ADDIS ABABA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

MASTER OF SCIENCE IN MANAGEMENT

FACTOR THAT AFFECT EMPLOYEES TURNOVER IN ETHIOPIA, INCASES OF HIBRET BANK S.C.

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APRIL, 2022

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A THESIS SUBMITTED TO THE DEPARTMENT OF MANAGEMENT OF ADDIS ABABA UNIVERSITY IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF SCIENCE IN MANAGEMENT

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DECLARATION

I, Tamirat Sahle Mandefro declare that this thesis is my original work and that all sources of the materials in the research paper have been properly acknowledged. The matter embodied in this research paper has not been submitted earlier for award of any Master degree.

Declared by

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Statement of Certification

This is to certify that the senior essay prepared by **Tamirat Sahle Mandefro,** entitled; **“Factor that Affect Employees Turnover in Ethiopia, Incases of Hibret Bank S.Co**” and submitted in partial fulfillment of the requirements for MSC Degree in management with the regulations of the university and meets the accepted standard with respect to originality and quality.

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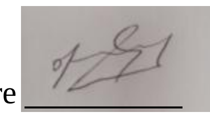
External Examiner	Temesgen Belayneh (PhD)	Signature 	Date 28/04/2022
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ABSTRACT

Employee turnover becomes companies massive worry because it costly undertaking the organizations thrives and values viability of the business. An enormous worry to most companies is that employee turnover is a costly responsibility especially in organizations that thrives and values feasibility of the business. The company take a deep interest in their employee turnover rate because turnover have an effect on the running of the business by making distractions which results to condensed production and proceeds of the organization. The researcher started to examine by making out the current factors that affect employee turnover in Hibret bank s.c. and the statistically researched preparation, Descriptive research design and Open and Close ended questionnaire, and semi structured interview were functional to collect data and a sample of population was intended for this research to currently identifying the causes of employee turnover in the banking industry. A sample of population was 358 employees of the bank permanent staffs out of 4433 from the total population of employees. Stratified sampling was designed for the research. SPSS software version 24 was used to analyze the data descriptive statistics, correlation and regression statistics and testing the collinearity of the variables. The findings of the study discovered that Career development product such as Training and development, career planning and growth opportunities, and mentoring and coaching for instance mentoring, employee relationship with supervisor and performance evaluation and the rewarding system for example salary and bonus contribute to the employee turnover in Hibret Bank. Discussion based on the variables result has revealed that there is a positive correlation with employee turnover and make multiple regression models and less risk of multicollinearity consequence between the independent variable. The researcher recommended that the management bodies of the bank should amend salary and bonus, offer fair and equal training and promotion chance, and get better the staff's career planning, employee supervisor relationship and be appropriate advanced and suitable performance evaluation system and also taking into consideration the external factor by carry out further research till it take the edge off such employee turnover.

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ACRONYMS

ANOVA	Analysis of Variances
ETN	Employee Turnover
HC	Human Capital
HRM	Human Resource Management
NBE	National bank of Ethiopia
SPSS	Statistical package for social science
UB(HB)	United (Hibret) Bank S.C
VIF	Variance Inflation Factors

CHAPTER ONE

1. INTRODUCTION

1.1. Introduction

The introductory chapter presents the background of the study, the statement of the problem, objective of the research, research questions, and the findings of the study as well as the thesis outline.

Employee turnover can be described as an employee stop to work for an organization. On a larger scale, it is explained as the percentage of employees leaving a company in a specific period of time, typically a year (Armstrong, 2006). However, the measurement of the number of people leaving jobs and the reasons for their departure will make known whether any action is needed to improve protection rates. Due to missed production and in excess of replacement expenses, lead turnover which is still more costly (Armstrong, 2008). Academics and management have to give close consideration to employee turnover. A large amount of the effort has been on discovering what's cause it. That is why employee turnover turn out to be an important subject matter of human resource management.

Employee turnover can be divided into two which are voluntary Employee turnover and involuntary Employee turnover. Voluntary turnover can be described as the employee preference to leave, but in the case of involuntary turnover, the employee has no right to choice. Employees are terminated for causes further than their control, such as continuing illness, death, moving abroad, or employer- kicked off termination (Martin, 2003). Internal employee turnover and external employee turnover was restructuring by Ruby (2002). Employees leave-taking their existing situation and taking new positions within the same organization are addressed to be internal employee turnover. Classic human resource mechanics, such as an internal staffing policy or formal chain planning, can help to limit and control internal turnover. External employee turnover is a parting of the company because of external factors.

Numerous academic professional have associated turnover to work discontent and a lack of organizational commitment as sign of intention to leave. The turnover movement has get some doubts amongst the stakeholders in the sector. And different questions are being asked in relation to the performance of these banks and its consistency on international and nation labor policy. This put forward that turnover would keep on being a problem in the years ahead. To trim down the ever increasing turnover rates, the bank must understand and build in place the right strategies to be dependent on these professionals.

The common explanations of personnel turnover are poor relations between employees and managers (Blake, 2006). When there is a conflict, resolution mechanism has also greatly influenced staff retention (Armstrong, 2006). Lack of a career planning has causes staff turnover as high job dissatisfaction increases among employees (Grobler, Warnich, Carrell, Elbert and Hatfield, 2006). And also inequality between the employee's expectation and profession and the job or the organization has impact too. (Barney et al 2009). The level of compensation spreading and inequality within same company drives turnover as employees leave when rewards, such as bonuses and incentives, are not allied with performance. (Luyt, 2008).

Therefore, researcher seeks to establish causes that influence employee turnover in terms of Career planning, growth opportunity, training, mentoring and coaching, employee relationship with supervisor, evaluation performance, salary and bonus at Hibret Bank and also measures the extent of influence of these different factors on turnover of employees by testing formulated hypothesis and will suggest possible solutions to undertake these most significant factors in Hibret Bank S.C.

1.2. Background of the Study

The Government of Ethiopia gave permission to the establishment of private banks and insurances in 1994, but doesn't yet permit foreign ownership inside the sector within the country. The Ethiopian banking sector is currently consists of a financial organization (National Bank of Ethiopia or NBE), one in all state owned development bank, a government owned bank and sixteen private banks.

Hibret Bank S.C (previously named as United Bank S.C) was established as a Share Company on 10th of September 1998 in contract with the Commercial Code of Ethiopia of 1960 and therefore the Licensing and Supervision of Banking Business Proclamation No. 84/1994 and get hold of a banking services license from the full service bank of Ethiopia and is registered with the then Trade, Industry and Tourism Bureau of the capital of Ethiopia City. At the time of its foundation, Hibret Bank's authorized capital was Br. 100 million, out of which Br. 20,865,100 was entirely subscribed and paid-up in cash by 335 founder-shareholders. Hibret Bank's main concern within the coming years is to build up its capital base, maximizing return on equity and get pleasure from the most current technology so as to keep on alongside each other with the most up to date developments within the local and international financial services industry. (www.hibret-bank.com.et,)

Over the years, outsized and ever-increasing customers Hibret Bank correspondent base has make itself into a progressive and modern banking institution, competent with a powerful financial structure and strong management.

The Bank has a Board of Directors, which is accountable to the final Meeting of Shareholders. The present Board consists of nine members appointed by the overall Meeting of Shareholders. The term of office of every member of the Board is three years, but they're eligible for an additional term (Hibret Bank S.C 2015). There's one CEO, two deputies CEO, Nine chief officers in numerous factions, twenty eight head office directors and nine district directors and one Executive assistance for CEO.

In the course of the year, the development of the Bank's Head Quarters had reached its end and inauguration of the building has been launched at the month of January 2022 as the researcher fortunately confirmed by his presence there. Within connection, the procurement process for acquiring the required article of furniture and fittings that may match the grand image of the long-lasting Head Quarters building had already been set in motion. (Annual report of 2020/2021)

1.3 Statement of the Problem

Employees who leave the organization can cause interruption in operations, work panel dynamics and component performance. Turnover makes costs for the business. These costs comprises: employment costs of replacements, leaving costs, indirect cost, and training costs of replacements of downtime needed for brand new employees to attain proficiency. Anytime an employee leaves the firm, productivity go down because of the training curve concerned in understanding the work and the organization. In addition to it, the loss of intellectual capital includes to the current cost, it is not only the organizations lose of human capital and relational capital of the departing employee, but also competitors are potentially acquiring these assets. Currently, Hibret Bank has high rate of turnover rate treat. If we momentary look at the statistical data of the bank in June 30, 2015, out of the whole number of 2921 employees 76 of them left which description was 2.6% of the overall number of employees and if we glance at the recent data of June 30, 2019 the overall number of employees reached 4064 from this employees 219 employees left the bank and also the percentage share of turnover reached at 5.4% (Annual Management Meeting Reports, 2015 & 2019).

The Bank's staff headcount had counted 4,433 (748 managerial, 2,410 clerical and 1,275 non-lerical) as at June 30, 2020. The quantity demonstrated a rise of 369 employees as compared to the general number of 4,064 employees reported on June 30, 2019. The variation was accounted for by the recruitment of 541 new and the attrition of 276 employees. Moreover, the Bank hiring by agency a complete of 2,075 Security Officers and Searchers (1,077 for City Branches and 998 for Outlying Branches). There have been also 28 (8 managerial, 2 clerical and 18 non clerical) staff working for the Bank on contractual basis. Therefore, the combined total staff strength of the Bank (permanent, contractual and outsourced) stood at 6,508 as at June 30, 2020 (Hibret bank annual report 2019/2020).

Turnover can bring decrease of organizational culture that develop within the whole bank life time and might cause decline of service quality delivered to the customer. Because of the well career and trained staffs leave the bank, all the knowledge, effort and means of accomplishment of work also windswept from the bank. This will get the turn down of social reputation, reducing its profit and may well be incurring the bank to loss, unless and otherwise the bank makes such like research and considered and implement the outputs the research.

This study search for therefore to see those factors which influence turnover at Hibret Bank by analyzing a number of areas include the present career development (career planning, Training and development, and career growth opportunities), mentoring which incorporates (employee supervisor relationship, and performance evaluations), and eventually reward system which has (salary rewards and bonus rewards) at Hibret bank

1.4. Research Questions

The research was done on the following research questions:-

- To what degree does career planning, training and development and career growth opportunity affect employee turnover?
- Does having mentorship which is employee relationship with the supervisor and performance evaluation affect on employee turnover?
- To what level does salary reward and bonus reward have an effect on employee turnover?

1.5 Research Objectives

1.5.1 General Objectives

The general objective of this research was recognizing the causes that influence employee turnover in Hibret Bank S.Co

1.5.2 Specific Objective

- To examine degree of career planning, training and development and career growth opportunity influence employee turnover.
- To identify whether mentoring, relationship with the supervisor and performance evaluation affecting on employee turnover or not.
- To analyze the level of salary reward and bonus reward affecting employee turnover

1.6 Significances of the Study

This study brings to light employees understanding and appreciation that causes the influence of employee turnover in the given organization. It contributes to knowledge and literature because it focuses on the causes that influence employee turnover. To forward the concern body's to look for the solution for the problems that takes place in the organization during high rate of turnover. It will be an input for managers to decision making intention. It develops the researcher's ability and skill to carry out further research and also researchers gain more experiences. The research findings generate new information which can help the managers and enable to understand the causes that influences employee turnover. The produced information will help the organization to come up with involvements that improve the performance of employee retention within each staffs. The research will also help the management of the organization by viewing different directions to know the problem of employee why they leave the organization. And also this study was significance for future researchers to identify the gab and investigate further researches based on the suggestions of this study.

1.7 Scope of the Study

The study would have been more important if it had been included most of the outside city branches found in the bank but due to resource and time constraint it was impossible to cover other outside branch, so that it was confined in the Head Office of Hibret bank and its two special branches, located in Addis Ababa, some A and B grade branches. Descriptive and explanatory research design was used and closed and open ended questionnaires, and interview was used to collect data. The researcher delimited the study only on the factors that affect employee turnover for the last three years in the head office of Hibret bank S.C. (2018-2020 G.C).

1.8 Limitations of the Study

The results of this study would be very important; however it is not without limitations. Confidentiality of information hindered the respondents from giving the needed information. Hence a researcher assured them that, the information given is to be used for academic purposes and strictly not otherwise. Uncooperativeness spirit shown by some respondents having varied reasons, either they don't care, being busy or whatsoever. To overcome this, a researcher prepared a timetable that coped with their situation and be easy for them to participate/follow. Ensured an effective means of follow-up was sustained so as to win their cooperativeness in both aspects. Lastly, financial constraint was an unavoidable issue. To meet an enormous number of respondents needed not only sample time, but also money to visit them wherever they were and whenever available.

1.9 Organization of the Thesis

This research will have five chapters. In the first chapter, background of the research, followed by the problem statement, objectives to be achieved and research questions, significance, scope and limitation of the study are presented. In chapter two, literature review related to the study and the conceptual and empirical review of a research will be discussed. The third chapter presents, and draws the methodological process of sampling, data collection and analysis. Chapter four presents descriptive summary of the empirical data collected together with detailed analysis, results and discussion. Finally, chapter five contains conclusion and recommendation.

1.10 Hypothesis Testing

Hypothesis testing is anticipated on p-value and standardized coefficients beta value. This hypothesis testing won't to know whether the independent variables have positive and significance effect on variable. If hypothesis is discarded, it means independent variables haven't positive and significance effect on the variable.

Thus; the hypothesis testing of every variable is

- Ho: There is a significant relationship between training and development and employee turnover

Hi: there is no a significant relationship between training and development and employee turnover.

- Ho: there is a significant effect of career planning on employee turnover

Hi: there is not a significant effect of career planning on employee turn over

- Ho: there is a significant effect of growth opportunity on employee turnover

Hi: there is no a significant effect of growth opportunity on employee turnover

- Ho: there is a significant effect of mentoring and coaching on employee turnover

Hi: there is no a significant effect of mentoring and coaching on employee turnover

- Ho: There is a significant relationship between employee relationship with supervisor and employee turnover

Hi: there is no a significant relationship between employee relationship with supervisor and employee turnover.

 Ho: There is a significant relationship between performance evaluation and employee turnover

Hi: there is no a significant relationship between performance evaluation and employee turnover.

Ho: There is a significant relationship between salary and employee turnover

Hi: there is no a significant relationship between salary and employee turnover.

 Ho: There is a significant relationship between bonus and employee turnover

Hi: there is no a significant relationship between bonus and employee turnover.

