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**ADDIS ABABA UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**  
**COLLEGE OF BUSINESS AND ECONOMICS**  
**DEPARTMENT OF PUBLIC ADMINISTRATION AND DEVELOPMENT**  
**MANAGEMENT**

**Effect of Employees Turnover on Service Delivery: The Case of**  
**Sheraton Addis Ababa Hotel**

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**June, 2021**

**ADDIS ABABA, ETHIOPIA**

**Effect of Employee Turnover on Service Delivery: The Case of  
Sheraton Addis Ababa Hotel**

**BY:**

**Addis Alemayehu Balew**

**A RESEARCH THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES  
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This is to certify that; this thesis is prepared by Addis Alemayehu. In this thesis entitled “Effect of Employee Turnover on Service Delivery: The Case of Sheraton Addis Ababa Hotel” is submitted in partial fulfilment of the requirements for the Master Degree in Public Administration and Development Management which complies with the regulations of the university and meets the accepted standards with respect to originality and quality.

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## **Declaration**

I hereby declared that the work which is being presented in this research project entitled “Effect of Employee Turnover on Service Delivery: The Case of Sheraton Addis Ababa Hotel”” is my own original work and has not been presented for a degree in any other university; and that all sources of material used for the research project have been duly acknowledged.

**Addis Alemayehu**

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Signature

June 28, 2021

Date

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## Acronyms

CEO	Chief Executive Officers
KII	Key Informant's Interview
MOCT	Ministry of Culture and Tourism
HR	Human Resource
HRM	Human Resource Management
GDP	Gross Domestic Product
SDS	Service Delivery System
SPA	Swimming and Aqua
SPSS	Statistical Package for the Social Science

### ***Abstract***

*This paper focused on the problems of employee turnover and associated effect on service delivery. First the data were obtained through the questionnaires and interviews. Questionnaires computed with the use of Excel sheet and computer software programs (SPSS) and interview questions were tabulated. Then data was coded, grouped and analyzed using appropriate values which was suitable for conclusion and recommendations. The researcher has used descriptive research method such as frequency, percentages, and charts which will make the research to be clear and easily understandable. Eighty-two Sheraton Addis Hotel's employees have been participated as respondents. The respondents' rate was 86.9% and also ten loyal customers were participated through interview process. Findings on the issue of causes of employee turnover are pay and benefits, promotion and transfer, lack of downward communications and also these result in poor service delivery that affected the organization business at all. If there is a consistent employee turnover there will be deficiency in service delivery. As conclusion the research tried to find an answer for the problems that hampers service delivery due to employee turnover in Sheraton Addis Ababa Hotel. As the causes of employee turnover which were stipulated by managers and line associates were: pay and benefits, opportunity to growth, suitability of working conditions, involvement of decision making, promotion and transfer, fair treatment, and the balance between personal life and work. Moreover, we had seen the perspectives of managers and line associates of employee turnover and its effect on service delivery. The possible recommendation had been drawn. Training should be given on time through training department not by senior associates because this deter senior associates not to focus on their job, health and life insurance policy should be revised, a structured and known associate hearing committee should be in place, promotion and transfer have to be impartial and merit based that will attract many associates to stay longer and recognize associates whenever there is a need.*

**Key Terms:** *Employees' turnover, service delivery, promotion, transfer and pay and benefits.*

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the study

Employee turnover will be seen as a centre stage in service providing industries. Hotels are highly affected by the ongoing saga of employee turnover. Uncontrolled employee turnover will affect service delivery and let the hotel industry to uphill battle with the market,

*“The ever changing of the world brings us in one environment in which the hospitality industry is a part and parcel of this phenomenon. There are also growing changes and challenges taking place inside work organizations themselves. These changes and challenges are having an impact upon the management of people in an organization and the performance of the organizations on one hand, and upon the environment in which we work as organization on the other hand (Ngirwa, 2005). Labour turnover is one of the challenges that organizations faced seriously and has an impact in the performance of those organizations. The idea of employee turnover signifies one of the basics analyses of hiring and leaving of workers among scholars in the field of management, organization behaviour, and human psychology. It refers to the process whereby employees leave the organization and join the organization. It can also be referring as a degree of individual movement across the membership boundary of a social system (Hammermesh and Rees, 1984). Employee turnover in organization is one of the main issues that extensively affect the overall performance of an organization (Ubagu and Gbuushi, 2020). It is often suggested that organization should adopt clear Standard Operation Procedures (SOP’s) that decrease the gap among the top management and the middle management in order to identify and resolve the issue of employee turnover in the organization (Muhammad et al., 2013).”*

Employee turnover should be given a due attention by the organization. Most employee turnover issues related with: poor leadership, lack of good governance, conflicts between management and associates, less benefits. Eventually the aggregate effect results in poor service delivery, customer dissatisfaction, revenue decline and loss of business which leads to closing of the property.

*“Hotel industry will start back to with inns, and lodges, and growing into the hospitality industry (Michael and Richard, 2001). “*

An incredible change in the industry of tourism in the world brought many changes in the field of hotel business. This means, the expansion and development of travel has contributed a lot for the development of hotel industry. Along with expansion and development of these industries in the world, there has been increasingly expanded and developed in Ethiopia too.

*“It has been witnessed the rapid growth of hotel industry in Ethiopia by having many star rating hotels around Addis Ababa and capitals of the regional states, but it is not without challenges, the main is being the quality of service in the majority of the hotels (Kifle, 2012). There are only four internationally branded and managed hotels with a total of 1012 available rooms, and the majority of the “rated” hotels are situated in the capital city Addis Ababa (Hailesilasse, 2013). Hotels with less than 100 rooms which are rated by online travel agents, are scattered throughout major towns and historical tourist destinations in the country. The government owned hotels have not been adequately maintained, and not all have been privatized (Tomaselli, 2012), and no objective rating has been done of all hotels for several years. Until June 2015, the hotels rated themselves generously without benchmarking against “international “standards (Gobena and Gudeta, 2013), and the non-adherence to rating standards by the hotels affects customers, as it creates wrong service expectations (Nowlis, 2005; Narangajavana, 2007; Madani et al., 2012).”*

Hotel classification puts into consideration several factors that affect the overall standards such as the standard of cleanliness, manner of storage, preparation and service of food and the food quality (Laws of Kenya, 1986). The classification is done in such a way that the higher the stars, the better the standard of cleanliness, the quality of food served and the standards of the structures and amenities (Baum, 2002)

Sheraton Addis Ababa Hotel with five-star rating becomes one of flourishing industry in the nation. It was inaugurated Feb. 28, 1998 by the then Ministry of Trade and Industry Minister His Excellency Kassahun Teka. Sheraton Addis Ababa Hotel was managed by Starwood Hotel and Resorts Inc. Property is owned by Saudi Arabian citizen and Ethiopian born billionaire Sheik Mohammed Hussein Al Amoudi.

Organizational turnover has sometimes been defined as “the ratio of the number of organization members who have left during the period being considered divided by the average number of people in that organization during the period” (Price, 1977). It is often detrimental to the effective functioning of an organization. On the other side, Adams and Beehr (1998) provided a definition of organizational turnover “turnover involves ‘leaving any job of

any duration' (Feldman, 1994) and is usually thought of as being followed by continued regular employment''. Similarly, managers analyze the employee turnover as the entire process associated with filling a vacancy. Each time position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995). This term, employee turnover, is also often utilized in efforts to measuring relations of employees in an organization as they leave, regardless of reason

(Gustafson, 2002).

In 2018 Sheraton Addis Ababa, The Luxury Collection Hotel, its management contract had been sold to Marriot International Hotel, which is one of the biggest hotels and accommodation industry in the world with amount of 12billion dollar. Now Marriot international is a number one for having about 30 different brands worldwide. Sheraton Addis Ababa hotel is one of them.

As any other hotel Sheraton Addis is facing the same issue in relation with labour turnover and its effect on service delivery. However, high levels of employee turnover led to low performance and ineffectiveness in organizations, and which result in a huge number of costs and negative outcomes (Ingersoll and Smith, 2003). Several researchers have found that high turnover rates might have negative effects on the profitability of organizations and poor service delivery (Aksu, 2004; Hinkin and Tracey, 2000 among others). So, the need of this research will be measuring the causes of employee turnover and its effect on service delivery and provide an insight recommendation for the hotel's CEOs, hotel's owner and policy makers.

## **1.2 Statement of the problem**

Companies incur direct and indirect expenses, which include the cost of advertising, human resource costs, loss of productivity, new associates hiring and training and also customer retention. These expenses can add up to anywhere from 30 to 200 percent of a single employee's annual wages or salary, depending on the industry and the job role being filled (Beam, J. 2009).

*“Having a well-crafted employee enhancing mechanisms, then the organization will perform well, but if there is an ever increasing of employee turnover either voluntarily or involuntarily, there will be a negative effect on its performance, profitability, customer retention as well as its survival. Employee turnover has the effect of increasing operational*

*costs. It has also contributed to inefficiencies and poor performance of organizations over the years. In the early 1980s, most American companies lost billions of dollars due to employee turnover (Wagner & Hollenbeck, 1992). This negatively affected employee development, organizations investment, performance of workers and the organizations at large. Whenever you hire new associates, it has a direct effect on performance of associates that affect directly the quality-of-service delivery. If people who leave organizations voluntarily are better performers than those who stay, turnover lowers the productivity of the remaining work force (Wagner & Hollenbeck, 1992).”*

Turnover in the hospitality industry is quite costly. It leads to upsetting of the experienced workforce. There will be unsatisfactory customers and may lead to lose of loyal customers and consequently failure of the organization. Hospitality industry is a people-oriented sector. People like to deal with those that they are familiar with. If customers keep on finding a replacement every time, they visit a certain firm, their faith in the said firm may be eroded after just a little while.

During the years of 2018 and 2019 Sheraton Addis Ababa hired 32 and 48 associates and 46 and 59 associates left the organization respectively (From Sheraton Addis Ababa, Human resource office). Total associates during these years were 701 and 712 respectively. The average turnover rate for the past two years was 6.5 and 6.7 percent respectively. This formula is taken from US department of labour

Number of Employee separation during the month

(Total number of employees at mid-month) X100

There are several departments which have their unique job descriptions and responsibilities. But the turnover ratio from department to department is most likely the same that tell us factors that lead associates to increasing turnover is similar to department to department and that boils down to common factors. So, the research focused on the factors that push associates leaving the organization and its effect on service delivery.

The research focused on Sheraton Addis Ababa, the luxury collection Hotel, of its practices in retaining the associates, factors that might contributed to associates turn over and its long-lasting effect on service delivery which ultimately affects organizational agenda and the possibility of losing business as competitor in the country.

Sheraton Addis Ababa, Hotel associates are line associates, managers, executive officers and owner and the hierarchy will be cascaded accordingly (Sheraton Addis Hotel HR office)

Many researches tried to elaborate the gravity of employee turnover in an organization and its effect on service delivery but his research tried to focus on employee turnover and its effect on service delivery in hospitality industry in general and Sheraton Addis Ababa hotel in particular. Employee turnover in Sheraton Addis become a huge setback for delivering best service for customers. Whenever you have new associates, it will take many days to train them and that will hamper service delivery.

Turnover in Sheraton Addis Ababa, The Luxury Collection Hotel has its own effect on delivering outstanding service in the city. As a five-star rated hotel in Addis Ababa employee turnover brought a paramount problem on service delivery. These deep-rooted problems seize the attention of the researcher. Moreover, the organization will be given a chance to see alternatives of strategies that will help the organization to minimize turnover and enhance service delivery. Having this research gap in the area, this research might contribute a valuable knowledge in relation with employees' turnover against service delivery to the hospitality industry in general and to Sheraton Addis Ababa hotel in particular. The researcher wanted to probe the perspectives of managers and line associates in relation to turnover, it is because of their responsibilities and positions.

### **1.3 Research questions**

The study raised and attempted to answer the following questions:

1. What were the effects of employees' turnover on service delivery?
2. How was turnover perceived from the managers' perspective in relation with service delivery?
3. How was turnover perceived from the employees' perspective in relation with service delivery?
4. What were the factors affecting Employee's turnover in Sheraton Addis Ababa Hotel?
5. What are the strategies that should be put in place to minimize employee turnover by Sheraton Addis Ababa Hotel?

## **1.4 Objectives of the study**

### **1.4.1 General Objective**

The main objective of the research was to examine causes of employees' turnover and its effect on service delivery of Sheraton Addis Ababa Hotel.

### **1.4.2 Specific Objectives**

The research paper was guided by the following specific objectives:

- a) To assess the possible effect employee's turnover on service delivery in Sheraton Addis Ababa Hotel.
- b) To examine employee's turnover consequences from manager's perspectives.
- c) To scrutinize the effect of employee turnover from employee's standpoint.
- d) To identify the factors affecting employee's turnover in Sheraton Addis Ababa Hotel.
- e) To look in to possible strategies that should be put in place to minimize employee's turnover in Sheraton Addis Ababa Hotel.

## **1.5 Scope of the study**

The research focused on effect of employee's turnover on service delivery at Sheraton Addis Ababa Hotel, The Luxury Collection Hotel. Star rating for international hotels in Ethiopian is designed and accredited by Ministry of Culture and Tourism of Ethiopia (MOCT). As per the standard Sheraton Addis Ababa Hotel was rated as one of the five Star hotels in the country. The research gave emphasis between the years of 2018 till 2019 G.C. Not having extensive data from Sheraton Addis Ababa Hotel, the researcher restricted only on two consecutive years.

There are different functions and services are being delivered by Sheraton Addis. These services and functions will be given by different departments. These departments have their own unique features according to the services they provide. Room division departments are responsible for selling rooms; Food and Beverage department has the responsibility of providing delicious foods and luxurious beverages; SPA delivers relentless services of swimming pool, Jacuzzi and sauna; Sales and Marketing responsible for promotion, marketing and dealing with big organization for contracts; Finance responsible for organization budget issues; Information technology responsible for IT related issues: laundry responsible to dry and non-dry cleaning; engineering responsible for all maintenance issues;

security responsible for the safety and wellbeing of customers, associates and organization; housekeeping responsible for general cleaning of the hotel; stewarding responsible for dish washing and banquet department offers different rooms facilities for conference, wedding, anniversary and big events like New Year 's Eve. The researcher focused not only on the specific department but also different departments who are severely affected by employee turnover. The researcher tried to deal with different departments like Sheraton Addis Ababa Hotel's HRM (Human Resource Management), selected associates and very few regular customers who responded through. Descriptive research was employed in the research with a research tool of interview and questionnaire.

### **1.6 Significance of the study**

The causes of employee turnover and its effect on service delivery had been thoroughly investigated and findings and possible recommendations had been stated. This research finds that turnover will be associated with pay and benefits, working conditions, problems handling mechanisms and the emotional connection of associates with the organization. By reducing all these problems organization will reduce turnover and enhance service delivery. Policy makers need to focus on the problems and need to craft a policy that suite both employers and employees so that both parties will be benefited.

This research was done to give an overall insight concerning the employee's turnover of Sheraton Addis Ababa Hotel, to create awareness to the owners and managers as to what to do regarding the issue. This research will benefit for those who want to invest in hospitality industry and give them a clear picture about employee turnover and its effect on service delivery. The outcome of this study will help the employer to identify the causes of employee turnover and its effects on service delivery. This result gives all possible solutions for the management and particularly HRM of hotels to improve level of the service delivery in general.

Moreover, the study might give an insight to researcher to carry out a study on employee's turnover and its associated effects on service delivery.

Furthermore, the research finding is also important for future researcher as their lead and reference.

### **1.7 Limitation of the study**

While conducting the research, many difficulties were faced. Among which willingness of the mangers to show the employees' document, accessibility to get written materials relevant

to the study, fearing of associates not participate in the research process and time and finance constraints were the major problems the researcher faced.

Access to key informants and information holders:

Even though there is a less interested tendency from the executives, but pertinent data have been collected from employees and Sheraton Addis Hotel's HRM. Some guests were cynical about the research that the research might not come up with solution and also not aware of the seriousness of the research towards looking for a remedy.

The study in particular requires an in depth understanding of quantitative data and the willingness to provide views through questionnaires and interviews. Where people were not willing to participate well it could be difficult to get accurate data.

Limitations of the research:

The research faced time constraint due to less movement of COVID-19 pandemic that might hamper on the full extent of research motive and idea. Provided the time that was given to the researcher it was difficult to accommodate all possible questions and answers under investigation. Finance also the key factor to undertake research.

This is an academic paper and need to be completed according to the academic almanac, hence it will be a short period of time for making the whole research report compiled, reviewed and analysed thoroughly.

## **1.8 Organization of the study**

This part gave a description in summary form of the main content and the ways that study was organized and structured. The study was divided into five chapters. In **chapter one** of this study, background of the study, statement of the problem, objective of the study, research questions, significance of the study, scope of the study and limitation of the study are presented. In **chapter two**, overview of the hospitality industry, review of literature and definition of some operational terms was presented with its conceptual frame work of the research. In **Chapter three** highlighted the description of research methodology that was used for the research. In **chapter four**, data were collected by quantitative method and analysed and presented. Finally, in **Chapter five** the following were included as finding and conclusions were depicted and possible recommendations and implications for the management and for the other hotel industry was stated in this chapter.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.1 Introduction

The literature review focused on definitions of staff turnover and its effect on service delivery with support of authors of different books and articles.

In relation with the research topic, the researcher did review selected theoretical literature, empirical literature and conceptual framework of the research which were written by some authors and which including researcher synopsis. In this part the points that researcher reviewed directly related to the research topic whom the researcher interested in. Hospitality industries immensely are affected by employees' turnover and that lead them to poor service delivery and affects customer's willingness to come back again. These issues were raised by many authors but the researcher focused and read on literature reviews which are focusing on employee turnover and its effect on service delivery.

#### 2.2 Definition of Employees' Turnover

Employee turnover can be defined as the ratio of associates who are left and hired by the organization in a given time.

*“Employee turnover is a well-studied research Shaw, (1998). Unable to get a comprehensive definition because of employee frequently leave the organization, brings researcher to the new chapter that is an ongoing probe of the issue. Employee turnover is the rotation of workers around the labor market; between firms, jobs and occupations; and between the states of employment and unemployment Abassi (2000). The term “turnover” is defined by Price (1977) as “the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period”. Frequently, managers refer to turnover as the entire process associated with filling a vacancy: Each time a position is vacated, either voluntarily*

*or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover Woods, (1995).”*

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

Companies incur direct and indirect expenses, which include the cost of advertising, head hunting fees, human resource costs, loss of productivity, new hire training, and customer retention. These result in huge burden for companies. These expenses can add up to anywhere from 30 to 200 percent of a single employee's annual wages or salary, depending on the industry and the job role being filled, (Beam, 2009).

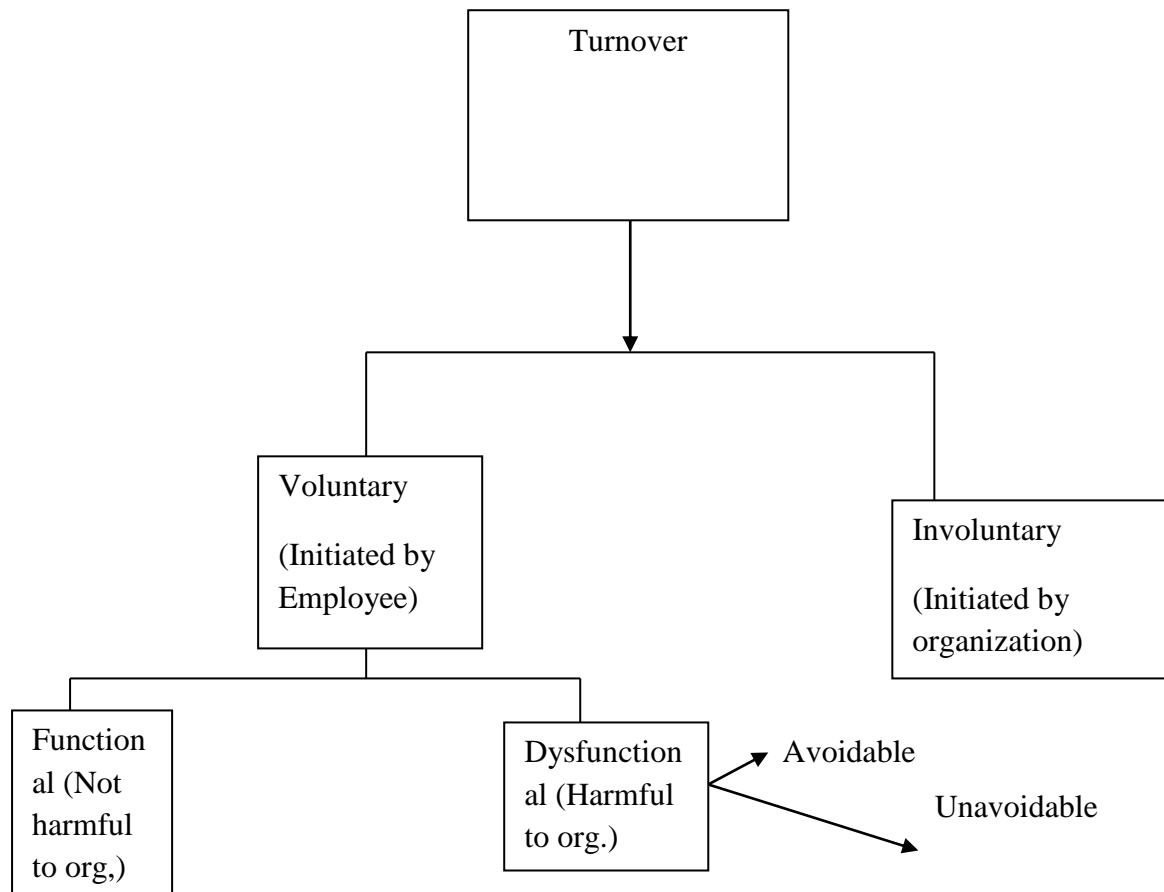
According to Lynda (2015), labour turn over can be attributed to number of factors, from issues with pay scales to conflict with company management further it goes to working environment. Lynda added that despite these causes, it is important to reduce high turnover because it reflects poorly on the company's image and poor service delivery. Besides high turnover makes company difficult to hire new staff. So, company should take a swift action on the causes of turnover and they can save the company from losing business.

