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**COMPARATIVE ANALYSIS OF HUMAN RESOURCE RETENTION
POLICY ON EMPLOYEES ORGANIZATIONAL COMMITMENT**

(IN THE CASE OF PRIVATE AND PUBLIC BANKS)

**A Study Submitted in Partial Fulfillment to the Requirements of
Master of Arts Degree in Public Administration
and Development Management**

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June 2020

Addis Ababa Ethiopia

Declaration

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

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By
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Acronyms

OC: Organizational Commitment

OCB: Organizational Commitment Behavior

HR: Human Resource Management

JB: Junior Banker

CBE: Commercial Bank of Ethiopia

DBE: Development Bank of Ethiopia

CSO: Customer Service Officer

SCSO: Senior Customer Service Officer

SPSS 20: Statistical Software Packages for Social Science: Version 20

Abstract

The study was to examine the Comparative analysis of human resource retention policy on employees' organizational commitment (In the case of private and public banks) using drivers of organizational commitment as an indicator. Data was gathered from private and governmental banks around Mexico Megelega and Merkato area bank branches of Dashen Bank ,Awash Bank ,Wegagen Bank and Commercial banks and Head office branch of Development Bank of Ethiopia . Descriptive and inferential statistics was used to analyze the empirical data and also cluster sampling was used followed by systematic sampling to select the samples. Primary data were collected using five Point Likert-Scale questionnaires and a structured interview and 184 responses were properly filled and returned. Statistical package for social science (SPSS) version 20 was used to analyze empirical data collected through the close ended questionnaire. The independent variables that affect employees` retention programs are compensation, job security, Training and development, working conditions, supervisor support culture, and organizational justice whereas the dependent variable is employees' organizational commitment. The mean and standard deviation of the dependent and independent variables were computed and interpreted. Pearson correlation Coefficient (r) was used to determine the relationship between each independent variable with the dependent variable. The descriptive statistics result indicated that the mean value of private and Governmental organization for compensation (mean=2.65 and mean=2.75), Supervisor Support Culture (mean=2.69 and mean=2.66), Work Environment (mean=2.75 and mean=2.70), Organizational Justice (mean=2.85 and mean=2.87), and Organizational Commitment (mean=2.78 and mean=2.75) respectively were below average which indicate that employees in general are not committed in both private and governmental banks. The correlation result indicated that there were positive relationship between all of independent variables and the dependent variable, rejecting all null hypotheses. This implies that any increase or decrease on the independent variable will bring corresponding change on employees' organizational commitment. It's found that the independent variables from private has a 48% influence on the dependent variable and 49.8% influence on the dependent variable of governmental banks while the remaining 52% from private and 50.02% from governmental are influenced by factors unaccounted in this research. It was concluded that the organization's management expectation to increase overall employees' commitment as a result of the said staff retention policies did not materialize for various reasons such as lengthy and bureaucratic process and various eligibility criterion.

Keywords: *Compensation, Job security, Training and Development, Working Conditions, Supervisor support culture, Organizational Justice, Employees' Organizational Co*

CHAPTER ONE

Introduction

The researcher has identified and clearly indicated the major problem which is focused on the comparative analysis of human resources retention policy on organizational commitment. Therefore, based on this background of the study, statement of the problem, general and specific objective of the study, research questions, hypothesis, and significance of the study, scope and limitations of the study were clearly incorporated in this chapter.

1.1 BACKGROUND OF THE STUDY

Organizations are being forced to study why employees leave and why they stay. Sometimes an individual in the HR area is assigned to specifically focus on retention to ensure that it receives high priority for various reasons. The main idea behind these programs is to retain their productive employees so as to remain competitive in the ever challenging business environment. If employees believe in and accept organizational goals and want to remain with the organization, their productivity will increase and it is more likely that they will stay in the organization for a relatively long period of time. Accordingly (John_H._Jackson, (2010) (p 163), even if commitment by itself is not certain for organizational success, it is considered to be a major factor. Thus, it's very important that companies practice staff retention programs with a genuine, we can minimize turnover ratio and to keep the workforce happy and willingly to persuade.