CHAPTER TWO

2. LITERATURE REVIEW

2.1. INTRODUCTION

This chapter describes the theoretical review and conceptual framework of the research and it stated key terminologies of definition, the idea relating to eight independent variable intends and makes it realizable to be familiar with what other researchers and writers have done or contribute to the topic.

2.2. Key Terminology Definitions

These part give details key terms associated to the research.

2.2.1. Employee Turnover

Carrell et al, (1995), stated that turnover is the faction of employees out of the business and results from resignations of employees, transfers out of the company's units, discharges, leaving at aged and death of employees. High turnover can be a serious obstruction to organizational efficiency, importance, and productivity of firms of all sizes as confirmed by Blahna, (2005).

2.2.2 Bank

Bank is an organization recognized by the government to take deposits, give interest, clear checks, make loans, perform as a go-between in financial transactions and make available other financial services to its customers as it described by (Business Dictionary.com). For this study we can take the definition as an authorized institution that deal worth all cash transactions including getting cash, keeping cash and prerequisite of cash deposits to its customers and building investments by using money kept by customers or loan from other sources.

2.2.3 Banking Industry

A banking industry is illustrated as financial institutions that accomplish current accounts for customers and allow customers to reimburse and be paid by third parties (wiki.answers.com)**.** For the reason of this study banking industry was put in plain words as legally documented institutions privately or publicly possessed that engage in financial transactions including receiving, keeping, investing and proceeds the cash to its customers who can be persons or other organization.

2.3. Factors That Affect Employee Turnover

Arnolds and Boshoff, (2004) and atkinson et al,(2014) described that voluntary turnover are reasoned by pull ,push and outside factors are aspect that affect employee turnover. Pull factors are related with the attraction of organization's rivalries. The employees assure with better paying job, a career advancement chance that they would not take discharge of in the short term when they stayed with their nearby organization. External factors are related to situations in which someone leaves for reasons that are unconnected to their work. The push factors are due to employee's displeasure in their jobs to search for another companies. Employees start to leave without having a new job ready about other choices, discussion to recruiters, looking at the job announcement in the newspaper, on the internet or to others commercial sources.

According to Bilelign Lemma assessment on Dashen Bank page33 (2014) a causative to working environment and training and career growth opportunity for the supervisor in the business unit has to be perverted by the Human Resource Department.

Inadequate development opportunities, career planning and growth opportunity, training and development, unsuccessful supervision, unfortunate performance evaluations and unmerited reward systems are the most ordinary pick up the rate of factors for the employees to put down their job. Wasti, (2003).

2.4 Theoretical framework

2.4.1 Hierarchy of Needs

Abraham Maslow's hierarchy of needs theory places employees' wants into five progressive categories, and one will have to pass the lower level of satisfaction before incoming the higher level, that means commencement with basic physical needs and moving ahead up to needs for personal growth and career development. It is strong theory as it claims that through meeting each level of employees' needs employers can motivate the employee to truly commit to workplace goals. Even if employee satisfied better in their location they leave the organization, because the organization cannot meet up every requirement of its employees and this theory does not consider human needs are continual. This means no clear point showing that show the highest level of satisfaction. This study can also guide by this theory because as it is depicted in the case of Hibret Bank s.c , employees in some organization leave their job after they are rewarded and well-motivated. According to Maslow, the displeasure to meet the inferior need will push the employee to leave the organization because employees need have to in sequential way. Consideration under this theory is that human needs are endless and in real facts the organizations cannot meet every need of its employees.

2.4.2 Equity Theory

Equity theory, Adams (1963) talked about that employee consider even handedness on equity by comparing their relevant with others against their efforts and rewards. The perceptions of individuals about the equality of rewards relative to others do inspiration their level of motivation. The theory argues that the more concentrated the employee considerations that he or she is either more or less paid, the higher the stress and the stronger the motivation to act (Huczynski and Buchanan 2007). Since it considered their productivity, rewards and its outcome the theory was adapted for the research.

2.4.3 ERG Theory

Alderfer (1972), the ERG theory (existence, relatedness and growth theory) requirements do not need to be met in ordered way which means at a particular time there can be more than one need.

However, the theory has disregarded the fact that it is not easy for an organization to find out the desires of each employee since they differ from one person to another and with time. Therefore, this theory was not implied to direct this study.

2.4.4 Theory Z

William Ouchi (1981) on his theory Z argued that organization should enlarge employee devotion by providing a job for life with strong focus on employee security on job and off the job. (http:en.m.wikipedia.org). Stable employment, high productivity, high employee morale and satisfaction are the one that the companies should give stress to because workers have a high want to be supported by the company, and highly value a working environment in which such things as family, cultures and traditions, and social institutions are regarded as equally considerable as the work itself which is depicted in this theory. This theory is valued in the view that managements must have a high degree of assurance in its workers in order for this nature of participative management to work. Therefore, this theory was not to guide this research.

2.4.5 Expectancy Theory

On expectancy theory Vroom (1964) argued that employee look forward to take delivery of in return equivalent to their commitment and amount of work put forth in the organization. Employee may put minimal efforts in work and can quit the job if they get little compensation and no growth opportunities in return of their work. According to Mullins, 2001), incentive works well when there is a functional relationship between efforts expended, perceived likely outcomes and expectations that reward will be related to performance. The importance of this theory in this study however, is on the fact that the spirit of employee turnover in banking industry in Hibret bank can be examined and evaluated on the base of the workers conditions in terms of their future and continuing expectations like upgrading of pay as the economy changes, compensations and other rewards which might increase their working morale.

2.4.6 Job Matching Theory

Job Matching Theory, Jovanovich (1979) assumes that for each employee a no degenerate allotment of productivities is present from corner to corner of different jobs. The same is true for the employer – employees change in their productivities in a given task that the employer needs to have performed. Secondly take for granted that employers can acquire in touch with with employees on an individual basis. The employer reward an employee with whom he matches well by paying the employee relatively more. He discusses that firms search for better employees and employees look for superior firms, an ongoing process until there is good struggle between the two parties. Considering that employees in the banking industry are searching for jobs to ever increasing number of financial institutions and a good number of financial institutions do look for experienced workers who have adequate skills, experience and high degree of commitment. The collapse to recognize these variables build this theory to be insufficient to direct this study. Therefore, this theory was not taken to direct this research.

2.4.7 McClelland's Needs Theory

According to McClelland's Needs Theory (1960) there are three precise needs: the need of achievement, the need for power and the need for affiliation (association). Everyone prioritizes their need in a different way because s/he believes that individuals are not born with their need but learned all the way through life experiences. The theory has a guide to this study that individuals are strongly motivated by job situations with personal accountability, feedback, and a transitional degree of risk.

2.4.8 Reinforcement theory

Through reinforcement, punishment, and extinction the employers can change the employee behavior. As rewards are used to strengthen the behavior you want and punishments are also used to stop the behavior you do not want. Viewing the fact, reinforcement can be divided as positive and negative reinforcement.

Positive reinforcement happens when the result ensuing in the behavior attempting to make enlarges the probability that the desired behavior will continue. Negative reinforcement happens when a negative outcome is suspended if the behavior that need is established, which will increase the probability that the behavior seeking will go on. (B F skinner (1938) (http://www.mbaknol.com)

2.5 Career Development Effect on Employee Turnover

Career development is the prearranged, formalized, and planned efforts of individuals within an company so as to attain a balance between an individual’s career needs and the company’s staff’s requirements as (Puah and Ananthram, 2006). Employees feel obliged to commit their time to the organization after an organization commits its resources to help develop their career goals, this also can reduce organization employee turnover.

Since Care development includes idea of progression and development both at work and and at personal life as well it has a great sense of meaning to an employee’s life. Beside Puah and Ananthram argue that there exists a significant correlation between career development and employee turnover in the banking sector.

2.5.1 Career Development

From both the organization and employee's perspective career development is the outcome of career plans as stated by Puah and Ananthram (2006). Both for the employee, and for the organization's benefit career development is needed because it is the permanent process of encouragement and educating individuals working skills through talent, skills and knowledge as discussed by Peel (1992). According to Ananthram (2006) research in banking industries employee turnover and career development has a strong relationship between them.

2.5.2 Training and Development

Research done by Dwomoh and Korankye (2012) depicted that there are a significant correlation between employee turnover in the banking sector and Training and development opportunities.

Therefore companies like bank, should invest on training and development to a comparative advantage than their competitive.

According to Beruktawit Ayalew, (2017), training and development is a function of human resource management concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings.

The research of Griffeth, and Hom (2002), revealed that the respondent depicted that the most reasons for the employee turnover were the inadequate of training and development in the organization.

There exist a high-involvement of employees in training directly and positively correlates to decrease in employee turnover in the banking sector, as argued by Batt (2002).

As present by Woodruffe (2010) on his research on impact of training on employee's turnover in the banking sector in the UK depicted career goals are being addressed by an organization, the more their commitment and loyalty to the organization found that training, education and development are critical to the career development of an employee.

Those banks spend in the training and development of their employees would have acquire strong employee base and bring out their commitment. (Noe, Holleneck, Gerhart, and Wright, defined Training as the systematic planned attempt to facilitate employees' achievement of job-related knowledge and skills so as to advance productivity. Wan (2007) states that comprehensive training and development is the only strategy the companies can increases an employee's commitment of workforce productivity and trim down employee turnover. But shama (2006) argues that by creating opportunities for employee training and development, banks increase the chances of their employees' ability to succeed in the market. Similarly, Testa (2008), repeat the same opinions that employees' skills development through training increase their competitive advantage in the labor market hence their self-confidence of their job security. Batt (2002) argues that in the banking sector high-involvement of employees in training and development directly and positively associated to cutback in employee turnover.

In banking sector of UK as Woodruffe (2010) stated on his research on impact of training on employee's turnover, training, education and development are serious to career development of an employee. The more an employee feels that his/her career goals are being addressed by an organization, the more their commitment and loyalty to the organization. Study by Babakus, *et al.,* (2003) on retention in Nigerian banks found that training give a signal to employees that management is dedicated to their retention. Lack of training and career development opportunities were the most mentionned reasons for employees' turnover in an organization in the study of Griffeth, and Hom (2002). According to Bassett and LIoyd (2005) study an increase in high-performance within Nigerian banks depicted as a result of a rigorous effort in training of employees that resulted in low employee turnover. All this implies that, banks that provide training to their employees have a large degree of reducing employee turnover.

2.5.3. Career Planning

career planning as the process that allows individuals to acquire requisite knowledge and skills, so as to achieve their career goals for the dynamic job market as it is defined by Puah and Ananthram (2006) . (Hall, 2002) also stated that career planning is the ongoing process of refining, implementing and monitoring career goals made by an individual or an organization, and evaluating the steps undertaken to achieve the goals.

DeVos, *et al.,* (2003) showed that employee commitment to the organization is highly influenced by the career planning towards employee. In the banking sector can no longer commit for job security but it is important to the organization to ensure careers skill for key employees are planned for them particularly in the banking sectors.

Employees turnover are negatively associated with the employees dissatisfaction with career planning and development opportunities as argued by Choi, *et al.,* (2012). Career planning is a strategy of reduction in employee turnover besides that its function on the development of employee career according to Liu *et al.,* (2010).

2.5.4. Career Growth Opportunities

Career growth opportunity is an upward mobility that the availability of chances are provided by the organization that employee wish to come across as stated by Mayrhofer *et al.,* (2007). Salary and other related remuneration cost are the one that hinder the organizations to not provide the career growth opportunities. According to Puah & Ananthram, 2006) there is strong correlation between career growth opportunities and employee turnover. Armstrong, 2009 argued that lack a contingency plan in managing their employees' career growth in an organization brings a high employee turnover. Agarwal, *et al.,* (2006) also portrayed that failure to meet employee's expectation in career growth opportunities results in high turnover with employees' seeking these opportunities elsewhere.

Duffy, *et al.,* (2011) claims that organizations that place obstacles in employee's career development stand a greater chance of focusing dissatisfied employees who would quit the organization at any best available opportunity for growth. Samuel (2010) associates moving up the organization to moving out of the organization and counts for basic career growth that can cause turnover. Opportunity for advancement or promotion outside the organization enforced the inside organization employee turnover as Feldman and Nigel (2008) extrapolates their argument.

2.6. Mentoring and Employee Turnover

Mentoring is long-term relationship that exists between employee and mentor as stated by Richard *et al.,* (2009). According to Brashear, *et al.,* 2006; Pullins and Fine, 2002) the tendencies of employee turnover can be reduces by existence of strong relationship between the employee and the supervisor, performance appraisals and working condition. There is also a significant correlation between mentoring and employee turnover in the banking sector according to the research executed by Levenson *et al.,* (2006), Richard *et al.,* (2009), and Brashear*, et al.,* (2006). Similarly researchers who have studied mentoring and employee turnover claim that there is a significant correlation (Donald, Hollmann, and Gallan, 2006). Similarly, research done by Levenson *et al.,* (2006), Richard *et al.,* (2009), and Brashear, *et al.*, (2006) indicates that there is a significant correlation between mentoring and employee turnover in the banking sector. It is the lasting bond that enables employees to improve their commitment to an organization by establishing relationships between the mentor and the responsibility as argued by Samuel (2010). There is a positive significant relationship between employee performances and effective mentoring programs on mentorship of the banking sector as the research done by Richard, *et al.*, (2009).

Most organizations do pay more attention of employee's performance appraisals as a way of measuring performance but employee performance is tied to employee satisfaction which is tied to coaching and mentoring because Mentoring builds the consistency of employee and the organizations which have mutual relationship that not only cares for the objectives of the organization, but also for the goals and career ambitions of the employee as it claimed by Samuel (2010). There is a significant relationship between employee coaching and mentoring and employee turnover at organizations as argued by Jones and McIntosh (2010).

For the built argument there are two principles that satisfied employees are committed employees and committed employees are loyal to the organizations objectives as two researchers studies claimed (Levenson*, et al.,* 2006) and (Grosskopf and Atherman, 2011).

2.6.1 Employee relationship with supervisor

While supervisor assigning responsibilities, work, or the way they intervening with in employees there may create a toxic environment which can be cruel for the organization that could be sufficient reason that leads to employee turnover.

Research on millennial employees those supervisor who can empower millennial employees meet their want because they assumed he is also working for them for greater success in their careers. (Thomas and Tymon , 2009). Following this research and applying it on the Banking industry's, by Tareef, 2012) and argued that failure to fulfill empowering of millennial employee, which create dissatisfied employee that hindered banks and leads to high turnover.

