.1	44.2	44.2
2	Disagree	89	37.2	38.2	82.4
3	Moderately Agree	40	16.7	17.2	99.6
4	Agree	1	.4	.4	100.0
	Total	233	97.5	100.0	

The above table seven shows that, majority of the respondents replied as strongly disagree 103(43.1%) and 89(37.2%)disagreed, that the number of vacation, sick leave and insurance policy(safety, health) set by the company is not adequate.

On the other hand the rest of the respondents count for 40(16.7%) reflected that the number of vacation, sick leave and insurance policy (safety, health) given by the company is sufficient. Providing adequate benefit packages to the employees in terms of the number of vacation, sick leave and insurance policy (safety, health) is vital for the company to hold the current staffs as retention mechanisms.

4.4.3 School fee, leave for exams, subscriptions

The below table 8 shows that, 40(16.7%) of the respondents are happy with the assistance given by the company in terms of school fee, leave for exams and subscriptions. On the other hand, the other respondents i.e.103 (43.1 %) strongly disagree and 89(37.2%) disagree respectively, that they are unhappy by the benefits in terms of school fee, leave for exams and subscriptions. Thus, the company should plan to provide assistance methods for school fees, leave of exams and subscriptions.

Table 8: Assistance given by TAT PLC in terms of school fee, leave for exams, subscriptions

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	103	43.1	44.2	44.2

2	Disagree	89	37.2	38.2	82.4
3	Moderately Agree	40	16.7	17.2	99.6
4	Agree	1	.4	.4	100.0
	Total	233	97.5	100.0	

Source: Own Survey, 2018

4.4.4 Loans for housing, vehicle, personal and staff related issues

Table 9 below indicates the gap of the current staff demand on the company assistance and the actual assistance the company delivered for loans such as housing, vehicle, personal and staff loans.

As can be observed from the data, 52(21.8%) moderately agree and 98(41%) agree, that respondents are satisfied by the company's assistance for loans (housing, vehicle, personal and staff loans).

On the contrarily, 13(5.4 %) strongly disagree and 10(4.2%) disagree, of the respondents are not satisfied with assistance for loans provided by the company. Since majority of the respondents feel that the assistance for loan is adequate, the company should continue with its assistance.

Table 9: Company's assistance on loans for housing, vehicle, personal and staff related issues.

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	13	5.4	5.6	5.6
2	Disagree	10	4.2	4.3	9.9
3	Moderately Agree	52	21.8	22.3	32.2
4	Agree	98	41.0	42.1	74.2
5	Strongly Agree	60	25.1	25.8	100.0
	Total	233	97.5	100.0	

Source: Own Survey, 2018

4.4.5 Amount of payment for the job is equal to others doing similar work in other companies

Most of the employees want their salaries to be the leading in the industry compared with the salary of the other employees who do similar job in other companies. So, paying better salary compared to the market may help the employees to be stable in their jobs and the company as well.

In most cases, employees want to change from company to company even for slight increments on their salary. However, if their company pays them as better as those employees doing similar work in a competitive company, they can stay longer period in the company.

In view of that, as can be observed from table 10 , the respondents were asked to ascertain whether they have obtaining equal payment or not as compared to other company employees working similar job, 125(52.3%) strongly disagree and 81(33.9%) disagree, of the respondent feel that the payment of TAT PLC compared to other companies working similar job payment to their employees is not equivalent with TAT PLC employees received payment. Conversely, 26(10.9%) moderately agree, of the respondent feel that the payment they obtained are equal with other company employees working similar job.

Hence, the company has to review the salary scale to motivate the current employee and make happy in their job.

Table 10: Amount of payment for the job is equal to others doing similar work in other companies

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	125	52.3	53.6	53.6
2	Disagree	81	33.9	34.8	88.4
3	Moderately Agree	26	10.9	11.2	99.6
4	Agree	1	.4	.4	100.0
	Total	233	97.5	100.0	

Source: Own Survey, 2018

4.4.6 Performance bonus structure fairly rewards their effort

With regard to the extent of employee's feeling on the below table10, on the issue of the performance bonus reward structure of the company and the efforts of the employee, although 25 (10.5%) moderately agree, 9 (3.8%) agree and 9 (3.8%) strongly agree, of the respondents feel that the performance bonus structure fairly rewards their effort, majority of them, i.e. 96 (40.2%) strongly disagree and 94 (39.3%) disagree, of the respondents feel that the performance bonus structure rewards their effort unfairly.

So, the company should scrutinize the feeling of its current employees on rewards of performance bonus and it should be clarify the way of forwarding performance bonuses based on the efforts the employee achieve in their career.

Table 11: Performance bonus structure fairly rewards their effort

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly disagree	96	40.2	41.2	41.2
2	Disagree	94	39.3	40.3	81.5
3	Moderately Agree	25	10.5	10.7	92.3
4	Agree	9	3.8	3.9	96.1
5	Strongly Agree	9	3.8	3.9	100.0
	Total	233	97.5	100.0	

Source: Own Survey, 2018

4.4.7 Company's training and development programs

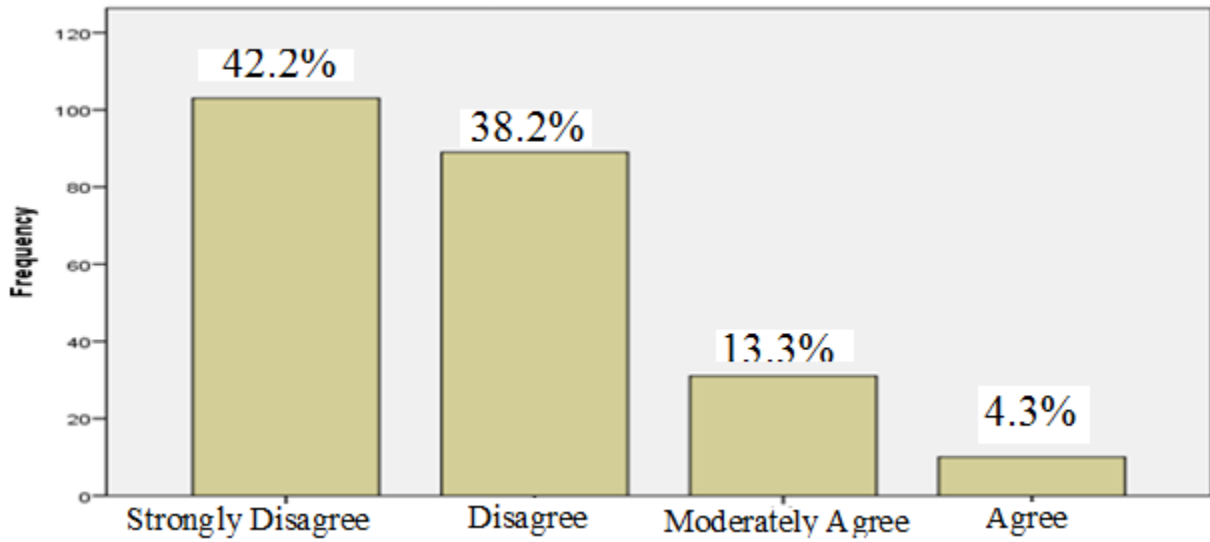
The data showed from in table 12 evidenced that, 11(46.4%) moderately agree and 70(29.3%) agree, of the current employee attained continuous training and development programs arranged by the company to alleviate their professional growth where as 37 (15.5%) disagree and 9(3.8%) strongly disagree, of the respondents feel that the company does not arrange continuous training and development programs to enables current employees professional growth. Thus, the result relatively reveals that the current employees of the company obtain continuous training and development programs to enable them to grow professionally. Hence, arranging continuous training and development programs helps the company to have more competent and knowledgeable employees that perform their jobs in a better way for the achievement of the company objectives.

