



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

**CAUSES OF EMPLOYEE TURNOVER:
THE CASE OF GLOBAL INSURANCE COMPANY**

**BY
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**JUNE, 2019
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ACRONYMS

GIC	Global Insurance Company
HR	Human Resource
HRM	Human Resource Management
SPSS	Statistical Package for Social Science

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ABSTRACT

The purpose of the study was to assess the causes of employee turnover at Global insurance company. Questionnaire and interview were used for data collection. Data were collected from two different groups' current and former employees. Data were collected from 85 current Professional employees using census sampling technique and 16 ex-employees of GIC were selected using convenient sampling technique. Descriptive statistics were employed for data analysis. Data collected through questionnaire were analyzed using SPSS version 20. Data collected through interview were described verbally. The findings of the study revealed that overall employees of GIC perceived that employee turnover in GIC was high due to low salary, poor working environment and poor performance of management bodies. Furthermore, equipped with qualified employees were the main strength of the organization; whereas, low effort to retain employees and nepotism was the main weakness of GIC. Pay, benefit and work environment were also the anticipated factors of employee turnover generally. The analysis further revealed that payment, benefit, and promotion were the first ranked reasons of turnover, secondly employee turnover were aggravated due to lack of job satisfaction, job scope, quality of supervision and working environments; due to those reasons the majority of the employees intended to leave the organization within a short period of time. The findings of the study further revealed that employee turnover had a significant association with payment, benefit, promotion, job satisfaction, and working environment. From the findings of the study the researcher concluded that pay, benefit, promotion, working environment and job satisfaction are the main causes of turnover in GIC. The researcher recommended that in order to address the problem of turnover and retain employees the organization shall revise its pay and benefit procedure, employees should be given equal opportunities for promotion. Furthermore the management of GIC shall work a lot in creating conducive working environment.

Key words: Employee, Turnover, Global Insurance Company

CHAPTER ONE

INTRODUCTION

In this section, the researcher discusses the research background, statement of the problem, research question, and the objective of the study, scope of the study, the significance of the study and organization of the study.

1.1. Background of The Study

Over the last decade, employee turnover in organizations has received a great attention among academicians and practitioners. In which much of the focus has been given on understanding the causes of employee turnover.

The human resources are the most important assets of an organization. The success or failure of an organization is largely dependent on the caliber of the people working therein. Without positive and creative contributions from people, organizations cannot progress and prosper (Sharma, 2016). Therefore, the management of an organization should be smart in selecting and retaining talented employees in order to maintain the productivity of the organization.

The increasing consequences of employee turnover can cause an effect on the organization's growth (Ghulam, Syed, & Zainab, 2012).

Mayhew (2018) defines employee turnover as the number of percentage of workers who leave an organization and are replaced by new employees. According to Abassi and Hollman (2000) employee turnover is the rotation of workers around the labor market, between firms, jobs, and occupations and between the statement of employment and unemployment. Measuring employee turnover can be helpful to examine the reasons for turnover and should be studied in order to know the root causes of turnover in an organization. The employees of a certain organization leave the company due to different reasons. Their reasons may be due to the employee own reason or because of the organization.

Abassi and Hollman (2000) stressed that the managers must recognize that employees as a major contributor to the efficient achievement of the organization's success. Furthermore, highly

motivated and performing individuals are the crucial factors of the organizations' productivity. Therefore there is a need to develop a better understanding of the cause and effects of employee turnover on an organization. From managers and an academic point of view employees' turnover has received considerable attention in organizations. Its main focus is to understand its causes. The supposition is inherent in this approach that employee turnover is focused by definite, identifiable features of workers, firms, tasks, and markets. By developing rules to highlight these characteristics, leaders/managers might lessen the incidence of employee turnover in their relevant organizations. As highlighted by a few observers, though, the results of employee turnover have received considerably less concentration from researchers (Staw, 1980).

Various studies show that employee turnover negatively affects the overall efficiency of the organization. Turnover affects productivity, service quality and profitability. If proper action is taken on improving salary, benefit, workload, work environment, social relation, quality management, etc the ratio of turnover decrease and organizational performance will increase.

Most managers mistakenly believe that the cost of replacing employees is merely the price of an advertisement. However, both direct and indirect costs must be taken into consideration. An often overlooked indirect cost of turnover is its effects on other staff members. While a position remains vacant, other employees usually take on additional responsibilities. Without proper implementation and management, this can result in low moral productivity (Arthur, 1994).

The research history on employee turnover shows that so many researches were done by different researchers. Since the 1970 industrial psychologists studied about employee turnover (Zhang, 2002). The researches which are done starting from early time's supports new researchers to develop different researches on the area and enable them to further expand their knowledge.

In developing countries like Ethiopia the insurance industry is contributing to the economic growth of the country and provides job opportunities. Similar to other industries there is the issue of employees' turnover in the insurance companies. The researcher while working in Global insurance company was able to observe most of the experienced employees leaving the organization. Employee turnover has an impact on other remaining employees' performance

because the workload on other employees increases. Since GIC is a service giving organization the quality of the service given highly depends on employee performance. The employees can play a pivotal role in improving the service given. So the organization should try to retain its employees. In order to retain employees of an organization, it is crucial to identify the main causes of employee turnover in an organization.

From the above arguments, studying the causes of employee turnover in the case of Global insurance company was essential to the researcher to conduct the study.

1.2. Statement of the Problem

In the era of globalization, it has been regarded to be a key issue to deal with employee turnover for any business organization. As stated by Chen and Li (2010) employee turnover as a serious issue, particularly in the area of human resource management. Most companies fail to consider the turnover rate of their company in managing the organization (Dickson, 2018). As an employee is one of the main valuable resources of an organization, it has a greater impact on the day to day activity of the organization (Gerhart & Milkovich, 1990). So the organization should manage and handle employee properly in order to meet its goals. Even though there are different factors that determine organizational performance, employees are one of the organizational resources that have the power to influence the organizational performance of a company.

High employee turnover costs an organization. When an employee leaves a company there are different costs which are expected by the company to be covered. These are costs of recruiting, hiring, training a new employee, time is taken to hire a new employee, vacancy advertisement cost, productivity may decrease to some level, etc. According to Hay group (2014), finding an employee to take another's place can cost more than 12 months' salary, which means that if companies are looking to increase performance, they need to be able to retain their employees.

Companies incur direct and indirect expenses, which include the cost of advertising, human resource costs, loss of productivity, new hire training, and customer retention, every time they have to replace an employee. These expenses can add up to anywhere from 30 to 200 % of a single employees, annual wages depending on the industry and the job role being filled.

Companies take a deep interest in their employee turnover rate because it is a costly part of doing business (Beam, 2009).

In order to control high turnover, the management should understand the consequence / the drawback of turnover on the company and the causes of turnover employees on that specific company should be known.

Global insurance is one of the earliest emerging insurance companies which is working in the insurance industry for more than 20 years. As it is one of the oldest insurance companies there are employees who work in the company for many years. But as a preliminary assessment made by the researcher, shows most of the experienced employees are leaving the company. The company is hiring new employees in most of its branches and the experienced employees are joining different companies mostly to the insurance company. Because of this, the company is forced to recruit new employees every year. The following table shows the five years of data on employee turnover.

Year	Total no. of employees	No. of employees terminated	Percentage terminated	No. of newly joined employees
2013/14	150	21	14%	20
2014/15	159	7	4.6%	15
2015/16	149	22	14.6%	30
2016/17	139	27	18%	36
2017/18	168	38	25.3%	48

Source: Global Insurance Company

As we can see from the above table the number of employees leaving the organization is increasing especially in the recent three years. The problem seems significant and worth studying. And as far as my knowledge is concerned the major causes of employee turnover in the case of Global Insurance Company was not studied so far. Therefore the study intends to identify the major causes of employee turnover in the case of Global insurance company.

1.3. Research Questions

- Does promotion, Job satisfaction and job scope cause employee turnover in GIC?
- Does pay and Benefit cause employee turnover in GIC?
- Does working environment, social relationship and supervision cause employee turnover in GIC?

1.4. Objective of the Study

1.4.1. General objective

The paper has the general objective of assessing the causes of employee turnover in Global insurance company.

1.4.2. Specific Objective

- To assess whether promotion, job satisfaction & job scope are causes of employee turnover in GIC.
- To assess pay and benefit are causes of employee turnover in GIC.
- To assess whether working environment, social relationship & supervision are causes of employee turnover in GIC.

1.5. Significance of The Study

The study is significant to different parties especially to the management of GIC in understanding the real causes of employee turnover in the organization. Therefore, it would shed light on required efforts to mitigate the employees' turnover rate at Global Insurance Company. It also helps other researchers who want to conduct further study on the subject matter.

1.6. Scope and Limitation of the Study

This study gives emphasis on the causes of employee turnover in Global insurance company. Conceptually, this study mainly focuses on the professional employees and it doesn't refer to Non-professional employees, contract-based employees, and sales agents.

Geographically, the study focuses on the employees of GIC at head office and branches located in Addis Ababa only. And also 16 ex-employees of GIC who left the organization from 2015 up to 2018. It would have been more convenient if the study had been made in all branches of the company but due to cost and time constraints the research is limited to Addis Ababa.

The causes of employee turnover can be seen from three perspectives, which are personal factors, social, economic & political factors, and organizational factors. This study is limited to organizational factors; this is due to the time and resource constraints. In order to include more variables and factors more time and resources are needed. The time dimension of the study was also delimited from 2013/14 to 2017/18 due to the availability of documentation. This study was limited in the information and data gathered until the time frame of preparation of this paper.

Since the Ethiopian Industry is still in progress, the result of the study may have limitations to make generalizations and make them applicable to the country as a whole. However, it may be useful for employees' turnover related areas in the insurance industry.

1.7. Organization of the Study

The study is organized into five chapters. Chapter one is the introductory chapter that covers the background of the study, problem statement, research questions, objectives of the study, scope & limitations of the study. Chapter two presents a review of the literature on the causes of employee turnover from different sources. Subsequently, a description of the study area and methodologies are presented in Chapter three. In Chapter four, a descriptive result is presented and discussed in detail. From the main findings of the study conclusion and recommendations are drawn and presented in chapter five.

CHAPTER TWO

LITRATURE REVIEW

2.1. Human Resource Management Definition

According to Armstrong (2006) Human resource management is defined as a strategic and coherent approach to the management of an organization's most valued assets i.e the people working there who individually and collectively contributes to the achievement of its objectives.

