



St. Mary's ቅዱስት ማርያም
University ዩኒቨርሲቲ
Committed to Excellence

SCHOOL OF GRADUATE STUDIES

DEPARTEMENT OF MANAGEMENT

(GENERAL MBA)

FACTORS AFFECTING EMPLOYEE TURNOVER

THE CASE OF OFFICE OF FEDERAL AUDIT GENERAL (OFAG)

By

TIZITA GELASHE

DECEMBER/2020 SMU

ADDIS ABABA, ETHIOPIA

FACTORS AFFECTING EMPLOYEE TURNOVER
THE CASE OF OFFICE OF FEDERAL AUDIT GENERAL (OFAG)

By

TIZITA GELASHE

ID.NO (SGS/0229/2010A)

ADVISOR NAME

BERHANU ENDESHAW (Ph.D)

**A Thesis Submitted to St. Mary's University School of Graduate
Studies in Partial Fulfillment of the Requirements for the Degree of
Master of Business Administration (MBA General)**

SMU, DECEMBER/2020

ADDIS ABABA ETHIOPIA

Declaration

I, the cosignatories, declare that this study entitled “*FACTORS AFFECTING EMPLOYEE TURNOVER INTENTION, THE CASE OF OFFICE OF FEDERAL AUDIET GENERAL IN ADDIS ABABA*” is my own work. I have undertaken the research work independently with the guidance and support of the research advisor. This study has not been submitted for any degree or diploma program in this or any other institutions and that all sources of materials used for the thesis have been duly acknowledged.

Declared by

Name: TIZITA GELASHE

Signature: _____

Date: December, 2020

Place: Addis Ababa, Ethiopia

Certification of Advisor

This is to certify that Tizita Gelashe has done the study on the topic “*The Factors Affecting Employee Turnover Intention in office of Federal Audit General, in Addis Ababa Ethiopia*”. This study is authentic and has not been done before by any other researcher.

Advisor: Berhanu Endeshaw (PhD)

Signature: _____

Date: _____

Board of Examiners

This is to certify that the thesis prepared by **Tizita Gelashe** entitled: “*The Factors Affecting Employee Turnover Intention in office of Federal Audit General, in Addis Ababa Ethiopia*” and submitted in partial fulfillment of the requirements for the Degree of Master of Business Administration in Management complies with the regulations of the University and meets the accepted standards with respect to originality and quality.

Signed by the Examining Committee:

Dean, Graduate Studies _____ Signature _____ Date _____

Examiner _____ Signature _____ Date _____

Examiner _____ Signature _____ Date _____

Advisor _____ Signature _____ Date _____

Table of Contents

Certification of Advisor	iv
Board of Examiners.....	v
List of Tables	ix
List of Figures.....	x
Acronyms	xi
ABSTRACT	xii
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Background of the Study	1
1.2 Statement of the Problem	4
1.3 Basic Research Questions	5
1.4 Objectives of the Study.....	6
1.5 Significance of the Study.....	6
1.6 Delimitations and Limitations of the study	7
1.6.1 Delimitations of the Study.....	7
1.6.2 Limitations of the study.....	7
1.7 Organizations of the Study	7
CHAPTER TWO	9
REVIEW OF RELATED LITERATURE	9
2.1 Introduction	9
2.2 Theoretical Literature	9
2.2.1 Definition of Employee Turnover	9
2.2.2 Types of Employee Turnover	11
2.2.3 Factors Affecting Employee Turnover	13
2.2.4 Turnover Cost and Benefit.....	15
2.2.5 Effective Employee Retention Strategies	16
2.3 Empirical Review	19
2.4 Conceptual framework	22
2.5 Hypothesis of the Study.....	23
CHAPTER THREE:.....	24
RESEARCH DESIGN AND METHODS	24
3.1 Introduction	24

3.2 Research design and methods.....	24
3.2.1 Research Approach.....	24
3.2.2. Research Design.....	25
3.3 Sample Size and Sampling Procedures.....	25
3.3.1 Target Population.....	25
3.3.2 Sampling Design and Procedures.....	26
3.3.3 Sample Size.....	26
3.4 Data Source and Data Collection Method.....	27
3.4.1 Data Source.....	27
3.4.2 Data collection method.....	27
3.5 Data Analysis Technique.....	27
3.6 Validity and Reliability.....	28
3.7 Ethical Considerations.....	29
3.8 Research Model Specification.....	29
CHAPTER FOUR.....	30
RESULTS AND DISCUSSIONS.....	30
4.1 Introduction.....	30
4.2 Demographic Data of the Respondents.....	30
4.3 Descriptive Statistics.....	34
4.4 Data Analysis.....	40
4.4.1 Correlation Analysis.....	40
4.4.2 Diagnostics of Assumptions in Regression.....	45
4.5. Regression Analyses.....	50
4.6 Interview Result with Selected key Informants.....	53
CHAPTER FIVE.....	56
SUMMARY, CONCLUSION AND RECOMMENDATIONS.....	56
5.1 Introduction.....	56
5.2. Summary of Findings.....	56
5.3. Conclusions.....	58
5.4. Recommendations.....	59
APPENDIX A.....	67
APPENDIX B.....	71

Acknowledgments

It is the grace, mercy, charity, forgiveness, help and kindness of the almighty God- Jesus Christ that made me still alive, achieve this success and strength and to go through all the difficult time. Glory to the mother of God who made me strong to work and completed my works very well. While there are several people who have helped me in one way or another to achieve the completion of this thesis, first and for most it would have not been possible without the guidance, support and expertise of my thesis advisor Berhanu Endeshaw (Phd.). So, I would like to begin by thanking Dr. Berhanu Endeshaw for his constructive comments and outstanding help with this thesis, for allowing me the complete freedom to pursue this study, to work on my own initiative and for making me to use the potential that I have and energies me since the first meeting to work with confidently. Next, I cannot afford to leave out the precious support of my beloved family without their encouragement, motivation and willingness I could not move one step with this MBA study. Ato Mekonnen Abera who showed much devotion to the success of my thesis for his positive comments, supports and cooperation that he gave me while doing this research, May God bless you!

List of Tables

Table 1.1: Employee's Turnover in Office of Federal Audit General.....	5
Table 2.1: Turnover Cost and Benefit.....	16
Table 3.1: Summary of Scales and Cronbach's alpha values.....	28
Table 4. 1 Sex of the Respondents	31
Table 4. 2 Age of the Respondents.....	31
Table 4. 3 Educational level of the Respondents.....	32
Table 4. 4 Responsibilities and Service Years of the Respondents	32
Table 4. 6 Pearson Correlations	35
Table 4. 7 Collinearity Test	47
Table 4. 8 Durbin Watson Statistics	48
Table 4. 9 Direct effect Statistics	49
Table 4. 10 ANOVA Analysis Result	50
Table 4. 11 Durbin Watson Statistics	51

List of Figures

Figure 5 Scatter Plot with Fit Line	45
Figure 6 Histogram.....	45
Figure 7 Scatterplot of standardized Residuals.....	47

Acronyms

ACCA: - Association of Chartered Certified Accountant

CMA: - Certified Management Accountant

CPA: - Certified Public Accountant

OFAG: - Office of Federal Audit General

SAI: - Supreme Audit Institution

SD: - Standard Deviation

SPSS: - Statistical Package for Social Science

TVET: - Technical and Vocational Education and Training

VIFC: - Variance of Inflation Factor

ABSTRACT

The main aim of conducting this study was to identify factors contributing towards turnover intention in existing employees of office of federal audit general head office in Addis Ababa. The study used the four factors of employee turnover such as Salary and Benefits, Career Development, Working Condition and Reward and Recognition as independent variables and Turnover intention as dependent variable. The data have been collected from employees of office of federal audit general in Addis Ababa head office through random sampling techniques and the primary data, which was collected using self-administered questionnaires from a sample of 233, all of the questionnaires, were correctly filled and returned, the overall response rate is 100 %. Further the data were analyzed using a descriptive statistic so as to analyze the demographic data of the respondents and Pearson's bivariate correlation analysis, and multiple regression were used to further test of relation in and among the dependent and the independent variable using SPSS software version 23. Thus, employee turnover factors have a negative effect on employee turnover intention as per the specified variables that are tested in this research. From the analyses it is confirmed that turnover factors as Negative and moderate statistically significant ($p < 0.01$) effect on employee turnover intention. The findings further indicate that, there exists linear and Negative significant ranging from considerable to strong relationship was found between independent variables and dependent variable. Therefore, the study recommend that employee should be rewarded and recognized in their performance in order to reduce turnover intention and retain its personnel, should make an adjustment on salary scale of its employee that consider the living cost of employees, and should provide adequate facility so as to retain its employee,

Key words: Salary and Benefit, Career Development, Working Condition, Reward and Recognition

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

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). According to (Rion J, 2009) had also defined employee turnover as a ratio comparison of the number of employees an organization must replace in a given time period to the average number of total employees. The company employees by different reason not satisfied her or his leave and inter other organization. Now a day employees' turnover has been become an emerging threat for the entire business world. Any organization whether Small or Big, National or International, Private or Public can't work without its blood in terms of employees. So, every organization needs employees to run all the works.

Human resources are the basis for organizational existence and development. Since employee turnover is one of the most decisive factors impacting organizational success, human resource professionals and the organization are keen to implement different mechanisms and study the trend of turnover to assess the organization ability to attract and retain talent. This requires that measures are taken to address the areas that need special attention and to manage accordingly (Martin, 2003). One of the functions of management is to motivate people to remain in the organization for reasonably long time periods (Ghosh & Kumor, 2003). Failure to do so leads the organization to lose skilled and trained employee, affecting the organization's operation significantly by delaying organization growth and increasing organizational training and development costs. Employee turnover, then, is a costly aspect of organization management, besides the disruptive effect of upsetting the manpower plan of the organization (Davidson, et al., 2010).

Turnover is a major problem worldwide especially in developing countries, particularly in Africa. Turnover is very detrimental and costly for the organization, both voluntary and involuntary (Ahmad, et al., 2012). Managers and researchers consider turnover as a problem because of costs associated with it and difficulties that organizations face in the recruitment and

retention of proficient employees (Noor, et al., 2011) so, understanding the prospective antecedents of turnover is very important to diminish the problem.

All governmental and private organizations are trying to implement the optimal utilization of their resources, whether human or financial resources or raw materials to achieve their goals and objectives. The human resources are of the most important of these resources because an organization can organize and control the exploitation of the rest of the organization's resources appropriately through human resource management. The basis of the progress and development in various fields of life is the organization's ability to explore the elements of the human performance in terms of efficiency and productivity, which leads to developing the overall effectiveness of the organization. Employee's turnover is a much-studied phenomenon. However, there is no standard account for why people choose to leave an organization. This is noteworthy because it is typically the occasions where people choose to leave that concern organizations and organizational theorists.

(Morrell, et al., 2004).

Employee turnover occurs when employees voluntarily or involuntarily moves out of the organization causing efflux of knowledge base, loss of human capital and the cost of investment on hiring and retention. Turnover is the process through which staff leaves organization and that organization replaces them. Turnover intention is a measurement of whether a business' or organization's employees plan to leave their positions or whether that organization plans to remove employees from positions. Turnover intention, like turnover itself, can be either voluntary or involuntary (Iqra, 2014).

Voluntary turnover occurs when the employee makes the decision to leave on his own. Usually, voluntary turnover intention occurs when the employee perceives another opportunity as better than his current position. This includes more pay, more recognition or a more convenient location. It can also occur when the employee has to leave for health or family reasons. If an employee plans to voluntarily retire from a position, that's voluntary turnover intention, too. On the other hand, involuntary turnover intention is a measurement of whether the organization in question plans to remove an employee from a position, causing the turnover. This can happen if an organization isn't happy with an employee's job performance and chooses to fire him. It also

happens when a business has to eliminate positions due to economic pressures or downturns in business.

According to (Tracey & Hinkin, 2008) said that employee turnover practice forces the company to replace them with new employees at an additional cost. The costs of employee's turnover normally include; advertising expenses, headhunting fees, resource management expenses, loss of time and efficiency, work imbalance, and employee training and development expenses for new joiners (Harrie, 2002). The company may quarterly calculate employee turnover rates to meliorate the factors causing the turnover (Miller, 2006). If the company determines the most common causes of employee turnover, it would certainly be able to take the necessary steps for recruiting and retaining well-qualified personnel (Armstrong, 2006).

According to (Oregon, 2004) most companies find that employee turnover can be reduced when issues affecting employee's morale are addressed. This is mainly through offering employees benefits such as reasonable flexibility with work and family balance, performance reviews, and performance-based incentives, along with traditional benefits such as paid holidays or sick days. The extent to which a company will go to in order to retain employees depends not only on employee replacement costs, but also on overall performance of the company (Phillip, 2009). If a company is not getting the performance it is paying for, replacement cost can be an enormous price to pay in the long run (Bratton, 2003) as he said there are different cost the organization incurring associated with turnover including tangible like recruiting, hiring, training, etc. and also intangible cost like moral of the existing employee diminished due to high load of work, losses of productivity, damage company image and some other cost can be incurred by the organization.

Background of the study Area

Office of federal Audit General (OFAG) plays an important role in the country by providing reliable data and useful information for the effective management and administration of the national economy and deliver reliable and objective information of audit report to support the house of people's representatives in carrying out its responsibilities, to strengthen the performance and accountability of the federal government for the benefit of the Ethiopia people (Proclamation No. 669/2010).

The main objectives of government auditing are to express opinion on financial statements are related issues of legality, regulatory fraud as well as examining whether government institutions are operating economically, efficiently and effectively. To achieve these objectives every country established a supreme audit institution (SAI), Office of Federal Audit General also SAI for our country, OFAG use an audit manual called (AFROSAI-E) the African organization of English-speaking supreme audit institution. This manual plays a facilitative role in empowering member supreme Audit institutions (SALs) to optimize their audit performance. This is achieved by sharing information and supporting SALs in their capacity building intervention, aimed at improved performance in the execution of their mandates. In order to this OFAG vision is to become one of model supreme audit institutions (SAIs) in Africa by 2025.