Organization needs to keep employees as much as they can but there are some situations that they can't manage. Those who leave voluntarily can't be managed. McShane and Glinow (2000) state that since employees leaving voluntarily are those not dismissed by the employer, they are probably the ones that an employer would like to retain most. Involuntary turnover may occur for reasons which are independent of the affected employee(s) that is, involuntary leavers are literally forced out by the organisations by one means or another such as the real or perceived need to cut costs, restructure or downsize. Furthermore, voluntary turnover is often categorised into two namely; functional and dysfunctional (Mathis & Jackson, 2004). Functional turnover is where the employee's departure becomes beneficial to the organisation, while the dysfunctional type is where the organisation would like to retain

the departing employee. Dysfunctional turnovers usually involve high performers who are difficult to replace in the organisation.

### 2.2.1 Types of Turnovers

There are many types of turnover but the researcher elaborates some of the basic types of turnover with in any given organization.



**Figure 1. Types of Employee Turnover**

Source: - Griffeth and Hom 2001

#### 2.2.1.1 Voluntary and Involuntary Turnover

When employees quit the job from an organization, it is noted as voluntary turnover (Noe et al., 2006). It is calling the off the decision of the employee. Another definition is furnished by Egan et al. (2004), indicating “An instance of voluntary turnover, or a quit, reflects an employee’s decision to leave an organization, whereas an example of involuntary turnover, or a discharge, reflects an employer’s decision to terminate the employment relationship”. Voluntary turnover can be affected by not having job satisfaction, job stress, as well as due to getting a better job at another organization, a conflict with a manager, or personal matter such as staying home and giving enough time to the family member (Manu and Shay, 2004). It is, therefore, essential to reflect on attractions such as alternatives whilst appearing to voluntary turnover. Voluntary turnover is associated with not only the aforementioned reasons but also it is associated with physical and mental condition of the employee. Employee might be assigned where their physical ability can’t meet and mentally is not prepared for the position he or she is given or offered. Nevertheless, voluntary turnover can be foreseen and, in turn, be managed. Chiu and Francesco (2003) define involuntary turnover as “... an instance of involuntary turnover, or a discharge” that “reflects an employer’s decision to terminate the employment relationship”. Involuntary turnover includes retirement, death and dismissal. Employee turnover is regarded as involuntary when leaving the job to take care of seriously sick family member or to accompany a spouse to remote area. Therefore, employees have no control over and decide to quit the job (Martin and Martin, 2003).

### **2.2.1.2 Avoidable and Unavoidable Turnover**

There are causes for turnover can be avoidable and also unavoidable, these differences will be elaborated in the following manner.

*“Organization can work intensively to tackle an avoidable turnover by means of; recruiting, assessing and motivating employees more efficiently and effectively (Luecke, 2002). Here organization can work or deal with voluntary turnover in a way that they can handle with lesser cost to the organization. Such confirmation is also needed, because this will lead to take the necessary initiatives to enhance the employee retention. The phenomenon of turnover is psychosomatic (mental or emotional), managerial and expensive (Weisberg and Kirschenbaum, 2002).”*

There is currently no conventional model to understand the route of turnover as a whole. A variety of factoring is applied to evaluate the causes of employee turnover. It contains personal factoring, job content factors, working environment and external factoring. Chiu et al. (2002) have stated that “Unavoidable turnover results from life decisions that extend

beyond an employer's control, such as a decision to move to a new area or a job transfer for a spouse". However, almost eighty percent of turnover is due to recruiting mistakes, several of these mistakes can be avoided. Organizations have a need of taking certain measures while selecting and evaluating potential employees.

### **2.2.2 Turnover Culture**

Staff turnover is generally acknowledged as particularly high within the hospitality industry (Pizam, 2010). Turnover culture associated with poor communication within organizations, less recognition tendencies, nepotism, favouritism and more autocratic styles of management. Turnover culture is a result of numerous factors, including the short period of employment, the room for development, the semi or unskilled nature of some jobs and finally, the percentage of employees from secondary labour markets. Where the industry has faced a significant problem for certain labour intensive or semi-skilled jobs it has tended to turn to labour from foreign countries.

However, these low skilled employees are often more motivated by extrinsic rewards such as pay and conditions and are therefore more likely to be attracted to another employer by higher wages or to escape poor working conditions therefore be responsible for the problem. Most of the turnover related to voluntary are those who have opportunities to another establishment that might give them the better benefit packages.

On the positive side, turnover can bring resolution to performance issues, provide opportunities for promotion, transfer and result in new skills and ideas being introduced to the organization. Some organizations have what can be described as a turnover culture in which a high rate of turnover is accepted as standard business practice and little is done to rectify the situation (Deery, 2002). High rates of voluntary turnover have been linked to many factors including job dissatisfaction, lack of connection between subordinate and supervisor (Pizam et al, 1999), and by events called shocks positive, negative, or neutral jarring events that precipitate the cognitive analysis that precedes quitting (Holtom et al, 2005).

The unfolding model of turnover (Lee et al, 1994) suggests that people leave their jobs through one of four 'paths,' and shocks are involved them. In the first path a shock activates a pre-existing action plan (e.g., if a spouse gets a job some were in another city and you had hoped to move there). The second path involves a type shock (usually negative) that causes

the person to re-evaluate his or her attachment to the organization. The third path involves a type shock that causes a person to begin comparing his or her current job to other alternatives. The final path involves a pre-existing low level of job satisfaction. All these paths of turnover have to be given a great deal of attention. Each of these paths to turnover calls for different management action.

### **2.2.3 Causes of Employee Turnover**

The cause of employee turnover is differing from company to company. Different authors and researchers describe several causes of employee turnover in the company. The major causes are training and development, career development, work environment, employee motivation, job satisfaction, pay and benefit conditions.

Employee turnover as a research stream can be traced back to the work of March and Simon (1958) that was primarily based upon the level of job satisfaction and organizational commitment. Other theorists such as Mobley (1977), Price (1977) and Price and Muller (1986) identified a range of other variables such as pay, communication, social integration, reutilization, role overload, promotional opportunity, training, supervisor and co-worker support, and distributive justice as having a significant impact upon turnover.

According to Carrel et al (2000), staff turnover may be caused by low remuneration, job dissatisfaction and unfair treatment. New employees have expectations but when these expectations are not met, they may start withdrawing from work using sick leave, family responsibility leave and all kinds of excuses.

First let's recognize that not all turnovers are caused by employment problems. Some turnover is caused by retirement, military service, or death. Some turnover is good and may be part of the recruitment process, and some may create opportunities for promotion of more employees. But we want to concentrate on what we can do to improve turnover. Certainly, part of the reason for turnover may be that you are hiring the wrong people. This may be caused by:

- Hiring under-qualified people
- Hiring over-qualified people
- Hiring people without sufficiently determining qualifications
- Mismatching employees to jobs

If you hire people who cannot perform the work, be prepared to train them properly. And understand that it's difficult to make a profit from an OTJ training program. Don't try to

perform a job with 50 percent of the people in training. Either the training or the job will suffer.

According to Carrel et al (2000), staff turnover may be caused by low remuneration, job dissatisfaction and unfair treatment. New employees have expectations but when these expectations are not met, they may start withdrawing from work using sick leave, family responsibility leave and all kinds of excuses.

Apart from low remuneration, job dissatisfaction and unfair treatment, Jimmy: (2009) highlighted four factors that causes employees turnover:

**(a) Rude behaviour-** Studies have shown that everyday indignities have an adverse effect on productivity and result in good employees quitting. Rudeness, assigning blame, back-biting, playing favourites and retaliations are among reasons that aggravate employee turnover. Feeling resentful and mistreated is not an enticement for a good work environment.

**(b) People skills are inadequate-** Many managers were promoted because they did their jobs very well and got results. However, that doesn't mean they know how to lead. Leaders aren't born they are made. People skills can be learned and developed, but it really helps if a manager has a natural ability to get along with people and motivate them. Managers should lead by example, reward by deed.

**(c) Poor Interrelationship between Employees and Management**

The nature of interrelationship between employees and management represents another factor that cause staff turnover. If the interrelationship between employees and the management is poor, employees will not hesitate to quit for another employment at any available opportunity (Shukla& Sinha, 2013). Conflict with managers and supervisors is a frequent cause of employees' turnover. A feeling that management in general, or a particular manager and team leader is treating employees unjustly or is bullying his staff can lead to a high rate of employee turnover (Armstrong, 2004). Shamsuzzoha & Shumon (2010) argue that it is somewhat unusual for employees to quit employments in which they are happy and having good interpersonal relationship, even if offered another employment with a higher salary elsewhere. This is because employer-employees relationship plays a very important role on employees' turnover as cited in Akinyomi (2016).

**(d) Lack of staff empowerment and job redesign**

According to Joshi (2013, p. 57) Empowerment occurs when individuals in an organization are given autonomy, authority, trust and encouragement to accomplishing a task. Empowerment is designed to unshackle the worker and to make a job the worker's

responsibility. Some employees who feel that autonomy and authority is not given to them become demoralized and start to perform poorly. Therefore, this results employee to leave the organization.

Apart from the above-mentioned causes of turnover, work attitude and environmental factors have played their own impact.

**Work attitudes:** Work attitudes are used here to mean those emotional characteristics of employees that are brought to bear on their daily activities at the workplace (Verquer, Beehr, & Wagner, 2003). They include motivation, job satisfaction, and organizational commitment. Lawler (1986) states that a very important tangible cost of employee turnover is the effect of high employee turnover on the morale, motivation and job satisfaction of staff, and the level of organizational performance.

**Environmental factors:** According to Harbinson (1973), an employee's decision to continue with his or her present firm or to seek opportunities elsewhere depends on factors such as working conditions, personal fulfillment, and travel requirements. Cole (2002) further states that the reasons for leaving are multifold, but in general, the environment in which these organizations perform forces them into these employee patterns. Mathis and Jackson (2004) see environmental factors as uncontrollable factors which include job-hopping and alternative employment opportunities. These factors are related to labor market school of thought (Morrel et al., 2004).

#### **2.2.4 Cost of Turnover on organization and particularly in hospitality industry**

Cost of employees' turnover is imminent for organization in general and more often particular for hospitality industry. Hospitality industry has to do more during employment process in order to reduce cost that is being incurred due to employee turnover, there are many costs will be assumed during employment. These are;

**Cost of recruiting:** Newspaper ads, agency fees, related travel expenses, and even the time it took to post the jobs and make out all the related paperwork.

**Hiring Costs:** Interview costs; the hourly wages of those doing the interviewing, and of the secretary who typed the offer letters; the interview lunches, testing, reference checking, and physicals; and the related paperwork.

**Training cost:** Creating the employee file, orientation, training, extra monitoring, extra inspections, increased material waste, and a measurement of the learning curve (the slowly increasing rate of productivity until the job is being fully performed).

**Separation Costs:** Time spent on grievance procedures, employee counselling, warning notices, exit interviews, and the separation process.

**Intangible costs:** These are the costs that come from losing of well experienced employee that might associate with the quality of services. Whenever you lose experienced employee hotels tend to look for new associates in order to fill the vacant position. New employees don't have experience and expertise knowledge that lead them not to deliver services which are expected from them. The totality of these effect will disappoint customers. When customers are not happy about the service, they are given they will shift their loyalty to another property. This will impact hotel business badly.

A study by the United Kingdom Chartered Institute of Personnel and Development (2007) reveals that not all turnovers are harmful to organizations. Some turnovers impact positively and are cost effective. This happens mostly whenever a poor performer is replaced by a more effective and efficient employee. As stated by CIPD, yes, some involuntary turnovers are end up to be very good for organizations. of course, there might still be costs related the turnover but in this case the benefits from the replaced employee exceed the costs to be incurred.

According to Mello (2006), turnover allows the organization to hire new employees with more current training who are not locked into existing ways of doing things. Fresh blood from outsiders can be crucial to organizations who are energetic and ambitious for growth and new way of doing things. This might excel innovation and better efficiency. Turnover can also lower the average tenure of employees and translate into lower payroll expenses.

The cost of turnover also varies based on complexity of the jobs, experiences, qualifications, and hotel property types (Hinkin and Tracey, 2008). Although the turnover rate of managerial employees is expected to be lower than that of operational staff, but the cost of replacement is much higher. Hotel size may be a factor, as larger hotels are more likely to adopt systematic HRM strategies and practices reducing turnover rates, especially at the luxury hotel level (Knox and Walsh, 2005).

As many researchers high pointed out that the cost and benefit of employee turnover should be treated as important as any decisions in the hospitality industry. We know that there are turnover costs which we can't avoid but we can minimize as much as we have a good HRM policy in place. This works not only for hospitality industry but also for any given organizations who are dealing with service delivery.

### **2.2.5 Measuring Employee Turnover**

The computation of turnover can be varied in different ways. The following formula from the U.S. Department of Labour is widely used.

Number of Employee separation during the month

(Total number of employees at mid-month) X100

Common turnover figures range from almost zero to over 100% per year, and normal turnover rates vary among industries. Organizations that require entry level employees to have few skills are likely to have higher turnover rates among those employees than among managerial personnel. As a result, it is important that turnover rates be computed by work units. For instance, one organization had a companywide turnover rate that was not severe but 80% of the turnover occurred within one department. This imbalance indicated that some action was needed to resolve problems in that unit.

Labour turnover will vary between different groups of employees and measurement is more useful if broken down by department or section or according to such factors as length of service, age or occupation. Nine variables employee's turnover intension, managerial attitude, job satisfaction, job involvement, communication levels, flexible work environment, training consistency, employee priorities and organizational outcomes are considered to measure employee's turnover intension and its impact on organizational outcomes. (CIPD 2004).

The simplest measure involves calculating the number of leavers in a period of time (usually a year) as a percentage of the number employed during the same period. This is known as the "*separation rate*" or "*crude wastage rate*" and is calculated as follows:

**Number of leavers / average no employed x 100**

For example, if a business has 100 leavers during the year and, on average, it employed 1500 people during the year, the labour turnover figure would be 6.6%. This can give a very brief clue for management or HRM to decide whether turnover is a crucial for company's existence or not.

### **2.2.6 Mechanisms of Controlling Employees' Turnover**

It is uncompromisingly indispensable to stay put the potential employees in the organization. Managers need to arrange training and learning program how to focus on key employee satisfiers and dissatisfies so that they can make a well-balanced job design and control system to retain employees in the organizations (Staw et al., 1986). One of the major causes of job dissatisfaction is poor income, which may result in employees leaving the organization. Therefore, it is more essential to build up a sound retention mechanism and have a good

relationship between managers and workers in any organization. Among various mechanisms to retain employees these are some them:

1) **Recruiting suitable employees.** According to Hulin et al. (1985), staffing is designed at providing a pool of latent human resources from which business organization can select the suitable employees on the basis of job condition. Hence, if the organizations try to minimize the rate of employee turnover, it is required to ensure that the suitable applicants have considered for recruitment and selection in the job. Recruitment is the process of attracting the potential candidates so that they will possibly contribute to the organization (Steel and Ovalle, 1984). It becomes noticeable that sound strategies are needed to draw an attention to the employees and motivate them to stay put in the organization. However, organizations should have the ability to identify the right, qualified and experienced employees and thus, this will lead to achieve the business goals. What this means is, businesses would have let down or diminutive growth unless they recruit skilled workforce (Schervish, 1983).

2) **Retaining valuable employees.** Mobley (1982) describes that it is the responsibility of an organization to retain the potential employees because they will probably contribute the firm to reach their destination. The immediate cause of this, retaining the best employees for an employer could have a competitive advantage as compared to others. HR management should take steps for an appropriate employee assessment so that the most suitable candidates are employed. According to Mobley (1982), *“The quality of an organization’s people is always an essential ingredient of successful strategy execution – knowledgeable, engaged employees are a company’s best source of creative ideas for the nuts-and-bolts operating improvements that lead to operating excellence”*. Firms may employ next to kin of applicants as the best way to motivate and retain the top talent. Despite the fact of family reasons, this approach will minimize the family reasons to quit the organization, particularly, in the technical work.

3) **Effective leadership.** It is fairly likely that employees will not stay in their jobs due to the lack of support from managers (Mobley, 1977). Many researchers are of the view that poor supervision is one of the leading factors of employee turnover and, hence, it is vital for an organization to coach its managers in order to improve their organizational and leadership skills (Porter and Steers, 1973). It comes to appear that employees do not have to be friends with their boss, but they need to have a good relationship with their respective boss. However, one argument put forward by management experts is that boss needs to provide direction and feedback, spend time in one-to-one meetings, and work with them cooperatively. HR managers often develop new ideas to improve employee retention, but HR experts believe that one of the most important retention tools is being a leader instead of a

manager, so they suggest that a manager needs to push towards the potential of employees and appreciate them in terms of their performance. It would be also a responsibility of an effective leader to take care genuinely about their concerns and provide tools for personal and professional development (Guion and Gottier, 1965). An employee reports to undermine the employee's engagement, confidence, and commitment to have a toxic relationship with the individual. A bad boss is one of the reasons why employees quit their job. A good illustration for this is that boss keeps update information that employees need to succeed. He or she cannot perform his job or accomplish his goals without their help. So, manager shares a critical interdependence with employees. If manager rarely supports them to complete the tasks successfully, they cannot perform well in their assigned responsibilities. In fact, employees will not progress without the information, *perspective, experience, and support of manager* (Maertz and Griffeth, 2004). Based on a recent study, it can be argued that the direct and indirect effect of managerial support on turnover cognition represent inconsistency of the reason of manager on turnover intention (Campbell and Allen, 2007).

4) **Training and development.** Management should initiate to create an environment, where key information has been freely communicated. Employees have the opportunities to be well-informed and insightful for further career development, as well as variety form of training program will rationally be foremost to an organization. Therefore, this will result in retaining the employees and have a positive impact on organizational productivity (Singh, 2008).

5) **Identifying the economic problem.** Generally, employees are most likely to generate the turnover intention due to a variety of economic reasons (Steers and Mowday, 1981). If we provide evidence, Ford's car plants have experienced a significant number of employee's turnover frequently reaching rates as high as 300 to 400 percent per year. When the company enables to realize and identify the problem, a decision has approved to increase the basic wages doubled from 2.50 dollars to 5.00 dollars per day and, by doing so, the rate of labor turnover has radically reduced (Muchnik and Tuttle, 1979).

6) **Job satisfaction.** The job content and autonomy are the two major job-related motivational factors that lead to an increase of employee's job satisfaction. Once employees realize that they are authorized to take part in the decision-making process, they could be motivated and desire to do their best for the organization. Shahzad et al. (2008) state that "*Turnover studies primarily have established that satisfaction with supervision promotes job retention without necessarily identifying specific behaviors by supervisors that commit employees to the company*". Experts have identified some factors that are likely to make employees satisfied at work such as good pay, friendly working environment, cooperative colleagues, career counseling and opportunities for

training and development (Sherman and Snell, 1998). It is also noted that “*employees desire managers who realize and treat them fairly*” (Dailey and Kirk, 1992). Unless managers are fair, logical and caring to their employees, it is fairly likely that they will not be happy about their jobs.