Human resource management is defined as a system of activities and strategies that focus on successfully managing employees at all levels of an organization to achieve organizational goals (Byars & Rue, 2006).

According to Decenzo and Robbins (2008) "Human Resource Management is concerned with the people dimension" in management. Since every organization is made up of people, acquiring their services, developing their skills, motivating them to higher levels of performance and ensuring that they continue to maintain their commitment to the organization is essential to achieving organizational objectives. This is true, regardless of the type of organization – government, business, education, health or social action".

Edwin Flippo (2007) defines- Human Resource Management as "planning, organizing, directing, controlling of the procurement, development, compensation, integration, maintenance, and separation of human resources to the end that individual, organizational and social objectives are achieved."

HR Key Indicators: - In some HR evaluation efforts, key measures are developed that reflect the major efforts of the HR function.

In some cases, these measures are linked to organizational performance. The key indicators approach is perhaps the best known and established method of HR evaluation. It uses a set of quantitative measures such as accident frequency rate, absenteeism rate, turnover rate, and average time to fill requisitions (Philips, 2001)

Key indicators may come from areas such as:

- Employment
- Performance
- Labor relations
- Careers
- Learning and development
- Work environment/safety
- Compensation administration
- Diversity
- Employee benefits
- Overall effectiveness

2.2. Definition of Turnover

Abassi and Hollman (2000) define turnover as the rotation of employees around the labor market, between firms, jobs, and occupations and between the states of employment and unemployment. Employee turnover refers to the number or percentage of workers who leave an organization and are replaced by new employees (Mayhew, 2018). As per Wikipedia (the free encyclopedia), Turnover is the act of replacing an employee with a new employee. Partings between organizations and employees may consist of termination, retirement, death, interagency transfers and resignation. Turnover rate is a percentage of employees who leave an organization within a certain period of time.

“Employee turnover is a ratio of the number of employees a company must replace in a given time period to the average number of total employees. A huge concern to most companies, employee turnover is a costly expense especially in lower paying job roles, for which the employee turnover rate is highest. Many factors play a role in the employee turnover rate of any company, and these can stem from both the employer and the employees. Wages, company benefits, employee attendance, and job performance are all factors that play a significant role in employee turnover. Companies take a deep interest in their employee turnover rate because it is a costly part of doing business.” (Beam, 2009)

According to Robbins (2003) turnover refers to the voluntary and involuntary permanent withdrawal from an organization and a high turnover rate results in increased recruiting, selection and training costs.

Prince (1977) defined turnover as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period. Frequently, managers refer to turnover as the entire process associated with filling a vacancy. Each time a position associated with filling a vacancy: each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995). From all of the above definitions one can understand that employee turnover is all about the number of an employee who leaves an organization within a certain period of time.

2.3. Types of Employee Turnover

a. Voluntary turnover

It occurs when an employee leaves an organization by his own will or desire. Turnover is initiated by the employee himself. It is a voluntary termination of a job in a certain organization. Employees give different reasons for leaving their jobs. It could be getting a job offers from other organization, relocating to a new area or dealing with a personal matter which makes difficult or impossible to work, bad working environment (Dess & Shaw, 2001).

b. Involuntary turnover

It occurs when the employers forced or make an act of pushing the employee to leave the company. In this case, the employee has no choice other than termination. Involuntary turnover could be the result of a disciplinary measure taken by the employer, poor performance, organizational restructuring, and cost reduction program to improve organizational effectiveness ... etc (Allen, 2000).

c. Functional turnover

It occurs when an employee wants to leave the organization and when the organization is unconcerned about the employee. This kind of turnover happens mostly in low performing employees. The organization chooses to lose this kind of employee because the retention of this kind of employee is not preferable due to negative evaluation result that the employee performs. The organization will be beneficial by letting this kind of employee go (Phillips & Lisa 2009).

d. Dysfunctional Turnover

It occurs when an employee wants to leave the organization but the organization chooses to retain the employee rather than letting him to go. This kind of employees is high performers and if the company let them to go costs a lot (Phillips & Lisa 2009).

e. Avoidable turnover

It occurs when the employer is able to avoid / handle the turnover intention of its employees. The organization can prevent turnover by raising salary or new job assignment or by giving better position than before. The employees of the organization leave the organization because of low pay, low benefit package, loosing job satisfaction, and problems of mismanagement. So the organization can retain its employees by adjusting the problems raised (Sandra, 2012).

f. Unavoidable turnover

It is faced because of the occurrence of unavoidable circumstance which is beyond the control of the employer. It happens in a situation like: death of the employee or sickness of the employee for a long period of time, spouse relocation. In this kind of situation the employer is unable to retain its employee by making an adjustment. (Sandra, 2012)

2.4. Turnover As Cost And Benefit

2.4.1. The Cost of Employee Turnover

Employee turnover is costly and unproductively time-consuming. According to Branham (2000) the cost of losing an employee can range from 25% to 200% of that employee salary. When an employee leaves an organization, it costs the company mainly in:

- i. **Productivity.** When the employee leaves, productivity will usually take a downturn because other workers may have to add the former employee's duties to their own workload, at least temporarily.
- ii. **Money.** In addition to the monetary costs associated with lower productivity, the organization may have to pay employees overtime to get them to take up the slack left

by the former employee until a replacement can be found. The company may also have to face unemployment claims and pay for the cost of recruiting and hiring a replacement.

- iii. **Time.** Not only may the employee be distracted from their regular duties to cover for a former employee, but the organization will have to spend time and money advertising, interviewing, and otherwise looking for a replacement employee.

Russell and Bvuma (2001) state that cost is not only financial but must also be measured in terms of the damage to staff morale and deficits in meeting customer demand. The increased workload leads to low morale and high levels of stress which in turn leads to absenteeism amongst employees. Mathis and Jackson (2007) states that employees have to work extra hours to compensate for the work of those that have resigned. Steers (2002) states that staff turnover is costly and disruptive. Costly, as it reduces the output and disruptive, as it requires that schedules and programs to be modified.

There are two types of turnover costs

- a. Direct turnover cost: - includes the cost of leaving, replacement costs and transition costs, recruitment costs, Advertising costs for new position, orientation and training of new employee, severance costs, testing costs, and time to interview new replacements, time to recruit and train new hires.
- b. Indirect turnover cost: - include the loss of productivity while new employee is brought up to speed and learning the job and reduced performance, costs associated with lack of motivation prior to leaving, cost associated with loss of trade secrets.

2.4.2. Benefit of turnover

According to Mello (2006), turnover allows the organization to hire new employees with more current training who are not locked into existing ways of doing things. Fresh ideas from outsiders can be crucial to organizations that have become stagnant and are in need of innovation. Turnover can also lower average tenure of employees and translate into lower payroll expenses.

According to Glebbeek and Bax (2002), the following are the potential advantages of labor turnover:

1. Leave of relatively expensive employees: This applies especially in case a firm uses a compensation system based on seniority or if the premiums for social security are age related. If the rise of labor costs exceeds the increase of productivity of an employee, replacement of the latter becomes profitable.
2. Leave of less productive employees: This refers to workers who lose productivity due to aging, physical and mental wear or because they cannot cope with rising work pressures.
3. Termination of bad matches: Even under the conditions of careful recruitment and selection procedures, some matches turn out to be better than others. This holds true especially when productivity and performance do not so much depend on technology as well as on social relations and contextual skills.
4. Innovation: Labor turnover creates possibilities for replacing employees and therefore enables firms to import new types of knowledge, ideas, experience and skills.
5. Advantage of market condition: The personnel demand of a firm is dependent on external conditions of which the market and the business cycle are important ones. Hence, some variation in the number of staff employed is inevitable.
6. Facilitating the internal Labor Market: Internal labor markets provide the opportunities for career development of employees and are therefore an important instrument for motivation. Turnover creates the vacancies required for the internal labor market to function properly.
7. The Price of Quality: Labor turnover is the price organizations have to pay for the employment of young highly skilled and well-educated professionals. Although these 'job hoppers' will leave the organization inevitably, during their stay they contribute significantly to the organization's success. Prevention of this kind of turnover would be the employment of more 'average' employees who are less attracted by the external labor market

2.5. Causes of Employee Turnover

The Causes of employee turnover should be identified and known in order to coup up with the problem of turnover. Different researchers studied the issue of employee turnover and put the probable causes of employee turnover.

2.5.1. Demographic Factors

Demographic Characteristics of an employee can be an influencing factor for leaving an organization. These characteristics include; age, gender, qualification, marital status, and experience. Employees more qualified in their professionalism tend to leave their current organization because they have more opportunity to gain better work than employees who have less qualification. Marital status also has a great influence on employee's turnover. Employees who are married and have stabilized family life situation prefer to stay in organization areas that they stabilized their family life. However, employees who do not married and free to move from place to place can have more chance to move from organization to another organization. (Parker and Skitmore, 2003)

2.5.2. Pay

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

A common opinion is that good pay can be a strong determinant of job satisfaction that leads to achieving higher productivity in the organization.

2.5.3. Fringe Benefit

A fringe benefit is a meandering incentive contracted to an employee or a group of employees as a part of executive membership, which has an effect on performance and employee retention (Alexander et al., 1994). It can be argued that benefit schedule is a critical section of the human resource planning process on account of huge expenditures and financial resources approved for the future (Weiss & Cropanzano, 1996). At the managerial level, a fringe benefit is critical to attract, retain and motivate the employees who may continue to work for organizational success. One reason for this is that fringe benefits play an important role to persuade an individual's interest to work with an organization. In fact, numerous organizations provide fringe benefits, incentives and recognize employee's performance, directing a device of motivation (Lee & Mitchell, 1994).

2.5.4. Lack of Opportunity for Advancement

Job promotions might review through different measure scales like satisfaction with promotions, opportunities for promotions and actual promotions (Abdali, 2011). When employees perceive no growth for the future or desire to advance within the system, they have no reason to remain in the current work situation. If employees are not promoted properly based on their performance and experience, they will leave the organization.

According to Beer et.al (1985), supervisors in most organizations do not give honest and candid performance reviews because they might damage the self-esteem of the employees. The organizations must assure that the performance appraisal process is fair and it concludes the fair results about the performance of the employees. The performance appraisal can be used as an effective managerial decision tool if its results are providing accurate information about the performance of employees (Poon, 2004). The accuracy of the information provided by the appraiser or rater remains doubtful in the presence of politics involved in giving ratings during the performance appraisal process. The appraisers intentionally alter the appraisal results for their own interests and according to Longenecker et al., (1987) the ratings and results of the appraisal are changed for political reasons. When the performance appraisal is biased the employee negatively reacts.

