

**ADDIS ABABA UNIVERSITY COLLEGE OF BUSINESS AND
ECONOMICS**

SCHOOL OF COMMERCE



**FACTORS AFFECTING EMPLOYEES TURN OVER INTENION IN
ETHIOPIAN FOOD, MEDICINE AND HEALTH CARE ADMINISTRATION
AND CONTROL AUTHORITY (FMHCACA)**

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MASTER OF ARTS DEGREE IN HUMAN RESOURCE MANAGEMENT**

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Factors Affecting Employees Turnover:

The Case of Ethiopian Food, Medicine, & Health Care Administration, & Control
Authority (FMHCACA)

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DECLARATION

I, the undersigned, declare that this study is my original work and has not been presented in any universities, and that all the sources of materials used for the study have been dully acknowledged.

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CERTIFICATION

This is to certify that Ashenafi Woldu Amare has completed his thesis entitled “Factors Affecting Employees Turnover: The Case of Ethiopian Food, Medicine & Health Care Administration, & Control Authority (FMHCACA)”, under my guidance in Partial Fulfillment for the Degree of Master of Art in Human Resources Management. In my view, the work is an original effort of the candidate and all materials used for the thesis have been dully acknowledged.

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Lists of Acronyms

CI: Confidence Interval

FMHCACA: Ethiopian Food, Medicine, & Health Care Administration, & Control Authority

HR: Human Resource

HRM: Humane Resource Management

QWL: Quality of Work –life Balance

WLB: Work-life Balance

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Abstract

The main objective of the study was to identify factors affecting employees' turnover in the Ethiopian Food, Medicine, Health Care & Administration & Control Authority (FMHCACA). The researcher used explanatory design/method using stratified sampling to collect data in order to achieve the stated objective. In order to achieve this objective, the study employed both primary and secondary data sources. The primary data were collected by using questionnaires distributed to 182 sample respondents from a target population of 333 staff working in Addis Ababa head quarter. Data analysis was conducted using Statistical Package for Social Science (SPSS Window) Version 23. The tests involved are means and standard deviations, Pearson correlation Coefficient, one-way ANOVA & multiple regressions. Using Cronbach's alpha coefficient, reliability was calculated to be 0.752. The correlation analysis showed that there is a negative and inversely relationship or correlation between factors or variables (job satisfaction, organization & work environment, salary & reward, and organizational commitment) and turnover intention. Perceived work life balance has no relationship on turnover intention. From the multiple regression analysis, it was observed that job satisfaction, salary and reward, and organizational commitment variables have significant impact on turnover intention. On the other hand, organization & work environment, & perceived work-life balance have relatively not significant impact on employees' turnover intention. From the R square value, it is shown that 16.8% of variation in turnover intention is explained by factors of turnover. This calls for the new initiative by the organization to come up with good retention strategy and redesign HRM policies that will achieve positive behavioral & performance outcomes.

Keywords: Employee Turnover, Turnover intention, FMHCACA, Professional, Managers & Supervisors, and Support staff.

CHAPTER ONE

1.1. Background of the Study

Employee turnover is a major field in the study of human resource management (Zhang, 2016). The term “turnover” is defined by (Price, 1977) as quoted by (Mwilu2016, 1), “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 that period”. Frequently, managers refer to turnover as the entire process associated with filling a vacancy. Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained (Mwilu, 2016)

Numerous researches have been conducted on the subject in a quest to demystify the factors that contribute to that turnover. According to Sullivan et al (2003), & Avey et al (2010) employees career prospects are built on the precept of securing a promotion, obtaining career development experiences, career growth opportunities, career coaching and mentoring. Zuber (2001) argues that employees are more likely to stay with an organization if their career growth prospects are guaranteed, and if they feel satisfied working with the organization. However, if career development opportunities are scanty or not equally available, employees tend to leave the organization for greener pastures where their career objectives can be met.

Organizations invest a lot on their employees in terms of induction, training, developing, maintaining and retaining them in their organization. Therefore, management tries to minimize employee’s turnover. Although, there is no standard framework for understanding the employees turnover process as whole, a wide range of factors have been found useful in interpreting employee turnover (Pawar & Chakravarthy, 2014).

Therefore, there is need to develop a fuller understanding of the employee turnover, more especially, the sources or determinants of employee turnover, effects and strategies that managers can put in place minimize turnover. With the globalization which is heightening competition, organizations must continue to develop tangible products and services which are based on strategies created by employees (ibid).

These employees are extremely crucial to the organization since their value to the organization is essentially intangible and not easily replicated. Therefore, managers must recognize that employees as major contributors to the efficient achievement of the organization's success. Managers should control employee turnover for the benefit of the organization success (Pawar & Chakravarthy, 2014).

Why employees leave their organizations or companies has been a topic of interest to both researchers and managers. There is no doubt that turnover is costly; thus, it is important to understand what leads to such a phenomenon. Organizations must be aware of the factors affecting employees' turnover. Is it job satisfaction? Is it the lack of organizational commitment? Is it the lack of salary and reward? Is it the lack of work life balance? Is it lack of organizational work environment? (Alkahtani, 2015)

In the current economic scenario, more and more company owners and managers recognize that they must not only have a winning business model, but they also need to have loyal employees for controlling business expenses in hiring and training new staff in order to increase profits (Song, 2016).

According to Abbasi & Hollman (2000) employees are the major contribution to the efficient achievement of the organization's success. In retail business, salespersons play an important role for daily operational success; they have direct contact with customers; deliver a great quantity of customer transactions a day at the same time maintain fast and high-quality service. Despite these efforts, if many good staff quit, the impact is significantly negative to the firm. (Boles et al. 2007)

Boshoff & Allen (2000) pointed out that the company that is unable to understand the customer's needs and wants result in losing dissatisfied customers and also lack of competition. For many companies, the work of hiring and training new staff takes a lot of effort on time, money, knowledge etc. and the work of keeping good staff is even more difficult.

The Ethiopian Food, Medicine, Health Care & administration. & control Authority (FMHCACA) was established as per the proc. No.661/ 2002E.C & regulation no 189/2002 E.C but it was under the Federal Ministry of Health acting as a medicine, food and health care department. It is a

governmental organization. The objectives of the Authority is to protect the health of consumers by ensuring food safety & quality; the safety, efficacy, quality, and proper use of medicine; competency & ethics of health professionals and the hygiene & environmental health protection suitability for individual & community health.

The Authority has employed 562 permanent employees at its head office and its branches. The head office is found at Addis Ababa, Bole road, the branches are located at Jimma, Hawassa, Mekelle, Kombolcha, Bahir dar and Dire Dawa ([http:// www.FMHCACA.org](http://www.FMHCACA.org)).

There is a problem in FMHCACA in recent years on the employee turnover; there are generally more frequent flows of human resources.

The study investigated the status employee turnover like job satisfaction, organization & work environment, salary & reward, organizational commitment and work-life balance factors that have an impact on turnover intention of employees in FMHACA.

1.2. Statement of the problem

The growth and success of any organization depends very much on its employees. Turnover among the employees is one of the biggest challenges for any organization and have far lasting effects. Staff turnover has been seen as a serious issue especially in the field of human resources management (Hassan, 2014). When employees leave their jobs, it is often a sign that something is going wrong (Armstrong, 2009).

Product innovations can be duplicated, but the synergy of company's workforce cannot be replicated. It is for this reason that not only attracting talented employee but also retaining them is imperative for success. Organizations should control employee turnover especially by emphasizing on the source or on what determines employees' turnover, its effects and methods of minimizing it (Taylor, 1998).

Turnover intention may be defined as the intention of employees to quit the organization. Intentions are a statement about a specific behavior of interest. Turnover intent is the probability that an individual will change his or her job within a certain time period and thus it leads to actual turnover. It is the individual's intention to voluntarily quit the organization or the profession, Kaur et al (2013).

FMHCACA is undertaking on the range initiative to achieve its vision becoming reputable regulatory body in Ethiopia. In the current regulatory body where to among the authority employees turnover become serious, affecting employees & their efficiency which largely depend on turnover intention. And also monitoring determinants of employee turnover is essential for retention qualified employees. Some the challenges faced regarding employees turnover are lack clear career information or lack of induction & orientation program, turbulent labour market, in search better salary, poor working atmosphere, poor level of employee involvement, insufficient development opportunity, lack benefit package, and unfair treatment employees by the management. Personal ground & family related could also be a major factor for staff mobility across the organization.

TABLE 1.1 Five Years' Actual Employee Turnover Data of FMHCACA

S/N	Fiscal year	No. of staff Turn over	Average No. employee	Turnover rate
1	2006 E.C	58	277	20.94%
2	2007 E.C	87	358	24.30%
3	2008 E.C	48	413	11.62%
4	2009 E.C	77	518	14.86%
5	2010 E.C	33	562	5.87%
Average turnover rate				15.52%

Source: FMHACA Annual Report 2006E.C- 2010 E.C

As per the FMHACA HRM and Administration department annual report, FMHCACA is facing a frequent and serious voluntary turnover which is above 10% average turnover rate.

In a professional services organization where the personal relationships established between employees and clients are central to ongoing success, a turnover rate in excess of 10 per cent is likely to cause damage to the business. Modest turnover rates can rapidly increase as the pressures on remaining staff become greater, leading to serious operational difficulties (Torrington, Hall & Taylor, 2008).

If those problems are not solved, the authority may face more challenge, like job dissatisfaction, lack organizational commitment, unhealthy industrial working atmosphere, lack of salary & reward, lack flex time, high cost of selecting & training, high skilled& potential employees shift or move to other organization& ultimately it will hinder the authority from achieving its vision, and adversely affecting the competitiveness of authority. Because of all those reasons the researcher is motivated to conduct factors that affect employees turnover in FMHCACA& there is no any study conducted specifically in FMHCACA.

Hence the purpose of this study is to investigate factors that affect employees' turnover & the extent to which these factors influence employee's turnover.

1.3 Research Questions

1. What factors affect employees' turnover intention in FMHCACA?
2. What is the effect of job satisfaction on employee turnover intention of FMHCACA?
3. What is the effect of organizational & work environment on employee turnover intention of FMHACA?
4. What is the effect of salary& rewards on employee turnover intention of FMHACACA?
5. What is the effect of organizational commitment on employee turnover intention of FMHCACA?
6. What is the effect of work-life balance factors on employee turnover intention of FMHCACA?

1.4 Research Objective

1.4.1. General Objectives

The main objective of the study is to identify factors that affect employee's turnover in FMHCA.

1.4.2. Specific Objectives

The specific research objectives are:

1. To find out the effect of job satisfaction on employee turnover intention of FMHCACA.
2. To find out the effect of organization & work environment on employee turnover intention of FMHCACA.
3. To find out the effect of salary & rewards on employee turnover intention of FMHCACA.
4. To find out the effect of organizational commitment on employee turnover intention of FMHCACA.
5. To find out the effect of work-life balance factors on employee turnover intention of FMHCACA.
6. To assess the differences among different category of employees regarding the variables under study.

1.5 Significance of the study

The study specifically addresses the factors that affect employee's turnover in FMHCACA.

How it enables the management of FMHCACA to be aware of what is expected of them in managing employees turn over and it helps HR practitioners who design and administer employee's turnover in order to ensure organizational effectiveness. In addition, it gives way for other researchers who want to make further investigation in the area. Furthermore, the research adds to existing literature and may serve as an additional source of reference.

1.6 Scope of the study

The researcher only assesses the factors that affect employee turnover that is made by employees themselves which is voluntary turnover. The researcher used explanator study or method using stratified sampling to collect data in order to achieve the stated objective.

Hence, the research is delimited to determine factors that affect employee's voluntary turnover at Addis Ababa FMHCACA Head Office. The research only covers factors that affect employee turnover of the last five years.

The researcher considered job satisfaction, organization and work environment, salary and rewards, organization commitment,& work life balance as independent variables whereas employee turnover intention as dependent variable.

1.7 Limitation of the Study

To conduct this study there were many challenges that affect the quality of the paper and hinder the progress of the research. The first and the major limitation of this study was getting an organization that have greater than 10% average turnover rate. The second limitation of this study was focused only on FMHCACA Head office Addis Ababa. The third limitation of this study was missed to address all employees turnover variables that have impact on turn over intention. This may have some impact on the outcome study as dependent variable is subject to employee turnover variables consideration as well.

Financial resources were also another limitation. And lastly few respondents did not return the questionnaires due to time constraint and work load. Except from those the above limitation this research may provide insight to FMHACA to reduce employees turnover issues.

1.8 Definition of terms and concepts

Employee turnover is the rates at which people leave an organization. (Armstrong, 2009)

Voluntary Turnover refers to when employees resign & it often results in departing employees, creating an even more critical situation, since this knowledge can now be used against the organization (Stovel & Bontis 2002).

Functional Turnover refers to (bad performers leave, good performers stay) can help reduce sub-optimal organizational performance (Johnson et.al, 2000).

Dysfunctional Turnover refers to (good performers leave, bad performers stay) damages the organization through decreased innovation, delayed services, lethargic implementation of new programs, and degenerated productivity (Abassi & Hollman, 2000).

Job satisfaction is the pleasurable emotional state which emanates from assessment of individual job as facilitating the accomplishment of individuals' job value (Locke ,1976).

It is also the expression of feelings that how much employee is satisfied from its current job. It is also the difference between what he thinks that he deserves & what he gets (Kanwal& Tariq, 2016).

Organizational and Work Environment refers to about everything around the employee either internal or external to organization, which effects the organization directly or indirectly, also including the employee is the organizations environment (Kanwal & Tariq,2016)

Salary and Reward includes all forms of pays given to the employees arising from their employment (Dessler,2008)

Organization Commitmentis the employees' state of being committed to assist in the achievement of the organization's goals, and involves the employees' levels of identification, involvement, and loyalty (Caught & Shadur, 2000)

The term '**work-life balance**' has largely replaced 'family-friendly policy'(Armstrong, 2009)

1.9 Organization of the Study

The first chapter includes introduction which encompass background of the study, statement of the problem, research question, objective of the study both general and specific, significance of the study, scope of the study, limitation of the study and definitions of terms are the common parts. Chapter two deals with related literature where detailed discussion about the topic is undertaken. The third chapter presents the research design and methodology. In the fourth chapter data presentation, analysis and interpretation is discussed. The fifth and the final chapter covers the summary of major findings and conclusions drawn from the findings and also the possible recommendations are forwarded.

