



**SAINT MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES
(General MBA)**

**FACTORS INFLUENCING EMPLOYEE RETENTION IN PUBLIC ORGANIZATIONS
IN ETHIOPIA: THE CASE OF ADDIS ABABA INSTITUTIONS**

**BY:
ABEL GIRMA KEBEDE**

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**SUMMATED TO:
A THESIS SUBMITTED TO SAINT MARY'S UNIVERSITY, SCHOOL OF
GRADUATE STUDIES IN PARTIAL FULLFILLMENT OF THE REQUIREMENT
FOR THE DEGREE OF MASTER OF GENERAL BUSSINESS ADMINSTRATION
(MBA)**

JUNE, 2016

ADDIS ABABA, ETHIOPIA, SMU

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JUNE, 2016

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DECLARATION

I, the undersigned, declare that this Thesis is my original work; prepared under the guidance of **Chalachew Getahun** (PhD). All the sources of materials used for this thesis have been dully acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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June, 2016

ENDORSEMENT

This thesis has been submitted to Saint Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

Advisor

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June, 2016

DEDICATION

I dedicate this thesis to my Grand Mom, Wro Lekalesh Ayene who had strong belief in education and gave me a courage till she last breath, May God be with you and Rest in Peace.

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May God bless you all!

ABSTRACT

Employee retention is a concern for organizations in this competitive job market because there are a great number of employment opportunities for talented professionals, the higher skilled the employees, the greater the demand for their services. In order to retain the best talents, strategies aimed at satisfying employee's needs are implemented, the problem remains on how great is the effect of each strategy having toward overall employee's retention. The primary aim of this study was to examine the major objective of retention strategies and factors influencing employee retention of public institution in Addis Ababa and The specific objectives are to assess employee retention strategies in public organizations and to identify major factors influencing employee retention in public organizations. The data was collected using survey questionnaire from random sampling of 150 respondent and analyzed descriptive analysis and inferential analysis like Pearson correlation and regression analysis. The results of the study shows that job security, training opportunities, salary amounts, working environments, participative decision making, availability of allowances, relationships at work place and promotion opportunities are some of the factors that basically influence employee retention at Addis Ababa. The main finding of the study is that while training opportunity and working environment are the main employee retention strategies, the level of allowance, monthly salary and age are the most promising factors that affect the employee retention in the studied institutions. Finally the higher officials in public institutions should give an attention for retention strategies like training & opportunity, working environment and Good working relationships as well as the important factors like Allowance, job security, reward and compensation organizational commitment, salary and age when devising a plan for employee retentions.

Key words: *Employee retention, training opportunity and working environment, level of allowance and Good working relationships.*

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CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

The most valuable asset available to an organization is its people, thus retention of staff in their jobs is essential for an organization. Indeed there is a paradigm shift from human resource to human capital which consists of the knowledge, skills and abilities of the people employed in an organization which is indicative of their value (Armstrong, 2010). When employees leave their jobs, it is often a sign that something is going wrong. Guma (2011) contends that poor job retention among employees lead to many costs associated with employee turnover which include additional burden on remaining staff, recruitment and training costs, lost productivity, loss of clients and loss of intellectual capital. Another more insidious cost of turnover involves the sharing of a company's methods, technology, and clients with competitors who may have hired the employee. It thus goes with little emphasis that undesirable employee turnover is costly and disruptive, drains resources and can cause inefficiency (Harting, 2008).

Employee retention can be stated as the processes in which employees are encouraged or motivated to stay with the organization for the maximum period of time or until the completion of the project. It is beneficial both for the organization as well as for the employees and the employers. Employee retention is also important because when an employee remains in an organization for a longer period then he/she becomes the storehouse of knowledge and secrets of the organization. But when he/she leaves the current organization and joins a new organization then it becomes positive for the later and negative for the previous one because knowledge and secrets are moving with him/her only. In addition, organization's status is also at risk where turnover rate is relatively high. The customers do not feel positive dealing with an organization which is unable to keep their employees. Again, constant high turnover rate creates disturbances and increased workloads in the remaining present employees.

Every organization invests time and money to a new employee, make him/her a corporate ready material and bring him/her at par with the existing employees. The organization is completely at a loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time. One of the main reasons behind employee's turnover is due to lack of job-satisfaction (Robbins, 1996). Therefore, it is essential for organization managers to invest

their time in dealing with employee dissatisfaction. The government is a group of people that governs a community or unity. It sets and administers public policy and exercises executive, political and sovereign power through customs, institution and laws within a state (<http://www.businessdictionary.com/definition/government.html>).The public sector is usually composed of organizations that are owned and operated by the government. It is the part of the government that deals with production, ownership, provision, delivery and allocation of goods and services by and for the government or its citizens, whether national, regional, and local. In that regard, the government needs competent human resources in order to deliver competitive services to the people. Therefore, it is imperative to retain valuable human resources for effective and efficient performance of any organization whether public or private.

1.2. Statement of the Problem

Employees are the most valuable resource in any organization for that matter special treatment is required to retain them. While employee retention is one of the best and most desirable things it is a key challenge in organizations today. There is significant economic impact when an organization loses any of its critical employees especially given the knowledge that is lost with the employee's leaving. The impact of poor retention techniques on organizations often engenders far reaching consequences and at the extreme, may risk the efforts to attain organizational objectives, for that reason the organizational leaders must develop clear strategies for attracting and retaining good employees (Holthom et al, 2005).

The Ethiopia government has recognized the role of retaining employees by enacting employee and labor relations laws, policies and procedures which address number of issues including financial and non financial incentives as motivational strategies to keep employee movement from public organizations. These laws and policies have defined other employee benefits which are essential for increasing employee working morale. However, having such policies and regulations within organizations has not stopped movement of employees from organizations. It is therefore necessary to try to understand why retaining employees today seem to be difficult. This problem is highly experienced by public institution. However, there are very few studies that investigate this issue details, particularly, there is no study in Ethiopia that investigate the factors and strategies of employee retention with rigorous empirical techniques. This study, therefore, tries to assess the strategies employed and factors affecting employee retention in public institution.

1.4 Basic Research Questions

- ✓ What are the employee retention strategies in public organizations at selected institution in Addis Ababa?
- ✓ What are the major factors that affect employee retention in public organizations at selected institution in Addis Ababa?

1.5 Objective of the Study

- ✓ The main goal of the study is to examine the major retention strategies and factors influencing employee retention of selected institution in Addis Ababa.

The specific objective are:-

- ✓ To asses employee retention strategies in public organizations at selected institution in Addis Ababa.
- ✓ To identify major factors influencing employee retention in public organizations at selected institution in Addis Ababa.
- ✓ To give voluble recommendation.

1.6 Significance of the Study

The study is intended to find out the factors influencing employee retention in public organizations. The findings would be useful for the public sector to realize if there is a need of coming up with new sufficient retention strategies/efforts. It would have theoretical significance for academic and research institutions. Consequently, encourage further research in the area where this research is limited due to resource time and money.

1.7 Limitations of the Study

The study had a number of limitations. It was a cross sectional survey and hence the researcher could not monitor whether the turnover cognitions were actualized. The measurements relied on the perceptions of the respondents and not their actions. A longitudinal study would have revealed whether the staff left. However, cross sectional studies (Chew, 2004; Sutherland, 2004) has consistently proved that employee's behavioral patterns of intention to leave their employers are the strongest predictors of actual turnover and is used in retention studies. Also, response of the respondents limited the study results particularly the freedom which respondents felt in disclosing their beliefs about leadership style, promotion and training unlike the free expression

noted on items on compensation. However the use of exit questionnaire and interviews gave additional information that led to valid conclusions.

1.8 Delimitation of the Study

The study was also delimitation by the fact that it was based on three selective public institutions in Addis Ababa because of time limitation and limited availability of resources when data was collected therefore the study findings may only help in understanding staff retention issues in these selective public institutions.

1.9 Organization of the Study

The research proposal incorporates five chapters. The first chapter provides a general background of the study and statements of the problem. It also clearly present the research question, the objective and definition of key terms used throughout the thesis. Furthermore, Significance of the study, and Scope of the study are included as well. Chapter two deals with the literature review of relevant previous studies, mainly consisting of different suggested models and theories of retention and their factors. Chapter three elaborates the research design and methodology, which would be designed in chapter one of the study. This chapter presents clearly the desired population and the source of data collection with the provision of rational reasons of why the tools would be selected. Chapter four explains the finding of the research and it will discuss the results which will be noted from the collected data. Chapter five deals with the conclusion and recommendation of the study, the conclusions would be drawn out from the finding and lastly, the researcher put recommendation on the specific aspects.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

This chapter provides the definition for both independent variables which are organization commitment, job burnout, and human resource practices (HR practices) and dependent variable which is employee retention. The details about the dimensions of the independent variables including different types of HR practices such as training and development, rewards and compensations and working environment were also discussed in this part. Furthermore, this study gives a more detail understanding about the correlation among independent variables and dependent variable. Meanwhile, this chapter also was provided relevant theoretical and empirical studies.

2.1 Theoretical literature review

This study was guided by three theories; Herzberg two-factor theory, Maslow's hierarchy of needs theory and Equity theory by Adams, for the reason there is strong relationship between these theories and employee retention.

2.11 Hierarchy of Needs Theory

This theory was introduced by Abraham Maslow, who saw the human needs in the form of hierarchy ascending from the lowest to the highest. The needs are;

Physiological needs: These are the basic needs for sustaining human life such as food, water, warmth, shelter and sleep, at work place these are reflected in the needs for sufficient air and basic salary to guarantee employees survival, other needs will not arise unless this need is fulfilled

Security or safety needs: These stands for the desire to be free of physical danger and fear of loss of job, property, or shelter. These relates to the employee needs for safe jobs, fringe benefits and job security. People want some assurance that the above needs will be met in their work places.

Love or acceptance needs: This relates to the feeling of belonging. People feel that they need to be accepted by others. In an organization setting these needs involve the desire for good relationships with co-workers, participation in a work group and a positive relationship with supervisors.

Esteem need: This is a need for power, achievement and status which is usually demonstrated when an employee is promoted to a managerial position and acquire a sense of control and recognition within an organization.

Self-actualization: Can be easily described as a desire to become what one is capable of becoming, to maximize ones potential and to accomplish something. Maslow concluded that when one set of need is satisfied it cease to be a motivator.

Each of the five tiers of Maslow's hierarchy of needs relates to optimal retention strategy. Since Maslow's introduction of his motivation model, organizations have been employing strategies attempting to stimulate each of the five humanitarian needs described above to optimize retention rates. When applied to the organizational model, meeting the self-actualization and esteem needs of an employee tend to correlate to better retention. Physiological, safety, and social needs are important as well, however, and must be addressed to better the work environment. While implementing a retention strategy is ideal, successful satisfying all five needs of employees is not only difficult, but also expensive. That being said, managers who attempt to maximize employee need coverage tend to be more concerned with employee satisfaction.

2.1.2 Equity Theory

Equity theory was first developed in 1963 by John S. Adams, who asserted that employees seek to maintain equity between the inputs that they bring to a job and the outcomes that they receive from it against the perceived inputs and outcomes of others (Adams, 1965). It is very important to apply equity theory if one wants to retain employees because, in belief that people value fair treatment in relation to the amount of work that has been assigned to them and this causes them to be motivated in maintaining relationships with their co-workers and the organization, as the structure of equity in the workplace is based on the ratio of inputs to outcomes.

An individual will consider that he is treated fairly if he perceives the ratio of his inputs to his outcomes to be equivalent to those around him. The way people base their experience with satisfaction for their job is to make comparisons with themselves to people they work with. If an employee notices that another person is getting more recognition and rewards for their

contributions, even when both have done the same amount and quality of work, it would persuade the employee to be dissatisfied.

This dissatisfaction would result in the employee feeling underappreciated and perhaps worthless. This is in direct contrast with the idea of equity theory, the idea is to have the rewards (outcomes) be directly related with the quality and quantity of the employees contributions (inputs). If both employees were perhaps rewarded the same, it would help the workforce realize that the organization is fair, observant, and appreciative. Employees who perceive themselves as being in an inequitable situation will seek to reduce the inequity either by distorting inputs and/or outcomes in their own minds by directly altering inputs and/or outputs, or by leaving the organization (Carrell and Dittrich 1978).

2.1.3 Two-Factor Theory (Herzberg's motivation-hygiene theory)

Frederick Herzberg proposed a two-factor theory in 1959 after he study the factors in the work environment that caused satisfaction and dissatisfaction among the workers, hundreds of workers were interviewed during the times when they were highly motivated to work and other times when they were dissatisfied and unmotivated at work. According to him there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of “Satisfaction” is “No satisfaction” and the opposite of “Dissatisfaction” is “No Dissatisfaction” Herzberg classified these job factors into two categories; hygiene factors and motivation factors;

Hygiene factors: These are those job factors which are essential for existence of motivation at workplace. They include Pay, Company and administrative policies, Fringe benefits, Physical Working conditions, Status, Interpersonal relations, Job Security, etc. Their existence creates an environment for doing work, but factors themselves cannot motivate people to work. Their absence can dissatisfy people but their presence per se cannot satisfy people. This means, these factors do not lead to positive satisfaction but if these factors are absent, then they lead to dissatisfaction.