2.5.5. Job Satisfaction

Job satisfaction is defined as how people feel about their jobs and different aspects of their job (Spector, 1997). Hom & Griffeth (2001) showed that job satisfaction is a significant predictor of employee turnover tendency. Smith (1996), have generally found that the more satisfied the employees are the more committed they will be to their organizations, and the more they will be productive and effective in their organizations, whereas dissatisfied ones experience more turnover intentions and increase absenteeism. Employees who have a positive attitude towards the job environment and associate well with their co-workers and managers have been found to show high levels of job satisfaction (Taylor, 2010). If employees are satisfied with their jobs in terms of roles and duties then they will work hard.

2.5.6. Job Scope

Job scope can be defined as, the density of the job and challenges of the job contents. According to Hackman and Oldham (1980) complexity of the job, most increases job satisfaction with work and loyalty to the organization in employees who have strong growth needs. But most of the time having too much work to do in the time available and has been associated with stress-related ailments such as coronary heart disease and finally staff turnover (Mouton, 2001). In the context of voluntary employee turnover, when the employee relates the workload with pay and benefits which may be perceived to be lower than the amount of work performed, work overload may then incite staff turnover intention (George & Jones, 2002). Employees leave the organization because of tasks and role that puts physical strain and exertion on them or may be due to roles and tasks that are not well clarified (Harrison & Kessels, 2004).

2.5.7. Quality of Supervision

According to Loganbill, Hardy and Delworth (1982) supervision is an intensive, interpersonally, focused on one relationship in which one person is designated to facilitate the development of therapeutic competence in another person.

According to Luthans (1992), Supervisor is another moderately important source of job satisfaction to the extent that the supervisor provides technical assistance and behavioral support such as treated employees fairly offers praise for good performance listens to employees’.

The employees have tendency to change their job when they have poor supervision (Keashly & Jagatic, 2000).

Employees’ turnover can be reduced through the provision of quality management by management generally and by an individual manager and team leader (Armstrong, 2004). If an employee is not treated and supervised properly by his supervisor he loses satisfaction on the job and wants to leave the organization. Employees should be treated fairly, justly and with human dignity by managers, giving them due respect, devoid of harassment and embarrassment. This will create an atmosphere of mutual respect between managers and their staff, and in turn drastically reduce employees’ turnover (Shamsuzzoha & Shumon, 2010). Employees are likely going to stay with an organization if they are convinced that their managers show interest and concern for them if they are familiar with what is expected of them, if they are given a role that fits their capabilities and if they receive regular positive feedback and recognition. The quality of relationship an employee has with his or her immediate managers elongates employee stay in an organization.

2.5.8. Social Interaction / Relation

According to Robbins (2003), human need social interaction from their workplace in supporting, cooperate, comfort, advice, and assistance to individual work. Therefore, to have friendly and supportive co-workers could lead to increase job satisfaction. Turnover tends to increase for employees who are dissatisfied with their coworkers (Watt & White, 1988).

Employee relationship among each other in an organization has a significant impact on employee turnover intention. When an organization has a complicated interpersonal relationship it will affect the work environment in return it will increase the turnover intention of the employees.

In order to have a good and interconnected relationship among colleagues and boss the employer needs to take time to bring friendship and belongingness among employees, if not it will most likely generate turnover intention (Zhang, 2016).

2.5.9. Working Environment

Work environment is the sum of the interrelationship that exists among employees and the employers and the environment in which the employees work which includes the technical, the human and organizational environment. Technical environment refers to tools, equipment, technological infrastructures and other technical elements of the workplace. The human environment includes the peers, others with whom employees relate, team, work groups, interactional issues, leadership, and management. The organizational environment includes systems, procedures, practices, values, and philosophies which operate under the control of management (Yusuf & Metiboba, 2012).

Horton, (2007) argued that a work environment is often described as good or bad. A good environment is a place where the workers feel at ease and appreciated. Workers in these sorts of environments are often more productive and happy. A bad work environment is a location where the worker feels under-appreciated, threatened or unsettled. Due to the nature of these environments, there is often a high worker turnover rate, and the workers typically fail to live up to their potential.

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

Employee involvement in the organization in designing a job like how employees time is used, evaluating his/her performance and providing his/her opinion on how to improve the working environment make the employee feel belongingness, and the commitment and support that is

shown to employees by the management would motivate employees to stay in an organization (Ongori,2007).

2.6. Turnover in The Insurance Industry

Insurance industry is one of the fastest growing financial sectors. However, employee turnover is one of the biggest problems of the insurance companies in Ethiopia. The shortage of skills with in the insurance workforce may threaten the growth potential of insurance companies because of the lack of formal education of some insurance professionals (John, 2014).

2.7. Theoretical Framework

1. The Met expectation

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

2. Theory of organizational equilibrium

Nawaz et.al, (2009), stated that employee turnover occurs when individuals perceive that their contributions to an organization exceed the inducements they received from that organization. According to Osamu (1994), an individual tries to satisfy his needs or motives, in many cases he cannot get enough satisfaction due to many types of human limitations. When an individual cannot get satisfaction, he will withhold or withdraw his contributions and will separate from the organization. According to this theory, employees are looking from organization to provide incentive that balance their contribution. This indicates when the incentive offered by the organization to the employees is less than their contribution, employees become dissatisfied with the inducement and this leads to turnover.

3. Linkage model

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

2.8. Empirical Review

The study conducted on the assessment of employee turnover of international livestock research institute (ILRI) Nyaga (2015) found that the major causes of employee turnover include lack of retention strategies, low level of employee motivation, lack of career development opportunities and poor work environment. The study found out that minimizing employees turnover rates since the reward incentives and bonuses are given to employees were not adequate and did not compensate for employee work performance. This was noted to lower the level of employees' motivation and hence lead to the realization of increased cases of employees' turnover rates.

Ongori (2007) conducted a related study and observed that among the factors that influence employees' turnover in any organization is inadequate information including physically powerful communication systems on effective performance, uncertain supervisors' desires and peer employees, and conflicting job functions. These factors may be the basis on which employees may begin to experience loss of job satisfaction and may finally result in an employee leaving the organization. Factors such as poor personnel policies, poor recruitment policies, poor supervisory practices, and poor grievance procedures contribute to high labor turnover from the study. Where there were cases of improper management practices and policies on employees matters; especially when employees are not recruited systematically, promotions of employees are not based on spelled out policies, no grievance resolution procedures in place, these would lead to high employees' turnover.

A study conducted by Argeta (2011) at MOFED Shows that unattractive financial issues, poor management regarding to performance based position, unsatisfying terminal and pension benefits and problem of the management in providing clear path for employees to advance their career.

Giving all the problems Employees stayed in the organization because they do not have other alternative job and Employees of the organization clearly identified the mismatch between the position the hold and the skill and knowledge they have. Most employees of the organization have no sense of belongingness to the organization so interpersonal relationship in the organization is not attractive. Disciplinary measures of the organization are not properly laid dawn. Management of the organization is not impartial for overall benefits of the organization; Supervisors of employees have not arranged flexible working condition. Higher officials of MoFED do not allowed employees to participate in decision making process. As the Ex-employees gained nothing while they were at MoFED and most ex-employees believe in conducive working environment of the organization. Therefore, most ex-employees left the organization because of low salary scale and other benefit package.

Another study by Yukunoamlak (2015) found dissatisfaction with benefits and reward system, the poor job and organizational specific communication, dissatisfaction with the work itself are the most important organizational factors that cause turnover.

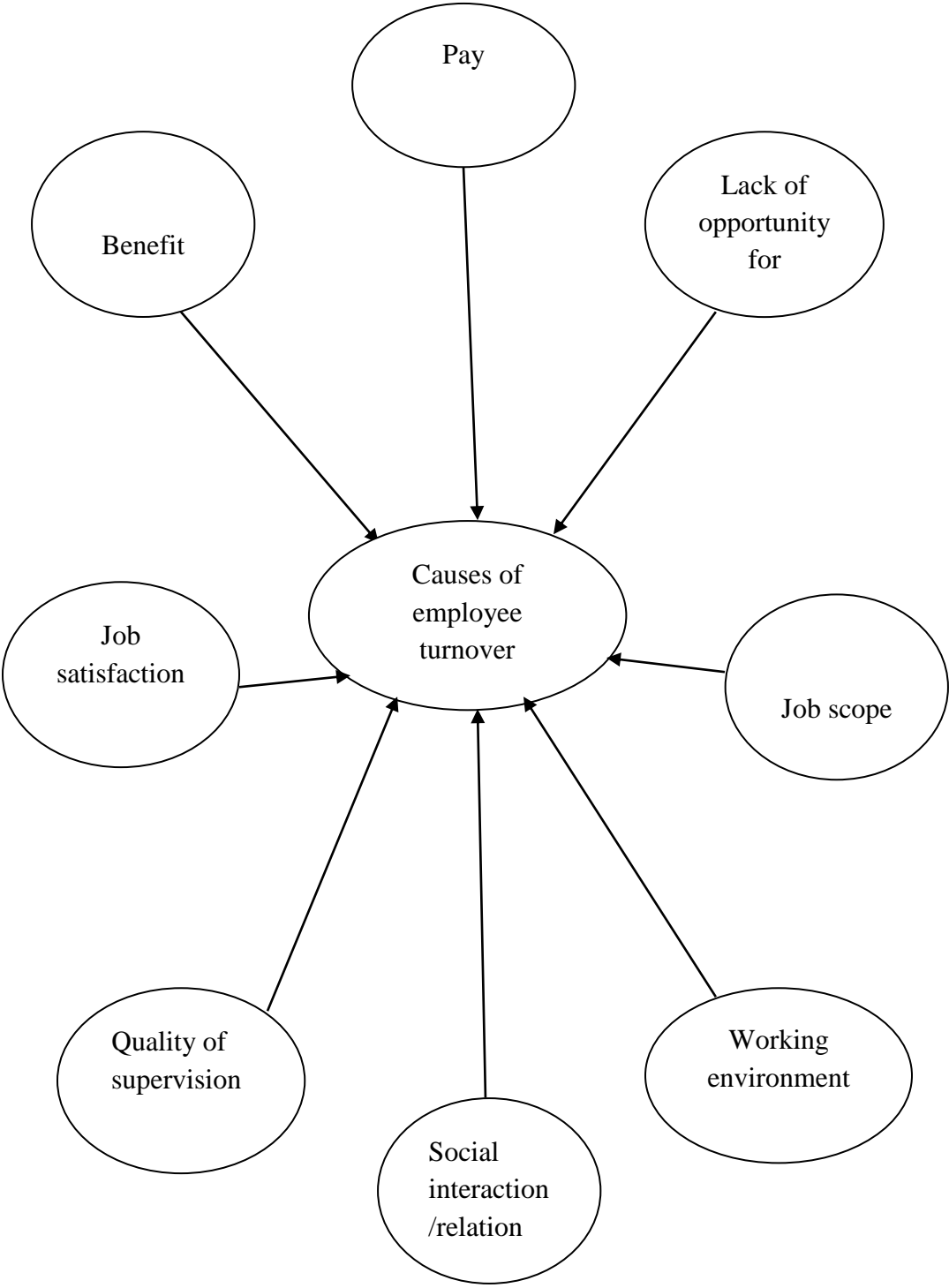
Sometimes employee turnover benefits organization positively. This might happen when poor performer is replaced by a more skilled employee and when a retired employee replaced by a younger one. Voluntary turnover can improve workforce performance by revitalization that is, by increasing workforce innovation, flexibility, and adaptability (Abelson & Baysinger, 1984).