CHAPTER TWO

In this section of the study, concept of employee turnover and factor that affect employee turnover are discussed.

2.1 Concept of Employee Turnover

Today's companies face a double-whammy of economic anxiety and employee turnover. Employee turnover has become a headache for HR managers. What this problem is called, some experts of management education named it as turnover, some has given name of attrition (Pankaj & Subramanian,2014).

Employee turnover (sometimes known as 'labour turnover, 'wastage' or 'attrition') is the rate at which people leave an organization (Armstrong, 2009).

According to Casico & Bourdeau (2008), people are major component of any business and the management of people is a major part of any manager's job. Attrition, in Human Resource Management terminology, refers to the phenomenon of the employees leaving the company. It is usually measured with a metric called attrition rate, which simply measures the no. of employees moving out of the company (voluntary resigning or laid off by the company).

Turnover is the rotation of workers around; between firms, jobs and occupations; and between the states of employment (AbassiandHollman, 2000).

This workforce activity segments into two categories, voluntary and involuntary. Involuntary turnover refers to the dismissal of employees, whereas voluntary turnover occurs when employees resign (Alkahtani, 2015).

Employee Turnover is a significant characteristic of Human Resource management. It is one of the important topics among the Academic researchers on how to efficiently control and expect the turnover (Hongvichit, 2015).

To sustain an inventive and cost-effective business, the organization must concentrate on retaining their staff and reducing the turnover rate.

If an organization is having high turnover means; the accumulation of human capital to the organization is constrained. High rate of employee turnover leads to lower labor productivity and it results in the delay of attaining organizational goals (Rajapaksha,2015).

Generally high turnover specifies the employees who leave the organization because they are not satisfied with their work. This create negative impact on other employees and they can also be influenced to leave the job (Louden ,2012).

Employee turnover creates a major problem for the business influencing the value of the goods and services, it also increases the cost of replacement and recruitment of new employees (their training and to unite them into the establishment) (Twari, 2015).

Thus, the focus of most turnover models is on job attitudes (job satisfaction or job commitment) as the primary drivers of turnover (e.g. March& Simon, 1958) as mentioned by (Shodhganga, 2007).

2.2 Types of Employee Turnover

Employee turnover can be classified into three different categories.

2.2.1 Voluntary versus Involuntary Turnover

Turnover may be voluntary on the part of the employee (for example, resignation) or involuntary (for example, requested resignation, permanent layoff, retirement, or death).

Voluntary reasons for leaving—such as another job that offers more responsibility, a return to school full time, or improved salary and benefits—are more controllable than involuntary reasons, such as employee death, chronic illness, or spouse transfer. Most organizations focus on the incidence of voluntary employee turnover precisely because it is more controllable than involuntary turnover. They are also interested in calculating the costs of voluntary turnover, because when these costs are known, an organization can begin to focus attention on reducing them, particularly where such costs have significant strategic effects (Cascio & Jhoha, 2011).

2.2.2 Functional versus Dysfunctional Turnover

A common logical distinction focuses on whether voluntary turnover is functional or dysfunctional for the organization. Employee turnover has been defined as functional if the employee's departure produces increased value for the organization. It is dysfunctional if the employee's departure produces reduced value for the organization. Often this is interpreted to mean that high performers who are difficult to replace represent dysfunctional turnovers, and low performers who are easy to replace represent functional turnovers (Cascio & Jhoha, 2011).

On the other hand, turnover is functional when the resulting difference in workforce value is positive and high enough to offset the costs of transacting the turnover. Turnover is dysfunctional when the resulting difference in workforce value is negative or the positive change in workforce value doesn't offset the costs. The difficulty of replacement is not inconsistent with this idea, but it is a lot less precise. Does "difficult to replace" mean that replacements will be of lower value than the person who left, or that they will be of higher value but very costly? (ibid).

2.2.3 Skilled Vs Unskilled Turnover

Skilled turnover rate of skilled professionals can pose as a risk to the organization due to the human capital loss in the form of skills, training and knowledge. The specialization of skilled professionals makes them more likely to be re-employed within the same industry by a competitor. Therefore, turnover of these individuals incurs both replacements cost to the organization as well as resulting in a competitive disadvantage to the business

However unskilled position often has higher turnover, and employees can be generally replaced without the organization or business incurring any loss of performance (Gomez et al, 2001).

2.3 Factors for Employee Turnover

Understanding the factors that influence turnover gives organizations the opportunity to reduce selection and training costs, increase employee morale and customer satisfaction, and enhance organizational productivity (Shodhganga, 2007).

Besides, many academic scholars pointed out turnover as the correlation between job dissatisfaction and decreased organizational commitment. The stronger the feeling of discontent in one's job, the more likely one is to begin a search for an alternative job (Pawar & Chakravarty, 2014).

According to Torrington, Laura & Stephen (2005), people leave for a mixture of reasons, certain factors weighing more highly in their minds than others. Outside factors, push factors and pull factors are approaches to categorizing the main reasons people have for voluntarily leaving a job, each requiring a different kind of response from the organization.

2.3.1 Outside factors

Outside factors relate to situations in which someone leaves for reasons that are largely unrelated to their work. The most common instances involve people moving away when a spouse or partner is relocated. Others include the wish to fulfill a long-term ambition to travel, pressures associated with juggling the needs of work and family and illness. To an extent such turnover is unavoidable, although it is possible to reduce it somewhat through the provision of career breaks, forms of flexible working and/or childcare facilities as well as the effect of economic conditions on driving and shaping employee turnover across the labor industry.

2.3.2 Push factors/Controlled Factors

With push factors, the problem is dissatisfaction with work or the organization, leading to unwanted turnover. A wide range of issues can be cited to explain such resignations. Insufficient development opportunities, boredom, ineffective supervision, poor levels of employee involvement and straight forward personality clashes are the most common precipitating factors. Organizations can readily address all of these issues.

The main reason that so many fails to do so is the absence of mechanisms for picking up signs of dissatisfaction? If there is no opportunity to voice concerns, employees who are unhappy will inevitably start looking elsewhere.

2.3.3 Pull factors/Uncontrolled Factors

The opposite side of the coin is the attraction of rival employers. Salary levels are often a factor here, employees leaving in order to improve their living standards. In addition, there are broader notions of career development, the wish to move into new areas of work for which there are better opportunities elsewhere, the chance to work with particular people, and more practical questions such as commuting time. For the employer losing people as a result of such factors there are two main lines of attack. First, there is a need to be aware of what other employers are offering and to ensure that as far as possible this is matched – or at least that a broadly comparable package of pay and opportunities is offered. The second requirement involves trying to ensure that employees appreciate what they are currently being given. The emphasis here is on effective communication of any ‘unique selling points’ and of the extent to which opportunities comparable to those offered elsewhere are given.

2.4 Cost of Employee Turnover

When deciding what kind of measures to put in place in order to improve staff retention generally or the retention of particular individuals, organizations need to balance the costs involved against those that are incurred as a direct result of voluntary resignations. Although it is difficult to cost turnover accurately, it is possible to reach a fair estimate by considering the range of expenses involved in replacing one individual with another Torrington, Laura&Stephen (2005).

According to Armstrong (2009), the cost of employee turnover: Cost estimates are useful as means of backing up a business case for acting to reduce turnover.

The following factors should be considered when calculating factors affecting the cost of employee turnover. Direct cost of recruiting replacements (advertising, interviewing, testing etc.), direct cost of introducing replacements (induction cost), direct cost of training replacements in necessary skills, leaving costs – payroll and HR administration, opportunity cost of time spent by HR and line managers in recruitment, induction and training loss of output from those leaving before they are replaced loss of output because of delays in obtaining replacements and loss of output while new starters are on their learning curves acquiring the necessary knowledge and skills (Armstrong, 2009),

2.5 Measuring Turnover

2.5.1 Annual labor turnover index

The annual labor turnover index is sometimes called the percentage wastage rate, or the conventional turnover index. This is the simplest formula for wastage and looks at the number of staffs leaving during the year as a percentage of the total number employed who could have left. (Torrington, Laura & Stephen, 2005)

Leavers in year

Average number of staff *100=Percentage Wastage Rate in post during year

This measure has been criticized because it gives only a limited amount of information. If, for example, there were 25 leavers over the year, it would not be possible to determine whether 25 different jobs had been left by 25 different people, or whether 25 different people had tried and left the same job. Length of service is not considered with this measure, yet length of service has been shown to have a considerable influence on leaving patterns, such as the high number of leavers at the time of induction.

2.5.2 Stability Index

The stability index is based on the number of staffs who could have stayed through-out the period. Usually, staff with a full year's service are expressed as a percentage of staff in post one year ago.

According to Ivancevich & Glueck (1989), we can measure employee turnover in the following ways:

2.5.2.1 Separation Rate: It shows how much percentage of the employee will leave the organization with in a given period of time. It can be calculated as:

$$\text{Separation Rate} = \frac{\text{No. of separation during the month}}{\text{Year Average number of employed}}$$

1. Total Turnover Rate

$$\text{TTR} = \frac{S}{N}$$

Where, TTR= Total turnover rate

S= the number of separation in a given time interval

N= the average number of employed

A major problem with this formula is that it does not specify the reasons for separation.

For this reason, a more useful approach is to divide separation into categories such as voluntary quits, discharge for cause, layoff, deaths, retirement, and other. While the denominator would remain the same for whatever time period studied, the numerator would differ.

$$\text{Voluntary quit rate} = \frac{\text{Number of Quits}}{\text{Average number of employed}}$$

2. Avoidable Turnover

$$\text{Avoidable turnover rate} = \frac{\text{total separation} - \text{unavoidable}}{\text{Average work force}} \times 100$$

3. Quit Rate: eliminates quits by those groups that can be expected to leave; part-times of women leaving for maternity reasons. These data can be refined further by computing turnover per 100 employees by length of employment, jobs classification by each organizational unit.

$$\text{Quit rate} = \frac{\text{Total quits}}{\text{Average workforce}}$$

4. Turnover Cost

$$\text{Turnover cost} = \text{Separation Cost} + \text{Replacement Cost} + \text{Training Cost}$$

2.6 Methods of identifying Cause Employee Turnover

Several methods have been stated by different scholars and researcher that can help organization to identify turnover.

2.6.1. Attitude Surveys

Attitude is an approach to look forward the attitude of employees before they leave and so provide a basis for the development of policies and practices that can help employees retention.

Attitude Survey should be handled carefully as it is confidential in order to collect honest information about their jobs, their perceived opportunities, their bosses, colleagues and the organization as a whole.

2.6.2 Exit Interview

Nowadays it is becoming usual to conduct exit interviews. Exit interviews used by most organizations to evaluate employees' motivation for employee turnover. Many organizations conduct exit interviews with employees who are voluntarily leaving.

According to (Phillps, 1999), these interviews provide important information for changing HR policies and practices to decrease employee turnover, improve efficiencies.

The most straightforward approach is to take the resigned through a questionnaire of direct questions concerning his/her satisfaction with pay, supervisor, development opportunities, relationships with colleagues and job content. However, there are a number of problems with such approaches that can serve to reduce their effectiveness. First, there is the tendency of employees to develop a far more optimistic outlook after they have secured a new job and resigned. Their original reasons for seeking alternative employment offer get forgotten as they move toward their last day. Such feelings are compounded if counter-offers are made to encourage them to stay and may disappear completely in the last days as cards are signed, leaving presents bought, affectionate speeches given and farewell parties held. This is often not, therefore, the best time to ask them for an honest and well-balanced assessment of their reasons for quitting(Taylor,1998).

A further problem arises when supervisors or department heads undertake exit interviews, because leavers will often balk at implying any criticism of them particularly if they believe that they will require positive references in the future. The reason given for leaving may thus obscure the whole truth or may even be entirely false. It is far easier to say that you are leaving because you were offered more money elsewhere or because your spouse is moving, than to state openly that you disapprove of your new managers style or feel that you have been treated unfairly in some way (Taylor,1998).

2.7 Method to Minimize Employee Turnover

According to Torrington et al (2008), the straightforward answer to the question of how best to retain staff is to provide them with a better deal, in the broadest sense, than they perceive they could get by working for alternative employers. Terms and conditions play a significant role, but other factors are often more important. For example, there is a need to provide jobs which are satisfying, along with career development opportunities, as much autonomy as is practicable and, above all, competent line management.

For many years the HR staff was there to provide advice and assistance and have used different techniques as needed to reduce turnover.

Many organizations conduct exit interviews with employees who are voluntarily leaving. These interviews provide important information for changing HR and retention policies and practices to decrease employee turnover and improve organization performance with increased competitiveness on globalizations, managers in many organizations are experiencing greater pressure from top management to improve recruitment, selection, training, and retention of good employees and in the long run would encourage employees to stay in organizations. (Phillips, 1945).

Involvement in terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics. (Kanungo,1982).

Workers who have a greater variety of tasks tend stay in the job. Task characteristics have been found to be potential determinants of turnover among employees (Couger, 1988; Couger & Kawasaki, 1980; Garden, 1989; Goldstein & Rockart, 1984) as referred by (Ongori, 2007)

These include the five core job characteristics identified by (Hackman & Oldham, 1975) as: **skill variety**, which refers to the opportunity to utilize a variety of valued skills and talents on the job; **task identity**, or the extent to which a job requires completion of a whole and identifiable piece of work - that is, doing a job from beginning to end, with visible results; **task significance**, which reflects the extent to which the job has a substantial impact on the lives or work of other people, whether within or outside the organization; **job autonomy**, or the extent to which the job provides freedom, independence, and discretion in scheduling work and determining procedures that the job provides; and **job feedback**, which refers to the extent to which the job provides information about the effectiveness of one's performance ,Tor et al (1997).