Motivation factors: These are based on an individual's need for personal growth which consists of recognition, advancement, sense of achievement, growth and promotional opportunities, responsibility, meaningfulness of the work, etc. The presence of these factors in the job creates a motivating environment, but their absence does not cause dissatisfaction.

Employees are not motivated by hygiene factors like salaries alone but there are various other factors other than the salary which can motivate employees. Therefore management should not depend only on hygiene factors but combine hygiene as well as motivations to retain an employee. The two-factor theory implies that the managers must stress upon guaranteeing the adequacy of the hygiene factors to avoid employee dissatisfaction. Also they must make sure that the work is stimulating and rewarding so that the employees are motivated to work and perform harder and better. The job must utilize the employee's skills and competencies to the maximum and these will improve employee retention.

The above theories share some similarities, in that they all recognize positive reinforcement and recognition as tools for creating a positive work environment, while denouncing the use of negative critiques of job performance. Each theory also concludes that individuals are motivated by a variety of factors that vary based on environmental and psychological needs of that individual. For that reason, each organization must recognize that what works to motivate one individual employee may not work to the other one.

2.2 Empirical literature review

Reiche (2008) studied on the configuration of employee retention practices in multinational corporations' foreign subsidiaries by deriving a typology of retention practices and investigating their applicability in multinational corporations' (MNCs) foreign subsidiaries in the light of home and host country effects. Linking institutional and strategic HRM perspectives, he proposed a conceptual framework examining how MNCs can maximize their retention capacity. Specifically, MNCs needed to align their transferable home-country retention practices with overall strategy and complement them with flexible context specific practices to allow for adaptability across different subsidiaries. He is further argued that characteristics of the headquarters-subsidiary relationship influences the relative importance of context-generalize able versus context-specific retention practices and that the relevant set of practices for each subsidiary then needs to be configured individually.

Ali (2008) debated of employee turnover, its predictors and antecedents and model building and testing in Western work settings has been very old, however, there have been repeated calls for its cross cultural implications. Developing countries especially Pakistan with its unique socio-economic and religious culture faced dearth of research studies on the subject. Present study aimed to extend the understanding of specific role of organizational cultural values and the attitudes of supervisor/immediate boss on employee turnover and retention. Further, the proposed study assessed the moderating role of individual differences, specifically, personality dimensions on employees' intentions to stay or quit. This study used descriptive quantitative approach to answer the research questions. Study proposed that positive and implemented HR practices, conducive organizational culture and friendly attitudes of supervisor separately and collectively left strong impact on personality dimensions of individual at workplace. Such positive and integrated organizational climate directly generated overall satisfaction, organizational commitment and OCB which virtually forced employees' stay in the organization and vice versa.

Kerner (2008) conducted a study on retention in small hospitals. He argues that organizations that fail to maintain aggressive and effective employee retention program will allow their talent to walk out of their doors taking with them training and job experience that will benefit the gaining organization. Literature has showed that there are identifiable factors that cause employees to leave their employers and seek opportunity elsewhere. Once managers are aware of these factors, a set of initiatives can be implemented to avoid this loss of human capital. The purpose of this his study was to explore what a small business entity experienced regarding employee retention issues and identifying those intrinsic factors that affected employee turnover, especially in small firms.

Mitchell et al (2001) wrote on the competition to retain key employees is intense by arguing that top-level executives and human resource departments spend large amounts of time, effort, and money trying to figure out how to keep their people from leaving. Their study describes some new research and its implications for managing turnover and retention. These ideas challenge the conventional wisdom that dissatisfied people leave and money makes them stay. People often leave for reasons unrelated to their jobs. In many cases, unexpected events or shocks are the cause. Employees also often stay because of attachments and their sense of fit, both on the job

and in their community. We discuss these ideas and make recommendations for integrating them into a comprehensive retention plan.

Pritchard (2009) carried out study on competition among employers is increasing for productive Information Technology (IT) employees. By understanding organizational culture, managers can identify why employees leave an organization and ways to retain employees. Money and financial incentives should not be the primary source for motivating employees. Use of intrinsic motivators will have a greater effect on employee satisfaction and retention. Technical employees want a balanced mix of salary and an organizational culture that promotes challenging and meaningful work.

Hassan et al (2010) conducted a study on employee retention as the vital challenge in all organizations. Their study focused on one industry that was the leather industry of Pakistan which was facing the same problem of retention of employees due to many reasons. As leather industry were the third largest exports earning sector in Pakistan, the turnover rate in Leather Industry of Pakistan is around 25 – 30% annually. It was observed that mostly second line managers changed their job's for high salaries offer, recognition, authority and also to seek for more knowledge and to get more competitive edge in terms of processing; In tanneries it was critical and alarming because of the process and article secrecy. In order to achieve competitive advantage, maximum utilization of resources and to get organizational efficiency employees were required to be retained in a true spirit in order to cope with all these conditions.

Vanderberg and Nelson (1999) suggested that most turnovers in organizations emanated from a lack of satisfaction. Dissatisfaction could be due to a lack of psychological fulfillment in the job, perceptions and realities of non-commensurate remuneration, and an unwelcoming climate within the organization. Dissatisfaction, and the resulting decision to leave, could come at a significant cost to the organization, which included the loss of skilled individuals and their expertise, disruption in the operations of the organization until appropriate replacements can be found, and difficulty in attracting new employees if the reasons for the departure of former employees were such as make others unwilling to work for the organization. Retention issues were also influenced by pull-factors which derived from the larger environment within which the current organization operates. These factors could take a variety of forms, including offers of better remuneration and working conditions from similar organizations or others which needed the skills of the individuals concerned.

Bitsch and Hogberg (2004) conducted research on the employee retention: Components of job satisfaction of green industry employees. Fourteen businesses participated in case studies of labor management practices. Fifteen non-supervisory employee interviews were analyzed regarding components of job satisfaction. Components were family values, achievement, and recognition, work itself, involvement, personal life, interpersonal relationships, job security, supervision, working conditions, organization, safety, compensation and information.

Khatri et al (2001) indicated that there were dearth of research studies examining employee turnover in Asian and developing countries contexts. This problem has given sleepless nights to HR managers and they put emphasis on the need to carry out research in Asian countries contexts. They further reported that there were very few research studies examining the issue of turnover in Asian context and such investigations had used a limited number of variables with small samples, thus this raised concerns of model specification and generalization.

Carney (1998) believed that the key to employee retention was quite simple: communicate, communicate, and communicate. Communication with the employees must begin early on in the relationship. He believed that the imprinting period of a new employee was probably less than two weeks. He argued that employers must engage the employee early on by sharing how important the job they do is. Lynn (1997) followed this up by stating that early on an atmosphere of fairness and openness must be created by clearly laying out company policies.

Munga and Mbilinyi (2008) examined a range of non-financial incentives, including training; leave; promotion; housing; and a safe and supportive working environment. They also examined the systems for managing personnel and the implementation of incentives as a factor in retention, including the participatory personnel appraisal system; worker participation in discussing their job requirements and welfare; supervision; recognition and respect. Examining health worker retention and migration issues called for a broader and a more comprehensive perspective, not only considering push and pull factors, but also macro factors, such as the growing global economy and labour market. During this study, three approaches were used, including literature review, and the collection of primary qualitative data and quantitative data in a field study.

Glen (2006) examined effective, practical and holistic people strategies that addressed key skills retention, employee engagement, and employee motivation and attendance gaps, with a view to positively impacting on organization costs, productivity and business performance. He also thought to examine the value of job assessment and feedback in talent engagement and retention,

and look at developing employees via experience-based development initiatives. The study assessed the matrix of the “hot buttons” or “predictors”, which needed to be consciously managed with significant potential returns, where managed well. It examined a holistic matrix of nine employee engagement predictors: process; role challenge; job values; work-life balance; information; stake/leverage/ reward/recognition; management; work environment; and product. Reference was made to a case study in which this matrix formed the basis of the organization’s people management strategy. The study revealed that, a holistic view of the key elements of the business most were likely to impact Job value, team engagement, motivation, attendance and retention, linking individual assessment directly to the key drivers of the business, and recognized that key talent was likely to thrive on experience-based career leverage opportunities. Memon et al (2009) conducted research by investigating the mediating role of human resources policies in employee retention. The research strategy for this study was based on case study method supported with self-administered questionnaire based survey. Habib Bank Limited (HBL) was taken as a case to identify various push factors and role of HR policies in employee retention. In an environment of economic growth, globalization and increasingly competitive markets most fundamental challenge is the attraction and retention of an ample supply of labor and appropriate skill in order to sustain growth. HR policies play its crucial role in responding employee complex and erratic workplace issue and to minimize employee high turnover rates. Since, Pakistan banking sector is frequently in front of high turnover rate and skill drainage therefore, compelling urge of research was felt to investigate the role of HR policies to mitigate the effect of ‘Push’ factors in employee retention. Survey findings revealed that, performance appraisal was the leading factor containing highest mean value whereas; employee recognition perceived to be a resulting factor showing lowest mean value. The result entails that employees at HBL trust the appraisal process and it is based on goals set in advance whereas, employees thought that they do not receive appropriate recognition for their contributions and they believe that they do not have enough freedom to take independent action when needed. Jackson M.E. Muhoho (2014) conducted a study the factors influencing employee retention in Tanzania’s public and private sector workplaces. The purpose of the study was to reveal and assess the factors perceived by employees as forces influencing retention at the workplace in each sector and investigating employers’ psychological factors and different methods used by the organization sin retaining their best employees in each sector. The study used semi-structured,

closed and open ended questionnaires, Focus Group Discussions, Key informants as well as review of documents from various libraries and online resources. This study used a sample of 60 respondents drawn from ten (10) selected organizations .software Package for Statistical Science (SPSS) version 20.0 and excel. The study findings revealed that there is a high rate of turnover in Tanzania's work organizations and that those who stayed in the same organization were from public organizations particularly higher learning institutions. The study also revealed that, low salaries and benefits were the main reason for leaving. Increasing salaries was mentioned to be the strategy used by the most companies in retaining their employees.

Riley (2005) studied on the employee retention as one of the most pressing issues in direct care service nonprofit agencies. Turnover among direct care service workers affects every aspect of nonprofit agencies including employee morale, client care and service provision. The research conducted in this study examined a variety of dimensions of employee satisfaction for Achieve (formerly known as Broome Tioga ARC). The data used in this study came from an employee satisfaction survey conducted in January of 2009. The survey responses were evaluated using a variety of statistical tools including: simple ANOVA, correlation and multiple regressions. The findings of the survey coupled with existing literature allowed the researcher to make recommendations to increase employee morale and ultimately increase employee retention. The recommendations are increasing team building trainings, conducting an organizational culture inventory, increase recognition, and implementation of 360 degree evaluations of all employees.

Govaerts and Kyndt (2010) wrote on the influence of learning and working climate on the retention of talented employees. The aim of this study was to investigate some factors that had an influence on employee retention. Based on the literature and previous research, both employee and organizational factors are taken into account. They used methods of collecting data by means of a questionnaire that was distributed on a voluntary basis in professional organizations and among employees, both electronically and in hard-copy, during 2008-2009. The study sample consisted of 972 employees, mainly clerks, from diverse profit and social-profit organizations. The study findings showed that when organizations wanted to retain their employees as it was important to pay attention to the learning of employees. It was revealed that letting people do more and learn more of what they were good at would encourage them to stay with the organization. Results concerning the selected employee variables showed that only age had a

significant relationship with retention. Regarding the intention to stay, there existed a positive relationship between age and retention.

Shoaib et al (2009) investigated the determinants of employee retention in telecom sector of Pakistan. The research were conducted to study the impact of career development opportunities, supervisor support, working environment, rewards and work-life policies on employee retention in Telecom sector of Pakistan. The data were collected through questionnaire from 130 respondents and were used to test the proposed hypothesis. The result revealed the positive relationship of career development opportunities, supervisor support, working environment, rewards and work-life policies with employee retention. Strategies and implications that could help Telecom sector of Pakistan in retaining their employees were also discussed.

Alkandari and Hammad (2009) conducted a study employee's retention in private sector: An exploratory study in the State of Kuwait. The retention of human resources has been shown to be momentous to the development and the accomplishment of the organization's goals and objectives. The primary aim of this study was to explore the main factors that affected private sector workforce retention in the state of Kuwait. 125 surveys distributed to private sector workforce. The survey questions designed to determine three elements of retention; Benefits factors, strategies factors and organizational culture factors. The result of the study shows that benefits factors such as salary and compensation were rated as most important to the private sector workforce in the state of Kuwait followed by leave benefits and differed compensation.

The three strategies rated most important to private sector workforce are rewards and recognition, annual performance appraisal and training opportunities. While work at home, voluntary reduction in Work schedule and alternative work schedule were rated as least important. The culture of private sector organizations in state of Kuwait were based on openness and trusts, effectively communication and good deal of time spent from supervisor listening to employees' ideas and suggestions. Finally the result employees' career plan showed that high percentage of private sector workforce had no plans to leave or retire from state employment within the foreseeable future.

Samuel and Chipunza (2009) studied employee retention and turnover using motivational variables as a panacea. 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 research was aimed at achieving the following objectives: identify and establish the key intrinsic and extrinsic motivational variables being used by selected public and private sector organizations in retaining their employees; determine the extent to which the identified intrinsic and extrinsic motivational variables are influencing employees' retention and turnover in the selected organizations; and make recommendations to management of the selected organizations on how to effectively retain employees and reduce turnover. The study adopted the cross-sectional survey research design, investigating the extent to which selected motivational variables influence employees' decision to either remain or quit an organization.