Table 12: company's training and development programs

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	9	3.8	3.9	3.9
2	Disagree	37	15.5	15.9	19.7
3	Moderately Agree	111	46.4	47.6	67.4
4	Agree	70	29.3	30.0	97.4
5	Strongly Agree	6	2.5	2.6	100.0
	Total	233	97.5	100.0	

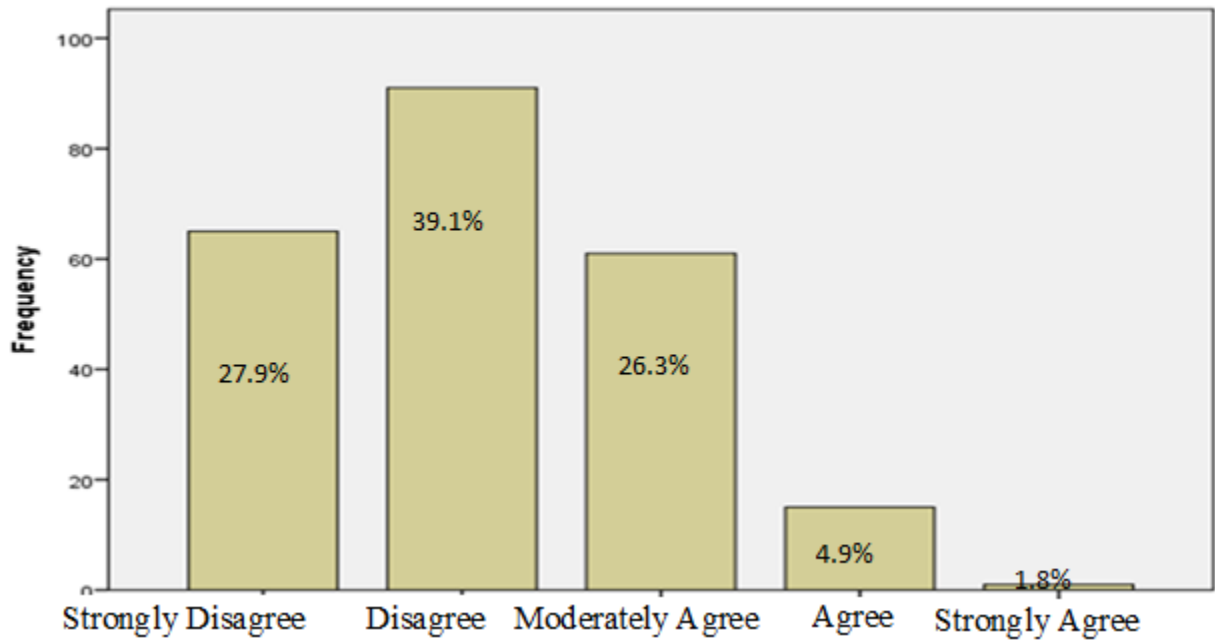
4.5.2 Orientation about the company and job description

Figure 1: Provision of orientation



Source: Own Survey, 2018

Figure 2: Delivery of job description



Source: Own Survey, 2018

Newly recruited employees need to undergo intensive orientation training to enable them to adjust themselves with the new work environment and settle easily. Accordingly, as can be seen from Figure one (1) above, the respondents were asked to confirm whether they were introduced to the company before they started their jobs when they were newly recruited. As can be observed from the data, 103(42.2%) of the respondents strongly disagree and 89(38.2%) of the respondents disagree that they did get enough orientation about the organization during the time when they were newly recruited to join the organization. Besides, 31(13.3%) moderately agree and 10(4.3%) of the respondents agree that they received job orientation. Subsequently, 192(82.4%) of the respondents confirmed that they had not given orientation sessions before starting their job when they joined the organization as new recruits. According to the findings, it can be say that the respondents feel that sufficient orientation is not given by the company to newly recruited employees. They are not sufficiently introduced to the organization and their jobs. This is likely to affect the productivity of the employees and eventually lead to high turnover. It is evident from different studies that orienting employees about their workplaces and their jobs is one of the most important functions of management but the most neglected functions by many organizations. Thus, the company requires to consistently organizing orientation or induction sessions to its employees since they are effective in motivating employees to stay longer with their jobs, reducing employees' turnover and enhancing productivity.

Figure two (2) of the above data shows the response of participants related to job description and duties with the actual duties the current employees perform. As can be observed from the data, 65(27.9%) strongly disagree and 91(39.1%) disagree that the company did not give enough job description on their duties. On the other hand 76(32.6%) of the respondents agree that they get job description. It is apparent that employees will be exhilarated to stay longer with the companies if they are contented with their jobs and clearly understand what they should do. So, the company should practice of providing job descriptions for every employee to use as their guidelines and perform their duties and responsibilities accordingly. Besides, employees will be more eager and effective on their jobs if they know their specific duties and responsibilities. This effectiveness and willingness are enhancing the performance of the company and maximizes the sense of belongingness of employees to the job.

4.4.3 Relationship with management and supervisor

Table 13: Management of the company in fixing the issues/problems

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	52	20.6	22.3	22.3
2	Disagree	84	33.2	36.1	58.4
3	Moderately Agree	50	19.8	21.5	79.8
4	Agree	38	15.0	16.3	96.1
5	Strongly Agree	9	3.6	3.9	100.0
	Total	233	92.1	100.0	

Source: Own Survey, 2018

The above table shows that majority of the respondents, 52(20.6%) strongly disagree and 84(33.2%) disagree, on the management of the organization in solving the problems related with their job. Besides, 50(19.8%) moderately agree and 38(15%) agree that their job related problems were fixed by the management.