7) **Unionization.** One of the major advantages of labor unions for organizations is that they lead to less employee’s turnover. It is quite probable that employees will not leave their jobs as frequently if they are the members of labor union. One cause for this is that they have to pay dues to be a part of the union, and they typically do not want to lose their position in the organization. Labor unions are organizations in which employees’ bond together to create a collective voice for negotiations with employers. Previous studies suggest that labor union may be capable to provide safe and better working environment by the negotiations between labor and management, resulting in lower turnover (Ferguson, 1986).

8) **Organizational culture.** Organisational culture is a widely used term but one that seems to give rise to a degree of ambiguity. Watson (2006) emphasises that the concept of culture originally derived from a metaphor of the organisation as ‘something cultivated’. For the past number of decades, most academics and practitioners studying organisations suggest the concept of culture is the climate and practices that organisation develop around their handling of people, or to the promoted values and statement of beliefs of an organisation (Schein, 2004). Schein (2004) highlights that ‘the only thing of real importance that leaders do create and manage culture; that the unique talent of leaders is their ability to understand and work with culture; and that it is an ultimate act of leadership to destroy culture when it is viewed as dysfunctional. Culture therefore gives organisations a sense of identity and determines, through the organisation’s legends, rituals, beliefs, meanings, values, norms and language, the way in which ‘things are done around organization’. An organisations’ culture encapsulates what it has been good at and what has worked in the past. These practices can often be accepted without question by long-serving members of an organisation. One of the first things a new employee learns is some of the organisation’s legends. Legends can stay with an organisation and become part of the established way of doing things. Over time the organisation will develop ‘norms’ i.e., established (normal) expected behaviour patterns within the organisation. A norm is defined as an established behaviour pattern that is part of a culture. Schein (2004) emphasises that ‘perhaps the most intriguing aspect of culture as a concept is that, it points us to phenomena that are below the surface, that are powerful in their impact but invisible and to a considerable degree unconscious’. Schein uses an analogy that culture is to a group what personality or character is to an individual. ‘We can see the behaviour that results, but often we cannot see the forces underneath that cause certain kinds

of behaviour. Yet, just as our personality and character guide and constrain our behaviour, so does culture guide and constrain the behaviour of members of a group through the shared norms that are held in that group Schein (1990) emphasises that there are visible and invisible levels of corporate culture (the ‘culture iceberg’ analogy - the visible levels (surface manifestations) of the ‘culture iceberg’ incorporate observable symbols, ceremonies, stories, slogans, behaviours, dress and physical settings. The invisible levels of the ‘culture iceberg’ include underlying values, assumptions, beliefs, attitudes and feelings. Often, change strategies focus on the visible levels.

A well-developed organizational culture is one of the factors that influence the employees to stay put in the organization. If employees are not being contented with the culture, work environment, organizational structure, probability is that they will quit the job (Mowday et al., 1982). It is often said that organizations are able to attract and motivate employees by practicing the best organizational culture. Thus, it may lead them to continue work in the organizations.

9) **Balancing work and family life.** There can be avoided various retention problems if the organization finds a solution to help employees to effectively control their commitment at home and at work (Tser -Yieth et al., 2004). It is also probable that parents are supposed to take responsibilities, while this comes up to the caring for the family. If we take an example, parents may help to bring back children from school. The study also suggests that flexible working hour can lead to deal with a better work-life balance and, by doing so, can counteract job stress (Boxall and Purcell, 2003). Hence, managers should be provided the flexible working hour opportunities for their employees.

Among many one measures which can be utilized in controlling staff turnover is through the creation of conducive work environment for employees. It is one of the factors that affect staff’s decision to stay with the organization (Ngethe et al., 2012).

*“The safety and security equipment’s and the general working conditions of the organization will contribute to the efficiency and performance of the employees; such as health care services, air conditioning, office space, furniture, suitable lighting, and proper ventilation can encourage employees to remain with their employers (Shukla& Sinha, 2013).”*

## **2.3 Service Delivery in Hospitality Industry**

### **2.3.1 Definition of Service Delivery**

Service delivery can be defined as products and services are provided to customers in professional and timely basis. Those who deliver services should be equipped with expertise knowledge, skills, and professional capabilities. This part focuses on the effectiveness of the service delivery system (SDS) and re-examines its influence on customers' perceived service quality.

Delivering services of high quality is an important pursuit for service providers that seek to create and provide value to their customers (Grönroos and Ravald,2011). Through the provision of high levels of service quality, companies can achieve increased customer satisfaction, loyalty and therefore long-term profitability (Zeithaml and Bitner, 2000). In order to provide high levels of service quality and therefore create value for their customers, service organizations need to plan the delivery of their services and to ensure the successful implementation of the actual plan (Parasuraman, Berry and Zeithaml 1985, 1988). Therefore, good planning and effective implementation of the developed delivery plans are key factors for the Service Delivery System (SDS). Furthermore, continuous improvement of service procedures contributes to the optimization of SDS and enhances the organization's standards of service.

In order to assess the effectiveness of the SDS most researchers either measure specific outputs of the system, such as the times required for task execution, costs, etc. (e.g., Haynes and DuVall,1992; Mandell, 1991) or use proxy variables and assess the effectiveness of its most important determinants (e.g., Ponsignon, Smart and Maull, 2011). In this study, we are following the second approach, identifying the key factors that determine SDS effectiveness and exploring their influence on service quality. Specifically, we argue that the most important determinants of a service system's effectiveness are the front-line employees' role performance, their ability to adapt to individual customer needs, the effectiveness of their coordination and the effectiveness of the process' control (Galbraith, 1973; Bettencourt and Brown, 1997).

### **2.3.2 What are the basics of service delivery?**

There is no one single and simple definition to explain the term of service delivery in this stage. Broadly speaking, Service delivery is the act of kindness in welcoming and looking after the basic needs of customers or strangers, mainly in relation to food, drink and accommodation.

According to Parasuraman (2015), in the hospitality industry, there are additional features that are of paramount significance as far as quality of service is concerned. These

characteristics comprises of inconsistent demands and imprecise standards which have further been recognized as intricate duty of defining, delivering and measuring service quality. It's difficult to standardize service quality solely because a lot of factors are not consistent. For example, friendliness, helpfulness, and politeness are likely often than not interpreted differently contingent on each guest and therefore assessed subjectively. Another aspect to look at keenly is the seasonal aspect of the hospitality industry. It is imperative to understand and distinguish peak seasons, days or time of the day from off peak periods. According to Wyckoff (2000), Peaks can possibly render it extremely challenging to measure for consistency of service quality.

Customer satisfaction can only be improved by providing quality service to the clients. This deliberate move can ultimately lead to increase customer loyalty, repeat customers and purchases, commitment to organization and particular products. In addition to this, tourists who are highly satisfied by the services of a hotel will actively spread positive marketing to family and friends who intern become potential customers. It is amazing how news travels through word of mouth. It is even worse when the news is bad also. Guests should be treated always in a professional manner and employees also should get best training and many skills which bolster their capacity towards service delivery.

Although retaining skilled associates is paramount task, but there are also pillars for a better service delivery. In order to retain customer company should adhere the following golden rules.

**Golden rule one A customer in need is a customer indeed:** When there is not much difference between your product and the product of your competitor, there needs to be a big difference in the quality of service you provide your customer.

**Golden rule two Hire people with good customer's service skills:** Seek out the great employees who already work for you. Interview them, find out what makes them tick. Write profiles of great employees. Find out what qualities they have in common. Then look to hire people with the same qualities.

**Golden rule three Train your employee:** Even though there is a high risk of losing trained employee but it is good to train employees in order to deliver best service to customers.

**Golden rule four Cross train your employee:** The kind of employees you want are the kind who want to learn. Good workers improve their skills in many areas of work and life. They can either do it on their own, and be more inclined to go elsewhere for continued challenge

and learning, or they can learn under your auspices, and develop close ties to your organization while they do.

**Golden rule five Train your employee how to communicate with customers:** Teach your employees how to create excellent customer service through human interaction All customers are greeted politely and courteously, create an atmosphere of friendliness throughout each customer interaction, Professionalism is displayed through word and deeds, show empathy and understanding for a customer with a problem, all customers are treated fairly in every interaction.

**Golden rule six Know your customers by name:** Whenever you use customer's names, they feel that they are recognized and appreciate the way they are treated.

**Golden rule seven Train your employees to ask customers open ended questions:** Open-ended questions are questions that encourage people to talk about whatever is important to them. They help to establish rapport, gather information, and increase understanding. They are the opposite of closed-ended questions that typically require a simple brief response such "yes" or "no."

**Golden rule eight Train your employee how to handle angry customers:** Never argue with annoyed customers. You need listen, repeat, review, respond and resolve their issues.

**Golden rule nine don't let angry customers from your organization:** Ways to build customers loyalty,

- 1) Take ownership of the problem
- 2) Maintain follow up on customers who are disappointed
- 3) Ask yourself whether you are part of the problem or not
- 4) Whenever you get a chance thank your staffs and customers
- 5) Get feedback from customers or associates about the problem,

### **2.3.3 Relationship between employee's turnover and service delivery**

Examining turnover rates and their impact on customer-service outcomes is increasingly important for a number of reasons. First, since March and Simon published one of the most influential turnover models in history in 1958, the worldwide economy has evolved from being primarily manufacturing to service. In 1958, service activity as a percentage of US GDP was 42.1%. By 2012, that number had risen to 79.7%. In 2012, worldwide service activity as a percentage of global GDP was 63.6% (Central Intelligence Agency, 2013). Second, turnover rates in service industries are typically much higher than in the general workforce and in manufacturing in specific. For example, in 2013, the annual turnover rate in the leisure and hospitality segment was 64.8% whereas it was 37.2% overall and only 22.8%

in manufacturing (Job Openings and Labor Turnover Survey (JOLTS) report, 2014). Third, there are increasing indications of a causal relationship between turnover rates and organizational performance generally (Park & Shaw, 2013; Reilly, Nyberg, Maltarich, & Weller, 2014). Further, there is compelling evidence that providing excellent service is a critical determinant of long-term firm profitability (Hong, Liao, Hu, & Jiang, 2013). Finally, recent research has linked employee turnover to customer-service outcomes and, ultimately, to firm profits (c.f., Kacmar, Andrews, Rooy, Steilberg, & Cerrone, 2006; Subramony & Holtom, 2012).

The production and consumption of service are generally simultaneous and customers are often involved in coproducing the service (Bowen, Siehl, & Schneider, 1989). Consequently, boundary-spanning employees represent a critical link between organizations and their customers (Schneider & Bowen, 1985). Additionally, customer loyalty to organizational representatives impacts loyalty to the organization (Palmatier, Dant, & Grewal, 2007). This loyalty develops through repeated interactions that allow employees to learn about individual customer needs and preferences (Bendapudi & Leone, 2003). This understanding helps then employees to exert discretionary effort to address customer issues (Bettencourt, Gwinner, & Meuter, 2001). Organizations then benefit from customers who exhibit loyalty by returning regularly and recommending the organization to others (Tax & Brown, 1998). Through repeated interactions, employees are able to develop personal relationships with customers, and the departure of employees disrupts these employee–customer bonds. These bonds act as strategic relational assets that enable employees within the organization to anticipate better the desires, concerns, and needs of customers and that consequently lead employees to provide better service to the customers (Schneider & Bowen, 1985). As these relational assets involve mutual trust between employees and customers, they require time to develop and are not easily replaced (Hunt, 1997). According to Subramani and Holtom (2012), employee turnover depletes the organization's stock of relational assets, which may lead to significant impairment to the service customers receive. In line with their arguments, they found that employee attrition due to both voluntary departures from the organization and downsizing relate negatively to customers' subsequent perceptions of the organization's service brand.

In addition to the perspective that turnover causes disruption of employee–customer relationships, researchers have theorized that turnover hurts customer service because it disrupts the intra-organizational assets and processes necessary to providing high levels of service to the customer (e.g., Hausknecht, Trevor, & Howard, 2009, Kacmar et al., 2006, Morrow & McElroy, 2007, Ton & Huckman, 2008). For example, in a study of employee

turnover within Burger King franchises, Kacmar et al. (2006) theorized that turnover would negatively impact the efficiency with which the franchise served its customers. Consistent with Grant's (1996) knowledge-based theory of organizations, Kacmar et al. (2006) argued that higher turnover rates within an organization would lead to inefficient (i.e., slower) customer service due to the lack of explicit knowledge (i.e., knowledge that is learned from readily accessible sources such as company policies and procedures and formal directions and training) as well as tacit knowledge (i.e., knowledge that is not easily conveyed and therefore is only learned by the employee through work experience) held by the collective group of employees within the organization. According to Kacmar et al. (2006), high turnover rates deplete the knowledge base among employees and divert employee resources towards the transfer and acquisition of knowledge and away from the application of knowledge through service to the customer. As a result of this loss of human capital, the service levels experienced by the organization's customers decline. The direct relationship between employee turnover and service delivery has been shown above in relation with customer's satisfaction and retention. Employee turnover and service delivery a correlated variable which the impact of one variable will affect directly the other. Service delivery the dependent variable directly will be affected the dependent variable of employees' turnover. The correlation of these two might be seen in the upcoming research findings and questions that will clearly give us the answer for the two variables relationship.

#### **2.3.4 Effect of employee turnover on service delivery**

In today's competitive environment, excellent customer service is becoming the core competitive advantage in hotel industry. Meanwhile, many services are delivered by people in real time. People - customer-contact employees and those supporting them from behind the scenes are critical to the success of any service industry (Wilson et al., 2008). As within the models of HRM presented by Guest (1987), Walton (1985) and Beer et. al. (1984), frontline employees are viewed as the organisation's most important asset, being capable of achieving and sustaining competitive advantage (cited in Kim Hoque, 2000, p.6). As a result, the company should recognize the importance of its employees in representing and reinforcing the brand image of the company and delivering the service correctly from the customer point of view. The service employees, who represent the organization in the customers' eyes, can have an impact on image and reputation of the company. When the service employees provide the accurate service the customer's desires can be met, the company gains a positive

reputation hence attaining the higher market share and the charge more than its competitors for service (Wilson et al., 2008).

The service employees, who are knowledgeable, understanding, and concerned about the customers' needs, also influence the five dimensions of service quality: reliability, responsiveness, empathy, assurance, and tangibles (Wilson et al., 2008). It is essential to understand and meet what the customer wants and needs with service employees' abilities to deliver (Wilson et al., 2008).

According to Martin (2003:303), providing levels of service that fall short of customer expectations carries the risk that customers will take their business elsewhere. Dlamini-Zuma (2009:06) states that poor service delivery will cause customers to move to another nearest province for better services which will lead to ineffectiveness of the Department of Home Affairs in the Eastern Cape. This may lead to closure of the department because there are few people who visit the department to get services. It is well documented that there is a great deal of customer inertia when it comes to changing financial service providers. Mapisa-Nqakula (2007:03) states that customers may well accept service standards that fall short of their expectations in one or two areas if they feel that the rest of the service they receive meets or exceeds their requirements. Dlamini-Zuma (2009:06) states that the Department of Home Affairs seem to fall prey to the levels of service expected by the customers as evidenced by the long queues and complaints, demonstrations and at times corruption.

Mathis and Jackson (2007:16) state that the most important factor to consider is the level (or standard) at which the service is provided. The choice of the level of a particular service is influenced by affordability as well as community needs. Park (2003:123) states that when an organization makes decisions about the level of service, then they should seriously consider the long-term viability of providing a service at that level.

According to Zeithaml, Parasuraman, and Malhotra (2006), the role of employees in service organizations is comparable to the role of the service itself. Their importance to the firm is critical to both service delivery and service production. In services, it is all about the people (employees) because they appear more often to be the most tangible clue to the quality of the service. Zeithaml et al. (2006), further explained that the people factor in services is a very important element in the evaluation of that service (as all human actors who play a part in service delivery and thus influence the buyer's perceptions) from the company's personnel to

the customers in the service environment. Employees like the mirror of an organization are the interface between the organization and the customer, what they portray is what the customers see and use in their evaluation of the service experience. Zeithaml et al (2006:350), defines employees' role in the organization to the customers as satisfied employees make satisfied customers and vice versa, as the customers of the organization are important to their success so also are the employees and their relevance. It can therefore be inferred that customer satisfaction is the barometer that determines a satisfied employee. Individual who are not satisfied with their job are not committed to the organization, and because they are not committed, service delivery will certainly suffer serious setback. To dispense quality service to valued customers at the right time, form and place, most customer focused organizations in the 21st century positioned their employees strategically to anticipate and satisfy customers need through employee retention. Though the concept of retention and empowerment has been the subject of great debate, employee retention in modern organization gives employee better latitude in the work place. This is seen in the level of training, supervisory support reward strategy and opportunity for creativity of employee in a workplace. Equidistantly, Bowen and Lawler (1992), added that organization can create the best and flexible employee when high premium is given to knowledge and competence development, equitable reward system and power sharing.

According to Ampomah & Cadjor (2015), High staff turnover rates may jeopardize efforts to attain organizational objectives. In addition, when an organization loses a critical employee, the effects on innovation, consistency in providing service to customers and timely delivery of services to customers may be negatively affected. Financial costs include separation costs and replacement costs such as recruitment, selection, hiring and training expenses. From a utilitarian perspective it is argue that the satisfaction or dissatisfaction of employees can lead to behaviour that affect the functioning of the organization. It is associated with high levels of voluntary turnover which can in turn reduce the productivity, efficiency and service delivery in any given departments (Pietersen 2014).

Employees who are not given proper training, benefit packages, working environment tend to leave organization that will be followed high employee turnover. The higher the turnover the lesser service quality will be manifested that ultimately impact customers. If service will not be delivered in a way that customer looking for organization will end up losing valued customer. That leads organization to lose and bankruptcy.

## **2.4 Review of Empirical study**

### **Causes of Employee Turnover**

Dr. Ondigi Alice and Prof. Peter Mwangi Wanderi Kenyatta University in his study entitled “Assessment of Causes of Labour Turnover in Three and Five Star-Rated Hotels” in Kenya founded a corresponded finding with Gupta and Shaw (2001) that pay is the most critical outcome of organizational membership for employees to stay on. In his study respondents described their salaries as poor, a pointer to their dissatisfaction with the employers therefore constantly looking for greener pastures. The unfavourable work conditions resulted to the employees developing work related stress and reduced employees’ organizational commitment. This was evident where few hotels, had employees who worked up to their retirement. Reigel (1995) asserts that, labour turnover can be desirable in some instances, especially when pay is linked to length of tenure. As a result, this study observed the employee resignation as the major form of labour wastage in both the three and five star-rated hotels in Nairobi. The study established that, about thirty two percent of the respondents readily accessed information they needed for work done. According to the study, most of the respondents were familiar with the vision and mission statements of the organizations they were working with. This perhaps enabled them to achieve more satisfaction derived from the work they do and therefore staying longer in the current employments. The study further established that employees were not involved in decision making process, even those decisions which affected their jobs. Perhaps this resulted to the main causes of resignation in the hotels under the study. According to the study, thirty five percent of the respondents did not receive training which enabled them to do their jobs well. Hence, were dissatisfied with their jobs and low morale among them. This perhaps also resulted to the employees looking for jobs elsewhere. It was equally evident from the findings of the study that, the management did not treat their employees well as cited by the respondents. Employers were described as inflexible and they did not provide a balance between work and employees’ personal life. This resulted to sixty percent of the respondents to indicate that, they would not recommend others to work for the organization. According to the study, majority of the respondents did not know whether they utilized their abilities and skills. Based on the result the paper recommends on causes of labor turnover in three and five star-rated hotels in Nairobi, Kenya. The first and obvious solution for pay is to compensate employees with the highest possible wages. The study also established that the major causes of employee

turnover in the hotels were the poor working conditions and lack of shared decision making between the employees and the management.

Huang-Wei Su, Li-Tze, and Chiang-Ku Fan in their study entitled “Turnover Determinants of New Employees in International Hotels”, concluded that predicting the potential highest turnover risk hotel is often a complicated task. Especially in the rapidly changing economic environment, human resources managers lack precise and objective decision-making procedures and evaluation criteria. Therefore, integrating quantitative methods into the evaluation procedure enables decision makers to identify the potential highest turnover risk international hotel objectively and efficiently. Research results find that the potential highest turnover risk international hotel for the new employees based on the following rank: Internal Contentment (0.343), External Contentment (0.333), and Organizational Proffer (0.323), respectively. The result from the sensitivity analysis indicates the changing of the criteria weight will result in different alternative ranking. This finding implies the economic environment changing, such as economical tsunami, will lead to a different pursuing goal for new employees. The study recommends that not only human resources managers but also the other managers in hotel industry can use this model to evaluate and predict the potential highest turnover risk international hotel to strengthen the competition capacity.