Involvement would influence job satisfaction and increase organizational commitment of the employees. Employees who are more involved in their jobs are more satisfied with their jobs and more committed to their organization (Blau and Boal, 1989; Brooke & Price, 1989; Brooke et al., 1988; Kanungo, 1982) as indicated by (Ongori, 2007).

Job satisfaction, career satisfaction, and organizational commitment reflect a positive attitude towards the organization, thus having a direct influence on employee turnover intentions. Job satisfaction, job involvement and organizational commitment are considered to be related but distinguishable attitudes (Brooke & Price, 1989)

Empowered employees where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997).

Managers act like coaches and help employees solve problem. Bear in mind that people often leave their managers rather than their organization and ensure that policies for controlling bullying and harassment exist and are applied.

2.8 Job satisfaction

Many studies have indicated that job satisfaction serves as an antecedent to turnover intention. For example, (Ali, 2008) highlighted that problems might arise if employees' dissatisfaction is not taken into consideration.

Employees who are dissatisfied would sooner or later leave the organization, and at the same time, the organization loses the knowledge that the employees had brought in. If the organization decided to employ new employees to replace those who leave, and their feelings of dissatisfaction is not met, this could affect the daily operation of the organization, and the vicious cycle of turnover will occur (Alkahtani, 2015).

In addition, Hay (2002) as conducted by (Alkahtani, 2015) the majority of the employees chose career opportunities, and learning and development as the foremost reasons to stay in an organization, which lead to job satisfaction.

Employees most probably leave their organization when both their psychological well-being and job satisfaction are low (Wright & Bonett, 2007)

Satisfaction with meaningful work and promotion opportunities were significant predictors of turnover intention (ibid)

Previous studies have discovered that job dissatisfaction is associated with negative behavioral outcomes such as absenteeism, workplace accidents, and labour turnover (Griffeth, Hom, & Gaertner, 2000; Newstrom, 2007; Sousa-Poza & Sousa-Poza, 2007) as mentioned by (Alkahtani,2015).

(Towler, Judge, & Kohn ,2005) as referred by (Alkahtani,2015) discovered that pay satisfaction is positively related to performance and negatively related to employee turnover intention. Similarly, the outcome of another study by (Davis, 2006) also showed that general job satisfaction is strongly and negatively associated with turnover intention.

Job satisfaction has been empirically proven to be the main predictor of turnover intention (Larrabee, Janney, Ostrow, Withrow, Hobbs, &Burant, 2003; Parry, 2008) as conducted by (Alkahtani,2015).

"If the job is basically a dead-end proposition, this should be explained before hiring so as not to mislead the employee. The job should be described precisely, without raising false hopes for growth and advancement in the position. Since employees generally want to do a good job, it follows that they also want to be appreciated and recognized for their works. Even the most seasoned employee needs to be told what he or she is doing right once in a while." (Shamsuzzoha,2007)

Another reason that employees may leave an organization is due to the lack of projects or assignments that do not require their full potential. "Employees would certainly leave if they don't get experience and are just placed on the 'bench'. There are many more causes which contribute to employee turnover; such as lack of employee motivation, work pressure, job stress, partiality and favoritism, employee egos and attitudes, poor employee management"(Rampur, 2009).

A bad match between the employee's skills and the job can also be a reason for an employee to leave an organization. "Employees who are placed in jobs that are too difficult for them or whose skills are underutilized may become discouraged and quit. Inadequate information about skill requirements that are needed to fill a job may result in the hiring of either under skilled or overqualified workers" (Handelsman,2009).

2.9 Organization and Work Environment

Working atmosphere is also important issue to retain employees. Some employees jump from company to company because they prefer a working environment that is suitable for them. "If working conditions are substandard or the workplace lacks important facilities, such as proper lighting, furniture, clean restrooms, and other health and safety provisions, employees won't be willing to put up with the inconvenience for long." If an employee finds an appropriate work environment which is suitable for them in a specific company, they may work in that same organization for several years. (Handelsman,2009).

Most of the employees remain with the organization if they receive motivating tools such as bonuses but yet remuneration is not the only thing that can motivate employees to remain with the organization (Anderfuhren-Biget, Varone, Giaque, & Ritz, 2010; Masaiti & Naluyele, 2011) as conducted by (Alkahtani, 2015). Biggest factor in attracting and most importantly retaining

key employee is culture. It is important for employees to feel like they are part of a team, they require a link to the vision and direction of the organization and their co-employees, and they require ways of working better together, which ultimately lead to more cooperation.

(Lambert, Hogan, & Barton ,2001) as cited by (Alkahtani,2015), highlighted five variables of work environment, namely; role conflict, task variety, financial rewards, relations with co-workers and autonomy/participants. Moreover, (Downey, Don, & Slocum, 1975) as indicated by (Alkahtani, 2015) recommended six components of organizational climate; decision making, warmth, risk, openness, reward and structure.

Altmann (2000), proposed that corporate climate can be classified into the following dimensions; job, role, leaders, organization and workgroup.

2.10 Salary and Reward

The most common reason for employee turnover rate being so high is the salary scale because employees are usually in search of jobs that pay well. Those who are desperate for a job may take the first one that comes along to carry them through while searching for better paying employment. Also, employees tend to leave a company because of unsatisfactory performance appraisals. Low pay is good reason as to why an employee may be lacking in performance. (Rampur, 2009)

Unequal or substandard wage structures fall under this category as well. "When two or more employees perform similar work and have similar responsibilities, differences in pay rate can drive lower paid employees to quit. In a like vein, if you pay less than other employers for similar work, employees are likely to jump ship for higher pay, if other factors are relatively equal." (Handelsman, 2009)

Another reason that employees leave is because of the lack of benefits available to them through the company in which they work. High employee turnover could also be due to no potential opportunity for advancements or promotions. Employees prefer other companies which may provide them with higher posts and increased compensation packages(Rampur,2009).

Higginbotham (1997), proposed that high salaries are not important, but “good” and “fair” salaries indicate a strong correlation with intention to remain, signifying that as long as the compensation is competitive, financial rewards are not the primary factor in retention. (Kochanski & Ledford ,2001) supported this testimonial, which signify that the actual level of pay is less important than feelings about pay raises and the process used to manage them.

Gustafson (2002), established in her study that compensation and opportunities for better pay largely lead to employees’ turnover intention in organizations. An important theory used as reference in this study is equity theory developed by Adams (1965) as stated by (Alkahtani,2015) that explained that individuals, who value fair treatment, will strive to keep the relationships between members within an organization. And so, if the employees feel that inequality exists in pay treatment, a range of negative behaviors will be present such as absenteeism, and the desire to leave the organization.

According to Walia & Bajaj (2012), salary and associated benefits are an integral factor that influence employee turnover. The major reason why people work is to have an income in order to fulfill their basic survival needs such as food, clothing and shelter. Satisfaction through income earned further leads to employee retention.

As the employees are rewarded with the monetary rewards there are less chances of the employee to leave the organization and their performance also increases with time (Chauvin & Ash, 1994). Whereas on the other hand the financial reward can demotivate the employees as well because it encourages the employee who receive them but for those employees who do not get the financial rewards in any form are discouraged and they leave the organization early (Armstrong ,2012).

2.11 Organizational Commitment

Firth et al (2004), found that employees who are satisfied with their jobs and working environment are the ones that are committed to the organization and have no intentions to quit. They want to stay and help the organization grow and reach the level that the entire organization together as a community is trying to achieve.

Mowday et al (1979), explained that organization commitment presented those organizational objects prefer to increase work and work hard in the organization, and preferring to belongs to the organization. In addition, the employees with high organization commitment have the strong desire to maintain the membership of the organization.

In order to confirm explained commitment (Robbins & Judge, 2010) pointed out by (Song ,2016) commitment can be classified in three types, affective, continuance and normative, affective commitment can be defined by the feeling, sense of belonging and attachment felt towards the organization, this is the most effective measure of commitment. Continuance commitment can be defined as the attachment towards the organization while keeping in mind the perceived costs of leaving the job. Normative commitment occurs when individuals remain with an organization based on expected standards of behavior or social norms. These individuals value obedience, cautiousness, and formality.

Cohen (1996), as indicated that employees with a higher level of affective commitment towards their jobs have a higher level of continuance and normative commitment. Also, (Ketchand & Strawser, 1998) as referred by (Song, 2016) discovered that continuance commitment was higher influence on experienced senior accountants than non-experienced senior accountants.

Organizational commitment reflects an individual's feelings about the organization as a whole. Organizational commitment has become more crucial than ever in comprehending employee behavior because it is recognized as more consistent and less dependable on daily variation compared to job satisfaction (Angle & Perry, 1983; Mowday, et al., 1982) as mentioned by (Alkahtani,2015).

Organizational commitment can be broadly defined as the relative strength of an individual's identification with, and involvement in, an organization (Mowday, Steers, & Porter, 1979; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002) as indicated by (Alkahtani, 2015).

As an antecedent, it is understood that committed employees are unlikely to leave the organization, as well as feel the need to go beyond normal job requirements (Alkahtani, 2015).

2.12 Work -life Balance

The work-life balance is mainly considered to manage and stabilize the personal necessities such as family, hobbies, community work and other activities (Tiwari ,2015).

Work-life balance is defined as the degree to which an individual is equally engaged in and satisfied with his or her role and family role, comprising three components of work-family balance: time balance, involvement balance, and satisfaction balance, Greenhaus et al (2003).

Time balance (equal time devoted to work and family); involvement balance (equal involvement in work and family); and satisfaction balance (equal satisfaction with work and family) (Chimote & Srivastava, 2013; Greenhaus, Collins, & Shaw, 2003 ;) as mentioned by (Munro, 2015).

Work-family conflict may occur when the demands of work and family are incompatible, work-life balance has relevance for all individuals, and work-life balance denotes not only a balance between work and family, but a balance between work and the rest of life's activities (Sturges & Guest ,2004).

Various researchers in the work-family literature have classified previously researched antecedents of work-life balance into the following three main categories: demographic and personal characteristics, family or non-work characteristics and work-related characteristics (Koekemoer & Mostert, 2010).

Demographic and personal characteristics include gender, age, family status, negative affectivity and personality. Family or non-work characteristics include social support, parental stressors, family role ambiguity and family stressors. Work-related characteristics include work stressors, work demands, hours spent at work, job stress, job support and flexibility at work.

Geurts & Demerouti (2003) as found that various antecedents exist for work-home interaction and classified them as personality characteristics, family characteristics, and job characteristic.

2.13 Theories of Employee Turnover

The study focused on two key theories; the Herzberg two factor theories and the Maslow's hierarchy of needs theory which explain many of the reasons behind employee turnover at workplace. Herzberg performed studies including interviews, to factors in employee's work environment caused satisfaction or dissatisfaction. He found that factors causing job satisfaction (motivator factors) were different from those causing dissatisfaction (hygiene factors) (Mwangangi, 2014).

Herzberg theory argues that there are two distinct human needs influencing employee's motivation and attitude: Physiological needs that can be fulfilled by money for example to purchase food and shelter; and Psychological need to achieve and grow, only fulfilled by activities that cause one to grow, (Loiseau, 2011).

Factors determining dissatisfaction include: company policy, supervision, relationship with boss, work condition, salary, and relationship with peers, all of which are external factors while those leading to satisfaction include achievement, recognition, work itself, responsibility, advancement and growth, which are intrinsic factors (Mwangangi, 2014).

Critics of Herzberg theory argue that the two factors are observed because it is natural for people to take credit for satisfaction and to blame dissatisfaction on external factors, and that job satisfaction does not necessarily imply a high level of motivation or productivity (ibid).

Maslow's theory comprises of five needs: Physiological need (most basic-air, water, sleep, food), safety needs (stability and consistency), love and need to belong (affiliate) needs, self-esteem needs (confidence/ respect) and Self-actualization needs. Maslow's theory states that lower needs must be satisfied before one can progress to the next level of needs (ibid).

In work place, employee's needs must be met, especially safety needs and esteem need (recognition, acceptance and reward) failure to which, they will be bound to leave in search of satisfaction (Handelman, 2009). Maslow theory is a motivation theory. It shows how remuneration, career progression, working condition and reward and recognition influence employee turnover (Mwangangi, 2014).

2.14 Interrelationship among Variable

2.14.1 Relationship between Job Satisfaction and Employee Turnover

Many academic scholars pointed out turnover as the correlation between job dissatisfaction and decreased organizational commitment. The stronger the feeling of discontent in one's job, the more likely one is to begin a search for an alternative job. This perspective on turnover highlights the role of emotions and attitudes as antecedents of behavior. When an employee leaves an organization, it can have a variety of effects that not only impact on the organization, but also the individual employee and the society (Mobley, 1977). In other words, job satisfaction is negatively related to turnover intentions. Park & Kim (2005), have also indicated that different cultures have different kinds of impact on job satisfaction which in turn again affects turnover intention. For example, an organization where employees are allowed to participate in decision making, get support from superiors, etc. boosts employee job satisfaction which will reduce turnover intention Boles et al (2007) & Chiu et al (2005).

2.14.2 Relationship between Organizational and Work Environment and Employee Turnover

Recent research (Schyns, Van Veldhoven, & Wood, 2009; Rashid, Wineman, & Zimring, 2009; Khan, Hassan, Anwar, Babar, Babar, & Khan, 2007) as mentioned by (Alkahtani, 2015) established that discouraging organizational climate negatively affects job satisfaction which in turn may expedite employee turnover.

Organizational environment is also described one of the basic reasons of the employee's behind their intentions to leave the job. Employees have a tendency to leave the company; as a result, the company will experience the unfavorable civilization/culture for the organization. Though, organizational civilization is not easy to change. In contrast, organizations can easily develop the environment of the organization that will change the perception of the employees towards their job. To develop the strategies for better environment will have a positive impact to reduce the turnover intentions. Employees are the most important asset of any organization, so to retain that asset is the basic aim of any organization. When turnover occurs, there is a chance of innovation in strategies, change in environment, compensation benefits etc. So, we can say that turnover

may have a positive relation in some aspects for the improvements. But it will influence the behaviors, satisfaction of the rest of the employees who stay in organization. When any employee leaves the organization with planned decision, it will support the errors or flaws he/she might find out in the organization, which will force other employees to think about the reasons of leaving his/her, job (Kanwal & Tariq, 2016).