1.2 Statement of the Problem

According to (Maxwell, 2010), a key problem to employees' turnover is that the organization loses the most experienced and skilled staff that the organization had invested heavily in training on various organization job task functions. This therefore means that, the organization must incur huge costs in terms of time and finance to train the newly recruited staff in order to make them effectively adapt to organization working environment and demonstrate the required skills and experience. According to (Phillip, 2009) employees turnover influences allocation of the job tasks functions to inexperienced employees who lacks technical knowhow on effective execution of organization services, this greatly degrades the quality of organization services and as result, low level of customer satisfaction is realized. The organization sales revenue declines and this lowers the level of organization efficiency. Nowadays, turnover is a common topic in Ethiopia. Turnover intention shows a serious problem to any government and non-government organization in terms of losing of talents, additional employment and training costs there are several factors which were affected the employees' turnover intention. Furthermore, excessive turnover is a threat for organization and will affect the efficiency and productivity of the organization. OFAG had also facing critical turnover of employees. Data collected from the Human Resource Management and Development Directorate from 2008-2011 E.C shows that the annual average employee turnover rate to be 15 %. This is frequent and it is becoming a

series problem of the organization. The following table shows employee turnover rate at the organizations from 2008 to 2011E.C.

Table1.1 : Employee’s Turnover in Office of Federal Audit General from the year 2008-2011

Year	Total No. employee	No. employee terminated	Percentage terminated (%)
2008	441	57	12.9 %
2009	521	74	14.%
2010	542	86	15 %
2011	560	91	16 %
Total	2064	308	15%

Source: From Human Resources Department

The above table shows that the number of employees who voluntarily quite increased from 57 (12 % of the total employees) in 2008E.C. to 91 (16% of the total employees) in 2011 E.C. This indicates, the organization is facing with high turnover rate. If this problem is not well address from the outset, it will be so difficult for the organization to achieve its objectives and realize its vision. To the best of the researcher’s knowledge, no research was conducted to address this problem. This research conducted to fill this gap through theoretical discussion and empirical findings. In addition, the study also targeted try to diminish costs (direct & indirect) associated with employee turnover.

1.3 Basic Research Questions

The research is designed to answer the following question in relation to the factor affecting employee turnover in Office of Audit General

1. What is the effect of salary payment and benefit on employee turnover intention?
2. What is the influence of Career Development on employee turnover intention?
3. To what extent working condition affects employee turnover intention at the Office of the Federal Audit General?

4. What is the effect of reward and recognition on employee turnover intention in at the Office of the Federal Audit General?

1.4 Objectives of the Study

The study has a general objective and a specific objective that are emanate from the research topic, the gap identified in the study area/context, and the above specified research questions.

1.4.1. General Objective

The general objective of this study is to identify the major factor behind the frequent professional employee turnover in Office of Audit General and to provide positive suggestions in order to reduce turnover and retain competent employees.

1.4.2. Specific Objectives

The specific objectives of the study are emanated from the research question and the general objectives of the study. Therefore, the specific objectives of the study are: -

1. To examine the effect salary payment and benefit factor on employee turnover intention.
2. To determine the influence of Career Development on employee turnover intention.
3. To Measure effect of working condition factor on employee turnover intention.
4. To determine the effect of reward and recognition on employee turnover intention at the Office of Federal Audit General.

1.5 Significance of the Study

The study has a contribution and significances for different stakeholders in different context and time. Therefore, the study oversees the specific situations at Office of Federal Audit General in Head office of Addis Ababa city and seeks to generate solutions that can impose on factors that affect Employee Turnover. Thus, it helps them to solve and address problems related with employee turnover factors that includes salary and benefits, career development, working condition and reward and recognition in OFAG. In addition, the study serves as a baseline for policy makers, and government offices to address issues in employee turnover factors and respected solutions.

1.6 Delimitations and Limitations of the study

1.6.1 Delimitations of the Study

Even if OFAG have four branches at Hwassa, Bahirdar, Jimma & Diredawa the study was limited in office of federal audit general in head office of Addis Ababa to address and solve problems related with factors of employee turnover. Furthermore, the study was focused on Employee Turnover factors, which are Salary and Benefits, Career Development, Working condition, and Reward and Recognition as conceptual analysis. The study was also delimited on data that are collected in the year 2020.

Scholars recommended longitudinal research design to make such analysis. However, due to time and financial constraints this research depended on cross-sectional data that is collected only from OFAG Addis Ababa during 2020. Although a number of other relevant factors could be possible moderators between Employee Turnover factors and employee turnover intension in an organization, this study was focusing only an organization who gives Audit service in Ethiopia.

1.6.2 Limitations of the study

The study also delimited to the data collection instruments used. There are data collection instruments like questionnaire, interview, observation and experiment. But the study used questionnaire and interview type of data collection instruments. Empirical design using crosssectional data may lead to other interpretations. It will be more convincing to carry out a longitudinal time series study. The research object only selects the organization. If the research conclusions are extended to other areas, scholars need to make further tests on the actual situation in different Branches.

1.7 Organizations of the Study

The study has five chapters with key contents as discussed in detail below: The first chapter describes the introduction part including the background, research problem, objectives, scope and delimitations of the study. In the second chapter in reference to previous researches in the area, relevant literatures and provide definition of most important concepts, briefly explain theoretical lenses in the employee turnover research, critically review both theoretical and empirical literatures in employee turnover research area. The third chapter describes the research design that applies in this study. Specifically: target population, sample size, sampling technique,

data collection instruments, data collection process, measurement of variables, method of data analysis and the issue of reliability and validity. The fourth chapter reports on the results of the empirical data analyses. These include various analyses of the descriptive variables; several test results to establish reliability and validity, results of inferential analyses to show the relationship among variables. This chapter also presents detail discussions on the results of the data analyses with supports from existing literature where relevant. Finally, the last chapter summarizes the major findings, give conclusions with recommendations and finally insight gaps for future researches.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter focuses on reviewing the related literature in the area of Employee Turnover in office of federal audit general. The issues discussed include both the theoretical and empirical studies of the existing literature. The theoretical review helps in understanding of the current body of knowledge on the research topic. An empirical review of studies of different scholars has been done to guide the research gaps for this study. Altogether, the reviews were used to develop conceptual frame work which used to show the link between the dependent and independent variables.

2.2 Theoretical Literature

2.2.1 Definition of Employee Turnover

Employee turnover is the rotation of workers around the labor market, between firms, jobs and occupations, and between the states of employment and unemployment (Abbasi & Hollman, 2000). Staff turnover that can occur in any organization might be either voluntary or involuntary. Voluntary turnover refers an employee's choice to terminate association with an organization while involuntary turnover is the type of organizational exit that occurs when a firm terminates an individual's employment contract (Batt & Colvin, 2011). Turnover is referred to as the rate at which people might leave an organization (Armstrong, 2012). A number of terms have been used for employee turnover, such as quits, attrition, exits, mobility, migration or succession (Morrell, et al., 2004).

Employee turnover is understood by human resources professionals to be the rate at which an organization's work force terminates employment and requires replacement (Kritnre, 2003) Most organizations have been successful because of the organization's ability to retain employees. Keeping staff rather than losing them, however, is not achieved on a silver platter. Successful organizations in this area are the ones that are whose managements have identified and put in

place measures such as reward, training and development and other forms of motivation so as to encourage the employees to work whole heartedly and stay in the organization for a longer period of time. This helps to ensure consistency in the output of work.

Contrary to this, organizations which cannot identify the effort of their employees and reward them as such end up in losing them to other organization. This goes a long way to affect the productivity, growth and increases the organization's cost of recruiting new staff; and training and developing the new staff to occupy such vacancies. High turnover, therefore, naturally affects performance (Kreitner ,2003).

Furthermore, (Nugent ,2009) concluded that employee turnover can be defined as a percentage figure which shows the rate at which employees move in and out of the organization. However, this figure most likely represents both controllable turnover (controllable by the organization) and uncontrollable turnover. Controllable turnover is "voluntary" by the employee, while uncontrollable turnover is "involuntary" (For example, retirement, death, or spouse transfer).

Turnover may be functional, where the employee's departures produce a benefit for the organization, or dysfunctional, where the departing employee is someone the organization would like to retain.

High performers who are difficult to replace represent dysfunctional turnovers; low performers who are easy to replace represent functional turnovers. The crucial issue in analyzing turnover, therefore, is not how many employees are leaving but the performance and replace ability of those who are leaving versus those who are staying (Kreitner & Kinicki, 2007) also concluded that as a business manager, staff turnover is one area to keep an eye on throughout the year.

2.2.2 Types of Employee 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

A. Voluntary and involuntary turnover.

While employees quit the job from an organization, it is stated as voluntary turnover (Noe, et al., 2006) It is set off the decision of the employee. Another definition is furnished by (Egan, et al., 2004) indicating “An instance of voluntary turnover, or a quit, reflects an employee’s decision to leave an organization, whereas an example of involuntary turnover, or a discharge, reflects an employer’s decision to terminate the employment relationship”. Voluntary turnover can be affected by not having job satisfaction, job stress, as well as due to getting a better job at another organization, a conflict with a manager, or personal matter such as staying home and giving enough time to the family member (Manu & Shay, 2004). It is, therefore, essential to reflect on attractions such as alternatives whilst appearing to voluntary turnover. Nevertheless, voluntary turnover can be foreseen and, in turn, be managed. (Chiu & Francesco, 2003) define involuntary turnover as “... an instance of involuntary turnover, or a discharge” that “reflects an employer’s decision to terminate the employment relationship”. Involuntary turnover includes retirement, death and dismissal. Employee turnover is regarded as involuntary when leaving the job to take care of seriously sick family member or to accompany a spouse to remote area. Therefore, employees have no control over and decide to quit the job (Martin & Martin, 2003).

B. Avoidable and unavoidable turnover.

Avoidable turnover has been described as the one organization can prevent through recruiting, assessing and motivating employees more efficiently and effectively (Luecke, 2002). So, any business organization requires verifying whether voluntary turnover has been dealt with properly. Such confirmation is also needed, because this will lead to take the necessary initiatives to enhance the employee retention. The phenomenon of turnover is psychosomatic, managerial and expensive (Weisberg & Kirschenbaum, 2002). There is currently no conventional model to understand the route of turnover as a whole. A variety of factoring is applied to evaluate the causes of employee turnover. It contains personal factoring, job content factors, working environment and external factoring. (Chiu et al., 2002) have stated that “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". However, almost eighty percent of turnover is due to recruiting mistakes, several of these mistakes can be avoided. Organizations have a need of taking certain measures while selecting and evaluating potential employees.

C. 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" 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 benefit 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.

D. Internal and External Turnover

Turnover can be classified as 'internal or 'external'. Internal turnover happens when employee's 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.

E. 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 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 poses 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. In general organizations face low risk with the unskilled turnover and face high risks with the skilled turnover.

2.2.3 Factors Affecting Employee Turnover

The following factors contribute to staff turnover rate if the management of the organization does not address them properly

A. Pay

According to (Shaw, et al., 1998) “Pay is something given in exchange for services rendered in an organization”. It has played a significant role in retaining and rewarding high quality human resources. To be more precise, one of the critical factors of employee turnover is lower salary. When employees receive lower salary and insufficient financial rewards, they tend to stay no longer with the organization (Labov, 1997). It is often said that job dissatisfaction is the major cause of poor pay scale procedure, leading employees to leave the job. A good illustration of this is that a new employee may guess why the person next to him gets a high salary for what is supposed to be the similar job (Dobbs, 2001). A common opinion is that good pay can be a strong determinant of job satisfaction that leads to achieve higher productivity in the organization.

B. Fringe benefit

A fringe benefit is a meandering incentive contracted to an employee or a group of employees as a part of executive membership, which has a few managers or supervisors and, hence, they come to a decision leaving their positions (Makhubu, 2006). Therefore, it is more imperative for an organization to understand employee’s job anticipation and, side by side, take necessary steps to fulfill their needs.

C. Recognition and Appreciation

The recognition and appreciation are a process of giving employees a certain status within an organization to motivate and enhance their contribution in the company. Recognition describes how the work of an employee evaluated and how much the appreciation he/she receives in return from the organization. It also specifies the way an organization gives its employee the reward and status for his work and activities (Danish & Usman, 2010). Since employees generally want to do a good job, they also want to be appreciating and recognized for their works. As explained by (Alsayyes & Albraiki, 2015) tangible and intangible rewards are a great way to show management appreciation for employees who excel. This increases morale, if it is one well.

Based on this fact, the researcher hypothesizes the following relationship.

D. Training, Professional Development

Training and development are so enthusiastically embraced as key factors due to the fact that well-developed training programs are becoming ever more essential to the ongoing survival of most modern organizations, whether or not retention is an important issue to that organization.

To the extent that operational paradigms such as “The Learning Organization” or the “Knowledge-Based Organization” continue to take hold in the contemporary business world, training is only likely to become more important (Lochhead & Stephens, 2004) In any event, retention reflects a desire to keep one’s valued people; but it is just as much about keeping and managing the skills that a company needs to meet its goals. Thus, training and professional development are seen as ways of building employee commitment in that they allow employees to “see a future” where they work, and provide them with the support necessary to face the ongoing challenges related to their work.

E. Career promotion

In wide terms, reward program demonstrates the broad theory of compensation strategy which is described as the “deliberate utilization of the pay systems as an essential integrating mechanism through which the efforts of various subunits or individuals are directed towards the achievement of an organization’s strategic objectives” (Labov, 1997). The best way of promoting and motivating employees would be a combination of pay, promotion, bonus and other kinds of

rewards to achieve organizational performance (Ting, 1997). The reason behind is that lack of promotion and ordinary work responsibilities considerably can lead to the intention of turnover (House et al, 1996). To an extent, employees consider leaving the organization due to the ineffective performance assessment and perceptions of job unfairness (Weiss & Cropanzano, 1996). By implementing “job enrichment” programs, organization would be capable of retain employee and to provide the opportunities for better career development (Magner, et al., 1996).

F. Work Environment

If working environment is low-grade due to lack of all the basic facilities such as proper lighting, working in a space with some natural light, ventilation, air conditioning system, open space, restroom, lavatory, furniture, safety equipment while discharging hazardous duties, drinking water and refreshment, workers will not be capable of facing up the difficulty for a long time (Singh, 2008) Besides, a bad boss creates an adverse working environment, thereby leading the employees to leave the job.