Ahmad Rasmi S.A and Ahmad Puad M.S. in their study entitled “Employee Dissatisfaction and Turnover Crises in the Malaysian Hospitality Industry” attempts to present the impacts of demographic factors, salaries and wages, and the organizational environment on employee satisfaction. Their study also aims to discover whether job dissatisfaction could lead to turnover intention which will lead the employee to the actual turnover and leave their present employment. Much literature has been previously done to investigate labour satisfaction, turnover intention, and customer loyalty. The Malaysian hospitality and tourism industry should be aware of the Mobley model and its applications as its one of the most valid models which explains the series an employee transitions when faced with the case of dissatisfaction. Moreover, Mobley assumed that the case of employee dissatisfaction will come from unacceptable working conditions, low salaries, and injustice, influencing them to quit. Based on the literature review, a theoretical framework has been developed. This study attempted to explain the Mobley Model and encouraged the Malaysian hospitality stakeholders to review and develop their employment strategies to reduce the effects of turnover crises. As expected, the findings of the study based on the literature review supported the Mobley Model and its applications. The findings also suggested that Malaysian hospitality stakeholders should

recognize that poor working conditions, low salaries, and injustice will lead an employee to turnover and change job. Identical results have been found from the study of (Hemdi et al., 2012; Lam et al., 2003; Pathak, 2012) which revealed that bad working conditions, low salaries, work stress, and injustice between the employees will help them consider the idea of leaving their work to cause an actual turnover.

### **Service delivery quality**

Different models have been advanced concerning service quality in the service organizations with an aim of establishing the relationship between service quality and customer satisfaction. From the earlier research work, Parasuraman et al., (1988), five determinants of service quality were identified as reliability, responsiveness, assurance empathy and tangibles. Ten studies carried out using the Seroquel questionnaire revealed that Reliability is the most critical dimension when measuring the relative importance of the five dimensions followed by Responsiveness, Assurance, Empathy and finally and Tangibles (Parasuraman et al., 1991).

Stromgren (2007) studied the factors influencing service quality in the hotel industry in Peru and established that the customers were more interested on the dimensions of reliability exterior, tangibles and assurance. The best predictor of overall service delivery quality was identified as the dimension of reliability. The researcher however noted that a different context would give different results. This is due to different social demographic variables such as culture and religion which might has an effect on customer expectations. Harr (2008) on the other hand studied service dimensions that leads to higher levels of customer satisfaction in restaurants in Singapore and found out that assurance, empathy and tangibles are the most important to customers' evaluation of service quality, and thus, may have a positive influence on customer satisfaction. Musili (2009) studied the perceived quality of passenger services provided by the rift valley railway consortium and found out that courtesy and friendliness of staff, security and driving expertise are the most important dimensions to the customers.

A study by Krishna et al., (2010), established that customers have the highest expectations on promptness of service, accuracy of transactions and security issues. The researcher advised managers to prioritize on attention to details and promptness in addressing customer complaints. The researcher noted that customers' expectations and perceptions are subjective and the findings can only be generalized to a pre-defined market and economic scenarios.

Kiange (2011) investigated managers' perception of customer expectations in hotel industry in Kenya. The results showed that assurance, empathy and tangibles were regarded as the most important factors affecting service quality. This research was however limited to managers' perception of customer expectations and failed to take into account customer's expectations. The result of the study therefore, does not represent the voice of the customer. More study therefore needs to be carried out to establish whether the manager's perception of customer expectations matches customers' expectations.

Kangogo et al., (2013) studied effect of customer satisfaction on performance of the hotel industry in the western tourism circuit of Kenya. The customers reported to be satisfied with reservation, reception, food quality and beverage quality. Costs, security and hotel amenities on the other hand registered fair ratings while provision of personalized services registered dissatisfaction. The researcher also noted that customer satisfaction has positive impacts on market share, service quality, hotel image, sales turnover, and that lack of customer satisfaction results in customer and employee turnover.

## 2.5 Conceptual Framework

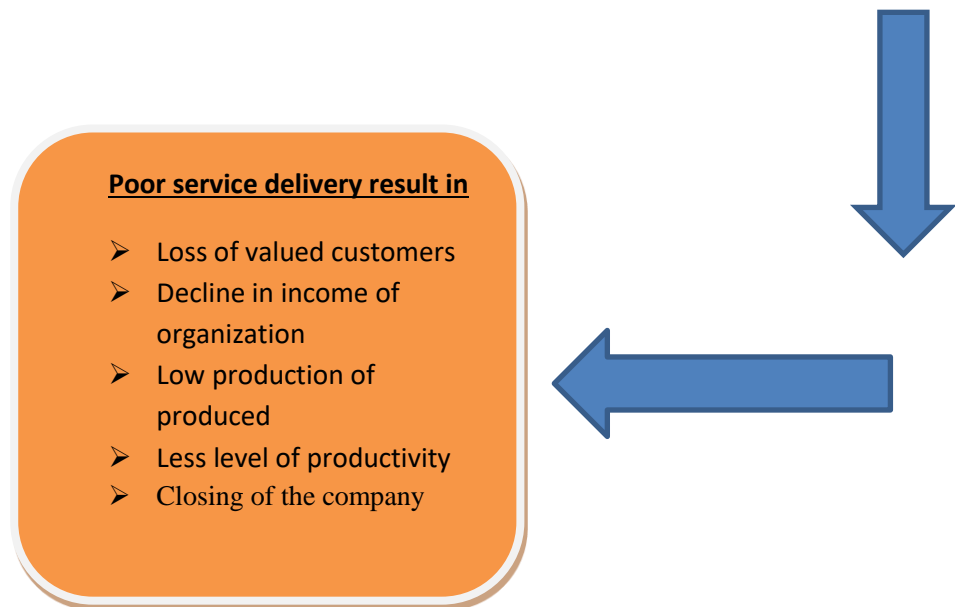
### Causes of Turnover (Independent variables)

- Mismatch b/n employees' expectation and actual benefits
- High Labor demand
- Individual (personal) reason
- Job Ownership
- Physical Environment
- Poor Employee Orientation
- Work Content
- Lack of Staff



### Effect of turnover on service delivery (Dependent Variables)

- Customer dissatisfaction
- Low level of Commitment with in employees
- Loss of Experienced and Skilled man power
- Poor service delivery
- Less quality of engagement with customers



**Source:** Adapted from Mobley (1977)

**Figure 2: Conceptual framework relating employee turnover and its effect on service delivery.**

### 2.5.1 Descriptions of Conceptual Framework

The conceptual framework tries to depict the relationship between causes of employee turnover and its subsequent effect on service delivery with two variables which are the independent as turnover and dependent as service delivery. Employee turnovers have causes and these are; employee expectation in terms of pay and benefits, high labour demand in the market, individual employee cause and reason, job ownership, physical environment, poor employee orientation about the organization, work content, lack of staff involvement on decision making and other important issues, and trust and confidence of senior staffs.

Those causes will bring employee turnover to organization which will be characterized by less level of productivity, less level of commitment, training and recruitment costs and loss of experienced and skilled employee.

Employee turnover characteristics will lead organizations to poor service delivery and customer dissatisfaction. Due to the fact that organizations will suffer in losing of valued customers, decline in the income of the organization and finally closing of the organization.

The above conceptual framework will clearly show us employee turnover and service delivery correlation and relationship.

## **2.6 Conclusion**

The researcher has read and learnt from different literature that employee turnover is a heavy task for organization to be dealt with. Like any other organization hospitality industries also part and parcel of the issues employee turnover. Even though the causes of employee turnover vary from organization to organization but in relation to hospitality industry it seems they have the same pushing factors. As literature says most hospitality turnover concurrent with pay and benefits, work environment, family issues, supervisors and manager's relationship and lack of adequate orientation.

Here the literature both theoretical and empirical didn't give much attention on the effect of employee turnover on service delivery. This is the gap that has been witnessed through the study of the related literature.

This research will deal with what are the factors that impede to deliver good service while there is an ongoing employee turnover.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1. Research Design**

Descriptive research design was used as main research method, because it is a method that examines and investigates the study systematically utilizing facts, behaviours and relationship between the subjects being studied.

Leedy (1997:195) defines research design as a plan for a study, providing the overall framework for collecting data. MacMillan and Schumacher (2001:166) define it as a plan for selecting subjects, research sites, and data collection procedures to answer the research question(s). They further indicate that the goal of a sound research design is to provide results that are judged to be credible. For Durrheim (2004:29), research design is a strategic

framework for action that serves as a bridge between research questions and the execution, or implementation of the research strategy.

Research Design is a working paper for fulfilling research objectives and answering research questions. In other words, it is a master plan specifying the method and procedure for collecting and analysing the needed information. Adams & et al (2007, pp 81). Descriptive research is aimed simply at describing phenomena and is not particularly concerned with understanding why behaviour is the way it is. Besides, as per Malhotra and Peterson (2006, pp76) descriptive research assumes that the researcher has prior knowledge about the problem situation. The design for this study is descriptive research that was used to examine the current practice of effect of employee turnover on service delivery.

The researcher implemented more of quantitative method with a descriptive statistic that collected data at only one point in time (cross sectional study) to answer the research questions and some of quantitative method to investigate more about factors that contributed to the employee turnover and its effect on service delivery in Sheraton Addis Ababa Hotel. This study was assessing factors that contribute to the employee turnover and its effect on service delivery at Sheraton Addis Ababa Hotel.

### 3.2 Data Sources

The combination of primary and secondary data sources was used to undertake the research. The primary data were collected from Sheraton Addis Ababa Hotel employees and managers and some selected loyal customers (Repeated customers who are loyal for so long regardless of the services). The researcher also used secondary sources, which contain data related to the topic under study, nature and cost of turnover, its effect on service delivery and further effect on company's existence as well as relevant literature on service delivery and employee turnover.

### 3.3 Study Population

**Table 3.1 . Total Population**

Ser, No.	Population	As of 2020
1	Line Associates	678
2	Managers	34
3	Loyal Customers	10

	Total	722
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Source: Sheraton Addis Ababa Hotel, 2020

### 3.4 Sample and Sampling Technique

The sample which was used for this research were Sheraton Addis Ababa Hotel employees and managers and selected loyal customers. For loyal customers interview was applied and for the employees' questionnaires were applied. Sampling methods were normally classified as either probability or non-probability. Random sampling was employed in probability samples, each member of the population equal chance of being chosen to be in the sample. According to Stat Pac (2012, n.p.) "The advantage of probability sampling is that sampling error can be calculated. Sampling error is the degree to which a sample might differ from the population. When inferring to the population, results are reported plus or minus the sampling error." Probability sampling methods include random sampling, systematic sampling, and stratified sampling. Data collection tools which were used in place were simple statistical data, frequency, percentage, graph, and pie chart were employed.

### 3.5 Sample Size

Sample respondents from Sheraton Addis Ababa Hotel were selected using sample size determination formula (Tayler, 1998; Yemane,1997). According to Taylor (1998), the sample size was determined based on the following formula. During the year of 2020 total permanent associates were 712 including 34 employees those who hold managerial positions.

$$n = N / 1 + N (e)^2$$

Where, n is the total sample respondents considered for this study

N is the population size of the employees in the Sheraton Addis Ababa Hotel

e is the sampling error or the precision level, which is 10% for this study (Yemane,1997 ).

$$n = N / 1 + N (e)^2$$

$$= 712 / 1 + 712 (0.10)^2$$

$$= 712 / 1 + 712 (0.01)$$

$$= 712 / 1 + 7.12$$

$$= 712 / 8.12$$

$$= 87.6$$

$$= 88$$

In order to account for problems with response rate, 5 percent of the sample was added

$$n = 88 + 88(0.05)$$

$$= 88 + 4.4$$

$$= 92.4$$

$$= 92$$

Finally, a total of 92 respondents were obtained from the employees and managers of Sheraton Addis Ababa Hotel, besides 10 sample respondents from the loyal customers.

**Table 3.2 Target Populations (key informants)**

Sheraton Addis Employees	92
Loyal Customers	10
Total	102

### 3.6 Data Collection Instruments

This study applied questionnaires which were extracted from statement of the problem, research questions and conceptual frame work and pretested before distribution of the questionnaires. Interview questions for loyal customers (customers who have been visiting the same property for years regardless of the services which have been rendered to them). Questionnaires were distributed for line associates and managers of Sheraton Addis Ababa Hotel. Out of ninety-two employees which contributes line associates and managers eighty questionnaires were filled and returned successfully. Which was 87% of respondents rate.

### 3.7. Method of Data Processing and Analysis

First the data were obtained through the questionnaire and interviews and computed with the use of Excel sheet and computer software programs (SPSS). Then data was coded, grouped and analyzed using appropriate values which was suitable for conclusion and recommendations. The researcher used descriptive statics such as frequency, percentages, and charts which will make the research to be clear and easily understandable.

### 3.8. Ethical Consideration

Since confidentiality and privacy are some of the most important aspects of field research activities, important cares were taken. With that all the purpose of the research paper and confidentiality of any information was clearly stated which led the respondent to show an

active participation in responding to the questionnaire and the KII (key informants' interview).

### **3.9. Validity Test**

It is the instrument that will be measuring what is intended to measure. Questionnaire developed after rigorous review of related literature on employees' turnover and its effect on service delivery. The questionnaire was also initially evaluated by university lecturer (advisor).

#### **3.9.1 Reliability Test**

It is the extent to which results are consistent over time and an accurate representation of the total population under study. According to Taylor (1998) the sample size was determined as  $n = \frac{N}{1 + N(e)^2}$  where e is the sampling error (10% for this study as (Yemane,19970). In order to account for problems with response rate, 5 percent of the sample was added. Out of ninety-two total questionnaires only eighty were collected which is 86.9 respondent's rate. Ten of the loyal customers interviewed and their response collected and analyzed in tabulation form.

## **CHAPTER FOUR**

### **4. DATA PRESENTATION AND ANALYSIS**

#### **4.1 Introduction**

This chapter mainly presents and analyses data collected from employees, managers of Sheraton Addis Ababa, the luxury collection hotel on the effects of employee turnover on service delivery. Each of subtopics of this chapter will be presented and analyzed as follows.

#### 4.2 Demographic Characteristics of the Respondents

In this section, based on the responses obtained from the respondents to the questionnaire of Sheraton Addis Ababa eighty questionnaires were distributed to staff members of Sheraton Addis Ababa Hotel. However, the degree of return of questionnaires stood at 86.95 percent (eighty respondents). The information gathered as background information of respondents is given in table 4.1 below.

**Table 4.1 Gender, age, educational background, and work experiences of Respondents**

Items	Variables	Frequency	Percentage
Gender	Male	69	86.3
	Female	11	13.8
	Total	80	100.0
Age Categories	18-29	10	12.5
	30-39	28	35.0
	40-49	40	50.0
	50 and above	2	2.5
	Total	80	100
What is your highest and recent education status?	Second degree	11	13.8
	First degree	35	43.8
	Diploma	27	33.8
	Certificate	6	7.5
	High school completed	1	1.3
	Total	80	100
Work Experience in Sheraton Addis Ababa Hotel	2 to 3 years	2	2.5
	3 to 4 years	7	8.8
	4 to 6 years	6	7.5
	6 to 8 years	6	7.5
	More than 8 years	59	73.8
	Total	80	100.0

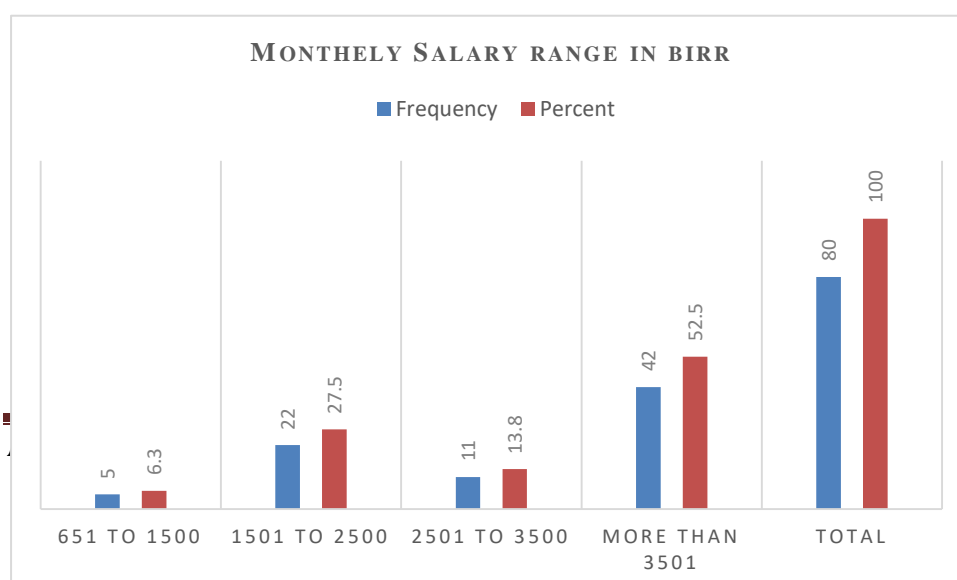
Source: Own data (2021)

Eighty-six-point three percent of the staff respondents are male, while the remaining 13.8 percent are female. Regarding age, 12.5 percent of the respondents are lies within 18-29 years' ages, while 35.0 percent of the respondents are within the 30-39 Years age, 50 percent of the respondents are within the 40-49 Years age, and 2.5 percent of the respondents are within the above 50 Years age categories. Also, 13.8 percent of respondents are second degree holders while 43.8 percent are degree holders and 33.86 percent diploma holders, 7.5 percent are certificate holders and 1.3 percent are high school completed. 2.3 percent of staff respondents have working experience of between 2-3 years and 8.8 percent of staff

respondents have working experience of 3-4 years and 7.5 percent of staff respondents have working experience of within 4-6 years, 7.5 percent of staff respondents have working experience of within 6-8 years, while the remaining 7.8 percent have quite More than 8 years. Thus, both in terms of their educational level and work experience, the respondents seem mature enough to reply to the questionnaires of the study. Regarding age category, the highest respondents were male associates and the proportion of female associates was too small. Half of the respondents are lies in the 40-49 years of age, that is supported by respondents work experience which is majority of the respondents and educational back ground.

Demographic features of the respondents help to know how the hotel industry operates in. As everybody knows hotel industry requires a vibrant, educated, experienced and gender balanced employees. The above data analysis exactly indicated these features except gender balanced participation. The unique features of hotel industry are the friendly relationship with customers that might requires associates who have an amicable smiling power, talk to guest friendly and create unforgettable experience to guests. These types of human behavior mainly manifested in female. Eckel and Grossman (1998) report that women are more generous and humbler than men in a high social distance environment.

#### 4.2.1 Monthly Salary of the respondents



### Figure 3. Monthly Salary Range in Birr

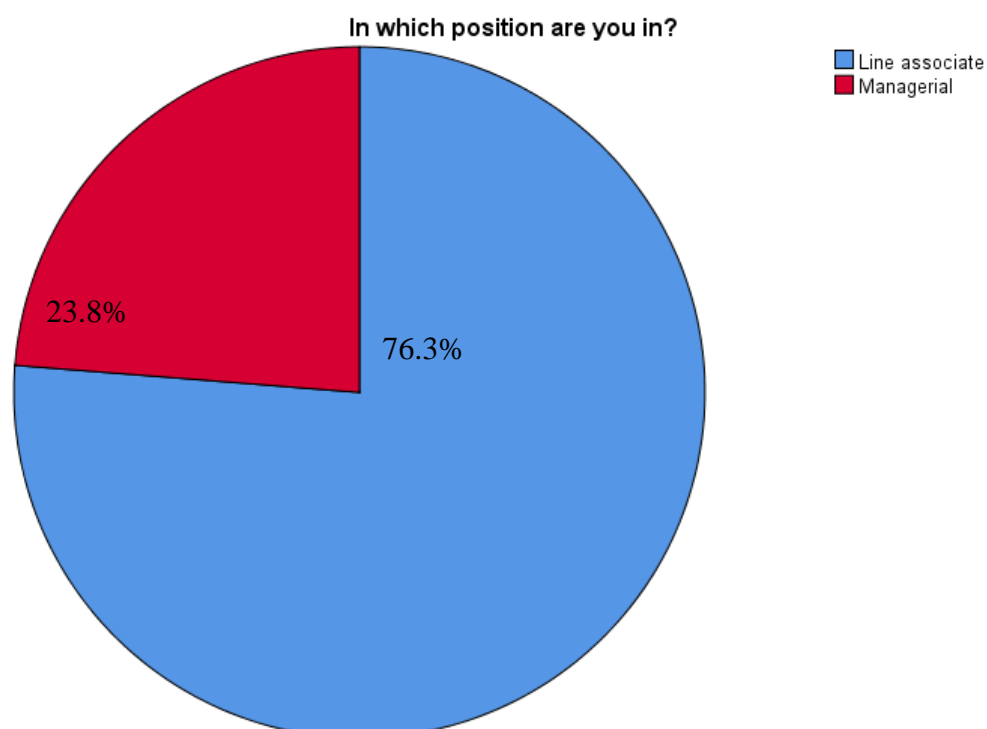
Source: Own data (2021)

Salary is the most debatable points in any organization, here in Sheraton Addis Ababa Hotel the researcher lay out the scale of salaries of employees as follows. 6.3 percent are getting a salary of 651-1500, 27.5 percent are getting a salary of 1501-2500, 13.8 percent are getting a salary of 2501-3500 and 52.5 percent are getting more than 3501 birr per month. As the respondents are 80 no one is getting less than 650birr per month. The highest number of the respondents lies in the salary scale of more than 3501. This salary range showed us the different salary scale of Sheraton Addis Ababa Hotel

Presumably, this is why Agburu (2012) asserted that “institutions or companies that seek to attract and retain highly productive and efficient employees cannot shy away from facing the challenges posed by the need to pay wages adequately in a competitive environment”. Today, in Africa, it is relatively difficult to know which organization is ready and willing to pay what can be described as adequate wage. The subjective nature of adequate wage will be left to the recommendation part.