2.14.3 Relationship between Salary and Reward and Employee Turnover

Zhou et al (2009), contends that there exists a strong positive relationship between organizational rewards system and employee's turnover.

2.14.4 Relationship between Organizational Commitment and Employee Turnover

Studies in this area have reported a strong relationship between organizational commitment and turnover, signifying that higher levels of commitment will result in lower levels of intention to leave, therefore lower turnover (Allen & Meyer, 1990; Bentein, Vandenberg he, Vandenberg, Stinglhamber, 2005; Falkenburg & Schyns, 2007; Good, Page, & Young, 1996; Harris & Cameron, 2005; Huselid, 1995; Rhoades & Eisenberger, 2002) as cited by (Alkahtani,2015).

Organizational commitment is one of the predictors of turnover intention (Arnold & Feldman, 1982; Hollenbeck & Williams, 1986) as indicted by (Alkahtani,2015).

Qi (2007), found that affective commitment has a significant negative influence on turnover intention, which is similar to a research done by (Law,2005), showed that affective commitment is the most important component of commitment in predicting employees' turnover.

2.14.5 Relationship Work life Balance and Employee Turnover

Researchers have found work-life balance to be positively related to both individual and organizational outcomes, for instance, improved financial performance, employee satisfaction and productivity organizational commitment and attachment, and organizational behavior (Shankar & Bhatnagar,2010).Chow &Keng-Howe's (2006) reported positive relationship between flexible work schedules with self- reported productivity.

The reason for the negative relationship between WLB practices and both turnover and absenteeism could be due to the fact that work-life balance practices offer alternative work

arrangements replacing the traditional fixed hours and fixed-place arrangements granting current and prospective employees greater flexibility (Thomas & Ganster,1995).

2.15 Empirical Literature Review

2.15.1 Empirical Research for Job Satisfaction and Employee Turnover

There are different studies done on the job satisfaction of employees which is affected by their gender, age and length of service. It has been found that the female employees are less satisfied than the male employees, Kara, et al (2012). Whereas, a study done by (Milman & Dickson, 2014) there is no gender difference in the satisfaction level of the employees. In their research they showed that the age, gender and length of service does not have an effect on the job satisfaction level. It is the major retention strategies which have an influence on the employees.

Arocas & Camps (2008), found that salary is an important strategy to retain employees, is confirmed to be a variable of turnover through job satisfaction in both direct and indirect ways. Furthermore, (Paauwe & Boselie, 2003) found an employee's satisfaction with money and its equivalents such as fringe benefits will make employees more satisfied with work for the company. As a result, that, (Robbins & Judge,2010) as mentioned by (Song, 2016) an interesting relationship between salary and job satisfaction, since different countries and different income of people results in people with different satisfaction for getting salary, therefore, money is being used to motivate people. As founded by Lu et al (2012), have confirmed that leadership support has a positive correlation with job satisfaction. Also, they presented that salary, fringe benefits, are associated with job satisfaction, and these factors are highly related with turnover intention.

Studies done regarding labor turnover in the service industry across the world indicate that, the hospitality sector leads with many employees' changing jobs from time to time. Subsequently, some causes of labor turnover are believed to be industry-specific. Both the internal and external causes of labor turnover affect the growth, profitability and customer satisfaction whenever it occurs in the workplace. Employers see the process of staff leaving and being replaced as a natural and inevitable feature of the industry (Kuria et.al, 2012).

Empirical Studies conducted by Joarder & Mohammed (2012), there has been a theoretical presumption in HRM that job satisfaction and employee turnover intention are negatively correlated. Based on this premise of argument, business leaders aspire to ensure optimal job satisfaction which is a key to the success of any business that relies on a variety of organizational and psycho-economic factors. This study was conducted in the fast-growing Grameenphone (GP) limited, which is the largest mobile phone company in Bangladesh. The factor i.e. independent variables are compensation package, supervision, careergrowth, training and development, workingatmosphere, companyloyalty are the key factors that positively influence job satisfaction which in turn reduce employeesturnover. The study also finds that the employees possess the above at the moderate level and positive attitude towards work satisfaction which causes lower turnover incidence.

Study indicated by Chen, et.al (2013), to explore the factors influencing the turnover intention on dentists in hospital in Taiwan, nationwide, 175 structure questionnaires were returned from dentist who were working for a hospital of the Bureau of the National Health Insurance, Taipei division, representing a 37% response rate. The main findings were the turnover intentions of residents was higher than that visiting; the gap between expected income and actual income has an impact on satisfaction with compensation i.e. the larger the gap, the less satisfied the dentists were with their compensation; satisfaction with compensation and job stress have an impact on job satisfaction and the organization commitment of dentists; and although satisfaction with compensation, jobstress, jobssatisfaction, and organization commitment were related to the turnover intention of dentists, the most significant predictive factor was the opportunity of working in a clinic. Organizational commitment was associated with the turnover intention of residents, while job satisfaction was related to the turnover intention of visiting staff.

H1: Job satisfaction has negative relation with employee turnover.

2.15.2 Empirical Research for Organizational and Work Environment and Employee Turnover

Employee welfare practice aims to provide fair wages, good working conditions and realistic terms and conditions of employment. Within this working condition plays a vital role in getting the efficiency from the employee, and to retain them for long period of time in their job.

According to the workers, they have to recognize the moral obligations of an organization, to do good work and take a genuine interest in their work to accomplish the industries production target, develop a friendly attitude towards the management, join hands during times of crises, assess realistically the difficulties of the management and resort to peaceful and constructive means to secure their rights in their own interest as well as in the interest of the organization. “Good working condition ought to improve the work life as well as the social life of the people at work”. It reveals the impact on retention of employee, and good industrial relation within the organization (Usha et al,2017).

H2: There is a negative and a significant relationship between organizational and work environment and employee turnover.

2.15.3 Empirical Research for Salary and Reward and Employee Turnover

Human capital is a paramount important part of today's business world. For any company to achieve its corporate strategies, it is important to have motivated, committed workforce within the company. Therefore, keep employees satisfied is a necessity for any organization. Otherwise they may leave the company as there are lots of job opportunities remain in this modern business world. This study focuses on how reward system of an organization impact on employee turnover intention. This study empirically evaluated five independent variables (remuneration, cash incentives, work life balance, supervisor support and employee recognition) and their relationship to the turnover intention of non-executives in the logistics industry of Sri Lanka. The sample consists of 97 non-executive staff in the logistics industry of Sri Lanka. The data collection was done by using a self-administrated structured questionnaire. The results indicated that remuneration, cash incentives, work life balance, supervisor support and employee recognition variables were negatively and significantly correlated with turnover intention. And those relationships were strong. Results of regressing the reward system on turnover intention showed that reward system is a powerful predictor of labour turnover in logistics industry of Sri Lanka. The research findings give evidence that better financial and non-financial rewards have strong impact on employee turnover intention. Therefore, to reduce employee's high intention to leave the company, the management needs to develop well balanced reward system in both financial and non-financial aspects (Mendis,2017).

Another study by Stalcup & Pearson (2001), on causes and effects of employee turnover in Bangladesh, found out that poor pay and irregular payments were the major contributors to employee turnover together accounting for a combined 45% of the total respondents citing. These were followed by the availability of a better job option cited by a marginal 10% of the total respondents sampled. On the other hand, respondents were asked to propose solutions to the problem of high employee turnover, 80% of the respondents gave standard salary structure as the possible cure to the problem. This was followed by regular salary increment at 70% of the total respondents. This study shows that pay is a very critical factor which influences the decision by staff to quit or stay.

H3: There is a negative and a significant relationship between salary and reward and employee turnover.

2.15.4 Empirical Research for Organizational Commitment and Employee Turnover

As a result of its pace of development, Thailand is now facing a shortage of low-skilled labour, especially in labor-intensive industries. An influx of workers from neighboring countries, especially Myanmar, is now substituting for low-skilled nationals. To gain an understanding of the variables affecting the organizational commitment and turnover intention of low-skilled workers, which largely remain unexplained, we draw on 400 samples from 13 randomly selected Thai seafood processing factories in Samut Sakhon Province. The data were analyzed using structural equation modeling with exploratory factor analysis to confirm the path diagram. The results of this research provide additional evidence in support of existing literature, need satisfaction and life satisfaction demonstrated positive relationships with organizational commitment at significant level ($\alpha=0.01$), as well as evidence that contradicts current theories, job satisfaction showed no significant relationship with organizational commitment and, interestingly, turnover intention in low-skilled worker showed a positive relationship with need satisfaction. (Puangyoykeaw & Nishide, 2015).

Current research aims to understand the impact of organizational commitment on employee turnover among the employees of Pakistan International Airlines (PIA). By reviewing the previous literature researcher has identified the antecedents of organizational commitment that are likely to influence the turnover intention of employees in organizations. To collect the first-

hand data from the employees of PIA a questionnaire was used. Data was analyzed using multiple regression. Findings of the study revealed that motivation to learn, job satisfaction, perceived organizational support, availability of training programs, job autonomy and organizational learning culture have significant positive relationship with organizational commitment. While job involvement does not significantly contribute towards organizational commitment. According to the results organizational commitment is significantly negatively related to the turnover intention of employees. The findings of this study may help the policy makers and practitioners to understand as how they can reduce turnover intention of employees by increasing organizational commitment (Ahmed & Nosheen, 2015).

H4: Organizational Commitment has a negative relation with Employee turnover.

2.15.5 Empirical Research for Work life Balance and Employee Turnover

Roberts (2007), studied academic literature probing international evidence on the relationship between number of working hours and employees' attitudes regarding those hours.

A lack of Work-life balance practices will impede employee motivation causing them to disclose withdrawal symptoms such as absenteeism and turnover (Hughes and Bozionelos,2005).

The more conflict that arises between work and personal life, the more employees will struggle maintaining a balance and, therefore, eventually quit their jobs (ibid).

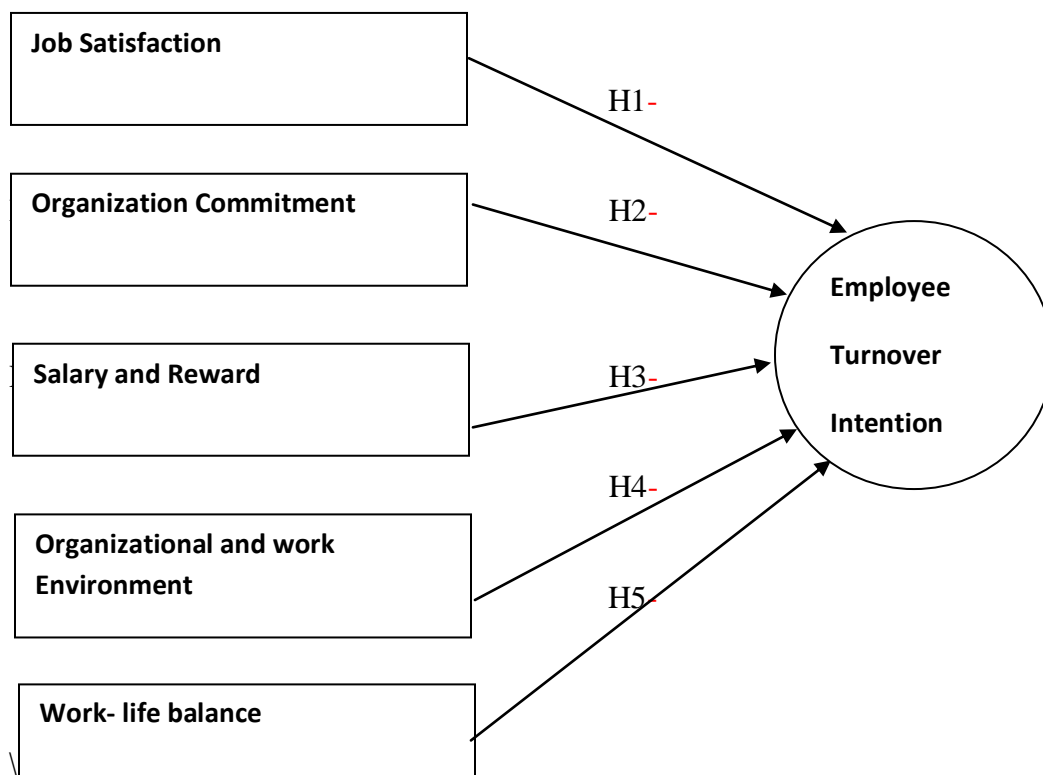
A survey study was conducted based on a sample of 608 hospital employee using a validate questionnaire, face, content and construct validity were conducted on survey instrument. Hospital employees reported low QWL. Employees were least satisfied with pay, benefit, job promotion and management support. The most important predictor of QWL was management support, followed by job proud, job security and job stress. An inverse relationship was found between employees QWL and their turnover intention. This study empirically examined the relationship between employees' QWL and their turnover intention. Manager can take appropriate action to improve employees' QWL, and subsequently reduce employees' turnover (Mosadeghrad, 2013)

H5: There is a negative and a significant relationship between work life balance and employee turnover.

2.16 Conceptual Framework

To determine the conceptual frame work for this study identification and determination of the dependent and the independent variable is required. The researcher uses job satisfaction, Organizational and work environment, organization commitment, Salary and reward, and work life balance as Independent variables whereas employee turnover intention as dependent variable.

Fig.2.1 Conceptual frame of the study



Source: Developed by the Researcher (2018)

According to the above fig 2.1 we can see the relationship of the above factors which affect turnover in the work place. The different factors that affect the turnover intention in the workplace are proposed to be job satisfaction, organization and work environment; organizational commitment, salary and reward, and work-life balance. These factors are hypothesized to negatively affect the turnover intention of employees in the organization.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter indicates how the research will be carried out. The organization of its parts are the research approach and research design, the population, sampling techniques, data type and source, data collection instruments, methods of data analysis, test of sound measurement and ethical considerations.