Quantitative research design was used and this design was chosen because its findings are generalized and the data objective. The study examined two public and two private sector organizations in South Africa. The total population of the research comprised 1800 employees of the surveyed organizations with a sample size of 145 respondents. A self-developed questionnaire, measured on a Likert Scale was used to collect data from respondents. The questionnaire had a Cronbach alpha coefficient of = 0.85 suggesting that the instrument was reliable. The Chi-square test of association was used in testing the hypothesis of the study. The result showed that employees in both public and private sector organizations were, to a very large extent, influenced to stay in their respective organizations by a combination of intrinsic and extrinsic motivational factors. 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.

Hong and Kaur (2008) researched on a relationship between organizational climate, employee personality and intention to leave. Their study aimed to examine the relationship between organizational climate, employee personality and their intention to leave an organization in the Malaysian context. Four organizational climate dimensions were chosen for this study that is structure, responsibility, rewards and support. Dominance and sociability were the personality dimensions chosen and its moderating effects were on the relationship between organizational

climate and intention to leave. Study results revealed that organizational climate had a significant association with employees' intention to leave. The entire four organizational climate dimensions had significant negative correlations with employees' intention to leave. Meanwhile, both the dominance and sociability personalities were found significantly moderating the relationship between organizational climate and employees' intention to leave. This study was therefore able to prove the hypotheses proposed and provide support to the existing theories.

Ngozwana and Rugimbana (2010) assessed the talent retention strategies by using a case of a large South African company (CSA). The primary purpose of their study was to investigate the extent to which key elements of talent management (TM) and employee engagement (EO) were being utilized to retain employees at a large South African Company. They noted that skills shortages had become a feature of the South African business environment. As such competition to attract human capital in the form of talented individuals and the ability to retain them had become a major competitive consideration even when compared to other competitive dimensions such as capital, strategy and even research and development. Although the South African Company (CSA), was committed on paper to appointing, developing and retaining talented employees it was unclear as to how successful this strategy was, given the high turnover rates. The study therefore sought to assess the extent to which talent management as a competitive device was being implemented successfully. Much of the available literature has concentrated on the key strategies that lead to talent management and employees retention in countries and settings that are outside Africa. The lack of scholarly investigation of this phenomenon in Africa where the reality of brain drain is constantly being published, suggested that there is an important lacuna with respect to the African setting and in particular post-apartheid South Africa which has witnessed significant brain drain. There is, therefore an important need for such a study in order to inform the African context and specifically the South African environment.

The study applied an adapted Gallup Workplace Audit (or GWA) developed by Kahns (1990) and refined by Bhatnagar (2007). The GWA dimensions consist of 12 areas covering retention of employees, business unit productivity, profitability and customer loyalty (Buckingham and Coffman, 1999). It is argued that managers need to attend to these key dimensions in order to ensure better talent management practices. The study undertakes a de-constructivist approach, which entails the use of quantitative research techniques in the form of structured questionnaires based on the Gallup Workplace Audit (GWA). The study utilized a descriptive design in order to

ascertain the extent of employee engagement in the case of SA. The study sampled a number of managers and employees at SA to ascertain the extent to which these samples agree that talent management was practiced in this organization. The main finding was that despite CSA's commitment to retaining talent, the study found that these employee engagement strategies in a few important instances might only be partially realized.

Lumley et al (2010) explored the job satisfaction and organizational commitment of employees in the information technology environment. The objective of the study was to explore the relationship between employees' job satisfaction (as measured by the job satisfaction survey) and organizational commitment (as measured on the organizational commitment scale). A cross-sectional survey was conducted on a convenience sample of 86 employees at four information technology companies in South Africa. Correlation and stepwise regression analyses revealed a number of significant relationships between the two variables. The findings add new knowledge that could be used to improve organizational practices for the retention of valuable staff members in the information technology environment

Chiboiwa et al (2009) conducted a research by examining employee retention strategy in a private organization in Zimbabwe. Worldwide, a number of factors have been attributed to the increase in the level of employee turnover. The way people are paid, recognized and achieve salary advancement are critical factors in attracting, retaining, and motivating employees. The challenge for most organizations today is the formulation of an effective employee retention strategy that will help in retaining employees that are considered critical in attaining organizational goals. The prevailing hostile economic environment in Zimbabwe has made the formulation of a realistic retention strategy particularly difficult for managers in the face of an ever changing economic environment that is characterized by hyperinflation with a depleted labor market occasioned by skill emigration. This research was a case study of a major private sector medical laboratory company in Zimbabwe and was aimed at achieving the following objectives: identify the causes of employee turnover in the organization, examine the current retention practices in the organization, establish the effectiveness of the practices, and attempt a workable retention practice that could reduce the high rate of employee turnover in the organization. Qualitative research design was employed using structured interviews as well as administering research questionnaire to all category of employees. The total population of the organization nationwide comprised of 3820 employees with a sample size of 2240 respondents.

The result of the research showed that labor turnover was higher amongst non-managerial employees. Similarly, majority of the employees would soon quit the organization and lastly, the high rate of employee turnover in the organization was largely attributed to poor reward system administration.

Westland and Hannon (2008) wrote on retaining talent by assessing job satisfaction facets most significantly related to software developer turnover intentions. They argued that retaining information technology employees had been a problem in many organizations for decades. When key software developers quit, they depart with critical knowledge of business processes and systems that are essential for maintaining a competitive advantage. The primary aim of their study was to assess facets of job satisfaction that are most significantly correlated with software developer turnover intentions. They used surveys to collect from a sample of software developers across the United States. Correlations were assessed through multiple linear regression and parametric measures of association. The results indicated a significant predicting relationship between the software developers' turnover intentions and nine facets of job satisfaction. Also they found that there was a significant negative relationship between satisfaction with the nature of work and turnover intentions when controlling for the effects of the other independent variables.

Taylor et al (2004) investigated the reasons for employees leaving or staying. They said that Over 12,000 academic and practitioner studies have been performed relating job satisfaction with voluntary turnover. However, researchers had been frustrated in explaining more than 20 percent of the variance in turnover. Their study presented the notion that traditional measures of job satisfaction might not fully capture the reason for staying or quitting. A new construct was presented that examined the congruence of fit between the job and the person's quality of life goals. They used a PLS structural equation model on a sample of 135 information systems workers. This construct was empirically shown to be a better predictor of various measures of turnover decision (that is thoughts of quitting, expectation of quitting, and intention to quit) with an average explained variance of 0.50.

Pop et al (2010) wrote on the relationship between skills training and retention of graduate interns in a South Africa Information, Communication and Technology Company. They argued that substantial costs are associated with attrition of key talent in South African organizations. As a result, organizations invest in graduate internship programmers to attract and retain high caliber graduate interns. The main objective of the research was to determine whether soft skills and technical skills training, as part of a graduate internship programmers, contributed to the retention of graduate interns in a South African Information, Communication and Technology (ICT) company. An exploratory, ex post facto research design was followed. A soft skills, technical skills and retention survey were administered among a purposive selected sample of graduate interns (N=79) and mentors (N=39) in a South African ICT company. Both groups of participants indicated that the soft skills presented in the training were important. Combined, the respondents identified verbal communication, self-motivation, and teamwork and goal directedness as the most important soft skills for graduate employability. Results further showed that the technical skills training contributed to a large extent to the employability of the graduate intern.

Technical skills training were also significantly related to the graduate intern's intention to quit the internship programmers. In conclusion, they said that current graduate internship programmer's focuses on the majority of employability soft skills required for the acquisition and retention of a job. Practical training is therefore important for the application of knowledge and to enhance graduate employability.

Nelson and McCann (2007) reviewed significant relationships between three major knowledge management (KM), design dimensions and the perceived ability of 150 organizations to retain their knowledge workers. Knowledge worker retention is a critical challenge for today's organizations as they face increasing global competition with its demands for even more such workers, while dramatically shifting workforce demographics hasten their exit. KM design initiatives that accelerate knowledge creation, acquisition, and particularly knowledge capture, sharing and retention, are receiving unprecedented levels of investment as a result. While many factors impact organization financial performance, their research indicates that successful knowledge worker retention is significantly related with higher reported financial performance.

Cawe (2006) assessed the factors contributing to employee engagement in South Africa. He argued that employee engagement was a critical business issue for South Africa if they are to take country to the next competitive landscape. He noticed that South African business has been mired by negative perception of underperformance and uncompetitiveness from the international community for years in the past, with an over-reliance on the mining sector. From 1994, this perception has progressively improved and going forward more urgency from business was required in order to progress even further. Whilst employee engagement represented only one factor amongst a number of macro and micro issues, it was central to this country's economy, business productivity and sustainability. In attempting to assist business in this regard, Cawe (2006) studies of factors that promote employee engagement were investigated. The research was qualitative and quantitative in nature. A number of respondents from across the length and breadth of South Africa participated in the study. Analysis was done on the results and correlation done to the propositions and the literature. The findings identified employee engagement strategy, the culture of engagement, leadership and management, talent mindset, communication and knowledge sharing, and organizations' reputation and branding as prominent factors in business in South Africa. Resulting from the research, an employee engagement model was proposed which attempts to integrate key lessons for business.

Lyons et al (2009) noted that employee engagement as one's willingness and ability to contribute to organizational success represented an innovative concept that may support retention objectives for the Department of Defense (DoD). Participants (N = 163) from a large Air Force organization participated in a web-based organizational assessment targeting junior government employees. The assessment contained questions about participant's intentions to remain with the Air Force, items that indicated how much certain retention factors impacted their desire to stay with their current organization, as well as a few open-ended items for those who indicated intentions to leave the Air Force. Results indicated that turnover intentions for this military sample approximate those of industry. Several elements of employee engagement were identified by those who reported intentions to leave as possible ways to improve their work situation and facilitate their retention within the government. Engagement factors were also highly touted as factors that influence individuals' desire to stay with their current organization. While simply a descriptive study using qualitative techniques, the implications of this research could have broad

applicability to government organizations. Results of this effort suggested that the younger generation of government workers sought to be engaged in meaningful work.

2.3 Conceptual literature review

2.3.1 Employee Retention

Employee retention can be defined as the ability of holding the talented and valuable employees in the organization from leaving from their job for a longer period of time than the competitors (Johnson, 2000). It also can be stated as commitment to work with particular company or organization in a continuous system (Zineldin, 2000). Other than that employee retention also can be referred to the policies or practices of a particular organization or company applies for the prevention of leaving of sacred employees. It would consider promotion of the sustaining of employees in a single company or organization for a maximum duration (Hong, Hao, Kumar, Ramendran, & Kadiresan, 2012). Organizations have to put numerous efforts to encourage employees to be dedicated, devoted and rooted in the organization or company (Kyi, 2011). The hiring of new talented employees might be one of the most important issues for the sustainability of an organization; however, retaining the valuable employees could be a much better cost saving and more effective method for the organization. It could be an issue in current which plenty of the employers had neglect the costs involved with the leaving or turnover of the main key employees (Ahlrichs, 2000). The high intrinsic cost of hiring new staff including cost of training had driven the increasing value of talented employees as the scarce resources of an organization or company.

In the war of talent 'which is crucial for organization nowadays, the employees who should be retained in the organization must be those who could help in sustention of the organization's survivorship, they must not be those mismatched, incompetent or burnout employees. They should be those employees who are extremely perilous for the organization while the organization will suffer a great lost without them, and they are hard to be replaced and more precisely they are the most precious catalyst for the business strategy of the organization (Leign, 2002). For instance, retaining talented and skilful employees plays a great role in the process of sustaining a company due to the extraordinary importance of those employees in order to prosper the company's competitiveness in global market (Frank, Finnegan, & Taylor, 2004). If the organization or company failed in retaining of those skilful ones, under staff issues will stay; and the less talented workforce left will directly decrease the competitive advantage of the company in its industry (Rappaport, Bancroft, & Okum, 2003). According to Logan (2000) studies had also stated that employee retention could be affected by some of the key factors that should be managed accurately, such as organizational culture, compensations, strategy, work life policy and etc.

2.3.2 Organizational Commitment

Organizational commitment is the degree of which an awareness of employee's to the organization and willing to keep going on. It is a level of the employee's desire to stay in the organization in future (Rehman, Rehman, Saif, Khan, Nawaz, & Rehman, 2013). It reflects the belief of the employees in the goals and objective of employer establishment and willing to enlarge their achievement with the purpose to continue work in the organization (Singh & Pandey, 2004). Organizational commitments are multidimensional in nature and origin. It consists of three dimensions such as affective commitment, continuance commitment and normative commitment (Bashir & Ramay, 2008).

Affective commitment is the feelings and sense of attachment to the organization and correlation with work experience, personal traits, and organizational structure (Nafei, 2014). For example, an employee continues to stay in the organization because he aware of his value towards an organization (Moynihan & Pandey, 2007). Continuance commitment is consciousness of the expenses relate with the organization (Bodla & Naeem, 2008; Aydogdu & Asikgil, 2011).

For instance, employees continue to stay in the organization because they are aware of the cost of leaving such as risks for not getting employed and less choices of company to choose after leaving from the current organization (Nafei, 2014). Normative commitment is a kind of emotional requirements to carry on service (Bashir & Ramay, 2008). Employees continue to stay in the Organization because they feel thankful to retain employment (Singh & Pandey, 2004).

