

ST.MARY 'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

ASSESSMENT OF EMPLOYEE BENEFIT PACKAGE AND TURNOVER INTENSION CASE STUDY: (DASHEN BANK S.C)

**BY
BILILIGN LEMMA**

JUNE 2014
Addis Ababa, ETHIOPIA

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TURNOVER INTENSION
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***A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE
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ABSTRACT

The main objective of this study was to assess the employee benefit package and employee turnover intension in the head office of Dashen bank Share Company. In light of the major objective this study also assess how reward system create equity among employees and how well those reward system or the general benefit package affects the employee decision to stay or to leave the company. To achieve this objective the researcher used both qualitative and quantitative descriptive research designs and a sample of 85 employees were selected using stratified random sampling method. The researcher used questionnaires, interviews and other method to collect primary and secondary data from the data sources. Frequency count, percentage, table and graphs were used in analyzing the collected data. Related with the major findings, most of the employee needs a flexible benefit packages from their company and the lack of those benefit package changes their attitude and find another place to work than to stay for a longer time. It can then be concluded that most of the benefit packages of the company are not satisfactory for the employees need because of many reasons like the benefit package of the company is lower than other company; there is no work-life balance, job security and job autonomy in this company; the transporting subsidiary and other allowance are poor to meet the employee demand and so on. On the other hand, the company is in a good position in relation with medical plan, emergency salary allowance and educational fee below a degree program. Thus in light of the above problems the following recommendations were forwarded; there must be a flexible benefit package that include transporting subsidiaries in the form of fuel, housing allowance(rent) for those living in Addis Ababa, educational fee for staff beyond the degree programs and soon.

CHAPTER – ONE

INTRODUCTION

1.1. BACKGROUND OF THE STUDY

Gary (2004) defined benefits as any indirect financial and non-financial payments that employees receive for continuing their employment with the company. According to him the most common benefits are medical, disability, life insurance, retirement benefits, fringe benefits and supplemental pay (sick leave and vacation leave). A well conceived benefits program can be a pillar of any employee attraction, satisfaction, and retention efforts. However, the dynamic change in banking environment due to the intensive competition; developing a program that meets both organization and employee; needs is difficult. Every bank in Ethiopia at this time works hard to simplify the complex world of employee benefits, and develop an innovative, compressive and interacting employee benefit package specific to their goal and objective. So, Dashen bank s.c as one of the leading private bank in Ethiopia must provide unbiased and objective advice benefit program to its employees.

Employee turnover is an important issue of human resource management. Turnover can be voluntary and involuntary .The instance of voluntary turnover is initiated at the choice of the employee while employee has no choice at the instance of involuntary turnover. The employee has no choice in their termination, such as long-term sickness, death, moving overseas or employer initiated termination (Martin, 2003).

Ruby (2002) classified employee turnover into internal and external. Internal involves employees leaving their current positions and taking new position within the same organization. Internal turnover might be moderated and controlled by typical human resource mechanics, such as an internal recruitment policy or formal succession planning.

Over the past years, Dashen bank s.c has made many positive efforts to improve employee benefits and services to attract and retain professionals. This has been done to build the countries competitiveness through improved performances of employees at all levels and mainly on the banking sectors of the country. In recent years, the benefits and services of Dashen bank s.c to its employees are not kept sufficiently competitive to retain the well experienced staff members and to attract others due to the change in the benefit package of other banks in Ethiopia.

The major intension of conducting this study is to assess the employee's benefits package and turnover intension in Dashen bank s.c. The study will also focus on the factors that contribute to the employee turnover and to investigate if Dashen bank s.c is meeting the needs of the employees. This study also characterize the various types of employee's benefits that Dashen bank s.c offered to its staff members as compared to what others do to their staff at the same level of performance.

1.2. BACK -GROUND OF THE ORGANIZATION

Dashen Bank s.c was established as per the intent of the policy and the Ethiopian investment code. It came into existence on September 20, 1995 according to the commercial code of Ethiopia 1960, and the licensing and supervision of banking business proclamation No.84/1994. The first founding members were 11 businessmen and professional that agreed to combine 14.9 million birr paid up capital and operation with 11 area banks. (Annual Booklet of Dashen Bank s.c 2005)

Dashen bank s.c at this time becomes biggest private Bank in Ethiopia. Its head quarter is located in Addis Ababa and operates through a network of 117 Area Banks, five dedicated Forex Bureaus, 130 ATMs and 792 plus Point-of-Sale (POS) terminals spread across the length and of covering 70 countries and 169 cities across the world. Wherever business takes customers around the world, Dashen Bank is already there.

Dashen bank s.c is the first in Ethiopia to be awarded as "Bank of the year" for Ethiopia 11 times from the year 2001-2006 and 2008-2013 by the banker of London. It rated as "the clear leader and best bank of all private banks in Ethiopia for the year 2005" by the globally known euro money magazine and "Ethiopian best bank of the year 2005" by the global finance magazine. Regarding to local honor it is the only private bank awarded by the Addis Ababa chamber of commerce as an outstanding enterprise and the president won the "most honorable business leader" award. (Dashen Bank s.c Annual Booklet of 2013).

Dashen is the most reputable brand in the domestic banking market; a reputation earned through consistent delivery of values and preeminence unmatched by its competitors. The Bank works in partnership with leading brands in the electronic payments industry (VISA, MasterCard & Union Pay) and prominent money transfer operators like Western Union, Money Gram, Express Money & Dahabshiil. Dashen bank s.c also have a corporate plan like vision, mission and values that

Distinguish from other competitive banks and also enhance for better utilization of deposit mobilization and credit facilities that is the key for once country development.

1.3. STATATMENT OF THE PROBLEM

Success in many of this day's competitive environment is highly dependent on the utilization of human resource. However, there are revealing challenges by which Dashen bank s.c are unable to retain their employee as its intended. One of the challenges is employee turnover due to the lack of adequate benefit package that fit with their performance, in the past, the banking sector in Ethiopia offer a wider range of traditional and nontraditional benefits. The dilemma in traditional benefits was mainly concerned with how to offer the right mix of these benefits to attract and retain top performers while also balancing increasing cost of benefit.

At this time, the banking sector needs to have high performance culture as a business priority and strategic intent. So, in order to create a high performance culture it requires a number of elements to be present, one of which is high level of job performance that is underpinned by a highly motivated workforce. For thus Dashen bank s.c is under constant pressure to revise its benefits to staff, which increase a reward and recognition programs that the staff is satisfied with it and also a benefit package that is linked with their strategy.