Dissatisfied employees cripples the concept of supervisors-employee autonomy since high turnover the sectors to hire new for the organization or hiring fresh employee that take time to adapt working environment and know the style of the supervisor. (Jaffari, (2011)

According to Khattak, 2011, Mentorship grants employee autonomy in the banking system but lack of this autonomy create micro-management makes felling of the supervisors contempt and hereafter employee turnover would be increased. Khattak argued that employee commitment can be enhanced by this mentorship concept and built mutual relationship. But contrary to this argument Firth *et al.*, (2007) argued that in the banking sector mentorship autonomy decrease turnover does not hold true. Millennial employees demanding freedom of doing their own way using the direction of management and need flexibility to have work responsibilities according to Mbah and Ikemefuna (2011).

Millennial employees demanding freedom of doing their own way using the direction of management and need flexibility to have work responsibilities according to Mbah and Ikemefuna (2011).

It is of necessity that employees' personal strengths, uniqueness, and rights be treated as primary elements that reduce turnover in the employee-supervisor relationship, (Ghosh & Sahney, 2010).

Consequently, Kuvaas&Dysvik, 2010) describes that the effective training of supervisors in managing employeesin the banking industry,has a direct correlation with the ultimate employees' job satisfaction and turnover. The degree of supervisor grants the freedom in his mentorship determines the rate at which the organization will experience turnover. Karl, Pelucette, and Hall (2008), argue in the affirmative that there is a direct correlation between effective supervisors – employee relations in the banking sector. This built the guideline that supervisor facilitate professional development of employees that enables consistently model, autonomy and growth enhances employees' commitment to banks.

Armstrong, (2009); Ashar, (2013); Brashear etal., (2008) argued that a mentor to employees' relationship under their imperative domain attempt to reduce employee turnover by making appreciative positive contribution that enhances employees work experience and satisfaction.

Supervisors' knowledge, attitudes and behavior towards employees' have a significant impact on employee turnover through their guiding, shaping and transforming employees.(Karl *et al.,* 2008).

2.6.2 Performance Evaluations

Under the instruction of their supervisors, performance evaluations provide employees sufficient opportunity to establish their work plans, objectives, and goals. Cleveland *et al.,*(2003) employees get frustration that have a significant relationship with employee turnover if they perceived that the kind of evaluations are skewed negatively towards them and don't get sufficient feedback from their supervisors on expectations, performance, and goal setting. Performance evaluations in the banking sector tied employee and supervisor because it can be the source of acrimony between employees and their supervisors who are to have oversight and mentorship role over them if there is failure to have employee evaluation discrete. (Pritchard & Payne, 2008).

Equally Cleveland *et al.,* (2003) argue that banking sector as any other sector used to evaluate an employee's performance to make decisions on promotions, demotions, or even termination. Supervisors can use this appraisal system as an instrument for progressive performance or for punishing employees

Based on how the appraisal is designed, the appraisal system can be an instrument for progressive performance or for punishing employees (Bernardin, 1984). If the appraisal system is

Illogical and punitive or assumed as like this by the employee the resultant effects are massive turnover. (Ahmed *et al.,* 2012).

Banks practice performance appraisals to manage end year bonuses to their employees' as described by Ishaq *et al.,* (2009). Loss of morale and subsequent turnover has happened after the bonus which base the result of bad appraisal reviews. Dechev, (2010); Franken, (2012) argued that employee negative perception on the fairness of appraisal system and rewarded based on it limits the organization commitment or turnover intentions. Ahmed *et al.,* (2012), Arbaiy & Suradi, (2007) argued that job satisfaction levels can be determined by appraisals, which can enhance the employee turnover or employee commitment to an organization.

Bank managers are reluctant to effectively administer appraisal for fear of the essential purpose instead of terminating underperforming employees, they issuing reprisals and warnings. The jittery employees fear to get guarantee of their future to continue with the bank increase the turnover rate as described by Mbah & Ikemefuna, (2011).

Different researches such as Poon (2004), Ishaq, *et al.,* (2009), Dechev, (2010), Franken (2012) depicted that in the banking sector there is strong relationship mentoring process in conducting performance evaluations and employee turnover.

2.7. Rewards system and Employee Turnover

Rewards systems are mechanisms through which organizations show appreciation towards employees for their commitment, performance, skills, knowledge or loyalty towards the organization. (Zhou *et al.*,(2009).

There are many kind of reward system like medical covers for employees, fully paid for vacations, paid leave, paid study leave, flexi working arrangements and even promotions and recognitions but for the purpose of this study the research will focus on salary and bonus within in the bank sector at Hibret Bank s.c. Managers that recognizing each employees effort and rewards employees adequately have a higher rate of employee retention than the other who do not appropriately be acquainted with.

Walia, *et al.,* (2012) contends that managers determine levels and hierarchies of needs most often focus on bonuses and salaries without conducting any survey within their employees. But according to Choi, *et al.,* (2012), for most employees' salaries and bonuses are an important part that forms both intrinsic and extrinsic motivation. They further argue that the segmentation of rewards over and above the salaries and bonuses is what differentiates employee retention of turnover.

Salary is the monthly payment for work done that an employee gets at the end of every month. On the other hand based on organizations profitability there is bonus .Bonuses are rewards that organizations monetary payment to their employee after the fiscal years end up and rewarded based on their contribution level to the attainment of the profit. Simply it is a profit sharing mechanism of organization with employees.

There must be a professional bank policy on salaries, bonuses, and promotions if not it will result in favoritism and nepotism which causes employees dissatisfaction resulting in employee turnover as Zhou, *et al.,* (2009) argued.

Foon, *et al.,* (2010), in the banking sector, salaries, bonuses and promotions are tangible rewards systems that enhance the deter employee not to leave the organization because remuneration correlates with turnover rates within the bank. He also argued that the system is bedrock for the organization for rewarding employees. And the organization shall not take is as punitive ways because it might surges employee turnover. To reduce turnover intension and actual employee turnover organizations custom better rewards system to attract and retain employees.

Employees tend to leave the banking system to other organizations that do offer more competitive packages than organizations they are working for (Babakus, Yavas, Karatepe, &Avci, 2003). However, organizations with perceived better rewards system, do attract and retain employees, thus reducing the turnover intentions, and actual employee turnover.

According to Zhou, *et al.,* (2009), organizations that don't foster reward systems that are structured on empirical and research do suffer from subjective rewards systems, rather than objective rewards system. According to Adeniji, Osibanjo, and Abiodun (2013), subjective rewards system are usually designed from a single prism, management prism. The desire of organizations under subjective rewards systems is to enhance profits and organizational performance at all costs. Employee's requirements are not the right of way within organizations objectives. Most organizations consider salary as an sufficient reward, and employees should be appreciative they get paid.

Adeniji, Osibanjo, and Abiodun (2013) further argue that objective rewards systems are designed to not only enhance organizations performance objectives, but also to advance employees goals. Some of the rewards employees consider objective include career growth opportunities, promotions, health facilities, pension facilities, bonus facilities among others. According to Mitchell *et al.,* (2014), objective rewards systems constitute the intrinsic rewards.

Intrinsic rewards are basically the motivations that employees appeal to depending on their different stages and levels of needs and wants (Choi, *et al.,* 2012).The Maslow hierarchy of needs defines what most employees require as motivation. According to Adeniji, Osibanjo, and

Abiodun (2013), organizations that are able to articulate employee's hierarchy of needs have a higher rate of addressing them. Addressing employees needs leads to satisfied employees who subconsciously pledge their loyalty to the organization, and as a result, leads to a reduction in employee turnover.

2.7.1 Salary

To fulfill their basic survival needs such as food, clothing and shelter, people works to have an income. This income can be in the form of monthly basis which is called salary. According to Walia, *et al.*, (2012) employee turnover is influenced by its factors salary and associated benefits. Satisfaction through income gets further direct to employee maintenance. There is competitive advantage for the bank to restrict any salary related turnover because they offered attractive salaries than the market (Babakus, Yavas, Karatepe, &Avci, 2003).

Further, Researchers like Walia *et al.,* (2012); Campbell, (1993) and Greenberg and Baron (2008), argue that the tendency of turnover are increased highly when an employee is paid lesser than the going market rate and they constantly searching and seeking other banks who could offer better pay package.

Conversely, Choi *et al.*, (2012) argued that even if there is a high turnover in the lower paid employee the turnover cost to the bank is negligible than employees in higher paying units. He further argues that regardless of salaries banks should concentrate on employee retention strategies.

On the other hand Franken (2012), viewed that employee turnover is as a result of salary scale; because they search for jobs that better than they currently have paid. Franken reasoned that inequalities in wage structures leads to demotivation, poor performance and employee turnover. Employees whom performing the same jobs and responsibilities but with different salary rates get into turnover and discontent.

As Donald Jr, Hollmann, & Gallan, 2006) maintained, to eliminate contentions and office politics salary compensation must be designed properly through standardization or professionally designed grades.

2.7.2 Bonuses

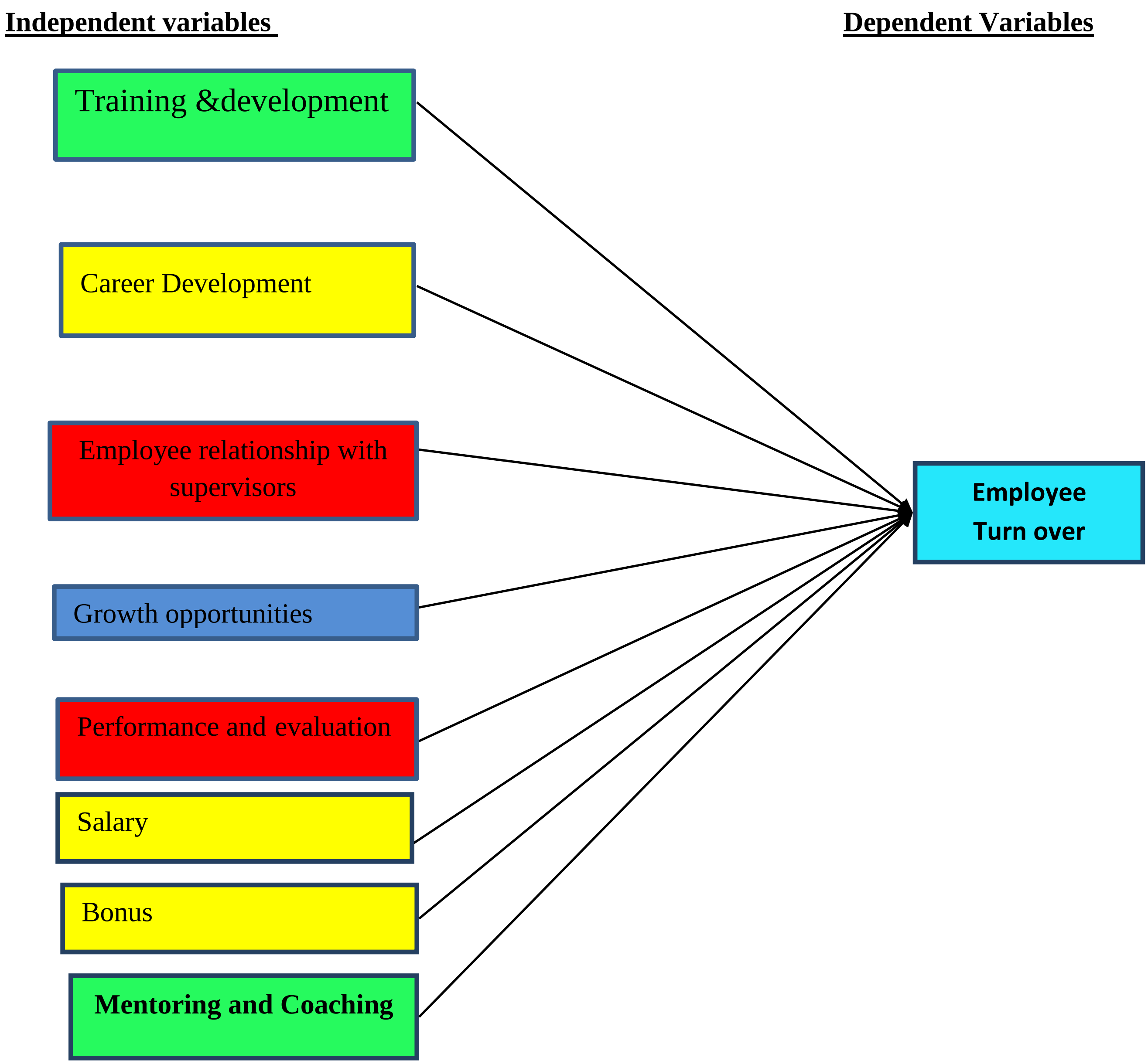
Murphy, (1999) contended that Bonus payments are annual or by-annual payments that organizations give to their employees as a token of appreciation for good accounting performance of the organization.

In the banking sector the main objective of these payments is to enhance motivation and elicit loyalty and commitment to the bank and have different rate like flat rate, fixed rate, wage rage or salary rate to effect bonus payment as stated by Adeniji, Osibanjo, &Abiodun, (2013). But according to Mitchell *et al.*, (2014), bonus payment could not effect while there is good financial years. Besides managers can create disparity between the bonuses that are paid and those that are not paid, and those that are paid to top managers and their subordinate have great difference which usually elicit eventual turnover from employees who feel discomfort of their performance.

2.8 Conceptual Framework

In this research conceptual framework developed based on an insight gained from the literature review. Various factors can be the cause of employee turnover which in turn have impacts in the employee turnover and the future of the bank. All the factors that are considered in the research depicted below.

The conceptual frameworks for the study has taken employee turnover as dependent variable and, personal career planning, growth opportunities, training, mentoring, employee relationship with supervisor, performance evaluation, salary and bonus as an independent variable which if not managed and implemented properly leads to high turnover.



Source: Compiled by the researcher

CHAPTER THREE

3. RESEARCH METHODOLOGY

3.1 Introduction

This chapter includes the research design, population, sample and sampling technique, data collection methods, research procedures, data analysis methods, and finally the chapter summary.

3.2 Research Design

A research design is summarize or plan that used to generate answers to research problems by collecting and scrutinizing the required data as stated by Cooper and Schindler (2008), and Churchill (2002).

Descriptive, exploratory and causal research designs are three type of research design. Since descriptive studies are apprehensive with specific predictions, narrations of facts and characteristics concerning individuals, groups or situations this study hold fast to descriptive quantitative study.

Quantitative data that will be collect in order to obtain advance statistical analysis of the study. This study will make use of multiple methodologies to attain an optimum representative sample., Stratified sampling and simple random sampling are going to make use of on this research. A case study approach used to explore factors which causes that influences employee turnover at Hibret Bank S.Co because it has a high number of employees and practiced high employee turnover. The survey questions are proposing to gather verification on things such as approaches, intentions, responsiveness, behaviors and motivations.