Human Resource has become strategic resource to gain sustainable competitive advantages in this age of globalization (Elnaga & Imran, 2013). The knowledge and skills of an organization's workforce have become increasingly important to its performance, competitiveness, and innovation. Workplace learning and continuous improvement are now considered essential for an organization to remain competitive. (Tharenou, M.Saks, & Moore, 2007). For this circumstance it is responsible for hiring competent people, training them, helping them perform at high levels and providing mechanisms these employees maintain their productive affiliation with the organization (Decenzo & Robbins, 2005).

Like money, technology, and equipment, people are a resource of an organization. They have the potential to give an organization the benefits of their training, skill, experience, intelligence, judgment and relationships. These human resources are really an organization's only sustainable resources. Successful organizations therefore are good at managing human

resources: acquiring them, keeping them, increasing their value, and diverting the benefits of their efforts (Daft and Noe , 2001).

The importance and immense contribution of human resource to organizations cannot be over emphasized. Human resource is valuable and serves as the backbone of organizations over all the world. Employees are a key resource that can be strategically placed for an organization to attain competitive advantage. Therefore, by virtue of human capital as a main source for productivity and competitive advantage, organizations must consider the critical role of human resource management practices and make every effort to develop and sustain this capital. (Khan, 2010)

This study tries to examine the Comparative analysis of human resource retention policy on employees' organizational commitment. Hence, the very nature of staff retention revolves around the interest of employees and managing those employee interests for the benefit of the company so long as it remains within the delicate framework of what's morally right and what's legally acceptable. In our case organizations, even though there are various staff retention programs, its practicability and accessibility for employees is under question mark: which initiated this study to analyze the level of employees' commitment as an outcome.

According to Armstrong (2009), a retention strategy takes into account the retention issues the organization is facing and sets out ways in which these issues can be deal with. This may mean accepting the reality, that the market, not the company will ultimately determine the movement of employees. It may be difficult to counter the pull of the market; 'you can't shield your people from attractive opportunities and aggressive recruiters'. He suggests that: 'the old goal of HR management, to minimize overall employee turnover, needs to be replaced by a new goal: to influence who leaves and when.

Organizational commitment can be considered the unwritten psychological contract between the employer and the employee in such a way that the employee expects to be treated fairly and also expects to be benefited from the mutual agreement and in the same fashion, the employer expects the employee to do his/hers best to meet the organizational objective and also to be able to identify oneself with the organization. Hence, in this competitive business ground, the full realization of benefits that an organization can harness from implanting organization citizenship behavior in the mindset of its employees via various employee

retention mechanisms is crucial for improved efficiency, effectiveness, job engagement, and to enhance co-operative work environment (Armstrong (2007)).

A public bank is a bank that is principally funded by a government body. Its mission is to serve the public good not private investors. A state, family, county, or city government deposits its revenue, taxes, fees, and other earnings, in the bank. It can borrow from the bank or target lending to the community that it represents. Currently there are two public banks in Ethiopia: these are Commercial Bank of Ethiopia (CBE) and Development Bank of Ethiopia (DBE). After the fall of Dergue regime the private banking sector had started to flourish, currently there are about seventeen private banks. Out of seventeen banks, Awash bank, Dashen bank and wegagen bank are some of the leading private banks and start operation in 1994, 1995 and 1997 respectively, and have managed to develop certain employees retention programs and procedures that they believe will help them retain key employees.

Commercial Bank of Ethiopia (CBE) Commercial Bank of Ethiopia is one of the pioneer and the leading Bank in Ethiopian Banking Industry, established in 1942. Currently, the Bank has been expanding its business operation to more than 1500 branches stretched throughout the country and four branches in South Sudan (that has been in the business since June 2009). As the success of the Bank highly depends on the quality of its human resources, the Bank has been giving large emphasis in recruiting qualified professionals and training the existing staff. In doing so, the Bank is committing to ensuring that its workforce is equipped with the necessary knowledge and technical skills. (Source; CBE Annual Financial Report. (2018/19)).

Development Bank of Ethiopia (DBE) The development bank of Ethiopia (DBE) is one of the financial institutions engaged in providing short, medium and long term development credits. DBE's distinguishing feature is its "project" based lending tradition. Project financed by the Bank are carefully selected and prepared through appraised, closely supervised and systematically evaluated.