2.2.4 Turnover Cost and Benefit

Employee Turnover has both cost and benefit, as summarized in table 2. The organization experience direct cost due to managing employee transition and recruiting, hiring, and training replacement worker. Indirect cost may also occur, including the loss of client, team work disruption, diminished production or work quality until a replacement is hired and up to speed, and lowered employee morale. Possible benefits of employee turnover include the creation of promotion or transfer opportunity for another employee, saving from not replacing the departing employee, better performance or customer service, the acquisition of new skill and competence from hiring a replacement worker and acquisition of better team player and corporate citizen.

Table 2.1: Turnover Cost and Benefit

Turnover benefit	Turnover Cost
Creating of promotion or transfer opportunity for another employee	Managing employee transition (supervisors' and HR representative's time.
Saving from not replacing departing employee.	Recruiting, Hiring, and Training a replacement worker.
Better performance or customer service	Losses of client.
Acquisition of new skill and competence	Team disruption
Acquiring of better team player and corporate citizen.	Low production or work quality until replacement is hired and up to speed
	Lower employee Moral

Source: - (Philips & Gully, 2013)

2.2.5 Effective Employee Retention Strategies

A successful employee retention strategy requires you to think about things from the team's point of view. No two employees are exactly alike, of course; each has unique desires and goals. But all of them want to feel appreciated by their employer and treated fairly. They want to be challenged and excited by their work. And they want to be paid at or above market rates with good benefits. All of these concerns are important, but managers serious about retention do more than just the bare minimum. You should consider every area of the employer-employee relationship in developing your organization's plan for keeping workers happy. Here are 14 areas where strategic initiatives can boost employee retention (Robert, 2020).

1. Onboarding and orientation — every new hire should be set up for success from the very start. Your onboarding process should teach new staff members not only about the job but also the company culture and how they can contribute and thrive. Don't shortcut this important

first step: The training and support you provide from Day One can set the tone for the employee's entire tenure at the company.

2. Mentorship programs — pairing a new employee with a mentor is a great component to add to your continuing onboarding process. Mentors can offer guidance and be a sounding board for newcomers, welcoming them into the company. And it's a win-win: New team members learn the ropes from experienced employees, and, in return, new hires offer a fresh viewpoint to your mentors. Employees' work supervisors shouldn't double as mentors, however.

3. Employee compensation — It's absolutely essential in this competitive labor market for companies to offer attractive compensation packages. That includes salaries, of course, but also bonuses, paid time off, health benefits and retirement plans. Every employee should have a full understanding of the benefits they receive from your organization from the beginning.

4. Perks — Whether it's paid time off for volunteering, occasional catered lunches or free snacks and coffee every day, perks can make your workplace stand out and boost employee morale. Some companies negotiate group discounts on big-ticket purchases, from cars and homes to smartphones and home security systems.

5. Wellness offerings — Keeping employees fit, mentally, physically and financially, is just good business. Of employers polled for a Robert Half survey, 74% said they have mental wellness offerings of some sort, such as stress management programs. Sixty-five percent of employers offer financial wellness resources, such as retirement planning or credit counseling. And 63% said they provide gym access, incentives for engaging in healthy behavior or other physical wellness options.

6. Communication and feedback — Keeping open lines of communication is a formal way of describing a practice that's essential for employee retention. Your direct reports should feel they can come to you with ideas, questions and concerns, and they expect you to be honest and open with them about improvements they need to make in their performance. Make sure you connect with each staff member on a regular basis — don't let performance issues build up pending the annual review.

- 7. Annual performance reviews** — Even if you've met with employees throughout the year to check on their job satisfaction, never skip a regular big-picture conversation. This is when you'll discuss short- and long-term goals and talk about their future with the company. While you should never make promises you can't keep, you can talk through potential advancement scenarios together.
- 8. Training and development** — Make it a priority to invest in your workers' professional development and seek opportunities for them to grow. Some companies pay fees and travel for employees to attend conferences or industry events each year, provide tuition reimbursement, or pay for continuing education training.
- 9. Recognition and rewards systems** — Every person wants to feel appreciated for the work they do. Make it a habit to thank your direct reports when they go the extra mile, whether it's with a sincere email, a gift card or an extra day off. When you show your appreciation to employees, explain how their hard work helps the organization. Some companies set up formal rewards systems that incentivize great ideas and innovation, but you can institute recognition programs even on a small team with a small budget.
- 10. Work-life balance** — What message is your company culture sending? Be careful to avoid having a culture that encourages and rewards around-the-clock availability. Expecting staff to regularly work long hours and be at your beck and call is not conducive to employee retention. A healthy work-life balance is essential to job satisfaction, and people need to know that their managers understand they have lives outside of work. Encourage staff to take their vacation time, and if late nights are necessary to wrap up a project, see if you can offer late arrivals or an extra day off to compensate.
- 11. Flexible working arrangements** — some organizations allow staff to choose a compressed workweek (e.g., four 10-hour days) or flextime, where employees are on the clock, say, from 6 a.m. to 4 p.m. or 10 a.m. to 7 p.m. The ability to telecommute — and avoid sitting in traffic — one or two days a week can be a significant stress reliever and retention booster.
- 12. Dealing with change** — every workplace has to deal with change, and staff will look to leadership for reassurance. If your organization is going through a merger, a layoff or another big

shift, keeping your staff as informed as you can will help you manage the rumor mill. Make big announcements face to face, either individually or in a group meeting, and make sure you allow time for questions.

13. Fostering teamwork — When people work together, make sure everyone, not just your team's stars, has a chance to contribute ideas and solutions. Further, foster a culture of collaboration by accommodating individuals' working styles and giving them the latitude to make smart decisions.

14. Acknowledge milestones large and small — whether the team just finished a huge project under budget or an employee celebrated a 10-year work anniversary, seize the chance to celebrate together with a shared meal or group excursion.

2.3 Empirical Review

The objective of this section is to present the overview of studies conducted in different countries and in Ethiopia in relation to the factors affecting Employee turnover. Some studies are assessed the factors that affect Employee Turnover in different organizations by using different methods. These empirical evidences are derived from theories made and observation from different studies.

In the case study of (Abdallah, 2017) this study aims at identifying the factors which influence the turnover phenomenon of the Employees of the Ministry of Education and Higher Education in the Gaza Strip. The Ministry of Education in Gaza suffers from the employee turnover phenomenon. The results show that all work-related factors (payments, job performance, role clarity, job satisfaction, and organizational commitment) influence the employees' turnover. As for external factors (employment perception and unions' presence), the results show that employees' turnover is affected by the employment perception, but not affected by the presence of a union. The study recommended that employees' job satisfaction should be evaluated and reinforced, and meetings should be held with quitters to understand the factors which led to their resignation.

(Samuel & Chipunza, 2009) Identified that intrinsic and extrinsic motivational variables influenced the retention and reduction of employee turnover in both public and private sector

organizations. This research looked at the extent to which identified intrinsic and extrinsic motivational variables influenced the retention and reduction of employee turnover in both public and private sector organizations. The result showed that the following motivational variables were found to have significantly influenced employee retention in both the public and private sector organizations: training and development, challenging/interesting work, freedom for innovative thinking, and job security.

A research conducted by (Felister, 2014) the purpose of this study was to determine the factors that influence employee turnover in the pharmaceutical industry, with an aim of coming up with recommendations aimed at curbing or significantly reducing it and enhancing staff retention at Phillips group of companies. From the findings the study established that better remuneration package discouraged employees' turnover in Phillips group of companies. The study revealed that reward and recognition discouraged employee turnover in Phillips group of companies. It also found out that failure of management to provide opportunities for Career progression encouraged employees' turnover in Phillips group of companies. Employment security, workplace organization and the working environment were the most important factors that employees do consider. The study found that poor working conditions encourages employee turnover in Phillips group of companies.

At national level various Prior researches, were conducted to determine factors of turnover on several sectors in Ethiopia also for instance: -

The research conduct by (Samrawit, 2017) she had tried to study factors that impact turnover intentions in the case of Ethiopian airlines specifically on Human Resource (HR) and Finance department employees and examined the relation of demographic variables, on turnover intentions. The study also found that demographic variables, company commitment and job satisfaction had a significant contribution and negative effect on employee turnover intentions. As stated by (Blen, 2018) conduct study on Employee Turnover and Organization Performance in Case of Shintes ETB Garment PLC this study focuses on variable such as turnover and organizational performance and the possible interaction between them. More specifically, the main purpose of this study was to assess the relationship between turnover of employees and organizational performance at Shintes ETP Garment Plc. The study adopted a descriptive survey research design. In the course of the study, the researcher selected a sample of 205 employees of

the factory from the total of 4019 employee population working in it using stratified and systematic random sampling techniques to all employees except the corporate managers, who were selected in a census approach. Thus, the study found out that low pay and benefit packages, employee-organization relationship, repetitive nature of the job, absence of job rotation, motivation, incompatibility of working culture between the owner and majority of employees, poor recruitment and selection procedures as the major causes for turnover. On the other hand, the influence of turnover was manifested in high cost of recruitment, training, productivity and quality of production. The company is attempting to put into place strategy like free lunch service to reduce turnover but it did not bring the desired outcome. Besides, the company is planning to build up dormitories for the employees with the intent of retaining them, which still seems restrictive when it comes to the privacy and choice of employees.

(Esayas, 2016) Identify the major factors that contribute to employee turnover in technical, managerial and clerical staff of Nib International Bank (NIB). Its main objective of this study is to assess the causes of turnover and intention to leave. The study was conducted using both quantitative and qualitative analysis method and is mainly descriptive. Frequency tables, mean and percentage were used to explain some of the factors. The study discovered that salary, benefits, position change and title change are the main causes of turnover and intention to leave.

It also shows that there is a strong level of intention to leave that does not differ between gender, age, job position and years of service. A consistent application of HR policies and procedures particularly in promotion found to be a concern for employees. Factors that are contributing to the intention to leave are found to be mostly internal. The study recommends that NIB should conduct a comprehensive salary and benefit survey to position itself among the best employers in the industry. It should also address the concerns of employees in terms of application of HR policies and procedures in order to curb the situation and persuade employees to change their intention.

The literatures reviewed in the above have some gap Though human resource is vital in achieving organization goal, objectives and vision, it is misunderstood in of most of government organizations but most of the researchers conducted on private sector like banking area and other private organization there were few research conducted on government organization on

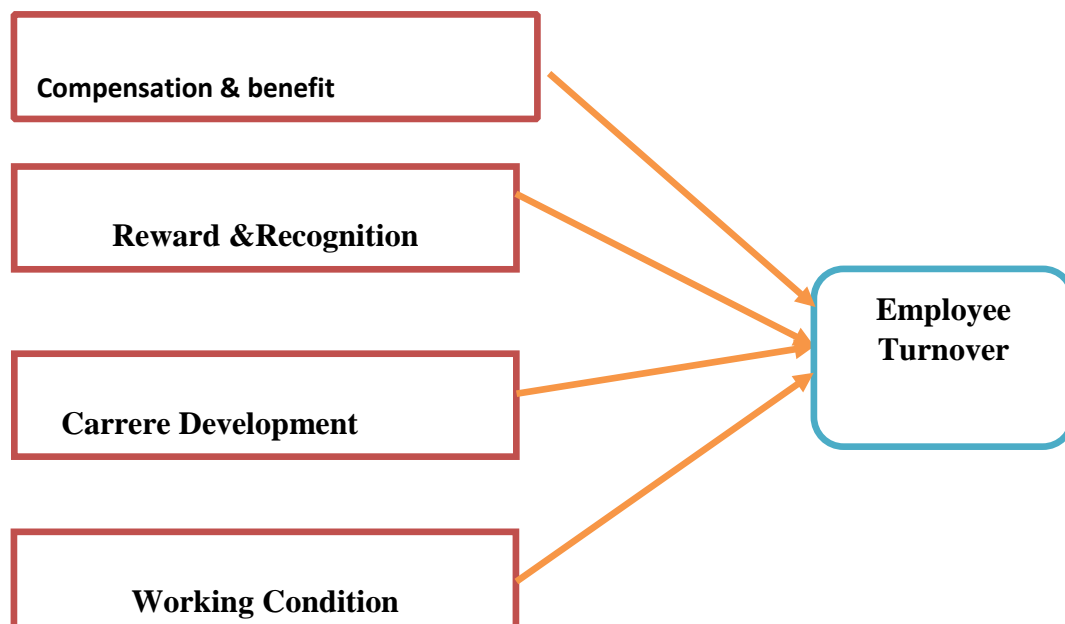
employee turnover issue. Since the issues vary from country to country and also organization to organization, so this research is conducted to fill the specific areas of employee's turnover literature gap as well as to identify possible reasons and the most promising reasons for staff turnover in the organization.

2.4 Conceptual framework

A conceptual framework represents the researcher's synthesis of literature on how to explain a phenomenon. It maps out the actions required in the course of the study given his previous knowledge of other researchers' point of view and his observations on the subject of research. A conceptual framework is a structure, which the researcher believes can best explain the natural progression of the phenomenon to be studied (Camp, 2001). It is linked with the concepts, empirical research and important theories used in promoting and systemizing the knowledge espoused by the researcher (Peshkin, 1993).

Independent variables

dependent variables



Source: Own framework, constructed to frame this study on Literature based.

Figure 1: Conceptual Framework of the study

2. 5 Hypothesis of the Study

Hypothesis can be defined as a logically speculated relationship between two or more variables expressed in the form of a testable statement. Relationships are estimated based on empirical and theoretical literature reviews.

H1:- Employee Compensation and Benefit will positively related to employee turnover intention in Office of Federal Audit General

H2:- Employee Reward and Recognition will positively related to employee turnover intention in Office of Federal Audit General

H3. Employee Career Development Scheme will positively related to employee turnover intention in Office of Federal Audit General.

H4. Employee working condition will positively affect employee turnover intention in OFAG.