3.3. Data Collection Methods

The research used both primary data collection and secondary data collection methods. Primary data will be straightforwardly gathered data from the field through interviews and questionnaires. On the other hand, secondary data will be composed data through reading different research, journals and staff records from the Human capital Department of the bank.

This research will make use of questionnaire survey which is the most ordinary method. The questionnaire consists of eight sections: career planning, Training and development, and career growth opportunities, employee supervisor relationship, and performance evaluations, and finally reward system which includes salary rewards and bonus rewards at Hibret bank

3.3.1 Primary Data

3.3.1.1. Questionnaires

Primary data for the research will collect by using questionnaires which were managed to the targeted respondent. The choice of using questionnaires as method of data collection considering the fact that a bank is a very busy working place and employees may have a inadequate time. Therefore, questionnaires will distribute among the respondents who found their own time to fill them. Also, this method was select in order to keep away from interfere of employees' working hours.

3.3.1.2. Interview

The interview method will furthermore use in the research in order to get better the quality of the information get together. A person interview will be a two way communication initiated by a researcher to obtain information from participant. This method will use because it is the most effective means of obtaining information. Thus it is going to make use of as complimentary of questionnaires as a way to issue on information that will not be possible to get through asking question on a piece of paper. The method will use for obtaining information from heads of departments and other specific personnel.

3.3.2. Secondary Sources

3.3.2.1. Documentary Review

Documentary review is a method to discover dissimilar information from different literature relations with books, journals, research papers and other documentary source connecting to a certain field of lessons. In general, it helps to gather both through quantitative measure and qualitative measure and the consistency of information obtained through other techniques (Kothari, 2004). Termination letters of employees, financial reports, and human resource inventory files, department reports and any other documents that have pertinent information to the research will consulted.

3.4 Population and Sampling Design

3.4.1 Population

The research would be carried out at the special branches; Grade A and B branches, outline branches and different department of head office selected as a case study because they have the largest number of employees and more likely have experience to high employee turnover compared to other branches. The head office is located in Addis Ababa city in front of Addis Ababa University College of commerce. The bank has a total of over three hundred Ninety five braches all over the country and according to report of 2020/21, there are 4433 employees.

3.4.2 Sampling Design

Selecting respondents for a representative of the whole population is what sampling mean. (Mugenda & Mugenda 2003). Sampling is essential since it is impracticable to take the total population because of time, financial factors and errors which can discourage the researcher. In this research multiple methodologies has been exploited to accomplish an optimum representative sample. The mixed of Stratified sampling, and simple random sampling are implemented.

3.4.2.1 Sampling Frame

Sampling frame is an objective list of the population from which the researcher can make a selection according to Cox and Hassard (2005). The sampling frame was get hold of from special branches; Grade A and B branches and outline branches and different department of head office of Hibret Bank. The sample frame encompass of the official full time employees currently working at Hibret Bank.

3.4.2.2 Sampling Technique

The sampling method used in drawing samples from a population was determined by the objectives of the research activity. The study adopted Stratified sampling, and simple random sampling to make sure that everyone had an equal likelihood of being sampled, and also to make sure that different age groups were represented. Semi-structured questionnaires were then used to get hold of the necessary data.

3.4.2.3 Sample Size

According to Cooper and Schindler (2008), sample size is illustrated as a smaller set of elements from the larger population. Mugenda (2003) argued that the choice of sample size is administrated by the self-confidence you need to have in your data, level of confidence, and the accurateness. You need for any estimates made in your sample, the type of analysis you are going to assume and finally the size of the total population from which your sample is drawn. To find out the sample size that will be able to capture objective issues, the researcher proposes to use Krejcie& Morgan (1970). The sample computation will be as follows. The sample sizes used are from 20 branches and head offices department, approximately having 16 samples from each branch and 38 staffs from the departments..

$$n = \frac{\mathrm{X2*N*P*(1-P)}}{\mathrm{ME2*(N-1))+(X2*P*(1-P))}}$$

Where: n = Sample Size

X^2 = Chi –Square for the specified confidence level at 1 degree of freedom

N = Population Size

P = Population proportion (.50 in this Table)

ME = desired Margin of Error (expresses as a proportion)

$$\frac{3.84^2 * 4433 * 0.5 * (0.5)}{0.05^2 * (4433) + (3.84^2 * 0.25)} = 358$$

3.5. Data Analysis Technique

3.5.1 Methods of data analysis

The Statistical Package for Social Sciences (SPSS) version 24 was getting to be used to analyze both qualitative and quantitative collected data. The descriptive statistics (frequencies distribution) is applied to review the degree of customer service delivery while the connection and thus, the influence of the broadband internet services magnitude are getting to be analyzed by using multiple regressions. Data analysis that was mannered concerned reducing the collected data to a suitable size, by developing summaries, through the exploitation of data analysis techniques (Cooper and Schindler, 2008). Both descriptive and inferential statistics used to investigate quantitative data. Descriptive statistics was make use of for measures of central tendencies like Mean and Mode), and measures of dispersion (Variance, Standard deviation, Standard Error, and Percentiles). Besides, inferential statistics was utilized for linear, correlations and multiple regressions. Linear regression was used on factors that designated significant correlation. Multiple regressions were then administered to the list of factors that had pointed out significant correlation with employee turnover. The multiple regression model used was:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e.}$$

Regression was done to determine the level of significance when the factors are collective. The analysis process concerned the conversion of raw data into Tables, and charts, containing frequency distribution and percentages that gave answers to the research questions. The study data was finally analyzed using Statistical Package for Social Sciences (SPSS) 24.

3.6 Research Procedures

Research procedures refer to a measure detailed explanation of the steps to be taken and the carry out of research should be provided for by the purpose of the study. A pilot test involving 20 respondents was carried out to check the validity, clarity and reliability of the contents of the questionnaire. This pilot test was conducted for the study to detect whether weaknesses in design and instrumentation existed, and to provide data to measure reliability and validity of the study. According to Saunders *et al.*, (2009) a total description of the research process together with pilot testing, scheduling of the subjects and selection of the data collection instruments has to be conducted. After the questionnaire was developed, it was subjected to a pilot test within one of Hibret bank's branches to employees who were not taking part in the survey.

3.7 Validity and Reliability

Validity Test: since validity of a research is a conceptual and scientific accuracy, the test focused on get rid of or diminish the effect of irrelevant pressures, variables and explanations that might divert the accuracy of the ultimate findings. After the researcher has constructed the questionnaire, pre-testing was done with persons who have knowledge of the area by allowing them to read it. These persons provided comments on Amharic translated questions on its ambiguity, the length, the structure and wording. This is done to ensure that the questionnaire is clear to respondents and can be completed in useful, then, the instrument was evaluated by academic advisor preceding to the data collection so as to sustain its validity and to increase the exactness and usefulness of the findings in which it allows greater self-confidence for the research.

Reliability indicated to the reliability of the measure used to search the relationships between variables Ghauri, &Gronhaug. (2010), the questions in the questionnaire were designed taking into concern the issues related to the problem and goals of the research and theories on the subject. The reliability of the study was conducted by using cronbach's alpha. Reliability refers to the consistent of measurements throughout the entire finding of the study and it is a determination of obtaining the same results with in the sample respondents. Therefore, the reliability checks for internal consistency of variables was done on 20 sample questionnaire using Cronbach Alpha coefficient before distributing the entire 358 sample population as shown on table below.

3.8 Ethical Considerations

This research has observed all ethical considerations. It dually acknowledged all cited information in both the body and the reference section. In other words, no review/accessed document is used without acknowledging the sources. Regarding the questioner respondents': their permission was requested to ascertain their voluntary participation. Full description of the study, the intention, confidentiality and privacy protection is highlighted with a brief cover letter beforehand. In addition to this, the survey is kept anonymous.

CHAPTER FOUR

4. DATA ANALIYSIS, PRESENTATION AND INTERPRITATION

4.1 Introduction

This part includes data analysis, presentation and interpretation of findings. The study intended to determine the factors affecting employee turnover in Hibret Bank s.c. The first research section which is demographic information is obtained by Descriptive analysis methods. The second section has request on independent variables on the findings on career development as a factor influencing employees' turnover. The third research questions, section analyses findings on mentoring and coaching as a causes that influencing employee turnover while the fourth research question presents findings on reward system as a factor influencing employee turnover. The findings in this chapter are represented in form of distribution Tables, means, charts, and graphs, while the summary of major findings made at the end of the chapter.

4.1.1 Response Rate

According to Bacon (2014), response rate is defined as the extent to which the final set of questionnaires collected from respondents is calculated alongside the number of questionnaires received back from respondents interviewed in the study. For this study, the sample size was 378 respondents. From the total staffs of the Bank the sampling design was chosen by using stratified sampling technique which were 378 from these 358 questionnaires were collected and used for the purpose of the study but the rest 20 were not collected and were not used for the purposes of this study.

Category	Frequency	Percentage
Response	358	95%
Not response	20	5%
total	378	100%

Table 4.1: Response Rate

4.1.2 Reliability Analysis

Reliability of the questionnaires for this study was estimated through Cronbach's Alpha which measures the internal consistency. According to Borsboom (2009), reliability is defined as the uniformity of measurements within an instrument measuring the same thing. Equally, Brown, et al.,(2010), argues that reliability helps decide the reliability of a test consistency over time when subjected to similar test forms or alternate forms. According to Joseph and Rosemary, (2003), Cronbachs alpha reliability coefficients (α) usually vary between 0 and 1. There is a greater internal uniformity of the items if the Cronbachs alpha coefficients approach to 1.0. according to George and Mallery, (2003 p. 231), if "$\alpha > 0.9$, Excellent, "$\alpha > 0.8$, Good, "$\alpha > 0.7$, Acceptable, "$\alpha > 0.6$,, Questionable, "$\alpha > 0.5$,,Poor, and"$\alpha < 0.5$, Unacceptable." Since performing internal uniformity test makes a greater assurance on the reliability of the entire findings of the research, the outcome indicates in the below table 4.2, that there is "acceptable" and "good" internal consistency of each independent variables parameters used. And the study has the sum of the independent variables average Cronbachs alpha value of ($\alpha = 0.983$) and the reliability test of the study is located on "Acceptable" range. Cronbach Alpha for this study is 0.983. The summing up of the scales determining objective areas covering questionnaire are shown in Table 4.2 shown below:

Scale	Cronbach's Alpha	N of Items
Employee turnover	0.916	7
Training and development	0.993	6
Career planning	0.912	6
Growth opportunity	0.935	8
Mentoring and coaching	0.890	6
Employee relation with supervisor	0.908	6
Performance evaluation	0.912	6
Salary	0.901	6
Bonus	0.932	6
Average	.983	

Table 4.2: Reliability Analysis for the variable (spss 24)

4.2. Descriptive Analysis for Demographic Characteristics of the Respondents

This section included, gender, age, respondents work department, years of work at the bank, and respondent's title at the bank. Since they enabled the respondent to provide information that is valid, reliable and pertinent to the study, the following are some of the findings that were get hold of with regards to demographic information.

4.2.1 Analysis of Respondent by Gender

The gender of the respondents in demography was 58.9 % male, while female respondents were 41.1%. The study therefore indicates that the majority of respondents were male; however, the proportion indicates both genders were adequately represented in the study. The gender results are shown in figure 4.2 below;

Gender of the respondent					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	male	211	58.9	58.9	58.9
	female	147	41.1	41.1	100.0
	Total	358	100.0	100.0	

Table 4.3: Gender of the respondent

4.2.2 Analysis Respondent Age Classification

According to figure 4.2 below, respondents of age distribution was as follows: 31 to 40 were the majority at 38.5%, followed by those aged 41 to 50 years at 28.2%years. The study also shows that 16.2% of the respondents were aged 51- to 55 years, and 18 to 30 years had a respondent of 12% while 56 years and above only 5%.

Age the respondent					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-30	43	12.0	12.0	12.0
	31-40	138	38.5	38.5	50.6
	41-50	101	28.2	28.2	78.8
	51-55	58	16.2	16.2	95.0
	Above 56	18	5.0	5.0	100.0
	Total	358	100.0	100.0	

Table 4.4: Age the respondent

4.2.3 Respondent Work Department or Branches

Table 4.5 below depicts most of the respondents were from outline branches at 29.1% followed by B branches at 28.2%, and A branches by 27.1% while 10.3% was from special branches. And 5% were from HR department.

Branch or Department		Frequency	Percent	Valid Percent	Cumulative Percent
	special branch	38	10.3	10.3	10.6
	A branch	97	27.1	27.1	37.7
	B branch	101	28.2	28.2	65.9
	outline branch	104	29.1	29.1	95.0
	HR department	18	5.0	5.0	100.0
	Total	358	100.0	100.0	

Table 4.5: Respondent Work Department or Branches

4.2.4 Respondents Years at the Bank

According to the study findings, the highest number of years spent by respondents at Hibret Bank was 6 to 10 years at 45% followed by 11 to 15 years at 29.9%, and 10.9%. and 10.1% of the respondents indicated they had been at the bank for 16 to 20 years and 1 to 5 years respectively, while only 4.2% of respondents indicated above 20 years.

		Frequency	Valid Percent	Cumulative Percent
valid	1-5	36	10.1	10.1
	6-10	161	45.0	55.0
	11-15	107	29.9	84.9
	16-20	39	10.9	95.8
	above 20	15	4.2	100.0
	Total	358	100.0	

Table 4.6: Respondents Years at the Bank

4.2.5 Respondents Designation at the Bank

In the study respondents were asked to indicate their designation at Hibret bank s.c. Findings indicate that 31% of respondents were general employees, 50.3% were supervisors, while 18.7% were managers.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	manager	67	18.7	18.7	18.7
	supervisor	180	50.3	50.3	69.0
	General employee	111	31.0	31.0	100.0
	Total	358	100.0	100.0	

Table 4.7: Respondents Designation at the Bank

4.3 Employee Turnover

Employee turnover section of the questionnaire was to have respondents point out if turnover existed, if it was voluntary or involuntary, the type of turnover the bank experienced, and finally the causes for the turnover collecting data on the respondents understanding of employee turnover at the bank. Besides which industry employee’s moves to after leaving Hibret bank also studied and try to get the remedies the bank can put in place to mitigate the situation. The following parts present the findings on employee turnover from the study.