Table 14: Supervisor with the delivery of information on work issues

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	32	12.6	13.7	13.7
2	Disagree	109	43.1	46.8	60.5
3	Moderately Agree	77	30.4	33.0	93.6
4	Agree	13	5.1	5.6	99.1
5	Strongly Agree	2	.8	.9	100.0
	Total	233	92.1	100.0	

Source: Own Survey, 2018

According to the participants response the supervisors did not keep informing the employees regarding to work issues. Moreover, 77(30.4%) and 13(5.1%) of respondents moderately agree and agree that the supervisors inform work issues to their employees.

Table 15: Supervisor's fair and respectful treatment

No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
-----	----------	-----------	---------	---------------	--------------------

1	Strongly Disagree	19	7.5	8.2	8.2
2	Disagree	49	19.4	21.0	29.2
3	Moderately Agree	108	42.7	46.4	75.5
4	Agree	43	17.0	18.5	94.0
5	Strongly Disagree	14	5.5	6.0	100.0
	Total	233	92.1	100.0	

Source: Own Survey, 2018

The above table shows, 108(42.7%) respondents moderately agree and 43(17%) agree that their supervisors are fair and respectful in treatment of the staff. However, 19(7.5%) and 49(19.4%) of respondents strongly disagree and disagree respectively towards supervisors fair and respectful treatment for their employees.

Table 16: Supervisors' availability to help and answer the question of the staff

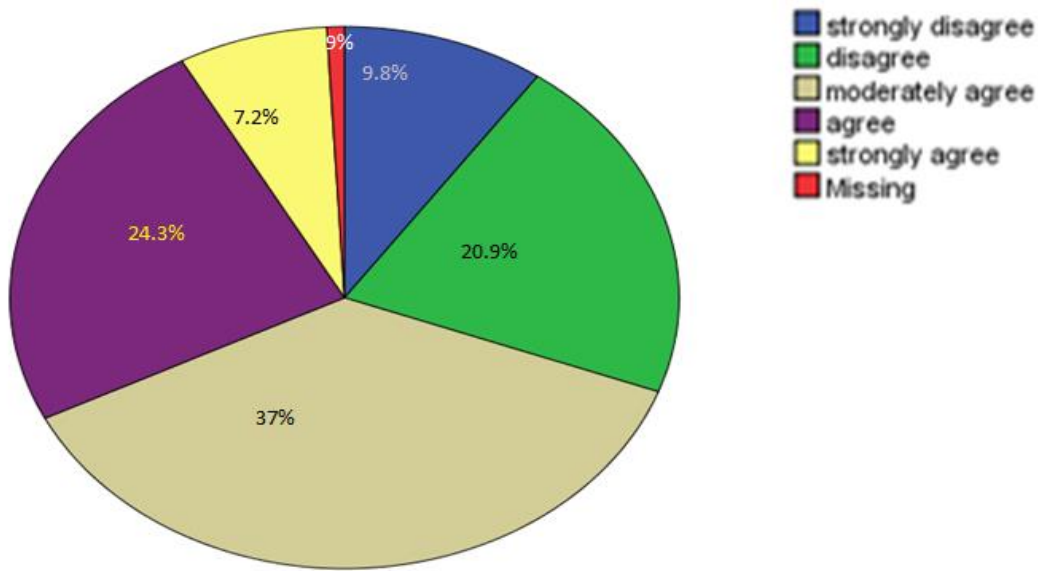
No.	Response	Frequency	Percent	Valid Percent	Cumulative Percent
1	Strongly Disagree	10	4.0	4.3	4.3
2	Disagree	104	41.1	44.6	48.9
3	Moderately Agree	89	35.2	38.2	87.1
4	Agree	26	10.3	11.2	98.3
5	Strongly Agree	4	1.6	1.7	100.0
	Total	233	92.1	100.0	

Source: Own Survey, 2018

The above table shows, 104(41.1%) of the respondents disagree that their supervisors did not available at the time of need and ready to answer the question of the employees. On the other hand, 89(35.2%) of the respondents agree that the supervisors were available to help and answer the question of the employees.

4.3.4 Job satisfaction and promotion

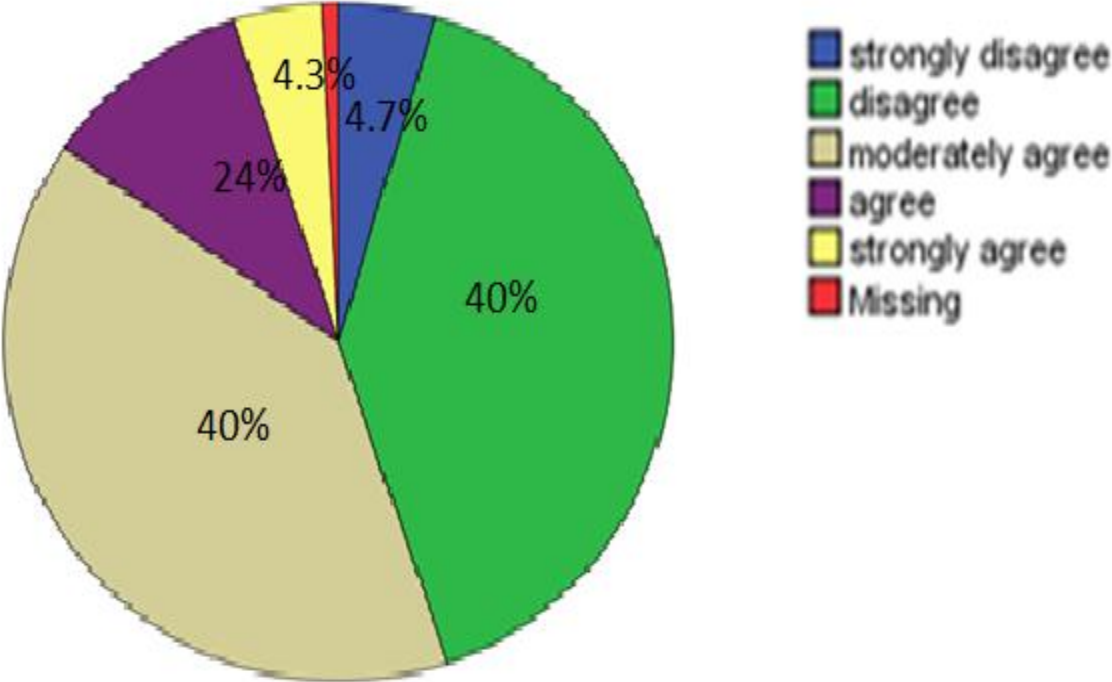
Figure 3: Job promotion and growth



Source: Own Survey, 2018

It is natural that current employees always aspire the next level of position when the employee left the positions due to voluntarily or involuntary. However, the position is filled by other employees from other section it may discourage and assume that their job does not have good promotions. On the other hand, if the job has not the level, it is also discouraging to current employee. Thus, the data from figure one (1) above shows that, 49(20.9%) of the respondents disagreed that their job has not good promotion and they have not the ability to grow in their job. On the other hand, 87(37%) of the respondent moderately agreed and 57(24.3%) of respondents agreed that their job has good promotion and employees have the ability to grow in their job. This implies that the majority of the respondent feels that their job has good promotion and employees have the ability to grow in their job. This will be potential sources for skilled employee's retention.