CHAPTER THREE:

RESEARCH DESIGN AND METHODS

3.1 Introduction

In order to analyze the potential factors affecting employee turnover in case of Office of Federal audit general, thus the study applied a research methodology. This section provides an overview of the study's research approach, which lays within the mixed methods strategies. The chapter discusses procedures and activities under taken, focusing on namely the study's research design, questionnaire design, data collection, sampling strategy, data processing and analysis and instrument development. Besides, the section deals with a discussion on the validity, reliability and the ethical issues and the research model used in the study.

3.2 Research design and methods

3.2.1 Research Approach

Based on the type of data it will employs, a research can follow quantitative, qualitative and mixed approaches. A quantitative research uses in research that have measuring and counting attributes, which largely depends on the measurement device or instrument, used. The approach involves the generation of data in quantitative form, which can be subjected to rigorous quantitative analysis in a formal and rigid fashion (Kothari., 2004). It is also often concerned with finding evidences to either support or contradict a hypothesis that contains concepts to be measured. Hence, this study applied mixed approach, which is quantitative, and qualitative that is appropriate to investigate the factors that affect employee turnover and relationship between the variables in line with the main objective of the research, which is planned to test. Mixed approach for this study is appropriate because it is the easiest and economical method of obtaining information through different mechanism. This approach is upon values of reason, truths and validity, and there is a focus purely on facts measured empirically on variables using quantitative methods survey, and qualitative method interview and statistical analysis of the data.

3.2.2. Research Design

Research design is the blueprint for fulfilling research objectives and answering research questions (John Adams, Hafiz T.A. Khan, Robert Raeside and David White, 2007) . In other words, it is a master plan specifying the methods and procedures for collecting and analyzing the needed information. It ensures that the study would be relevant to the problem and that it uses economical procedures. The same authors discuss three types of research design, namely exploratory (emphasizes discovery of ideas and insights), descriptive (concerned with determining the frequency with which an event occurs or relationship between variables) and explanatory (concerned with determining the cause-and-effect relationships). The study used a descriptive and explanatory research design, in such a way that a descriptive research design used to describe the frequencies of the underling factors of employee turnover and the explanatory research design used to show the relation between independent and dependent variables that pertains to the research problem. Since the intention of this study is to assess the factors affecting employee turnover, the combined design is suitable and helpful in examining the frequency and show the relation between dependent and independent variable in order to conclude from the findings.

Moreover, the study utilized cross-sectional in the sense that all relevant data was collected at a single point in time. The reason for preferring a cross-sectional study is due to the vast nature of the study and the limitation of time, and obtaining information from a cross-section of a population at a single point in time is a reasonable strategy for pursuing many researches (Janet, 2006).

3.3 Sample Size and Sampling Procedures

Since, researcher have neither time nor the resources to analysis the entire population so it is better to apply sampling technique to reduce the number of cases.

3.3.1 Target Population

The target population is “the entire aggregation of respondents that meet the designated set of criteria” (Burns & Grove 1997:236). Population is commonly related to the number of people living in a particular study area. The target populations for the study were 560 employees of Office of Federal Audit General in the head offices.

3.3.2 Sampling Design and Procedures

Sampling involves a process of selecting a sub-section of a population that represents the entire population in order to obtain information regarding the phenomenon of interest. A sample is a sub-section of the population, which is selected to participate in a study. There are two methods of sampling, one yields probability samples in which the probability of selection of each respondent is assured. The other yields non-probability samples in which the probability of selection is unknown. Since, the study population has similar idea and perception on the study problem those who are working in the study area due to time, finance and other related representative sample selected through systematic and scientific approaches. Therefore, this study used the probability sampling technique. Accordingly, simple random sampling technique is used in order to give equal chances of being studied for each members of the study population. Thus, simple random sampling used for the target population those who works in Office of Federal Audit General for data collection. However due to COVID 19 pandemic some of employees were not available in their office As a result, respondents were selected randomly and the data were collected conveniently from those employee who are available in the office.

3.3.3 Sample Size

The study took in to account different factors that determine the sample size. Because determine sample size has its own systematic and scientific approach, among the factors the study take in to account accessibility and availability of appropriate respondent, research cost, time, sample size of previous studies and other's experience. Therefore, the study incorporated the sample size of the study those who are Audit service providers as per the above sampling techniques.

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

$$233 = \frac{560}{1 + 560 (0.05)^2}$$

Where N= Total Population

n = sample size

e= error term

Thus, at 95% confidence Interval, and 5% of Margin of error

Thus, from the target population of 560 employees of Office of Federal Audit General the study selected 233 respondents as a sample by using convenience-sampling technique. The sample size for this study is, therefore, 233, which is considered as representative and large enough to allow for precision, confidence and generalizability of the research findings.

3.4 Data Source and Data Collection Method

3.4.1 Data Source

The study used both primary and secondary data sources. The secondary data were collected from HR Periodic reports, policies as well as files from the archives of the organizations. The selection of these data intentionally based on the expectation that they have better information and experience regarding employee turnover factors. Whereas the primary data is collected from managers and employees of the organization in different departments.

3.4.2 Data collection method

The study used both qualitative and quantitative method of data collection techniques. Survey Questionnaires are the main data collection instrument that used for the quantitative study methods. In this regard, the questioners were prepared and administered to meet the study objectives, questioners were distributed for employees, for managers of the organization. Thus, hand delivered questionnaires were distributed to collect primary data from each respondent. For further elaboration of issues related employee turnover factors in OFAG, OFAG some selected managers and human resource manager were contacted through interview and the information was focused on the employee turnover factors.

3.5 Data Analysis Technique

To test the proposed hypotheses, statistical analyses carried out using the following methods:

First, descriptive statistics is used to describe the general information about the respondents' demographic situation and characteristics of the respondents (i.e. mean, frequency and standard deviation) of the variables (both dependent and independent). This is calculated over the sample period and in line with (Malhotra, 2007) which states using descriptive statistics methods helps the researcher in picturing the existing situation and allows relevant information. Then, a

correlation and regression analysis between dependent and independent variables also analyzed and interpreted.

3.6 Validity and Reliability

Validity is defined as the extent to which a concept is accurately measured in a quantitative study. Construct validity refers to whether you can draw inferences about test scores related to the concept being studied (Roberta Heale & Alison Twycross, 2015). Therefore, the researcher was trying to search different literatures and select sustainability variables and their measurement. Validity and reliability are interconnected concepts. This can be demonstrated by the fact that a measurement cannot be valid unless it is reliable. Internal consistency is assessed using item-to-total correlation, split-half reliability. Cronbach's coefficient alpha is executed. Cronbach's coefficient alpha is an estimator of internal consistency. According to (Roberta and Alison, 2015) Alpha coefficient ranges in value from 0 to 1. The higher the score, the more internally reliable the generated scale is. Cronbach's coefficient alpha value over 0.7 is believed to be acceptable reliability .The results from analysis indicated that the Cronbach's Alpha value suggested that the internal reliability in this study was acceptable and signified to be good.

Table 3. 1 Summary of Scales & Cronbach's alpha Values

No.	Variable of the study	No. Items	Cronbach's alpha values
1	Salary and Benefit	6	.746
2	Career Development	6	.821
3	Working Condition	6	.749
4	Reward and Recognition	6	.867
5	Employee Turn Over	6	.852
	Total	30	.925

Source: researcher's own compilation of Survey data 2020

3.7 Ethical Considerations

Conducting research, its design, data collection strategy, etc. require acceptable ethical considerations (Saunders, Lewis, & Thornhill, 2009, p. 160). The researcher, therefore, will require to be abide by the ethical research principles. From that point of view, respondents from the targeted area were transparently informed about the objective of the research. The researcher was made sure that the covering letter contains information about the investigation, the objectives of the data collection, the voluntary participation of the respondents, assurance regarding confidentiality and anonymity, the intention to reveal the findings up on completion of the study and the contact details of the researcher.

3.8 Research Model Specification

To examine the factors of employee turnover intension in and the effect on employee turnover intension and effect of factors of turnover variables on the same relationship, multiple regression was used with the following model.

$$Y_i = \beta_0 + \beta_1 X_{1i} + \beta_2 X_{2i} + \dots + \beta_n X_{ni} + \epsilon_i$$

Where: Y_i is dependent variable for i th observation

X_i is independent variable for i th observation

β_0 is the intercept; β_s are regression

coefficients ϵ_i is the error term for i th

observation

Where Y_i =Turnover

β_0 = Constant

β_s are coefficients of independent variables,

X_s are column vectors for the independent variables in this case;

○ Salary and Benefit, ○ Career Development, ○ Working

Environment, and ○ Reward and Recognition;

ϵ_i is a vector of errors of prediction.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

In this chapter the researcher presented the main findings from which the analysis was made. The researcher analyzed the results with respect to research objectives and research hypothesis from chapter one. The chapter presents the study findings, starting with descriptive statistics. Data analysis for descriptive statistics was made possible with the help of Statistical Package for Social Science (SPSS-23) software.

As indicated earlier, this study attempts to examine the factors that affect employee turnover in case of office of federal audit general in Addis Ababa Ethiopia. A total of 233 usable questionnaires were obtained and used for analysis.

4.2 Demographic Data of the Respondents

A total of 233 questionnaires were distributed to respondents who works in Office of Federal Audit General Head office in Addis Ababa. All the questionnaires were returned with full information successfully. Hence, the questionnaire, which is coded and analyzed, had represented 100% response rate. This high response rate increases confidence for the generalization of the study findings.

The samples of this study have been classified according to demographic background information collected during survey. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents“ proportion of males and females” in the sample, range of age, academic qualification of respondents, the responsibility of the respondent, professional certification, and year of service in the organization. The demographic composition of the respondents is summarized and described respectively. The following tables summarized the demographic compositions of the respondents.

Accordingly, the respondents were asked to indicate their sex, age, educational level, their responsibility and service years. Thus, the sex distribution shows that 158 of the respondents were male which is 67.8 % and 75 of the respondents were female that is 32.2 %. This implies

that majority of the respondents in the office of federal audit general are male since the data is collected from employees of the organization those who works in Head quarter at Addis Ababa office. However, 75(32.2) of the respondents were female which implies the service provision also given by females too.

Table 4. 1 Sex of the Respondents

Sex of Respondents	Frequency	Percent
Male	158	67.8
Female	75	32.2
Total	233	100.0

According to the survey result the age of respondents, 117 of them (50.21%) fall under the age interval between 31-40 followed by 76 respondents those are 32.61% fall under 18-30 age group, 27 respondents which is 11.58 % are under 41-50 the remaining 13, 5.57% of the respondents fall under the age group of 51+ respectively.

Age of the Respondent	Frequency	Percent
18-30	76	32.61
31-40	117	50.21
41-50	27	11.58
51+	13	5.57
Total	233	100.0

Table 4. 2 Age of the Respondents

This implies that the majority of the respondents and employees of the organization are those who are under the age between 18-40 which is 82.82 % that indicates the organization employees are within the working age groups and younger. This also indicates the working age group of the country involved in such professional organization in the country.

Regarding the educational level of the respondent were asked to indicate their educational level and the response of this summarized with the following table.

Table 4. 3 Educational level of the Respondents

Educational Level of the Respondent	Frequency	Percent
Diploma/TVET	59	25.3
Bachelor Degree	136	58.36
Master's Degree	38	16.3
PhD	0	0
Total	233	100.0

According to table 4.3 the majority of the respondents 136 (58.36%) completed a Bachelor Degree, followed by Diploma/TVET 59 (25.3%), Master's Degree 38 (16.3%). This indicates that most of the respondents (174) or 74.4 % are above diploma and only 25.3% were at Diploma/TVET level.

The respondents were asked to indict their responsibility and the service year they have in OFAG. Accordingly, the response of the survey is summarized in the following table.

Table 4. 4 Responsibilities and Service Years of the Respondents

		Frequency	Percent
Responsibilities of the Respondents	Director/Manager	7	3
	Senior Auditor	67	28.75
	Auditor	95	40.77
	Junior Auditor	64	27.46
	Total	233	100.0
Service years of the Respondents	< 2 years	39	16.7
	2-5 years	102	43.8
	5-8 years	51	21.9
	> 8 years	41	17.6
	Total	233	100.0

Regarding the responsibility of the respondents indicates that 95 about 40.77% of the respondents were Auditor, followed by 67 of respondents those who are about 28.75% were senior auditor, and 64 of respondents about 27.46% of them were Junior Auditor and the remaining 7 about 3% of them were managers. These implies that the organization contains employees from Junior or fresh Graduate to senior expertise and mangers.

With respect to the service years of the respondents, 43.8% of the respondents fall under 2-5 years of experience in the organization. This is followed by 21.9 % and 17.6% of them fall under the service years of 5-8 years of service and greater than eight years of service in the organization respectively. The remaining 16.7 % of the respondents were fall under the age of less than two years of experience in the area. These indicates that the organization have senior staff those who works more than two years as junior Auditor, Auditor, Senior Auditor and Managerial level.

The respondents were asked to indict their educational Background field of study, and area of certification respectively, Accordingly, the response of the survey is summarized in the following table.

Table 4. 5 Field of Study and Area of Certification

		Frequency	Percent
Field of study	Accounting	133	57.08
	Management	51	21.88
	Economics	26	11.15
	Others	23	9.87
	Total	233	100.0
Professional Certification	CPA	7	3
	CMA	0	0
	ACCA	13	5.57
	No Certification	213	91.4
	Total	233	100.0

Regarding the field of study of the respondents indicates that 133 about 57 % of the respondents were studied Accounting, followed by 51 of respondents those who are about 21.88% were studied Management, and 26 of respondents about 11.15% of them were studied economics and

the remaining 23 about 9.87% of them were others. These implies that the majority of the employees were studied Accounting which is directly related with the nature and functions of the organizations.

With respect to the professional Certification of the respondents, 91.4 % of the respondents which is the majority of the respondents only have academic qualifications than professional certification in the area of their jobs. As the table above showed that 213 employees didn't have certification. This is followed by 5.57 % and 3% of the respondents have professional certification of ACCA, and CPA respectively. These indicates that the organization have academically qualified employees in the area of business that includes Accounting, Management, and Economics with few professionally certified employees.