If employee turnover is not managed properly it would affect the organization adversely in terms of personnel costs and in the long run it would affect its liquidity position. However, voluntary turnover incurs significant cost, both in terms of direct cost and indirect costs. Direct costs relate to the leaving costs, replacement costs and transition costs, and indirect costs relate to the loss of production, reduced performance levels, unnecessary overtime and low morale (Dess et al. 2001).

2.9. Conceptual Framework

Based on the overall review of related literature and the studies made, the following framework was developed. The framework try to explain in a diagram that in an organization pay, benefit,

lack of opportunity for advancement, job satisfaction, job scope, quality of supervision, social interaction/relation, and working environment are the causes of employee turnover.



Source:- Developed based on literature review conveyed

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1. Research Design and Approach

The study employed a descriptive research design. The researcher carried out both qualitative & quantitative study and the research design is a cross-sectional design in which data was collected from the respondents using self-completion questionnaires. The research was designed in the way that questionnaires and interview were conducted to sample respondents and the design was particularly important for the study because it helps to describe and interpret the actual events that exist now and existed in the past that influences on the present factors affecting employee turnover. The purpose of descriptive surveys, according to Ezeani, (1998) is to collect detailed and factual information that describes an existing phenomenon. Both qualitative and quantitative approaches were used to collect data for this research. This is because the use of quantitative and qualitative approaches in combination provides a better understanding of research problems than either approach alone. In addition, there has been a growth in the interest in mixed methods as well as authors advocating for mixed methods research as a separate design in its own (Creswell & Clark, 2007).

3.2. Target Population, Sampling Technique & Sample Size

The target population for the study was the employees of Global Insurance Company. The questioner was distributed to all of the professional employees of GIC who are currently working at head office and branches in Addis Ababa, meaning that the researcher used a census to collect data from the current employees; apparently, data were also collected from ex-employees of GIC. Convenience sampling technique was used to select ex-employee of GIC as respondents for three reasons. First, the employees are scattered across different locations in the country, which makes it very difficult to contact each of them individually. Again, it was also difficult in getting all the ex-employee of GIC. Third, the researcher was working within the demands of an academic schedule and a very limited time and resources to conduct the study. Currently, GIC has 85 professional employees in Addis Ababa, and hence, as it is manageable all professional

employees were consulted. Apparently, using convenience sampling 16 ex-employees were taken as respondents.

Therefore, the total sample size of the study was 101 respondents. In addition to that 2 randomly selected HR officers of GIC and 1 senior employee of GIC who was selected based on seniority were interviewed.

3.3. Source of Data and Instrument

The data were collected from both primary and secondary data sources. Primary data were collected from professional employees using questionnaire, regarding the ex-employees using semi-structured questionnaires and interview with 3 employees of GIC; whereas, the secondary data were collected from yearly organizational magazine of GIC (From 2015-2018) and HR audit reports where it is related with the employee's turnover in relation to GIC employees turnover data. The questionnaire for the survey was comprised of two parts; the first part is the demographic or personal data of the respondents and the second part of the questions are the main parts of the questionnaire which are related to causes of employee turnover in GIC.

3.4. Method of Data Analysis

For the purpose of analysis both quantitative and qualitative data analysis techniques was used. Quantitative data was analyzed and presented using (table, mean, frequency, correlation). Whereas qualitative data was analyzed verbally. Furthermore, the collected data was coded, processed and analyzed using SPSS version 20. Mean tables was used to analyze, interpret and present the results of the study. The results of interview were analyzed verbally. Finally conclusions were drawn based on the findings of the study and recommendations were forwarded.

3.5. Validity and Reliability

3.5.1. Validity

Validity refers to the extent to which a measure adequately represents the underlying construct that it is supposed to measure (Field, 2005). To make sure that the study measures what it intends

to measure different books and articles were reviewed. And also comments of the advisor were incorporated.

3.5.2. Reliability test

Using the most common methods of Cronbach’s Coefficient Alpha test method of reliability the test of reliability was performed. The term reliability is concerned about to what the assessment instrument or tool produces stable and consistent results (Carmines & Zeller, 1979).

Accordingly, as shown in the table below the results of Cronbach’s Coefficient Alpha method shows the data collection instrument was 92.4% reliable. So the result shows that the questioner used to collect data was reliable.

Case Processing Summary

		N	%
Cases	Valid	10	100.0
	Excluded ^a	0	.0
	Total	10	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.924	43

3.6. Ethical Consideration

Bryman and Bell (2003) listed the main 4 ethical principles which should be considered in conducting research. Based on these principles the researcher has not made an act which harms the participants of the research project. All participants in the research were purely voluntary to give information. Before filling the questioners, respondents were informed about the objective of the study and the purpose of data collection. Accordingly, the interview was conducted after asking and getting the consents of the participants. In addition to this, the researcher has taken all the necessary caution to avoid violation of the rights of participants and guarantee the anonymity of the respondents.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

Under this chapter the collected data were analyzed; accordingly, primarily the demographic characteristics of respondents followed by the descriptive statistics, factors and cause of employee turnover, correlation analysis and perceptions of ex-employees will be discussed.

4.1. Demographic Characteristics of Respondents

In considering the few numbers of employees the researcher collect data from all of the professional employees that were currently working at GIC. There are also non-professional employees; however, the researcher only considers the professional one since the problem is observed in that perspective.

Table 4.1 Demography of respondents

Item		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	53	62.4	62.4	62.4
	Female	32	37.6	37.6	100.0
	Total	85	100.0	100.0	
Age	18-25	8	9.4	9.4	9.4
	26-30	30	35.3	35.3	44.7
	31-40	34	40.0	40.0	84.7
	41-50	6	7.1	7.1	91.8
	51&over	7	8.2	8.2	100.0
	Total	85	100.0	100.0	
Marital status	Single	42	49.4	49.4	51.8
	Married	39	45.9	43.5	95.3
	Divorced	4	4.7	4.7	100.0
	Total	85	100.0	100.0	
Educational level	Certificate	1	1.2	1.2	1.2
	Diploma	16	18.8	18.8	20.0
	Degree	63	74.1	74.1	94.1
	MA/Msc& above	5	5.9	5.9	100.0
	Total	85	100.0	100.0	
How long did you work in GIC?	1-3 year	31	36.5	36.5	36.5
	3-6 year	32	37.6	37.6	74.1
	6-10 year	13	15.3	15.3	89.4
	more than 10 years	9	10.6	10.6	100.0
	Total	85	100.0	100.0	

Source: - Own survey- SPSS result, 2019

Accordingly, the above table shows that out of the total sample employees 62.4 percent of the respondents were male and the rest 37.6 percent were females. Furthermore, 9.4 percent of the respondents belonged to in the age range of 18 to 25, 35.3 percent of the respondents were 26 to 30 years of age, and the rest 40 and 7.1 percent of the sample employees were in the age range of 31 to 40 and 41 to 50 respectively. Among the respondents 49.4 percent were single, 45.9 percent were married and 4.7 percent of them were divorced. Apart from these, majority (74.1%) of the respondents were learned their education up to degree level, 18.8 percent of the respondents were diploma holders and the rest 1.2 and 5.9 percent of the respondents were certificates and MA & above degree holders. Apparently, 37.6 percent of the respondents work in the organization 3 to 6 years, 36.5 percent of the respondents work in the organization 1 to 3 years, 15.3 percent of the respondents work in the organization 6 to 10 years and the rest 10.6 percent of the respondents work in the organization for more than 10 years.

4.2. General Information on Turnover Intention

Table 4.2 information on current status of employee turnover

No.	Item	Frequency	Percent	Valid Percent	Cumulative Percent
1	How do you rate employee turnover in GIC?	Very low	1	1.2	1.2
		Low	4	4.7	4.7
		Medium	24	28.2	28.2
		High	23	27.1	27.1
		Very high	33	38.8	38.8
		Total	85	100.0	100.0
2	If it is high or very high what do you think are the basic reasons?	Low salary and poor working environment	30	35.3	53.6
		Management body unable to solve problem	2	2.4	3.6
		Management body unable to solve problem and intervene on routine activities	9	10.6	16.1
		Bad working environment	15	17.6	26.8
		Total	56	65.9	100.0
3	If you get another job opportunity in other organization, do you want to stay in GIC?	Yes	20	23.5	23.5
		No	65	76.5	76.5
		Total	85	100.0	100.0

Source: - Own survey- SPSS result, 2019

Respondents were asked about the situation of employee turnover in the organization, accordingly, Item 1 of the above table shows that 38.8 percent of the respondents replied that the turnover in GIC were very high, 27.1 percent of the respondents said that the turnover in GIC was high and the rest 4.7 and 1.2 percent of the respondents were said that the turnover in GIC was medium and low respectively. The result indicates the turnover rate in GIC is high. Apart from these, using open ended questions respondents were also asked about the reasons for the high and very high turnover. The researcher categorized the qualitative response of respondents. Accordingly, 35.3 percent of the respondents replied that low salary and poor working environment were the main reasons for employee turnover. 10.6 percent of the respondents were said that the reason for employee turnover were management bodies unable to solve the problem, the rest 17.6 and 2.4 percent of the respondents were mentioned that the reason for employee turnover was management bodies inability to solve problems, interventions on routine activities and bad working environment respectively. Apart from these, the majority (76.5%) of the respondents confirmed that they don't want to stay in GIC if they got the opportunity to work in other organization. Using open ended questions respondents were asked the strength and weakness of human resource management of GIC and the researcher categorized the responses. Accordingly, hiring qualified employees and giving opportunities for junior employees are the strength of the organization whereas, low effort to retain employee's inability to create smooth r/ship with employee's, lack of plan and nepotism were the main weakness of the organization.