3.1 Organizational Context

FMHCACA is a government authority with headquarter in Addis Ababa and branches in most region of Ethiopians. The Headquarters is where all the processes of staff recruitment and the related duties are executed.

FMHCACA has three job categories i.e. managers & supervisors, professionals and Support staff. The study conducted at Addis Ababa FMHCACA head office. Regarding average employees' turnover rate was high compare to other similar firm in the last five fiscal years.

3.2. Research Approach

The purpose of this study is to identify the factors affecting employees' turnover in FMHCACA. It assesses the factors affecting employees' turnover based on the responses and determine the relationships between such factors. This enables to fulfill the research of why or how employees' turnover is happened, tried to answer the different variables for affecting employees' turnover. Consequently, see the relationship between the variables and turnover factors.

For the purpose of this study quantitative approach was used. Because quantitative research is based on the measurement of quantity or amount. It is applicable to phenomena that can be expressed in terms of quantity (Creswell, 2009).

3.3 Research Design

According to Kothari (2004), the research method employed is determined by the research topic. Subsequently, to conduct the research, factors that affect employees' turnover on

employee turnover intentions. Since there are dependent and independent variables and to investigate their relation, the study deployed explanatory research design.

As explanatory research is deeper in the sense that it describes phenomena and attempts to explain why behavior is the way it is. This type of research aims at, for instance, explaining social relations or events, linking factors and elements of issues in to general statements and building, testing or revising a theory (Pallant, 2005).

3.4. Population and Sample

To have a better picture about FMHCACA the study consisted of a target population of 333 of which 38 managers & supervisors, 190 professionals, and 105 support staff.

3.4.1. Sample Size Determination

To determine the size of the sample, Yamani (1967), formula was used. It states that the desired sample size is a function of the target population and the maximum acceptable margin of error (also known as the sampling error) and it expressed mathematically thus:

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

$$n = \frac{333}{1 + 333(0.05)^2}$$

$$n = 182$$

$$\text{Managerial \& Supervisors office sample size} = \frac{nMS}{N} * n = \frac{38}{333} * 182 = 21$$

$$\text{Professional office sample size} = \frac{nP}{N} * n = \frac{190}{333} * 182 = 104$$

$$\text{Support staff office sample size} = \frac{nS}{N} * n = \frac{105}{333} * 182 = 57$$

Where:

n = sample size

N = target population

e = maximum acceptable margin of error (5%)

nMS= Total number of Managerial & Supervisors

nP= total number of Professionals

nSS= Total number of Support Staffs

Thus, in this study, the desired sample size out of 333 staff in FMHACA was 182 respondents who are FMHACA staff, i.e. 21 managers & supervisors, 104 professionals, and 57 support staff (targeted by the use of questionnaires).

TABLE 3. 1

Sample Distribution

No.	Employee Classification	Total Number of Employees in the Population	Sample Size
1	Managers and Supervisors	38	21
2	Professionals	190	104
3	Support Staff	105	57
	Total	333	182

3.4.2 Sampling Technique

The study used stratified sampling technique in order to obtain a representative sample from each job categories. Following this, respondents from each stratum were selected by simple random sampling in a fashion by allotting the total sample for each stratum proportionally.

3.5. Sources of Data

The study has employed a mix of primary and secondary data sources. Primary data can be obtained by quantitative research methods. To collect primary data structured questionnaires was used.

Secondary data was collected through the FMHCACA records, reports and from written materials which is related to the research. Moreover various records that are relevant to the study was collected from different literatures about employee turnover and different human resource management books and literatures, websites and other available sources was also referred and cited on the study.

It has attempted to investigate factors of employee turnover on employees turnover intentions in FMHCACA through the perception of employees. Employees' opinion was collected through questionnaire. Data was collected in person. This is to deploy efficiency in collecting the questionnaires. In addition to this it enables the researcher to elaborate for the respondents regarding the purpose and objective of the study.

3.6. Data Collection Instruments (Instrumentalization)

The researcher used questionnaires that are close-ended question to gather relevant data to the study. The research instrument used for this study was the questionnaire divided into three sections;

Section 1: Description of Demographics.

Section 2: Factors that affect employees' turnover (Independent Variable) this includes; Job Satisfaction, Organization and work environment, salary and rewards, organizational commitment, and work life balance.

Section 3: Employee Turnover Intention (Dependent Variable).

A brief description of each section is hereby presented:

Section I: The Demographic factors Scale

The demographic factor scale is a self-construction scale specifically designed to elicit information on various demographic variables of interest to this study. The variables of interest include age, gender, and educational background, length of service, salary and current job category.

Section II: Factors that affects employee turnover (Independent Variable)

1. **Job satisfaction:** Three items were used to measure job satisfaction. A five-point Likert scale where 1 stands for “strongly disagree”, 2 for “Disagree”, 3 for “Neither Agree nor Disagree”, 4 for “Agree and 5 for “strongly agree” were used. Having statements of, "All in all, I am satisfied with my job.", "In general, I like my job." and "In general, I like working here” (Cammann et al,1979).

2. **Organization and work environment:** Scale five items with five-point Likert scale using 1 stands for strongly disagree whereas 5 stands for strongly agree (Kanwal & Tariq, 2016).

3. **Salary and Rewards:** The five items scale are adopted and modified from (Balzer et al,1997) & (Dabke et al, 2008) as cited by (Chang Lee et al,2010). Five items with five-point Likert scale using 1 stand for strongly disagree whereas 5 stands for strongly agree.

4. **Organizational commitment:** The Organizational commitment scale developed by Mowday et al (1979), used to measure the commitment of employees to their organization in this study. The scale consists of five items OCQ.

5. **Perceived Work-life Balance:** The perceived work-life balance scale developed by (Valcour, 2007) used to measure all work-related activities and family or personal life. Five items with five scale using 1 stands for highly dissatisfied to 5 stands for highly satisfied.

Section III: Turnover Intention to leave

These items adapted from (Mitchell, 1981) the four items were used to measure employee turnover intention.

3.7 Method of Data Analysis

To meet the objectives stated in the above section, data collected from the structured questionnaire was analyzed using a Software Package for Social Science (SPSS) version 23. The researcher was used SPSS version 23 for descriptive statistics; one way ANOVA was used to see the level of response to each items of dependent and independent variables; correlation to see the relationships between dependent and independent variables.

Regression analysis is also used to see the level of impact of independent variables on the dependent variable. In this study, multiple regression analysis was also adopted to investigate the level of influence employee's turnover on turnover intention (Pallant, 2005).

3.8. Test of Sound Measurement

3.8.1. Validity

The primary purpose of all forms of research is to produce valid conclusions.

Validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested. For instance, Criterion-related validity is expressed as the coefficient of correlation between test scores and some measure of future performance or between test scores and scores on another measure of known validity & it must possess the following qualities: relevance, freedom from bias, reliability & availability (Kothari, 2004).

3.8.2. Reliability

It refers to the ability of measuring device to do whatever it does consistently. A measure is reliable to the degree that it supplies consistent results. (Kothari, 2004) indicated the extent to which our measurement instruments and procedures produce consistent results in a given population in different circumstances. The variation of the circumstances can involve differences in administrative procedure, changes in test takers over time, differences in various forms of the test and differences in raters. If these variations cause inconsistencies, or measurement error, then our results are unreliable. The Cronbach alpha coefficient of the factors is displayed in the following table. The result shows that there is high internal consistency among the variables, so the dimensions are sufficient to measure the constructs.

TABLE 3.2 Cronbach Alpha (Reliability) Results of the Measuring Instruments

Factors	No. of Items	Cronbach's Alpha
Job Satisfaction	3	.703
Organization and Work environment	5	.718
Salary and rewards	5	.756
Organizational Commitment	5	.699
Work-life Balance	5	.807
Turnover Intentions	4	.752

Table 3.2 presents the reliability scale of the variables of the study. Adopted from (Cammann et al, 1979)

The Cronbach's Alpha result of turnover intention was 0.752. The Cronbach's alpha for job satisfaction score was found to be .703. The Cronbach's alpha for organization and work environment, salary and rewards, organizational commitment and work-life balance score was .718, .756, .699, .807 respectively.

The closer the reliability coefficient to 1.00 is better. In general, reliability less than 0.60 are considered poor; those in range of 0.60 to 0.80 are considered good & acceptable (Masdia, 2009).

3.9 Ethical Consideration

Ethical issues were given due emphasis while conducting the study. Before the actual data collection process, all the respondents and participants in the study were notified and guaranteed for their confidentiality and at any time to participate or not and also withdraw from the study to avoid the undesirable consequences. They were also communicated all the necessary information about the purpose of the study, who is conducting the study and all others which the respondents like to know. In addition, ideas taken from researchers are duly acknowledged.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

In this chapter, the results obtained from the analysis on the survey data are presented. The respondents include managerial/supervisory, professional, and employees working for FMHCACA. Out of the total sample size of 182 respondents expected to participate in this research, 164 respondents had completed and submitted the survey questionnaire; which gives a total of 90.1% return rate.

The data obtained were entered and analyzed using SPSS version 23. The analyses employed both descriptive and inferential statistical tools meant to answer the research questions; that would enable to help identify the factors that affects employee turnover in FMHCACA. The following sections will present the analysis results in tables along with the interpretation and discussion of the findings.

4.1. Demographic Characteristics of the Respondents

The first section of the data collection instrument captured the demographic information of the respondents.

The table 4.1 below provides the details.

Item	Category	Frequency	Percent
Sex of respondents	Male	105	64%
	Female	59	36%
	Total	164	100%
Age of respondents	20-30	83	50.6%
	31-40	62	37.8%
	41-50	15	9.1%
	Above 50	4	2.4%
	Total	164	100%
Marital Status of respondents	Single	85	51.8%
	Married	75	45.7%
	Divorced/Separated	2	1.2%
	Widowed	2	1.2%
	Total	164	100%
Education level of respondents	Diploma	23	14%
	First Degree	116	70.7%
	Masters	25	15.2%
	Total	164	100%
Service year of respondents	Less than one year	20	12.2%
	1 up to 5 year	61	37.2%
	6 up to 10 Year	43	26.2%
	More than 10 year	40	24.2%
	Total	164	100%
Salary Range of respondents	Less than 5,000.00	66	40.2%
	5,000.00-7,500.00	59	36%
	7,501.00-10,000.00	34	20.7%
	More than 10,000.00	5	3%
	Total	164	100%
Job category of respondents	Managers & Supervisors	20	12.2%
	Professional	103	62.8%
	Support staff	41	25%
	Total	164	100%

Source, Questionnaire, 2018

Table 4.1 presents the demographic characteristics of the respondents

The demographic profile of the respondents is depicted in the table 4.1 below. The sex disparity among the respondents was comprised of 59 (36%) female employees; whereas 105 (64%) are male respondents. Based the information, it can infer that the majority of employees currently working in FMHCACA are male. Looking into the age category of respondents, the majority of respondents 83(50.6%) falls in the age category of 20 to 30 years. Nearly half of the sample size constituted employees above 20-30 years of age; where 37.8% of the respondents fall in the age category of 31-40 years. The oldest employees, who are above 50 years, constitute the smallest portion of respondents (i.e. 2.4%). In general, it can be learnt that a substantially good proportion of the staff of the FMHCACA is composed of young and matured productive.

The relative majority of respondents comprise employees who are unmarried, single. This is in line of the majority of relatively younger (below 30 years of age) employees. The sampled respondents consisted of 85 (51.8%) respondents who were single & 75(45.7%) were married employees. The rest 2.4% of the respondents were either widowed or divorced. As far as the education level of respondents was considered, significantly high proportion of the respondents (70.7%) have at least a first degree while 15.2% of the respondents are masters holders; and 14% of the respondents are diploma. This indicates that FMHCACA has a good human capital as measured by the level of academic education and training.

In terms of experience 12.2 % of employees had fell within a category of service year less than 1, 37.2 % of the employees had experience with in FMHCACA from 1 to 5 years, 26.2 % of the employees had experience of 6 to 10 years and 24.4 % of the employees had experience of 10 and above years. The majority of the respondents have been working in FMHCACA for 1 to 5 years and significant for the soundness of the data that provided by the respondent since those who have relatively stayed in the organization know more about and assumed to, they give accurate information.

The salary level of the respondents shows 40.2% of the respondents earn less than Birr 5,000.00; 36% of the respondents earn between Birr 5,000.00 to 7,500.00; 20.7% of the respondents earn between Birr 7,501- 10,000.00 and the rest 3% of respondents earn more than Birr 10,000.00. From the data we can see that most employees of FMHCACA, around 97%, are paid less than 10,000.00 per month. Salary is one of the most critical issues that most employees consider when leaving or joining to a specific organization. And considering the ever-increasing cost of living,

it's highly difficult to say the salary of these employees is enough or satisfying. Among the 164 sampled respondents in the survey, 20(12.2%) of the respondents are from managers &supervisors' position; 103(62.3%) are professionals; 41 (25%) are support staff members of the organization under study.

4.2. Effect of Factors that lead to turnover intention in FMHCACA

This paper was intended to assess factors affecting on turnover intention in FMHCACA. The research involved five factors that were the potential reason for employees' intention to leave the organization. These are job satisfaction, work and Organizational environment, salary & rewards, organizational commitment and work-life balance at FMHCACA.

The opinion of respondents for each of the factor variables were assessed using one-Way ANOVA method. This method presents the level of agreement or disagreement to the statements presented in the survey questionnaire; and compares the responses by the three groups of respondents: managers &supervisory, professional and support staffs.

4.2. 1. Effect of job satisfaction on turnover intention in FMHCACA

This study was designed to capture the level of job satisfaction level of the three respondents working in FMHCACA. Three statements were asked to respondents and aggregated depict the job satisfaction in as scale of five. Table 4.2.1 below presents the agreement level of employees, and assessed the employee job satisfaction.