4.3 Descriptive Statistics

Concerning the perceptions of the respondents on the factors of employee turnover in office of federal audit general head office in Addis Ababa head office were twenty-four statements categorized in factors (Salary and Benefit, Career Development, working condition, and reward and recognition) and employee turnover with six statement of the organization employee turnover head office in Addis Ababa and the results are a summary of a five-point Likert scale containing mean, standard deviation (SD) and Skewness.

Accordingly, the mean value of the descriptive statistics analyzed and interpreted based on the following range. Therefore, when the mean value ranges from 1- 1.80 (Strongly Disagree), from 1.81- 2.60 (Disagree), 2.61- 3.40 (Neutral), 3.41-4.20 (Agree) and from 4.21 – 5.00 (Strongly Agree) respectively.

Table 4. 6 Descriptive Statistics

Descriptive Statistics						
	N	Sum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
Factors of Turnover	233	816.63	3.50	.298	-.350	.159
Employee Turnover	233	962.33	4.13	.546	-.989	.159
Total	233					

The results, presented in table 4.6, indicate that employee turnover factors with a mean value of (m=3.50). This implies that the respondents agree that turnover factors affect the employee

turnover in the organization. Furthermore, employee turnover in the organization within the premises of factors of employee turnover is significant consequently respondents' in general have a positive perception towards turnover factors on employee turnover.

Descriptive Statistics

	N	Mean	Std. Deviation
The payment scheme has Significant Impact on employee Turnover	233	4.5408	1.002
The organization Salary& allowance are equivalent with the service you provide.	233	2.2146	.932
The payment scheme in the OFAG is very attractive	233	2.0343	.801
The salary I get is sufficient regarding the position I have	233	2.2060	.835
The payment by the organization is equivalent with the effort you exerted	233	1.2017	.654
My salary is equal with others who have similar position in other organization.	233	1.2189	.691
Total	233		

Table 4.4. 1 Employee Salary and Benefit

From the above table 4.3.2, we can see that the highest mean score of $M=4.54$; $SD=1.002$ was for the responses of wither the payment scheme has Significant Impact on employee Turnover. This indicates that the respondents agree that payment scheme has Significant Impact on employee Turnover. Furthermore, the as the table indicates that the respondents disagreed that the organization Salary and allowance are equivalent with the service they provided, the payment scheme in the OFAG is very attractive, and the salary they get is sufficient regarding the position they have in the organization. These indicated by the mean value of $M=2.21$; $SD=.932$, and $M=2.20$; $SD=.835$, and $M=2.02$; $SD=.801$, respectively. This indicated that the organization salary and allowance is not equivalent with the service they provide, the payment scheme in the organization is not attractive to employee as compare to others, and the salary they got in the organization is not sufficient. Thus, all the above salary and benefit related factors affects the employee retention for long in the organization. In addition, the respondents strongly agree that the payment by the organization is not equivalent with the effort they exerted on their work, and the salary is not equal with others who have similar position in other organization. This is indicated by $M=1.20$ and $M= 1.21$ respectively. Since the Mean (M) values of the above variables ranges from a positive lowest mean value to a highest mean value of ($M=1.20$ and $M= 4.54$) respectively there is a positive relationship among the variables which is employee salary

and benefits with that of employee turnover. Therefore, employee salary and benefits affect the employee turnover rate of the organization. This means the better the employee salary and benefits the lesser the employee turnover rate of an organization. Thus, there is a strong relationship between turnover factors and employee turnover in a given organization.

Table 4.4. 2 Career Development

Descriptive Statistics			
	N	Mean	Std. Deviation
Training and Development program are well Organized	233	4.1330	.75680
The training program equally accessible for all employees in the organization	233	3.9871	1.03591
The contribution of training fills the knowledge gap, know how in the work place	233	4.2146	.66718
The organization supports me by providing training in order to improve my skill with the field.	233	3.0343	.88016
Employees are promoted on regularly base	233	2.2060	.78814
The promotion in the organization is fair	233	2.2017	.66798
Valid N (listwise)	233		

Unlike the employee salary and benefit, the career development was relatively having a high mean value. The minimum mean value for the career development variable “the promotion in the organization is fair” were $M=2.201$ while the maximum mean $M=4.21$ the contribution of training fills the knowledge gap, know how in the work place which shows respondents are relatively satisfied on importance and contributions of on job training. The table also shows employees agreed that the training which is given for employees are well organized which is high ($M=4.13$, $SD= .756$). This is followed by the training program equally accessible for all employees in the organization with the mean value of ($M= 3.98$, $SD= 1.035$), and the organization supports the employees by providing training in order to improve their skill with the field with a mean value of ($M= 3.03$, $SD= .880$) respectively. In addition to this, we can see that respondents disagree that Employees are promoted on regularly base in the organization and employee promotion in the organization is fair with the mean value of ($M=2.206$; $SD=.788$), ($M=2.201$; $SD=.667$) respectively. Overall, the minimum and maximum means were ($M=2.201$ & $M=4.21$) which indicates that a moderate effect on the employee turnover in an organization affected by the relative factors of career development, which means if there is a moderate

increase in the independent variables (career development), there will be a moderate change in the employee turnover of the organization. For instance, in the above table, if there is well organized and managed training and development program in the organization (M=4.21), there is a possibility of decreasing employee turnover intension in an organization. Therefore, there is a strong relationship between career development and employee turnover.

Table 4.4. 3 Working Condition

Descriptive Statistics			
	N	Mean	Std. Deviation
My organization working environment is attractive to work	233	2.2704	.87090
Basic resource is available for my work	233	2.2747	.87203
The arrangement of office layout is convenient for employee	233	3.9871	1.03591
I feel secured in my organization	233	2.2189	.66901
I have good relationship with all my co-workers	233	3.1330	.87203
Working Condition Enable me have Proper life balance	233	2.4034	.96507
Valid N (listwise)	233		

As we can see from the above table, the minimum mean value ranges M=2.21 to the maximum mean ranges M=3.98. We can see that the employee turnover in the organization by the working condition of the organization, this indicated by employee disagree that they feel secured in their organization with the mean value of (M=2.21; SD=.669) in which the respondents showed that as an indicator of job and organization security they agreed that they are unsecured in their organization, Followed by the organization working environment is not attractive and basic resources are not available in the working environment and working condition enable employee to balance life properly as well with the mean value of (M= 2.270, SD= .872), (M= 2.274, SD= 0.870), and (M= 2.403, SD= .965), respectively. The remaining mean value indicates that the arrangement of office layout employee relation with other colleague were indicated by (M= 3.987, SD= 1.035) and (M= 3.133, SD= 1.872) respectively. This indicates that respondents agreed that employee working condition affects the turnover effects of the organization employees. Therefore, when we look at the aggregate result, the respondents agreed employee working condition as a factors of employee turnover it contributes to increase the rate of return when employee feel insecure in their organization, the working environment is not attractive, resources are not available, and the office layout and employee relation is good in the working

organization. Thus, the respondents agreed that employee working condition contributes for employee turnover rate in an organization. Since the above table showed that majority of the respondents agreed that employee working condition as a factor of employee turnover in an organization there is undeniable relation.

Table 4.4. 4 Reward and Recognition

Descriptive Statistics			
	N	Mean	Std. Deviation
The reward system in the organization is adequate	233	2.3991	.46463
The Recognition system in the OFAG have significant impact on employee Turnover	233	4.5365	.86463
There is satisfactory recognition for those who have better achievement in the institute	233	2.5365	1.15210
I have received the right amount of appreciation or recognition letter for my good work	233	2.4077	.56550
The existence of recognition for good work, has given me an opportunity to do extra work.	233	2.5408	1.15569
I often receive recognition for my work achievement	233	4.2146	.66718
Valid N (listwise)	233		

The above table, shows that the minimum mean value ranges are M=2.39 to M= 2.54 while the maximum mean ranges M=4.21to M=4.53. This indicates that all the variable under the organization reward and recognition strongly affect the employee turnover. Since the organization reward and recognition policy, procedures and its implementation have a vital role in order to minimize the employee turnover rate it needs higher emphasis. According to the above table under reward and recognition factors of employee turnover the respondents disagree that the organization reward and recognition policy, procedures and respective implementation minimize employee turnover, thus, the reward system in the organization is adequate, employee received the right amount of appreciation or recognition letter for their work, there is satisfactory recognition for those who have better achievement in the organization, and the existence of recognition for good work, has given an opportunity to do extra work. This indicated by the respective mean value of all the above reward and recognition parameters specified were ranges from M=2.39, M= 2.407, M=2.536 and M= 2.540 respectively. This implies that respondents agreed that the organization reward and recognition policy, procedures and its implementation

affect the employee turnover rate, there for as per the above stated parameters majority of the respondents disagree on the specified measures of reward and recognition and employee turnover.

Table 4.4. 5 Employee Turnover Factors

Descriptive Statistics			
	N	Mean	Std. Deviation
Salary and Benefits	233	2.9027	.38104
Career Development	233	3.1295	.56967
Working Condition	233	3.2146	.52245
Reward and Recognition	233	2.7725	.83906
Valid N (listwise)	233		

The above table, shows that the minimum mean value ranges are M=2.77 and 2.90 while the maximum mean is M=3.12 and M=3.21. This indicates that all the variable under the factors of employee turnover aggravate employee turnover rate in office of federal audit general. Since the organization is responsible for the effective management and administration of the national economy and deliver reliable and objective information of audit report to support the house of people’s representatives in carrying out its responsibilities, to strengthen the performance and accountability of the federal government for the benefit of the Ethiopia people, thus there should be better employee retention mechanism. According to the table above indicates that the four employee turnover factors such as, employee reward and recognition, Salary and benefits, employee career development, and employee working condition strongly affect employee retention. This indicates that due to poor managements and controlling of employee turnover factors the organization unable to retain its employees for long. As the mean value indicated that the respondents agreed that employee turnover factors play a vital role in organization employee turnover.

4.4. 6 Employee Turnover

Descriptive Statistics

	N	Mean	Std. Deviation
I plan to leave my current organization	233	4.0343	.88016
I will look for a new job opportunity in next year	233	4.2060	.78814
I will leave voluntarily my present organization under any situation	233	4.2017	.66798
I often think about quitting	233	4.2189	.66901
I am actively looking for Job in other Organization	233	4.1330	.75680
I stayed at the current Job because I do not have other options	233	3.9871	1.03591
Valid N (listwise)	233		

According to the above table, shows that the mean value is $M=3.98$ which implies that the respondents agree that they stayed at the current job because of lack of other options. Whereas the maximum value ranges from $M= 4.03$ to 4.20 . This indicates that all the variable under the employee turnover intension strongly agreed by majority of the respondents. Since employee turnover intension play a vital role in employee turnover rate of the organization. According to the table above indicates that there is a strong intension of turnover of employees in the organization which will affect the organization operation as well. According to the response, one can conclude that employees are looking for better job opportunity from outside and decide to leave the organizations if they get better opportunity. As the table showed that High means express high agreement with the statement, moderate mean express moderate agreement while low means stand for lower agreement. Based on the above bench marks the mean almost all are above $M= 4.03$ indicates that employees have high intention to leave the organization. This shows that there is a strong positive relationship between employee turnover factors and employee turnover intension in Office of Federal Audit General.

4.4 Data Analysis

4.4.1 Correlation Analysis

The correlation coefficient depicts the basic relationship across two variables: “Do two variables tend to increase together (Co-together) or to change in opposite directions and, if so, by how much? The two most commonly used statistical techniques to analyze relationships between continuous variables are the Pearson correlation and linear regression.

The Pearson correlation coefficient is used to quantify the strength and direction of the relationship between continuous variables. The primary objective of correlation analysis is to measure the strength or degree of linear association between two variables. The correlation coefficient examines the strength and direction of the linear relationship between two variables. Since the correlation, analysis shows the degree of association between variables and that indicates the direction in which the variables associate - positively or negatively. The strength of association can be categorized from very low with correlation coefficient (r) less than 0.2 to very high with coefficient greater than 0.9. The sign of the relationship indicates the direction of relationship. A correlation of 0 indicates there is no straight-line relationship at all (SPSS v.23 manual). Correspondingly, the effect size for a correlation measures the strength of the relationship. For correlation, serves as the numeric measure of the effect size whose strength can be interpreted (Dennis Howitt & Duncan Cramer, 2004)

Correlation coefficient

(-1.00 to -0.8]

(-0.8
Substantial

(-0.6 to -0.4]
Medium

(-0.4 to -0.2]

(-0.2 to 0.2)

[0.2 to 0.4)

[0.4 to 0.6)
Medium

[0.6 to 0.8)

[0.8 to 1.00)

to

Interpretation

Strong

-0.6]

Low

Very

Low

Substantial

Strong

Negative

Low

Positive

Effect sizes smaller than 0.10 would be considered trivial. These terms (small, medium, and large) associated with the size of the correlation are intended to provide users with a specific word that can be used to describe the strength of the correlation in a write-up (SPSS v.23 manual). The illustration below specifies the correlation coefficients for the relations between the control, variables independent and dependent variables. In this correlation analysis it is relevant

to focuses mainly the relationship that exists between the dependent variable and the other categories.

Accordingly factors of employee turnover and employee turnover Intension, are with moderately high correlation coefficient which indicates the large effect of one variable over the other and their association is statistically significant.

However, the most significant element in this correlation analysis is the relationship between the dependent variable and other explanatory variables. Both the level and direction of their association allows for other higher-level analyses in the research. Thus, as a rule strong correlation between dependent and independent variables is recommended. In general correlation coefficients greater than 0.7 are considered as high correlation.