The most interesting information that the respondents gave us 6.3 percent of the associates are lies in the salary scale of 651-1500, which will need further investigations and recommendations by the researcher.

#### 4.2.2 Employees position in the Sheraton Addis Ababa Hotel



#### Figure 4. Monthly Salary Range in Birr

Source: Own data (2021)

The pie chart shows us the total respondents of Sheraton Addis Hotel employees. Here the researcher can use associates and employees interchangeably throughout the research presentation and analysis. 76.3 percent of the respondents are line associates and 23.8 percent of the respondents are associates who holds managerial positions.

The upcoming data analysis and presentations will deal with on both line associates and managers of Sheraton Addis Ababa Hotel. In the literature section the researcher tried to emphasis on the pay and benefits packages and its subsequent effect on employee turnover and the totality of service delivery.

#### 4.2.3 Different departments where Sheraton Addis Ababa hotel's employees working in

**Table 3.2 In which department are you working currently?**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Guest Service	4	5.0	5.0	5.0
	Sales and Marketing	3	3.8	3.8	8.8
	Finance	11	13.8	13.8	22.5
	Food and Beverage	25	31.3	31.3	53.8
	Information Technology	1	1.3	1.3	55.0
	Laundry	4	5.0	5.0	60.0
	Engineering	1	1.3	1.3	61.3
	Security	8	10.0	10.0	71.3
	Housekeeping	2	2.5	2.5	73.8

Concierge	10	12.5	12.5	86.3
Front Office	1	1.3	1.3	87.5
Stewarding	10	12.5	12.5	100.0
Total	80	100.0	100.0	

Source: Own data (2021)

Hotels are characterized by delivering different service provisions that needs different departments which have their own unique nature. Some departments might have an interrelated job description which might be performed as team work.

Out of eighty respondents 5 percent are guest service who are responsible for room operation, 3.8 percent are sales and marketing who are responsible for promotion, marketing and sales opportunity, 13.8 percent are finance who are responsible for purchasing, cost control and over all finance issues,31.3 percent are food and beverages who are responsible for bars operation, restaurant operation and kitchen operation, 1.3 percent are information technology who are responsible for all technology related issues, 5.0 percent are laundry who are responsible for washing, ironing and dry cleaning, 1.3 percent engineering who are responsible for mechanical and electrical issues, 10.0 percent are security who are responsible for hotel's safety and security protocols, 2.5 percent are housekeeping who are responsible for cleaning, 12.5 percent are concierge who are responsible for providing information to guests, 1.3 percent are front office who are responsible for check in and checkout guests, 12.5 percent are stewarding who are responsible for dish washing.

### **4.3 Managers and line associates as respondents**

From the total of eighty respondents, we have twenty respondents were managers and sixty respondents were line associates. twenty managers responded for the below questionnaires

Questionnaires which have been filled by managers and line associates will be analysed and presented accordingly. In the first topic of causes of employee turnover fourteen questionnaires are going to be analysed and presented with measurement scales of from strongly agree to strongly disagree. Each response will be presented with %age.

#### **4.3.1 Managers response for causes of employees' turnover**

##### **Table 4.3 Managers Response for causes of employee turnover**

No	Items	Measurement scales										
		Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total
		Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	FR
1.1	I'm satisfied with the salary I'm getting In my organization.	0	0	1	5	5	25	6	30	8	40	20
1.2	In my organization there is no opportunity For career advancement.	2	10	3	15	5	25	6	30	4	20	20
1.3	I'm not satisfied with the working conditions.	4	20	2	10	4	20	6	30	4	20	20
1.4	Staff members are not involved in decision making.	5	25	5	25	5	25	3	15	2	10	20
1.5	There is a lack of employee assistance programs	4	20	8	40	4	20	3	15	1	5	20
1.6	My input is not appreciated	3	15	2	10	6	30	6	30	3	15	20
1.7	Work boredom is the causes of staff turn over	4	20	3	15	7	35	5	25	1	5	20
1.8	Promotion and transfer is based on merit system	1	5	8	40	5	25	2	10	4	20	20
1.9	I feel I am confident in my immediate supervisor decision	6	30	7	35	5	25	0	0	2	10	20
1.10	Everyone is treated fairly in my current job	5	25	6	30	4	20	3	15	2	10	20
1.11	I receive adequate training and information to do my job well	7	35	9	45	2	10	0	0	2	10	20
1.12	There is a good fit between my current job and my personality	5	25	7	35	4	20	1	5	3	15	20
1.13	I am valued and appreciated by management	4	20	8	40	0	0	5	25	3	15	20
1.14	I am paid better than the same hotels in the country	1	5	3	15	3	15	4	20	9	45	20

Source: Own data (2021)

Satisfaction of managers for the salary whom they were paid by the organization told us 0 percent responded strongly agree, 5 percent agree, 25 percent neutral, 30 percent disagree and 40 percent strongly disagree. This told us 25 percent neutral means they didn't want to tell us where they stand for but 30 and 40 percent disagree and strongly disagree told us almost 70 percent of the managers were not satisfied with the salary they were paid by the organization. On the other end 0 percent strongly agree told us no one is 100 percent agree with the salary that they were paid by the organization with the exception of 5 percent agree with the salary they were paid by the organization. Lack of career development in Sheraton Addis Ababa hotel evaluated by managers as follows. 10 percent strongly agree, 15 percent agree, 25 percent neutral, 30 percent disagree and 20 percent strongly disagree. Even though 25 percent

unable to tell us their view but 50 percent of managers told us there is opportunity for career development.

Regarding the working condition of the hotel, “I am not satisfied with the working condition”. 20 percent strongly agree, 10 percent agree, 20 percent neutral, 30 percent disagree and 20 strongly disagree. 30 percent felt that they were not satisfied with the working condition ,20 percent neutral feels that they are indifference and 50 percent managers felt that they were in good working condition and they are satisfied by the working conditions of the hotels. The involvement of managers in decision making, “staff members are not involved in decision making”, managers responded as, 25 percent strongly agree, 25 percent agree, 25 percent neutral, 15 percent disagree and 10 percent strongly disagree. As 50 percent told us managers were not involved in decision making process while 25 percent told us that they involved in decision making process, but 25 percent told us they were undecided about the topic in caption. In the question of there is lack of employee assistance programme, managers responded as 20 percent strongly agree, 40 percent agree, 20 percent neutral, 15 percent disagree and 5 percent strongly disagree. From the analysis 60 percent of managers responded that there was lack of employee assistance program while 20 percent told us there was employee assistance programme and 20 percent of managers were still unaware of the question or not willing to give us the answer that the researcher looking for.

As managers feel that my input is not valued, 15 percent strongly agree, 10 percent agree, 30 percent neutral, 30 percent disagree and 15 percent strongly disagree. 25 percent told us their input was not valued as 45 percent told us their input was valued while 30 percent told us they were indifference. Is work boredom the cause of staff turnover? 20 percent strongly agree, 15 percent agree, 35 percent neutral, 25 percent disagree and 5 percent strongly disagree. As 35 percent of managers told us yes! Work boredom is the cause of staff turnover; 30 percent said that work boredom should not be the cause of staff turnover again 35 percent of the managers told us they were not decide whether work boredom was the cause of staff turnover.

In the organization promotion and transfer is the key elements for employees. Employees who perform well should get promotion and transfer as per their skills and experience and it should be monitored in a merit-based system. Promotions also an important aspect of a worker’s career and life, affecting other facts of the work experience. They constitute an important aspect of workers’ labor mobility most often carrying substantial wage increases

(Kosteas 2009, Blau and DeVaro 2007, Cobb- Clark 2001, Francesconi 2001, Pergamit and Veum 1999, Hersch and Viscusi, 1996, McCue 1996, Olson and Becker 1983 and others) and can have a significant impact on other job characteristics such as responsibilities and subsequent job attachment (Pergamit and Veum 1999).

Managers responded for promotion and transfer is based on merit system are, 5 strongly agree, 40 percent agree, 25 percent neutral, 10 percent disagree and 20 percent strongly disagree. 45 percent of managers told us transfer and promotion were based on merit system while 30 percent of the managers told us promotion and transfer were not based on merit system and with 25 percent undecided. Managers have their own boss and they responded for the question “I feel I am confident in my immediate supervisor decision”. 30 percent strongly agree, 35 percent agree, 25 percent neutral, 0 percent disagree and 10 percent strongly disagree. 65 percent of the managers told us they were confident in their supervisor decision and 10 percent weren't confident in their immediate supervisor decision while 25 percent left undecided.

The fair treatment of everyone in her/his current position responded by managers accordingly. 25 percent strongly agree, 30 percent agree, 20 percent neutral, 15 percent disagree and 10 percent strongly disagree. Almost half of the managers told us 55 percent there was a fair treatment in their current position, but 25 percent told us there was no a fair treatment on the current position they hold while 20 percent told us they were in different. Indifferent means they don't decide yet and a tendency of having two options.

Managers responded for question that reiterate I receive adequate training and information to do my job well, 35 percent strongly agree, 45 percent agree, 10 percent neutral. 0 disagree and 10 strongly disagree. Here pretty comfortable for managers that 80 percent of them responded yes, they got adequate training and information to do their job well, and 10 percent of them responded no they did get adequate training and information to do their job well but 10 percent of the managers were still indifference.

Managers responded for “There is a good fit between my current job and my personality” 25 percent strongly agree, 35 percent agree, 20 percent neutral 5 percent disagree and 15 percent strongly disagree. Most interesting 60 percent of managers told us there was a good fit between their current job and their personality and hence 20 percent told us there wasn't a good fit between their current job and their personality while 20 percent were neither of both.

I am valued and appreciated by the management is one of the questions for causes of employee turnover. Managers responded for the above question as follows, 20 percent strongly agree, 40 percent agree, 0 percent neutral, 25 percent disagree and 15 percent strongly disagree. 60 percent of managers told us yes, they were valued and appreciated by EO's and 40 percent told us no we were not valued and appreciated by managers as 0 percent of managers was neutral.

Eventually managers have been asked whether they are paid better salary than the same hotels in the city. 5 percent strongly agree, 15 percent agree, 15 percent neutral, 20 percent disagree and 45 percent strongly disagree. Surprisingly 65 percent told us no they were not paid, hence 20 percent told us yes, they were paid with 15 percent was neutral.

#### 4.3.2 Response regarding causes of employee turnover

**Table 4.4 Line Associates Response for causes of employee turnover**

No	Items	Measurement scales										
		Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree		Total
		Fr	%	Fr	%	Fr	%	Fr	%	Fr	%	FR

<b>1.1</b>	I'm satisfied with the salary I'm getting In my organization.	4	6.7	11	18.3	8	13.3	17	28.3	20	33.3	60
<b>1.2</b>	In my organization there is no opportunity For career advancement.	4	6.7	5	8.3	19	31.7	28	46.7	4	6.7	60
<b>1.3</b>	I'm not satisfied with the working conditions.	4	6.7	16	26.7	8	13.3	25	41.7	7	11.7	60
<b>1.4</b>	Staff members are not involved in decision making.	12	20	16	26.7	14	23.3	14	23.3	4	6.7	60
<b>1.5</b>	There is a lack of employee assistance programs.	6	10	19	31.7	16	26.7	15	25	4	6.7	60
<b>1.6</b>	My input is not appreciated	4	6.7	8	13.3	24	40	18	30	6	10	60
<b>1.7</b>	Work boredom is the causes of staff turn over	6	10	18	30	11	18.3	22	36.7	3	5	60
<b>1.8</b>	Promotion and transfer is based on merit system	7	11.7	11	18.3	18	30	15	25	9	15	60
<b>1.9</b>	I feel I am confident in my immediate supervisor decision	12	20	14	23.3	20	33.3	11	18.3	3	5	60
<b>1.10</b>	Everyone is treated fairly in my current job	11	18.3	16	26.7	16	26.7	12	20	5	8.3	60
<b>1.11</b>	I receive adequate training and information to do my job well	13	21.7	34	56.7	8	13.3	4	6.7	1	1.7	60
<b>1.12</b>	There is a good fit between my current job and my personality	11	18.3	22	36.7	9	15	12	20	6	10	60
<b>1.13</b>	I am valued and appreciated by management	7	11.7	15	25	21	35	13	21.7	4	6.7	60
<b>1.14</b>	I am paid better than the same hotels in the country	6	10	15	25	14	23.3	17	28.3	8	13.3	60

Source: Own data (2021)

Responses of line associates for Satisfaction salary whom they are paid by the organization told us 6.7 percent responded strongly agree, 18.3 percent agree, 13.3 percent neutral, 28.3 percent disagree and 33.3 percent strongly disagree. This told us 13.3 percent neutral means they didn't want to tell us where they stand for but 28.3 and 33.3 percent disagree and strongly disagree told us almost 61.6 percent of the line associates were not satisfied with the salary they were paid by the organization. On the other end 6.7 and 18.3 percent strongly agree and agree Lack of career development in Sheraton Addis Ababa hotel evaluated by line associates as follows. 6.7 percent strongly agree, 8.3 percent agree, 31.7 percent neutral, 46.7 percent disagree and 6.7 percent strongly disagree. Even though 31.7 percent unable to told us their view but 53.4 percent of line associates told us there was no opportunity for career development hence 15 percent told us yes there was career development in the hotel.

Regarding the working condition of the hotel, "I am not satisfied with the working condition". 6.7 percent strongly agree, 26.7 percent agree, 13.3 percent neutral, 41.7 percent

disagree and 11.7 strongly disagree. 33.4 percent felt that they were not satisfied with the working condition, 13.3 percent neutral that felt indifference and 53.4 percent of line associates felt that they were in good working condition and they were satisfied by the working conditions of the hotels. The involvement of line associates in decision making, “staff members are not involved in decision making”, line associates responded as, 20 percent strongly agree, 26.7 percent agree, 23.3 percent neutral, 23.3 percent disagree and 6.7 percent strongly disagree. As 46.7 percent told us line associates were not involved in decision making process while 30 percent felt that they were involved in decision making process, but 23.3 percent still told us they were undecided about the topic in caption.

Employee’s assistance programme is one of the factors that leads employee turnover. These can be mentioned as emergency relief assistance, adequate education assistance and family package assistance. In the question of there is lack of employee assistance programme, 10 percent strongly agree, 31.7 percent agree, 26.7 percent neutral, 25 percent disagree and 6.7 percent strongly disagree. From the analysis 41.7 percent of line associates responded that there was lack of employee assistance program while 31.7 percent told us there was employee assistance programme and 26.7 percent of line associates were still unaware of the question or not willing to give us the answer that the researcher up to.

As line associates feel that my input is not valued, 6.7 percent strongly agree, 13.3 percent agree, 40 percent neutral, 30 percent disagree and 10 percent strongly disagree. 20 percent told us theirs input was not valued as 40 percent told us theirs input was valued while 40 percent told us they were indifference. Is work boredom the cause of staff turnover? 10 percent strongly agree, 30 percent agree, 18.3 percent neutral, 36.7 percent disagree and 5 percent strongly disagree. As 40 percent told us yes! Work boredom was the cause of staff turnover; 41.7 percent said that work boredom should not be the cause of staff turnover again 18.3 percent of the line associates told us they were not decide whether work boredom is the cause of staff turnover or not.

In the organization promotion and transfer is the key elements for employees. Employees who perform well should get promotion and transfer as per their skills and experience and it should be monitored in a merit-based system. Promotions is also an important aspect of a worker’s career and life, affecting other facts of the work experience. They constitute an important aspect of workers’ labor mobility most often carrying substantial wage increases (Kosteas 2009, Blau and DeVaro 2007, Cobb- Clark 2001, Francesconi 2001, Pergamit and

Veum 1999, Hersch and Viscusi, 1996, McCue 1996, Olson and Becker 1983 and others) and can have a significant impact on other job characteristics such as responsibilities and subsequent job attachment (Pergamit and Veum 1999).

Line associates responded for promotion and transfer is based on merit system are, 11.7 percent strongly agree, 18.3 percent agree, 30 percent neutral, 25 percent disagree and 15 percent strongly disagree. 30 percent of line associates told us transfer and promotion were based on merit system while 40 percent of the line associates told us promotion and transfer were not based on merit system and with 30 percent undecided. Line associates have their own boss and they responded for the question “I feel I am confident in my immediate supervisor decision”. 20 percent strongly agree, 23.3 percent agree, 33.3 percent neutral, 18.3 percent disagree and 5 percent strongly disagree. 43.3 percent of the managers told us they were confident in their supervisor decision and 23.3 percent weren’t confident in their immediate supervisor decision while 33.3 percent left undecided.

Fairly treatment of everyone in her/his current position responded by line associates accordingly. 18.3 percent strongly agree, 26.7 percent agree, 26.7 percent neutral, 20 percent disagree and 8.3 percent strongly disagree. 45 percent of line associates told us there is a fair treatment in their current position, but 28.3 percent told us there was no a fair treatment on the current position they hold while 26.7 percent told us they were in different. Indifferent means not decided yet that means there is a tendency of having two options.

Having adequate training and information for line associates will be vital and critical. Line associates responded for question that reiterate I receive adequate training and information to do my job well, 21.7 percent strongly agree, 56.7 percent agree, 13.3 percent neutral. 6.7 percent disagree and 1.7 percent strongly disagree. Here pretty comfortable for line associates that 78.4 percent of them responded yes, they got adequate training and information to do their job well, and 8.4 percent of them responded no they didn’t get adequate training and information to do their job well but 13.3 percent of the line associates were still indifference.

Employees should always balance their personality with their job. Employees’ personality associated with their way of life, their spending and their ability to cop up with the required life style. Line associates responded for “There is a good fit between my current job and my personality” 18.3 percent strongly agree, 36.7 percent agree, 15 percent neutral 20 percent disagree and 10 percent strongly disagree. Most interesting 55 percent of line associates told us there was a good fit between their current job and their personality and hence 30 percent

told us there wasn't no a good fit between their current job and their personality while 15 percent were neither of both.

I am valued and appreciated by the management is one of the questions for causes of employee turnover. Line associates responded for the above question as follows, 11.7 percent strongly agree, 25 percent agree, 35 percent neutral, 21.7 percent disagree and 6.7 percent strongly disagree. 36.7 percent of line associates told us yes, they were valued and appreciated by line associates and 28.4 percent told us no we were not valued and appreciated by managers as 35 percent of line associates was neutral.

Eventually line associates have been asked whether they are paid better salary than the same hotels in the city. 10 percent strongly agree, 25 percent agree, 23.3 percent neutral, 28.3 percent disagree and 13.3 percent strongly disagree. Surprisingly 41.6 percent told us no they were not paid, hence 35 percent told us yes, they were paid with the same hotel in city 23.3 percent was neutral. Here line associates felt that they were paid less than any other hotel in the city, this might convince them to see other option, or leaving of Sheraton Addis hotel and look for another information.

#### 4.4 Perspectives of managers and line associates

Employee's turnover can be seen as the real danger for service industry, especially for hospitality industry. Here delivery of service should be treated professionally and wisely. The research tried to examine managers and line associate's perspectives of employee turnover in relation with service delivery at Sheraton Addis Ababa Hotel.