In the first statement participants were asked "All in all, I am satisfied with my job". The one-way ANOVA test with F-value=0.119 and (p-value =0.888 > 0.05) indicated that the three group of respondents had no significant difference in their average job satisfaction at FMHCACA is M=2.85, which is within the 95% CI of 2.68-3.02. This range includes the moderate level agreement, i.e. 3, and revealed that employees at FMHCACA have moderate/neutral level of agreement to the statement. Regarding the second statement, "In general, I do like my job, the three groups of respondents also had similar average agreement level (F-value=1.836, p-value=0.163>0.05) to this statement, employees had significantly above moderate level agreement, M=3.72 that falls within the 95% CI of 3.55-3.89. The result shows that employees at any position like their current job.

The third statement, “In general, I like working here”, was rated with average agreement level of $M=3.15$, which falls within the range of 2.97-3.33 confidence interval. The test also reveals that the three groups of respondents are statistically indifferent in their opinion regarded the like/dislike of working at FMHCACA.

The overall job satisfaction of level respondents at FMHCACA were evaluated by aggregating the three job categories responses for the three questions; and resulted in overall average agreement level of $M=3.24$. The job satisfaction levels by managers & supervisors ($m=3.25$), by professionals ($m=3.31$) and support staff ($m=3.07$) were not statistically significantly different, as revealed by ($p\text{-value}=0.330 >0.05$). From the analysis result, the job satisfaction at FMHCACA is within the 95% CI of 3.11-3.72; indicating slightly above moderate agreement level of job satisfaction.

Table 4.2.1 Job satisfaction

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	P-value
Q1_1 All in all, I am satisfied with my job	Managers & Supervisors	20	2.95	.945	2.51	3.39		
	Professional	103	2.83	1.097	2.61	3.04		
	Support staff	41	2.88	1.208	2.50	3.26		
	Total	164	2.85	1.104	2.68	3.02	.119	.888
Q1_2 In general, I do like my job	Managers & Supervisors	20	3.75	.910	3.32	4.18		
	Professional	103	3.83	1.079	3.61	4.04		
	Support Staff	41	3.44	1.205	3.06	3.82		
	Total	164	3.72	1.100	3.55	3.89	1.836	.163
Q1_3 In general, I like working here	Managers & Supervisors	20	3.05	1.191	2.49	3.61		
	Professional	103	3.27	1.182	3.04	3.50		
	Employees	41	2.90	1.136	2.54	3.26		
	Total	164	3.15	1.175	2.97	3.33	1.545	.216
Job Satisfaction	Managers & Supervisors	20	3.2500	.78640	2.8820	3.6180		
	Professional	103	3.3074	.83456	3.1443	3.4705		
	Support Staff	41	3.0732	.91139	2.7855	3.3608		
	Total	164	3.2419	.84950	3.1109	3.3729	1.118	.330

Source: SPSS Output for the data collected by the researcher

4.2. 2. Effects of Organization and Work Environment on turnover intention in FMHCACA

The respondents were presented with five statements regarding their opinion on the organization and work environment. The result is presented in table 4.2.2 below. In all the five statements the three groups of respondents were not significantly different considering their attitude towards the working environment of FMHCACA. This is revealed in each of the one-Way ANOVA test resulted in the ($p\text{-value} > 0.05$). The result indicated that all the three groups of respondents are similar opinion/above disagreement level regarding organizational and work environment related statements.

The first statement “Management has created an open and comfortable environment” is agreed with average response of 2.20, in the 95% CI of 2.03-2.36; which reveals employees’ disagreement to the statement. This implies that there is a tendency of management has not created an open and comfortable environment in all job category. Similarly, the second statement “There is a good relationship between the workers and management in FMHCACA” was almost disagreed with $M=2.49$ that falls in the 95% CI in the range 2.31-2.67.

The third statement “There is no discrimination in FMHCACA based on gender, ethnicity or on any other bases” and rated with $M= 2.65$ which is significantly inferior to a moderate level agreement (2.47-2.83) among all respondents. The fourth statement “At work, I have the necessary equipment and tools to facilitate my job” the mean response is 2.63 which is neutral among all respondents. The fifth statement “I like the working condition my job” the mean response is 2.63 which is neutral among all respondents.

The overall effect of organization and work environment at FMHCACA were evaluated by aggregating employees’ responses for the three questions; and resulted in overall average agreement level of $M=2.53$. Organizational & work environment levels by managers & supervisors ($m=2.47$), by professionals ($m=2.57$) and support staff ($m=2.45$) are not statistically significantly different, as revealed by ($p\text{-value}=0.688 >0.05$). From the analysis result, Organizational & work environment at FMHCACA is within the 95% CI of 2.41-2.65; indicating above disagreement level of organizational & work environment

Table 4.2.2 Organization and Work Environment

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	P-value
Q2_1 Management has created an open and comfortable environment	Managers & Supervisors	20	2.35	1.137	1.82	2.88		
	Professional	103	2.17	1.103	1.95	2.38		
	Support Staff	41	2.20	1.077	1.86	2.54		
	Total	164	2.20	1.096	2.03	2.36	.236	.790
Q2_2 There is a good relationship between the workers and management in FMHACA	Managers & Supervisors	20	2.45	1.317	1.83	3.07		
	Professional	103	2.51	1.101	2.30	2.73		
	Support Staff	41	2.44	1.305	2.03	2.85		
	Total	164	2.49	1.175	2.31	2.67	.072	.931
Q2_3 There is no discrimination in FMHACA based on gender, ethnicity or on any other bases	Managers & Supervisors	20	2.50	1.357	1.86	3.14		
	Professional	103	2.70	1.136	2.48	2.92		
	Support Staff	41	2.61	1.181	2.24	2.98		
	Total	164	2.65	1.170	2.47	2.83	.276	.759
Q2_4 At work, I have the necessary equipment and tools to facilitate my job	Managers & Supervisory	20	2.50	1.235	1.92	3.08		
	Professional	103	2.70	1.162	2.47	2.93		
	Support Staff	41	2.54	1.164	2.17	2.90		
	Total	164	2.63	1.167	2.45	2.81	.431	.650
Q2_5 I like the working condition my job	Managers & Supervisors	20	2.55	1.191	1.99	3.11		
	Professional	103	2.79	1.135	2.56	3.01		
	Employees	41	2.51	1.121	2.16	2.87		
	Total	164	2.69	1.138	2.51	2.86	1.021	.362
Organizational and Work Environment	Managers & Supervisors	20	2.4700	.94094	2.0296	2.9104		
	Professional	103	2.5728	.73032	2.4301	2.7155		
	Support Staff	41	2.4585	.85935	2.1873	2.7298		
	Total	164	2.5317	.78808	2.4102	2.6532	.375	.688

Source: SPSS Output for the data collected by the researcher

4.2.3 Effect of Salary and Reward on turnover intention in FMHCACA

The respondents were presented with five statements regarding their opinion on salary and rewards. The information provided under the table 4.2.3 below displays one-way Anova for salary factor (F= 1.017, p=0.364>0.05) and confidence interval lies between (1.61, 1.82) and mean response is 1.71. The managers & supervisors, professional and employees' rate to each five statement is significantly lower than the moderate value which the p-value to each statement

is 0.000 which is greater than 0.05. The result implies that all the three job categories are dissatisfied with their salary system of the Organization, its fairness and equity which results in turnover intention. Thus, the management of the organization has long been revised its salary system which contributes highly to turnover intention. Thus, salary and rewards factors are one the factors for that affect employee turnover.

Table 4.2.3 Salary and Reward

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	P-value
Q3_1 I am very satisfied with my salary	Managers &Supervisors	20	1.90	1.165	1.35	2.45	1.344	.264
	Professional	103	1.57	.812	1.41	1.73		
	Support Staff	41	1.51	.978	1.20	1.82		
	Total	164	1.60	.905	1.46	1.74		
Q3_2I feel I am being paid fair amount for the work I do	Managers &Supervisors	20	1.60	.995	1.13	2.07	.158	.854
	Professional	103	1.69	.864	1.52	1.86		
	Support Staff	41	1.61	.997	1.30	1.92		
	Total	164	1.66	.910	1.52	1.80		
Q3_3The salary of FMHACA is good when compared to the work I am performing	Managers &Supervisors	20	1.65	.988	1.19	2.11	.497	.609
	Professional	103	1.69	.852	1.52	1.86		
	Support Staff	41	1.54	.674	1.32	1.75		
	Total	164	1.65	.827	1.52	1.77		
Q3_4Over the past two years, the management here has introduced changes in the payment system	Managers &Supervisors	20	1.85	1.040	1.36	2.34	.448	.640
	Professional	103	1.96	1.084	1.75	2.17		
	Employees	41	1.78	1.037	1.45	2.11		
	Total	164	1.90	1.064	1.74	2.07		
Q3_5 My pay compares fairly with the pay of people doing similar in another organization	Managers &Supervisors	20	1.90	1.294	1.29	2.51	2.157	.119
	Professional	103	1.88	1.003	1.69	2.08		
	Support Staff	41	1.51	.810	1.26	1.77		
	Total	164	1.79	1.006	1.64	1.95		
Salary and Rewards	Managers &Supervisors	20	1.7800	.88947	1.3637	2.1963	1.344	.264
	Professional	103	1.7592	.64980	1.6322	1.8862		
	Support Staff	41	1.5902	.60820	1.3983	1.7822		
	Total	164	1.7195	.67296	1.6157	1.8233		

Source: SPSS Output for the data collected by the researcher

4.2.4 Effect of Organizational Commitment on turnover intention in FMHCACA

The respondents were presented with five statements regarding their opinion on organizational commitment. The table 4.2.4 below shows that the first statement “I am willing to put in a great deal of extra effort to help this organization to be successful” the mean response is 3.80, this implies that there is a tendency of organizational commitment by all job category. They tend to agree the statements.

Table 4.2.4 organizational commitment

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	p-Value
q4_1 I am willing to put in a great deal of extra effort to help this organization to be successful	Managers & Supervisors	20	3.60	1.142	3.07	4.13	.423	.656
	Professional	103	3.84	1.082	3.63	4.06		
	Support Staff	41	3.80	1.077	3.46	4.14		
	Total	164	3.80	1.085	3.64	3.97		
q4_2 I talk up this company of my friends as a great company to work for	Managers & Supervisors	20	3.20	1.281	2.60	3.80	.557	.574
	Professional	103	3.24	1.098	3.03	3.46		
	Support Staff	41	3.02	1.107	2.68	3.37		
	Total	164	3.18	1.120	3.01	3.36		
q4_3 I would accept almost any type job assignment in order to keep working for this company	Managers & Supervisors	20	3.45	1.317	2.83	4.07	2.894	.058
	Professional	103	3.66	.996	3.47	3.85		
	Support Staff	41	3.17	1.263	2.77	3.57		
	Total	164	3.51	1.121	3.34	3.69		
q4_4 I could be just as happy for a different company as long as the types of work were similar	Managers & Supervisors	20	3.25	.910	2.82	3.68	.029	.971
	Professional	103	3.23	.992	3.04	3.43		
	Support Staff	41	3.20	.980	2.89	3.50		
	Total	164	3.23	.974	3.08	3.38		
q4_5 Deciding to work for this company was a definite mistake on my part	Managers & Supervisors	20	3.55	1.146	3.01	4.09	2.437	.091
	Professional	103	3.59	1.033	3.39	3.79		
	Support Staff	41	3.17	1.022	2.85	3.49		
	Total	164	3.48	1.054	3.32	3.64		
Organizational Commitment	Managers & Supervisors	20	3.4100	.94362	2.9684	3.8516	1.674	.191
	Professional	103	3.5146	.67190	3.3832	3.6459		
	Support Staff	41	3.2732	.71240	3.0483	3.4980		
	Total	164	3.4415	.72212	3.3301	3.5528		

Source: SPSS Output for the data collected by the researcher

The second statement “I talk up this company of my friends as a great company to work for” the mean response is 3.18 which is slightly above moderate to all job category. The third statement “I would accept almost any type job assignment in order to keep working for this company” the mean response is 3.51 which is above moderate agreement level for managerial/supervisory and professional. Support staffs tend to be slightly moderate agreement

The fourth statement “I could be just as happy for a different company as long as the types of work were similar” the mean response is 3.23 which is also slightly above moderate agreement to all job category. The fifth statement “Deciding to work for this company was a definite mistake on my part” the mean response is 3.48 above moderate agreement level for managers & supervisory and professional. Support staffs tend to be slightly moderate agreement.

The overall organizational commitment factor, on FMHCACA were evaluated by aggregating employees’ responses for the three questions; and resulted in overall average agreement level of $M=3.44$. Organizational commitment levels by managers & supervisors ($m=3.41$), by professionals ($m=3.51$) and support staff ($m=3.27$) are not statistically significantly different, as revealed by ($p\text{-value}=0.191>0.0$). From the analysis result, organizational commitment at FMHCACA is within the 95% CI of 3.33-3.55; indicating above disagreement level of Organizational commitment.

4.2.5 Effect of Perceived Work-life balance on turnover intention FMHCACA

Table 4.2.5 below shows that the first statement “The way you divide your time between work and personal or family life” the aggregate mean response is 3.29, Both managerial and employees are tended to agree this work life style but professionals are tended to slightly above moderate. The second statement “The way you divide your attention between work and home” the mean response is 3.24 which is slightly above moderate to all job categories.

The third statement “How well you work-life and your personal or family life fit together”. Support staffs slightly lower than moderate agreement (2.90) whereas managers & supervisors are above the moderate level agreement (3.30) Professional is slightly above moderate level agreement (3.09).

Thus, the aggregate mean response is 3.07 which is slightly above moderate agreement.