The correlation analysis is done in pursuit of testing if there is any relationship between each of the mentioned independent variable and dependent variables of employs intention to turnover. The analysis shows that there is negative and significant ($r = -0.698$, $p = 0.000$) association between intention to leave job and employee salary and benefits. This indicates when the relationship between employee salary and benefits provided to employees is not attractive the intention to leave job become increases. Career development also had negative and significant ($r = -0.958$, $p = 0.000$) association with employee turnover intension; from the correlation we can understand whenever the fair and clear career development scheme factors increases the intention to turnover would be decreased. The analysis further shows that there is a significant ($r = -0.621$, $p = 0.000$) and negative relationship between intention to leave job and employee reward and recognition; this therefore, indicates as the reward and recognitions of employee getting lower and lower employees' intention to leave the job will increase. Furthermore, there is a significant ($r = 0.374$, $p = 0.000$) and negative association between intention to leave job and employee working condition; the association revealed that as the employee working conditions and environment becomes attractive and convenient their intention to leave the job also decrease and the reverse is true in all cases. In general employee turnover factors had significant and negative correlation with employee intension to turnover. As it is indicated in the table above employee turnover factors and employee intention to leave a job/turnover had negative and statistically significant relation

Table 4. 5 Pearson Correlations

		Correlations					
		Employee Turnover	Salary and Benefits	Career Development	Working Condition	Reward and Recognition	Employee Turnover Factors
Employee Turnover		1					
	Pearson Correlation		-.698**	-.958**	-.134*	-.621**	-.502**
	Sig. (2-tailed)		.000	.000	.040	.000	.000
	N	233	233	233	233	233	233
Salary and Benefits			1				
	Pearson Correlation	-.698**		.806**	-.093	-.203**	.520**
	Sig. (2-tailed)	.000		.000	.156	.002	.000
	N	233	233	233	233	233	233
Career/ Development				1			
	Pearson Correlation	-.958**	.806**		-.056	-.630**	.267**
	Sig. (2-tailed)	.000	.000		.392	.000	.000
	N	233	233	233	233	233	233
Working Condition					1		
	Pearson Correlation	-.134*	-.093	-.056		.494**	.728**
	Sig. (2-tailed)	.040	.156	.392		.000	.000
	N	233	233	233	233	233	233
Reward and Recognition						1	
	Pearson Correlation	-.621**	-.203**	-.630**	.494**		.553**
	Sig. (2-tailed)	.000	.002	.000	.000		.000
	N	233	233	233	233	233	233
Employee Turnover Factors							1
	Pearson Correlation	-.502**	.520**	.267**	.728**	.553**	
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	233	233	233	233	233	233

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

4.4.2 Diagnostics of Assumptions in Regression

Regression analysis is about predicting the future (the unknown) based on data collected from the past (the known). A regression analysis determines the mathematical equation to be used to figure out what will happen, within a certain range of probability. It analyzes one variable, the dependent variable, taking into consideration the effect on it by one or more factors, the independent variables. The analysis determines that some independent variables have more effect than others, so their weights must be considered when they are the basis of a prediction. Regression analysis, therefore, is the process of looking for predictors and determining how well they predict.

The regression with only one independent variable considered, is a simple regression. But this study uses more than one independent variable, it uses multiple regressions analysis that shows the influence of two or more variables on a designated dependent variable. The result of this sequence is to produce a regression analysis that identifies which of the Factors of employee turnover predictors (Salary and Benefit, Career Development, Working Condition, and Reward and Recognition) have the greatest influence on the dependent variable (Employee Turnover Intension) of the Office of Federal Audit General Head office in Addis Ababa.

Formerly conducting a regression analysis, the basic assumptions concerning the novel data must be made. This is a required prerequisite in explaining the relationships between dependent and explanatory variables. Five major assumptions have to be checked and proved to be met reasonably well. In this study these important least square assumptions were checked and explained as follows.

4.3.2.1 Linearity

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables (Darlington, 1968). To determine whether the relationship between the dependent variable employee turnover intension and the predictor variable factors of employee turnover, is linear; plots of the regression residuals through SPSS V23 software had been used. To test the linearity of associations, scatter plot diagram with line of fit can be used to see if the distribution can be represented by linear relationship.

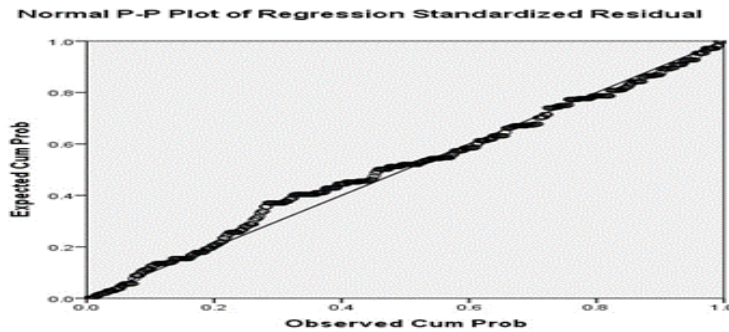


Figure 1 Scatter Plot with Fit Line

From the above graph the scatter plot of residuals shows no large difference in the spread of the residuals as you look from left to right on the diagonal on figure above. This result suggests the relationship we are trying to predict is linear. As shown in Figure, all the two relationships between dependent and independent variables (Employee Turnover Intension and Employee Turnover Factors) fit reasonably with linear pattern and it holds that linearity assumption is met.

4.3.2.2. Normality

Secondly, the linear regression analysis requires all variables to be multivariate normal (Darlington, 1968). This assumption can best be checked with a histogram and a fitted normal curve or a P-P Plot. As per the Classical Linear Regression Models assumptions, the error term should be normally distributed or expected value of the error's terms should be zero ($E(u_t) = 0$).

Thus, the closer the dots lie to the diagonal line, the closer to normal the residuals are distributed.

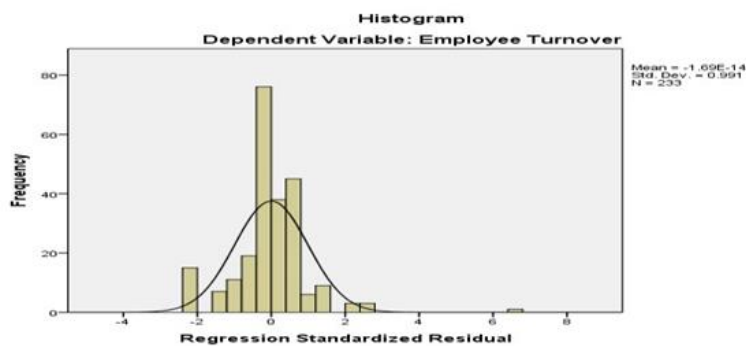


Figure 2 Histogram and P-Plot of Standardized Residuals

The histogram in Figure looks normal and, in the P-P plots also the dots are reasonably closer to the normal line. The combination of both inspections support that the residuals are normally

distributed. As you can see, although there are some residuals (e.g. those occurring around 0) that are not that much far away from the curve, many of the residuals are fairly close to 0. Moreover, the histogram is bell shaped which lead to infer that the residual (disturbance or errors) is normally distributed. Thus, no violations of the assumption normally distributed error term.

4.3.2.3. Multicollinearity Test between Study Variables

Thirdly, linear regression assumes that there is little or no multi-co linearity in the data. Multicollinearity is a Statistical phenomenon in which predictor variable in a logistic regression model are highly correlated. Multicollinearity occurs when the independent variables are not independent from each other. A second important independence assumption is that the error of the mean has to be independent from the independent variables. Thus, the finding shows that: -

Correlation matrix: - when computing the matrix of Pearson's Bivariate Correlation among all independent variables the correlation coefficients need to be smaller than 1. Thus, from this research finding correlation table indicates that the independent variable has correlation coefficient less than one.

Tolerance: - the tolerance measures the influence of one independent variable on all other independent variables; the tolerance is calculated with an initial linear regression analysis. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multi-Collinearity Tolerance is defined as $T = 1 - R^2$ for these first step regression analysis. Thus, from the finding in coefficient table the tolerance value except Control variable tolerance value were equal to one.

Variance Inflation Factor (VIF): -the variance inflation factor of the linear regression is defined as $VIF = 1/T$. Similarly, with $VIF > 10$ there is an indication for multicollinearity to be present; with $VIF > 100$ there is certainly multicollinearity in the sample. Thus, from the coefficient table all VIF values are less than 10. Simply the value is not more than 1.0, this confirms there is no violations of little or no Multicollinearity between independent variables.

Simply, from the below correlation table 4.6 there is no strong pair-wise correlation between the explanatory variables (Predictors) As a rule of thumb, intercorrelation among the independent variables above 0.80 signals a possible multi-co linearity problem. In this study the three tolerances are above 0.4 and, therefore, the amount of variation in that construct is not explained

by other predictors. All of them indicated that there is no multicollinearity problem. *Table 4. 6 Collinearity Test*

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	1.346	.136		9.931	.000		
Salary and Benefit	.089	.036	.113	2.449	.015	.570	1.755
Career Development	.243	.045	.303	5.362	.000	.379	2.642
Working Condition	.071	.037	.083	1.913	.056	.640	1.562
Reward and Recognition	.245	.037	.345	6.647	.000	.450	2.220

a. Dependent Variable: Employee Turnover Intension

4.3.2.4. Homoscedasticity

Homoscedasticity test, which refers to whether residuals are equally distributed, or presence of equality of variance/homogeneity of variance (Osborn & Waters, 2002). Homoscedasticity can be checked by visual examination of a plot of the standardized residuals by the regression standardized predicted value. If the error terms are distributed randomly with no certain pattern, then the problem is not detrimental for analyses. Figure below shows that the standardized residuals in this research are distributed evenly indicating heteroscedasticity is not a serious problem for this data.

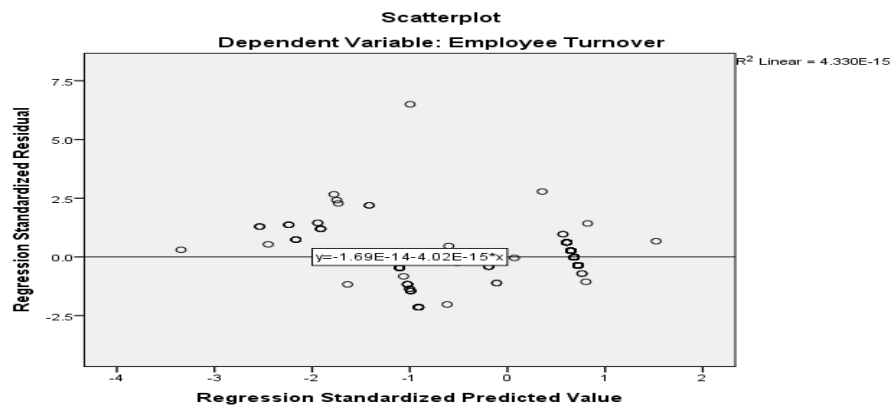


Figure 3 Scatterplot of standardized Residuals

4.3.2.5 Autocorrelation

Autocorrelation refers to the degree of correlation between the values of the same variable across different observations in the data. Thus, autocorrelation or the independence of errors refers to the assumption that errors are independent of one another, implying that subjects are responding independently (Stevens, 2009). Durbin-Watson statistic can be used to test the assumption that our residuals are independent (or uncorrelated). This statistic can vary from 0 to 4. For this assumption to be met, the DW value needs to be close to 2. Values below 1 and above 3 are problematic and causes for concern that implies greater positive or negative autocorrelation.

The table above implies that the DW value is greater than 1 and close to 2, and autocorrelation is not a concern with Durbin-Watson value of 1.634. Therefore, it is possible to say the autocorrelation test has been met.

Table 4. 7 Durbin Watson Statistics

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.724 ^a	.524	.519	.49109	1.634

a. Predictors: (Constant), Salary and Benefit, Career Development, Working Condition, Reward and Recognition

b. Dependent Variable: Employee Turnover Intension

4.5. Regression Analyses

Regression analysis is about predicting the future (the unknown) based on data collected from the past (the known). This study uses more than one independent variable; it also used multiple regressions analysis that shows the influence of two or more variables on a designated dependent variable.

Multiple regression analysis applied to find out whether there was statistically significant relation surfaced between Employee Turnover Intension and the four identified factors of turnover. Moreover, it helped to devise a formula that shows the relation between the dependent variable (Employee Turnover Intension) and the independent variables Employee Turnover factors such as (Salary and Benefits, Career Development, Working Condition, and Reward and Recognition) This part of analysis includes a regression model to test their extensive relations. Four extracted factors were taken as independent variables against organizations employee turnover intension as dependent variable in a multiple regression model.

The results of multiple regression analysis where enter entry method used a dependent variable and any number of predictor (independent) variables are designated are presented in the table.

Table 4. 8 Direct effect Statistics

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R square Change
1	.724 ^a	.524	.519	.49109	.542

a. Predictors: (Constant), Salary and Benefit, Career Development, Working Condition, Reward and Recognition

The first statistic to look for in SPSS output when performing regression analyses is if Sig.-F is significant or not by seeing (“ANOVA”) table. The table shows the goodness of fit of the model. The lower this number, the better the fit. Typically, if “Sig.” is greater than 0.05, we conclude that our model could not fit the data (See annex E) If Sig. < .01, then the model is significant at 99%, if Sig. < .05, then the model is significant at 95%, and if Sig. <.1, the model is significant at 90%. Significance implies that we can accept the model. If Sig>., 1 then the model was not significant (a relationship could not be found) or "R-square is not significantly different from zero."

The table above illustrates the correlation coefficient, denoted by R, become 0.724 at 5% significance level. To be precise, R (the multiple correlation coefficient) shows the relationship between the study variables. Thus, the finding indicates that there was a strong relationship between the variables under consideration. The R squared is coefficient of determination, which tells us the variation in the dependent variable due to changes in the independent variable, and the findings in the above table revealed that the value of R squared was 0.524. It shows 52.4% variation on Employee Turnover Intension emanates from turnover factors (Salary and Benefits, Career Development, Working Condition, and Reward and Recognition). In fact, it is a strong explanatory power of regression and the remaining unexplored variables may explain the variation in turnover of the organization.

The regression model summary presents how much of the variance on employee turnover intension is explained by the predictor variables. The adjusted R square indicates 52% of the variation in employee turnover intension is explained by the combined effect of the four predictor variables, i.e. Salary and Benefits, Career Development, Working Condition, and Reward and Recognition.

Table 4. 9 ANOVA Analysis Result

ANOVA ^a					
Model	Sum of Squares	df	Mean Square	F	Sig.
1					.000 ^b
Regression	104.139	4	26.035	107.952	
Residual	94.779	393	.241		
Total	198.918	397			

a. Dependent Variable: Employee Turnover Intension

b. Predictors: (Constant), Salary and Benefits, Career Development, Working Condition, and Reward and Recognition

The ANOVA tells us whether the overall model is statistically significant and is good in predicting the outcome variable. (F) Value is (107.952) at 0.000 p- value which indicates that the regression model is fit and significant. This implies if we take the four-predictor variables together as a group, they predict the employee turnover intension significantly.