Another common problem of the banking industry is turnover intension. According to Shim, (2010), turnover intension can be classified in to unpreventable turnover, desirable turnover and undesirable turnover. The unpreventable turnover is due to illness, family issue or retirements. Moreover, the desirable turnover is due to the employee's in competence. Last but not least, for undesirable turnover would include competent and qualified employees leaving due to such organizational issues as lack of supervision, lack of adequate benefits package, poor support and role conflict. These issues need to be addressed well because according to the Middle East journal of scientific research, unless those turnover intension issues are not addresses well there may be a lot of consequences. Firstly it has financial consequence as when an employee leaves, recruitment and training of new employees are required. And replacing an employee may possibly to cost around 25% of his or her total annual compensation. Second and mostly, employee turnover may suspended or affect the productivity of the organization badly.

Employee turnover is a crucial issue to any organization. Employee turnover is not a simple thing that is considered as minor challenges yet, employee turnover needs to be managed and treated properly because unless the cause of employee turnover in any organization is arrested

immediately, there is a possibility of losing all potential staff to other business or worse still failing to get junior professional to fill the various vacuums left. So, this studies tries to focused on how employee benefit are sufficiently competitive to retain well experienced staff members as well as to assess the intention of employee turnover in Dashen bank share company.

1.4. RESARCH QUESTIONS

1.4.1. Basic question

- ❖ How the salary or pay assessment of Dashen bank s.c is competent enough to keep talented employees?
- ❖ To what extent the existing reward system create equity among employees?
- ❖ How the working condition and the reward mechanism of Dashen bank s.c at all level is suitable to keep employee in the bank for a long period of time?
- ❖ What is the effect of existing reward system on the employee turnover intension?

1.5. OBJECTIVE OF THE STUDY

1.5.1. GENERAL OBJECTIVE

The general purpose of this study is to assess the employee benefit package and turnover intension of Dashen Bank s.c.

1.5.2. SPECIFIC OBJECTIVE

This study is intended to achieve the following specific objectives:

- 1 - To assess how well a pay level of Dashen bank s.c satisfied its employees or change their attitude to go in to other bank in the industry.
- 2 - To assess whether or not the existing reward system creates equity among employees.
- 3 ó To assess how well a good working condition and a better reward system enhance employees to work hard and stuck in to the bank for a longer time.

4 - To assess whether there is an employee turnover intension in Dashen bank s.c or Not?

5- To find out possible solution to minimize turnover intension if any and increase the benefit package of the company.

1.6. SIGNIFICANCE OF THE STUDY

Every study has a role to play for improvement and modernization. Based on this fact this study will contribute the following importance:

- 1- It helps the company's management to identify problems and works on them to reach its intended maximum profit.
- 2- It helps other researchers conducting a study under the same subject matter can make use of this study as a source of reference.
- 3- The results of this study also help the regulator or human resource personnel who are delegated on employee benefit package service to design a policy on the current acceptable forms of employee benefit package that fit with their performance.
- 4- It creates awareness among other companies how the benefit package will affect the staff to leave or motivate them to stay in the organization.

Finally the researcher hoped that the bank might appreciate and use some of the recommendation as appropriate for its purpose.

1.7. SCOPE OF THE STUDY/ DELIMITATION

The researcher was conducting this study in the head office of Dashen bank s.c and excludes other city and upcountry branches in order to make the study effective and manageable. Conducting a research in the assessment of employee benefit package and turnover intension is a broad task and difficult to organize all the data. Therefore, the researcher delimited the study only on the benefit package and its effect on employee turnover intension for the last three years in the head office of Dashen bank S.C. (2011-2014 G.C).

1.8. ORGANIZATION OF THE STUDY

This study was organized in five chapters. The first chapter consists of problems and its approach, which mainly contain background of the study, background of the organization, statement of the problem, objective of the study, scope of the study and significance of the study. The second chapter deals with the review of related literature. The third chapter deals with methodology of the study. In the fourth chapter data was analyzed from the gathered information, which is the core of the study. The last chapter, chapter five provides the conclusion and recommendation parts based on the findings of the study.

CHAPTER-TWO

LITERATURE REVIEW

2.1. MEANING AND DEFINITION OF BENEFIT

Employee benefits are indirect form of compensation that is intended to maintain or improve the quality of life for employees. Employee benefits are aimed at providing a level of protection and financial security to workers and to their dependants in the event that they die, become ill, or are otherwise unable to work. Like direct compensation; the major objective for most organizational indirect compensation program is to attract, retain and motivate qualified, competent employees. Bernardin (2003:227).

As pointed by Abraham (2007:110), employee benefits are group membership rewards that provide security for employees and their family members. They are sometimes called indirect compensation because they are given to employees in the form of a plan (such as health insurance) rather than cash. Employee benefits also protect employees from risks that could jeopardize their health and financial security. They provide coverage for sickness, injury, unemployment, old age and death. They may also provide services or facilities that many employees find valuable, such as child-care service, exercise center, subsidized cafeteria service; etc.

Moreover, Aswathappa (2004:286-287), defined employee benefit as any benefit that the employee receives in addition to direct remuneration. These benefits are alternatively known as fringe, service programs or hidden payroll. According to the Metlife.com 2011, many employers at this time are not retreating from their workplace benefit commitment and they are also remain committed to their benefit offerings. Because, for many employers benefits are increasingly creates business opportunity.

2.2. THEORETICAL FRAMEWORK OF EMPLOYEE BENEFIT

There are different theories are made by different peoples or scholars related to the subject matter. In this theoretical part we can see various theories about how well the benefit package of a company enhance its employees for better performance and reduce turnover intension.

Fredrick Herzberg two factor theories distinguished between two broad categories of factors that affect people working on their jobs. The first category, hygiene factors, is characteristics of the

work place: company policy, working conditions, pay, co-workers, supervisors and so forth. According to him the employee benefit along with the hygiene area also the major motivator of people and the human appetite for them is limitless. Yet, as long there is no good benefit people do not motivate to perform better. Thomas and Snell (2003:422).

In the Maslow's need structure benefits may also affect the various aspects of "security" (e.g. individual needs to cover hospital costs, retirement, support when unemployed, or life insurance money for the family's protection in case of death) but little else.

There are a lot of contract on employee and employer. But in employee's minds there is also exist a physiological contract (a set of perception about the benefit that the employer provided to the employee and the employee contribution to the employer or the benefit promised by the organization to its employee and the employee promised contribution to the organization).historically, in many companies this relationship has been stable and predictable. Now, mergers and layoffs and other disruptions have thrown asunder the "old deal": while, today the implicit contract goes something like this: if employer have adequate benefit package and the organization provide the promised benefit to the employee, the employee also work at their maximum effort to attain the objective set by the organization or employer. Thomas and Snell (2003:431).

According to Aswathappa (2004:244), there is a theory called agency theory. This theory suggests that unless an agreement is reached between the principal and the agent, there must be an intension of leaving the company on the side of the agent and searching of another talent on the side of the principal. Therefore every principal or organization must align the benefit and other remuneration provided to their employee or the agent with their interest and goals. The cost incurred to resolve any problem between the principal and the agent is called the agency cost. It is natural that employees expect high agency cost while the employer seeks to minimize it. The agency theory in general says that the principal must come up with a flexible benefit package and salary scheme that helps the interest of the agents with the principal's own interest. These contract can be effective in two ways either on behavior pointed (e.g. merit pay) or outcome oriented (e.g. stock option scheme. Profit sharing, bonus and other flexible benefit package).