In addition to the collected information through questionnaire the researcher has also collected data from selected individuals through the interview method. Mainly the interview was made with two HR officers and one senior employee of the organization. The first questions raised for the interviewee were about the status of employee turnover, according to the respondents there is employee turnover in the organization and the extent could be put at average level; the interviewee further explained that there is an acceptable rate of turnover in every organization within some period of time and compared to this standard the turnover rate in GIC is put at an average level. Furthermore, according to the interview result, the employee turnover evaluation trend of the organization is very low; the organization didn't make much assessment periodically and there is no trend of formal exit interview in the organization.

The interviewed officers further reported that much of the employee turnover that happens in Global Insurance Company is due to pay and benefit package. According to the respondents the pay and benefit package of the organization didn't have much difference with other related and unrelated organization, however, every employee needs a better payment and benefit and when such opportunities come to the front employees leave the organization. They further explained that nowadays the number of a related organization are increasing thereby the competitions also; and hence, every insurance company compete in best and qualified employees particularly those insurance companies who joined the business newly almost hunt experienced employees with a better pay and benefit package. Global insurance company tries to go with the situation, this means the company makes some effort to make some improvement on the benefit and package; however, it is done in consideration of the company's paying capacity. Apart from these, Global insurance company had its own pay and promotion policy and procedures. Everything related to pay; benefit and promotion related things are done based on the company's policy.

4.3. Employee Perception towards Factors that Affect Turnover Rate at GIC

Under this sub-topic to what extent pay, benefits, opportunity, job satisfaction, job scope, quality of supervision social relation and work environment affects current turnover.

Table 4.3 Factors that affect turnover rate

No.	Factors	Scale					Mean
		1	2	3	4	5	
1	Pay	0%	5.9%	8.2%	8.2%	77.6%	4.58
2	Benefits	0%	0%	20%	23.5%	56.5%	4.36
3	Opportunity for advancement	0%	4.7%	28.2%	37.6%	29.4%	3.92
4	Job satisfaction	0%	7.1%	40%	31.8%	21.2%	3.67
5	Job scope	1.2%	16.5%	38.8%	38.8%	4.7%	3.29
6	Quality of supervision	8.2%	10.6%	40%	32.9%	8.2%	3.22
7	Social relations	12.9%	14.1%	27.1%	28.2%	17.6%	3.24
8	Work environment	2.4%	5.9%	4.7%	40%	47.1%	4.24
1= don't affect at all 2= affect at minimum level 3=affect at medium level 4= affects strongly 5= Affects very strongly							

Source: - Own survey- SPSS result, 2019

Accordingly, the above table shows that 77.6 percent of the respondents confirmed that the payment system of the organization very strongly affect the current turnover of the organization, whereas, 8.2 and 5.9 percent of the respondents confirmed that pay affects the current turnover at

a medium and low extent. The mean statistics of 4.58 also shows that pay is the dominant factor that affects employee turnover. A majority (80%) of the respondents mentioned that additional benefits offered by the organization is affecting turnover rate in GIC at high and very high extent, whereas, 20 percent of them replied that it affects at a medium extent. The variable employee benefit had a mean score of 4.36 implies that this variable is strongly affecting employee turnover. Opportunities for advancement also the other dominant factor that affect employee turnover, this was confirmed by 37.6 percent at very high extent, 28.2 percent higher extent. The mean statistics 3.92 of this variable also shows that employees believed that advancement opportunities are the other important factor that affects employee turnover. Hence it can be generalized that the employees of GIC perceived that pay, benefit and opportunity for advancement are the major factors that affect turnover rate in GIC.

Item 4 of the above table shows that 21.2 percent of the respondents said that job satisfaction affects employee turnover very strongly; 31.8 percent of the respondents also confirmed that job satisfaction affect employee turnover strongly. On the other hand, 40 and 7.1 percent of the respondents replied that job satisfaction affects employee turnover at medium and low extent respectively. 3.67 were the mean score of job satisfaction which implies job satisfaction is also the most important factors of employee turnover. Job scope is the other factor that affects employee turnover, this was confirmed by 43.5 percent of the respondents, whereas, 38.8 percent of the respondents confirmed job scope affect employee turnover at medium extent and 16.5 percent of them confirmed job scope affect at lower extent, furthermore, 1.2 percent of the respondents also mentioned that job scope didn't affect employee turnover. The variable job scope had a mean score of 3.29 which approaches to medium level effect which implies the variable job scope still is the factor that affects employee turnover.

As it is indicated on item 6 on the above table Quality of supervision is also considered as a factor that affects employee turnover, more than 40 percent of the respondents replied that quality of supervision affect employee turnover at a higher extent; whereas, 18.8 percent of the respondents confirmed the quality of supervision affect employee turnover at lower extent; and the rest 40 percent of the respondents said that quality of supervision affect employee turnover at a medium extent. The mean statistics of quality of supervision was 3.22 which approaches to medium level, which implies unlike the above-mentioned variables quality of supervision affect

employee turnover at a medium extent. 45.8 percent of the respondents replied that social relations are the other factor which affects employee turnover at a higher extent; whereas, 27 percent of the respondents confirmed that social relation affect employee turnover at a lower extent. The rest 27.1 percent of the respondents said that social relation affects employee turnover at a medium extent. Furthermore, the mean statistics of 3.24 suggests that the social relation affect employee turnover at a medium extent. The last but not the least variable that affects employee turnover was working environment. In this regard, more than 87 percent of the respondents confirmed that working environment affect employee turnover at a higher extent; however, 8.3 percent of the respondents replied that working environment affect employee turnover at a lower extent, and the rest 4.7 percent affect employee turnover at a medium extent. Apparently, 4.24 was the mean score of the working environment, this puts working environment the third dominant factor that affects employee turnover.

Generally, the mean score of the factors that affect employee turnover rate implies that pay, benefit and working environment are the most dominant factors of employee turnover whereas quality of supervision is the least factor that affects employee turnover. So this indicates that the respondents perceive that pay, benefit and working environment are affecting the turnover rate of the organization as major factors.

4.4. Causes of Employee Turnover in GIC

This sub-section of chapter four deals basically about the causes of employee turnover at GIC; accordingly, seven plausible causes were identified from literature, Payment, Benefit, Promotion, Job Satisfaction, Job Scope, Work Environment and Social/employee Relations and Quality of leadership and Supervision. Furthermore, for likert scale data from 1 (Strongly Disagree) to 5 (Strongly Agree) if the sample is approximately normally distributed the interpretation should be for mean up to 2.8 is “Disagree”, mean between 2.9 and 3.2 is “Neutral”, and mean above 3.2 is “Agree” (Osilon, 2004). Therefore, the decision of the each variable statistics is done based on these criteria’s. Each of the causes is discussed below in detail;

4.4.1. Payment of Employees

Table 4.4 employee perception towards pay system

Payment	Scale					Mean
	1	2	3	4	5	
I am Satisfied with current salary	51.8	15.3	12.9	11.8	8.2	2.09
I am paid according to my work experience	51.8	11.8	14.1	14.1	8.2	2.15
My salary is equivalent to the service I rendered	52.9	21.2	15.3	0	10.6	1.94
My pay makes me to feel secure	50.6	18.8	17.6	4.7	8.2	2.01
Grand mean	51.77	16.77	14.97	7.65	8.8	2.04
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Payments of an employee are the most critical factors in literature, accordingly, around 66 percent of the respondents replied that they strongly dissatisfied with the current salary they are getting; on the other hand, close to 20 percent of the respondents were satisfied with their current salary. Furthermore, 64.6 percent of the respondents also didn't feel they are paid according to their work experience, conversely, 22.3 percent of the respondents agreed that they are paid in line with their experience, whereas the rest 14.1 percent of the respondents neither agree nor disagree with regard to payment and work experience. In addition to these, 74.1 percent of the respondents also said that the company didn't pay them in equivalent to their service contribution, whereas around 10.6 percent of the respondents replied that GIC is paying them equivalent to their service render. Furthermore, concerning payment, the aggregate statistics show that 51.77 percent of the respondents strongly disagreed with the fairness of the company's current payment system, 16.77 percent of them disagree with its fairness, 14.97 percent of them neither agree nor disagree and the rest 7.65 and 8.8 percent of the respondents agreed and strongly agree with the fairness of the current payment system of the GIC. Apparently, the mean statistics of payment was 2.0, which exactly approaches to disagree level. As shown above the implication of the mean statics is employees are strongly dissatisfied with the current payment system of the organization. From the results of the study it can be concluded that the organization is not paying salary based on work experience and service rendered. So the employees are dissatisfied with the payment system of the company which makes them to have an intention to leave the organization.

4.4.2. Benefit Offered For Employees

Table 4.5 Employees' perception towards employees benefit

Benefit	1	2	3	4	5	Mean
I am satisfied with the benefit I receive	22.4	51.8	4.7	10.6	10.6	2.35
Benefit provided by GIC is better than other insurance companies	41.2	37.6	12.9	7.1	1.2	1.89
GIC provide benefit as most other insurance companies offer	47.1	25.9	14.1	12.9	0	1.93
The benefit package of employees have is equitable	36.5	40	8.2	11.8	3.5	2.06
Grand mean	36.8	38.82	9.97	10.6	3.82	2.05
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Apart from main salary payment, additional benefits are common in most organizations such as transportation allowance, health insurance, housing allowance. In line with this, the above table shows that the majority (74.2%) of the employee respondents was not satisfied with the benefit they are receiving from the organization; on the other hand, close to 22 percent of the respondents were satisfied with the benefit they are receiving currently. Furthermore, compared to other insurance companies the benefit provided by GIC is far better, this was confirmed by only 8.3 percent of the respondents; whereas, a majority of the respondents 83 percent of them were confirmed that the benefits provided by their organization are not better than other similar organizations. Even far, those 83 percent of the respondents confirmed that GIC didn't provide a benefit package where others are providing. The aggregate statistics of benefit shows that, 36.8 percent of the respondents replied that the benefit package of the organization was not very good, 38.82 percent of the respondents replied the benefit package was not good, 9.97 percent of the respondents were neither agree nor disagree, 10.6 percent of the employees agreed that the benefit package of GIC was good, and the rest 3.82 percent of the employees were strongly agreed that the benefit package of the organization was very good. Moreover, the aggregate mean statistics result was 2.05, which was equivalent to disagree level; the implication of the aggregate mean statistics is employees of GIC were not satisfied well with the benefit policy of the organization. Benefit provided by the organization make the employees to be dissatisfied and it is not compatible with other similar organization these can lead employees to leave the organization if they get better opportunity.