4.3.1 Employee Turnover at Hibret Bank

This portion of the study targeted only human resources manager at various branches of the bank within Addis Ababa. Whether employee turnover existed at the bank or not, and what was the turnover rate were asked for HR managers/Officers. According to the study findings, 100% of HR managers/Officers indicated they had experienced some form of employee turnover within the bank in the last one year period.

		Frequency	Percent	Valid Percent	Cumulative Percent
valid	1	12	100	100.0	100.0

Table 4.8: Existence of Employee Turnover at Hibret Bank

4.3.2 Total Number of Employee Turnover at Hibret Bank

The turnover numbers from HR managers who participated in the study are indicated in Table 4.3 below;

Turnover Numbers	Number	Percent
Actual turnover	276	6.23%
Total Number of Employees at the Bank	4433	100%

Table 4.9: Number of Employee Turnover at Hibret Bank

4.3.3 Reasons for Employee Turnover at Hiber Bank

Reason for Employee Turnover					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	uncompetitives compensetion package	41	11.5	11.5	11.5
	job and employee skill mismatch	141	39.4	39.4	50.8
	less growth opportunities	118	33.0	33.0	83.8
	less recognition	40	11.2	11.2	95.0
	poor working conditions	18	5.0	5.0	100.0
	Total	358	100.0	100.0	

Table 4.10: Reason for Employee Turnover

According to table 4.10 above, 11.5% of HR managers/officers at Hibret bank indicated that employee turnover at the bank is due to uncompetitive packages and 39.4% felt the turnover is due to job and employee skill mismatch. 33% is due to less growth opportunities. And also 11.2% and 5% employee turnover was due to less recognition and poor working conditions respectively.

4.3.4 What Hibret Bank Can Do to Reduce Turnover

		Frequency	Percent	Valid Percent	Cumulative Percent
valid	offer competitive pay package	37	10.3	10.3	10.6
	treat each employee with respect regardless of their job	39	10.9	10.9	21.5
	offer flexible working hours	45	12.6	12.6	34.1
	offer good working environment	35	9.8	9.8	43.9
	offer opportunities for growth	14	3.9	3.9	47.8
	treat each employee with respect regardless of their job and offer competitive package	35	9.8	9.8	57.5
	offer good working environment and offer opportunity growth	87	24.3	24.3	81.8
	offer competitive pay package and offer opportunity for growth	65	18.2	18.2	100.0
	Total	358	100.0	100.0	

Table 4.11: What Hibret Bank Can Do to Reduce Turnover?

According to Table 4.4 above, 24.3% of respondents felt that offer good working environment and offer opportunity growth was the best way of reducing employee turnover. 18.2% believed both offer competitive pay package and offer opportunity for growth. 12.6% also indicated that offer flexible working hours would reduce turnover. On the other hand, 10.9% felt that treat each employee with respect regardless of their job, equally 9.8% indicated that both treat each employee with respect regardless of their job and offer competitive package and offer good working environment to reduces employee turnover. 3.9% indicated offer opportunities for growth would reduce employee turnover at the bank.

4.3.5 The Cost of Turnover

Respondents were inquire to designate which cost(s) they believed had the highest impact on the organization in terms of turnover. The findings are shown in Table 4.5 below:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	recruitment costs	103	28.8	28.8	28.8
	interview costs	47	13.1	13.1	41.9
	training costs	160	44.7	44.7	86.6
	administrative costs	48	13.4	13.4	100.0
	Total	358	100.0	100.0	

Table 4.12: The Cost of Turnover

The findings in Table 4.12 above show that 44.7% of respondents felt that training was the highest cost organizations incur after employee turnover. 28.8% of respondents indicated that recruitment is the highest cost, while 13.4% believed administrative costs were the highest, while 13.1% of respondents believe interview costs was the highest.

4.3.6 Organizations Employees Join after Leaving the Bank

The findings indicate that 50% of respondents believe that employees who leave the bank join organizations in the same banking industry. 21.2% of respondents indicated that employees leaving to be self-employed, while 18.4% said employees leaving to join in a different sector. 6.7% of respondents go for further studies and only 3.4% of respondents indicated that employees who leave are not working. The findings are shown in table 4.13 below:

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	in the same sector	179	50.0	50.0	50.3
	in a different sector	66	18.4	18.4	68.7
	further study	24	6.7	6.7	75.4
	self-employee	76	21.2	21.2	96.6
	not working	12	3.4	3.4	100.0
	Total	358	100.0	100.0	

Table 4 13: Organizations Employees Join after Leaving the Bank

4.4 Career Development and Employee Turnover

Career development section of the questionnaire intended to cover training and development, career planning, and growth opportunities and also the section presents the findings on career development and employee turnover from the study.

4.4.1 Training and Development

The respondent mean was depicted on the below table.

Training and development	N	Mean
16. The bank provides you with Job training	358	3.65
17. The trainings are poorly organized	358	3.56
18. The Trainings are well organized	358	3.59
19. Training and development programs have enhanced my career skills	358	3.70
20. Training provides opportunities for career development	358	3.78
21. You can quit the bank for lack of training and development opportunities	358	3.51
Average	358	3.63

Table 4.14: Training and Development

According to the research findings, the respondents felt that training and development provides them with opportunities for career development with the highest mean of 3.78, followed by training and development programs have enhanced my career skills with a mean of 3.70. Respondents felt that the bank provides you with Job training with a mean of 3.65 followed by Hibret bank provides them with trainings are well organized with a mean 3.59. Respondents indicated that trainings are poorly organized had the least mean at 3.56 and lastly those they would quit the bank for lack of training and development opportunities with a mean of 3.51.

4.4.2 Career Planning

The respondent mean was depicted on the below table.

Career planning	N	Mean
22. You have a well-structured career planning program at the bank	358	3.70
23. Career plan enhances employees commitment to the bank	358	3.99
24. In career planning employees skills are matched with their job descriptions	358	3.38
25. Adequate job duties enables evaluate your career plan	358	3.68
26. Career planning is for your growth within the bank	358	3.59
27. Career planning influences employee turnover	358	3.82
Average mean	358	

Table 4.15: Career Planning

Consistent with the findings, Career plan enhances employees commitment to the bank had the highest mean of 3.99 followed by Career planning influences employee turnover within Hibret bank with a mean of 3.82, then the question well-structured career planning program at the bank with a mean of 3.70. Adequate job duties enables evaluate your career plan had a mean of 3.68 while Career planning is for your growth within the bank with a mean of 3.59. When respondents were asked In career planning employees skills are matched with their job descriptions, the respondents mean was the least at 3.38.

4.4.3 Growth Opportunities

Growth opportunity	N	Mean
28. The bank has policies that support employee career growth	358	3.61
29. Management supports employee career growth	358	3.68
30. Actual career growth opportunities exist at the bank	358	3.98
31. Promotions are fair and just within the bank	358	3.48
32. Career growth opportunities are based on merit	358	3.80
33. The bank’s career growth is the best compared to the industry	358	3.69
34. Career growth opportunities influences employee turnover	358	3.93
35. You would quit the bank if growth opportunities are not available to you	358	3.36
Valid N (listwise)	358	

Table 4.16: Growth opportunity

As depicted in the table 4.16 the study findings show that respondents felt that Actual career growth opportunities exist at the bank had the highest mean of 3.98, followed by respondents belief that Career growth opportunities influences employee turnover with a mean of 3.93. Respondents felt that Career growth opportunities are based on merit with a mean of 3.80 while other respondents felt that the career growth is the best compared to the industry at Hibret bank with a mean of 3.69. Similarly, some respondents believed that management supports employee career growth with a mean of 3.68; other respondents indicated that Hibret bank has policies that support employee career growth with mean of 3.61. Respondents who thought Hibret bank promotions were fair ranked last with a mean of 3.48. And some respondents believed that they would quit the bank if growth opportunities are not available to them with a mean of 3.36.

4.4.4 Mentoring and coaching

mentoring and coaching	N	Mean
36. You currently have a mentoring program at the bank	358	3.56
37. The mentoring program enhances your skills	358	3.59
38. The mentoring and coaching program is conducted excellently at the bank	358	3.85
39. Employee selection for mentoring and coaching program is done fairly	358	3.76
40. Mentoring program enhances employee commitment to the bank	358	3.60
41. Mentoring program has reduced employee turnover at the bank	358	3.80
Valid N (listwise)	358	3.69

Table 4.17: Mentoring and coaching

The research findings depicted that, the respondents felt that training The mentoring and coaching program is conducted excellently at the bank with the highest mean of 3.85, followed by Mentoring program has reduced employee turnover at the bank with a mean of 3.80. Respondents felt that Employee selection for mentoring and coaching program is done fairly with a mean of 3.76 followed by Mentoring program enhances employee commitment to the bank with a mean 3.60. Respondents indicated that the mentoring program enhances your skills with the mean at 3.59 and lastly those they believed that currently have a mentoring program at the bank with a mean of 3.51.

4.4.5 Employees relationship with supervisors

Employees relationship with supervisors	N	Mean
42. You currently have a good relationship with your supervisor	358	3.70
43. You currently have a bad relationship with your supervisor	358	3.81
44. Your relationship with the supervisor is beneficial to the bank	358	3.44
45. Your relationship with your supervisor is beneficial to you	358	3.99
46. Your relationship with your supervisor makes you committed to the bank	358	3.51
47. Your relationship with your supervisor can make you quit the bank	358	3.82
Valid N (listwise)	358	

Table 4.18: Employees relationship with supervisors

Dependable with the result, they accept relationship with your supervisor is beneficial to to them had the highest mean of 3.99 followed by the mean of the relationship with their supervisor can make them quit the bank within Hibret bank with a mean of 3.82, then they currently have a bad relationship with their supervisor at the bank with a mean of 3.81. Good relationship with their supervisor had a mean of 3.70 while their relationship with the supervisor makes them committed to the bank had with a mean of 3.51. When respondents were asked the employee relationship with the supervisor has bring beneficial to the bank, had a mean of the least at 3.44.

4.4.6 Employee Evaluation Performance

As revealed in the table 4.19 the study findings show that participant felt that the evaluations system is always fair to them .had the highest mean of 3.98, followed by respondents belief that Performance evaluations provide them with adequate feedback on their performance with a mean of 3.80. Respondents felt that they can quit the bank if performance evaluations are not fair to them with a mean of 3.69 while other respondents felt that the performance evaluation is well structured at Hibret bank with a mean of 3.68. Similarly, some respondents believed that they currently receive performance evaluations at the bank with a mean of 3.61, and some respondents believed that they believed that performance evaluations are not punitive with a mean of 3.48.

Evaluation Performance	N	Mean
48. You currently receive performance evaluations at the bank	358	3.61
49. Performance evaluation is well structured at the bank	358	3.68
50. The evaluations system is always fair to you.	358	3.98
51. Performance evaluations are not punitive	358	3.48
52. Performance evaluations provide you with adequate feedback on your performance	358	3.80
53. You can quit the bank if performance evaluations are not fair to you	358	3.69
Average mean	358	

Table 4.19: Employee evaluation performance

4.4.7 Salary and employee turnover

The respondents were asked a sequence of questions on what they reflection constitute salaries at hibret bank and its effect on employee turnover.

According to the research findings, the respondents felt that they believed that their current salary as bad compared to the market rate with the highest mean of 3.99, followed by The bank rewards system are fair to them with a mean of 3.93. Respondents felt that the bank provides them salary which is based on their value to the bank with a mean of 3.78 followed by they understand that their current salary as good compared to the market rate with a mean 3.70. Respondents indicated that they quit the bank because of inadequate salary if they get another job had the least mean at 3.38 and lastly those they believed that the salary grades are well structured with a mean of 3.38.

Salary	N	Mean
54. The bank rewards system are fair to you	358	3.93
55. The salary grades are well structured	358	3.36
56. Your salary is based on your value to the bank	358	3.78
57. You can describe your current salary as good compared to the market rate	358	3.70
58. You can describe your current salary as bad compared to the market rate	358	3.99
59. You can quit the bank because of inadequate salary if you get another job	358	3.38
Average mean	358	

Table 4.20: Salary and employee turnover

According to the research findings, the respondents felt that they believed that their current salary as bad compared to the market rate with the highest mean of 3.99, followed by The bank rewards system are fair to them with a mean of 3.93. Respondents felt that the bank provides them salary which is based on their value to the bank with a mean of 3.78 followed by they understand that their current salary as good compared to the market rate with a mean 3.70. Respondents indicated that they quit the bank because of inadequate salary if they get another job had the least mean at 3.38 and lastly those they believed that the salary grades are well structured with a mean of 3.38.

4.4.8 Bonus and employee turnover

The respondents were uniformly asked a chain of questions on their sight concerning bonuses at hibret bank and its effect on employee turnover.

Bonus	N	Mean
60. The bank has a bonus structure in place	358	3.80
61. You receive end year bonuses	358	3.69
62. Bonuses are based on merit/performance	358	3.72
63. The bonus sharing formula is fair and just to all employees	358	3.53
64. Bonuses influence your commitment to stay with the bank	358	3.59
65. Unfair bonus system can influence your decision to quit the bank	358	3.75
66. Bonuses have contributed to employee turnover at the bank	358	3.48
Valid N (listwise)	358	

Table 4.21: Bonus and employee turnover

According to Table 4.20, respondents who believed the bank has a bonus structure in place had a mean of 3.80, followed by those who believed that unfair bonus system can influence their decision to quit the bank with mean of 3.75. Similarly, respondents who believed Bonuses are based on merit/performance had a mean of 3.72, while those who felt that they receive end year bonuses had a mean of 3.69. Respondents indicated that Bonuses influence their commitment to stay with the bank a mean of 3.59, while those who thought that the bonus sharing formula is fair and just to all employees had a mean of 3.08, and finally those respondent that thought Bonuses have contributed to employee turnover at the bank had a mean of 3.48.

4.5 Analysis Model of multiple linear Regressions

4.5.1 Training and development regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.870[a]	.757	.757	.500
a. Predictors: (Constant), training and development				

Table 4.22: Regression analysis of Training and development

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	277.925	1	277.925	1110.137	.000[b]
	Residual	89.125	356	.250		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), training and development						

Table 4.23: Anova of training and employee turnover (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.382	.102		3.757	.000
	training and development	.150	.005	.870	33.319	.000
a. Dependent Variable: Employees Turnover						

Table 4.24: Training and development and employee turnover regression coefficient (spss v24)

From the above Table 4.22, observed that R square (R^2) =.757 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable training and development for 75.4% the bank employee turnover. Which means 75.7% of the variation in employee turnover is explained by the independent variable. Multiple correlation coefficients shows a very strong correlation of 87.% of the variation is explained in the amount of the employee turnover rate, while 13.6 of the variation is not explained by the employee turnover rate by the predictor variables. Which means 75.7% of the variation in employee turnover is explained by the independent variables. Correlation exists between career development and employee turnover, where regression coefficient R= 0.87; P value = 0.000. This met the threshold since it was less than 0.05. Therefore the relationship was significant. The Analysis of variance in Table 4.24 indicates that F = 1110.137 DF= 1. The P value was 0.000. This convened the threshold since it was less than 0.05. Therefore the relationship was statistically significant.