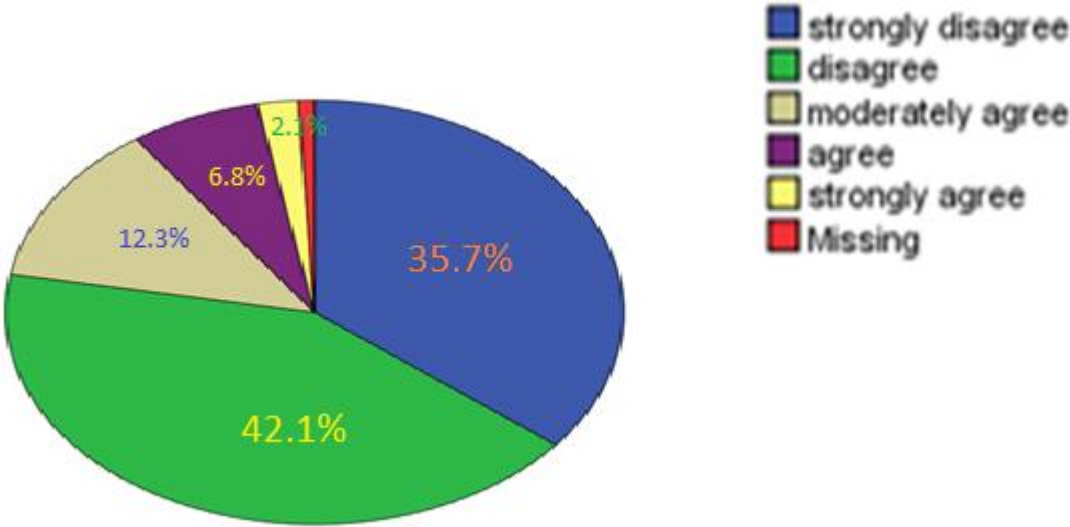
Figure 4: Job security



Source: Own Survey, 2018

Employers should work on employees to develop their confidences and to feel secured in their jobs. It is obvious that, if employees are not feeling secured in their job they have not worked with confidences and they don't want to take risks on behalf of the companies. However, those employees who feel unsecured in their job will not be participated and execute such risky transactions. Likewise, their fear of risk may jeopardize the operation of the companies. Conversely, current employees of TAT PLC were asked their level of agreement regarding to the job security. Accordingly, as can be seen from the response 11(4.7%) and 94(40%) of the respondents strongly disagree and disagree respectively that implies they are not feel secured in their job while 94(40%), 24(10.2%), 10(4.3%) of respondents strongly agree, moderately agree and agree respectively that they are secured in their job. This implies that most of the current employees' respondent feels they are secured in their job. It is obvious that employees are feeling secured in their job they will stay in the company. Besides, the team spirit of the employees will be good and this helps the effectiveness of the company.

Figure 5: Qualification and experience for promotion and opportunities are equal and fair for all employees



Source: Own Survey, 2018

As can be observed from figure five (5) above, the respondents were asked to express their level of agreement with the statement that reads “My qualification and experience are considered for promotion and opportunities are equal and fair for all employees”.

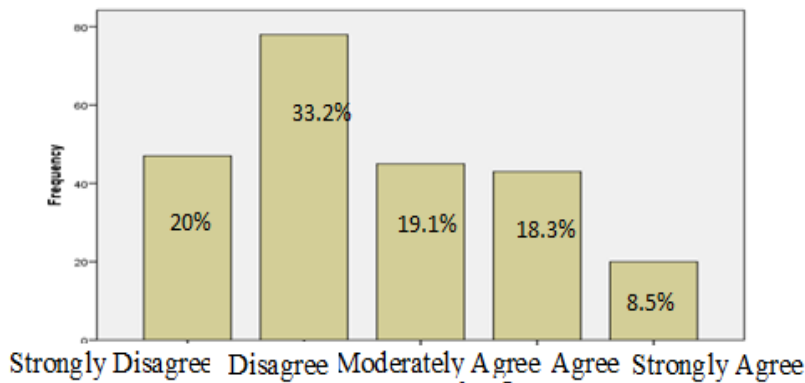
Accordingly, as can be observed from the response, 84(35.7%) of the respondents strongly disagreed and 99(42.1%) disagreed. Thus, 183(77.8%) seem to disagree with the statement. On the other minimal number of respondents i.e.29 (12.3%), 16(6.8%) and 5(2.1%) of respondents express their feelings as moderately agreed, agreed and strongly agreed respectively.

As confirmed by the majority of the respondents, the company did not gives enough recognition for well done work and employees feel they are not appreciated at work. Therefore, recognition for well-done worker and appreciation at work place needs to be done by the organization to minimize potential sources of employee turnover.

4.3.5 Working environment, work load and fairness

4.3.5.1 Satisfaction with the overall work environment

Figure 6: Satisfaction with the overall work environment of TAT PLC



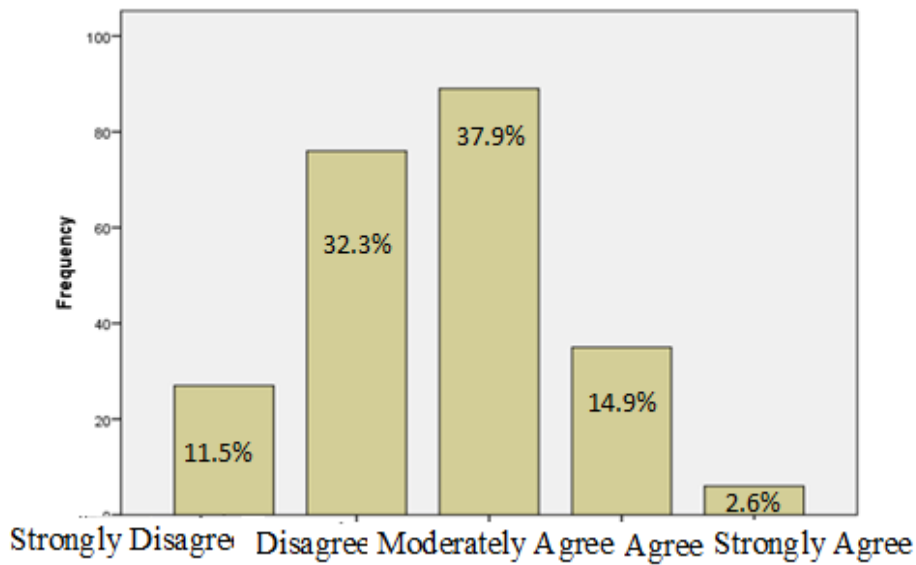
Source: Own Survey, 2018

Researchers found that employees leave the job due to hostile work environment. On the contrary, good working conditions may serve as a motivating factor to employees, in order to stay in a company. Reviewing the results of questions in figure six (6) above shows that, 78(33.2%) and 47(20%) of the respondents disagree and strongly disagree that they were not satisfied with the overall work environment of the company while 45(19.1%), 43(18.3%) and 20(8.5%) of the respondents moderately agree, agree and strongly agree respectively that they are satisfied with the overall working environment of the company.