##### 4.4.1 Managers perspectives in employee turnover in relation with service delivery

**Table 4.5 Managers' perspective in employee turnover in relation with service delivery**

No.	Item	Measurements Scale									
		Strongly agree		Agree		Neutral		Disagree		Strongly Disagree	
		Freq.	%	Fre.	%	Fr eq.	%	Fre q.	%	Freq.	%
2.1	Employee turnover increases due to work load for each employee.	3	15	5	25	2	10	7	35	3	15
2.2	Employee turnover increases due to unqualified workers being employed	4	20	9	45	3	15	4	20	0	0

2.3	Employee spend too much time in training new staff members.	1	5	9	45	4	20	6	30	0	0
2.4	Employees must be recognized when they achieve goals.	12	60	4	20	3	15	1	5	0	0
2.5	Employee must be paid well (reasonable salary).	14	70	2	10	1	5	2	10	1	5
2.6	Employee will be provided a clear path for Advancement	3	15	8	40	6	30	1	5	2	10
2.7	Management recognize employees for their unwavering loyalty	2	10	8	40	5	25	3	15	2	10
2.8	Communication system with management is Properly laid down	3	15	6	30	5	25	5	25	1	5
2.9	Disciplinary procedures are properly laid As per organization's rule	3	15	11	55	1	5	3	15	2	10
2.10	Dispute/grievance handling mechanisms should be good and in place	3	15	12	60	1	5	4	20	0	0
2.11	Develop specific competencies, provide performance feedback and design an individualized career development plan should be in place	5	25	10	50	3	15	1	5	1	5
2.12	Provide employees with a way to balance the professional and personal aspects of their lives	4	20	9	45	4	20	2	10	1	5

Source: Own data (2021)

Managers perspectives towards employee turnover with respect to on service delivery were examined through 12 sub topics which were analysed and presented accordingly.

Employee turnover increase as work load increase to each individual. 15 percent strongly agree, 25 agree, 10 neutrals, 35 percent disagree and 15 percent strongly disagree. 40 percent of managers told us yes whenever there is work load there will be employee turnover and that affects service delivery. Hence 50 percent told us employee turnover do not increase even though there is a work load that might have impact on service delivery with 10 being neutral. Employee turnover increases due to unqualified workers being employed which might affect service delivery, 20 percent strongly agree, 45 percent agree, 15 percent neutral, 20 percent disagree and 0 percent strongly disagree. Here we can say that 65 percent of managers believed that employee turnover increase due to unqualified hire that affect service delivery while 20 percent believed that hiring unqualified employee doesn't lead to employees' turnover and do not affect service delivery and 15 percent remains neutral.

Managers responded to "employee spend too much time in training new staff members", 5 percent strongly agree, 45 percent agree, 20 percent neutral, 30 percent disagree, and 0 percent strongly disagree. 50 percent of managers told us spending too much time might lead employee to leave the company that turns to bad service delivery, where as 30 percent of

managers told us employee turnover might not happen by spending too much time on training and doesn't affect service delivery, while 20 percent remains neutral.

Recognizing employees when achieving goals might decrease turnover and uplift service delivery. 60 percent strongly agree, 20 percent agree, 15 percent neutral, 5 percent disagree and 0 percent strongly disagree. Amazingly 80 percent of managers told us yes! Recognizing achievers decrease turnover and boost service delivery, hence 5 percent only say no and 15 percent remains neutral. Categorically same question forwarded to managers under the caption of "employee must be paid well (reasonable salary)", 70 percent strongly agree, 10 percent agree, 5 percent neutral, 20 disagree, and 5 strongly disagree. Again 80 of managers told us reasonable salary payment for employee decrease turnover and a better platform for service delivery, while 25 percent they don't accept reasonable salary payment as 5 percent with in neutral scale.

Managers again are given a chance to respond for the question that providing employee with a clear path that result in employee advancement which soften turnover and enhance service delivery. 15 percent strongly agree, 40 percent agree, 30 percent neutral, 5 percent disagree and 10 strongly disagree. Once again 55 percent told us yes good path is instrumental for advancement that in turn reduce turnover and a positive outcome for service delivery, consequently 15 percent told us no clear path and advancement do not avoid the risk of having turnover and its consequences in service delivery and with 30 percent in difference of both.

Being loyal to an organization should be taken in to account and that has to be recognized. When employees are recognized that will have a positive impact in employee turnover and subsequently on the service delivery that company looking for. Managers responded as 10 percent strongly agree 40 percent agree, 25 percent neutral, 15 percent disagree, and 10 percent strongly disagree. Almost half of the managers that is 50 percent told us loyal employees should be recognized and a recognized employee will not be prone to turnover and keep good service delivery. While 25 percent of managers told us they don't believe that being a loyal doesn't minimize turnover and have no consequence on service delivery and 25 percent doesn't not avail their voices.

Communication system in the hospitality industry is vital and need to give a serious attention. If there a breakdown in communication system that will affect services, employees, managers and hotel as a whole. If there is a failure in basic service delivery that will lead us loss of

revenue and in fact this brings employee turnover. Managers responded for the question “communication system with management is properly laid down”. 15 percent strongly agree, 30 percent agree, 25 percent neutral, 25 percent disagree and 5 percent strongly disagree. As 45 percent told us there should be proper communication system with management that in reducing turnover and has a positive result on service delivery, but 30 percent told us no need for proper communication system that might not cause employee turnover and hasn’t an impact on service delivery while 25 remains neutral. Having a good disciplinary procedure help hotel industry to guide employees impartially and objectively. Managers responded for disciplinary procedures are laid down as per organization’s rule. 15 percent strongly agree, 55 percent agree, 5 percent neutral, 15 percent disagree and 10 percent strongly disagree. As 70 percent told as Sheraton Addis should have laid down disciplinary procedures as per organizational rule that retain employees which result in high service delivery and 25 percent of managers told as no need of disciplinary procedures as per organizational rule which contribute to employee turnover and affect service delivery as 5 percent is neutral.

Dispute and grievance handling mechanisms are the corner stone of between employees and employers that reduce turnover and increase good service delivery. Managers responded that dispute/ grievance handling mechanisms in Sheraton Addis should in place. 15 percent strongly agree, 60 percent agree, 5 percent neutral, 20 percent disagree and 0 strongly disagree. 75 percent told us having good dispute and grievance handling mechanisms will retain employee and enhance service delivery while 20 percent of managers told us having good dispute and grievance mechanisms don’t reduce employee turnover and doesn’t improve service delivery and 5 percent fall in to undecided.

Develop specific competencies; provide performance feedback and design an individualized career development plan should be in place, managers responded as 25 percent strongly agree, 50 percent agree, 15 percent neutral, 5 percent disagree, and 5 strongly disagree. As 75 of managers told us developing specific competencies; provide performance feedback and design an individualized career development plan should be in Sheraton Addis Ababa hotel that reduce turnover and encourages good service delivery. Hence 10 of the managers against the above-mentioned ideas while 15 percent remains neutral.

Balancing personal and professional for employees is important. Here managers responded for the question “Provide employees with a way to balance the professional and personal aspects of their lives” as 20 percent strongly agree, 45 percent agree, 20 percent neutral, 10

percent disagree and 5 percent strongly disagree. 65 percent of managers told us the importance of balancing personal and professionals' lives that encourages employee not to leave the company now and then but 15 percent of managers told us the less important of balancing personal and professional lives while 20 percent remains neutral.

#### 4.4.2 Regarding line associate's perspective of employee turnover in relation with service delivery

**Table 4.6 Line associates Perspective in employee turnover in relation with service delivery**

No.	Item	Measurements Scale									
		Strongly agree		Agree		Neutral		Disagree		Strongly Disagree	
		Freq.	%	Fre.	%	Fr eq.	%	Fre q.	%	Freq.	%
2.1	Employee turnover increases due to work load for each employee.	10	16.7	28	46.7	12	20	7	11.7	3	5
2.2	Employee turnover increasing due to unqualified workers being employed	5	8.3	22	36.7	15	25	17	28.3	1	1.7
2.3	Employee spend too much time in training new staff members.	18	30	27	45	8	13.3	5	10	1	1.7
2.4	Employees must be recognized when they achieve goals.	18	30	14	23.3	9	15	11	18.3	8	13.3
2.5	Employee must be paid well (reasonable salary).	6	10	22	36.7	18	30	12	20	2	3.3
2.6	Employee will be provided a clear path for Advancement	3	5	19	31.7	17	28.3	19	31.7	2	3.3
2.7	Management recognize employees for their unwavering loyalty	3	5	24	40	16	26.7	13	21.7	4	6.7
2.8	Communication system with management is Properly laid down	8	13.3	18	30	10	16.7	13	21.7	11	18.3
2.9	Disciplinary procedures are properly laid As per organization's rule	10	16.7	17	28.3	17	28.3	13	21.7	3	5
2.10	Dispute/grievance handling mechanisms should be good and in place	12	20	24	40	16	26.7	5	8.3	3	5
2.11	Develop specific competencies, provide performance feedback and design an individualized career development plan should be in place	11	18.3	23	38.3	14	23.3	9	15	3	5
2.12	Provide employees with a way to balance the professional and personal aspects of their lives	25	41.7	22	36.7	7	11.7	3	5	3	5

Source: Own data (2021)

Line associate's perspectives towards employee turnover with respect to on service delivery are examined through 12 sub topics which are analysed and presented accordingly.

Employee turnover increase as work load increase to each individual. 16.7 percent strongly agree, 46.7 agree, 20 neutrals, 11.7 percent disagree and 5 percent strongly disagree. 63.4 percent of line associates told us yes whenever there is work load there will be employee

turnover and that affects service delivery. Hence 16.7 percent told us employee turnover do not increase even though there is a work load that might have impact on service delivery with 20 being neutral. Employee turnover increases due to unqualified workers being employed which might affect service delivery, 8.3 percent strongly agree, 36.7 percent agree, 25 percent neutral, 28.3 percent disagree and 1.7 percent strongly disagree. Here we can say that 45 percent of managers believed that employee turnover increase due to unqualified hire that affect service delivery while 30 percent believed that hiring unqualified employee doesn't lead to employees' turnover and do not affect service delivery and 25 percent remains neutral.

Line associates responded to "employee spend too much time in training new staff members", 30 percent strongly agree, 45 percent agree, 13.3 percent neutral, 10 percent disagree, and 1.7 percent strongly disagree. 75 percent of line associates told us spending too much time might lead employee to leave the company that turns to bad service delivery, where as 11.7 percent of line associates told us employee turnover might not happen by spending too much time on training and doesn't affect service delivery, while 13.3 percent remains neutral.

Recognizing employees when achieving goals might decrease turnover and uplift service delivery. 30 percent strongly agree, 23.3 percent agree, 15 percent neutral, 18.3 percent disagree and 13.3 percent strongly disagree. Amazingly 53.3 percent of managers told us yes! Recognizing achievers decrease turnover and boost service delivery, hence 31.6 percent only say no and 15 percent remains neutral. Categorically same question forwarded to line associates under the caption of "employee must be paid well (reasonable salary)", 10 percent strongly agree, 36.7 percent agree, 30 percent neutral, 20 disagree, and 3.3 strongly disagree. Again 46.7 of line associates told us reasonable salary payment for employee decrease turnover and a better platform for service delivery, while 23.3 percent they don't accept reasonable salary payment as a remedy for employee turnover and its relation with service delivery as 30 percent with in neutral scale.

Line associates again are given a chance to respond for the question that providing employee with a clear path that result in employee advancement which soften turnover and enhance service delivery. 5 percent strongly agree, 31.7 percent agree, 28.3 percent neutral, 31.7 percent disagree and 3.3 strongly disagree. Here 36.7 percent of line associates' percent told us yes good path is instrumental for advancement that in turn reduce turnover and a positive outcome for service delivery, consequently 35 percent told us clear path and advancement do

not avoid the risk of having turnover and its consequences in service delivery and with 28.3 percent in difference of both.

Being loyal to an organization should be taken in to account and that has to be recognized. When employees are recognized that will have a positive impact in employee turnover and subsequently on the service delivery that company looking for. Line associates responded as 5 percent strongly agree 40 percent agree, 26.7 percent neutral, 21.7 percent disagree, and 6.7 percent strongly disagree. 45 percent told us loyal employees should be recognized and a recognized employee will not be prone to turnover and keep good service delivery. While 28.4 percent of line associates told us they don't believe that being a loyal doesn't minimize turnover and have no consequence on service delivery and 26.7 percent doesn't not avail their voices.

Communication system in the hospitality industry is vital and need to give a serious attention. If there a breakdown in communication system that will affect services, employees, managers and hotel as a whole. If there is a failure in basic service delivery that will lead us loss of revenue and in fact this brings employee turnover. Line associates responded for the question "communication system with management is properly laid down". 13.3 percent strongly agree, 30 percent agree, 16.7 percent neutral, 21.7 percent disagree and 18.3 percent strongly disagree. As 43.3 percent told us there should be proper communication system with management that helps in reducing turnover and has a positive result on service delivery, but 40 percent told us no need for proper communication system that might not cause employee turnover and hasn't an impact on service delivery while 16.7 remains neutral.

Having a good disciplinary procedure help hotel industry to guide employees impartially and objectively. Line associates responded for disciplinary procedures are laid down as per organization's rule. 16.7 percent strongly agree, 28.3 percent agree, 28.3 percent neutral, 21.7 percent disagree and 5 percent strongly disagree. As 45 percent told as Sheraton Addis should have laid down disciplinary procedures as per organizational rule that retain employees which result in high service delivery and 26.7 percent of managers told as no need of disciplinary procedures as per organizational rule which contribute to employee turnover and affect service delivery as 28.3 percent is neutral.

Dispute and grievance handling mechanisms are the corner stone of between employees and employers that reduce turnover and increase good service delivery. Line associates responded that dispute/ grievance handling mechanisms in Sheraton Addis should in place. 20 percent

strongly agree, 40 percent agree, 26.7 percent neutral, 8.3 percent disagree and 5 strongly disagree. 60 percent told us having good dispute and grievance handling mechanisms will retain employee and enhance service delivery while 13.3 percent of managers told us having good dispute and grievance mechanisms don't reduce employee turnover and doesn't improve service delivery and 26.7 percent fall in to undecided.

Develop specific competencies; provide performance feedback and design an individualized career development plan should be in place, line associates responded as 18.3 percent strongly agree, 38.3 percent agree, 23.3 percent neutral, 15 percent disagree, and 5 strongly disagree. As 56.6 of line associates told us developing specific competencies; provide performance feedback and design an individualized career development plan should be in Sheraton Addis Ababa hotel that reduce turnover and encourages good service delivery. Hence 20 of the managers against the above-mentioned ideas while 23.3 percent remains neutral.

Balancing personal and professional for employees is important. Here line associates responded for the question "Provide employees with a way to balance the professional and personal aspects of their lives" as 41.7 percent strongly agree, 36.7 percent agree, 11.7 percent neutral, 5 percent disagree and 5 percent strongly disagree. 78.4 percent of line associates told us the importance of balancing personal and professionals' lives that encourages employee not to leave the company now and then but 16.7 percent of line associates told us the less important of balancing personal and professional lives while 5 percent remains neutral.

## **4.5 Effect of employee turnover on service delivery is the centre of this research**

### **4.5.1 Managers response on effect of employee turnover on service delivery**

#### **Table 4.7 Managers response on effect of employee turnover on service delivery**

No	Items	Measurement scales									
		Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
		Fr	%	Fr	%	Fr	%	Fr	%	Fr	%
3.1	Employee turnover disrupts service delivery.	9	45	8	40	1	5	0	0	2	10
3.2	Employee turnover causes a decline in services delivery.	11	55	7	35	1	5	0	0	1	5
3.3	Employee turnover causes reduction in the quality of production produced.	10	50	8	40	1	5	0	0	1	5
3.4	Employee turnover causes reduction in work productivity.	12	60	6	30	1	5	0	0	1	5
3.5	Employee turnover causes too much wastage of resources when new staff settles in.	6	30	12	60	1	5	0	0	1	5
3.6	Employee turnover cause in lose public confidence in the operation of the organization	7	35	10	50	3	15	0	0	0	0
3.7	Employees tend not to give their best at the workplace	6	30	7	35	5	25	1	5	1	5
3.8	Employee turnover results in loss of customers.	6	30	10	50	3	15	1	5	0	0
3.9	Employees turnover cause employees not to meet their deadlines.	4	20	10	50	6	30	0	0	0	0
3.10	Employee's turnover will affect the general good will of the company	8	40	12	60	0	0	0	0	0	0

Source: Own data (2021)

As I tried to elaborate in my literature review some research showed us the direct effect of employee turnover in service delivery. In Ethiopia research did not do regarding aforementioned issue in Addis Ababa Hotels Particularly Sheraton Addis Ababa Hotel. In order to research the problems in Sheraton Addis Ababa Hotel. Managers have responded for the following questionnaires as follows. Service delivery will be disrupted by employee turnover as managers responded 45 percent strongly agree, 40 percent agree, 5 percent neutral, 0 percent disagree, 10 percent strongly disagree. Astoundingly 85 percent of managers responded that employee turnover will and must disrupt service delivery, while 10 percent told us no employee turnover doesn't disrupt service delivery and only 5 percent remains neutral. As managers responded to the question "employee turnover causes a decline in service delivery". 55 percent strongly agree, 35 percent agree, 5 percent neutral, 0 percent disagree and 5 percent strongly disagree. Remarkably 90 percent of managers told us employee turnover causes a decline in service delivery while only 5 percent told us employee turnover doesn't cause a decline in service delivery and 5 percent remains neutral. Managers responded for the following question as follows, 50 percent strongly agree, 40 percent agree,

5 percent neutral, 0 percent disagree and 5 percent strongly disagree. This tells us 90 percent of managers told us Quality of production produced will be interrupted by employee turnover and impacts service delivery, hence 5 percent of managers told us Quality of production produced will not be interrupted by employee turnover and doesn't impact service delivery while 5 percent remains neutral. The same question forwarded to managers as weather turnover affects work productivity and impacts service delivery. 60 percent strongly agree, 30 percent agree, 5 percent neutral, 0 percent disagree and 5 strongly disagree. Again 90 told us Employee turnover causes reduction in work productivity and impacts service delivery, hence 5 percent told us Employee turnover doesn't

Managers asked the following point as Employee turnover causes too much wastage of resources when new staff settles in. 30 percent strongly agree, 60 percent disagree, 5 percent neutral, 0 percent disagree and 5 percent strongly disagree. 90 percent of managers told us employee turnover causes too much wastage of resources when new staff settles in and effects service delivery while 5 percent told us employee turnover doesn't causes too much wastage of resources when new staff settles in and doesn't have any effect on service delivery and 5 percent again remains neutral. Turnover brings losing of public confidence in the operation of the organization that effect service delivery. For the public turnover will be a bad image for the hotel. Public think that the high the turnover the less the quality of the service, so that public refrain themselves to come to the hotel. For this question managers responded, 35 percent strongly agree, 50 percent agree, 15 percent neutral, 0 percent disagree, 0 percent strongly disagree. 85 percent of the managers told us public confidence will be eroded due to turnover and effect service delivery while 0 percent disagree and 15 percent remains neutral.

The more the turnover the higher the work burden on the others, this pushes other associates not to give their best, like by bringing sick leave and different reason, so the amalgamation of these problems affects service delivery. Managers responded for the above point, 30 percent strongly agree, 35 percent agree, 25 percent neutral, 5 percent disagree, and 5 percent strongly disagree. 65 percent of the managers told us associates have a tendency of not to give their best due to employee turnover that affects service delivery and 10 percent told us associates haven't a tendency of not to give their best due to employee turnover that doesn't affect service delivery while 25 percent remains neutral.

For the question Turnover brings customer loss and affects service delivery. Managers responded as 30 percent strongly agree, 50 percent agree, 15 percent neutral, 5 percent agree and 0 percent strongly disagree. This data shows us 80 percent of managers told us yes employee turnover brings customer loss and affects service delivery, while 5 percent of manager told us employee turnover doesn't bring customer loss and doesn't affect service delivery and 15 percent remains neutral.

Employee turnover causes employee not to meet their deadlines that will affect service delivery. Managers responded as, 20 percent strongly agree, 50 percent agree, 30 percent neutral. As 70 percent of managers told us employee turnover brings customer loss and affect service delivery with 0 percent disagree and 30 percent neutral.

Managers has responded the above point as “employee’s turnover will affect the general good will of the company” 40 percent strongly agree, 60 percent agree, and the other three scales remains 0 percent. This is mind blustering as all managers meaning 100 percent of them told us yes, the good will of the hotel will be affected by employee turnover.