4.4.3. Promotion at GIC

Promotion is one of the factors that could motivate employees for more productivity; in considering this thought the researcher asks about the promotion policy and the practice of GIC.

Table 4.6 Employee's perception towards promotion

Promotion	1	2	3	4	5	Mean
I am satisfied with promotional activities in GIC	56.5	12.9	20	10.6	0	1.85
Promotion in GIC is based on performance result	49.4	12.9	22.4	15.3	0	2.04
The chance for promotion in GIC is fair	50.6	15.3	22.4	11.8	0	1.95
efforts are rewarded the way they should be	51.8	12.9	27.1	8.2	0	1.92
Grand mean	52.07	13.5	22.97	11.47	0	1.94
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

As we can see from the above table more than 69 percent of the respondents were not satisfied with the promotional activities of the organization; whereas, 10.6 percent of them were satisfied with promotional activities of the organization. The rest 20 percent of the respondents neither agree nor disagree with the current promotional activities of the organization. 62.3 percent of the respondents also confirmed that promotions that made in the organization was not performance based; however, 15.3 percent of the employees were replied and agreed at a lower extent that promotion was made based on performance result. 22.4 percent of the respondents neither agree nor disagree concerning performance-based promotion. In addition to these, 65.9 percent of the respondents also mentioned that the chance given to employees for promotion was not fair, although, 11.8 percent of the respondents confirmed that promotion chance is fair; in referring to this 22.4 percent of the respondents neither agreed nor disagree. Respondents were also asked about effort and reward, in line with this, 64.7 percent of the respondents argues that in the organization efforts were not rewarded based on the way they should be; conversely, 8.2 percent of the respondents confirmed that in GIC efforts are rewarded in a way they should be. Looking into the summary statistics of promotion, 52.07 percent of the respondents replied with a higher extent that promotion was not done fairly, 13.5 percent of them agreed with a lower extent that promotion is done fairly, 22.97 percent of the respondents neither agree nor disagree concerning overall promotional activities and the rest 11.47 percent of the respondents agree at a lower extent that promotion is done fairly in GIC. Furthermore, the grand mean statistics of promotion

was 1.94; the mean statistics fall even above strongly disagree and below disagree; one can understand from the results of aggregate mean statistics the overall promotional activities of GIC was not fair. The result of the study shows that the promotion trend of the organization is not based on the performance of the employees so the employees are dissatisfied by the promotional activity of the organization. When an employee loses satisfaction on their jobs, it can lead to turnover.

4.4.4. Job Satisfaction of Employees

Literally one can understand that if employees are dissatisfied it has an implication on the overall productivity of those employees in one way or the other. Accordingly, here the researcher tries to capture the feelings of the employees.

Table 4.7 Employee’s job satisfaction at GIC

Job Satisfaction	1	2	3	4	5	Mean
I am satisfied with my current Job	34.1	22.4	7.1	22.4	14.1	2.60
I feel sense of pride in doing my job	31.8	17.6	10.6	28.2	11.8	2.71
I am enjoying doing my job	31.8	16.5	11.8	25.9	14.1	2.74
Grand mean	32.56	18.83	9.83	25.5	13.33	2.68
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Looking into the above table more than 56 percent of the respondents were not satisfied with their current job; whereas, 36.5 percent of the respondents felt satisfied with their current job. The rest 7.1 percent of the respondents neither agreed nor disagreed with regard to current job satisfaction. Respondents were also asked if they feel a sense of pride in doing their job; accordingly, 49.4 percent of the respondents didn’t feel a sense of pride with what they are doing in GIC; on the other hand, 30 percent of the respondents feel a sense of pride working in GIC. The rest 10.6 percent of the respondents have no idea about anything about a sense of pride. Furthermore, 48.3 percent of the respondents didn’t enjoy their job; although, around 37.7 percent of the respondents were enjoying their job doing. The rest 11.8 percent of the respondents neither agree nor disagree with regard to enjoying while doing their job. The overall aggregate statistics of job satisfaction shows that, 32.56 percent of the respondents were not satisfied with their current job at higher extent, 18.83 percent of the respondents were not

satisfied with their current job with a lower extent, 9.83 percent of the respondents didn't agree or disagree at any extent and the rest 25.5 and 13.33 percent of the respondents were satisfied at lower and higher extent respectively. Apart from these, the aggregate mean statistics of job satisfaction was 2.68. The results of the mean statistics fall between disagree and neutral level; however, in most cases if the result is below 2.8 it considered as disagree; the results of the means statistics implies that almost the majority of the employees working in GIC were not happy with their current job and they are dissatisfied with their current job. So the employees dissatisfaction on their job leads to turnover. Dissatisfied employees will not stay in that organization if they get opportunity in other organization.

4.4.5. Job Scope

Table 4.8 Employees perception about job scope

Job Scope	1	2	3	4	5	Mean
Work Rules & procedures are clearly defined	36.5	20	30.6	12.9	0	2.2
Duties and responsibilities are clearly defined	35.3	20	28.2	16.5	0	2.26
The workload is divided equally among all members	45.9	32.9	15.3	5.9	0	1.81
The amount of workload in my current job is reasonable	40	34.1	9.4	16.5	0	2.02
I am assigned according to my specialty	18.8	9.4	10.6	50.6	10.6	3.25
Grand mean	35.3	23.28	18.82	20.48	2.12	2.308
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

In any organization for more productivity of employees the duties and responsibilities of employees should be clearly defined in every aspect. Accordingly, 56.20 percent of the respondents replied that in GIC work rules and procedures were not clearly defined; whereas, 12.9 percent of them replied that the rules and procedures of works are clearly defined. Concerning work rules and procedures 30.6 percent of the respondents, neither agreed nor disagreed. Apparently, more than 55 percent of the respondents confirmed that employees' duties and responsibilities were not defined clearly; on the other hand, 16.5 percent of the respondents agree with a lower extent that employee's duties and responsibilities are defined clearly; however, 28.2 percent of the respondents were not sure about this thing. More than 74 percent of the respondents replied that work is not divided equally among all members as well as the

workload in their current job is not reasonable. Furthermore, employee respondents were also asked whether they assigned according to their specialty; in referring to this, more than 60 percent of the respondents confirmed that employees are assigned based on their specialty; conversely, 28.2 percent of the respondents replied that employees didn't assign based on their field of specialization. The aggregate summary statistics of job scope shows that 35.3 percent of the respondents replied at a greater extent that job scope was not well defined, 23.28 percent of the respondents replied at a lower extent that job scope was not defined, 18.82 percent of the respondents not sure about job scope and the rest 20.48 and 2.12 percent of the respondents were agreed at a lower and the higher extent that job scope is defined well in GIC respectively. Furthermore, the aggregate mean statistics of job scope was 2.3; the results of the aggregate mean fall between disagreeing and neutral level, but majorly approaches to disagree level. The results of the aggregate mean statistics suggest that in GIC job scope was not well defined. Generally the employees are not satisfied with their job scope and the result indicates that it is not clearly defined these can make the employees to have an intention to leave the organization.

4.4.6. Quality of Leadership and Supervision

Table 4.9 Leadership quality and supervision at GIC

Quality of leadership and Supervision	1	2	3	4	5	Mean
I am getting enough supervision by my boss	27.1	11.8	14.1	36.5	10.6	2.94
My supervisor is quite competent in doing his job	25.9	11.8	21.2	31.8	9.4	2.87
It is easy for me to talk with my immediate supervisor about my job related problem & get a solution	31.8	15.3	17.6	29.4	5.9	2.62
My supervisor is always ready to provide assistant for me	35.3	9.4	15.3	29.4	10.6	2.71
Grand mean	30.0	12.07	17.05	31.77	9.12	2.78
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Quality of leadership and supervision a critical factor to retain employees in any organization; in considering this, the above table shows that 47.1 percent of the respondents were replied that in their organization they work under enough supervision by their bosses; whereas, 38.9 percent of the respondents confirmed that employees didn't get enough supervision by their bosses. The rest 14.1 percent of the respondents neither agree nor disagree with regard to bosses' supervision. 41.2 percent of the respondents also said that in GIC supervisors are quite competent and doing their jobs; on the other hand, 47.1 percent of the respondents confirmed that supervisors are not

quite enough competent in doing their job. In this regard, 21.2 percent of the respondents are not sure about this thing. 35.3 percent of the respondents replied that employees can easily talk with their immediate supervisor about their job-related problems & get a solution; on the other hand, 47.1 percent of the respondents said that they didn't communicate easily with their supervisor about the problem and solution of jobs. With regard to this 17.6 percent of the respondents neither agrees nor disagrees. Apart from these, more than 40 percent of the respondents replied that their supervisors are always ready to provide assistance for them; on the other hand, 44.7 percent of the employee respondents confirmed that supervisors were not always ready to provide assistant for them. The rest 15.3 percent of the respondents were not sure about whether supervisors provide assistance or not. Moreover, the aggregate summary in the table below shows that, 9.12 percent of the respondents agreed at a greater extent that there is a good quality of supervision, 31.77 percent of the respondents agreed at a lower extent that quality of leadership and supervision are there in the organization, 15.3 percent of the respondents neither agree nor disagree with regard to the quality of leadership and supervision, the rest 9.4 and 35.3 percent of the respondents disagree and strongly disagree with the existence of quality leadership and supervision. Apart from these the aggregate mean score of quality of leadership and supervision was 2.78; the results of means score lies between disagreeing and neutral level; however, as in most literature argues a mean result below 2.8 considered as disagree level; and hence, the results of the aggregate mean implies employees at GIC were dissatisfied with a lower extent with the current leadership and supervision quality. The result shows that the current leadership and supervision quality of the organization makes the employees to be dissatisfied in their job which can finally lead them to leave their job if they got job offers.