Table 4.2.5 Perceived Work life Balance

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	p-Value
q5_1 The way you divide your time between work and personal or family life	Managers &Supervisors	20	3.35	1.309	2.74	3.96		
	Professional	103	3.26	1.102	3.05	3.48		
	Support Staff	41	3.34	1.257	2.94	3.74		
	Total	164	3.29	1.162	3.11	3.47	.095	.909
q5_2 The way you divide your attention between work and home	Managers &Supervisors	20	3.25	1.209	2.68	3.82		
	Professional	103	3.28	1.079	3.07	3.49		
	Support Staff	41	3.12	1.249	2.73	3.52		
	Total	164	3.24	1.134	3.06	3.41	.289	.749
q5_3 How well you work-life and your personal or family life fit together	Managers &Supervisors	20	3.30	1.129	2.77	3.83		
	Professional	103	3.09	1.049	2.88	3.29		
	Support Staff	41	2.90	1.179	2.53	3.27		
	Total	164	3.07	1.092	2.90	3.24	.939	.393
q5_4 Your ability to balance the needs of your job with those of your personal or family life	Managers &Supervisors	20	3.40	1.188	2.84	3.96		
	Professional	103	3.10	1.098	2.88	3.31		
	Support Staff	41	2.80	1.077	2.46	3.14		
	Total	164	3.06	1.112	2.89	3.23	2.101	.126
q5_5 The opportunity you have to perform your job well and yet be able to perform home related duties adequately	Managers &Supervisors	20	2.90	1.165	2.35	3.45		
	Professional	103	3.07	1.003	2.87	3.26		
	Employees	41	3.07	1.170	2.70	3.44		
	Total	164	3.05	1.061	2.89	3.21	.222	.801
Perceived Work Life Balance	Managers &Supervisors	20	3.2400	.90519	2.8164	3.6636		
	Professional	103	3.1592	.83940	2.9952	3.3233		
	Support Staff	41	3.0488	.80471	2.7948	3.3028		
	Total	164	3.1415	.83599	3.0126	3.2704	.411	.664

Source: SPSS Output for the data collected by the researcher perceived work-life balance.

The fourth statement “Your ability to balance the needs of your job with those of your personal or family life”, Managers & supervisors are above moderate level agreement (3.40) and professionals are slightly above moderate level agreement (3.10) but support staffs are slightly lower than the moderate level (2.90).

Hence, the aggregate mean response is 3.06 which is slightly above moderate agreement. The fifth statement “The opportunity you have to perform your job well and yet be able to perform home related duties adequately”. Managerial & supervisors are slightly lower than moderate level agreement (2.90) but support staffs & professionals are slightly above the moderate level (3.07)

Thus, the aggregate mean response is (3.05) which is also slightly above moderate agreement

The overall perceived work-life balance factor at FMHCACA were evaluated by aggregating employees’ responses for the three questions; and resulted in overall average agreement level of (M=3.14). Perceived work-life balance levels by managers & supervisors (m=3.24), by professionals (m=3.15) and support staff (m=3.04) are not statistically significantly different, as revealed by (p-value=0.664 >0.05). From the analysis result, perceived work life balance at FMHACA is within the 95% CI of 3.01-3.27; indicating slightly above moderate level of perceived work-life balance.

4.3. What is the effect of Turnover intention in FMHCACA?

In order to assess the employee turnover intention at FMHACA, respondents were presented to rate their agreement-disagreement to a set of four statements. The result of the analysis of responses to these four statements is presented in table 4.3.1 below.

Table 4.3.1 Turnover Intention

Statements	Respondent Group	N	Mean	Std. Deviation	95% Confidence Interval for Mean		ANOVA	
					Lower Bound	Upper Bound	F-Value	p-Value
q6_1 As soon as I find a better, I will leave this organization	Managers &Supervisors	20	3.45	1.234	2.87	4.03	9.609	.000
	Professional	103	4.19	.991	4.00	4.39		
	Support Staff	41	3.37	1.392	2.93	3.81		
	Total	164	3.90	1.191	3.71	4.08		
q6_2 I am actively looking for a job outside of this organization	Managers &Supervisors	20	3.15	1.348	2.52	3.78	3.683	.027
	Professional	103	3.60	1.271	3.35	3.85		
	Support Staff	41	2.98	1.423	2.53	3.42		
	Total	164	3.39	1.341	3.18	3.60		
q6_3 I am seriously thinking of quitting my job	Managers &Supervisors	20	2.55	1.234	1.97	3.13	2.330	.101
	Professional	103	3.11	1.196	2.87	3.34		
	Support Staff	41	3.27	1.342	2.84	3.69		
	Total	164	3.08	1.248	2.89	3.27		
q6_4 I often think of quitting my job at this organization	Managers &Supervisors	20	2.40	1.273	1.80	3.00	5.028	.008
	Professional	103	3.17	1.189	2.93	3.40		
	Support Staff	41	3.44	1.226	3.05	3.83		
	Total	164	3.14	1.238	2.95	3.33		
Turnover Intention	Managers &Supervisors	20	2.8875	.99497	2.4218	3.3532	4.228	.016
	Professional	103	3.5170	.87326	3.3463	3.6877		
	Support Staff	41	3.2622	1.04126	2.9335	3.5909		
	Total	164	3.3765	1.234	3.2299	3.5231		

Source: SPSS Output for the data collected by the researcher

As to statement 1, “as soon as I find a better, I will leave this organization”, the three groups of respondents have significantly varying level of average agreement (F-value =9.609, p-value =0.000<0.05). The average agreement level of professionals was (M=4.19) compared to (M=3.45) by managers &supervisors and (M= 3.37) by support staffs. Looking into the 96% CI, the range by professionals, 4.00-4.39, was a high-level agreement to the statement and was clearly above the intervals for the other two groups, that are found a moderate level agreement the result showed that professionals have a higher level of intention to leave the organization as soon they find better jobs.

In statement 2, respondents were also asked whether they are actively looking for a job outside of this organization. The test result with (F-value =3.683) and (p-value =0.027<0.005) showed that the three groups have different level of agreement to the statement. Employees in managerial & supervisors position agreed with the level (M=3.15) that falls within the moderate level within 95% CI of 2.52-3.78. The support staffs also have a moderate agreement level with (M=2.98). In contrast to these two groups of respondents, professional employees had agreed to the statement with M= 3.60, which falls above moderate level agreement within 95% CI 3.35-3.85. Again, professional employees have relatively significantly high level of intention looking for a job outside their current organization.

Responding to the statement 3, "I am seriously thinking of quitting my job", the three groups were not having significantly different average agreement level (F-value =2.33, p-value =0.101>0.05). Respondents had altogether M=3.08 average level of agreement, which is a moderate level within the 95% CI of 2.89-3.27.

As to the 4 statements, the three groups had significantly different average agreement level to both statements. For the statement " I often think of quitting my job at this organization", managers & supervisors' employees had somewhat disagreed with M=2.40 level of agreement in contrast to the moderate level agreement, M=3.17, by professionals and a high-level agreement, M=3.44, by support staffs.

The overall intentions to leave were computed by aggregating the responses to the four statements. The One-Way ANOVA test revealed (with F-value=4.228 and p-value=0.016>0.05) that the three groups of respondents had significantly different average agreement level regarding their turnover intention. The turnover intention level of managerial & supervisors fell in the moderate level of intention within the 95% CI 2.42-3.35. Similarly, support staffs had a moderate level of intention to leave within the 95% CI of 2.93-3.59. In contrary, professional employees were highly tempted to leave the organization with M=3.52 average agreement level within the 95% CI 3.35-3.69. The overall assessment of turnover intention revealed that professional employees had a higher level of intention to leave the organization; compared to the modest level by the other two groups.

Irrespective of the respondent groups, the overall level of agreement towards turnover intention was computed to an average level of $M=3.37$ and in the 95% confidence interval lies between (3.229, 3.523). The result indicates that there is a considerably high, i.e. above moderate, level of employee turnover intention that the organization, FMHCACA, need to be curious about the fact in the ground.

As it is mentioned in the statement of the problem part about turnover rate obtained from FMHCACA HRIS and the turnover rate for the most recent years from the year 2006 E.C to 2010 E.C are 20.94%, 24.30% ,11.62%,14.86% and 5.87% respectively which on average shows 15.52%.

4.4. Relationship between Factors affecting Turnover Intention

The main objective of this study was to assess the factors affecting employees' turnover intention at FMHCACA. In this study potential factors (independent variables) were assessed for their impact on turnover intention. The assessments were made using correlation and regression analyses presented below.

4.4. 1. Correlation Analysis

Correlation analysis was employed to check the relationship between turnover intention (the dependent variable) and the five factor variables. It is also shows the relationship between the independent variables themselves.

According to Muijs(2004), as indicated by Wogari (2016), Pearson correlation coefficients vary between -1 and +1, with +1 indicating a perfect relationship (a high score on variable X= a high score on variable Y), -1 a perfect negative relationship (a high score on X=a low score on Y), and 0= no relationship. As for the strength of the relationship, the closer to + or -1, the stronger, the closer to 0 the weaker & the cut-off points for the interpretation of the strength of correlation coefficients are: (+ or-) 0.80 to (+ or-) 1 is very strong; (+ or-) 0.50 to (+ or-) 0.79 is Strong correlation; (+ or-)0.30 to (+ or-) 0.49 is Moderate correlation; (+ or-) 0.10 to (+ or-) 0.29 is Modest correlation and Less than 0.1 Weak correlation.

Table 4.4.1 Correlation Matrix

		Job Satisfaction	Organization Environment	Salary and Rewards	Organizational Commitment	Perceived Work Life Balance
Job Satisfaction	Pearson Correlation	1				
	N	164				
Organization & Environment	Pearson Correlation	.299**	1			
	N	164	164			
Salary and Rewards	Pearson Correlation	.062	.403**	1		
	N	164	164	164		
Organizational Commitment	Pearson Correlation	.261**	.278**	.038	1	
	N	164	164	164	164	
Perceived Work Life Balance	Pearson Correlation	.089	.105	.152	-.103	1
	N	164	164	164	164	164
Turnover Intention	Pearson Correlation	-.265**	-.138	-.193*	-.307**	-.066
	N	164	164	164	164	164
**. Correlation is significant at the 0.01 level (2-tailed). *. Correlation is significant at the 0.05 level (2-tailed)						

Source: SPSS Output for the data collected by the researcher

The table above presents the result of the correlation analysis.

Organizational commitment is the first moderate correlated variable to turnover intention. The correlation, ($r = -.307$) shows organizational commitment has the first a moderate negative relation with turnover intention. This implies the satisfaction level of organizational commitment is increasing there is a decreasing level turnover intention. That is employee positive attitude to the organizational climate will reduce their intention to turnover.

Job satisfaction with ($r = -.265$) is the second modest correlated to employees turnover intention, thus it has a modest negative relation with turnover intention. The negative correlation value revealed that job satisfaction had negatively related to employee turnover intention. That is, the higher the job satisfaction of employee leads to the lower intention to leave the organization

Salary & reward is the third factor which its score is ($r = -.193$) shows modest negative correlations with turnover intention. That is, the lower employees appreciate their salary & rewards, the higher will be their turnover intention.

The fourth correlated factor is organizational & work environment which its score is ($r = -.138$) shows modest negative correlation with turnover intention. This implies the lower employees appreciate their organization & work environment, the higher will be their turnover intention.

The least correlated factor is perceived work life balance which its score is $r = -.066$ shows weak correlation with turnover intention. This implies perceived work life balance has no relationship with turnover intention.

Parallel to this, the study revealed by Joarder & Ashraf (2012), there has been a theoretical presumption in HRM that job satisfaction and employee turnover intention are negatively correlated. Recent research aims to understand the impact of organizational commitment on employee turnover among the employees of Pakistan International Airlines (PIA). According to the results organizational commitment is significantly negatively related to the turnover intention of employees.

Remuneration, cash incentives, work life balance, supervisor support and employee recognition, and their relationship to the turnover intention of non-executives in the logistics industry of Sri Lanka were negatively and significantly correlated with turnover intention.

In general, the correlation analysis revealed that **organizational commitment, job satisfaction, and salary & rewards, and organization & work environment** variables are negatively or inversely correlated with turnover intentions. However, **perceived work life balance** has not correlated with turnover intentions.

4.4.2. Regression Analysis Results

Multiple regression Analysis

In this part of the analysis include a regression model to test the hypothesis. Five extracted dimensions were taken as independent variable against overall turnover intentions as dependent variable in multiple regression model. For all the hypothesis of the study below was used at 95% confidence interval.

The impact of independent variables on turnover intentions

To know about the impact of independent variables (job satisfaction, organization & work environment, salary & reward, organizational commitment and perceived work life balance) on the overall turnover intentions multiple regressions using the following model was run:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + b_4x_4 + b_5x_5 + e$$

Overall result of factors turnover with turnover intention

Table 4.4.2 Model Summary

Model	R	R Square	Adjusted R Square	Std. error of the estimate
1	.410 ^a	.168	.141	.88084

- a. Dependent variable: Overall turnover intention
- b. Predictors (independent): job satisfaction, organization & work environment, salary & reward, organizational commitment and perceived work life balance.

Based on the above table 4.4.2, it can be observed that R value is .410. So this R value states that the overall variables such as job satisfaction, organization & work environment, salary & reward, organizational commitment, and perceived work-life balance, have effect on turnover intention. And also, R-Square 16.8% variation on dependent variable (Turnover intention) due to five independent variables.

Multicollinearity Test

The problem of multicollinearity was checked. SPSS determines while running regressions under the table heading coefficient. According to Pallant (2005), multicollinearity can be checked by assessing the tolerance - and Variance Inflation Factor (VIF) which can be analyzed in SPSS. If the tolerance - value is less than 0.2 and if VIF values exceed 10, one can speak multicollinearity (Pallant, 2005).

In this study, results show acceptable level for the five constructs of the independent variable which are perceived work life, organization commitment, job satisfaction, salary & reward, and organization and work environment.

If there is a high degree of correlation between independent variables, there is a problem of what is commonly described as the problem of multicollinearity. In such a situation researches should deploy only one set of the independent variable to make its estimate. In fact, adding a second variable, say X2, that is correlated with the first variable, say X1, distorts the values of the regression coefficients (Kothari 2004).