#### **4.5.2. Response of line associates regarding the effect of employee turnover on service delivery**

**Table 4.8 Line associate’s response on effect of employee turnover on service delivery**

		Measurement scales
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No	Items	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
		Fr	%	Fr	%	Fr	%	Fr	%	Fr	%
3.1	Employee turnover disrupts service delivery.	21	35	25	41.7	6	10	6	10	2	3.3
3.2	Employee turnover causes a decline in services delivery.	19	31.7	26	43.3	6	10	7	11.7	2	3.3
3.3	Employee turnover causes reduction in the quality of production produced.	20	33.3	24	40	8	13.3	6	10	2	3.3
3.4	Employee turnover causes reduction in work productivity.	15	25	24	40	10	16.7	7	11.7	4	6.7
3.5	Employee turnover causes too much wastage of resources when new staff settles in.	9	15	23	38.3	18	30	9	15	1	1.7
3.6	Employee turnover cause in lose public confidence in the operation of the organization	4	6.7	22	36.7	18	30	13	21.7	3	5
3.7	Employees tend not to give their best at the workplace	9	15	25	41.7	16	26.7	9	15	1	1.7
3.8	Employee turnover results in loss of customers.	8	13.3	23	38.3	19	31.7	9	15	1	1.7
3.9	Employees turnover cause employees not to meet their deadlines.	10	16.7	28	46.7	10	16.7	9	15	3	5
3.10	Employee's turnover will affect the general good will of the company	21	35	18	30	8	13.3	9	15	4	6.7

Source: Own data (2021)

As researcher tried to elaborate in my literature review some research showed us the direct effect of employee turnover in service delivery. In Ethiopia research did not do regarding aforementioned issue in Addis Ababa Hotels particularly Sheraton Addis Ababa Hotel. In order to research the problems in Sheraton Addis Ababa Hotel. Line associates have responded for the following questionnaires as follows. Service delivery will be disrupted by employee turnover as line associates responded 35 percent strongly agree, 41.7 percent agree, 10 percent neutral, 10 percent disagree, 3.3 percent strongly disagree. Astoundingly 76.7 percent of line associates responded that employee turnover will and must disrupt service delivery, while 13.3 percent told us no employee turnover doesn't disrupt service delivery and only 10 percent remains neutral.

As line associates responded to the question "employee turnover causes a decline in service delivery". 31.7 percent strongly agree, 43.3 percent agree, 10 percent neutral, 11.7 percent disagree and 3.3 percent strongly disagree. Remarkably 75 percent of line associates told us employee turnover causes a decline in service delivery while only 15 percent told us employee turnover doesn't cause a decline in service delivery and 10 percent remains neutral.

Quality of production produced will be interrupted by employee turnover that in turn affect service delivery. Line associates responded for the above question as follows, 33.3 percent strongly agree, 40 percent agree, 13.3 percent neutral, 10 percent disagree and 3.3 percent strongly disagree. This tells us 73.3 percent of associates told us Quality of production produced will be interrupted by employee turnover and impacts service delivery, hence 13.3 percent of associates told us quality of production produced will not be interrupted by employee turnover and doesn't affect service delivery while 13.3 percent remains neutral.

The same question forwarded to line associates as weather turnover affects work productivity and affects service delivery. 25 percent strongly agree, 40 percent agree, 16.7 percent neutral, 11.7 percent disagree and 6.7 strongly disagree. Again 65 told us Employee turnover causes reduction in work productivity and affects service delivery, hence 18.4 percent told us Employee turnover doesn't causes reduction in work productivity and doesn't affect service delivery and 16.7 again remains neutral.

Whenever new employees are hired there will be resource wastage, like training cost, taking experienced employee from active duty to train the trainee that hampers the speed of good service delivery. So, the frequent nature of the above points will bring employee turnover that result in poor service delivery. Line associates asked the above point as employee turnover causes too much wastage of resources when new staff settles in. 15 percent strongly agree, 38.3 percent agree, 30 percent neutral, 15 percent disagree and 1.7 percent strongly disagree. 53.3 percent of line associates told us employee turnover causes too much wastage of resources when new staff settles in and affects service delivery while 16.7 percent told us employee turnover doesn't causes too much wastage of resources when new staff settles in and doesn't have any effect on service delivery and 30 percent again remains neutral.

Turnover brings losing of public confidence in the operation of the organization that affects service delivery. For this question line associates responded, 6.7 percent strongly agree, 36.7 percent agree, 30 percent neutral, 21.7 percent disagree, 5 percent strongly disagree. 43.4 percent of the line associates told us public confidence will be eroded due to turnover and impacts service delivery while 26.7 percent line associates told us public confidence will not be eroded due to turnover and doesn't affect service delivery and 30 percent remains neutral.

The more the turnover the higher the work burden on the others, Line associates responded for the above point, 15 percent strongly agree, 41.7 percent agree, 26.7 percent neutral, 15 percent disagree, and 1.7 percent strongly disagree. 56.7 percent of the line associates told us associates have a tendency of associates not to give their best due to employee turnover that impacts service delivery

and 16.7 percent told us associates haven't a tendency of not to give their best due to employee turnover that doesn't affect service delivery while 26.7 percent remains neutral.

Turnover brings customer loss and affects service delivery. Line associates responded as 13.3 percent strongly agree, 38.3 percent agree, 31.7 percent neutral, 15 percent disagree and 1.7 percent strongly disagree. This data shows us 51.6 percent of line associates told us yes employee turnover brings customer loss and impacts service delivery, while 16.7 percent of line associates told us employee turnover doesn't bring customer loss and doesn't affect service delivery and 31.7 percent remains neutral.

Employee turnover causes employee not to meet their deadlines that will affect service delivery. Line associates responded as, 16.7 percent strongly agree, 46.7 percent agree, 16.7 percent neutral, 15 percent disagree and 5 strongly disagree. As 63.4 percent of line associates told us employee turnover causes employee not to meet their deadlines that will impact service delivery and 20 of line associates told us employee turnover doesn't causes employee not to meet their deadlines that will not affect service delivery and 16.7 percent neutral.

Hotels should retain employees with proper pay and benefits, belongingness and merit-based promotion and transfer. Line associates has responded the above point as "employee's turnover will affect the general good will of the company" 35 percent strongly agree, 30 percent agree, 13.3 percent neutral, 15 percent disagree and 6.7 percent strongly disagree. This goes down 65 percent of line associates told us employees' turnover will affect the general good will of the company and impacts service delivery while 21.7 told us turnover doesn't affect company's and the remaining 13.3 percent remains neutral.

#### **4.6 Strategy that has to be taken by Sheraton Addis Hotel**

Response regarding the strategy that should be taken by Sheraton Addis Ababa Hotel, the luxury collection to reduce employee turnover and to deliver the best service in the country.

#### 4.6.1 Managers response on regarding the strategy that should be taken by Sheraton Addis Ababa Hotel

**Table 4.9 Managers response on the strategy that should be taken by Sheraton Addis Ababa Hotel**

No.	Item	Measurements Scale									
		Strongly agree		Agree		Neutral		Disagree		Strongly Disagree	
		Freq.	%	Fre.	%	Fr eq.	%	Fre q.	%	Freq.	%
4.1	Pay and benefit package should be competitive	17	85	2	10	0	0	0	0	1	5
4.2	Employment process should be fair and reasonable	15	70	5	25	0	0	0	0	1	5
4.3	Transfer and promotion should be impartial	13	65	6	30	1	5	0	0	0	0
4.4	Adequate training should be in place	15	75	3	15	2	10	0	0	0	0
4.5	Managers should recognize employees when they perform well	14	70	5	25	0	0	0	0	1	5
4.6	Working environment should be conducive	16	80	4	20	0	0	0	0	0	0
4.7	Working aids should be readily available	12	60	6	30	2	10	0	0	0	0
4.8	Managers should give responsibilities to associates	12	60	7	35	0	0	0	0	1	5
4.9	Organizations have to give equal opportunity for gender related issues	11	55	5	25	3	15	0	0	1	5
4.10	Work related personal development should be given attention	11	55	8	40	0	0	0	0	1	5
4.11	Belongingness ambience should be created by organization	14	70	4	20	1	5	0	0	1	5
4.12	Fare well ceremony for employees during voluntary separation should be in place	12	60	5	25	2	10	0	0	1	5

Source: Own data (2021)

In order to reduce employee turnover and its effect on service delivery Sheraton Addis Hotel managers responded for the following questionnaires as follows. Strategies are important to minimize employee turnover and enhance service delivery. One of the burning issues between employee and employer is pay and benefit package. As managers asked for pay and benefit package should be competitive with other hotels and has to balance with her/his economic situation. Managers responded as, 85 percent strongly agree, 10 percent agree, 0 percent neutral, 0 percent disagree and 5 percent strongly disagree. Amazingly 95 percent of managers told us pay and benefit are the major issue to be taken seriously by Sheraton Addis Ababa Hotel as strategy to tackle employee turnover and improve service delivery while 5 percent of the managers told us pay and benefit don't increase employee turnover and doesn't affect service delivery.

Employment process should be fair and reasonable, managers responded as, 70 percent strongly agree, 25 percent agree, 0 percent neutral, 0 percent disagree and 5 percent strongly disagree. Again, 95 percent of managers told us having fair and reasonable employment process will help to reduce employee turnover and uplift service delivery while 5 percent of managers told us fair and reasonable employment process don't avoid employee turnover and don't have an effect on service delivery.

Transfer and promotion should be impartial, managers responded as, 65 percent strongly agree, 30 percent agree, 5 percent neutral, 0 percent disagree and 0 percent strongly disagree. Astonishingly 95 percent of managers told us transfer and promotion is a key for employer as strategy that will minimize employee turnover and enhance service delivery while 5 percent remains neutral. On training issue, managers asked adequate training should be in place. Managers responded as, 75 percent strongly agree, 15 percent agree, 10 percent neutral, 0 percent disagree, 0 percent strongly disagree. Here 90 percent of managers told us training is vital to avoid employee turnover and enhance service delivery while 10 percent remains neutral.

Recognition of employees when they perform well is important. Managers responded as 70 percent strongly agree, 25 percent agree, 0 percent neutral, 0 percent disagree and 5 percent strongly disagree. 95 percent of managers told us outperformer should be recognized that will help to avoid employee turnover and encourage service delivery while 5 percent of managers told us recognition can't reduce turnover and don't have effect on service delivery.

Working environment should be conducive. Managers responded as, 80 percent strongly agree, 20 percent agree and the other three scales remains 0 percent. 100 percent of managers told us working environment should be conducive that minimize employee turnover and enhance service delivery. And also, managers responded for working aids should be readily available. 60 percent strongly agree, 30 percent agree and 10 percent neutral. 90 percent of managers told us working aids are important for employees that in turn will keep employee and good for service delivery while 10 remains neutral.

Giving responsibilities to employee will encourage them. Managers responded 60 percent strongly agree, 35 percent agree, 0 percent neutral, 0 percent disagree and 5 percent strongly disagree. 95 percent of managers told us giving responsibilities will decrease employee turnover and will have a positive impact on service delivery while only 5 percent of managers

told us giving responsibilities doesn't reduce employee turnover and doesn't have any effect on service delivery.

Equal opportunity for gender related issues is vital. Managers responded as, 55 percent strongly agree, 25 percent agree, 15 percent neutral, 0 percent disagree and 5 percent strongly disagree. 80 percent of managers told us equal opportunity to gender issues are important to reduce employee turnover and enhance service delivery, while 5 percent of managers told us equal opportunity to gender related issues doesn't reduce employee turnover and doesn't have any effect on service delivery and 15 percent of managers remains silent.

Work related personal development should be given attention by the employer, Managers responded as 55 percent strongly agree, 40 percent agree, 0 percent neutral, 0 percent disagree and 5 percent strongly disagree. 95 percent of managers told us work related personal development will reduce employee turnover and has a positive impact for service delivery while 5 percent of the managers told us work related personal development doesn't reduce employee turnover and doesn't have an effect on service delivery.

Belongingness atmosphere should be created by the organization. Managers responded as 70 percent strongly agree, 20 percent agree, 5 percent neutral, 0 percent disagree and 5 percent strongly disagree. Again, 90 percent of managers told us creating belongingness by Sheraton Addis Ababa hotel will reduce employee turnover and enhance service delivery, while 5 percent of managers told us creation belongingness by the organization doesn't stop employee turnover and doesn't have an effect on service delivery and 5 percent remains neutral.

During voluntary separation farewell ceremony should be in place. Managers responded as 60 percent strongly agree, 25 percent agree, 10 percent neutral, 0 percent disagree and 5 percent strongly disagree. 85 percent of managers told us farewell during voluntary separation will be vital and reduce employee turnover and will increase service delivery, while 5 percent of managers farewell ceremony doesn't help to minimize employee turnover and doesn't have an effect on service delivery and 10 percent remains neutral.

#### **4.6.2 Response regarding the strategy that should be taken by Sheraton Addis Ababa Hotel**

**Table 4.10 Line associate's response on regarding the strategy that should be taken by Sheraton Addis Ababa Hotel**

No.	Item	Measurements Scale									
		Strongly agree		Agree		Neutral		Disagree		Strongly Disagree	
		Freq.	%	Fre.	%	Fr eq.	%	Fre q.	%	Freq.	%
4.1	Pay and benefit package should be competitive	19	31.7	28	46.7	11	18.3	1	1.7	1	1.7
4.2	Employment process should be fair and reasonable	18	30	23	38.3	13	21.7	2	3.3	4	6.7
4.3	Transfer and promotion should be impartial	25	41.7	24	40	7	11.7	3	5	1	1.7
4.4	Adequate training should be in place	23	38.3	24	40	8	13.3	4	6.7	1	1.7
4.5	Managers should recognize employees when they perform well	26	43.3	22	36.7	8	13.3	3	5	1	1.7
4.6	Working environment should be conducive	25	41.7	20	33.3	8	13.3	6	10	1	1.7
4.7	Working aids should be readily available	18	30	24	40	9	15	5	8.3	4	6.7
4.8	Managers should give responsibilities to associates	25	41.7	21	35	8	13.3	5	8.3	1	1.7
4.9	Organizations have to give equal opportunity for gender related issues	23	38.3	29	48.3	3	5	3	5	2	3.3
4.10	Work related personal development should be given attention	19	31.7	24	40	9	15	7	11.7	1	1.7
4.11	Belongingness ambience should be created by organization	19	31.7	19	31.7	12	20	7	11.7	3	5
4.12	Fare well ceremony for employees during voluntary separation should be in place	25	41.7	24	40	7	11.7	3	5	1	1.7

Source: Own data (2021)

In order to reduce employee turnover and its effect on service delivery Sheraton Addis Hotel managers responded for the following questionnaires as follows. Strategies are important to minimize employee turnover and enhance service delivery. One of the burning issues between employee and employer is pay and benefit package. As line associates asked for pay and benefit package should be competitive with other hotels and has to balance with her/his economic situation. Line associates responded as, 31.7 percent strongly agree, 46.7 percent agree, 18.3 percent neutral, 1.7 percent disagree and 1.7 percent strongly disagree. Amazingly 78.4 percent of line associates told us pay and benefit are the major issue to be taken seriously by Sheraton Addis Ababa Hotel as strategy to tackle employee turnover and improve service delivery while 3.4 percent of the line associates told us pay and benefit don't increase employee turnover and doesn't impact service delivery and 18.3 present remains neutral.

Employment process should be fair and reasonable, line associates responded as, 30 percent strongly agree, 38.3 percent agree, 21.7 percent neutral, 3.3 percent disagree and 6.7 percent

strongly disagree. Again, 68.3 percent of line associates told us having fair and reasonable employment process will help to reduce employee turnover and uplift service delivery while 10 percent of line associates told us fair and reasonable employment process don't avoid employee turnover and don't have an effect on service delivery and 21.7 remains neutral.

Transfer and promotion should be impartial, line associates responded as, 41.7 percent strongly agree, 40 percent agree, 11.7 percent neutral, 5 percent disagree and 1.7 percent strongly disagree. Astonishingly 81.7 percent of line associates told us transfer and promotion is a key for employer as strategy that will minimize employee turnover and enhance service delivery while 6.7 percent of line associates told us fair transfer and promotion will not reduce employee turnover and doesn't have effect on service delivery and 11.7 percent remains neutral. On training issue, line associates asked adequate training should be in place. Line associates responded as, 38.3 percent strongly agree, 40 percent agree, 13.3 percent neutral, 6.7 percent disagree, 1.7 percent strongly disagree. Here 78.3 percent of line associates told us training is vital to avoid employee turnover and enhance service delivery while 8.4 of line associates told us training doesn't help to minimize employee turnover and doesn't have any effect on service delivery and 13.3 percent remains neutral.

Recognition of employees when they perform well is important. Line associates responded as 43.3 percent strongly agree, 36.7 percent agree, 13.3 percent neutral, 5 percent disagree and 1.7 percent strongly disagree. 80 percent of line associates told us outperformer should be recognized that will help to avoid employee turnover and encourage service delivery while 6.7 percent of line associates told us recognition can't reduce turnover and don't have effect on service delivery and 13.3 remains neutral.

Working environment should be conducive. Line associates responded as, 41.7 percent strongly agree, 33.3 percent agree, 13.3 percent neutral, 10 percent disagree and 1.7 strongly disagree. 75 percent of line associates told us working environment should be conducive that minimize employee turnover and enhance service delivery while 11.7 percent line associates told us having a conducive working environment doesn't minimize employee turnover and doesn't have a direct effect on service delivery and 13.3 remains neutral.

And also, line associates responded for working aids should be readily available. 30 percent strongly agree, 40 percent agree and 15 percent neutral, 8.3 percent disagree and 6.7 percent strongly disagree. 70 percent of line associates told us working aids are important for employees that in turn will keep employee and good for service delivery while 15 of line

associates told us the availability of working condition doesn't reduce employee turnover and doesn't have any effect on service delivery and 15 remains neutral.

Giving responsibilities to employee will encourage them. Line associates responded 41.7 percent strongly agree, 35 percent agree, 13.3 percent neutral, 8.3 percent disagree and 1.7 percent strongly disagree. 76.7 percent of line associates told us giving responsibilities will decrease employee turnover and will have a positive impact on service delivery while only 21.6 percent of line associates told us giving responsibilities doesn't reduce employee turnover and doesn't have any effect on service delivery.

Equal opportunity for gender related issues is vital. Line associates responded as,38.3 percent strongly agree, 48.3 percent agree, 5 percent neutral, 5 percent disagree and 3.3 percent strongly disagree.86.6 percent of line associates told us equal opportunity to gender issues are important to reduce employee turnover and enhance service delivery, while 8.3 percent of line associates told us equal opportune to gender related issues doesn't reduce employee turnover and doesn't have any effect on service delivery and 5 percent of line associates remains silent.

Work related personal development should be given attention by the employer, Line associates responded as 31.7 percent strongly agree, 40 percent agree, 15 percent neutral, 11.7 percent disagree and 1.7 strongly disagree. 71.7 percent of line associates told us work related personal development will reduce employee turnover and has a positive effect for service delivery while 13.4 percent of the line associates told us work related personal development doesn't reduce employee turnover and doesn't have an effect on service delivery and 15 percent remains neutral.

Belongingness atmosphere should be created by the organization. Line associates responded as 31.7 strongly agree, 31.7 percent agree, 20 percent neutral, 11.7 percent disagree and 5 percent strongly disagree. Again, 63.4 percent of line associates told us creating belongingness by Sheraton Addis Ababa hotel will reduce employee turnover and enhance service delivery, while 16.7 percent of line associates told us creation belongingness by the organization doesn't stop employee turnover and doesn't have an effect on service delivery and 20 percent remains neutral.

During voluntary separation farewell ceremony should be in place. Line associates responded as 41.7 percent strongly agree, 40 percent agree, 11.7 percent neutral, 5 percent disagree and

1.7 percent strongly disagree. 81.7 percent of line associates told us farewell during voluntary separation will be vital and reduce employee turnover and will increase service delivery, while 6.7 percent of line associates told us farewell ceremony doesn't help to minimize employee turnover and doesn't have an effect on service delivery and 11.7 percent remains neutral.

#### **4.7 Interview for Loyal Customers**

Loyal customers are customers who visit Sheraton Addis Ababa Hotel frequently regardless of the service which is delivered to them. Moreover, being frequent visitors, they spend a lot of money. Whenever they see or feel something is wrong, they are forthcoming to comment on the problems and need urgent solution. They feel that Sheraton Addis Ababa Hotel is their second home. Not only commenting on bad service delivery but also on achievement as well. The researcher approached ten loyal customers and responded as wisely as they feel. Interview questions focused on the research topic: **The Effect of Employee turnover on Service delivery: The case of Sheraton Addis Ababa Hotel**

The below are interview questionnaires. For simplicity the researcher will use Loyal Customers as loyal customers 1,2,3...10 for analysis propose. It is random selecting. None of them given priority. Some of the responses are similar and researcher put them together and the others were analysed separately. These loyal customers were asked about their level of understanding about employees' turnover and their experience in Sheraton Addis Ababa Hotel. They also asked their level of satisfaction about the services which were rendered to them. Loyal customers responded on the effects of employee turnover on service delivery and suggested their own valuable remedies in order to minimize employee turnover and the way how to enhance service delivery.