The number of employee's and variables of organizational such as age, positive and negative behavior, internal and external control, standards, morals, and the leadership style of employer are the determinants of organizational commitment (Singh & Pandey, 2004). The relationship between organizational commitment and turnover will affect the different stages of career. Procedural justice, willing to share information, and work life balance is able to attain lower turnover rates (Malik et al., 2010). Organizational commitment is a condition to which an employee's awareness with a specific goals and objective of the organization and maintain long-term relationship in the organization. It can leads to higher retention of employee's and lower turnover rate of worker's (Robbins & Coulter, 2005).

2.3.4 Training and Development

Training and development are defined as an organized mean of knowledge and skills acquisition required by employees to perform a task to improve their performances in organization (Ng, Lam, Kumar, Ramendran, & Kadiresan, 2012). Training and development also allow employees to take advantage of many distinctive methods of learning that benefit themselves and organization. Employees gain by experiencing better satisfaction in their ability to perform better in their job.

An organization can strengthen their bond with employees by invest in training and development. Training and development helps employees to develop personal competitive advantage (Aguenza & Mat Som, 2012). Many employees are looking for company that provide training and development programs that facilitate their career planning. These opportunities provided will increase commitment of employees. Managers who invest in developing employees to change and adapt the skills and knowledge concerning the business would receive the positivity and increased employee retention (Gul, Akbar, & Jan, 2012).

The necessity for training and development arise when there is a gap between current performances and desired performances. Training and development programs will increase the specificity of employee skills. Skilled, disciplined and punctual workers are produced to increase company performances (Gul, Akbar, & Jan, 2012). Training and development will produce an outcome in term of increased productivity, work quality, commitment and services if the skills learnt from the training are transferred to the job. Besides, the firm can reduces their cost and risk of recruiting labors from external markets by developing internal personnel (Appiah, Kontar, & Asamoah, 2013)

Benefits gained from training and development is positively correlated with employee retention because this practice meets the needs of the employees (Tummers, Groeneveld, & Lankhaar, 2013). If the employees' needs are fulfilled through the training and development provided, they are motivated to stay in the organization. Thus they are locked to their jobs where it is known as employee retention.

2.3.5 Rewards and Compensations

Rewards and compensations are seen as something given by organization to employees in response to their contributions and performances as well as to satisfy the employees 'needs (Aguenza & Mat Som, 2012). It is frequently used to retain and attract employees. Rewards and compensations can be ranged from extrinsic and intrinsic. Rewards and compensations are the necessities for employees which cover the basic needs of income, feeling of job security and recognition for their works and effort.

The study found that rewards such as pension benefits, parental leave and salaries are important for employees to remain employed. There were other compensations which include formal recognition for knowledge, experience and effort that are strong incentive for employee retention (Tourangeau, Cummings, Cranley, Ferron, & Harvey, 2010).

Compensations packages are different from company to company. Generally, employees always have high anticipations on the compensations packages offered by the company they are recruited. Therefore, it is foreseeable that an attractive rewards and compensations package help to retain potential employees (Neog & Barua, 2015). It satisfies the financial and material desires of employees as well providing a mean of increasing social status and power in the organization (Narang, 2013).

Rewards and compensations are given to motivate employees for a better performances and positive behaviors. Organizations are in danger of initiating dissatisfaction among employees if there are no proper rewards and compensations planning (Ng, Lam, Kumar, Ramendran, & Kadiresan, 2012). An organization rewards and compensations strategy should be able to attract the scarce and talented employees, retain key and potential employees and also to sustain equity amongst employees (Terera & Ngirande, 2014). It is important that the rewards and compensations system is well-established in order to value their employees. Fair rewards system makes employees feel they are appreciated for their work done. They will indirectly tend to stay with the organization.

2.3.5 Working Environment

Working environment is normally associated with physical aspects such as noise, heavy lifts and exposure to toxics. The psychological social dimension of working environment may include work support, workload and job stressors. The characteristics of working environment vary across different sectors due to interacting with different clients and customers (Tourangeau, Cummings, Cranley, Ferron, & Harvey, 2010). Healthy working environment involves good collaborative and communication culture, the presence of competent leadership, practice environment, professional advancement and the presence of adequate staffs (Ritter, 2011). Working environment is a place employees expect to utilize their best abilities and satisfy their basic needs (Narang, 2013). Workplace should be designed to have a profound imprint on employees where they will tend to live with their career as long as pleased.

Many organizations are providing different amenities that enhance the working environment a shift or a unit of nurses became unstable whenever the key nurse member leaves the department. The departure of desired nurses can create exodus within the unit where the nurses started to evaluate the options available after some changes in personnel arrangement (Christmas, 2008). The relationship among nurses provides the strongest work support for them to endure the hectic world of healthcare where it may influence the working environment.

Appiah, Kontar, & Asamoah (2013) suggest that promoting good, healthy and safe working environment had worked well in retaining employees. Improving working environment may be the antidote for motivating them to remain employed. Unavailability of right resources and facilities may impede employee retention. A good working atmosphere also includes appreciation of others' job, good relationship with colleagues and no personal harassment and bullying at workplace (Tummers, Groeneveld, & Lankhaar, 2013).

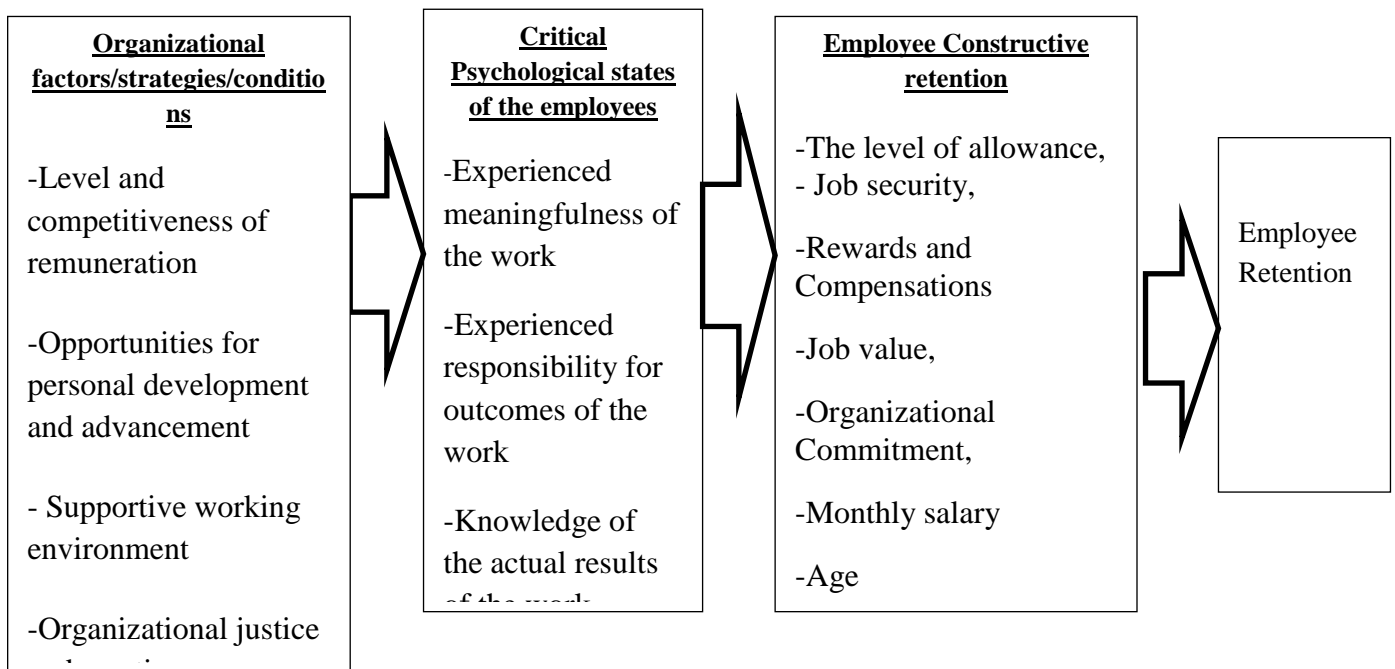
Working environment is essential and is affecting the ability to provide quality care. The atmosphere of the environment and facility is crucially important. Involving staffs in changing working environment can lead to a more favorable result as they are the one working in the system. They can provide insights on the deficiencies and adjustments can be made accurately (Ritter, 2011). Every impact on working environment such as management, equipment availability and workplace facilities should be assessed accordingly to improve the working environment (Christmas, 2008). It influences everything from the safety and healthcare of patients to job satisfaction of nurses. Poor hospital environments affect the patients' morality and nurses' outcomes. The emerging needs of good working environment are essential to retain talent

2.4. Theoretical Framework

The study was guided by the researcher's conceptual model (See figure 1.1) as designed because it took into account many factors for the employees' retention including those related to organization itself, employees as well as critical psychological states of the employees in work organizations. Organizational factors/strategies/conditions include among other issues: - The levels and competitiveness of the remuneration schemes. The assumption is that, the organizations which have an attractive remuneration package are likely to retain its employees while organizations with weak remuneration package are likely to lose their employees.

The model assumes that, the organizations which have opportunities for personal development and advancement have also an advantage in retaining its employees. Likewise, organizations which provide opportunities for personal development and advancement are likely to retain their best employees. Similarly, organizations which have supportive working environment as well as organizational justice and prestige have ability of retaining their best employees. On other hand, employees' retention can be determined by the psychological states of the employees.

These include meaningfulness of the work itself to the employees; experienced responsibility for outcomes of the work as well as knowledge of the actual results of the work. Also the employees' retention can be determined by the employees themselves. For the employees to be retained they have to show that they perform to the levels of expectation of the employers; should be obedient and ready to adhere to the rules of the organization as well as labor standards; should be able to work independently as well as a good team player when the need arises



Source: Adopted from Nelson K and McCann (2008).

Figure 1:1 Schematic representation of factors influencing employees' retention

2.5 Hypothesis

- ❖ There is a relationship between the level of allowance and employee retention.
- ❖ There is a relationship between reward and compensation and employee retention.
- ❖ There is relationship between the Job security and employee retention.
- ❖ There is relationship between the Job value and employee retention.
- ❖ There is a relationship between organizational commitment and employee retention.
- ❖ There is a relationship between monthly salary and employee retention.
- ❖ There is a relationship between age and employee retention employees

2.5 Study Gaps

There are a number of gaps left by different reviewed literature in terms of geographical and methodological. The nature of organization studied. Hassan et al (2010) conducted a study on employee retention as the vital challenge in all organizations. Their study focused on one industry that was the leather industry of Pakistan which was facing the same problem of retention of employees due to many reasons. Despite their study relevance, the study were conducted in Pakistan where geographical attributes, political inclination and socio- cultural values differs from Ethiopia. Hong and Kaur (2008) researched on a relationship between organizational climate, employee personality and intention to leave. Their study aimed to examine the relationship between organizational climate, employee personality and their intention to leave an organization in the Malaysian context. These researchers left a gap of geographical location of study as well as time. Ngozwana and Rugimbana (2010) assessed the talent retention strategies by using a case of large South African company (CSA).South African companies operates in an advanced working environment compared to those found in Ethiopia. Therefore their findings cannot be generalized to the Ethiopia environment. It can, thus, be said that although many studies were conducted to explore factors for the retention in work organizations, most of them were carried out in other countries particularly those found in Asia. Few studies were carried out to investigate the factors for retention in African organizations. This study aims to fill this gap in previous research by investigating the factors influencing employee retention in Ethiopia organizations.

CHAPTER 3: RESEARCH METHODOLOGY

3.0 Introduction

This chapter discusses the research methods employed in this study. It describes the phases of research design like research approach, data collections methods, sampling techniques and method of data analysis.

3.1 The research approach

The study used both quantitative and qualitative research approaches. Qualitative approaches enables collection of data in form of words rather than numbers. It provides verbal descriptions rather than numerical (Kothari, 2009). According to Mugenda and Mugenda, (2003), qualitative methods can be used to gain more in depth information that may be difficult to convey quantitatively. Quantitative approach strives for precision by focusing on items that can be counted into predetermined categories and subjected to statistical analysis (Simiyu, 2012). The use of these two approaches reinforces each other (Kombo *et al.*,2006).

3.2 Research Design

Research design are used mixed research design approach both Causal and Descriptive research approach. Causal research is applied to explain cause-and-effect relationship between the independent variables and dependent variable. It is the objective of the research to examine the major retention strategies and factors influencing employee retention of selected institution in Addis Ababa. On the other hand, it used Descriptive research it also appropriate as it is only good for defining an opinion, attitude or behavior of a group of people on a given subject.

3.3 The Research Methods

In this study, both primary and secondary sources of data would be used. The instruments that would be used to collect the data were semi-structured interview which would be developed based on the research questions and the literature review. The semi structured interview was utilized with the help of well designed questioners. With regard to the secondary data, the researcher would use the collection of materials which would be collected from accepted sources. Thus, the researcher would use publications from journal articles and books. Moreover, websites and non-published materials such as annual company reports and magazines would also be used.