Table 4.4.3 Multicollinearity Test

Model	Co linearity Statistics	
	Tolerance	VIF
Perceived work-life balance	.949	1.053
Organizational commitment	.864	1.157
Job satisfaction	.866	1.155
Salary & reward	.864	1.157
Organization& work environment	.721	1.388

Table 4.4.4 Regression results for factors that affects Employees turnover

Model	Unstandardized Coefficients		Standardized Coefficients	t- value	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.773	.485		11.901	.000
Job Satisfaction	-.225	.087	-.201	-2.580	.011
Organization & Work Environment	.101	.103	.083	.975	.331
Salary and Rewards	-.275	.113	-.195	-2.429	.016
Organizational Commitment	-.363	.103	-.276	-3.537	.001
Perceived Work-life Balance	-.063	.085	-.055	-.741	.460

In table 4.4.4, unstandardized coefficient indicates how much the dependent variable varies with independent variables when all other independent variables are held constant. The beta coefficient indicates that how and to what extent the five independent variables, job satisfaction, organization & work environment, salary & reward, organizational commitment and perceived work life balance, influence turnover intention of FMHCACA.

For example, a one-unit improvement in the employees’ job satisfaction, it is possible to reduce employee turnover intention by 0.225. Whereas, improvements in satisfaction level of employees with respect to Salary and reward will reduce turnover intention by 0.275

Based on the above table sig. value is used to test the impact of each the independent variables on turnover intention separately. Based on this if sig. value is less than p-value just it is concludes that independent variables have significance impact on turnover intention.

Thus, based on multiple regressions, as indicated in table 4.4.4 above revealed that job satisfaction, salary reward, and organizational commitment the highest significant impact on with sig. value of job satisfaction (sig.=0.011), sig. value of salary & reward (sig.=0.016), and value of organizational commitment (sig.=0.01) respectively at 95% confidence level ($p < 0.05$).

Hence, the researcher has accepted the alternative hypothesis and reject the null hypothesis i.e. job satisfaction has positive and significant impact on turnover intention, salary and reward also has positive and significant impact on turn over intention, and organizational commitment has a positive and significant impact on turn over intention.

Regarding to organization & work environment, organization & work environment has positive and non-significant impact on turn over intention with the sig. value of (sig. =.331, $p < 0.05$). Thus, the researcher has accepted null hypothesis and reject the alternative hypothesis.

Based on the result shown in the above table 4.4.4 sig. value of perceived work- life balance was positive and non-significant with a sig. value (sig. =.460, $p < 0.05$). Hence, the researcher has accepted the null hypothesis and rejects the alternative hypothesis.

Generally based on the above analysis the researcher concludes that job satisfaction, salary and reward and organizational commitment variables have the highest significant impact on turnover intention.

But organization& work environment, and perceived work life balance have a relatively lower impact on turnover intension.

Table 4.4.5 ANOVA Results

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	24.722	5	4.944	6.373	.000 ^b
Residual	122.590	158	.776		
Total	147.312	163			

a. Dependent Variable: Turnover Intention

b. Predictors: (Constant), Job Satisfaction, organization and environment, salary and rewards, organizational commitment & perceived work-life balance. F- test used to test the impact of overall explanatory power of the whole model, or the joint effect of all explanatory variable as group i.e. testing the overall performance of the regression coefficients. It measures the statistical significance of the entire regression equation rather than each individual coefficient as beta value is designed to do.

From the ANOVA table 4.4.5, it is identified that the value of F-statistics is 6.373 and is significant as the level of significance is less than 5% ($p < 0.05$). This indicates that the overall model was reasonable fit and there was a statistically significant association between independent variables and turnover intentions.

CHAPTER FIVE

SUMMARY, CONCLUSION & RECOMMENDATIONS

The chapter presents summary and conclusion based on the finding of the study from analysis and discussion on data. Recommendation is also forwarded in order to address the problem of the study & the research question.

5.1 Summary of Major Findings

The background information of FMHCACA respondents indicates that the majority of the respondents 105(64%) are male, 83(50.6%) aged in the range of 20-30 years, 85(51.8%) are single, 116(70.7%) are degree holders, 61(37.2%) of respondents have tenure of 1-4 years and 66(40.2%) salary in the range less than 5,000.00 birr.

The items included in the rating scale were grouped into five dimensions these are job satisfaction, organization & work environment, salary reward, organizational commitment, and work-life balance.

Overall, the results of this study presented significant relationship between the factors (five variables) and employee turnover.

The effect of job satisfaction level of managers & supervisors (3.25) and professionals (3.30) were above moderate but the job satisfaction level of support staff (3.07) was neutral. The aggregate job satisfaction level of FMHCACA is above moderate (3.24).

The effect of organization & work environment level of managers & supervisors (2.47) and support staff (2.46) were above disagreement level but organization & work environment level of professionals was lower than the mean (2.57). The aggregate level of organization & work environment level of FMHCACA was above disagreement level (2.53)

The effect of salary & reward level of managers & supervisors (1.78) and professional (1.75) were close to disagree but salary & reward level of support staff was above strongly disagreement level (1.59). The aggregate level of salary and rewards, the mean response is 1.72 and the p-value is greater than 0.05.

The effect of organizational commitment level of support staff (3.27) and managers & supervisors (3.41) were above the mean but organizational commitment level of professionals (3.51) was lower than agreement level. The aggregate level organizational commitment, the results showed that higher than the mean (3.44).

The effect of perceived work life balance level of managers & supervisors (3.24) and professionals (3.16) were slightly above the mean but perceived work life balance level of support staff was neutral (3.04) The aggregate level Perceived work-life balance was slightly above moderate (3.14)

The effect of turnover intention level of support staff (3.26) and professionals (3.52) above the mean but turnover intention level of managers & supervisors slightly lower than mean (2.89). The aggregate level turnover intention, the results showed that higher than the mean (3.38).

The correlation analysis showed that there is a negative and inversely relationship or correlation between factors or variables (job satisfaction, organization & work environment, salary & reward & organizational commitment) and turnover intention. Perceived work life balance has no relationship on turnover intention.

From the R square value, it is shown that **16.8%** of variation in turnover intention is explained by factors of turnovers. From the multiple regression analysis, it is observed that **job satisfaction, salary and reward and organizational commitment variables** significant impact on turnover intention. On the other hand, **organization & work environment, and perceived work life balance** have relatively not significant impact on employees' job satisfaction.

5.2 Conclusion of the Study

The main objective of this research was to identify determinants of turnover intention in the case of FMHACA. As stated in the literature the five determinants of turnover intention were; job satisfaction, organization & work environment, Salary & reward, organizational commitment and perceived work-life balance.

The result shows that job satisfaction, salary and reward and organizational commitment dimensions have significance impact on employees' turnover intention. While organization & work environment, and perceived work life balance have relatively significant impact on employees' job satisfaction

The first objective of this research was designed to find out the effect of job satisfaction on turnover intention of FMHCACA. The three groups of respondents (managers & supervisors, professional and support staff) had significantly different average agreement level of job satisfaction regarding their turnover intention. This indicates that the three categories respondents were no much difference in the level of their job satisfaction. It shows there is a slight gap in job satisfaction which may lead to turnover intention.

The second objective of the study to find out organization & work environment on turnover intentions. This indicates that there is no good relation between the job categories at FMHCACA & management has not created an open & comfortable environment or working condition.

The third objective of the study find out salary & reward on employee turnover intention of FMHCACA. The three categories respondents are dissatisfied with their salary system of the organization, its fairness and equity. This indicates that there is salary and reward a major determinant of turnover intention in FMHCACA.

The fourth objective of the study to find out the effect of organizational commitment on turnover intentions of FMHCACA. Professionals are willing to help the organization to be successful. It shows there is a tendency of organizational commitment by all job categories.

The fifth objective of the study to find out the effect of perceived work life balance on turnover intention. This indicates that managers & supervisors, and professionals have slightly above moderate satisfaction while support staff is satisfied with average mean value. Thus, it has no significant impact on turnover intention.

Turnover intention at FMHCACA is significantly higher than the moderate level. Professionals and employees have significantly higher level of turnover intention, whereas the managers & supervisors tend to be moderate. Therefore, there is a high inclination to quit a job. Hence, turnover intention is a serious problem.

The sixth objective of the study is to investigate factors to what extent they affect employees' turnover. The regression R square showed the strong correlation between factors of turnover & explain 16.8% variables in turnover intention. This result therefore has effect on which factors turnover dimensions is relevant to reduce turnover intention.

5.3 Recommendations

As per the revealed findings and conclusions, the researcher forwards recommendations so as to strengthen and enable the organization to minimize the level of voluntary turnover to the best possible level.

Here some important suggestions are made based on the basis of the conclusion or findings of the study.

Job satisfaction has impact on turnover intention. Job satisfaction level needs some work to be done. A remedy should be made to convert lack of employee motivation, work pressure & job stress. The result found that it is significantly correlated with turnover intention. The management should give attention to raise the job satisfaction level of the three job categories.

FMHCACA should improve its environments by creating good relationships between the management and employees. Creating an environment that is motivating, inspires to work and invites to learn and develop multiple skills. Good working conditions should improve the work life as well as the social life of the people at work. Since culture is important for employees to feel like they are part of a team, they require a link to vision & direction of the organization &

which ultimately lead to more cooperation. Thus, establishing a mechanism that bring good working environment should be a prior.

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

Organizational commitment is the most correlated variables that have strong positive relation with turnover intention. Thus, FMHCACA should focus on organizational commitment. These can be achieved by employee positive attitude to the organization, employee strong desire to maintain membership of the organization & employee satisfied with their current job, and working environment so as to reduce turnover intention especially for professional.

The authority should take appropriate action like management support & job security to improve perceived work life balance & subsequently reduce turnover intention of the three job categories.

The turnover intention of FMHCACA is critical. It demands much effort to reduce it. The management should give special attention to professional and employees, in such situation; much is expected from management to manage the turnover intention. Close follow up is so high important.

The management should create a conducive environment to gather opinions of employees. Exit interview should be applied at the organization. This would help to identify the real causes for turnover intention and helps and put the right solution.

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

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Appendix



ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
SCHOOL OF COMMERCE

GRADUATE STUDIES MA PROGRAM IN HUMAN RESOURCE MANAGEMENT

Questionnaire to be filled by Employees

Dear Respondents:

I am a graduate student who is currently studying for Masters of Art (MA) degree in Human Resource Management in Addis Ababa University School of Commerce. I am conducting a study entitled "Factors Affecting Employee Turnover: In the case of Ethiopian Food, Medicine & Health Care Administration & Control Authority". This questionnaire is developed to collect data that can be served as an input for the successful achievement of the study. The study will only be used for academic purposes and certainly you are assured of the confidentiality and anonymity of your participation in the study. I thank you in advance for your cooperation in providing me genuine and timely response.

In case you have any question, please do not hesitate to contact me using my telephone number (0913226425) or email (ashenfi19@gmail.com). I look forward to receiving your reply.

Ashenafi Woldu

GENERAL INSTRUCTION

- No need of writing your name.
- Please put (√) this sign in the appropriate box or bracket.

SECTION 1. DESCRIPTION OF DEMOGRAPHICS

1. Sex: A. Male B. Female
2. Age: A. 20-30 B. 31-40 C. 41-50 D. More than 50
3. Marital status: A. Single B. Married C. Divorced/separated D. Widowed

4. Educational background: A. Diploma B. 1st Degree C. Masters D. PHD

5. Length of service

A. Less than 1 year B. 1-5 Years C. 6-10 years D. More than 10 years

6. Salary:

A. Less than 5,000 B. 5,000-7,500 C. 7501-10,000 D. More than 10,000

7. Job Category: A. Managerial and Supervisory B. Professional C. Employees'

SECTION 2: VARIABLES OF THE STUDY

INSTRUCTION: Variables related to the study are given below. A set of statements are provided for each variable. For the statements that follow, please use the following scales to express the extent to which you agree or disagree with the statements given. Please tick (√):

- 1, If you “STRONGLY DISAGREE” with the statement
- 2, If you “DISAGREE” with the statement
- 3, If you are “NEUTRAL” with the statement
- 4, If you “AGREE” with the statement
- 5, If you “STRONGLY AGREE” with the statement

No.	Item	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
I	Job Satisfaction					
1	All in all, I am satisfied with my job.					
2	In general, I like my job.					
3	In general, I like working here.					
II	Organization and work environment					
1	Management has created an open and comfortable environment.					
2	There is a good relationship between the workers and the management in FMHCACA.					

No.	Item	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
3	There is no discrimination in FMHCACA based on gender, ethnicity or on any other bases					
4	At work, I have the necessary equipment and tools to facilitate my job.					
5	I like the working condition of my organization.					
III	Salary and Reward					
1	I am very satisfied with my salary					
2	I feel I am being paid fair amount for the work I do.					
3	The salary of FMHCACA is good when compared to the work I am performing.					
4	Over the past two years, the management here has introduced changes in the payment system.					
5	My pay compares fairly with the pay of people doing similar work in another organization.					
IV	Organizational Commitment					
1	I am willing to put in a great deal of extra effort to help this organization to be successful					
2	I talk up this company of my friends as a great company to work for					
3	I would accept almost any type of job assignment in order to keep working for this company					
4	I could be just as happy working for a different company as long as the types of work were similar.					
5	Deciding to work for this company was a definite mistake on my part.					

V. Perceived Work-Family Balance

Instruction: Using the 1 – 5 scale below, please indicate your level of satisfaction or dissatisfaction with the item by putting **circling** the number that represents your situation. How satisfied are you (1) highly dissatisfied to (5) highly satisfied?

NB: The words “work” and “job” refer to all work-related activities that you do as part of your paid employment. The word “family” or “personal” life refers to your overall home or out of work life

No.	Item	1	2	3	4	5
		Highly Dissatisfied	Dissatisfied	Neither Dissatisfied nor satisfied	satisfied	Highly Satisfied
1	The way you divide your time between work and personal or family life.					
2	The way you divide your attention between work and home					
3	How well your work life and your personal or family life fit together					
4	Your ability to balance the needs of your job with those of your personal or family life					
5	The opportunity you have to perform your job well and yet be able to perform home-related duties adequately.					

VI. Turnover Intention

Instruction: Below is a statement with which you may agree or disagree. Using the 1 – 5 scale below, please indicate your level of agreement or disagreement with the item by circling the number that represents your situation.

No.	Item	1	2	3	4	5
		Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
1	As soon as I find a better job, I will leave this organization.					
2	I am actively looking for a job outside of this organization.					
3	I am seriously thinking of quitting my job.					
4	I often think of quitting my job at this organization.					