4.4.7. Work Environment and Social/Employee Relations

Table 4.10 Employee's perception towards work environment

Work Environment and Social/employee Relations	1	2	3	4	5	Mean
I like the people I work with	3.5	4.7	10.6	50.6	30.6	4.00
There is a good relationship with co-workers	5.9	2.4	1.2	58.8	31.8	4.08
Communication in GIC is good	2.4	15.3	10.6	45.9	25.9	3.78
There is a good working environment in GIC	40	22.4	10.6	22.4	4.7	2.29
My working area are relaxed and have productive atmosphere	28.2	35.3	14.1	17.6	4.7	2.35
There is good work relation both vertically and horizontally	32.9	22.4	30.6	14.1	0	2.26
My working area is comfortable to work	15.3	20	24.7	40	0	2.89
My working area is safe and secure	23.5	20	17.6	28.2	10.6	2.82
Grand mean	18.96	17.81	15	34.7	13.53	3.05
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Good working environment and employee relation is the most important factor that can contribute significantly to employee's productivity as well as organizational performance. In line with this, more than 80 percent of the respondents replied that there is a good relationship between workers and employees like each other. On the other hand, around 7 percent of the respondents didn't agree that employees had a good relationship with each other. 62.4 percent of the respondents argue that a good working environment does not exist in the organization; however, 27.1 percent of the respondents believed that there is good working the environment in the organization; concerning good working environment 10.6 percent of the respondents neither agree nor disagree. Furthermore, 63.5 percent of the respondents said that the organization working area is not relaxed and had not productive atmosphere; on the other hand, 22.3 percent of the respondents confirmed that in GIC there is relaxed working area and productive atmospheres. The rest 14.1 percent of the respondents neither agreed nor disagreed with regard to the relaxed working area.

There are also good work relationships both vertically and horizontally, this was confirmed by 14.1 percent of the respondents, however, 55.3 percent of the respondents were replied that currently in GIC there are no good work relationships both vertically and horizontally. Apart

from these, more than 35 percent of the respondents replied that the working area of GIC is not comfortable, safe and secure; conversely, more than 39 percent of the respondents replied that the working area of GIC is comfortable safe and secure; however, 17.6 percent of the respondents neither agree nor disagree with regard to the working area. The summary which incorporates the individual item analysis suggests that 18.96 percent of the respondents strongly disagree with the existence of a good working environment and employee relation, 17.81 percent of the respondents disagree with the statement that says there is good working environment, 15 percent of the respondents neither disagree nor agree with regard to the working environment, and the rest 34.7 and 13.53 percent of the respondents agreed at a lower and greater extent that there is good working environment and employee relation. Moreover, the working environment and employee relation had a grand mean score of 3.05 where it lies at a neutral level.

4.5. Employee Turnover Intentions

Under this section the intention of turnover would be discussed;

Table 4.11 Employee’s turnover intention

Turnover Intentions	1	2	3	4	5	Mean
I am looking for a new job currently	12.9	2.4	25.9	28.2	30.6	3.61
I have an intention to leave on the next 6 months	8.2	2.4	54.1	15.3	20	3.36
I will probably look for a new job after a year	8.2	9.4	44.7	17.6	20	3.32
Grand mean	9.76	4.73	41.56	20.36	23.53	3.43
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree						

Source: - Own survey- SPSS result, 2019

Accordingly, as we can see from the above table 58.8 percent of the respondents are looking for a new job currently, while 15.3 percent of the respondents not. The rest 25.9 percent of the respondents neither agree nor disagree with regard to the current situation of new job looking. Additionally, 35.3 percent of the respondents are intended to leave the organization within the next six months; on the other hand, 10.6 percent of the respondents didn’t have any intention to leave on the next six months. Apparently, the majority (54.1%) of the respondents neither agreed nor disagreed with regard to intention to leave within six months. Apart from these, 37.6 percent of the respondents might look a new job after a year, while 17.6 percent of them not. The rest 44.7 percent of the respondents neither agree nor disagree. The results of turnover analysis implied that although some employees are comfortably working in the organization however,

surely speaking majority of the employees of the organization are intended to leave the organization within short period of time; if not within short period of time they probably leave with a minimum benefit change which could be compensated by the organization; therefore, the organization should consider the situation in order to minimize the turnover at least with a minimum extent.

4.6. Correlation Analysis: Turnover Intention Vs Anticipated Causes

The correlation analysis is done in order to see if there is any association between intention to leave the organization and the anticipated cause of employee turnover intention.

Table 4.12 Description of correlation analysis between turnover and anticipated causes of turnover

No.	Item		
1	Payment	Pearson Correlation	-.791**
		Sig. (2-tailed)	.000
		N	85
2	Benefit	Pearson Correlation	-.176*
		Sig. (2-tailed)	.008
		N	85
3	Promotion	Pearson Correlation	-.253*
		Sig. (2-tailed)	.019
		N	85
4	Job Satisfaction	Pearson Correlation	-.172**
		Sig. (2-tailed)	.000
		N	85
5	Job Scope	Pearson Correlation	.094
		Sig. (2-tailed)	.394
		N	85
6	Quality of leadership and Supervision	Pearson Correlation	.035
		Sig. (2-tailed)	.751
		N	85
7	Work Environment and Social/employee Relations	Pearson Correlation	-.073*
		Sig. (2-tailed)	.004
		N	85
		*. Correlation is significant at the 0.05 level (2-tailed).	
		**. Correlation is significant at the 0.01 level (2-tailed).	

Source: - Own survey- SPSS result, 2019

As shown on the above table Item 1 was payment, payment of employees had strong, negative and significant ($r = -.791^{**}$ $p < 0.001$) association with employee turnover. It indicates that

payment strongly affects the turnover intention of employees. Employees dissatisfied by the payment of the organization can easily leave GIC if they get a job offer with some salary difference. The analysis further shows that there was weak, negative and significant ($r = -.176^* p < 0.05$) association between employee benefit and employee turnover. The benefit offered by GIC makes the employees to be dissatisfied in their job. Benefit has an impact on the turnover intention of the employees. As shown on item 3 there was also moderate, negative and significant ($r = -.253^* P < 0.05$) association between employee job promotion and employee turnover. The result of the study indicates that promotion procedure of GIC has a significant relation with turnover. The employees have intent to leave the organization because of dissatisfaction by the promotion procedure GIC. Furthermore, job satisfaction and employee turnover show negative and significant ($r = -.172^* P < 0.001$) association. Dissatisfaction has a significant relationship with the turnover intention of an employee. Dissatisfied employee can leave the organization anytime he gets a little offer. The correlation analysis further shows that there was a negative and significant association between employee turnover and work environment and employee relations ($r = -.073^* P < 0.04$). Working environment of GIC has a significant association with the turnover intention of the employees. Bad working environment will lead the employees to leave the organization. However, the analysis didn't show a significant association of employee turnover with job scope and quality of leadership and supervision.

4.7. Perception of Ex-employees Towards Causes of Turnover

Table 4.13 Ex-employees perception towards turnover at GIC

Items	Scale				
	1	2	3	4	5
You left GIC because you felt that you were not paid fair salary	6.3	0	43.8	6.3	43.8
You left GIC you were not getting fair benefits when compared to other company benefits	18.8	0	50	12.5	18.8
You left GIC because you did not get the position you deserve	6.3	0	31.3	0	62.5
You left GIC because there was no good relationship between managers & employees	0	0	25	0	75
You left GIC because the salary you were paid was very low when compared with others doing similar works in other organization.	6.3	0	43.8	6.3	43.8
Benefit package in GIC was fair	62.5	6.3	6.3	25	0
You left GIC because of Promotion issues and transfer procedure	6.3	0	18.8	12.5	62.5
The promotion procedure of GIC was fair	75	12.5	6.3	0	6.3
You left GIC because you lost satisfaction in your job	12.5	6.3	18.8	6.3	56.3
You left GIC because of the workload	12.5	6.3	68.8	6.3	6.3
In GIC there was enough skilled man power for a specific job	12.5	25	12.5	50	0
The social relation in GIC was good	0	0	0	31.3	68.8
You left GIC because of lack of enough supervision and guidance by my supervisor	31.3	0	56.3	6.3	6.3
Working environment in GIC had an impact on your resignation	6.3	0	12.5	0	81.3
In GIC there was a good working environment	75	0	12.5	6.3	6.3
You left GIC because of gender issues	50	0	43.8	0	6.3
You left GIC because of job insecurity	6.3	0	25	0	68.8
You left GIC because of other personal reason	37.5	0	50	0	12.5
You left GIC because you get a better offer in other organization	18.8	0	56.3	0	25
Employees in GIC were treated fairly	87.5	0	0	0	12.5
The management is willing to fix problems in GIC	93.8	0	0	6.3	0
1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree					

Source: - Own survey- SPSS result, 2019

In the pursuit of assessing the attitudes and cause of turnover of former employees of GIC the researcher employs convenience sampling to select the sample respondents, meaning that the samples have been selected from the target population on the basis of their accessibility or convenience to the researcher in any place. Accordingly, data were collected from 16

conveniently accessible respondents where 9 of them were female and the rest 6 were males. Apparently, 4 of the respondents have been work in GIC for 1 to 3 years, 3 of them have been work 3 to 6 years, 5 of them have been work for 6 to 10 years and the rest 4 ex-employees have been work in GIC for more than 10 years. The combination of experience of ex-employees might help the researcher to dig more about the problems since they have matured experience in GIC.

The attitudes of ex-employees were also measured using a likert scale; accordingly, with regard to pay and benefit, around 50 percent of the respondents leave the organization due to unfair salary payment; however, with regard to pay 43.8 percent of the respondents neither agree nor disagree. More than 60 percent of sample ex-employees confirmed that they left GIC due to the reason that they didn't get the position they deserve; whereas, 31.3 percent of the sampled ex-employees not quite sure about this thing, they neither agree nor disagree. 75 percent of the sampled ex-employees also mentioned that the other reason they left the organization was the payment/salary made by GIC compared to other similar organizations were very low; while 25 percent of the respondents neither agree nor disagree with regard to comparative payment. 68.8 percent of the respondents also confirm that the benefit package in GIC was not fair and this pushes them to resign from the organization; however, 25 percent of the sampled ex-employees concluded that the benefit package of GIC was fair.

Promotion and transfer procedure was the other factor that was also mentioned by current employees; accordingly, 75 percent of the sampled ex-employees confirmed that they left GIC because of unfair promotion and transfer procedures; whereas, 6.3 percent of the respondents disagree on this issue and the rest 18.8 percent of the sampled ex-employees neither agree nor disagree. Apart from this, more than 85 percent of the respondents confirmed that totally the promotion procedure were not fair. On the other round, 62.6 percent of the respondents resign due to the reason that they lost job satisfaction at GIC; however, close to 19 percent of them mentioned that they didn't resign from the organization due to job satisfaction. Ex-employee respondents were also asked about the availability of skilled manpower for a specific job; accordingly, half of the respondents agreed that there was enough skilled manpower at each position. Apart from these all of the respondents confirmed that at the time when they were an employee of GIC there was good social relationships between employees.