As per the response of the majority respondents, they are unsatisfied by the overall work environment of the company. The management of the company should go further to create the working environment to be coherent and conducive to minimize the number of employees left the company.

4.3.5.2 Workload

Figure 7: Workload

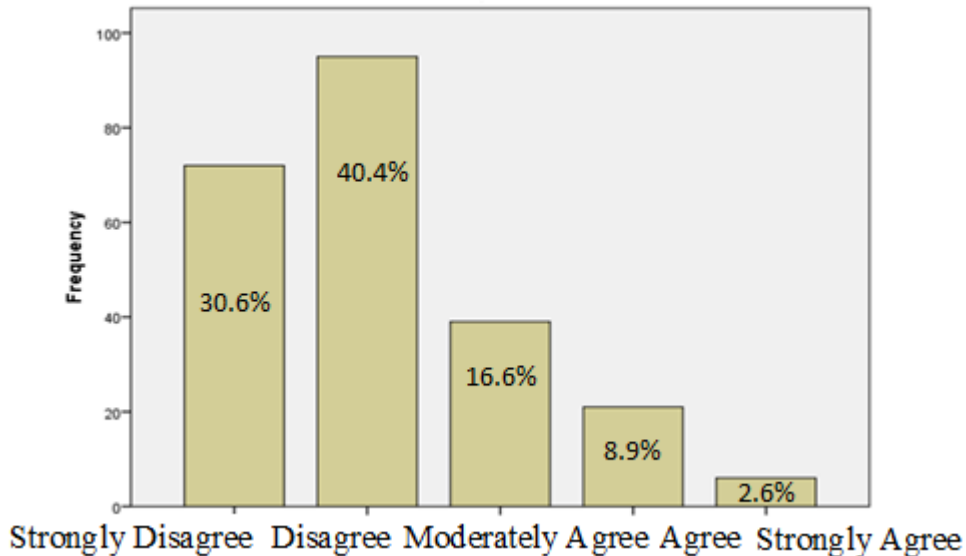


Source: Own survey, 2018

Busy employees may leave the company due to workload or over utilization of their capacity. The data collected from figure seven (7) shows that, majority of the respondents replied they the amount of work they were given and felt that it was reasonable and sound. Accordingly, as can be noted from the respondents 89(37.9%) and 35(14.9%) were moderately agreed and agreed respectively. On the other hand, 76(32.3%) and 27(11.5%) of the respondents disagreed and strongly disagreed that the amount of work was reasonable and sound.

4.3.5.3 Appraisal rates and grade promotions

Figure 8: Appraisal rates and grade promotions

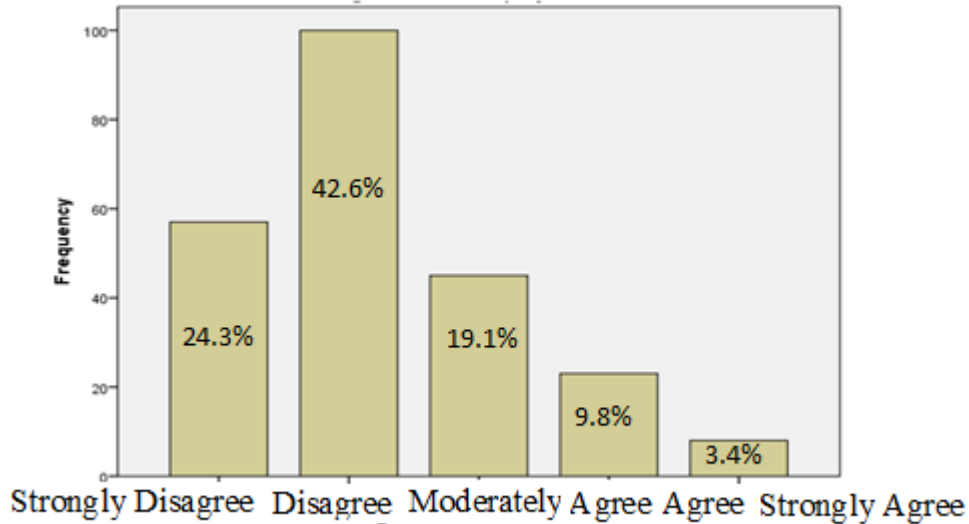


Source: Own Survey, 2018

Based on the actual performance, employees expect their appraisal and accordingly demand promotion. Despite the fact that, respondents reflect their responses for the statement mentioned under figure eight (8) which rewarded with better appraisal rates and grade promotions reflect as 39 (16.6%) moderately agreed, 21 (8.9%) agreed, 6 (2.6%) strongly agreed. On the contrary, majority of the respondents replied as 72 (30.6%) strongly disagreed and 95 (40.4%) disagreed. So, from the respondents' feedback, it can be said that employees are not rewarded with better appraisal rates and grade promotions based on their actual performance. Thus, employees, especially, who work more and better should be rewarded and should provide grade promotion, otherwise employee will quit their job and turnover rate of the company will increase and in parallel the company loses its hard workers.

4.3.5.4 Company's fair and equal treatment

Figure 9: Company's fair and equal treatment



Source: Own Survey, 2018

As can be observed from the above figure nine (9) above, the respondents were asked to express their level of agreement with the statement that read "I feel the company is fair in general and treat employees fairly and equally". Along this lines, as can be seen from the response, 8(3.4%) strongly agreed with the statement, 23(9.8%) agreed with the statement and 45(19.1%) moderately agreed. Thus, 76(33.3%) seems agreed. On the other hand, large number of the respondents i.e. 57 (24.3%) and 100 (42.6%) of the respondent expresses as strongly disagreed and disagreed respectively with the statement. As confirmed by more of the respondents, 157(66.9%), the company is unfair in general and treat its employees unfairly. Thus, TAT PLC is required to take the necessary corrective measure in this regard to retain its experienced and senior employees.