Since its establishment in 1909, the bank has been playing a significant role in promoting overall economic development of the country. DBE, being one of the state owned financial institutions, it extends its credit service through the Head office and five Regional Offices and 35 Branch offices throughout the country and has clear mission of accelerating the national economic development.(Source: DBE(2018/19).Annual Financial Report).

1.2. STATEMENT OF THE PROBLEM;

The goal of every organization is to make high productivity, profit (especially if it is a profit-oriented organization), and render good quality of services. These goals can be realized only with employees' efforts, supports and contributions. This is because employees are partly responsible for the achievement of organization's goals and strategy. However, when these employees do not believe in and want to accept to remain in the organization, the aims and objectives of the organization might not be achieved.

According to Robert_L._Mathis and_John_H._Jackson (2010) retention of employees is a part of HR staffing and planning efforts. One of the basic roll of Human resource is to analyzing and identifying the need of availability of staffs to achieve organizational objectivity. It also considers the availability and allocation of people to jobs over long periods of time, not just for the next month or even the next year. However, what was once a bothersome detail has become a substantial HR issue for many employers. Thus, organizations are being forced to study why employees leave and why they stay. Sometimes an individual in the HR area is assigned to specifically focus on retention to ensure that it receives high priority.

According to Myths and reality about retention are, keeping good employees is a challenge that all organizations share and that becomes even more difficult as labor markets change. Unfortunately, some myths have arisen about what it takes to retain employees. Some of the most prevalent myths and realities are. Money, Hiring has little to do with retention, If you train people, you are only training them for another employer, Do not be concerned about retention during organizational change and If solid performers want to leave, the company cannot hold them.(Robert L. Mathis,2010).

According to (Allen, 2008), in SHRM foundation Guide to Analyzing and Managing Turnover "Turnover matters for three key reasons: it is costly, it affects a business's performance and it may become increasingly difficult to manage." Employee departures affect organizations in terms of measurable financial costs as well as intangible knowledge-based and productivity costs.

According to Ivanovich, A. and Collin, P. London: 3rd (2006), employee retention is the process of keeping employees on the staff and not losing them to rival firms. Ensuring that the organization is perceived as being 'a great place to work' means that it becomes an 'employer of choice', i.e. one for whom people want to work. There is a desire to join the

organization and once there, to want to stay. Employees are committed to the organization and engaged in the work they do. To acquire a national, even a local reputation as a good employer takes time. But it's worth the effort (Armstrong, 2006). The need for committing employees to an organization is very crucial and to do so companies use various employee retention strategies to increase their belongingness.

Robert_L._Mathis,_John_H._Jackson, (2010), found that the most common factors that caused satisfactory employees to quit their jobs were unhappiness with management, limited career advancements and recognition, insufficient pay and benefits, and job boredom, there are six driving of retention employees: (1) Organizational and Management Factors, (2) Rewards: Compensation, Benefits, and Performance, The tangible rewards that people receive for working come in the form of pay, incentives, and benefits. (3) Employee-Supervisor Relationships, Work relationships that affect employee retention include supervisory/management support and coworker relations. (4) Career Training and Development, Many employees in all types of jobs consistently indicate that organizational efforts to aid their career training and development can significantly affect employee retention. (5) Job and Work-Life, Many individuals have seen a decline in job security during the past decade and (6) Employer Policies and Practices A final set of factors found to affect retention is based on the employer relations policies that exist. Such areas as the reasonableness of HR policies, the fairness of disciplinary actions, and the means used to decide work assignments and opportunities all affect employee retention.

The actual reasons that people stay or leave vary according to job groupings, industry and organizational issues, geographical global aspects, and other factors. A survey of Robert_L._Mathis,_John_H._Jackson, (2010) found that the most common factors that caused satisfactory employees to quit their jobs were unhappiness with management, limited career advancements and recognition, insufficient pay and benefits, and job boredom. This survey illustrates that many of the factors involved in retention drivers are organizational and management factors within the employer's control.