3.3.1 Data Collection Methods

Data was collected from both primary and secondary data methods as detailed below

1 Primary Data

Primary data is an original data collected for a specific research goal (Hox & Boeije, 2005). Questionnaire is used as primary data in this research which deliver a set of formulated questions for the respondents to answer. It is one of the most efficient and effective ways to gather the data from the respondents. It is an efficient mechanism as it provided the researchers the exact requirement and ways to measure the interested variables. Questionnaires will also provide more accurate and reliable data for researcher to conduct the research.

2. Secondary Data

Secondary data was obtained from literature sources or data collected by other people for some other purposes. Secondary data was collected through review of published literature such as journals articles published theses and textbooks. The researcher also made use of secondary data from universities records. These sources were reviewed to give insight in the search for primary information. They gave insight on variables selection, development of instruments and discussion of the findings.

3.3.2 Sampling Techniques

In order to complete this research, target population need to be set. Target population is the specified assemblage of people, events or objects which that the researchers interested with and also sources of information which could help to success the study (Sekaran & Borgue, 2009). For instance, the target population of this study would be Public employee in Ethiopia selective institutions within Addis Ababa.

The target population or sampling frame of the study would be employee in three selective public institutions in Addis Ababa. Two stage sampling technique will be employed to get the final respondents. In the first stage, three public institutions would be selected purposively. In the second stage, tentatively the respondent would be selected randomly from the three institutions. The sample size will be determined based on the formula given by Krejcie & Morgan (1970).

Sampling Procedures and Sample size

The sample size of the study was 150 employees who were considered to represent the population of workers in Public employee in Ethiopia selective institutions within Addis Ababa. To select the sample a researcher use both probability and non probability sampling techniques. The techniques that were used by the researcher to select the sample size are;

Purposive Sampling: A purposive, or judgmental, sample is one that is selected based on the knowledge of a population and the purpose of the study. In this study, heads of sections and units were sampled purposively as they were asked questions related to their specific units.

Table 3.3.2.1 Sampling Frame

Public Institutions	Number of Employee
Ministry of Finance and Economic cooperation	1,062
Ministry of agricultural and Natural resource	1,664
Ministry Water and Energy	932
Total	3,658

Source: Own Survey 2008

$$S = \frac{X^2 NP(1 - P)}{d^2(N - 1) \div X^2 p(1 - p)}$$

Where:

S= Sample size

X²= table value of Chis-Square at df= 1 for desired confidence level (3.84 for 95% confidence level)

N= Population Size

P= Population proportion (assumed to be 0.5 (50%) – this provides the maximum sample size)

d= Degree of accuracy (10%), expressed as a proportion (0.10); it is a margin of error

$$S = \frac{0.95^2 * 3,658 * 0.5(1 - 0.5)}{0.1^2(3,658 - 1) \div 0.95^2 * 0.5(1 - 0.5)}$$

$$S = \frac{825.34}{5.54}$$

$$S = 149.04$$

Based on this formula, a sample 150 respondents are taken from the selected institutions.

Table 3.3.2.2: The Sample size

Public Institutions	Percentage	Sample size	Number of respondent
Institutions	29%	150	45
Ministry of Finance and Economic cooperation	45.5%	150	67
Ministry of agricultural and Natural resource	24.5%	150	38
Ministry Water and Energy	100%		150

Source: Own Survey 2008

3.4 Data analysis techniques

Data was analyzed using Statistical Package for Social Sciences (SPSS version 20). All the questionnaires received were referenced and items in the questionnaire coded to facilitate data entry. After data cleaning which entailed checking for errors in entry, descriptive statistics and frequencies were estimated for all variables and information presented in form of frequency tables and graphs.

Descriptive statistics were used because they enable the researcher to meaningfully describe distribution of scores or measurements using a few indices (Mugenda and Mugenda, 2003). Further they provide the basic features of data collected on the variable and provide the impetus for further analysis on the data. Variable aggregation to come up with indices for different variables was undertaken to facilitate further statistical analysis.

Inferential data analysis was done using Pearson correlation coefficient and regression analysis. According to Tanton (2007), in many statistical methods in particular parametric measures one presumes a (at least approximate) normal distribution of the variables. Therefore, for the purposes of using parametric statistics such as Pearson correlation and regression analysis, normal distribution of variables is needed and hence the variables were internally standardized. However the regression analysis equation is given for standardized and standardized coefficients

1. Correlation Analysis

According to Mugenda and Mugenda (2003), correlation technique is used to analyze the degree of relationship between two variables. The computation of a correlation coefficient yields a statistic that ranges from -1 to +1. This statistic is called a correlation coefficient(r) which indicates the relationship between the two variables and the bigger the correlation the stronger the coefficient between the two variables being compared. The direction of the relationship is also important in that if it is positive (+) it means that there is a positive relationship between the two variables and this means that when one variable increases the other variable increases or when one variable decreases the other variable also decreases. A negative relationship (-) means that as one variable decreases the other variable increase and vice versa and hence an inverse relationship. If there is no relationship the coefficient is equal to zero. Pearson's Product - moment correlation coefficient was used to determine the strength and the direction of the relationship between dependent variable and the independent variables.

The hypothesis used is as follows:

$$H_0 : P_{XY} = 0$$

$$H_1 : P_{XY} \neq 0$$

The analysis using Pearson's Product - moment correlation was based on the assumption that the data was normally distributed and also because the variables were continuous.

2. Multiple Regression Analysis

Multiple regression analysis was used to establish the relations between possible factors or independent variables and employee retention. Multiple regressions are a statistical tool that was used because it is the procedure that uses two or more independent variables to predict a dependent variable. Hypothesis testing was done using p - value because it aids in decision regarding the null hypothesis but also gives additional insight into the strength of the decision. The p -value obtained was interpreted based on the alpha level or significance level.

Model was as Follows:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \dots + \beta_7 X_7 + \mu$$

Where:-

- Y = represents the dependent variable, employee retention
- X₁ = The Level Of Allowance
- X₂ = Job Security
- X₃ = Rewards and Compensations
- X₄ = Job Value
- X₅ = Organizational Commitment
- X₆ = Monthly salary
- X₇ = age of respondents
- μ = error term
- β₀ ... β₇ are the regression coefficients

3. The variables description

Employee Retention: Employee retention is the dependent variable in this study and is considered as keeping of employee for an extended period of time and it is measured by the number of years the employee works in his organization. In other words, this variable is considered as the respondent work experience.

The level of allowance: This was measured using all the benefits like housing allowance, medical allowance, transportation allowance etc that the employee took from his institution. It is assumed to have a positive (+) relationship with retention level.

Job security: This was measured by using the level of job security in the organization. Job security is one of the main retention factors of employees at public institution. Employees want the assurance that their job will be there when they wake up tomorrow, and not to wake up and go to work only to find out that he or she is fired just because the employer does not want them any more in his/her company for no special reason.

Rewards and Compensations This was measured by using the availability and the satisfaction level of rewards and compensation. Talented employees can be retained through a fair rewards and compensation system. Employee rewards and compensation are positively related to employee retention (Ng, Lam, Kumar, Ramendran, & Kadiresan, 2012).

Job value This independent variable also measured by using the organization gives value what the employee expected to done their work. Job value is expected to have positively related to employee retention.

Organizational Commitment: Committed employees' remains with the organization for longer periods of time than those which are less committed. This was measured by using the commitment levels of employee to organization. It has positive relationship to retention level.

Monthly salary: This was measured using the amount of salary payment per month. Salary is a very important aspect in retaining employees. It is expected to have a positive factor.

Age of respondents: age is measured by the yearly age of the respondent. It is expected to have positive relationship with retention.

CHAPTER 4: RESULT AND DISCUSSION

4.0. Introduction

This chapter presents the result obtained from descriptive and inferential analysis. The data gathered from 150 respondents from selective public institution in Addis Ababa were analyzed using SPSS version 20 where reliability of instrument has been more verified to display study validity. The results are analyzed and separated into numerous fragments such as descriptive analysis, Pearson Correlation Analysis and Multiple Regression Analysis.

4.1 Characteristics of the study population

Age of respondents

Table 4.1.1: Age of the Respondents

	Frequency	Percent
20-30	67	44.7
31-40	41	27.3
41-50	18	12.0
51-60	24	16.0
Total	150	100.0

Source: Own Survey 2008

The findings show that in table 4.1.1 age category of respondents the researcher asked the respondents their age by grouping their age in four categories; 20-30 years, 31-40 years, 41-50 years and 51-60 years. The findings were as follows; 20-30 years were 44.7%, 31-40 years were 27.3%, 41-50 years were 12%, and 51-60 years were 16% as seen in the table above.

Sex of respondents

Table 4.1.2: Sex of Respondents

	Frequency	Percent	Cumulative Percent
Male	72	48.0	48.0
Female	78	52.0	100.0
Total	150	100.0	

Source: Own Survey 2008

The table 4.1.2 shows the frequency of male and female who participate in the questionnaire. The total number of respondents is 150. Out of the total respondents, 72 respondents or 48% are male and 78 respondents or 52% are female.

Marital Status of the Respondents

Table 4.1.3 Marital Status of the Respondents

	Frequency	Percent	Cumulative Percent
Single	87	58.0	58.0
Married	57	38.0	96.0
Divorce	6	4.0	100.0
Total	150	100.0	

Source: Own Survey 2008

The table 4.1.3 shows the frequency of different working hours of respondents who participated in the questionnaires. The total number of responders is 150. Out of the total respondents, 87 or 58% of respondents single, 57 or 38%, of respondents are married and any 6employee or 4% are divorced.

Education states of Respondent

Table 4.1.4 Respondent Education

Education	Frequency	Percent
Certificate	12	8.0
Diploma	18	12.0
University degree	89	59.3
Masters degree	31	20.7
Total	150	100.0

Source: Own Survey, 2008

Table 4.1.5 shows the frequency of respondents' Education status. Out of the total respondents, about 12% are certificate, 18 of respondents (12%) are Diploma, 89 of respondents (59%) are University degree, and 20.7% are Masters Degree.

Monthly salary of Respondents

Table 4.6: Monthly salary of Respondents

Monthly	Frequency	Percent
<1000	9	6.0
1001-3000	49	32.7
3001-5000	23	15.3
50001-6000	42	28.0
>60001	27	18.0
Total	150	100.0

Source: Own Survey 2008

The figures in table 4.1.6 represent the percentages of the respondents in terms of their monthly salary. Out of the total respondents, only 6% of them have a monthly salary below Birr 1000, 49 of respondents (32.7%) have a monthly salary between 1001-3000, 23 of respondents (15.3%) have a monthly salary between 3001-5000, and the majority of the respondents (about 69%) earns above Birr 5001.

Table 4.1.7: Mean and Standard Deviation for Employee Retention Factors

Retention Factors	N	Mean	Std. Deviation
The level of allowance	150	4.61	1.361
The level of job security	150	3.76	1.540
Working environment	150	2.76	1.469
Education and training	150	3.49	1.455
Reward and Recognition	150	3.49	1.509
N	150		

Source: Own Survey 2008

Table 4.1.7 indicates that the level of allowance has the highest mean value. Therefore, it may be concluded from table 4.7 that respondents are highly retained with the level of allowance with a mean and standard deviation of 4.61 and 1.361 respectively. This is followed by Employee association, job security, Reward and Recognition, Education and training and Working environment. However, employees are relatively less retained with working environment with a mean and standard deviation of 2.76 and 1.469.

4.2. Implemented Employee Retention Strategies and the Resulting Employee Retention Rates

4.2.1 Description of Retention Strategies

Respondents were asked to mention the retention strategies of employee at selected institutions Secretariat in Addis Ababa. Since the researcher was interested to know employees level of satisfaction regarding the retention strategies the list of items that were assumed by the researcher to be the strategies of retaining employees in public organizations was provided for the respondents to indicate their satisfaction level from number one to six. 1 = Very satisfactory, 2 = Satisfactory, 3 = Moderate, 4 = Not satisfactory, 5 = Not satisfactory at all and 6 = Does not apply. The respondents gave almost similar strategies to those indicated by the researcher for them to tick. On the basis of their similarities the responses were grouped into ten categories as presented below:-

Table: 4.2.11 Opportunity of improvement

	Frequency	Percent
Very satisfactory	4	2.7
Satisfactory	11	7.3
Moderately	33	22.0
Not satisfactory	30	20.0
Not satisfactory at	46	30.7
Does not apply.	26	17.3
Total	150	100.0

Source: Own Survey 2008

1. Opportunity of improvement: I observe that in Table: 4.2.11 it was mentioned by 150 of the respondents. In showing their satisfaction level regarding the way they get improvement the findings were as follows 2.7% very satisfactory, 7.3% satisfactory, 22% moderate 30% not satisfactory 20% not satisfactory at all and 17.3% does not apply.

Table: 4.2.12 Working relationships between employees

	Frequency	Percent
Very satisfactory	9	6.0
Satisfactory	33	22.0
Moderately	62	41.3
Not satisfactory	25	16.7
Not satisfactory at	15	10.0
Does not apply.	5	3.3
Total	150	100.0

Source: Own Survey 2008

2. Working relationships between employees: it was observed in Table: 4.2.12 regarding relationship at work place it was mentioned by 150 respondents. In rating the working relationship between top management and the subordinate in public institutions within Addis Ababa. 6% very satisfactory, 22% satisfactory, 41% moderate, 16.7% not satisfactory and 10% not satisfactory at all and 17.3% does not apply.