4.3.6 Intention to leave or stay

Table 17. Intention to leave or stay with TAT PLC

No	ITEMS	Response Category						Total
		Strongly Disagree	Disagree	Moderately Agree	Agree	Strongly Agree		
1	I do not have intention to resign from TAT PLC within a shorter time	Frequency	93	84	26	25	5	233
		Percentage	39.9	36.1	11.2	10.7	2.1	100
2	My excellent salaries and benefits are the major drivers that would make me stay in TAT PLC	Frequency	78	82	40	25	8	233
		Percentage	33.5	35.2	17.2	10.7	3.4	100
3	Whenever I get a job in another company definitely I leave TAT PLC	Frequency	33	49	34	87	30	233
		Percentage	14.2	21	14.6	37.3	12.9	100
4	I am already fed up working in TAT PLC so I am searching for a better job in a better company at the moment	Frequency	14	69	85	52	13	233
		Percentage	6	29.6	36.5	22.3	5.6	100
5	I'm not satisfied with the work environment in my current job so I would look for outside Opportunities	Frequency	39	57	46	65	26	233
		Percentage	16.7	24.5	19.7	27.9	11.2	100
6	I would look for other job opportunities, if I find no career advancement in this company	Frequency	21	44	41	91	36	233
		Percentage	9	18.9	17.6	39.1	15.5	100

Source: Own Survey, 2018

As shown in table 17 of item (1) above, the respondents express their feelings on the statement 'I do not have intention to resign from TAT PLC with in a shorter time'. Thus, 93(39.9%) of the respondents strongly disagreed with the statement, 84(36.1%) disagreed. On the other hand 26(11.2%) moderately agreed, 25(10.7%) agreed and 5(2.1%) strongly agreed. This implies that majority of employees do not have any intention to resign from the company within a shorter time. Based on the above table 17 of item 2 showed that majority of the respondents replied for the question asked 'My excellent salaries and benefits are the major drivers that would make me stay in TAT PLC' and replied as 78(33.5%) strongly disagreed and 82(35.2%) disagree. However, 40(17.2%) moderately agree, 25(10.7%) and 8(3.4%) agree accordingly. Thus the result indicates majority of the respondents agree that excellent salaries and benefits are the major drivers for them to stay in TAT PLC. Results in table 17 of item (3) for the statement asked the respondent 'whenever I get a job in another company definitely I leave TAT PLC' indicates that 30(12.9%) of the respondents

Strongly agreed, 87(37.3%) agreed and 34(14.6%) moderately agreed with the statement. On the other hand, 33(14.2%) strongly disagreed and 49(21%) disagreed with the statement. This indicates that whenever the current employees get a job in another company definitely they leave the company. Thus, the intentions of the current employees to leave the company are high. Take in to account of this intentions of the employee to leave the company, the management of the company should work its assignment very well to change the potential leaver employees of the company.

The research findings in table 17 of item (4) the respondents express their feelings for the statement 'I am already fed up with working in TAT PLC so I am searching for a better job in a better company at the moment'. Accordingly, as can be seen from the current employees responses 85 (36.5%) of the respondents moderately agreed with the statement. Moreover, 52(22.3%) agreed and 13(5.6%) strongly agreed whereas 14 (6%) disagreed and 69(29.6%) strongly disagreed. This shows that the current employees are already fed up working in TAT PLC and they are searching for a better job in a better company at the moment.

The above table 17 of item (5) results show that, (65)27.9% of the respondents agreed, (46)19.7% moderately agreed, (26)11.2% were strongly agreed, and however, (57)24.5% disagreed and (39)16.7% strongly disagreed with the statement 'I'm not satisfied with the work environment in my current job so I would look for outside opportunities'. This, indeed, shows that more than (137)58.8% of the current employees are not satisfied with the work environment in their job and they are looking for outside opportunities. The company should work on retention mechanisms to handle the employee from quitting.

The findings reflected in Table 17 above in last item for the statement 'I would look for other job opportunities, if I find I will be go since no career advancement in this company' show that (91)39.1% of the respondents agreed, (41)17.6% moderately agreed, (36)15.5% strongly agreed. On the contrary, (44)18.9% disagreed and (21)9% strongly disagreed with the statement. The result indicates that, the largest number 168 (72.2%) of current employees respondents are looking for other job opportunities and leave the company since they would not get career advancement in TAT PLC. This implied that the issue raised in this regard is a critical symptom

for the existence of potential turnover in the company. Therefore, the company should implement retention mechanisms regarding career advancement to retain its valuable employees as early as possible.

4.3.7 ANALYSIS ON KEY INFORMANT INTERVIEW

4.3.7.1 Interview results with HR Director of the TAT PLC

The Director pointed out that turnover is a natural occurrence and that turnover can also be positive as the company can separate itself from poor performer and make way for capable employees continue in the company. However, the management of the company was not happy for the turnover of experienced staff and trying to improve the existing work environment.

For the interview question about the reasons employees leaving the company, the director replied as employees are left the company due to various reasons but majority of them are left the due to salary and benefits since similar companies offer higher salary and benefits.

Regarding the turnover trend, the director said there is high turnover on experienced professionals and drivers as new operating companies offer better salary and benefits.

For the question of that the company apply exit interview to assess the reasons for employees to left the company, there is no continues and proper documentation.

The director also emphasized the company tried to adjust the salary scale in 2016. But the scale is not adequate compared to the market.

With related to employee recognition, the immediate supervisors are responsible to select better performing staff for appreciation. However, it is not effective to address encouragement of those who do well.

In conclusion, the director replied the company had problems with human resource implementation strategies that enhance good salary and benefit, proper training and development, conducive work environment and analysis on the current employee turnover trends. Finally, the Director pointed out that, the company gives due attentions to its employees since the success of the company is directly related with the contribution of the employees. It is obvious that without the qualified and experienced staff it is very difficult to achieve the objective of the company.

4.3.7.2 Interview results with ex-employees

The researcher planned to conduct interview for 28 ex-employees, however only 16 of the respondents were willing to give the response. Accordingly, the following data is gathered and summarized. The interview question of ‘the main reason for them to leave the company’ showed that majority of respondents left the company due to less attractive salary and benefit package that was offered by TAT PLC. So they were looking for better salary and benefit packages from similar operating companies. Moreover, the management was not ready to solve job related problems. The company did not facilitate training and development for upgrading employees’ current capacity. The respondents also mention the other reason for leaving the company that they were assigned in location which is far away from families and this created inconvenience for them. Regarding to ex-employees reply on the question that whether they regret for their decision to leave the company, the respondents were not willing to return back as they are getting better salary and conducive work environment in the current company.