4.5.2 Career planning regression analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.832[a]	.692	.691	.564
a. Predictors: (Constant), Career planning				

Table 4.25: Regression analysis of career planning(spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	253.957	1	253.957	799.412	.000[b]
	Residual	113.094	356	.318		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), Career planning						

Table 4.26: Anova of career planning (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.436	.118		3.705	.000
	Career planning	.145	.005	.832	28.274	.000
a. Dependent Variable: Employees Turnover						

Table 4.27: Career planning and employee turnover regression coefficient (spss v24)

According to the findings in Table 4.27 R square (R^2) =.692 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable career planning, account for 69.2% the bank employee turnover. Which means 69.2% of the variation in employee turnover is explained by the independent variables. Multiple correlation coefficients shows a very strong correlation of 83.2.% of the variation is explained in the amount of the employee turnover rate, while 16.8 of the variation is not explained by the employee turnover rate by the predictor variables. Which means 69.2% of the variation in employee turnover is explained by the independent variables. Correlation exists between career planning and employee turnover, where regression coefficient R= 0.832; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.5.3 Growth opportunities regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.896[a]	.803	.802	.451
a. Predictors: (Constant), growth opportunity				

Table 4 28: Regression analysis of Growth opportunities (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	294.684	1	294.684	1449.662	.000[b]
	Residual	72.367	356	.203		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), growth opportunity						

Table 4.29: Anova of Growth opportunities (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.118	.096		1.227	.221
	growth opportunity	.120	.003	.896	38.074	.000
a. Dependent Variable: Employees Turnover						

Table 4. 30: Growth opportunities and employee turnover regression coefficient (spss v24)

According to the findings in Table 4.28 R square (R^2) =.803 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable growth opportunities, account for 80.3% the bank employee turnover. Which means 80.3% of the variation in employee turnover is explained by the independent variables. Multiple correlation coefficients show a very strong correlation of 80.3 % of the variation is explained in the amount of the employee turnover rate. Correlation exists between career planning and employee turnover, where regression coefficient R= 0.896; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.5.4 Mentoring regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.888[a]	.789	.788	.467
a. Predictors: (Constant), mentoring				

Table 4.31: Regression analysis of Mentoring (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	289.509	1	289.509	1329.171	.000[b]
	Residual	77.541	356	.218		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), mentoring						

Table 4.32: Anova of Mentoring (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.007	.103		-.066	.948
	mentoring	.165	.005	.888	36.458	.000
a. Dependent Variable: Employees Turnover						

Table 4.33: Mentoring and employee turnover regression coefficient (spss v24)

According to the findings in Table 4.31 R square (R^2) =.789 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable Mentoring and coaching, account for 78.9% the bank employee turnover. Which means 78.9% of the variation in employee turnover is explained by the independent variables. Multiple correlation coefficients show a very strong correlation of 88.8 % of the variation is explained in the amount of the employee turnover rate. Correlation exists between Mentoring and coaching and employee turnover, where regression coefficient R= 0.888; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.5.5 Employee relationship with supervisor regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.828[a]	.686	.685	.569
a. Predictors: (Constant), employee relationship with supervisor				

Table 4.34: Regression analysis of Employee relationship with supervisor (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	251.847	1	251.847	778.252	.000[b]
	Residual	115.204	356	.324		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), employee relationship with supervisor						

Table 4.35: Anova of Employee relationship with supervisor (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.367	.122		3.021	.003
	employee relationship with supervisor	.148	.005	.828	27.897	.000
a. Dependent Variable: Employees Turnover						

Table 4.36: Employee relationship with supervisor and employee turnover regression coefficient (spss v24)

Since the result between Employee relationship with supervisor and employee turnover had a significant correlation, the relationship was subjected to regression analysis to determine the percentage contribution to the significance. Correlation helps to explain the strength of the relationship between variables, and on the other side regression helps to find out to what extent one variable affects the other. The linear regression model used was: $Y= \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + e$

According to the findings in Table 4.34 R square (R^2) =.686 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model, the independent variable Employee relationship with supervisor account for 68.6% employee turnover. Which means 68.6% of the variation in employee turnover is explained by the independent variables. Correlation exists between Employee relationship with supervisor and employee turnover, where regression coefficient R= 0.828; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.5.6 Performance evaluation regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.881[a]	.776	.776	.480
a. Predictors: (Constant), performance evaluation				

Table 4.37: Performance evaluation with supervisor (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	284.963	1	284.963	1235.834	.000[b]
	Residual	82.088	356	.231		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), performance evaluation						

Table 4.38: Anova of Performance evaluation (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.190	.102		1.868	.063
	performance evaluation	.156	.004	.881	35.154	.000
a. Dependent Variable: Employees Turnover						

Table 4.39: Performance evaluation and employee turnover regression coefficient (spss v24)

From the above Table 4.37, observed that R square (R^2) =.776 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable training and development for 77.6% the bank employee turnover. Which means 77.6% of the variation in employee turnover is explained by the independent variable. Multiple correlation coefficients shows a very strong correlation of 88.1.% of the variation is explained in the amount of the employee turnover rate. Which means 77.6% of the variation in employee turnover is explained by the independent variables.

There is a significance correlation between employee and in relation with supervisor employee relationship. This relationship was subjected to regression analysis to determine contribution percentage to the significance. The strength of the relationship between variables and other regression helps to find out to what extent one variable affects the other. The linear regression model used was: $Y= \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + e$

Correlation exists between career development and employee turnover, where regression coefficient R= 0.881; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.5.7 Salary regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.865[a]	.749	.748	.509
a. Predictors: (Constant), salary				

Table 4.40: Salary with supervisor (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	274.887	1	274.887	1061.815	.000[b]
	Residual	92.163	356	.259		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), salary						

Table 4.41: Anova of salary (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.323	.106		3.059	.002
	salary	.150	.005	.865	32.585	.000
a. Dependent Variable: Employees Turnover						

Table 4.42: Salary and employee turnover regression coefficient (spss v24)

According to the findings in Table 4.40 R square (R^2) =.749 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model, the independent variable Employee relationship with supervisor account for 74.9% employee turnover. Which means 74.9% of the variation in employee turnover is explained by the independent variables. Correlation exists between Employee relationship with supervisor and employee turnover, where regression coefficient R= 0.865; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

There is a significance correlation between employee and in relation with supervisor employee relationship. This relationship was subjected to regression analysis to determine contribution percentage to the significance. The strength of the relationship between variables and other regression helps to find out to what extent one variable affects the other. The linear regression model used was:

Correlation exists between career development and employee turnover, where regression coefficient R= 0.881; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + e$$

4.5.8 Bonus regression analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.854[a]	.729	.728	.529
a. Predictors: (Constant), bonus				

Table 4.43: Bonus with supervisor (spss v 24)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	267.471	1	267.471	956.218	.000[b]
	Residual	99.579	356	.280		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), bonus						

Table 4.44: Anova of Bonus (spss v24)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.473	.107		4.439	.000
	bonus	.124	.004	.854	30.923	.000
a. Dependent Variable: Employees Turnover						

Table 4.45: Bonus and employee turnover regression coefficient (spss v24)

The findings between the independent variables, career planning, and employee turnover had a significant relationship, the relationship was subjected to regression analysis to determine the percentage contribution to the significance.

According to the findings in Table 4.43 R square (R^2) =.729 taken as a set, which represents the proportion of the variance for a dependent variable that's explained by an independent variable or variable in a regression model , the independent variable career planning, account for 72.9%

the bank employee turnover. Which means 72.9% of the variation in employee turnover is explained by the independent variables. Multiple correlation coefficients shows a very strong correlation of 85.4.% of the variation is explained in the amount of the employee turnover rate. Which means 72.9% % of the variation in employee turnover is explained by the independent variables. Correlation exists between career planning and employee turnover, where regression coefficient R= 0.854; P value = 0.000. This reach the threshold of acceptance since it was less than 0.05. Therefore the relationship was significant.

4.6. Hypothesis Testing

Since our model is multiple linear regressions the test the research test individual and check their significance by their t-test.

- Training and Development

$$H_0: \beta_1 = 0$$

$$H_1: \beta_1 \neq 0$$

From the table 4.24 above regression equation model, observed that the training and development was increasing .124 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that career development of the employer had a significant effect on employee turnover rate. The test statistics t= 30.923 and p-value .000 with so do not reject the null hypothesis at 5% level of significance. This means that Training and Development of the employee had an effect on employee turnover rate

- Career planning

$$H_0: \beta_2 = 0$$

$$H_1: \beta_2 \neq 0$$

The above regression equation model, observed that the career planning was increasing .145 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that career planning of the employer had a significant effect on employee turnover rate. The test statistics t=28.274 with p-value .000 so do not reject the null hypothesis at 5% level of significance. This means that career planning of the employee had an effect on employee turnover rate

- Growth opportunity

$$H_0: \beta_3 = 0$$

$$H_1: \beta_3 \neq 0$$

The test statistics t=38.074 with p-value .000 at 5% level of significance means that Growth opportunity of the employee had an effect on employee turnover rate. The above regression equation model, observed that the Growth opportunity was increasing .120 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that Growth opportunity of the employer had a significant effect on employee turnover rate.

- Mentoring and coaching

$$H_0: \beta_4 = 0$$

$$H_1: \beta_4 \neq 0$$

Mentoring and coaching was increasing 0.165 units of the employer turnover rate with the other factors were constant as the above regression equation model depicted , and also the p-value was less 0.05, this indicated that Growth opportunity of the employer had a significant effect on employee turnover rate. The test statistics t=36.458 with p-value .000 so do not reject the null hypothesis at 5% level of significance. This means that Growth opportunity of the employee had an effect on employee turnover rate.

- Employee relationship with supervisor

$$H_0: \beta_5 = 0$$

$$H_1: \beta_5 \neq 0$$

The test statistics t=27.897 with p-value .000 at 5% level of significance, means that Employee relationship with supervisor of the employee had an effect on employee turnover rate. The above regression equation model, observed that the Employee relationship with supervisor was increasing .148 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that Growth opportunity of the employer had a significant effect on employee turnover rate.

❖ Performance evaluation

$$H_0: \beta_6=0$$

$$H_1: \beta_6 \neq 0$$

The test statistics t=35.154 with p-value 0.000 at 5% level of significance means that performance evaluation of the employee had an effect on employee turnover rate. The above regression equation model, observed that the performance evaluation was increasing .156 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that performance evaluation of the employer had a significant effect on employee turnover rate.

❖ Salary

$$H_0: \beta_7=0$$

$$H_1: \beta_7 \neq 0$$

Salary was increasing 0.150 units of the employer turnover rate with the other factors were constant as the above regression equation model depicted, and also the p-value was less 0.05, this indicated that Salary of the employer had a significant effect on employee turnover rate. The test statistics t=32.585 with p-value .000 so do not reject the null hypothesis at 5% level of significance. This means that Salary of the employee had an effect on employee turnover rate.

❖ Bonus

$$H_0: \beta_8=0$$

$$H_1: \beta_8 \neq 0$$

Table 4.45 above regression equation model, depicted that the bonus was increasing .124 units of the employer turnover rate with the other factors were constant, in addition to that the p-value was less 0.05, this indicated that bonus of the employer had a significant effect on employee turnover rate. The test statistics t= 30.823 and p-value .000 with so do not reject the null hypothesis at 5% level of significance. This means that bonus of the employee had an effect on employee turnover rate.

4.7. Over-all Test

The regression model overall fit can be inspected with the help of ANOVA. In doing so, the ANOVA table determined the relationship between the dependent variable and the independent variable

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	308.116	8	38.514	228.075	.000[b]
	Residual	58.935	349	.169		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), bonus, training and development, Career planning, employee relationship with supervisor, mentoring and coaching, salary, performance evaluation, growth opportunity						

Source: SPSS version 24 output of the questionnaire survey, 2022

Table 4.46: Analysis of variances

Hypothesis Testing

The hypothesis to be tested is

H_0: $\beta_1 = \beta_2 = \beta_{3=}\ \beta_{4\ldots\ldots\ldots}\ \beta_8 = 0$ (the overall regression is in significant)

H_1: Not H_0 (al least one beta) i.e. overall regression is significant (at least one regression parameter is different from zero)

Decision Rule: Since the p-value=0.000, this implies the value was less than 5% level of significance, so we have to not accept the null hypothesis because of an sufficient proof , so we concluded that the overall test shows that they are significant effect on an Employee turnover rate.

4.7.1 Model Summary

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.916[a]	.839	.836	.411
a. Predictors: (Constant), bonus, training and development, Career planning, employee relationship with supervisor, mentoring and coaching, salary, performance evaluation, growth opportunity				
b. Dependent Variable: Employees Turnover				

Source: SPSS version 24 output of the questionnaire survey

Table 4.47: Model Summary

From the above Table 4.47, observed that multiple correlation coefficients shows Avery strong correlation of 83.9% of the variation is explained in the amount of the employee turnover rate, while 16.1% of the variation is not explained by the employee turnover rate by the predictor variables.