As noted by different theories a good and flexible benefit package increases the employee motivation and reduce turnover intensions. But, because of different employees have different preference for benefit. More employers today let employees individualize their benefit plans. The "cafeteria" approach is the main way to do this.(the term flexible benefit plan and cafeteria

benefits plan are generally used synonymously).a cafeteria plan is one in which the employer gives each employee a benefit fund budget, and lets the person spend it on the benefits he or she prefers, subject to two constraints. First, the employer must carefully limit total cost for each benefit package. Second, each benefit plan must include certain required items-for example, social security, worker's compensation, and unemployment insurance. Dessler (2004:389)

In general based on the concepts of employee benefit package and how well they influence both the organization and the employees in the theoretical framework, this chapter also see different aspects of employee benefit package and turnover intension such as why benefit and service, types of benefits, strategic consideration and administration of benefits, turnover intensions, factors of employee turnover intensions and employee retention program in detail.

2.3. Why Benefit and Service

All organization this day used employee benefit as their strategy to acquire new talent and to retain their loyal employee. In fact, employees prefer indirect remuneration to direct pay. Because, any increment indirect pay only adds to one's taxable income. But most benefits are not taxed and hence are advantageous to employees. Furthermore, there are economic reasons why benefits are preferred by employees. Health and life insurance can generally be purchased by the employee at group rates, which are typically lower than those the employees would have to pay.

Employers, two, prefer indirect remuneration to direct pay. Increases in benefits distort salary structures less and are often easier to explain to shareholders as the social responsibility of the company. In general company who have adequate employee benefit package can mitigate fatigue, discourage labor unrest, satisfy employee objective and minimize turnover and it's over all costs. Aswathappa (2004:287)

2.4. Types of Major Benefit

According to Gomez-Mejia et.al (1995:434) types of benefit can be classified as legally require and voluntarily provided benefits.

2.4.1. Legally Required Benefits

The benefits that almost all employers must provide are social security, workers compensation, unemployment insurance and unpaid family and medical leaves.

A) Social Security

Social security provides income for retirees, the disabled and survivors of deceased Workers(Gomez-Mejia et.al.,1995:434).pension plans are a good examples of social security.

B) Worker's Compensation

This provides medical care, income continuation and rehabilitation expenses for people who sustain job-related injuries or sickness. Workers' compensation is designed to provide a non-fault remedy to workers who are injured on the job. This means that even workers who were wholly at fault for their accident can still receive a benefit (Heneman et.al., 1996:525).

C) Unemployment Insurance

Provides temporary income for people during periods of involuntary unemployment.

D) Unpaid Leave

Employee occasionally need long periods of time from their jobs to take care of their families (care for sick spouse, child or parent), their own health or to give birth of a child (Gomez-Mejia et.al., 1995:434).

2.4.2. Voluntary Benefits

Voluntarily provided benefits are those which employers provide without legal enforcement, in an attempt to increase loyalty of workers. According to Ivancevich and Glueck (1989:480), there are many differences in employer's practice regarding these benefits:

A) Payment for time not worked

Historically, organization paid employees only for the time that they actually spent on the job. Over the years, however, payment for certain amount of time away from work has become common.

As Heneman, et.al, (1997:529) stated the two major types of paid off are (1) vacations and (2) specific days, such as holidays and days to perform civic or personal activities.

B) Insurance Benefits

The many risks encountered throughout life illness, accident, and early death among other things can be offset by buying insurance. Many employers can buy insurance cheaper than their

employee can, and insurance is frequently offered as a benefit (Ivancevich and Glueck, 1989:483).

C) Retirement Benefit

Pensions provide income after retirement and until death based on the employee's years of work and direct pay. In addition to pensions, most employers offer some form of health insurance to retire (Tyson and York, 1996:346).

D) Employee Service

Consists of cluster of tax free or tax prefers services that employers provide to improve the quality of their employees work or personal life. Some of services that employer may provide include: education subsidies, subsidized food services, social and recreational opportunities, transportation to and from work, housing and clothing reimbursement(Gomez-Mejia et.al,1995:442).

2.5. Strategic Consideration in the Design of Benefit Programs

According to Casico, (2004:262), managers need to think carefully about what they wish to accomplish by means of their benefits program. He says, it is no exaggeration to say that for most firms, benefit represent substantial annual expenditure, for they compose up to 28 percent of the overall costs of doing business. Therefore, organizations are required to design and envisage appropriate benefit policy that will satisfy the interest of both the employees and the organization.

In deciding what benefit policy to adopt any organization need to consider several important questions. The question include the purpose of the benefit police, the range of the benefit package, the group should engaged in the benefit program, the estimated cost of the benefit program and the extent of this be influenced or influence other competitors are the major ones for any organizations. Cole (1997:222)

2.6. Administration of Benefit and Services

Organizations fumble while administering employee benefits and service. Yielding to the pressure of unions, employees demand or in deference to social response trends, companies have added newer benefits and services to the list, which is already lengthy. Unless those broad benefits are administered well, there are a lot of problems like no employee involvement, managers also have a little interest in the benefit programs, trade unions are almost hostile to the

schemes, etc. So, this problem can be avoided if the following steps are taken while administrating the benefit package plan.

- Step -1- Establishing benefit objective (Like preference. outcomes, length of service, etc)
- 2- Assessing environmental factor (Both internal and external)
- 3- Assessing competitiveness (How should our benefit compare to our competitors)
- 4- Communicating benefit information
- 5- Controlling benefit costs and evaluation.

2.7. Definition of Employee Turnover

"Employee turnover is a ratio comparison of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period (price: 1977). A huge concern to most companies, employee turnover is a costly expense especially in lower paying job roles, for which the employee turnover rate is highest. Many factors play a role in the employee turnover rate of any company, and these can stem from both the employer and the employees. Wages, company benefits, employee attendance, and job performance are all factors that play a significant role in employee turnover. Companies take a deep interest in their employee turnover rate because it is a costly part of doing business. Beam (2009, Nov 12).

2.8. Employee turnover Intension

Turnover intension is an aspect of employee turnover in a business and cannot always measure adequately through charts or surveys until after the actual turnover occurs (wisegeek.com).

Turnover intension is also defined as the reflection of the \rightarrow the subjective probability that an individual will change his or her job within a certain time period \rightarrow (souse-pozza& Henneberger, 2002;p.1) and is an immediate precursor to actual turnover.

2.9. Types of Employee Turnover

Employee turnover may be classified in to different categories .From those categories the following are some of it:

A) Functional vs. 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."