Table 4. 10 Durbin Watson Statistics

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.346	.136			
Salary and Benefit	-.089	.036	-.113	9.931	.000
Career Development	-.243	.045	-.303	2.449	.015
Working Condition	-.071	.037	-.083	5.362	.000
Reward and Recognition	-.245	.037	-.345	1.913	.056
				6.647	.000

The coefficient table indicates level of effect of each variable has on the dependent variable. The highest beta value of Time $\beta = -0.245$ indicates that the variable “Reward and Recognition” has relatively a strong degree of importance for employee turnover intension followed by career development with the value of $\beta = -0.243$ than any other variables in the study. Salary and Benefit, and working Condition variables and their degree of importance beta values are $\beta=0.089$, and $\beta=-0.071$ respectively regarding the employee turnover intension. Therefore, all the predictor variables are statistically significant and have a positive impact on the employee turnover intension since their p- value is < 0.05 . Standardized coefficient (Beta value) indicates the degree of importance each variable has towards employee turnover intension as a result, the affecting variables can be ranked in the following order on the basis of their contribution.

Reward and recognition come first with the highest standardized beta value ($\beta = -0.345$), followed by career development ($\beta = -0.303$) and salary and benefit ranked third with beta value ($\beta = -0.113$), the Furth one is working condition with beta value ($\beta = -0.083$). In addition, the beta value on the coefficients table indicates the level of effect or impact each variable has on the dependent variable. If we consider Reward and Recognition, the one with the highest standardized beta value, for every additional standard deviation (SD) of reward and recognition for employee in the organization arise, one would expect a gain of -0.345 SD points on the organization employee turnover intension minimized and retention, other variables are held constant. If we use the unstandardized beta value, the expression will be as follows: for action to be rewarded employee in their work by the one would expect a -0.245 unit retain in organization employee turnover

intension. Therefore, from among the four variables, Reward and Recognition contributes the strongest unique effect on employee turnover Intension. Thus, Office of Federal Audit General should focus on keeping in touch turnover factors so as to have retained employees for long in the organization respectively.

4.6 Interview Result with Selected key Informants

As it was explained in the methodology part of this research, there was interview with the organization managers to support and make the result concrete. From this discussion, information was gathered in relating with; employee turnover, and the contributory factors.

Do you think employee turnover in OFAG is a serious problem?

The respondents all agreed with the question, that the employee turnover is a very serious problem in Office of Federal Audit General. Since the organization is constantly struggling with attracting and maintaining the best employees, while trying to keep costs at a minimum. Not putting enough effort into retaining employees is a mistake that is made over and over again because the impact of turnover is not always directly evident. Organizations have seen that a poor economy does not mean quality people automatically come flooding their direction. Although most managers and leaders are aware that there are consequences of high turnover, many have not taken the time to view them all at once. The respondent believed that turnover rate among the attendants is a very serious problem especially organization mission and objectives accomplishment. Managers are also complaining about the attendant turnover rate as well.

What is your opinion about the intensity of employee turnover in OFAG?

The respondents agreed the Employees resign for many different reasons. Sometimes it is the attraction of a new job or the prospect of a period outside the workforce that 'pulls' them. On other occasions, they are 'pushed' to seek an alternative because they are dissatisfied in their present job. These 'push' factors range from a lack of career opportunities to organizational changes. The move might also be prompted by a combination of both 'pull' and 'push' factors.

Which factor do you think have the mostly affect turnover in your organization? What should be done to handle employee turnover?

The respondents agreed that the major factors of employee turnover in OFAG is not different from others since employee turnover are highly affected by salary and benefit, career development organizational environment, and employee reward and recognition, lack of training and development, lack of motivation and others. According to the respondents, the most factors of employee turnover in office of federal audit general are salary and career development. Thus, the organization human resource management should improve employee-working environment by providing a safe and healthy working environment with modern and latest office facilities and equipment. Better office layout such as open office layout equipped with full-equipped first aid kits and emergency facilities should be provided. The management should offer flexible working schedules to foster employees work life balance, acknowledgement and positive feedback should be provided to hardworking employees. The organization human resource management should promote open communication within the organization in order to promote an amenable environment that allows workers to interact freely and give out their ideas that promote room for growth. The organization management should create partnerships by treating employees as associates in the organization in order to improve the level of employee relations within the organization. The management should drive learning through career, peer counselor seminars that enrich employees' knowledge to avoid employee stagnation and timidity. The organization management should offer employees professional growth through delegation and team building, encourage employee wellness physically or mentally through free subscription to a gym or a health spa. Finally, various employee benefits such as medical, travelling, holiday, scholarship and pension benefits should be provided.

Do you make exit interview, when employees quit?

It is an awful thing when an excellent employee leave. In some companies, there is an attitude of apathy or contempt when this happens. Those companies are not only leaving a negative impression but also doing themselves a disservice. An exit interview should be a priority when an employee leaves, whether they get fired or they resign, as it gives you valuable information about your company and your employees. As the name suggests, an exit interview is a meeting with an employee, taking place a short time before they leave the company. A member of HR or management usually leads the interview with a specific purpose or set of questions. These interviews can useful when they provide valuable information about the company, but they can

also leave the employee feeling better about leaving, if they left for any negative reason. Exit interviews give a company excellent information about what they can improve, but also about what they are doing well. However, our organization never made exit interview for employees, but exit interviews are an inexpensive and quick way to gather a large amount of data about the functioning of the company. When leaders and managers are not aware of how work life is for the average employee, exit interviews give them a better understanding of what employees do and how they feel about it. If employers use the information from exit interviews in such a way that employees see changes, they will feel more understood and respected. These feelings go a long way in improving retention, engagement, and satisfaction.

What are the retention mechanisms used to retain employees in the organization? Since employee retention is the overall strategy and ability of an organization to retain its best employees and hence maintain a lower turnover. An organization is able to achieve this by adopting various employee retention programs. Employee retention is and should be one of the main focus areas of the human resources department in any organization. The respondent believed that the organization tried to use different employee retention strategies such as provide extra benefits in keeping employees happy, engaged and healthy. But benefits can go far beyond healthcare coverage and paid sick leave. Furthermore, promotions go hand-in-hand with employee development and education, and this should be another tool in retention of employees in OFAG. Whether by corporate training to help foster the acquisition of new skills, new technologies or new processes or through tuition reimbursement from outside courses. Employee also gain medical, transport services.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this chapter the conclusions and recommendations are discussed. For clarity purpose, the conclusions are based on the research objectives of the study. Based on the findings of the study recommendations are made to government bodies, to organization managers and suggestion for other researchers.

5.2. Summary of Findings

The study set out to assess the factors of employee turnover on employee turnover intension. The study was focused on four factors of employee turnover whose influence on the dependent variable (employee Turnover Intension) was assessed: Salary and Benefits, Career Development, Working Condition, and Reward and Recognition, with the objective to identify the major factor behind the frequent professional employee turnover in Office of Audit General.

In this research, the factors of employee Turnover has been investigated as direct and main effect of employee turnover intension. These relationships are examined using purposely-selected organizations with a combination of random sampling technique to collect data from employees of Office of Federal Audit General head office in Addis Ababa. All the variables and the respective measurements in this research are based on theory adopted from literatures. The reliability and validity of the constructs and items were tested as per the recommendations made in literatures.

The relationship between variables, which is their correlation, was conducted and the result shows that Factors of Employee Turnover has strong significance and Negative relation and effect on employee turnover intension. This implies that each variable independently such as salary and benefit, career development, working condition, and reward and recognition has negative and moderate correlation with employee turnover intension.

Multi-co linearity test result shows that the independent variables do have a linear relation with the dependent variable. In the previous chapter the computation shows there is no a serious multi-co linearity problem between the variables.

Before the regression analysis the correlation between variables examined and it is confirmed that there is strong association between all the independent and the dependent variables each ranging from $r > -0.134$ to -0.958 and the comprehensive value of employee turnover factors $r = 0.502$. This is an indication that the factors have both strong and moderate relationship with employee turnover intension in OFAG. The correlation among the independent and dependent variables in each case are ranges from weak, moderate and strong respectively and free from multicollinearity problem.

Multiple linear regression analysis was also conducted to check if the four factors that affect employee turnover intension. The results obtained reveals that adjusted $R^2 = .524$ which indicates that 52.4 % of the variation in employee turnover intension is explained by the four factors of employee turnover (Salary and benefit, Career development, Working Condition, and reward and recognition) with $p = 0.000$ which indicates a high significant regression model. The result of multiple regression analysis reveals that all factors of employee turnover has a direct significant effect on employee turnover intension.

Regarding the four factors of employee turnover “Salary and Benefits, Career Development, Working Condition, and Reward and Recognition” and employee turnover intension was analyzed as a dependent and independent variable. The effect of the independent variable explained as a moderate variance in the employee turnover intension ($R^2 = .524$).

The regression analysis also revealed the most important factors of employee turnover as a factor in organization turnover rate to be reward and recognition, followed by career development, salary and benefit, and finally working condition with beta value of ($\beta = -.245$), ($\beta = -.243$), ($\beta = .089$) & ($\beta = -.071$), along $\text{sig} = .000$, $\text{sig} = .000$, $\text{sig} = .015$, and $\text{sig} = .056$ respectively.

Generally, turnover factors have negative and significant effect on employee turnover intension in the four factors of employee turnover that are tested in this research. This informs that the universal inverse relation among employee turnover intension and factors of employee turnover also holds true here in Office of Federal Audit General.

5.3. Conclusions

Based on the findings summarized in section 5.2 the following major conclusions are drawn.

From the demographic and respondents related profiles, first it is concluded that the gender participation in the office is not reasonably balanced, which is 68.8% were male and 32.2% were female, second it is also understood that majority (50.21%) of the respondents are within the age range of 31-40 years. It is also learned that more than 58.36% of the respondents had Bachelor degree.

From the correlation, analysis it is concluded that there is moderate to strong association between employee turnover factors and employee turnover intension. In line with each objective, the findings of the regression analysis have shown that each factors of employee turnover explains reasonable in employee turnover intension with negative relationship and it is statistically significant. It is, therefore, concluded that employee turnover factors strategic posture in Office of Federal Audit General play substantial role on employee turnover intension.

The direct effect analysis in regression with employee turnover factors such as, salary and benefits, career development, working condition, and reward and recognition independently explained different degree of effect and variations on employee turnover intension indicating that they are strong predictors of turnover.

The first objective of this research was designed to examine the effect of employee salary and benefit on turnover intension of OFAG. The respondents agreed that salary and benefit directly affect the turnover intension of employee. As the descriptive, correlation and regression analysis indicated that salary and benefit of employee is inversely related with employee turnover intension. This means when employees are dissatisfied with their salary and benefit their intension to turnover would increase and the reverse is true.

The second objective of the study was to investigate career development on employee turnover intentions. The result showed that career development affects employee turnover intension. As the descriptive, correlation and regression, analysis indicated that career development as factors of employee turnover it is inversely related with employee turnover intension. This means when employees are dissatisfied with their career development their intension to leave the job would increase and the reverse is true.

The third objective of the study was to measure effect of working condition on employee turnover intentions. The result showed that working condition affects employee turnover intension. As the descriptive, correlation and regression analysis indicated that working condition as factors of employee turnover, it is inversely related with employee turnover intension. This means when employees are dissatisfied with their working condition their intension to leave the job would increase and the reverse is true.

The fourth objective of the study was to determine the effect of reward and recognition on employee turnover intentions. The result showed that reward and recognition affect employee turnover intension. As the descriptive, correlation and regression, analysis indicated that career development as factors of employee turnover it is inversely related with employee turnover intension. This means when employees are dissatisfied with their reward and recognition their intension to leave the job would increase and the reverse is true.

Consequently, major discoveries made in the study is that Employee turnover factors has a negative effect on employee turnover intension in office of federal audit general. This discovery attribute rapid increase in employee turnover in OFAG, which would probably by the effect of Salary and Benefits, Career Development, Working Condition, and Reward and Recognition.

5.4. Recommendations

Since this study has a potential to support the policy makers to take corrective measures on the most important determinants of employee's intention to turnover. the possible policy implications, emerged from the study, are forwarded below.

It is found that reward and recognition is a major case for employee turnover. In this study result employee have high turnover intention which is highly related with reward and recognition system in their organization. Currently employee at OFAG is not recognized in their job performance compared to other private as well government offices. Therefore, the OFAG has to revise its reward and recognition policy, since the organization responsibility mean a lot to the national economy, as a result employee should be rewarded and recognized in their performance in order to reduce turnover intension and retain its personnel. This may include equal and clear promotion opportunity to all employees should be available in order to maintain healthy workforce.

Further, the finding indicated employees are dissatisfied with their salary & rewards, the management of OFAG should introduce employees 'retention scheme. Therefore, OFAG should make an adjustment on salary scale of its employee that take an account of the living cost of employees and in general the pay that creates the feeling of fairness and equity within the three job categories.

A Good work environment is very important. It is a one that retains employees for long run in the organization even in absence of good compensation. Making available adequate equipment, supplies and enough support at work increases the good work environment. Employees love their organization and comfortable when they are furnished with the required support for their job. Thus, the OFAG has to provide adequate facility so as retain its personnel.

The turnover intention of OFAG is critical. It demands much effort to reduce it. The management should give special attention to professional and employees, in such situation; much is expected from management to manage the turnover intention. Close follow up is so high important. The management should create a conducive environment to gather opinions of employees. Exit interview should be applied at the organization. This would help to identify the real causes for turnover intention and helps and put the right solution.

The human resources department should take adequate steps to maintain the qualified employees in the organization by implementing more of motivating elements like good salary based on their qualification, training, supervisor support and by make sure they utilize their skills by redesigning their jobs by include duties that utilize their skills so as to make the job so as to attract them to continue working with the organization.