4.8. Multivariate Analysis

According to the study findings, multiple regression tests were 58 conducted to determine level of significance when all variables are combined. The findings are shown in Tables 4.47.1, 4.47.2, and 4.47.3 below;

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.916[a]	.839	.836	.411
a. Predictors: (Constant), bonus, training and development, Career planning, employee relationship with supervisor, mentoring and coaching, salary, performance evaluation, growth opportunity				

Table 4.47.1: ANOVA for All Variables

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	308.116	8	38.514	228.075	.000[b]
	Residual	58.935	349	.169		
	Total	367.050	357			
a. Dependent Variable: Employees Turnover						
b. Predictors: (Constant), bonus, training and development, Career planning, employee relationship with supervisor, mentoring, salary, performance evaluation, growth opportunity						

Table 4.47.2: Multiple Regression Analysis Coefficients

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.014	.106		-.136	.892
	training and development	-.119	.032	-.689	-3.773	.000
	Career planning	.074	.037	.425	1.982	.048
	growth opportunity	.270	.044	2.021	6.076	.000
	mentoring	.092	.034	.493	2.702	.007
	employee relationship with supervisor	-.129	.026	-.725	-4.884	.000
	performance evaluation	-.058	.055	-.329	-1.048	.295
	salary	-.081	.037	-.464	-2.207	.028
	bonus	.022	.036	.150	.610	.543
a. Dependent Variable: Employees Turnover						

According to the findings in Table 4.47 when a multiple regression is done, a significant relationship exists with five of the variables. Regression coefficient for training and development was R = -0.689; P value = 0.000. This meet the threshold for significance since P value was less than 0.05.Regression coefficient for career planning R = 0.425; P value = 0.048. This met the required for significance since P value = 0.048 which is less than 0.05.Regression coefficient for growth opportunity was R = 2.021; P value = 0.000. This met the threshold for significance since P value was less than 0.05.Regression coefficient for mentoring was R = 0.493; P value = 0.007. This meet the threshold for significance since P value was less than 0.05.Regression coefficient for employee relationship with supervisor, was R = -0.725; P value = 0.000. This met the requirement for significance since P value was less than 0.05.Regression coefficient for performance evaluation, was R = -.329; P value = 0.295. This did not meet the requirement for significance since P value was more than 0.05.Regression coefficient for salary was R = -.464 P value = 0.028. This met the threshold for significance since P value was less than 0.05.Regression coefficient for bonus, was R = -.150; P value = 0.543. This did not meet the requirement for significance since P value was more than 0.05.

Table 4.47.1 above shows an R adjusted square of 0.839, which indicates that 83.9% of variation in employee turnover can be explained with variation by the stated independent variables system. The Analysis of variance in Table 4.47.2 above indicates that F value 228.075 and P value was 0.000. This means that the mean differences between and within the variables meet the significance threshold since it was less than 0.05. Therefore the mean between the variables was statistically significant.

4.9. Multiple Regression Assumption Test

Absence of Multi collinearity Assumption Test

Multicollinearity is condition in which the independent/predictor variables are highly correlated. Multicollinearity can be calculated by VIF and degree of tolerance. The value of VIF (variance inflation factors) is less than 10 and the degree of tolerance value is greater than 0.1 the supposition of nonappearance of multicollinearity is contented but the value of VIF is greater than 10 and the value of tolerance is less than 0.1 the assumption is dishonored.

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	training and development	.243	4.115
	Career planning	.308	3.247
	growth opportunity	.197	5.076
	mentoring and coaching	.211	4.739
	employee relationship with supervisor	.314	3.185
	performance evaluation	.224	4.464
	salary	.251	3.983
	bonus	.271	3.686

Table 4.48: Multicollinearity test

From the above Table 4.43 and the above description for this study the variables of VIF is less than 10 and the tolerance value was greater than 0.1, so we accomplished that the assumption of Absence of Multicollinearity was fulfilled.

Normality Assumption Test

Normality can be make sure by drawing histogram and pp-plot, if the distribution of error terms under histogram is approximately normal (bell shaped), and the distribution of points in pp- plot lays around the straight line normality is accomplish otherwise it is violated.

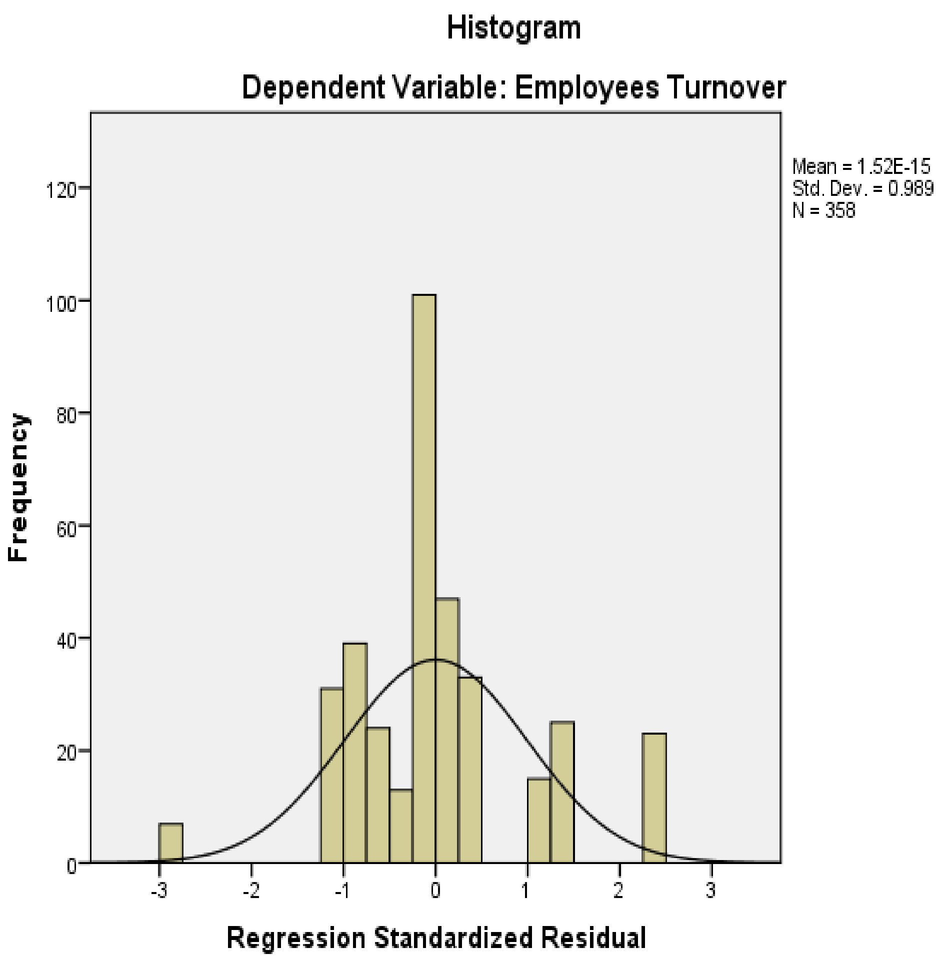


Figure 4.1: Normality assumption by using histogram

Figure 4.1, shows a bell shaped that the data was almost normal and point out that the data assure the normality assumption for employee turnover rate Hibret bank.

Linearity test

Linearity can be checked by drawing the scatter plot of response variable versus fitted value. To achieve linearity the pattern of the plot must be approximately linear. Observe on the p-p plot all explanations are lies approximately through the line which shows the data were fulfilled the linearity assumption. And it designate that the linear relationship between the residuals and the outcome variable for employee turnover rate.

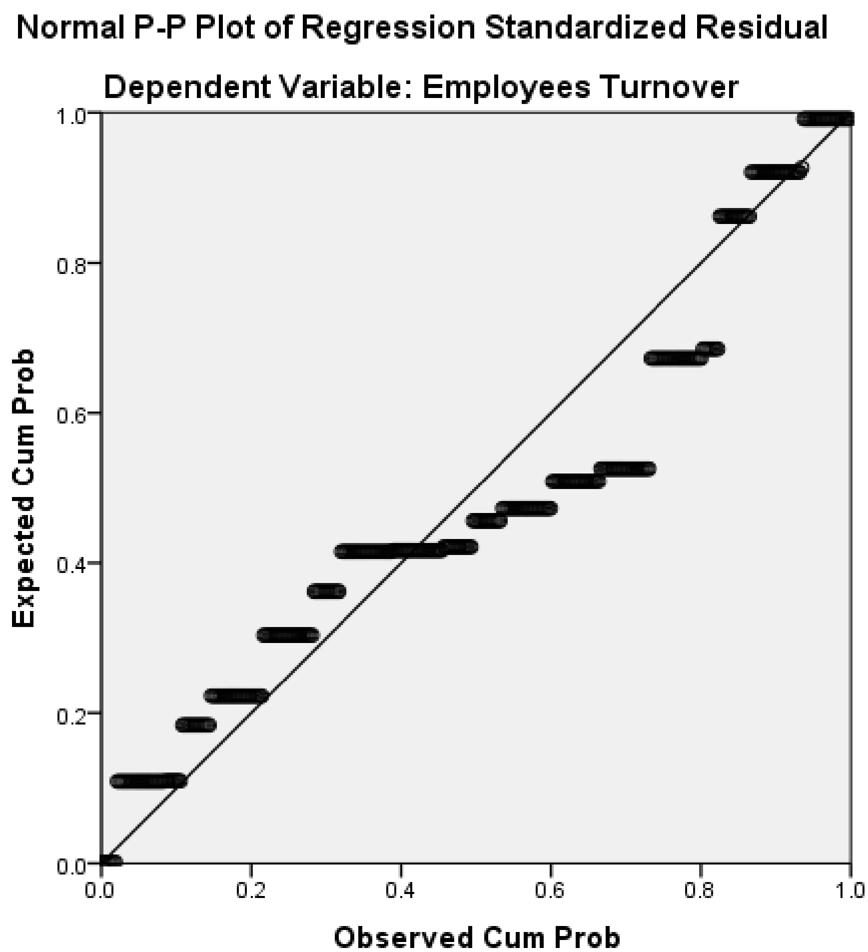


Figure 4.2: Normal probability plot

4.10 Discussion

This research endeavored to recognize factor that affect the employee turnover rate of Hibret bank. The employee turnover rate of the data was analyzed by using Statistical Package for Social Sciences software version 24 for ascertaining the factors. The data of this study was used primary data for formulating questioner. The study proposed to decide the factors influencing employee turnover of Hibret bank. The questionnaire contains demographic factors of the respondents, the objective of this study was identifying factors influencing employee turnover in Hibret bank. The total number of this research were encompassed 358 observations by using sample size determination technique with proportionally allocated.

The results and findings, on causes that affecting Hibret bank S.Co employee turnover, which are structured according to the driving factors were discussed under this section. The data was gathered from the reaction of the questionnaires. The chapter will investigate the research discussions based on comparing to the literature review in chapter two.

The research question were **t**o set up and decide the extent training, career planning, growth opportunities, mentoring, employee relationship with supervisor, performance evaluation, salary and bonus influence employee turnover at hibret Bank.

The population of the study and sample frame for this study was adopted from Hibret Bank human resources office. Stratified sampling techniques and a simple random technique was used to be safe guarded that every employee had an identical chances of being sampled.

The structured questionnaires were analyzed by using SPSS version (Statistical Package for Social Sciences) software version 24. 378 questionnaires were dispatched to respondents, and three hundred fifty eight (358) were received back from respondents and the rest did back their response giving the study an approximate response rate of 95%. Descriptive statistics in use in the research include frequencies, percentages, and mean. For inferential statistics, correlation analysis and regression was done to enable easy data interpretation and multicollinearity test were done for the independent variables. Data has obtainable by using Tables and figures as per each research questions responded. The leading research question considered at career development which is training and development, career planning and growth opportunities and employee turnover.

4.10.1 Career Development (Training, Career Planning and Growth Opportunities) and Employee Turnover

The research findings indicated that training and development, mentoring and rewards system have a great pressure on employee turnover at Hibret Bank. Psychologist Albert Bandura (2003), who planned the concept of self-efficacy, described that career development can be built on the concept of self-efficacy based on human behavior by understanding the thought processes. Bandura argue that self-system of an employees' ability to do workout control over their career is serious. Employees' self-efficacy is the lenses all the way through which employees' assess the job environment and make resolve on whether the job fulfills their career desires or not.

The research findings point out that respondents felt that career Career plan improve employees obligation to the bank as it had highest mean of 3.99 followed by Career planning influences employee turnover with a mean of 3.82. This is consistent with Bandura (2003), who emphasize that a self-efficacy belief in the career planning is the most influential predictors of employee's turnover from an organization.

According to Baruch (2009), banks that would like to strengthen their employee foundation and assurance must invest in the training and development of these employees. Training had been defined as the organized planned attempt to make easy employees achievement of job-related knowledge, skills so as to get better productivity.

When respondents were requested if they have a well-structured career planning program at Hibret bank, the question had the mean of 3.70, compared to career planning power employee turnover, which had a highest mean of 3.99. This means that Hibret bank training and development programs might not be well structured, or employees are not well oriented to them.

According to Wan (2007) states that comprehensive training develops employee's devotion to an organization. Sherma (2006) argued that by creating opportunities for employee training and development, banks can enlarge the probability of employee's capability to increase in the market. According to the study findings, Hibret bank was not at pace with Wan (2007), and Sherma (2006) explanation of what make up training and development.

Career planning is a continuing process, often interactive developmental process that an individual or an organization fit into place in restoring personal or organizational objectives as stated by Baruch (2009). This is done through tutoring for labor market opportunities. He further argued that in the dynamic globalized job market, employers can no longer assure job security, however, it is important for employers to make certain that careers skills for key employees are planned for the most part in the banking sector. When respondents were asked if they had a well-structured career planning program at Hibret bank, the respondents mean was the least at 3.70.

Armstrong, (2009) argued that lack contingency plan in organizations in managing employee’s career growth, suffering of employee turnover shown as its consequence. There is a strong positive correlation exists between career planning and employee turnover where r= 0.832; P value was 0.000. It satisfies the threshold of less than 0.05 for its significance level.

Agarwal, *et al.,* (2006) argued that the result of failure to meet employees anticipation in career growth opportunities is high turnover with employees seeking these opportunities somewhere else. The research too depicted under the response of the questionnaire on they would quit the bank if growth opportunities were not available to them with a mean score 3.99 and next the belief that career growth opportunities influences employee turnover with a mean of 3.58.

Organizations that place obstacles in employee’s career development as Duffy *et al.,* (2011) argued that employees who would quit the organization at any available opportunity for growth would occur due to greater chance of dissatisfaction.

Regression analysis ware conducted on training and development, career planning and growth opportunities and employee turnover indicated that positive correlations where existed R= 0.870; R= 0.832 R= 0.896 respectively with P values of 0.000. Since it was less than 0.05 the threshold was met and it is significance.

The research showed that r^2= 0.757% , r^2= 0.692 r^2 = 0.803 which means 75.7% , 69.2% and 80.3% variation in employee turnover could be explained with variation in training and development, career planning and growth opportunities at Hibret bank.

4.10.2 Mentoring and Coaching (Employee Supervisor Relationship, Performance Evaluation and Employee Turnover

Employee supervisor relationships and fair performance evaluations can have chance of reducing employee turnover at the organizations. According to Levenson *et al.,* (2006), the mentor contributes by sharing career life, challenges, opportunities, their expertise, role development, and offers formal and informal support with intention to influence the protégé career.