The respondents pointed out that they get their expectation that TAT PLC was not offering and shifting to another company give them an opportunity interims of better salary and benefit package, good work environment, job satisfaction and promotion, and sense of belongingness.

Majority of the respondents also believed that TAT PLC is not competitive enough compared to other similar companies related with proper human resource activities, employee and management relationship, and attractive benefits.

Finally, ex-employees emphasized that TAT PLC should improve its management practices related with retaining experienced and qualified staff by implementing proper

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of Findings

This study aims to determine the causes of employee turnover. The data collected was primarily used to reach the objectives of the study. These objectives are clearly explained in Chapter 1. The discussion of the results was done in terms of these objectives. The data collected with regard to why employees leave the company pointed out that there are various reasons employees leave and are still leaving the company. The discussion incorporates the theory, as discussed in Chapter 2. Hence, here the researcher presents the summary of the findings.

- ❖ Most of the current employee respondents (72.9%) are male, below the age of 40, married, completed grade 12, and has been in the company above 5 years.

- ❖ A large number of current employees respondents (87%) feel that the company does not pay attractive salary in accordance to their experience, responsibilities and qualification and also the amount of pay they received for their job is not equal to others employee doing similar work in other companies for them(86.2%). Besides, the assistances given by the company for loans such as housing, vehicle, personal and staff loans are adequate for the current employees' respondent (87.9%). On the other hand minority of the current employee Respondents (20.7%) agreed that the number of vacation, sick leave and insurance policy (Safety & health) are sufficient.

- ❖ Most of the current employees' respondents (67%) ascertain that the company has not given a clear job description and duties match with their duties actually perform.

❖ Most of the ex-employees respondents left the company due to a decline in quality of supervision of top management and supervisors (67%), their supervisors treat them unfairly and disrespectfully (77%) and the management of the company did not shown a genuine interest in fixing the issues/problems in their role (65%). Besides, their supervisors were not available to them when they had questions or need help (52%).

❖ Majority of the current employees respondents (60%) feel that the management of the company does not shows a genuine interest in fixing the issues/problems in their role. Moreover, some of the current employees' respondents (52%) agreed that supervisors are treat employees unfairly and disrespectfully.

❖ Majority of the current employees respondents believed that the overall work environment of the company is not conducive (53.2%), the amount of workload in their job is not reasonable and sound (70.2%), the company is unfair in general and treat employees unfairly (52%). Moreover, respondents of current employees (71%) agree that they are not rewarded with better appraisal rates and grade promotions and appraisals on their actual performance.

❖ Most current employees' respondents (71%) have definitely an intention to leave the company because most of them are looking for other job opportunity and whenever they get a job in another company they leave since most of them are not satisfied with the work environment in their current job, they are fed up working in TAT PLC and they would look for outside opportunities if they find they will go because they feel that no career advancement in the company.

❖ The management of the TAT PLC believes that the existence of employee turnover but the transport relates the turnover with salaries and packages. The salary and package of the company is also on the way to be adjusted considering of the turnover of employees to retain the existing employees of the company.

❖ The TAT PLC gives training and development to bring a desirable change in employees' behavior and attain organizational effectiveness and efficiency.

❖ The TAT PLC has no strategies and programs that have been designed to minimize employees' turnover.

5.2 CONCLUSIONS

Through this study the researcher had made an attempt to assess major factors affecting employees' turnover intention in TAT PLC. A combination of quantitative and qualitative data was used to conduct this study which employed data collection techniques of questionnaires and interview checklists. Descriptive statistics was applied for analyses and interpretation of the data collected. Consequently, the findings from the survey and the interviews have been presented. At this point, the researcher comes to a conclusion based on the interpreted results and discussions of findings. Accordingly, the following conclusions are drawn.

It has been well established that employee turnover poses a significant direct and indirect effect of organizational effectiveness. TAT PLC has high rate of employee turnover rating at up to 12 % per year as per the key informant interview from human resource director. Furthermore turnover has negative implication for the company as it results in lower productivity, lower employee commitment, loss of experienced personnel and costs associated with learning curve for new employees.

The main purpose of this research was to assess factors that contribute to employee turnover in the TAT PLC. In summary, there were mainly three significant factors that were identified through survey questions. These factors include salary package and benefits and job satisfaction and promotion, employee's relationship with the management, and working environment and intention to leave or stay.

The first relevant factor of employee turnover was salary package and benefits and Job satisfaction and promotion. This factor encompasses dimensions like salary and benefit, allowances, medical insurance and trainings. With regard to this factor, majority of respondents are not satisfied with benefit, salary package, job satisfaction and promotion which were offered by TAT PLC.

The second factor is employee's relationship with the management. This factor includes dimensions like availability of conflict resolution mechanism, recognition of a job well done, leadership style, communication, fairly treatment and orientation about the company and job description. The study showed that the supervisors of the company did not properly provide enough information about the job, and the company. Additionally the management did not fix job related problems promptly. On the other hand, respondents are happy with fair and respectful treatment of the supervisors. Turnover and employee's relationship have an inverse relationship indicating that lack of solid and good employee relationship practice prompts employees to start to look for other opportunities.

The third factor is working environment and intention to leave or stay. This factor consisted of the influence of clear career path, work load, promotion, opportunities, job security, and intention to leave or stay on employee turnover. The research revealed that employees were not satisfied with the overall work environment. On the other hand, they felt the work load is reasonable and sound. In addition, the survey result indicated, majority of respondents were not happy with the performance appraisal rates and grade promotions. Moreover, the current employees' intention to leave the company was high. In conclusion, the results of this study indicated that current employees are not satisfied with company's benefit and salary package, working environment, relationship with the management and job promotion.

5.3 RECOMMENDATIONS

In the light of the above conclusions, the following discussion explores the recommendations considered important for the company to retain its experienced and qualified employees.

❖ Other studies by various researcher reviewed on employee turnover indicates that factors like salary and benefit packages are the most common cause of the turnover rate being so high. If the company doesn't offer good salaries and benefit packages, employees tend to hunt for jobs that pay them considerably well. In order to resolve this problem, the company is needed a compensation policy that is merit-based and offer salaries and benefits that would be competitive enough and benchmarked against other organizations in the same labour market to retain and attract well-qualified and experienced employees. If possible, it is strongly recommended to be the leading in salary paying against current market scales.

❖ Advancement and promotion are the prime reason why many employees leave the company. Due to no potential opportunity for advancements or promotions, employees prefer other companies which may provide them with higher posts and increased compensation packages. So, career development is the most important retention factor since offering good opportunities for career development not only prevents employees from leaving the company but it also contributes in a positive way to their loyalty to the company. Since the aim of retention policies is not only to retain employees but also to retain employees who are loyal and committed, the HR managers must also put more efforts in retention policies relating to the relationship between managers and supervisors with their subordinates, working environment and job content. Those factors are important predictors of employee satisfaction and they also significantly avert employees from leaving the company. Besides, the company should try to maximize opportunities for individual employees to develop their skills and move on in their careers. Where promotions are not feasible, a company can look for sideways moves that that vary experience and can make the work more interesting.