B) Avoidable vs. Unavoidable Turnover

A turnover that happens in avoidable circumstance is called "avoidable turnover" whereas a turnover that happens in unavoidable is called "unavoidable" turnover (Buhler: 2002).

C) Voluntary vs. Involuntary Turnover

Voluntary turnover can be defined as "the turnover in which employee has own choice to quit or the instances of turnover initiated at the choice of employees" while involuntary turnover can be defined as "the turnover in which employees have no choice in their termination e.g. sickness, death, moving abroad or employer's initiated termination." (Yang and Bartlett: 2004)

D) Internal vs. External Turnover

Turnover can be classified as "internal" or "external" internal turnover happens when employees send-off their current positions and getting a new positions within the same organization. It is related with the internal recruitment where organizations filling the vacant positions by their employee or recruiting within the organization (Cited in Wikipedia).

E) Skilled vs. 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 incur replacement costs as well as competitive disadvantage of the business (cited in Wikipedia).

2.10. Why Employee Leave the Organization / Factors of Turnover Intension

The various available research literatures indicated that there are various factors why employees quit job. There is also much discussion on the relationship between various factor and turnover. The results of each study were different as each study was carried out in different countries (having different socio-economic and culture), indifferent setting, for different organizations and used

different independent variables. Review of various research studies indicated that employees resign for a variety of reasons, these can be classified into the following:

2.10.1. Push Factor

Push factor also called controlled factor. These factors push the employee to leave the organization. Salary, benefits, locations and size of the organization, policies, rules and regulations, job security, working condition, fringe benefits, and career advancement are the factors due to which the employees leave the organization. The people rarely the job in which they are happy, unless a high salary is not offer (Loquercio, 2006).

2.10.2. Pull Factor

Pull factors are those reasons that attract the employee to a new place of work. In some papers pull factors are names as uncontrolled factor because it is out of the control of organizations. Various pull factors derived from literature are: high salary, career advancement, new challenge and interesting work, job security, good location of company, better culture, and work-life balance, more freedom (autonomy), well reputation of organizations, values, more benefits, good boss.

2.10.3 Personal Factor

Personal factor such as health problem, family related issues, child education and social status contributes in turnover intensions. However, very little amount of empirical research work is available on personal related factors. There is another important variable << job-hopping >> also contributes in turnover intensions. When there is a labor shortage, employees have a plenty of jobs available. Consequently, they can afford to switch jobs for a few extra dollars. Many employees are believed to job-hop for no reason or even for fun. For example, an employee changes his or her job because some of his or her friends or relatives have done so. Employee may job-hop over trivial things such as a dislike for the hairstyle of the boss. Or, if an employee faces a minor problem (e.g., minor disagreement with the boss or other colleagues), he or she may simply resign (Debrah, 1993:1994).

2.11. Employee retention program

According to Drake, there are a lot of valuable insights to understand the cause of undesirable turnover. According to him, for every manager nothing else is feeling better than having a

productive and happy work force that is collectively focused on the organization's success. Hiring top-quality individual is an important task by its own, but essential to any manager's ongoing process is a critical retention strategy. Obviously, when you implement retention strategy you cannot hold on all your best people but at least you can certainly minimize the loss.

Employee turnover intention is a problem for every manager in any organization. And, also developing a program to retain their talented employee is also a strategic and vital issue. Unless there is no retention in any company, there are a lot of cost that results from turnover like recruitment cost, training cost, lost productivity, lost sale as well as the company reputation is also at stake.

Organizations are strong as its work force. So, for every organization developing a retention program by taking in to account employees' desire for quality benefit service and working environment to avoid losing employees whose retention is dependent upon quality service and working environment because the difference in quality service for your talented staff will likely be less than the cost of processing new employees (Starling, G 2010:466-470).

2.12. EMPIRICAL FINDINGS

"Variety is the spice of life", the saying goes. This applies very well to employee's benefit, since the benefit one worker finds attractive may be unattractive to another. As a result there is a trend towards building flexibility into benefits programs by letting employees choose the benefit options they prefer.

There are also various insights regarding to the benefit packages and its importance to the employee and one of the classical study illustrates employee's preferences for various benefits. According to this study the researcher mailed questionnaires listing seven possible benefit options to 400 employees of a mid western public utility company. He got back completed questionnaires from 149 employees (about 38 percent of those surveyed). Overall; two extra the employee benefit related to vacation was clearly the most preferred benefit (Aswathappa: 2004).

But this is not the full story; the employee's age, marital status, and sex influenced his or her choice of benefits. For example, younger employees significantly favored the family dental plan. Younger employees also showed a greater preference for the four-day work week. As might be expected, the preference for pension option increased significantly with employee age. Married workers showed more preference for the pension increase than did single workers.

When given the opportunity to choose, employees do prefer flexibility in their benefit plans. In a survey of working couples, for instance, 83 percent took advantage of flexibility hours, 69 percent took advantage of the sorts of flexible-style benefit options package; and 75 percent said that flexible-style benefits plans are the sorts of plans they would like to see their companies offer.

Most recently, the online job listing service jobtrack.com asked a college students and recent graduates, "which benefit do you desire most?" more than 3,000 responded. Thirty five percent sought flexible hours; 19 percent stock options; 13 percent more vacation time; 12 percent a better health plan; and 9 percent wanted a signing bonus. Most of the preferred benefits had to do with the life style issues rather than financial ones. Dessler (2004:389).

Moreover different researchers also support the importance of the benefits packages in the applicant's job selection process. Recent research, for example, shows that women are particularly attracted to a company with strong pro-family indirect compensation package. Those packages become relatively more important when the unemployment rate is low and the competitors for qualified workers are high. However, employees tend to grossly underestimate the cost of benefits to the organizations. For example, one study found that current employees estimated the cost of benefits to the organization was 12 percent when the actual cost was 31 percent. Organizations are now working harder to better explain the cost of the benefit package to employees in such a way that without creating dissatisfaction on either of the employee and the organizations. In general unless there is no flexible benefit package in a given company, the rate of voluntary turnover increases through times. In recent surveys on HR manager about the turnover intention of their organizations, 52 percent of the managers said that they had a problem of retaining high-performing staff employees because of different indirect and direct remunerations.

CHAPTER-THRE
RESARCH METHDOLOGY

3.1. Research Design

Based on the purpose of the research the nature of the focus area this study used descriptive research design. The study used a descriptive research design because of its essential to describe the characteristics of the object, people, groups, environment and also addressed who, what, when, where, why and how the research are done. In line with a descriptive research design, a qualitative data was analyzed by using excel. Both questionnaires and interview check list was developed and applied as data collection tools in addition to the organizational records for secondary data. This study also particularly used to assess the understanding of problems in line with the benefit package and turnover intension of employees in Dashen bank share company head office branch and potential recommendations were given to solve the identified problems.