Table: 4.2.13 Participation and involvement in different official decision making

	Frequency	Percent
Very satisfactory	5	3.3
Satisfactory	19	12.7
Moderately	43	28.7
Not satisfactory	28	18.7
Not satisfactory at	31	20.7
Does not apply.	24	16.0
Total	150	100.0

Source: Own Survey 2008

3. Participation and involvement in decision making: Employees at the secretariat have the chance to participate in some ordinary decision making during their sections/units meetings. 150 of the respondents said so by mentioning it as one of the retention strategies in their organization. Their satisfaction level regarding this factor were as follows; 3.3% very satisfactory, 12.7% satisfactory, 28.7% moderate, 18.7% not satisfactory and 20.7% not satisfactory at all.

Table: 4.2.14 working environment

	Frequency	Percent
Very satisfactory	33	22.0
Satisfactory	43	28.7
Moderately	31	20.7
Not satisfactory	24	16.0
Not satisfactory at	8	5.3
Does not apply.	11	7.3
Total	150	100.0

Source: Own Survey 2008

4. Working environment: The physical working environment at selected public institutions in Addis Ababa was good enough for employees to work comfortably as it was observed by a researcher and supported by 150 of the respondents who point it out as one of the retention strategy 22% very satisfactory, 28.7% satisfactory, 20.7% moderate, 16% not satisfactory and 5.3% not satisfactory at all.

Table: 4.2.15 the level of job security

	Frequency	Percent
Very satisfactory	22	14.7
Satisfactory	29	19.3
Moderately	28	18.7
Not satisfactory	30	20.0
Not satisfactory at	17	11.3
Does not apply.	24	16.0
Total	150	100.0

Source: Own Survey 2008

5. Job security: I observe that in Table: 4.2.15 public organization use job security as a way to retain their employees, this was proved by the large number of respondents which is equal to 150 who mentioned it as employee retention strategy. Not only that but also the ratings were as follows; 14.7% very satisfactory, 19.3% satisfactory, 20% moderate, 11.3% not satisfactory.

Table: 4.2.16 Good retirement benefits plans

	Frequency	Percent
Very satisfactory	3	2.0
Satisfactory	13	8.7
Moderately	19	12.7
Not satisfactory	24	16.0
Not satisfactory at	30	20.0
Does not apply.	59	39.3
Total	150	100

Source: Own Survey 2008

Good retirement benefits plans: on the subject of Table: 4.2.16 This turn out to be a not good strategy of retaining employees in the public sector and public Secretariat in particular as it was explained by those who where intervned together with other 150 respondents who also mention it as one of the retention strategy at the organization. Satisfaction level was that 12.5% very satisfactory, 37.5% satisfactory, 17.5% moderate 17.5% not satisfactory, 15% not satisfactory at all.

Table: 4.2.17 the level of allowance received per month

	Frequency	Percent
Very satisfactory	22	14.7
Satisfactory	19	12.7
Moderately	17	11.3
Not satisfactory	20	13.3
Not satisfactory at	34	22.7
Does not apply.	38	25.3
Total	150	100.0

Source: Own Survey 2008

Availability of allowances; as point out in Table: 4.2.17 this is one of the least mentioned retention strategy, 150 of the respondents point it out a as retention strategy at their organization. But many of the respondents were not satisfied with the level of allowances they receive per month. The findings were that; 14.7% satisfactory, 12.7% moderate 13.3% not satisfactory, 22.7% not satisfactory at all.

4.2.2 Relationships between implementation strategies and retention rates

Pearson Correlation

4.2.2 Correlation coefficients for relationships (N=150), 2016

Table Independent variables	Retention (Dependent variable)	Pearson Correlation	Sig.(2-tailed)
The level of allowance	Employee Retention	.316**	0.000
Job Security	Employee Retention	-.106	.195
Rewards and Compensations	Employee Retention	.214**	.009
Job Value	Employee Retention	.094	.254
Organizational Commitment	Employee Retention	.328**	.000
Monthly salary	Employee Retention	.204*	.012
Age	Employee Retention	.840**	.000

Source: Own Survey2008

1. The level of allowance:

- ❖ H_0 : There is no relationship between the level of allowance and employee retention.
- ❖ H_1 : There is a significant relationship between the level of allowance and employee retention.

As indicated in table 4.2.2 the relationship between employee retention and the monthly allowance is statistically significant at 1% (p -value= 0.000). Moreover, there is a weak positive correlation between employee retention and the monthly allowance ($r = 0.316$). This means that when the monthly allowance become increases the retention level of employee will be high by.

2. Job Security:

- ❖ H_0 : There is no relationship between the Job security and employee retention.
- ❖ H_1 : There is a significant relationship between reward and compensation and employee retention.

As it is confirmed in Table 4.2.2 employee Retention had a negatively relationship with job security. and statistically insignificant (p -value= .195). However, in theory, job security in one of the motivational factor for employee retention. This is also confirmed by Samuel and Chipunza (2009) result stating that job security was the significant factor for retention.

3. Rewards and Compensations:

- ❖ H_0 : There is no relationship between reward and compensation and employee retention
- ❖ H_1 : There is a significant relationship between organizational commitment and employee retention.

As indicated in table 4.2.2 the relationship between employee retention and Rewards and Compensations statically significant at 1% (p -value= .009). Also, there is a positive correlation between employee retention and Rewards and Compensations ($r = .214$) which indicated that when the employee rewards and compensations become increases the retention level of employee will be increases. This is in line with Riley (2005) and Shoaib et al (2009) result.

4. Job Value:

- ❖ H_0 : There is no relationship between the job value and employee retention.
- ❖ H_1 : There is a significant relationship between job value and employee retention.

As show in above table 4.2.2 employee retention and job value are positively Correlation ship but not statistically insignificant relationship ($p=254$) in other word giving of job value to employee not affected on employee retention However, in theory, job value in one of the motivational factor for employee retention.

5. Organizational commitment:

- ❖ H_0 : There is no relationship between the organizational commitment and employee retention.
- ❖ H_1 : There is a significant relationship between organizational commitment and employee retention.

As show that in table 4.2.2 the relationship between employee retention and organizational commitment statically significant at 1% (p -value= .000). Moreover, there is a positive correlation

between employee retention and organizational commitment ($r = .328$) which illustrate when the organizational commitment become increases the retention level of employee will be increases.

6. Monthly Salary:

- ❖ H_0 : There is no relationship between the monthly salary and employee retention.
- ❖ H_1 : there is a significant relationship between monthly salary and employee retention.

As show in table 4.2.2 the relation between employee retention and monthly salary is statically significant at 1 % (p -value= 0.012).that additionally there is week positive correlation between employee retention and monthly salary ($r = 0.204$). This indicates that when the monthly salary becomes high the retention level of employee will be increases.

7. Age:

- ❖ H_0 : There is no relationship between the age and employee retention.
- ❖ H_1 : there is a significant relationship between age and employee retention.

The Pearson correlation in table 4.2.2 indicated that the relationship between employee retention and age is statistically significant at 1% significance level (p -value= .000).In addition, there is positive correlation between employee retention and age ($r=.840$). This means that as employee age increases the retention level of employee will be increases.

4.3 Effect of implementation strategies on retention rates

Regression Analyses

As discussed in the previous chapter three, multiple regression analysis would be used to evaluate the effects for two or more than one independent variables toward the dependent variable. The analysis of variance has been shown in table 4.2.3.

- ❖ H_0 : There is no relationship between all independent and the dependent variable.
- ❖ H_1 : There is a significant relationship between all independent variable and the dependent variable.

$R^2 = .886$ $adj.R^2 = .774$ $F = 74.032$ (p -value= 0.000)

The p -value of the model is less than 0.0001 which is lower than the alpha value which is 0.05 as stated in the table 4.2.3 and hence the F -statistic is proved to be significant. This result also indicated that proposed model can well describe the relationship between all independent variable and the dependent variable (employee retention). Furthermore, the result also supports that between all independent variable can explain the dependent variable (employee retention).

R-square value is the percentage or value that indicates how the independent variables can explain the dependent variable. The more significant the independent variables can explain the dependent variable, the higher the R-square value would be. The R-square value of the current study is 0.886 which propounds that the model is 88.6% explain the dependent variable and 11.4% of the variation cannot be explained through this model which means that there are other factors can be used to explain employee retention.

Table 4.2.3 Regression Results

Model	Unstandardized Coefficients		t-value	Sig (p-value)
	B	Std. Error		
(Constant)	-25.347	2.154	-11.769	.000
The level of allowance	.922	.271	3.400	.001
Job security	-.515	.291	-1.772	.079
Rewards and Compensations	.818	.304	2.686	.008
Job value	-.626	.360	-1.742	.084
Organizational Commitment	.791	.283	2.800	.006
Monthly salary	-.001	.000	-3.763	.000
Age of respondents	.920	.051	18.190	.000

Source: Own Survey 2008

Dependent Variable: Employee retention

Predictors X1 The level of allowance, X2 job security, X3 Rewards and Compensations X4 value my job, X5 Organizational Commitment, X6 Monthly salary and X7 age of respondents

1. The level of Allowance

As indicated in the table the level of allowance received per months statically significant at 1% ($p = 0.001$). This indicates that the level of allowance is a strong factor that have a positive influence to the employee retention ($\beta = 0.922$). This is because the allowance given to the employee is one of the necessities for employees which cover the basic needs of income and other financial requirements which are important for employees to remain employed.

2. Job Security

Job Security is one of the factors that hypothesized to be a strong factor for employee retention. As it is observed in table 4.13, job security is not statistically significant at 5 percent level but it is significant at 10 percent significant level (p-value= .079). This means that job security has less influence on employee retention relative to other hypothesized variables. Moreover, there is a medium negative relationship between job security and employee retention when all other factors are holding constant. This similar to the result found by Westland and Hannon (2008).

3. Rewards and Compensations

Rewards and Compensations is one of the variables that accepted to have a strong influence on employee retention. This is confirmed because at it is presented in table 4.13, Rewards and Compensations is statistically significant at 1 percent significance level (p-value= .008). in addition, Rewards and Compensations was found to have a strong positive relationship with employee retention. This is in line with Chiboiwa et al (2009). This is due to the fact that fair rewards and compensation system makes employees feel they are appreciated for their work done and indirectly tend to stay with the organization. Rewards and compensations are also the necessities which make employees feeling of job security and recognition for their works and effort.

4. Job value

Job value is also one of the factors that hypothesized to be a strong factor for employee retention. However, as it is observed in table 4.13, job value is statistically significant at 10 percent significant level (p-value= .084). This means that job value has less influence on employee retention relative to other hypothesized variables. Moreover, there is a medium negative relationship between job security and employee retention when all other factors are holding constant. This similar to the result found by Memon et al (2009). This may be the employee and top managers do not develop good working environment and communication between employees

5. Organizational Commitment

Organizational Commitment is also found to be statistically significant at 1 % significance level (p-value= 0.006). Moreover, a strong positive relationship ($\beta= 0.922$) was found between Organizational Commitment and employee retention (Table 4.13). This is similar to Steers (1977) which concluded that “commitment was significantly and directly related to employee retention.” This due fact that “highly committed” employees usually found to have a higher

intent to remain with the company, a stronger desire to attend work, and a more positive attitude about their employment.

6. Monthly Salary

Monthly salary was considered as one of the causal factor that affects the employee retention level. This is substantiated in this study as indicated in table 4.13, this variable is statistically significant at 1 percent significance level (p-value= 0.000). Moreover, a very weak negative relationship was found between salary and employee retention level ($\beta = -0.001$). This is opposed to the result found in Jackson M.E. Muhoho (2014). This is because according to hierarchy of needs theory salary is one of the basic needs and its absence cause dissatisfaction to employees mentioned in two-factor theory. This result is also supported by Ihsan and Naeem (2009).

7. Age:

Age of the employee is found to statistically significant at 1 percent significance level (p-value=0.000). Moreover, age was found to have a very strong positive influence on employee retention level ($\beta = 0.920$) (Table 4.13,). This is in line with the result found in Govaerts and Kyndt (2010).

Link between the study and theories underpinned the study

Herzberg two-factor theory; this is the theory that says there are certain factors in the workplace that cause job satisfaction while a separate set of factors cause dissatisfaction. Remedying the causes of dissatisfaction will not create satisfaction nor will adding the factors of job satisfaction eliminate job dissatisfaction. If the management create a healthy work environment but do not provide employees with any of the satisfaction factors, the work they're doing will still not be satisfying. Herzberg's theory is largely responsible for the practice of allowing people greater responsibility for planning and controlling their work, as a means of increasing motivation, satisfaction and retention. According to Osteraker (1999), the employee satisfaction and retention are considered the cornerstone for success of organization. The retention strategies of employees and the factors that can help to increase employee satisfaction at selected public institutions in Addis Ababa that was revealed in this study are identical to motivation and hygiene factors in Herzberg two factor theory, this means to retain employees by applying Herzberg's theory, one needs to do two important things. Firstly, eliminate the dissatisfactions employees are experiencing and secondly, help them find satisfaction and by doing that you retain them.

How to Eliminate Job Dissatisfaction: Herzberg called the causes of dissatisfaction "hygiene factors", to get rid of them one need to: Fix poor and obstructive company policies, Provide effective, supportive and non-intrusive supervision, Create and support a culture of respect and dignity for all team members, Ensure that wages are competitive, Build job status by providing meaningful work for all positions and Provide job security. All of these actions help to eliminate job dissatisfaction in the organization, and there's no point trying to motivate and retain people until these issues are out of the way! We can't stop there though. It should be remembered, just because someone is not dissatisfied, it doesn't mean he or she is satisfied either! So we have to turn our attention in building job satisfaction.