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#### **Table 4.11-Interview for loyal customers**

Q NO	Interview questions	Respondents	Responses
1.	As a loyal customer what is your level of knowledge about employee's turnover?	All	-All of them know about employee turnover. -they said it is a replacement of outgoing associates by new
2.	How do you explain employees' turnover in Sheraton Addis Ababa?	All	-It is a frequent phenomenon - they see new staffs now and then
3.	Are you satisfied by the service which is given by Sheraton Addis Ababa?	1,3,4,5,6 and 10	-even though there is a problem they will hope it will be rectified by management
		2,7,8 and 9	-they were not satisfied by service delivery. - They believe that employee turnover brought poor services
4.	In your perceptive does employees' turnover affect service delivery at Sheraton Addis Ababa?	All	-all said that employee turnover affects service delivery
			-frequent nature of employee turnover will bring unproductive
			Unskilled, unfriendly and less interested associates
5.	If you think that employee turnover affects service delivery, in your opinion what should be done by Sheraton Addis Ababa to avert the problem?	1,2,3,6 and 7	-the propose adequate health insurance policy, proper training, recognition and should be in place
		4,9 and 10	-legal institution should be in place between employee and employer
		5 and 8	-Sheraton Addis hotel should focus not only on pay and payment packages but also on emotional connection between employee and employer

Source. Own data (2021)

Regarding the first interview questionnaire all of them know about employee turnover as some of them are heads of their own organization. They responded to the researcher that it is the replacement of former associates by new.

Their explanation of employee turnover in Sheraton Addis Hotel. Again, all of them told the researcher that they can feel it very well. According to the interview employee turnover in

Sheraton Addis Ababa is a frequent phenomenon. Whenever they come to Sheraton Addis Ababa Hotel, they have seen at least two or three new staffs. They said in fact having new staffs now and then will affect their connection with associates. As interviewee highlighted new staffs don't understand the need and want of loyal customers this will affect service delivery and ultimately ruins the entire hotel business.

Satisfaction of respondents on services which are given by Sheraton Addis Ababa. Loyal customers 1,3,4,5,6 and 10 told the researcher that even though problems were pending they hope that there are efforts to fill the gap by the management and they are happy with the present service delivery. While loyal customers 2,7,8. and 9 were adamant that they were not satisfied of the services which were delivered by Sheraton Addis Ababa Hotel which was 40 percent of the interviewees. According to the interviewees the frequent nature of employee turnover affected service delivery as most of new employees did not know hotel services and products this will contribute to the issue of employee turnover.

All the interviewees unanimously told the researcher that employee turnover will affect service delivery. As some of them mentioned earlier that the frequent nature of employee turnover will yield unproductive, unskilled, unfriendly, and less interested associates who are always new for customers, products and services which will affect service delivery.

Loyal customers 1,2,3,6 and 7 told the researcher that Sheraton Addis Ababa, first has to aware the seriousness of the issue and second has to design a well-crafted strategy to deter the problem. They proposed the strategy as follows, adequate health insurance policy, proper training, a down to top management approach, recognition and delegation should be in place and finally well studied salary scale should be in place.

Loyal customers 4, 9, 10 told researcher that Sheraton Addis Hotel has to follow the following strategies in order to curve the problem. A comprehensive employee and employer association should be installed. As per interviewees some of the fundamental issues will be resolved peacefully and in a logical way.

Loyal customers 5 and 8 told researcher that Sheraton Addis Ababa Hotel needs to have strategy to avert the problem not only focus only on pay and benefit packages but also has to work on the emotional connection between employees. Sheraton Addis Ababa should look after employees' wellbeing of his/her family situation and above all his/her health and feelings.

### **Similarities of responses:**

As it is indicated in the tabulation, loyal customers responded unanimously the same for question number 1 and 2 as they said they know about turnover and it is a frequent phenomenon. While for question number 3 respondents 1,3,4,5,6 and 10 are responded the same. For question number 4, all of them have the same perspectives in relation to effect of employee turnover and its effect on service delivery. Regarding question number 5 as per the table they have grouped in to three (see Table 4.11).

**Differences of responses:**

The differences between respondents clearly seen in questions 3 and 5. These is because of the diverse knowledge about employee turnover and its effect on service delivery. Especially in question number 5 they are divided by their idea in to three (see Table 4.11).

As the research goes down to conclusions it is better for the researcher to triangulate the responses from the questionnaires and interviews. Both methods tried to investigate the causes of employee turnover, perspectives of employees, managers and loyal customers towards employees' turnover and its effect on service delivery, effect of employees' turnover on service delivery and strategy that has to be taken by Sheraton Addis Ababa Hotel. Both methods reach at the same conclusions and recommendations.

## **CHAPTER FIVE**

### **5. SUMMARY OF RESEARCH FINDINGS, CONCLUSION AND RECOMMENDATION**

#### **5.1 Summary of Findings**

As indicated vividly in the statement of the problem this research was interested in assessing The Effect of Employee Turnover on Service Delivery at Sheraton Addis Ababa Hotel. To answer the stated research problem, four research questions were the key for this research. These were cause of employee turnover, perspectives of employees and managers on employee turnover and its effect on service delivery, effect of employee turnover on service delivery and finally strategies that have to be taken to avert this problem by Sheraton Addis Ababa Hotel. Therefore, as indicated in the preceding chapter of data presentation and analysis, an effort was made to know the cause of employee turnover, turnover effects on service delivery and strategies should be taken by Sheraton Addis Ababa Hotel, subsequently the coming sub section present the summary of findings as follows.

##### **5.1.1. Causes of Employee Turnover**

Overwhelmingly both managers and line associates agreed that causes of employee turnover are: pay and benefits, lack of opportunity for career advancement, associates not participated in decision making, lack of employee assistance program, work load, promotion and transfer were not merit based and being paid less in contrast to hotels in the city. On the other hand, managers and line associates agreed that they were confident in their immediate supervisor decision and they believed that adequate training is in place.

##### **5.1.2 Perspectives of managers and line associates on employee turnover and its effect on service delivery**

Both managers and line associates according to their perspectives they believed that service delivery service delivery was impacted due to employee turnover that are revealed by work stress, spending too much time on training new associates, employee are not recognized when individual accomplish, lack of reasonable payment, unable to provide clear path for advancement to employees, lack of good communication system from down to top and vis versa, lack of consistent disciplinary, grievance and dispute handling mechanisms and non-existence of assistance for employees to balance their lives with their professional career.

### **5.1.3 Effect of Employee Turnover on Service delivery**

As we knew the cause of employee turnover now, we will see its effect on service delivery. Simultaneous findings were forwarded both by managers and line associates. These are: employee turnover disrupt service delivery, causes a decline on service delivery, causes reduction in the quality of production produced, causes work productivity, causes wastage of resources, brings loss of public confidence, causes loss of customers and finally it causes the good will of the company.

### **5.1.4 Strategies that have to be taken by Sheraton Addis Ababa Hotel to cure the problem**

Important points were suggested by both managers and line associates to Sheraton Addis Ababa hotel in order to minimize employee turnover and unleash the effects of service delivery. These are: pay and benefits should be up to the economy that requires, employment process must be fair and merit based, transfer and promotion should be impartial, employee recognition should be in place, working environment and aid should be in place, delegation of employee should be given attention, equality for gender related (see Table 1) as female 13.8 and male 86.3 percent, work related personal development should be given an attention and acknowledgment for voluntary separated employees.

The research outlined the main dominant factors on effect of employee's turnover on service delivery. As why employees leave the organization the dominate factor will be pay and benefits. As what service delivery will be affected, the reteach finds that there will be poor service delivery, unskilled man power, unsatisfied employee and unproductive associates. Due to the above core problems on service delivery, company will lose business and will end up to liquidation of business.

## **5.2. Conclusion**

The research tried to investigate the effect of employee turnover on service delivery at Sheraton Addis Ababa Hotel. In the introduction part the research paper tried to show meaning and the on-going nature of employee turnover in hospitality industry and its effect on service delivery. Statement of the problem tried to put in place the gap between the literature studied and the study under investigation that is employee turnover and its effect on service delivery. Five important and answerable questions and its objectives for this research have been formulated. Scope, significance, limitation and organization of the research have been stated clearly.

Associated literatures for the research in the form of theoretical, empirical and conceptual have been elaborated and clearly explained. The empirical literature review tried to find a research work that are practically investigated about employee turnover and its effect on service delivery. The conceptual model clearly was extracted from the idea of statement of the problem, research questions and the empirical literature review. Conceptual frame work is used as a blue print for this research paper.

As shown on the findings the following conclusions are drawn. The research tried to find an answer for the question that hampers service delivery due to employee turnover in Sheraton Addis Ababa Hotel. As the causes of employee turnover clearly stipulated by managers and line associates were pay and benefits, opportunity to growth, suitability of working conditions, involvement of decision making, promotion and transfer, faire treatment, and the balance between personal life and work. Moreover, we had seen the perspectives of managers and line associates of employee turnover and its effect on service delivery:

From both managers' and employees' perspective it can be concluded that employee turnover is not a natural phenomenon but it is affected by organizational and human behavior and nature. Whenever new hotels appear associates opt to leave the old one and start with new one looking for better payment and better working environment and the human effects are the managers, the CEOs and the Owner involvement make hard for employee to stay longer in one organization. There are reasons which lead for an increasing of employee turnover. It is observed by many factors that contributed for the presence of turnover and its effect on service delivery. Among these, work stress, training new associates, reasonable payment, recognition when there is an achievement, no or less well-structured disciplinary, grievance handling mechanisms and absence of top to down or vice versa communication channel.

Apart from employee turnover the paper analyzed its effect on service delivery. Some of the points that were pin down by managers and line associates as effect on service delivery due to service delivery: Disruption of service delivery, decline in service delivery, reduction in the quality of production produced and wastage of resources.

Among all the one that was given by managers and line associates to avert employee turnover and enhance service delivery was strategy that should be taken by Sheraton Addis Ababa Hotel. These strategies are vital and might save the downfall of service delivery in Sheraton Addis Ababa Hotel. Among these: pay and benefits should be given an utmost attention, employment process should be fair and merit based, adequate training should be in place,

working aids need to be available, gender issue equality should be given and fare well ceremony for voluntary separation in place.

### **5.3 Recommendation**

On the basis of the findings derived and data analysis drawn with regard to the employee turnover and its effect on service delivery in Sheraton Addis Ababa Hotel, the following recommendations are made:

**In order to minimize causes of employee turnover:** Sheraton Addis Ababa Hotel need to work on the following issues: As the researcher learnt from the analysis and findings the it claimed that there are many areas to be seen by Sheraton Addis Ababa executive committee members and owner. As a five-star rated and one of international hotel in the country pay and benefits should be adjusted according to the sister companies worldwide. Here pay and benefits are salaries, allowances, health insurances, promotions, transfers, recognitions and different employees' support system like facilitate credit system from banks and different suppliers.

**Perspectives of line associates, managers of Sheraton Addis and loyal customers:** Training should be given on time through training department not by senior associates, health and life insurance policy should be revised, a structured and known associate hearing committee should be in place, promotion and transfer have to be impartial and merit based that will attract many associates to stay longer and recognize associates whenever there is a need.

**Effect of employee turnover on service delivery:** Now the research showed clearly that turnover will affect service delivery and Sheraton Addis Ababa Hotel need to focus on the above critical problems and associated recommendations. If associates are paid and being taking care of then they will strive for change.

**Strategies that should be taken by Sheraton Addis Ababa hotel:** Even though most points have been raised above, but the following points should be taken more seriously by Sheraton Addis Ababa Hotel. These are the intangible factors that are associated mainly between hotel and employees.

Emotional connections between employees and managers have to be developed. Sheraton Addis Ababa Hotel need to work on how to understand the needs and wants of employees and make an effort to solve.

One of the emotional connections is the human truths. Human truth is the idea of reflecting that associate need to be understood, need to be felt belongingness, need to be felt special, their lives need to be given at most care as “They should try to suit them, and not make them to try and suit Sheraton Addis Ababa Hotel.) and make employee to reach their potential.

Sheraton Addis Ababa Hotel has to give a priority for the wellbeing of its associates by designing a comprehensive insurance policy that will protect employees and their families. Sheraton Addis Ababa Hotel work on areas of delegation, empowerment and area for growth. By doing the above recommendations Sheraton Addis Ababa would minimize employee turnover and will enhance service delivery that will take the company to the competitive level with in the market.

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## Appendices

### QUESTIONNAIRES

Developed by: Addis Alemayehu  
Effect of Employee Turnover on Service delivery

### QUESTIONNAIRES

TO BE FILLED BY Sheraton Addis Ababa Hotel Employees (Permanent)

Researcher: Addis Alemayehu

Advisor: Jemal Abagissa, PhD

Research Topic: The Effect of Employee Turnover on Service delivery:  
The case of Sheraton Addis Ababa Hotel.

Dear Respondent,

My name is Addis Alemayehu, I am a post graduate student at Addis Ababa University School of business and economics. For my master's study, I am probing the Effect of Employee Turnover on Service delivery: The case of Sheraton Addis Ababa Hotel

As the study scope focus on particularly at Sheraton Addis Ababa Hotel, so you are cordially invited to participate in this research and complete the attached survey.

This questionnaire is projected to gather information about how the Impact of Employee Turnover on Service delivery at Sheraton Addis Ababa Hotel and also tries to find about a solution for the problems that concerns employees and the organization a lot. I can assure you that any information that you provide in this questionnaire will be kept confidential and only be used for academic purpose. And note that this is not a test. There are no write and wrong answers, if you do not find the answers that is fit exactly, please mark the one that comes closest.

Your genuine response is highly valuable and very helpful for the study and there are no identified risks for participating in the survey. The survey is anonymous. Participation is completely of your own accord. It will take you approximately 20-30 minutes of your time to complete filling this questionnaire. Please answer all questions as candidly and impartially as possible and return the questionnaires promptly to me.

Thank you in advance for kind cooperation and precious time.

Sincerely,

Addis Alemayehu

Cell phone: +251911672300/+251911269150

Email: addis\_bless@yahoo.com

### Part I. General Information

Direction: Please put a check mark (✓) on the appropriate box or table.

1. Gender:

Male  Female

2. Age category:

18-29  30-39  40-49  50 and above

3. What is your highest and recent education status?

Third degree (Ph. D)  Diploma   
Second degree  Certificate   
First degree  High school completed

4. Work Experience in Sheraton Addis Ababa Hotel

Less than 6 months  6 months to 1 year  1 to 2 years   
2 to 3 years  3 to 4 years  4 to 6 years  6 to 8 years   
More than 8 years

5. Monthly salary range in birr

Less than 650  651 to 1500  1501 to 2500  2501 to 3500   
More than 3501

6. In which position are you in? Line associate  Managerial

7. In which department are you working currently?  
.....

## Part II. Please tick the correct answer

Direction: Indicate the extent to which you agree with the following statements by using a scale of 1 to 5 where 1= Strongly disagree, 2= Disagree, 3= No opinion, 4= Agree, 5= Strongly agree. Please tick (√) the box that best describes your opinion for each statement.

1. Please indicate your response regarding causes of employee turnover in Sheraton Addis Ababa, the luxury collection hotel.

No	Items	Measurement scales				
		Strongly Agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
1.1	I'm satisfied with the salary I'm getting in my organization.	5	4	3	2	1
1.2	In my organization there is no opportunity for career advancement.	5	4	3	2	1
1.3	I'm not satisfied with the working conditions.	5	4	3	2	1
1.4	Staff members are not involved in decision making.	5	4	3	2	1
1.5	There is a lack of employee assistance programs.	5	4	3	2	1
1.6	My input is not appreciated	5	4	3	2	1
1.7	Work boredom is the causes of staff turn over	5	4	3	2	1
1.8	Promotion and transfer based on merit system	5	4	3	2	1
1.9	I feel I am confident in my immediate supervisor decision	5	4	3	2	1
1.10	Everyone is treated fairly in my current job	5	4	3	2	1
1.11	I receive adequate training and information to do my job well	5	4	3	2	1
1.12	There is a good fit between my current job and my personality	5	4	3	2	1
1.13	I am valued and appreciated by management	5	4	3	2	1
1.14	I am paid better than the same hotels in the country	5	4	3	2	1

2. Please indicate your response regarding employees and manager's perspectives of employee turnover in relation with service delivery at Sheraton Addis Ababa Hotel.

No.	Item	Measurements Scale				
		Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
2.1	Employee turnover increases due to work load for each employee.	5	4	3	2	1
2.2	Employee turnover increases due to unqualified workers being employed	5	4	3	2	1
2.3	Employee spend too much time in training new staff members.	5	4	3	2	1
2.4	Employees must be recognized when they achieve goals.	5	4	3	2	1
2.5	Employee must be paid well (reasonable salary).	5	4	3	2	1
2.6	Employee will be provided a clear path for Advancement	5	4	3	2	1
2.7	Management recognizes employees for their unwavering loyalty	5	4	3	2	1
2.8	Communication system with management is Properly laid down	5	4	3	2	1
2.9	Disciplinary procedures are properly laid As per organization's rule	5	4	3	2	1
2.10	Dispute/grievance handling mechanisms should be good and in place	5	4	3	2	1
2.11	Develop specific competencies, provide performance feedback and design an individualized career development plan should be in place	5	4	3	2	1
2.12	Provide employees with a way to balance the professional and personal aspects of their lives	5	4	3	2	1

3. Please indicate your response regarding the effect of employee turnover on service delivery in Sheraton Addis Ababa, the luxury collection hotel

No.	Questionnaire items	Measurement Scales				
		Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
3.1	Employee turnover disrupts service delivery.	5	4	3	2	1
3.2	Employee turnover causes a decline in services delivery.	5	4	3	2	1
3.3	Employee turnover causes reduction in the quality of production produced.	5	4	3	2	1
3.4	Employee turnover causes reduction in work productivity.	5	4	3	2	1
3.5	Employee turnover causes too much wastage of resources when new staff settles in.	5	4	3	2	1
3.6	Employee turnover cause in lose public confidence in the operation of the organization	5	4	3	2	1
3.7	Employees tend not to give their best at the workplace	5	4	3	2	1
3.8	Employee turnover results in loss of customers.	5	4	3	2	1
3.9	Employees turnover cause employees not to meet their deadlines.	5	4	3	2	1
3.10	Employee's turnover will affect the general good will of the company	5	4	3	2	1

4. Please indicate your response regarding the strategy that should be taken by Sheraton Addis Ababa Hotel, the luxury collection to reduce employee turnover and to deliver the best service in the country.

No.	Questionnaire items	Measurement Scales				
		Strongly agree (5)	Agree (4)	Neutral (3)	Disagree (2)	Strongly Disagree (1)
4.1	Pay and benefit package should be competitive	5	4	3	2	1
4.2	Employment process should be fair and reasonable	5	4	3	2	1
4.3	Transfer and promotion should be impartial	5	4	3	2	1
4.4	Adequate training should be in place	5	4	3	2	1
4.5	Managers should recognize employees when they perform well	5	4	3	2	1
4.6	Working environment should be conducive	5	4	3	2	1
4.7	Working aids should be readily available	5	4	3	2	1
4.8	Managers should give responsibilities to associates	5	4	3	2	1
4.9	Organizations have to give equal opportunity for gender related issues	5	4	3	2	1
4.10	Work related Personal development should be given attention	5	4	3	2	1
4.11	Belongingness ambiance should be created by organization	5	4	3	2	1
4.12	Fare well ceremony for employees during voluntary separation should be in place	5	4	3	2	1

Effect of Employee Turnover on Service delivery  
Interview Questions developed by Addis Alemayehu  
To be discussed with selected loyal customers  
Researcher: Addis Alemayehu  
Advisor: Jemal Abagissa, PhD  
Research Topic: The Effect of Employee Turnover on Service delivery:  
The case of Sheraton Addis Ababa Hotel.

1. As a loyal customer what is your level of knowledge about employee's turnover?
2. How do you explain employees' turnover in Sheraton Addis Ababa?
3. Are you satisfied by the service which is given by Sheraton Addis Ababa?
4. In your perceptive does employees' turnover affect service delivery at Sheraton Addis Ababa?
5. If you think that employee turnover affects service delivery, in your opinion what should be done by Sheraton Addis Ababa to avert the problem?