When respondents were asked if mentoring and coaching program is conducted excellently at Hibret Bank. The mean of the respondents was 3.85, but when asked if the mentoring program had reduced turnover at the bank, the respondents mean was 3.80.

Researchers like Brashear, *et al.,* 2006; Pullins and Fine, (2002), argued that employees relation with the supervisor, performance appraisals, working conditions negatively influence the tendency for employee turnover. In this research the response had similarity with their argument. Because mean of 3.82 respondents depicted relationship with the supervisor can lead them to quit the bank.

Mean of 3.99 from the respondent agree that the current relationship with their supervisors were beneficial to reducing turnover. Building mutual relationship through enhancing mentorship and making good relationship between management and employee can increase the employee commitment and reduce turnover.

The respondents who depicted that they had a good relationship with supervisors in enhancing their knowledge and convert their manner had a mean of 3.70, and those who had an awful relationship that doesn't direct on their work, offer knowledge or support at mean of 3.81.

Ishaq *et al.,* (2009) argued there exist a positive correlation between mentoring and employee turnover. According to the study findings, mentoring, supervisor relationship, and evaluation and employee turnover, Mentoring had the highest correlation where $r = 0.888$; P value was 0.000. This reach the threshold of acceptance since it was less than 0.05.

4.10.3 Reward Systems (Salary and Bonus) and Employee Turnover

According Zhou *et al.,* (2009), the extent to which employees feel motivated correlates with turnover rates within banks. Equally, Foon, Leong, and Osman, (2010), argues that banks' ability to endear employees with motivating rewards determines the rate at which turnover is experienced. The study findings indicate that salaries and bonuses at Hibret bank greatly influence turnover at the bank.

According to Walia, *et al.,* (2011) salary and associated benefits are an integral factor that influences employee turnover. When respondents were asked about their salaries at Hibret bank, respondents indicated that their current salary as good compared to the market rate and this had the mean of 3.70, compared to a mean of 3.36 for those who believed the reward system at the bank well structured. Those who believed that their salary at the bank was bad had a second highest mean of 3.93.

According to leave Babakus, *et al.,* (2003), employee satisfaction that comes through income earned further leads to employee retention. In the banking sector, salaries offered to employees can easily form a competitive advantage for the bank enabling the bank to curtail any salary related turnover since the market would be unattractive to employees seeking to leave. The study findings are in alignment with Babakus, *et al.,* (2003) since those who believed that their salaries at the bank was bad had a second highest mean of 3.93, and those who indicated that they could quit the bank because of inadequate salary had the mean at 3.38.

However, we also had respondents who described their salaries as good had a mean of 3.70, this means that Hibret bank in as much as they have a proportion of staff who believe that the reward system is good, we have those who are disgruntled and can quit the bank at any available opportunity should they get the chance.

Choi *et al.,* (2012) had argued that banks should concentrate on employee retention strategies regardless of salaries, while Franken(2012) held the view that employee turnover is as a result of salary scale; usually, employees who quit search for jobs that would pay them better than the previous ones. Franken argues that disparities with un-equal wage structures not only leads to demotivation and poor performance, but also employee turnover.

The study findings seems to exude Franken(2012), assertions, since a portion who seems to be benefiting from the salary structure had no problem with the reward system, but those who indicated they had bad salaries, indicates Hibret's reward system was not well structured.

According to the study findings, bonus payments largely influence employee turnover at Hibret bank. Bonus payments are annual or by-annual payments that organizations give to their employees as tokens of appreciation for good performance (Murphy, 1999). Bonuses are offered based on accounting performance of the organization. Respondents who indicated that they receive bonuses at the end of the year at Hibret bank had a mean 3.69. Compared to those who indicated that unfair bonus system can influence their decision to quit the bank had a mean of 3.53. This was followed by those who believed that bonuses have contributed to employee turnover at Hibret bank with a mean of 3.48. These findings are consistent with Keep et al., (2008), who argue that there exists a strong positive correlation between bonuses and employee turnover.

According to the study findings, it indicates a strong significant positive relationship exists between bonuses and employee turnover where $r = 0.865$; P value was 0.000. This met the significance threshold level of 0.05. On regression analysis, a positive correlation was found to exist between reward system and employee turnover, where regression coefficient $R= 0.590$; P value was 0.000. This met the threshold level of significance since it was less than 0.05.

CHAPTER FIVE

5. CONCLUSION AND RECOMMENDATION

5.1. Conclusion

Looking into the impact of turnover and performance of employees in the banking industry in case of Hibret bank is the main aim of the research. High turnover are Career growth development and opportunities and employee relationship with management shown from the analysis of the finding.

On the other hand reasons employee turnover happens are due to Job and employee skill mismatch, Uncompetitive Compensation package**,** less growth opportunities**,** less recognition,

Due to its Poor working conditions and others are a key means leads the bank to have high turnover. The working condition has become poor because the order the employee to find the customers and open the account. The till now the bank don't reward upon their attraction of customers. Since such kind of work that means doing the marketing work, that going and snatching customer make the employee highly dissatisfied, this leads to leave the bank.

This study has identified causes that influence the turnover in the Bank, in doing so; the researcher used both primary and secondary data sources to verify the impact turnover on Hibret bank. Regarding the analysis, interpretation, tabulation, and presentation of the data, the researcher made use of different tools such as mean, frequency, tables, figures and percentages.

The conclusion of the study disclose that, the current employees of Hibret Bank of Ethiopia thinks that the influence of training and development, career development, growth opportunities, employee performance, employee relationship with supervisor, mentoring, salary and bonus are adequate and these can be the causes to leave the organization.

Employees are dissatisfied with Bank's initiative in different ways; one is to maintain competitive pay system; the current salary and benefit; development opportunities (promotion), such as the training opportunities. If employees are unsatisfied with these fundamental factors, it may negatively influence the excellence service provision which negatively affects customer satisfaction and if such dissatisfying factors are not take the edge off on time, employees may not carry out their tasks as expected or may leave the bank and this may have shocking effect on the operation of the Bank.

5.2 Recommendations

The study findings had the following recommendations.

5.2.1 Recommendations for Improvement

For simplicity the recommendation part shall be presented in three sections by categorizing the variables together in one section. The bank shall give consideration to those recommendations because leaving once employee has double impact. First the bank may loss his potential staffs and secondly it improves competitor capacity.

5.2.2 Career Development such as training and development, career and growth opportunities and Employee Turnover

To enhance sustainable employee commitment Hibret bank must thankful for the importance of employee career development. From the respondent answer observing that a well-structured training and development can increase the abilities and skill of employee which bring success to the bank.

The bank shall also depict on its program at what period the careers of once staff can get the chance and develop his or her careers.

There are factors that support the training and development program that are effective growth through internal promotions, job rotation and expansions which bring not only enhancing the Hibret bank employee this trend convey good for the industry as well. This will reduce employee turnover and increase the commitment of the employee.

5.2.3 Mentoring, Evaluation and Supervisor Relationship with Employee and Employee Turnover

Supervision by the top management does not mean searching negative things from the employee. Instead it is being a mentor and couching in the necessary place. The respondent has put their view on that they might leave the bank unless and otherwise the supervision has improves.

During performance evaluation the manager shall discussed with the staffs to clarify why he score good or bad appraisal. If the way is clear the employee admitted that he has to get such evaluation. With all this created mutual relationship, manager and general employees become harmonious and work with synergy that bring better performance. putting the defined and clear date as to when the staffs shall promote also enhance the employee performance.

5.2.4 Rewards System, salary and bonus and Employee Turnover

Even through the Hibret bank has a salary structure, job grade and job description the participant response depicted as if it was not updated. Because some respondent responds as it has no well-structured salary scale. Glancing the market salary structure can help the bank to adjust its salary and retain the employee within the bank. This can be done by conducting market survey and computing it with the competitor salaries structure. Similarly Hibret bank shall strengthen the bonus payment structure by computing the industry. If so happens the banks capability will enhance because these can have the power to develop employees to remain or work with the bank. This will reduce employee turnover and increase employee commitment and performance.

5.2.5 Recommendations for Future Research

Hence, this research consider significant variables and analyzes many issues and tests each variables with the help of spss v 24 Researchers and Academicians, and the Government can make use of it while they are conducting such like research.

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APPENDIX

A QUESTIONNAIRE

ADDIS ABABA UNIVRSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMNET OF MANAGEMENT

Dear Respondents, the following questionnaire is developed by student Tamirat Sahle from Addis Ababa University College of Business and Economics to study factor that affect employees Turnover in Ethiopia, incases of Hibret bank S.C**.** in fulfilling the requirement of Masters of Science in Management. Your specific answers will be completely anonymous & confidential, but your views, in combination with those of others, are extremely important. I assure you again that, all your responses will be kept in absolute confidentiality and you will not be held responsible for the research outcome.

Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in filling the questionnaire honestly and responsibly. Please contact me for any information regarding the questionnaire with 0911733087 or tamiratsahle@gmail.com.

RESEARCH QUESTIONNAIRE

SECTION A: GENERAL INFORMATION

Kindly respond to the questions below by ticking in the boxes. Where space is provided you can write your answer

(A). BACKGROUND INFORMATION.

1. Name (optional) ___________________________________

2. Gender.

Male ☐

Female ☐

3. Age

18- 30 yrs. ☐

31- 40 yrs. ☐

41- 50 yrs. ☐

51- 60 yrs. ☐

Over 61 yrs. ☐

4. Which department do you currently work in at the Bank?

Special branch ☐

A branch ☐

B branch ☐

Outline branch ☐

HR Department ☐

Other (specify) ______________________________

5. How many years you have worked for the bank?

1-3 years ☐ **4-6 years** ☐ **7-9 years** ☐ **10-12 years** ☐ **13-15 years** ☐

6. Kindly indicate your designation at the bank

Manager ☐ **Supervisor** ☐ **General Employee** ☐

SECTION B: RESEARCH TOPIC

Employee Turnover

Kindly answer the following questions to the best of your knowledge by ticking (√) the box that represents your answer (Turnover rate will be computed by dividing average turnover from questionnaire with total number of employees)

Employee Turnover questions-

7. In the last one year have you had any employees leave the Bank?(HR manager ONLY)

A). YES ☐

B). NO ☐

8. If YES, how many employees left? (HR manager ONLY) __________________________

9. Kindly indicate how many of these employees left (HR manager ONLY)

A). Voluntarily ☐

B). Involuntarily/Dismissed ☐

10. Kindly indicate the type of employee turnover for those who left the bank? (HR manager ONLY)

A). Functional turnover ☐

B). Dysfunctional turnover ☐

C). Avoidable turnover ☐

D). Unavoidable turnover ☐

11. According to you, what are the reasons for the employee turnover at the bank?

a) Uncompetitive Compensation package ☐

b) Job and employee skill mismatch ☐

c) Less growth opportunities ☐

d) Less recognition ☐

e) Poor working conditions ☐

Other (please specify) ______________________

12. Kindly indicate some of the things which the bank can do to reduce employee turnover?

a) Offer competitive Pay Package ☐

b) Treat each employee with respect regardless of their job ☐

c) Offer flexible working hours ☐

d) Offer good working environment ☐

e) Offer Opportunities for growth ☐

13. Of the turnover costs, which one(s) costs the organization more (Tick more than one)

a) Recruitment costs ☐

b) Interview Costs ☐

c) Training Costs ☐

d) Administration costs ☐

e) Separation Costs ☐

14. What do you think is the cost of recruiting a new employee?

A). Very Low ☐

B). Low ☐

C). No Cost ☐

D). High ☐

E).Very High ☐

15. Please indicate the type of organizations employees join when they leave the bank

A). An organization in the same sector ☐
B). An organization in a different sector ☐
C). Further study ☐
D). Self-employment ☐
E). Not working ☐

Other *(please specify)*__________________

Kindly tick in the spaces provided for the answer that best represents your view.

A) Training & Development	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
16. The bank provides you with Job training					
17. The trainings are poorly organized					
18. The Trainings are well organized					
19. Training and development programs have enhanced my career skills					
20. Training provides opportunities for career development					
21. You can quit the bank for lack of training and development opportunities					
C). Growth Opportunities	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
22. You have a well-structured career planning program at the bank					
23. Career plan enhances employees commitment to the bank					
24. In career planning employees skills are matched with their job descriptions					
25. Adequate job duties enables evaluate your career plan					
26. Career planning is for your growth within the bank					
27. Career planning influences employee turnover					
C). Growth Opportunities	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
28. The bank has policies that support employee career growth					
29. Management supports employee career growth					
30. Actual career growth opportunities exist at the bank					
31. Promotions are fair and just within the bank					
32. Career growth opportunities are based on merit					
33. The bank's career growth is the best compared to the industry					
34. Career growth opportunities influences employee turnover					
35. You would quit the bank if growth opportunities are not available to you					

Research Question II: Mentoring and Employee Turnover

B) Mentoring and Coaching	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
36. You currently have a mentoring program at the bank					
37. The mentoring program enhances your skills					
38. The mentoring and coaching program is conducted excellently at the bank					
39. Employee selection for mentoring and coaching program is done fairly					
40. Mentoring program enhances employee commitment to the bank					
41. Mentoring program has reduced employee turnover at the bank					
Employee relationship with supervisor	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
42. You currently have a good relationship with your supervisor					
43. You currently have a bad relationship with your supervisor					
44. Your relationship with the supervisor is beneficial to the bank					
45. Your relationship with your supervisor is beneficial to you					
46. Your relationship with your supervisor makes you committed to the bank					
47. Your relationship with your supervisor can make you quit the bank					
Performance Evaluations	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
48. You currently receive performance evaluations at the bank					
49. Performance evaluation is well structured at the bank					
50. The evaluations system is always fair to you.					
51. Performance evaluations are not punitive					
52. Performance evaluations provide you with adequate feedback on your performance					
53. You can quit the bank if performance evaluations are not fair to you					

Research Question III: Rewards System and Employee Turnover

C) Salary	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
54. The bank rewards system are fair to you					
55. The salary grades are well structured					
56. Your salary is based on your value to the bank					
57. You can describe your current salary as good compared to the market rate					
58. You can describe your current salary as bad compared to the market rate					
59. You can quit the bank because of inadequate salary if you get another job					
D) Bonuses	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly agree**
60. The bank has a bonus structure in place					
61. You receive end year bonuses					
62. Bonuses are based on merit/ performance					
63. The bonus sharing formula is fair and just to all employees					
64. Bonuses influence your commitment to stay with the bank					
65. Unfair bonus system can influence your decision to quit the bank					
66. Bonuses have contributed to employee turnover at the bank					

The End

Thanks a lot for your Cooperation!