How to Create Conditions for Job Satisfaction: To create satisfaction, Herzberg says we need to address the motivating factors associated with work. His premise was that every job should be examined to determine how it could be made better and more satisfying to the person doing the work. Things to consider include: Providing opportunities for achievement, Recognizing workers' contributions, Creating work that is rewarding and that matches the skills and abilities of the worker, Giving as much responsibility to each team member as possible, Providing opportunities to advance in the company through internal promotions, plus Offering training and

CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

6.1 Summary of the Findings

Findings of this research shows that training opportunities, working relationships, retirement benefits, promotion opportunities, participation and involvement in decision making, salary scales, job security, working environments and availability of allowances strategies employed by selected public institutions in Addis Ababa to retain employees. But the effective ones are job security, good retirement benefits, good relationships at work place, and good working environment, and the least effective ones are salary scales, availability of allowances and participative decision making. Most of the strategies were not designed at the secretariat but from external and the implementation of the strategies is not satisfactory given that the employees are not involved in the whole process, as well as the implementation of those strategies which need money to accomplish is a problem due to lack of enough fund to do so.

Not only that but also labor turnover was found to be the main effect of employees retention strategies at public institutions and other effects were; transfer of employees to other secretariats, low working morale and commitment of the employees, delays and partial implementation of the organization activities and regular complains from the workers. Lastly the research reveals that in order to improve employee retention, the following should done; Increase the salaries, more participation and involvement of employees in decision making, increase the opportunities for career growth, improve working environments, give promotions on time, increase the allowances, provide training and seminars regularly, equal distribution of the organization resources, increase transparency, recognition for the achievements, improve working relationship between management and subordinates, fair and equal treatment of the employees, increase motivation, improve succession plan, reduce the gap between the top and lower employees and adherence to law, rules and regulations.

5.1 Conclusions

The Ethiopian government is familiar with the significance of retaining employees, that's why they provide the financial and non financial incentive to public sector employees and there are laws, rules, regulations and policies that protects the welfare of the employees as a way to motivate and retain them. Not only that but also different strategies are formed and implemented to retain the employees, but still employee retention is a problem in public organizations in public institution in Addis Ababa. The study was conducted to examine the major objective of retention strategies and factors influencing employee retention of selected public institution in Addis Ababa and The specific objective are to assess employee retention strategies in public organizations and to identify major factors influencing employee retention in public organizations. The findings of this study give a clear picture that regardless of having employee and labor relation laws, policies and many retention strategies; the way they design and implement them is not pleasing. This is due to the fact that there is poor involvement of employees in the whole process Moreover most of the employees require financial incentives such as high salary to be retained while much emphasis in on non financial incentives like job security. Therefore the management should talk with the employees regularly on a one-to-one basis to find out what matters to them. Since it was discovered that the factors themselves does not create a conducive environment for employee's retention if the circumstances of other job opportunities happens, because the employees of public institution still have the attitude of job hopping. From this context the government has great challenge to create new strategies and implement fully the existing useful strategies that will improve employees' retention, with ought forgetting that one need "different strokes for different folks" in other words, different people will perceive things differently and will be retained by different strategies.

Moreover most of the employees require financial incentives such as high salary to be retained while much emphasis in on non financial incentives like job security. Therefore the management should talk with the employees regularly on a one-to-one basis to find out what matters to them. Since it was discovered that the factors/strategies themselves does not create a conducive environment for employee's retention if the circumstances of other job opportunities happens, because the employees of public institution still have the attitude of job hopping.

From this context the government has great challenge to create new strategies and implement fully the existing useful strategies that will improve employees' retention, with ought forgetting that one need "different strokes for different folks" in other words, different people will perceive things differently and will be retained by different strategies.

Based on the finding of the study it can be conclude that First the major employee retention strategy based on the respondent satisfaction are training & opportunity and working environment are incensed employee retention level ,Send based on the person correlation analysis the level of allowance, reward and compensation, organizational commitment ,monthly salary and age are strong positive relation with employee retention to end with based on regression resale it find that the level of allowance , monthly salary and age are the most promising factors for employee retention and more over organizational commitment ,reward and compensation and job security also significant influence on employee retention.

5.2 Recommendations

On the basis of the findings and conclusion of the study, the following recommendations are proposed to the public institutions sector in general on improving employee's retention.

The concerned body in public institutions should give an attention for retention strategies like training & opportunity, working environment and Good working relationships as basic strategies for retaining employee in loner period.

The concerned body should also gives an attention the important factors like Allowance, job security, reward and compensation organizational commitment, salary and age when devising a plan for employee retentions.

The salary of employee need to be increased which will not only retain the present employees but will attract employees from other organization as well. This is due to the fact that many employees leave the public sector because they are offered better salaries in other places mainly in competitive private organizations.

Employees want fair and equal treatment, that's why organization need to bring fair policy and communicate it to the employees, because lack of equity and negative attitude toward some employees may cause them to leave the organization. And the resources of the organizations need to be equally distributed among the employees

Working relationship between the management and employees must be improved. Employees should be able to feel that the management values them and their work as well as respecting them.

Reward should be awarded on merit and promotion should be on seniority and merit both on time, which helps in production and retention.

Sufficient training programs to all employees should be established as a regular practice so as to improve employee's performance, satisfy employee's growth needs and increase employee retention.

Organizations should identify those benefits which have more influence on employee retention, plus revisiting their present benefits package to identify those benefits which are not useful in order to replace them.

In order to retain employees, firstly get free of the things that annoy them about the organization and the workplace. Then find out what they want from their jobs, do what you can to give this to them and help them grow as individuals.

Finally, this study is not representative of the whole country. Any area of Ethiopia public institution and private organization could be studied and produce the same or contradictory results., since the sample was limited to only three selective public institution, it is recommended therefore that for more reliable generalization of findings, a similar study be carried on large scale involving a large sample of organization. Such an approach will give more representative results.

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Appendices

Appendix 1: Research Questionnaire in English

RESEARCH QUESTIONNAIRE

FACTORS INFLUENCING EMPLOYEE RETENTION IN PUBLIC ORGANISATIONS IN ETHIOPIA: THE CASE OF SELACTED INSTITUTIONS IN ADDIS ABABA

Dear Sir/Madam,

I request you to answer the following questions. The questions are purely for academic purpose and they do not intend to victimize any person in one way or another. Therefore there is no need of hesitating to answer these questions in transparency manner. Your contribution in answering these questions will assist me in writing a research report which is a partial fulfillment of the requirements for the Masters of Science in General MBA graduated student in St'Mary University. I need your cooperation.

Thank you.

The researcher

SECTION A: GENERAL INFORMATION

1. Your age (please tick the appropriate answer)
 - a. 20-30 years ()
 - b. 31-40 years ()
 - c. 41-50 years ()
 - d. 51-60 years ()
 - e. More than 60 + ()
2. Gender (please circle whichever is relevant)
 - a. Male ()
 - b. Female ()
3. Marital Status
 - c. Single ()
 - d. Married ()
 - e. Divorced/Divorcee ()
 - f. Widow/widower ()
4. Academic qualifications (circle the relevant answer)
 - a. Certificate ()
 - b. Diploma ()
 - c. University degree ()
 - d. Master's degree ()
 - e. Any other (specify).....
5. How long have been working at this organization? (circle the relevant answer)
 - a. Less than 4 years ()
 - b. 4-10 years ()
 - c. 11- 14 years ()
 - d. Above 14 years ()
 - e. Any other (specify).....
6. How many employees left the organization within the past ten years
 - a. Less than 5 employees ()
 - b. Between 5 and 10 employees ()
 - c. Between 11 and 15 employees ()
 - d. Between 16 and 20 employees ()
 - e. Above 20 employees ()
7. What do you believe to be primary reason for employees leaving employment?

- a. Insufficient salary ()
- b. Insufficient retirement ()
- c. Pursue other career goals ()
- d. Physical working conditions ()
- e. High stress working conditions ()
- f. Work hours/shift work ()
- g. Other:

SECTION B: RESEARCH QUESTIONS

PART A: Employee Retention Strategies Employed by Ethiopia public organizing

1. Here under, you are provided with a number of different things. You are required to analyze these things to the extent that you are satisfied by putting a tick mark on the box provided to indicate your position

1 = Very satisfactory 2= Satisfactory 3 = Moderately 4= Not satisfactory 5 = Not satisfactory at all 6= Does not apply.

	Issues	1	2	3	4	5	6
8	The level of allowance received per month						
9	The housing allowance per month						
10	Availability of medical facilities						
11	The level of job security						
12	Working environment i.e. hot/cold, light intensity, infrastructures, working instruments, transport facilities,						
13	Recognition of my performance by top management						

14	The position to develop my career through my job								
15	The level at which the organization value my job								
16	Working relationship between top management and their subordinate.								
17	Working relationships between employees								
18	Participation and involvement in different official decision making								
19	Involvement of management in different personal matters concerning employees i.e. transfer, diseases, death, etc.								
20	The level of safety at work								
21	Opportunities for further education and training								
22	The way I get promotion								
23	Retirement benefits plan								
24	Organizational Commitment Participation In Origination								

PART B: How retention strategies are designed and implemented at Ethiopia public organization. 1=yes and 2=No

	Issues	1	2
25	Does the management involve you in designing retention strategies?		
26	Do you have an opportunity to share your ideas at work?		
27	Are the working facilities provided by the organization good enough?		
28	Do you have rewards and recognition on your achievements		
29	Do you feel that the company provides opportunities for your growth and		

	development?		
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PART C: Effects of Employee Retention strategies at Ethiopia public origination

Please rate the following issues as they relate to employees' retention in your organization (rank How they assists in retaining employees)

1 = Very satisfactory 2= Satisfactory 3 = Moderately 4= Not satisfactory 5 = Not satisfactory at all 6= Does not apply

	Issues	1	2	3	4	5	6
30	Improved Salary						
31	Improved Benefits						
32	Good Retirement plans						
33	Supportive working environment						
34	Organization justice and prestige						
35	Opportunities for further development						

36 What do you think are the methods used by the organization in retaining the employees?

- i. -----
- ii. -----
- iii. -----
- iv. -----
- v. -----

37. Do you think the above methods used by your organization are unique in relation to what other organizations practice?

- a. Yes ()
- b. No ()

38. If Yes in the question 26 above, what do you think are its uniqueness?

- i. -----
- ii. -----
- iii. -----

39. If your organization is a public what do you think are their main differences in employees' retention strategies?

- i. -----
- ii. -----
- iii. -----
- iv. -----

40. What are the serious challenges facing your organization in retaining the best employees?

- i. -----
- ii. -----
- iii. -----
- iv. -----

41. How does the organization deal with the above challenge in making sure that the best employees are retained?

- i. -----
- ii. -----
- iii. -----
- iv. -----

42. Do the organization strategies in retaining the best employees achieve the desired goals?

- a. Yes ()
- b. No ()

43. If No, what should be added to supplement the current strategies in retaining the best employees in your organization?

- i. -----
- ii. -----
- iii. -----
- iv. -----

Appendix 2: Research Questionnaire in Amharic



SAINT MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

ለ ኢዲስ አበባ ከተማ የመንግስት ስራተኞች የተዘጋጀ መጠይቅ። የዚህ መጠይቅ አላማ በኢዲስ አበባ የሚገኙ የመንግስት መስሪያቤቶች ውስጥ የሚሰሩ ስራተኞችን ለረጅም ጊዜ እዳይቆዩ ተፅእኖ የሚያደርጉ ጉዳዮችን ማጥናት ነው። በመጠይቁ ላይ የሚሰጡኝ ምላሽ ለጥናቱ አብይ ግባት እድሆን እየገለፅኩ መጠይቁ በቅድስተማርያም ሁለተኛ ድግሪ መመረቂያ ፀሁፍ ለማዘጋጀት ብቻ የሚውል ሲሆን መጠይቁን የሞላውም አካል ሚስጥራዊነት የጠበቀ ነው። ስለ ተደረገልኝ ትብብር አመሰግናለሁ።

ከሰላምታ ጋር

ክፍል 1 አጠቃላይ መረጃ

- 1. የሚሰሩበት መ/ቤት ስም
- 2. እድሜ
- 3. ጾታ ወንድ ሴት.....
- 4. የጋብቻ ሁኔታ

ሀ. ያገባ/ች () ሐ. የፈታ/ች ()

ለ. ያላገባ/ች () መ. ሚስቱ / ባለ ሰው የተለየችበት/የተለየባት ()

5. የትምህርት ሁኔታ

ሀ. ስርተፍኬት () መ. ሁለተኛ ዲግሪ ()

ለ. ዲፕሎማ () ሠ. ሌላ ካለ

ሐ. የመጀመሪያ ዲግሪ

6. ምን ያህል ጊዜ በመስሪያ ቤቱ ውስጥ ስርተሀል/ስርተሻል.....

7. ምን ያክል ደምዘ በወር ያገኛሉ.....