Working environment is currently challenging the organization as explained by current employees which were discussed in the previous sub-topic. With regard to this 81.3 percent of ex-employee sample respondents confirmed that the working environment that was in GIC impacted them to resign from the organization; while 12.5 percent of them not sure about this thing. Apparently, 75 percent of the respondents absolutely assured that there was not a good working environment at GIC. The other reason strongly mentioned that was job security, more than 68 percent of the respondents resign the organization because of job insecurity. Likewise, more than 87 percent of the respondents confirmed that when they were employees of GIC employees they were not treated fairly and management bodies were not willing to solve and fix employees problem.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

5.1. Summary of Major Findings

- The findings of the study revealed that most employees of GIC perceived that employee turnover in GIC was high due to low salary, poor working environment and poor performance of management bodies. Furthermore, equipped with qualified employees were the main strength of the organization; whereas, low effort to retain employees and nepotism was the main weakness of GIC.
- The research finding also shows that the majority of the employees don't want to stay in GIC if they got opportunity to work in other organization.
- Pay, benefit and work environment were also the anticipated factors of employee turnover generally. The analysis further revealed that payment, benefit and promotion was the first ranked reasons for turnover, secondly employee turnover were aggravated due to lack of job satisfaction, job scope, quality of supervision and working environments; due to those reasons the majority of the employees intended to leave the organization within a short period of time.
- The findings of the study further revealed that employee turnover had a significant association with payment, benefit, promotion, job satisfaction, and working environment.

5.2. Conclusion

The research was done to identify the causes of employee turnover at Global Insurance Company. As stated in the summary of major findings employee turnover in GIC is high due to low salary, low, poor working environment and poor performance of management bodies. As indicated by the respondents the main strength of GIC is having qualified employees whereas the main weakness is low effort to retain employees.

Employees of GIC are leaving because they are not satisfied with the salary of the organization. The salary scale of the organization is low when compared with other organizations within the industry.

Promotion and poor work environment are the other reason which pushes the employees to leave the organization. The findings of the study indicates that unfair promotional activity and poor work environment makes the employees to be dissatisfied by their job.

The study revealed that the turnover of the organization has a significant relationship payment, benefit, promotion, job satisfaction, and working environment.

5.3. Recommendation

On the basis of the result that has been established and conclusions drawn from the research, the researcher forwards the following recommendations:

- In order to address the problem and retain employees, GIC shall revise its current pay and benefit procedure after studying the current labor market in the industry.
- Promotion shall be based on the performance of the employees. So that the employees will be motivated for their job by keeping in their mind that if they work more they get more. Therefore, the human resource management of GIC shall revise its promotion procedure.
- The employees shall be given equal opportunity for promotion, for carrier development and there shall be a succession planning.
- The management should show its willingness to solve the problems which are raised by employees and make the employees feel belongingness before losing job satisfaction.
- In order to give quality supervision the organization shall prepare continuous training and development programs for enabling the employees to update them. Furthermore, the company shall facilitate free discussion programs and get-togethers to bring the subordinates and supervisors closer and create a friendly relationship.
- The management shall work a lot in creating a smooth and conducive working environment by creating a room for free communication with the employees. These will help the employees to openly communicate what they feel and enable the management of the organization to identify the problems and find an early solution before the problem is complicated.

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APPENDICES
APPENDIX A
St. Mary's University
School of Graduate Studies
MBA Program

Questionnaire to be filled by current GIC Employees

Dear respondents, I am a post graduate student of St. Mary's university and I am conducting a research entitled "*causes of employee turnover in GIC*" as a partial fulfillment of post graduate program. The objective of this questionnaire is to collect data from GIC employees who will help me in identifying and evaluating the real causes of employee turnover in GIC. So you are invited to give a response to this Questionnaire. The study is undertaken for academic purpose only and I assure you that your responses are held strictly confidential. Information which could reveal your identity will neither be used in the data reporting nor shared for other third party. Therefore, your genuine, honest and prompt response is valuable input for the quality and successful completion of the thesis.

Instruction

1. Please answer by putting a tick (√) mark inside the given box.
2. For open ended questions please write your answer on the given space.

N.B: please don't write your name.

Thank you for your cooperation!

Part I. Demographic profile of respondents

1. Sex Male Female
2. Age

18-25 31-40 51 & over
26-30 41-50

3. Marital status

Single Married Divorced Widowed

4. Educational level

Below grade 10 Certificate Degree

High school complete Diploma MA/MSc & above

5. How long did you work in GIC?

Less than a Year 3-6 year More than 10 years

1-3 Year 6-10 Year

Part II. General Questions

6. How do you rate employees' turnover in GIC?

Very low Medium Very High

Low High

7. If your answer for question no. 6 is high or very high what do you think are the basic reasons?

8. If you get another job opportunity in other organization, do you want to stay in GIC?

Yes No

9. What do you think is the basic strength and weakness of the Human resource management of GIC?

Part III. Based on your own observation to what extent do the below listed Variables affect the current turnover rate of GIC?

1= don't affect at all 2= affect at minimum level 3=affect at medium level 4= affects strongly 5= Affects very strongly

No.	Factors	1	2	3	4	5
1	Pay					
2	Benefits					
3	Opportunity for advancement					
4	Job satisfaction					
5	Job scope					
6	Quality of supervision					
7	Social relations					
8	Work environment					

Part IV. Causes of Employee Turnover

1 = Strongly Disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree

No.	Item	Scale				
	Payment	1	2	3	4	5
1	I am Satisfied with current salary					
2	I am paid according to my work experience					
3	My salary is equivalent to the service I rendered					
4	My pay makes me to feel secure					
	Benefit					
5	I am satisfied with the benefit I receive					
6	Benefit provided by GIC is better than other insurance companies					
7	GIC provide benefit as most other insurance companies offer					
8	The benefit package of employees have is equitable					
	Promotion					
9	I am satisfied with promotional activities in GIC					
10	Promotion in GIC is based on performance result					
11	The chance for promotion in GIC is fair					
12	efforts are rewarded the way they should be					

	Job Satisfaction					
13	I am satisfied with my current Job					
14	I feel sense of pride in doing my job					
15	I am enjoying doing my job					
	Job Scope					
16	Work Rules & procedures are clearly defined					
17	Duties and responsibilities are clearly defined					
18	The workload is divided equally among all members					
19	The amount of workload in my current job is reasonable					
20	I am assigned according to my specialty					
	Quality of leadership and Supervision					
21	I am getting enough supervision by my boss					
22	My supervisor is quite competent in doing his job					
23	It is easy for me to talk with my immediate supervisor about my job related problem & get a solution					
24	My supervisor is always ready to provide assistant for me					
	Work Environment and Social/employee Relations					
25	I like the people I work with					
26	There is a good relationship with co-workers					
27	Communication in GIC is good					
28	There is a good working environment in GIC					
29	My working area are relaxed and have productive atmosphere					
30	There is good work relation both vertically and horizontally					
31	My working area is comfortable to work					
32	My working area is safe and secure					
	Turnover Intentions					
33	I am looking for a new job currently					
34	I have an intention to leave on the next 6 months					
35	I will probably look for a new job after a year					

APPENDIX B

St. Mary's University

School Of Graduate Studies

MBA Program

Questionnaire to be filled by Ex- employees of GIC

Dear respondents, I am a post graduate student of St. Mary's university and I am conducting a research entitled "*causes of employee turnover in GIC*" as a partial fulfillment of post graduate program. The objective of this questionnaire is to collect data from Ex-employees of GIC which will help me in identifying and evaluating the real causes of employee turnover in GIC.

So you are invited to give a response to this Questionnaire. The study is undertaken for academic purpose only and I assure you that your responses are held strictly confidential. Information which could reveal your identity will neither be used in the data reporting nor shared for other third party. Therefore, your genuine, honest and prompt response is valuable input for the quality and successful completion of the thesis.

Instruction

1. Please answer by putting a tick (√) mark inside the given box.
2. For open ended questions please write your answer on the given space.

N.B please don't write your name.

Thank you for your cooperation!

Part I. Demographic profile of respondents

1. Gender Male Female
2. Age
- 18-25 31-40 51 & over
- 26-30 41-50
3. Marital status
- Single Married Divorced Widowed
4. Educational level
- Below grade 10 Certificate Degree
- High school complete Diploma MA/MSc & above
5. How long did you work in GIC?
- Less than a Year 3-6 year More than 10 years
- 1-3 Year 6-10 Year

Part II. Over all opinion of the ex-employees about turnover

1 = Strongly disagree 2 = Disagree 3= Neutral 4= Agree 5= Strongly Agree

No.	Item	Scale				
		1	2	3	4	5
1	You left GIC because you felt that you were not paid fair salary					
2	You left GIC because the salary you were paid was very low when compared with others doing similar works in other organization.					
4	You left GIC you were not getting fair benefits when compared to other company benefits					
5	Benefit package in GIC was fair					
6	You left GIC because of Promotion issues and transfer procedure					
7	You left GIC because you did not get the position you deserve					
8	The promotion procedure of GIC was fair					
9	You left GIC because you lost satisfaction in your job					
10	You left GIC because of the workload					
11	In GIC there was enough skilled man power for a specific job					
12	The social relation in GIC was good					
13	You left GIC because of lack of enough supervision and guidance by my supervisor					
14	You left GIC because there was no good relationship between managers & employees					
15	Working environment in GIC had an impact on your resignation					
16	In GIC there was a good working environment					
17	You left GIC because of gender issues					
18	You left GIC because of job insecurity					
19	You left GIC because of other personal reason					
20	You left GIC because you get a better offer in other organization					
21	Employees in GIC were treated fairly					
22	The management is willing to fix problems in GIC					

Part III. Open ended questions

1. If there is any other reason that leads you to leave the organization please list them.

2. What do you think is the basic strength and weakness of the Human resource management of GIC?

APPENDIX C

Interview Questions

1. How do you see the status of turnover in GIC?
2. What do you think are the causes of employee turnover at GIC?
3. Does your company make assessment to see the feeling of employees periodically?
4. Does your company make some effort to retain employees?
5. Does your company have employee pay, benefit and promotion policy?

DECLARATION

I, the under signed, declare that this thesis is my original work, prepared under the guidance of Mesfen Tesfaye (PhD). All sources of material used while working on this thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any type of degree.

INTISAR SELHADIN

Name

Signature

St. Mary's University, Addis Ababa

June, 2019

ENDORSEMENT

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

Advisor

St. Mary's University, Addis Ababa

Signature

June, 2019