❖ The Company should provide as much job security as possible. Employees who are made to feel that their jobs are precarious may put a great deal of effort in to impress, but they are also likely to be looking for more secured employment at the same time. Job security is greatly valued by most employees.

❖ A perception of unfairness, whatever the reality when seen from a management point of view, is a major cause of voluntary resignation. In addition to this, as quality of supervision /style of management has high effect factor that contributed to employee turnover, it becomes necessary to scrutinize that manager treated all employees fairly and equally. This becomes more so important because any turnover resulting from inequality could also have legal implication on the company. Accordingly, the company encourages and promotes Zero discrimination against any of its employees and the company need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance

❖ The manager and supervisors of the company need to show their appreciation to employees and should be more visible in the work to gain a better understanding of what is happening in the various work sections that are aimed at rewards for performance to retain valuable employees. Besides, the company ought to implement more aggressive reward and recognition programs for well done work employees.

❖ Not satisfying in over all working environment is one of the main causes for employee turnover. Employees prefer to work in an environment which is suitable for them. This is the most common reason why they move from company to company in just a few months. However, if they find an apt work environment in a specific company, they may work in the same organization for several years. So, the company should work on providing all required comfort and ease to perform the job to the employees to retain its qualified and experienced employees.

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Appendix A

SMUC
School of Graduate studies
MBA Program
Employees Questionnaire

The purpose of this questionnaire is absolutely for academic purpose as a prerequisite for MBA and it is designed for preparing a thesis on the title of Employees' turnover in the case of Tikur Abay Transport Plc (TAT PLC). The outcome of the study will be used in order to suggest possible solutions for problems identified while conducting the study. Please take a few minutes to fill out this questioner. Your specific answers will be completely anonymous & confidential, but your views, in combination with those of others, are extremely important. I assure you again that, all your responses will be kept in absolute confidentiality and you will not be held responsible for the research outcome.

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.
NB.

1. No need of writing your name;

2. Answer the alternatives by putting (√) mark on your choices(s). Besides, if you have any idea about turnover and retention strategy that the company should implement, you can use the back side of the paper to express your fillings.

3. Please respond as accurately as possible and at your earliest possible time.

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

A- General Background of Respondents (Demographic Information)

1. Your age group -.....
2. Sex - Male Female
3. Marital status- Married Single Divorced Widowed
4. Qualification- ≥ 12 12+2 BSC/BA MSC/MA PhD
5. Occupation in the company- Manager Accountant Customer Officer
Sales Purchaser If Other Specify.....
6. Field of specialization- Accounting Management Marketing Engineering
Economics If Other Specify.....

B. Items concerning turnover intention of current employees

Directions:- using the key below, please put (\surd) mark on your best responses to the following statements on a scale of 1 to 5, where;

1. Strongly Disagree 2. Disagree
3. Moderately Agree 4. Agree 5. Strongly Agree

<u>A</u>	<u>Satisfaction with Benefit and salary package</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	I feel that I am well paid in comparison with my experience, responsibilities and qualification that is equal to the required job					
2	The number of vacation, Sick leave and Insurance policy (safety, health) set by TAT PLC is adequate for me					
3	I am happy with assistance given by TAT PLC in terms of school fee, leave for exams, subscriptions					
4	I am happy with company's assistance on loans for housing, vehicle, personal and staff related issues.					
5	The amounts of pay I receive for my job is about equal to others doing similar work in other companies.					
6	I feel that the performance bonus structure fairly rewards my effort					
7	The organization arranges continuous training and development programs to enable my professional growth					
<u>B</u>	<u>Orientation about the company and Job Description</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>

1	<i>I received enough information about TAT PLC and my job before being employed during the recruitment process</i>					
2	<i>The company has given me a clear job description and duties which I perform actually match with duties indicated in the job description.</i>					
<u>C</u>	<u><i>Relationship with management and supervisor</i></u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	<i>I feel that management of the organization shows a genuine interest in fixing the issues/problems in my role</i>					
2	<i>My supervisor keep me well informed on work issues</i>					
3	<i>My supervisor treats me fairly and respectfully</i>					
4	<i>My supervisor is available to me when I have questions or need help</i>					
<u>D</u>	<u><i>Job satisfaction and Promotion</i></u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	<i>My job has good promotion and I have the ability to grow in my profession</i>					
2	<i>I feel secured in my job and The organization gives enough recognition for my work and I feel I am appreciated at work</i>					
3	<i>My qualification and experience are considered for promotion and opportunities are equal and fair for all employees</i>					
<u>E</u>	<u><i>Working environment, work load and fairness</i></u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	<i>I'm satisfied with the overall work environment of TAT PLC</i>					
2	<i>I feel that the amount of workload in my current job is reasonable and sound</i>					
3	<i>I feel that I am rewarded with better appraisal rates and grade promotions on my actual performance</i>					
4	<i>I feel the company is fair in general and treat employees fairly and equally</i>					
<u>F</u>	<u><i>Intention to leave or stay</i></u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
1	<i>I do not have any intention to resign from this company within a short time</i>					
2	<i>My excellent salaries and benefits are the major drivers that would make me stay in TAT PLC</i>					
3	<i>Whenever I get a job in another company definitely I will leave this company</i>					
4	<i>I am already fed up with working in TAT PLC, so I am searching for a better job in a better organization at the moment</i>					
5	<i>I'm not satisfied with the work environment in my current job so I would look for outside Opportunities</i>					

6	<i>I would look for other job opportunities, if I find no career advancement in this company</i>					
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Interview Questions to HR of the company

- 1. How do You See the Level Employee turnover in your company?*
- 2. What is the current trend of the employee turnover?*
- 3. Do you feel that the turnover of company is a serious problem in your company?*
- 4. Do you feel that employees of TAT PLC earn adequate salary and benefit packages when compared to the market?*
- 5. What are the main reasons the company detect for employee's turnover?*
- 6. Do you use the information obtained from exit interview result as a feedback?*
- 7. What are the mechanisms the company used to retain its experienced and qualified employee?*
- 8. How does TAT PLC approach towards reducing employees' turnover?*

Interview Questions for Ex-Employees

- 1. What were your main reasons for you to leave TAT PLC?*
- 2. Do you want to rejoin TAT PLC or do you regret your decision to leave the company?*
- 3. Are you living your expectations after you left TAT PLC?*
- 4. How do you feel about TAT PLC with your current company?*