8. ከዚህ በፊት ሌላ መ/ቤት ስርትወ ያውቃሉ

ሀ አዎ () ለ አላውቅም ()

9. በጥያቄ ቁጥር 9 ላይ ምልሱ አዎ ከሆነ ስንት መ/ቤት ስርተዋል.....

10. አሁን በሚሰሩበት መ/ቤት ውስጥ ለረጅም ጊዜ መቆየት ይፈልጋሉ

ሀ አዎ እፈልጋለሁ () ለ አይ አልፈልግም ()

ክፍል 2 ስራተኞችን በስራ ገበታቸው ላይ የሚያቆጡዳዮች

2.1 ከሚከተሉት ውስጥ ሰራተኛውን ከስራው ገበታ ላይ ሊያፈናቅሉ የሚችሉ አብይ ምክንያቶች መካከል በደለጃ የእራይት (✓) ምልክት በማድረግ ህግለጹ

2.2

	ምክንያት	1ኛ	2ኛ	3ኛ
	በቂ ያልሆነ ደሞዝ			
	በቂ ያልሆነ የጡረታ ጥቅማ ጥቅም			
	ከፍተኛ የስራ ጫና			
	አካላዊ የስራ ሁኔታ			
	በስራው ላይ ያለው የስራ ጫና የፈጠረው መጨናነቅ			
	የስራ ሰዎች አለመመቻቸት			

ከላይ ከተጠቀሱት ምክንያቶች ሌላ ካለ ግለፅ

- I.
- II.
- III.

2.2በዚህ ክፍል ውስጥ ሰራተኛውን በስራው ገበታ ለማቆየት የሚያስችሉ ስልቶች/እስትራቴጂዎች ተገልፀዋል ከተዘረዘሩት ስልቶች ውስጥ በሚሰማሙበት ላይ አዎ ወይም አይ በማለት በእርማት ምልክት (✓) ይግለፁ

ቁ ጥ	ዝርዝር ጉዳዮች	አዎ	አይ
	አመርቂ /በቂ/ደሞዝ ያገኛሉ		
	ልዩ ልዩ ጥቅማ ጥቅም ያገኛሉ ለምሳሌ የትራንስፖርት አበል እና ልዩ ልዩ ድጎማዎች		
19.	የጤና መድን ሽፋን ያገኛሉ		
20.	በሥራው ገበታ ላይ ለረጅም ጊዜ የመቆየት ዋስትና አለው		
21.	የስራው አከባቢ ለስራዎ ምቹ ነው		
22.	ከስራ አስኪያጅ ወይም ከቅርብ አለቃ የሰሩትን ስራ በተመለከተ ተገቢውን እውቅና ያገኛሉ		
23.	የስራ እድገት እድል አግኝተዋል		
24.	በመስሪያ ቤት ውስጥ ለሚሰሩት ስራ ዋጋ ይሰጠዎታል		
25.	ሰራተኛው እና የበላይ አካሉ በቂ የሆነ ግንኙነት አላቸው		
26.	በመ/ቤቱ ውስጥ ሰራተኞች በማህበራዊ ኑሮ ጥሩ ግንኙነት አላቸው		
27.	በመ/ቤቱ ውስጥ በውሳኔ ውስጥ ተሳትፎ አለህ/ሽ		

28.	የመ/ቤቱ አስተዳደር ከታች ካሉት ሰራተኞች ጋር ማህበራዊ ተሳትፎ አላቸው		
29.	በስራ አካባቢ ያሉ ሰራተኞች ተገቢው የመስራት አቅም እና ችሎታ አላቸው		
30.	ተጨማሪ ስልጠና እና የትምህርት እድል በተመደቡበት የስራ ዘርፍ አለ		
31.	እድገት የሚገኝበት የአሰራር ሂደት ይስማሙበታል።		
32.	ሰራተኞች ጡረታ በሚወጡበት ወቅት የሚገኝ ጥቅማጥቅም አለ		
33.	በስራ ላይ ለስራው የሚያስፈልጉ ነገሮች ይሞላሉ		
34.	ሽልማት እና እውቅና በስራው ላስመዘገቡት ውጤት ይሰጣታል		
35.	በስራ ላይ ሀሳብ ለማካፈል እድል ይሰጣታል		

2.3በዚህ ክፍል ውስጥ ሰራተኛውን በስራው ገበታ ለማቆየት የሚያስችሉ ስልጣኖች/አስተራቴጂዎች ተዘርዝረዋል ከተዘረዘሩት ስልጣኖች ውስጥ የእርማት ምልክት (✓) በማድረግ የእርካታ ደረጃውን ይግለጹ

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|------------|--------------|-----------------|
| 1. በጣም አርኪ | 3. መካከለኛ አርኪ | 5. ሙሉ በሙሉ የማይረካ |
| 2. አርኪ | 4. የማይረካ | 6. ተግባራዊ ያልሆነ |

ተ.ቁ	ዝርዝር	1	2	3	4	5	6
36.	አበል እና ልዩ ልዩ ወጪ በወር ወስጥ የሚሰጠው መጠን						
37.	የቤት አበል በወር ውስጥ						
38.	የጤና እና ተጓዥኝ ነገሮች በወር ውስጥ የተመቻቸ ናቸው						
39.	በስራ ገበታው ላይ የመቆየት ዋስትና						
40.	የስራው አካባቢ ለስራው ምቹ ሆኖ ለምሳሌ የአየሩ ሁኔታ፣ በቂ የሆነ በርሃን እና የመሳሰሉት						
41.	ከአለቃ/ከስራ አስኪያጅ አስፈላጊውን እውቅና ባሳየኸው/ሸው ስራ ላይ ያገኛሉ						
42.	ባሉበት ቦታ የእድገት እድል በተመለከተ						

43.	መ/ቤቱ በስራህ /ሽ ላይ ዋጋ ይሰጣል መስጠትን በተመለከተ						
44.	ሰራተኛው እና የበላይ አካላት ያላቸው ግንኙነት						
45.	መ/ቤቱ ውስጥ ያሉት የሰራተኞች ግንኙነት						
46.	በውሳኔዎች ላይ ያሉት ተሳትፎ						
47.	በመ/ቤቱ ውስጥ የአስተዳደሩ ተሳትፎ ለምሳሌ በዝውውር፣ ሲታመሙ፣ መጠየቅ እና በሞት ወዘተ						
48.	በስራ ላይ የሌላ ሰራተኛች አቅም						
49.	ለተጨማሪ ትምህርት እና ስልጠና እድል በተመለከተ						
50.	እድገት የሚገኝበት የአሰራር ሂደት						
51.	በጡረታ ወቅት የሚገኝ ጥቅም						
52.	በመ/ቤት ውስጥ የሰራተኛ ማህበር ውስጥ የመሳተፍ እድል						

ክፍል 3 በዝርዝር የሚገለጹ ጉዳዮች

- ለመ/ቤቱ በምን አይነት መንገድ ሰራተኛውን በስራው ገበታው ላይ ለረጅም ጊዜ የሚያቆየው
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ከላይ የተጠቀሰው የመ/ቤቱ ሰራተኛን በስራ ገበታው ላይ ለረጅም ጊዜ የማቆየት መንገድ ከሌላ መ/ቤት የተለየ ይመስልህል ሀ. አዎ ለ. አይደለም
- መልስህ አዎ ከሆነ ከሌላው መስሪያ ቤት ሊለይ የሚችልበት ነገሮች ይጥቀሱልን
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ሰራተኛውን በስራ ገበታው ላይ ለማቆየት የተወሰደ የተለያዩ አስትራቴጂ ካለ;
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- በመ/ቤቱ ውስጥ ከፍተኛ ልምድ እና ችሎታ ያላቸውን ሰራተኞች በስራ ገበታቸው ላይ ለማቆየት በሚደረገው ሂደት እንደችግር ለወሰድ የሚችሉ ጉዳዮች ምንድናቸው

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4. ከላይ የተጠቀሱትን ችግሮች መ/ቤቱ እንዴት እደተፈቱ እና ሰራተኛው ስራ ገቢታው ላይ እንደቆየ ይግለጹልን

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5. የመ/ቤቱ ሰራተኛን በስራ ገቢታው ላይ ለማቆየት የተወሰደው እስትራቴጂ ተግባራዊ ቢሆን ስኬታማ ነው

ሀ. አዎ

ለ. አይደለም

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6. መልሱ አይደለም ከሆነ ቢጨመሩ በስራ ላይ ውለው ስኬታማ ስለሆኑት ሰራተኛውን ለረጅም ጊዜ በስራ ገቢታው ላይ ለማቆየት የሚረዱ ሌላ እስትራቴጂ ካለ ጥቀስ

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Appendix 3: SPSS Regression Results

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
.886 ^a	.785	.774	5.43320

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15297.741	7	2185.392	74.032	.000 ^b
	Residual	4191.789	142	29.520		
	Total	19489.530	149			

a. Dependent Variable: Respondent Work Experience

b. Predictors: (Constant), age of respondents, The level at which the organization value my job , Employee association participation in origination , The level of allowance received per month , The level of job security , Recognition of my performance by top management , Monthly salary

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	-25.347	2.154		-11.769	.000
The level of allowance received per month	.922	.271	.144	3.400	.001
The level of job security	-.515	.291	-.074	-1.772	.079
Recognition of my performance by top management	.818	.304	.119	2.686	.008
The level at which the organization value my job	-.626	.360	-.080	-1.742	.084
organizational commitment participation in origination	.791	.283	.118	2.800	.006
Monthly salary	-.001	.000	-.167	-3.763	.000
age of respondents	.920	.051	.844	18.190	.000

a. Dependent Variable: Respondent Work Experience

The level of allowance received per month

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	22	14.7	14.7	14.7
Satisfactory	19	12.7	12.7	27.3
Moderately	17	11.3	11.3	38.7
Valid Not satisfactory	20	13.3	13.3	52.0
Not satisfactory at	34	22.7	22.7	74.7
Does not apply.	38	25.3	25.3	100.0
Total	150	100.0	100.0	

The level of job security

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	22	14.7	14.7	14.7
Satisfactory	29	19.3	19.3	34.0
Moderately	28	18.7	18.7	52.7
Valid Not satisfactory	30	20.0	20.0	72.7
Not satisfactory at	17	11.3	11.3	84.0
Does not apply.	24	16.0	16.0	100.0
Total	150	100.0	100.0	

Working environment i.e. hot/cold, light intensity, infrastructures, working instruments, transport facilities,

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	33	22.0	22.0	22.0
Satisfactory	43	28.7	28.7	50.7
Moderately	31	20.7	20.7	71.3
Valid Not satisfactory	24	16.0	16.0	87.3
Not satisfactory at	8	5.3	5.3	92.7
Does not apply.	11	7.3	7.3	100.0
Total	150	100.0	100.0	

Recognition of my performance by top management

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	33	22.0	22.0	22.0
Satisfactory	28	18.7	18.7	40.7
Moderately	23	15.3	15.3	56.0
Valid Not satisfactory	28	18.7	18.7	74.7
Not satisfactory at	23	15.3	15.3	90.0
Does not apply.	15	10.0	10.0	100.0
Total	150	100.0	100.0	

The position to develop my career through my job

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	8	5.3	5.3	5.3
Satisfactory	6	4.0	4.0	9.3
Moderately	31	20.7	20.7	30.0
Valid Not satisfactory	43	28.7	28.7	58.7
Not satisfactory at	27	18.0	18.0	76.7
Does not apply.	35	23.3	23.3	100.0
Total	150	100.0	100.0	

Working relationship between top management and their subordinate.

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	8	5.3	5.3	5.3
Satisfactory	23	15.3	15.3	20.7
Moderately	30	20.0	20.0	40.7
Valid Not satisfactory	46	30.7	30.7	71.3
Not satisfactory at	21	14.0	14.0	85.3
Does not apply.	22	14.7	14.7	100.0
Total	150	100.0	100.0	

Participation and involvement in different official decision making

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	5	3.3	3.3	3.3
Satisfactory	19	12.7	12.7	16.0
Moderately	43	28.7	28.7	44.7
Valid Not satisfactory	28	18.7	18.7	63.3
Not satisfactory at	31	20.7	20.7	84.0
Does not apply.	24	16.0	16.0	100.0
Total	150	100.0	100.0	

Opportunities for further education and training

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	11	7.3	7.3	7.3
Satisfactory	32	21.3	21.3	28.7
Moderately	38	25.3	25.3	54.0
Valid Not satisfactory	25	16.7	16.7	70.7
Not satisfactory at	29	19.3	19.3	90.0
Does not apply.	15	10.0	10.0	100.0
Total	150	100.0	100.0	

Opportunity of improvement

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	4	2.7	2.7	2.7
Satisfactory	11	7.3	7.3	10.0
Moderately	33	22.0	22.0	32.0
Valid Not satisfactory	30	20.0	20.0	52.0
Not satisfactory at	46	30.7	30.7	82.7
Does not apply.	26	17.3	17.3	100.0
Total	150	100.0	100.0	

Retention Allowance

	Frequency	Percent	Valid Percent	Cumulative Percent
Very satisfactory	3	2.0	2.0	2.0
Satisfactory	13	8.7	8.8	10.8
Moderately	19	12.7	12.8	23.6
Valid Not satisfactory	24	16.0	16.2	39.9
Not satisfactory at	30	20.0	20.3	60.1
Does not apply.	59	39.3	39.9	100.0
Total	148	98.7	100.0	
Missing System	2	1.3		
Total	150	100.0		