3.2. Population and Sampling Technique

The populations of the study were employees in Dashen bank head office branches. Because of difficulties to take the whole population for conducting the study, the researcher will select the sample using stratified random sampling technique. The total number of employees which were considered as population of the study is 108. As per the Taro Yamne formula for sample size determination, the sample size for this research is 85 by using 0.05 sampling error and 95% confidence level. The research is also believed that the selected sample population gives adequate information to assess the employee benefit package and turnover intension in the head office branches of Dashen bank s.c.

Taro yamne, (1967). Formula for sample size determination

$$n = \frac{N}{1 + NE^2}$$

Where n= The sample size

N= Total population

e= the acceptable sampling error

The questionnaires distributed for the 85 employees had two parts, the first part request about demographic characteristics and the second focus on questions regarding employee benefit package and turnover intension. Out of the distributed 85 questionnaires 70 questionnaires were filled and returned by respondents. The response rate is 82.4% which is acceptable. Information regarding the number of each stratum from the total population and their respective sample size is listed in the table below.

TABLE-3.1: The Number of Population and Sample Size in Each Department.

Departments	Number of Population	Sample Size
Human Resource Department	20	16
Promotion	8	6
Control department	8	6
International banking dept(IBD)	30	24
Dashen main branch	12	9
Accounts & Credit Department	15	12
Payment card & IT Department	15	12
TOTAL	108	85

SOURCE: Employee records in the Human resource management departments of Dashen bank (2006E.C)

3.3. Data Type and Sources

The study made use of data from both primary and secondary sources. Primary data about the employee benefit package and its effect on employee turnover intention from the employees and management's view through questionnaire and interview. The secondary data relating to the above subject matter of the company was get through the company's documents, reports, annual booklet, company website and standard literature.

3.4. Procedure of Data Collection

After designing the data collection tools, the researcher used pilot test to few selected employees. Similarly, the researcher made interview with top-level managers to get primary data and give sufficient time to fill the questionnaires. Finally, the researcher collected the questionnaires and makes ready to analysis.

3.5. Methods of Data Analysis

Information obtained from both qualitative and quantative data through questionnaires and interview are respectively analyzed carefully. The researcher also used a descriptive statics to analyze the quantative data through tables, graphs and percentages and meanings are contextualized, interpreted and expressed in words. To analyze the qualitative data excel would be applied.

3.6. Validity and Reliability of Data Collection Instruments

After designing the questionnaires, the researcher had a pilot test in order to see that those questionnaires are appropriate to measure the consistency in all occasions. The test also helps to check whether the questionnaires measure the consistency or not. Hence, the researcher believed that the instrument is valid.

Reliability is the extent to which a test or procedure of data collection yields similar results under a constant conditions on all occasions. As the result, the researcher checks the reliability of the instruments used in this study by pre-testing the questionnaires and interview guides in the field. The researcher then gave questionnaires guides to the same groups of respondents and his advisor and re-testing their response and the result were confirmed that the same response. Hence, the researcher concludes that those questionnaires were reliable.

3.7. Ethical Considerations

All the data obtained from the respondents have been used only for the academic purpose. The name of the respondents has not been revealed in the research paper. Unnecessary changes and adjustments have not been practiced by the researcher. The researcher has not been also used findings of others without acknowledging them.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

This chapter deal with presentation and analysis of data gathered, through interview and questionnaires on employee benefit package and its effect on employee turnover intension.

DEMOGRAPHY

The researcher took employee of Dashen bank head office branch as a target population of study.85 respondents were requested to fill the questionnaires, the questionnaires were distributes to the selected sample based on equal proportion to each department or strata, which are located on the head office of Dashen bank s.c. The respondents are agreed and filled all questionnaires frankly even though the entire questionnaires were not collected on time and some respondents were not returned the questionnaire they took from the researcher.

The survey includes three major sections entitled;

- General data
- General opinion regarding to the employee benefit package and its effect on turnover intension
- Others

N.B: Missing on the analysis part represent those respondents who are not responding to either of the question listed in the questionnaire .

The composite result regarding respondentø personal and specific information is calculated, tabulated and presented with the use of graph below. The results of the qualitative data collected were processed by using percentage and expressed in words. In view of that, the following discussions were made to indicate the result.

4.1. GENERAL PERSONAL DATA

The background of the respondents with regard to their sex, age, educational qualification and years of service are indicated under this topic. The average length of period the respondents of the survey worked in the company show that out of the 70 respondents, 39 of them are worked on between one to five years. This justifies that they have enough knowledge about the policy and the benefit program of the company.

TABLE-4.1: Demographic Profile of Respondents in terms of Sex, Age, Educational Background and Service years.

Description		No	Percentage
Sex	Male	55	78.6%
	Female	15	21.4%
Total		70	100%
Age	18-29	37	52.9 %
	30-39	25	35.7%
	40-49	7	10%
	>50	1	1.4%
Total		70	100%
Educational background	Diploma	3	4.3%
	1st degree	60	85.7%
	>1st degree	7	10%
Total		70	100%
Year and service	<1	7	10%
	1-5	39	55.7%
	6-10	19	27.1%
	>10	5	7.2%
Total		70	100%

From the above tabulation, the researcher examines the following:-

Out of 70 respondents, 78.6% are male and 21.4% are female. Being considered in their age category, the majority falls under the age category of 18-29(52.9%), followed by the age grouped of 30-39(35.7%), 40-59(10%) and greater than 50years (1.4%).This result shows that the majority of the employee in this company is youngster or the working class.

In terms of educational qualification, 60% of the respondents acquire 1st degree, 4.3 % of respondents have diploma and 10% of the respondents acquire greater than 1st degree. Based on year of service in this company, 7.2% falls under the service year of more than 10 years, 27.1%

falls under 6-10 years, 55.7% falls under 1-5 years and 10 % falls less than one year. This implies that most of the employees leave the company after working some years rather than staying in the company for a longer time (more than five years).

4.2. SPECIFIC INFORMATION

TABLE-4.2: Employees’ View on the Benefit Package of their Company

Item	Responses							
	yes	%	No	%	Missing	%	Total	%
Do you have adequate information about your company policy and the benefit programs?	61	91	4	6	2	3	67	100
Are you satisfied with the benefit that you received in your company?	18	26.9	48	71.6	1	1.5	67	100
Do you think that the benefit that you received is enough for you and your family basic need?	11	16.4	56	83.6	-	-	67	100
Does your company provide a better benefit package for you and your family as compared with other company that you know?	12	17.9	52	77.6	3	4.5	67	100

As the above table indicates the majority of the respondents, 61(91%) of them have adequate information about the benefit package of their company and only 6% of them have no any adequate information about their company benefit package.

Regarding to the satisfaction of employee about their company benefit package, 48(71.6%) of the respondents are not satisfied by the benefit of their company and only 26.9% of the respondents are satisfied with the benefit package of their company. The interview data also explained that the benefit package of this company is not satisfactory for the majority of its employees. This shows that the benefit package is not satisfactory for most of the employee in this company.