Reference

- Abbasi, S. M. & Hollman, K. W., 2000. Turnover. The real bottom line Public Personnel Management, 29(3), pp. 333-342.
- Abdallah, M., 2017. Factors Affecting the Employees Turnover at the Ministry of High Education in Gaza Governorates:. Case study North and West Gaza Directorates of Education.
- Ahmad , B., Shahid , M., Huma, Z. & Haider, S., 2012. Turnover Intention. An HRM Issue in Textile Sector Interdisciplinary Journal of Contemporary Research in Business, 3(12), pp. 125-130.
- Alsayyes, B. & Albraiki, F., 2015. Employee turnover, causes, the relationship between turnover and productivity. Proceedings of the 2015 International Conference on Industrial Engineering and Operations Management, Dubai, United Arab Emirates UAE, pp. 649654.
- Anthony , W., 2006. Human Resource Managemen A handbook of human resource management. 5 ed. s.l.:Thomson Publishers.
- Armstrong, M., 2006. A Hand Book of Human Resource Management. 10 ed. London: KoganPage.
- Armstrong, M., 2012. Armstrong's Handbook of Human Resource Management Practice. 12 ed. London: Kogan Page.
- Arokiasamy, A., 2013. A Qualitative Study on Causes and Effects of Employee Turnover in the Private Sector in Malaysia. Middle-East Journal of Scientific Research, 16(11).
- Babbie , E. & Mouton, J., 2001. The practice of social research. Cape Town. s.l.:Oxford University Press Southern Africa.
- Batt, R. & Colvin, A., 2011. An employment systems approach to turnover. Human resources practices, quits, dismissals,and performance. Academy of management Journal, 54(4), pp. 695-717.

- Blen, A., 2018. Employee Turnover and Organization Performance: The Case of Shintes ETB Garment PLC. s.l.:Addis Ababa university.
- Boxall, P. & Purcell, J., 2003. Strategy and Human Resource Management. 6 ed. New York: Palgrave.
- Bratton, J., 2003. Human Resource Management, Theory and Practice. 3 ed. s.l.:Palgrave Macmillan.
- Bryman, A. & Bell, E., 2007. Business Research Methods. 2 ed. New York: Oxford University Press.
- Cartwright, S. & Cooper, C., 1997. Managing workplace stress. s.l.: Thousand Oaks, CA: Sage.
- Catherine, M., 2002. Staff turnover: Retention. International j. contemp. Hosp. manages, 14(3), pp. 106-110.
- Chiu, R., Luk, V. W. & Tang, T. L., 2002. Retaining and Motivating Employees. Compensation Preferences in Hong Kong and China, Personnel Review, Volume 33, pp. 402-431.
- Creswell, J., 2003. Research Design Qualitative, Quantitative and Mixed. 2 ed. USA: Sage Publications.
- Danish, Q. & Usman, A., 2010. Impact of reward and recognition on job satisfaction and motivation. an empirical study from Pakistan. International journal of business and management, 5(2), pp. 159-167.
- Davidson, C., Timo, N. & Wang, Y., 2010. How Much Does Labour Turnover Cost? A case study of Australian four and fivestar hotel. International Journal of Contemporary Hospitality Management 22, p. 451–466..
- Devaus, D., 2002. Surveys in Social Research. 5 ed. Routledge: Routledge.
- Dobbs, K., 2001. Knowing How to Keep Your Best and Brightest Workforce. [Online] Available at: http://findarticles.com/p/articles/mi_m0FXS/is_4_80/ai_73553657/ [Accessed 28 December 2012].

- Egan, T., Yang, B. & Bartlett, K., 2004. The effects of organizational learning culture and job satisfaction on motivation to transfer learning and turnover intention. *Human Resource Development Quarterly*, 15(3), pp. 279-301.
- Esayas, Y., 2016. Assessment of Causes of Employee Turnover and Intention to Leave in Nib International Bank. s.l.:Addis Ababa University.
- Felister, W., 2014. Factors Affecting Employees Turnover In The Pharmaceutical Industry : A Case Of Philip's Group Of Companies, Kenya: s.n.
- Griffeth, R. & Hom, P., 2001. Retaining valued employees. USA: Thousand Oaks, Sage Publications.
- Hannay, M. & Northan, M., 2000. Low-Cost Strategies for Employee Retention and Compensation& Benefits Review. 32(65), pp. 65-72.
- Hansen, F., 2002. Currents in Compensation and Benefits. *Compensation& Benefits Review*, 34(7), pp. 7-21.
- Harrie, G., 2002. Career Development Interventions in the 21st Century. 5 ed. Merrill Prentice Hall.: Columbus,OH.
- Iqra, S., 2014. The relationship of Turnover intention with job satisfaction, job performance, Leader member exchange, Emotional intelligence and organizational commitment, *International Journal of Learning & Development*. 4(2), pp. 242-256.
- J, B. T. & Timothy, R., 2008. Contextual Factors and Cost Profiles Associated with Employee Turnover. 49(1), pp. 12-27.
- Kothari, C., 2004. Research methodology: methods and techniques,. 2 ed. s.l.:New Delhi:New age International (P) ltd.
- Kreitner, R. & Kinicki, A., 2007. Organizational behaviour.. 7 ed. s.l.:s.n.
- Kritnre, R., 2003. Human resources management. Toronto Arizona State University: Houghton Mifflin Company.
- Labov, B., 1997. Inspiring employees the easy way, *Incentive*. 171(10), pp. 114-118.

- Lawler III, E. & Edward, 2005. Creating high performance organizations. *Asia Pacific Journal of Human Resources*, 43(10), pp. 10-17.
- Lochhead , C. & Stephens, A., 2004. Employee Retention Labour Turnover & Knowledge Transfer. Case Studies from the Canadian Plastics Sector. s.l.:s.n.
- Luecke, R., 2002. Hiring and Keeping the Best People. Boston: Harvard Business School Publishing.
- Magner, N., Welker, R. & Johnson, G., 1996. The interactive effects of participation and outcome favorability in performance appraisal on turnover intentions and evaluations of supervisor. *Journal of Occupational and Organizational Psychology*, pp. 135-143`.
- Martin, P., 2005. Managing Employees Turnover. 9 ed. New Delhi: Sultan Chand & Sons.
- Martin, R. & Martin, A., 2003. Employment Relations in Central and Eastern Europe in 2002. Towards EU Accession, *Industrial Relations Journal*, Volume 34, pp. 498-509.
- Maxwell, F., 2010. Employees' Turnover and organization efficiency. *Journal of Personnel Management*.. Volume 18.
- Morrell, K., Loan-Clarke, J. & Wilkinson, A., 2004. Organisational change and employee turnover. *Personnel Review*, 33(2), pp. 161-173.
- Noe, R., Hollenbeck, J., Gehart, B. & Wright, P., 2006. Human Resources Management Gaining a Competitive Advantage. 4 ed. New York: McGraw Hill.
- Noor, K. M., Nilai, B. B. & Sembilan, N., 2011. Work-Life Balance and Intention to Leave Among Academics in Malaysian Public Higher Education Institutions. *International Journal of Business and Social Science*, 2(11), pp. 240-246.
- Nunnally, J., 1978. Psychometric theory. 2 ed. New York: McGraw-Hil.
- Philips, M. & Gully, M., 2013. Human Resource Management. 1 ed. s.l.:Cengage Learning.
- Phillip, L., 2009. Employees' Turnover and organization efficiency. *Journal of Management*.. Volume 2.

- Poonam, S. & Amarjeet, S., 2018. Factors Affecting Employee Turnover In Educational Institution In Punjab And Its Impact. *international Journal Of Emerging Technologies and Innovation Research*, 5(11), pp. 179-189.
- Rajasekar, S., 2013. *Research Methodology*. Rajasekar@Cnld.Bdu.Ac.In.
- Rehman, S., 2012. Employee turnover and retention strategies. empirical studies of public sector organizations of Pakistan. *Global Journal of Management and Business Research*, Volume 12.
- Rion, J., 2009. Professional Development. *The Key to Retention*, 71(2).
- Robert, H., 2020. effective-employee-retention-strategies. [Online] Available at:<https://www.roberthalf.com/blog/management-tips> [Accessed 19 May 2020].
- Samrawit, F., 2017. *Factors Affecting Employee Turnover Intention*. Addis Abeba: Sentmary Unversity.
- Samuel, M. & Chipunza, C., 2009. Employee retention and turnover. Using motivational variables as a panacea' *African Journal of Business Management*, 3(8), pp. 410-415.
- Shaw, J., Delery, J., Jenkins, G. & Gupta, N., 1998. An Organization-level Analysis of Voluntary and Involuntary Turnover, *Academy of Management Review*. 41(5), pp. 511-525..
- Shukla, S. & DR.Sinha, A., 2013. Employee Turnover in banking sector. *Emprical Evidence IOSR Journal Of Humanities and social Science (IOSR-JHSS)*, 11(5), pp. 57-61.
- Singh, B., 2008. *Industrial Relations: Emerging Paradigms..* New Delhi: Naraina.
- Smith, M., 2006. Getting Value from Exit Interviews. *Association Management*, 54(4), p. 22.Three programs that keep employees in the fold.
- Weiss, H. & Cropanzano, R., 1996. Affective Events Theory. A Theoretical Discussion of the Structure, Causes and Consequences of Affective Experiences at Work *Research in Organizational Behaviour*, pp. 1-74.

Yieth Tser., Yieth, C., Pao-Long, C. & Ching-wen, Y., 2004. A study of career needs, career development programs, job satisfaction and the turnover intentions of research and development personnel, *Career Development International*. 9(4), pp. 424-437

APPENDIX A



ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

Masters of Business Administration (General -MBA) Program

Dear Respondent:

First, I would like to say thank you for your willingness to participate in this research in titled with “*Factors Affecting Employee Turnover Intention the Case of Office of Federal Audit General (OFAG)*” This questionnaire is designed for academic purpose towards partial fulfillment of Masters of Business Administration specialized in General management at St. Mary’s university to collect Valuable ideas and comments from you. It is also intended as a high-level diagnostic tool to highlight opportunities for possible solution to the problems. Any of these responses were treated confidently and only be used for this particular research project only. I would like to express my sincere appreciation and deepest thanks in advance for your willingness, effort and cooperation in completing this questionnaire.

General guidelines

- ✓ Please put a tick “_” mark for those questions on the space provided. ✓
You are not required to write your name.
- ✓ I ask you in all due respect, to fill the questionnaire carefully and at your best knowledge.

Tizita Gealshe

Mobile: 0920200413

E-mail: tizgela2010@gmail.com

1. Basic Information

1.1. Sex: - Male Female

1.2. Age: - 18-30 31-40 41-50 51+

1.3. Educational Background: -

1. Diploma/ TVET 2. First Degree 3. Master's Degree
 4. PhD

1.4. Responsibility

1. Director /Manager 2 Senior Auditor 3. Auditor 4. Junior Auditor

1.5. Service year in this organization

1. < 2 year years 2. 2-5 years 3. 5- 8 years 4. > 8

1.6. Field of Study

1. Accounting 2. Management 3. Economics
 4. Others

1.7. Professional Certification

1. CPA 2. CMP 3. ACCA 4. No certification

2. Factors of Employee Turnover

For the Above questions please specify 1-5

1 = Strongly Disagree 2 = Disagree 3 = Neither Agree nor Disagree 4 = Agree 5 = Strongly agree

Questions	Measurement				
	1	2	3	4	5
Salary &Benefit					
SB1. The Payment scheme in the OFAG have significant impact on employee Turnover	1	2	3	4	5
SB2. The organization Salary& allowance are equivalent with the service you provide.	1	2	3	4	5

SB3. The payment scheme in the OFAG is very attractive	1	2	3	4	5
SB4. The salary I get is sufficient regarding the	1	2	3	4	5

position I have					
SB5. The payment by the organization is equivalent with the effort you exerted in your work place	1	2	3	4	5
SB6. My salary is equal with others who have similar position in other organization.	1	2	3	4	5
Career development	1	2	3	4	5
CD1. Training and Development program are well Organized	1	2	3	4	5
CD2. The training program equally accessible for all employees in the organization	1	2	3	4	5
CD3. The contribution of training fills the knowledge gap, know how in the work place	1	2	3	4	5
CD4. The organization supports me by providing training in order to improve my skill with the field.	1	2	3	4	5
CD5. The training you attend at the organization is planned and systematic	1	2	3	4	5
CD6. I am satisfied with promotion system of the Organization	1	2	3	4	5
Working Condition	1	2	3	4	5
WC1. My organization working environment is attractive to work	1	2	3	4	5
WC2. Basic resource is available for my work	1	2	3	4	5

WC3. The arrangement of office layout is convenient for employee	1	2	3	4	5
WC4. I feel secured in my organization	1	2	3	4	5
WC5. I have good relationship with all my coworkers	1	2	3	4	5
WC6. Working Condition Enable me have Proper life balance	1	2	3	4	5
Reward & Recognition	1	2	3	4	5
RR1. The reward system in the organization is adequate	1	2	3	4	5
RR2. The Recognition system in the OFAG have significant impact on employee Turnover	1	2	3	4	5
RR3. There is satisfactory recognition for those who have better achievement in the institute	1	2	3	4	5
RR4. I have received the right amount of appreciation or recognition letter for my good work	1	2	3	4	5
RR5. The existence of recognition for good work, has given me an opportunity to do extra work.	1	2	3	4	5
RR6. I often receive recognition for my work achievement	1	2	3	4	5
Employee Turnover Intension	1	2	3	4	5
ETI1. I plan to leave my current organization	1	2	3	4	5
ETI2 I will look for a new job opportunity in next year	1	2	3	4	5
ETI3. I will leave voluntarily my present organization under any situation	1	2	3	4	5
ETI4. I often think about quitting	1	2	3	4	5

Thanks for your cooperation!

APPENDIX B

St. Mary's University

III. Interview Question to Concerned Body (some selected managers and human resource manager) of Office of Audit General (OFAG) MBA Thesis Factors Affecting Employee Turnover In the Case Office of audit General Interview Questions for department of Human Resource Management.

1. Do you think employee turnover in OFAG is a serious problem?
2. What is your opinion about the intensity of employee turnover in OFAG?
3. Which factor do you think have the mostly affect turnover in your organization?
4. What is your view regarding for employee turnover at OFAG?
5. Do you make exit interview, when employees quit?
6. What is the retention mechanisms used to retain employees in the organization?

Thanks for your cooperation!