Concerning with the benefit package of the company in relation to the employee and his/her family basic need, 11(16.4%) of the respondents agreed that the benefit of the company is

enough for them and their family basic need, while the rest 56(83.6 %) of the respondents are not agree that the benefit of their company is enough for them and their family basic need. This shows that most of the employee of this company, which is called Dashen bank s.c, is struggle to do other work or search other option to fulfill their and their family basic need.

Similarly from the majority of the respondent groups, 12(7.9%) of them believed that the benefit of their company is better than other company that they now and the rest 52 (77.6%) of them believed that the benefit of their company is not better than other company in the same or different industry. This shows that the benefit package of this company is lower than others in the same or different industry for fulfilling its employee and their family basic needs.

TABLE-4.3: Employees’ Perception on Career Development and Allowances

Item	Responses							
	yes	%	No	%	Missing	%	Total	%
Is there any career advancement opportunity in your company?	25	37.3	38	56.7	4	6	67	100
Is there any emergency salary allowance for you during emergency?	62	92.5	5	7.5	-	-	67	100

As shown from the above table, almost 38(56.7%) of the respondents replied that there is no career advancement opportunity in their company and the rest 25(37.3%) of the respondents only replied that there is a career advancement opportunity in their company. This implies that for most of the employee, the company is not aware of their effort and deciding to move in to another step or hierarchies that they deserve and the employee also lack motivation and concentration on their work because of the routine nature of the work he/ she done as well as waiting on a single job for a longer time before he/she transfer in to another jobs.

Similarly regarding from the above table, almost 62(92.5%) of the respondents replied that there is an emergency salary allowance during their urgent time and only the rest 5(7.5%) of the respondents replied that there is no any emergency salary allowance or payment in their company during their urgent time. Nevertheless, standing from the open ended question related with the emergency salary allowance, most of the respondents replied that even if there is an emergency salary allowance in their company, but the allowance is not enough for their urgent problem.

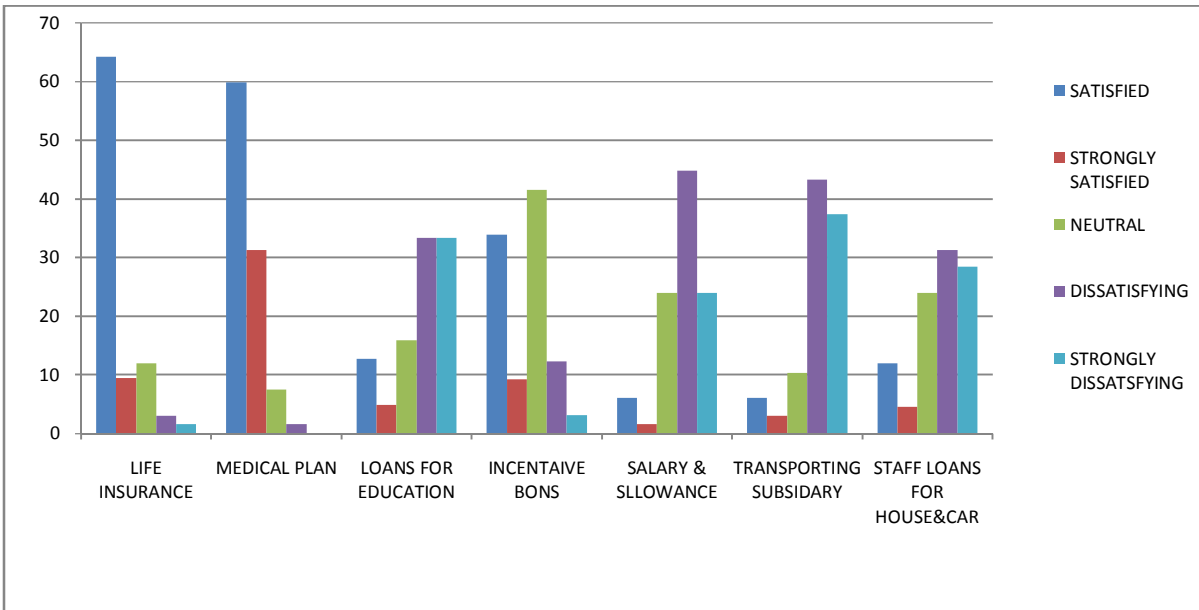
Because, the amount of allowance that an employee received (four months of his/her basic salary) is not mostly fit with the cost of his problem. Therefore, this data shows for the management to examine the current status of living and economic situation to find other solution for the employee during their urgent problem.

TABLE-4.4: The General Feelings of Employee about Their Company and its Benefit for them.

NOTE: strongly agree: 1, agree: 2, neutral: 3, disagree: 4 and strongly disagree: 5.						
Item	Disagree(4+5)		Neutral		Agree(1+2)	
	Frequency	%	Frequency	%	Frequency	%
The working environment of the company is satisfactory for the employees.	20	29.8	19	28.4	28	41.8
I am happy with the nature of my work.	13	19.4	21	31.3	33	49.3
My job is insecure.	27	40.3	19	28.4	21	31.4
The supervisor and manager at all level have the ability and skill to enhance you for a better performance and change your attitude to stay in the company for a longer period of time.	26	38.8	16	23.9	25	37.3
Your company allows working alone freely by using your judgment as well as your special skill and ability	24	35.8	25	37.3	18	26.9

As shown from table 4.4, majority of the respondents replied that they are satisfied with the nature of their work in this company and also feels that their job is secured well. Nevertheless, most of the respondents on the other side replied that there is no good working environment, freedom of work by using personal judgment and special skill as well as the immediate supervisor and manager of this company cannot have any special skill and ability to enhance them for better performance and to stay in the company for a longer time. Therefore the HR ó department will create a conducive working environment, job autonomy and training and career development opportunity for the supervisor or managers in the company.

FIGURE-4.1: Employee Perceptions on their Company Benefit package



As shown from the above graph (graph-1), the greater portion of respondents replied that they are satisfied with the life insurance, medical plan and incentive bones of the company. Nevertheless, most of the respondents on the other side are dissatisfied about the salary and different allowance, transporting subsidiaries and loans for house, car and education. From this data the researcher conclude that the company must oversee the above benefits in which its employees are dissatisfied.

TABLE-4.5: List of Benefit Package that Attract Employee to stay in this Company.

LIST OF BENEFIT	FREQUENCY	PERCENT
Life Insurance	1	1.5
Loans for House and Car	16	23.9
Loans for Education	3	4.5
Emergency Payment	2	3
Incentive Bonus	-	-
Medical Plan	19	28.3
Salary and Advancement	26	38.8
TOTAL	67	100

As shown from the above table (table-4.5), the majority 26(38.8%) of the respondents replied that salary and advancement attract them more to stay in the company. The rest 19(28.3%),2(3%),3(4.5%),16(23.9%) and 1(1.5%) choose medical plan, emergency payment, loans for education, loans for house and car and life insurance respectively to stay in the company.

TABLE-4.6: The Intensions of Employee to Leave the Company.

ITEM	FREQUENCY	PERCENT
Employees who are Intending to Leave	33	49.2
Employees who want to Stay	20	29.9
Neutral	14	20.9

As shown from the above table (table-4.6), 33(49.2%) of the respondents replied that they are planned to leave the company, 20(29.9%) of them need to stay in the company and the rest 14(20.9%) of them have not deciding to leave or to stay in the company yet. In addition to this from the data get from interview and open-ended question, the majority of the employee are intended to leave because of many reasons like poor salary and advancement, lower transporting subsidiary and other allowance as compared to the existing economic situations are the major ones.

CHAPTER-FIVE

SUMMARY, CONCLUSION AND RECOMANDARTION

The aim of this research paper was to examine and assess the employee benefit package and its effect on employee turnover intension on Dashen bank share company head office branches. Thus based on the analysis and findings presented in the previous chapter, the following summary, conclusion and recommendation has been drawn.

5.1. SUMMARY

The main purpose of this paper is to assess the employee benefit package and its effect on employee turnover intensions in Dashen Bank Share Company head office branches. For this purpose a descriptive method of data analysis was employed. Respondents were selected using stratified random sampling techniques and findings were analyzed using frequency count, percentage and graphs.

A total of 85 respondents from the head office branch of Dashen Bank Share Company were used as a data source. The data were collected by both interview and questionnaire and only 70 of the respondents are filled and return the questionnaires.

Accordingly, the findings of the data collected on each category are summarized as follows.

1.1.1. Issues related with the Best Side of the Company Benefit Package

Most of the respondents replied that the best sides of their company related with employee benefit package are medical plan followed by emergency salary allowance, educational fee below degree program and on time bonus.

1.1.2. Issues related with Planning, Developing and Implementing of Employee Benefit Schemes.

From the data collected through interview, the company plan and develop the benefit scheme every three years as per the demand, the existed market trends and the country's economic situations. On the other hand, before the benefit package is implemented, all the staff members and their respective manager discussed on the planned benefit package weather those listed benefit satisfied them or needs modification or total changes.

1.1.3. Issues related with the Emergency Salary Allowance

Most of the respondents replied that even if there is an emergency salary allowance in their company but the allowance is not enough for their urgent problem because of the following problems:

- It's based on basic salary than the cost u need for your urgent problem.
- The amount of allowance that an employee received during his urgent time is not fit with the current status of living and economic situation.
- The salary allowance that an employee receives is based on his basic salary. So, most of fresh employees receive a little amount of money as an allowance for their urgent problems because of their basic salary is also small.

1.1.4. Issues related with factors that cause Employee to Leave the Company.

Most of the respondents replied that among those factors that caused them to leave the company, the following are some of the major ones:-

- Insufficient payment
- Lack of career advancement opportunity
- Relocation to other area
- Staff loans for house and car
- Work life balance

1.1.5. Issues related with what Employees need to do their Jobs with greater Satisfactions.

Most of the respondents need the following from their company to do their work with great moral and satisfaction:-

- Different benefits that are non-taxable
- Good office layout and comfortable working space
- Recognition and salary increment
- Loans for house and car with lower interest rate than the existing trend.
- Good working environment and smooth relationship with management

1.1.6. Issues related with the Benefit Package of the Company as compared to others.

Most of the respondents believed that their company have similar benefit package as the other companies have. But, the following are some of the benefit package that is not including in the benefit package of their company and they want to receive from their company in the future:-

- Transportation allowance in the form of fuel or providing transportation service
- Loans for education above BA.
- Endowment insurance policy.
- Allowance for house rent for those living in Addis Ababa.

5.2 . CONCLUSION

The results of the study were obtained through both open-ended and closed-ended questionnaires distributed to 85 employees of Dashen bank share company head office branches. The study tried to assess the employee benefit package and turnover intension of the selected bank.

In particular, the study established that the benefit package of the company is not enough to cover the basic need of its employee and their families. The study also established that those benefit package of the company is lower than other similar and different company to cover the needs of its employees.

Regarding to the satisfaction level of respondents, most of them are dissatisfied by the salary and advancement, transporting subsidiary, job security, staff loans for house and car, educational fee above a degree program and soon. However, most of the respondents on the other hand are satisfied by the medical plan, emergency salary allowance, on time bonus and educational fee below a degree program.

Finally, these findings lead to the conclusion that for all Dashen bank and other similar industry in general to use a flexible benefit package on their police and program and reduce employee turnover intension.

5.3. RECOMANDATIONS

In most firms, benefit represents substantial annual expenditure, for they compose up to 28 percent of the overall costs of doing business. Therefore, Dashen bank Share Company as an organization are required to design and envisage appropriate benefit policy that will satisfy the interest of both the employees and the company itself.

All organization this day used employee benefit as their strategy to acquire new talent and to retain their loyal employee. In fact, employee prefers indirect remuneration to direct pay. Because, any increment in direct pay only adds one's taxable income. But most of benefits are not taxed and hence are advantageous to employees. On the contrary, standing from the facts that the researcher exhibit from the findings of the study, most of the benefit packages of Dashen bank Share Company is not satisfactory for the majority of its employees. Therefore, the researcher recommends Dashen bank Share Company to apply the following.

1. Related with Transportation Subsidiary

Dashen bank Share Company couldn't provide transportation service to its employees. But it pays some money as a transportations allowance which is subject to tax. Therefore, standing from other banks experience including the commercial bank of Ethiopia, Dashen bank should also change the payment from transportation allowance to fuel allowance which is not subject to tax up to 1000 birr.

2. Related with Housing Allowance(Rent) for those Living in Addis Ababa

Most of the employees in Addis Ababa are homeless and lives in rental houses. The amount paid to the rental houses are almost nearer to the basic salary of most of the employees. So, the researcher recommend that the bank should find a solution to construct a condominium houses with a long term loans or gives housing allowance as the same to those working outside of Addis Ababa.

3. Related with Cafeteria or Tea Rooms

Most of the organizations in Addis Ababa have their own cafeteria or tea rooms for their own staff. Those tea-rooms help the employee to take snap or eat during their launch time. On the contrary Dashen bank Share Company is one of the leading private banks in Ethiopia but have no any tea-room and cafeteria. So, the researcher recommends that the bank should construct those tea-rooms or cafeteria to increase its employee's team spirit and their welfares.

4. Related with Loans for Education

An organization is the same as the people within it. As long as there are a plenty of educated employees in a given organization, there is also a plenty of ideas and solutions for the achievements the objectives set by the organization. Regarding to enhancing of employee to increase their educational career, Dashen bank paid a tuition fees to its employees and gives some loans for some educational level below degree level. But, there is a limitation or no loans are available for the masters program. So, the researcher recommends that the bank should change this trend and gives the opportunity to its employees to increase their educational career beyond the degree level.

5. Related with Career Advancement Opportunity

There are several ways to increase your value within the company such as seeking more responsibility or additional work and offering to help other teams, departments or advisory boards. But the only problem is when the employer is not aware of the employee effort as well as he /she is looking for career advancement, employee can begin to look for a new job somewhere else. Therefore standing from the findings of the study the career advancement opportunity of Dashen bank Share Company is not satisfactory for the majority of the staff. Thus, this dissatisfaction may create an intension on employees to see somewhere else. So, the researcher recommends that the bank clearly examine every employee effort and create a ladder to move one step in the formal structure of the company.

6. Related with the Endowment Types of Insurance

Most of the companies in Ethiopia insured their employees with the traditional type of life insurance in which pays benefit when the policyholder dies or injured. Dashen bank Share Company as other company also insured its employees with the traditional type of life insurance. So, the researcher should recommend that the bank purchase an endowment life insurance to its employees in which pay benefits after the pre-determined terms has pass (usually the terms are between 10 to 20 years).According to the endowment insurance the policyholder is not only receive pay benefit when the terms are lapse but also if the policyholder dies before the term is ends, the face amount is paid to the designated beneficiary.

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APPENDICES

APPENDEX-1: QUESIONNRIES FOR EMPLOYEES OF DASHEN BANK

DEAR RESPONDENT

This questionnaire is prepared for the partial accomplishment of Master of Business Administration degree at St.Mary University. My thesis is entitled "Employee benefit package and its effect on employee turnover intension in Dashen bank s.c." The questionnaire is aimed at collecting your views and opinions about the above variables. The information you provide will only be used for the purpose of the research. Your genuine responses are very essential for the reliability and validity of finding of the study.

N.B

- ✓ You don't need to write your name on the questionnaire form.
- ✓ Select the answer for the objective question and tick the best one that is as you think correct.
- ✓ For the subjective questions, attempt to give short and clear response by writing on the space provided.
- ✓ Please answer all the questions

Thank you in advance

Part 1:- Personal Information

Job Title: _____.

Grade: _____.

Department/Section: _____.

1. Age 18 30-39 40-50 >50
2. Sex Female Male
3. Qualification: Diploma 1st degree > 1st degree
4. Years of service <1 year 1-5 6-10 >10

Part 2:- Specific information

1. Do you have adequate information about your company policy and the benefit program?

Yes No

2. If your answer for question no 2 is no, Explain why?

3. Are you satisfied with the benefit that you received in your company?

Yes No

4. Do you think that the benefit that you received is enough for you and your family basic need?

Yes No

5. Does your company provide a better benefit package for you and your family as compared with other company that you know?

Yes No

6. Is there any career advancement opportunity in your company?

Yes No

7. If your answer for question no 6 is No, then please tell us if any problem happen while you are doing your work?

8. Is there any emergency salary allowance for you during emergency?

Yes No

9. If your answer for question no 8 is yes, do you think the emergency salary allowance is enough for your urgent problem?

10. Please select the number below that best represent how you feel about your company for each statement.

Item	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The working environment of the company is satisfactory for the employees.	1	2	3	4	5
I am happy with the nature of my work.	1	2	3	4	5
My job is insecure.	1	2	3	4	5
The supervisor and manager at all level have the ability and skill to enhance you for a better performance and change your attitude to stay in the company for a longer time.	1	2	3	4	5
Your company allows working alone freely by using your judgment as well as your special skill and ability.	1	2	3	4	5

11. The following benefits stated below are part of your company's benefit package. Kindly indicate your level of satisfaction to each of them by putting a tick mark on each of the box you prefer.

TYPE OF EMPLOYEE BENEFIT	Satisfied	Strongly Satisfied	Neutral	Dissatisfying	Strongly Dissatisfying
LIFE INSURANCE					
MEDICAL PLAN					
LOANS FOR EDUCATION					
INCENTIVE BONUS					
SALARY AND DIFFERENT ALLOWNCE					
TRANSPORTING SUBSIDIARY					
STAFF LOANS FOR HOUSE AND CAR					

12. What kind of the following benefit will attract you more to stay in the company for a longer time? (Please tick one based on your preference)

- Life insurance
- Incentive bonus
- loans for house and car
- Medical plan
- Loans for education
- salary and advancement
- Emergency payment

13. Do you know any other benefit package that is not part of your company's benefit package and you would want to receive from your company in the future?

14. What are the best sides of your company related with employee benefit package in general?

15. What you are expected from your company to do work with great moral and satisfaction?

16. Are you intending to leave your current job? If yes, why?

17. What kind of organization are you intending to join in the future?

18. Please place a tick against any of the following reasons that may have caused you to leave?

- | | |
|---|---|
| <input type="checkbox"/> Insufficient payment | <input type="checkbox"/> Location |
| <input type="checkbox"/> Lack of career advancement | <input type="checkbox"/> Working hours |
| <input type="checkbox"/> Relationship with other colleagues | <input type="checkbox"/> Work-life balance |
| <input type="checkbox"/> Relocation to other area | <input type="checkbox"/> Problem with manager |
| <input type="checkbox"/> Staff loans for house and car is inconsistency | |

with the market price.

19. What would you note down as your major reason for leaving the company as related with the general benefit package?

APPENDEX-2: INTEVIEW QUESIONNRIES FOR HUMAN RESOURCE DIVISION AND TOP-LEVEL

1. Are you satisfied with your position and the benefit you get from this company?
2. How do you plan, develop and implement the employee benefit schemes?
3. How you will address the individual complaints or grievances regarding benefits and compensation? And how challenging is it to maintain the employee satisfaction?
4. Have you made analysis and assessment reports of market trends of salary and benefit of different employees in different companies including yours in your prior jobs? If so, what you examine for the main reasons for employee turnover intension?
5. Tell me about your last experience on designing, evaluating, and modifying benefit polices to ensure that the program were current, competitive, and incompliance with legal requirement?
6. Share an experience in which you successfully administered, directed, and reviewed employee benefit programs?
7. Any other comments regarding the effect of benefit package on employee turnover intension , please suggest

APPENDEX-3:

DECLATTATTON

I, the undersigned, declare that this thesis is my original work; prepared under the guidance of Dr. Worku Mekonnen (PhD).All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institutions for the purpose of earnings any degree.

NAME

SIGNATURE

St. Marry University, Addis Ababa
June 04, 2014.

APPENDEX-4:

ENDORSEMENT

This thesis has been submitted to St. Mary's university, school of graduate studies for examination with my approval as a university advisor.

Advisor

Signature

St.Mary University, Addis Ababa
June 04, 2014.