Currently in the public and private banks in Ethiopia, there are various monetary and non-monetary employee retention programs such as succession plan, training and development opportunities, compensation and reward systems, carrier development opportunities, medical benefits, emergency staff loan, personal loan, housing loan, automobile loan...etc. However, these retention programs and policies tend to become a bone of contention in more ways than one instead of becoming a reason to revitalize employees' commitment to the company. From

the preliminary study conducted, the researcher has found some indicators of problems. It is assumed that employees have not yet fully benefited from such policies for various reasons ranging from barriers for immediate eligibility to lengthy and bureaucratic processes with less or no emphasis on the employees prevailing circumstances' ,organizational commitment are not utilized as per the policy of the organizations, work environment makes the strongest unique contribution. Thus, the present study is an attempt to cover this information gap concerned with the root causes of HR retention policy on employees' organizational commitment.

1.3. BASIC RESEARCH QUESTIONS;

In order to deal with the issue stated in the above problem statement, the following research questions have been addressed:

- 1) What are the HR retention policies and programs currently implement in the public and private banks?
- 2) What are the eligibility criteria of the staff retention policy on both private and public banks?
- 3) What is the management of the organization expecting to gain out from the current implementation of employee retention policies in the public and private bank?
- 4) How to enhance employee retention policy for realizing organizational commitment in public and private banks?

1.4. OBJECTIVES OF THE STUDY:

1.4.1. GENERAL OBJECTIVE;

The general objective of this study is to assess if the staff retention policies of the bank have helped in securing employees' organizational commitment and to assess if the expectation of the organization to revitalize employees' commitment as a result of the staff retention programs has resulted in a favorable outcome in the case private and public banks.

1.4.2. SPECIFIC OBJECTIVES;

The following are specific objectives of the study:

- 1) To assess and compare HR retention policies and programs currently implement in the public and private banks?
- 2) To assess and compare the eligibility criteria of the staff retention policy on both private and public banks?

- 3) To assess and compare the management of the organization`s expectation as an output of employee retention policies being implemented in the public and private banks?
- 4) Assessment and comparison of employee retention policy for realizing organizational commitment in public and private banks?

1.5 Research Hypotheses:

Hypothesis of the study stand on theories and empirical findings related to factors of employee retention. The primary function of the organization is, to measure the level of HR retention policy on employees' organizational commitment. Therefore, this study has tested the following hypotheses:

- H1: Compensation positively affects retention of employees' on organizational commitment
H01: Compensation has no effect on retention of employees' on organizational commitment
H2: Job security positively affects retention of employees' on organizational commitment
H02: Job Security has no effect on retention employees' on organizational commitment
H03: Training and Development has no effect on organizational commitment
H3: Training and Development positively affects retention of employees' on organizational commitment
H4: Supervisor Support culture positively affects retention of employees' on organizational commitment
H04: Supervisor Support Culture has no effect retention of employees' on organizational commitment.
H5: Work Environment positively affects retention of employees 'on organizational commitment.
H05: Work Environment has no effect retention of employees on organizational commitment
H6: Organizational Justice positively affects retention of employees' on organizational commitment.
H06: Organizational Justice has no effect retention of employees' on organizational commitment.

1.6. Significance of the study:

This study will give an overall insight concerning about employee retention programs and their effect on employees' organizational commitment. It has also tried to assess the gap between the management's perceived and the actual result as an outcome of the said programs. In addition, the study was able to paint a clear picture of the actual effect of those retention programs on organizational commitment and might insight other interested

researchers to take the case and conduct an extensive research so as to develop a tailored employee retention programs that will best work with the socio-economic make up of the environment.

1.7. Scope of the Study:

This study were undertaken to compare and assess HR retention policy on organizational commitment .Therefore this study is to assess if the staff retention policies of the bank have helped in securing employees' organizational commitment and to assess if the expectation of the organization to revitalize employees' commitment as a result of the staff retention programs has resulted in a favorable outcome in the case private and public banks.

1.8. LIMITATION OF THE STUDY:

The study is limited to the effect of retention policies on employees' organizational commitment in the case of selected employees of public and some private banks that are found at Head Office Level, district and branches in Addis Ababa. Due to limited resources, some respondents failed to complete the questionnaire on time, time constraints and geographical dispersion of the respondents, the researcher has focused on the said bank's retention programs and its effect on its employees' organizational commitment.

1.9. ORGANIZATION OF THE RESEARCH REPORT:

This research paper is divided in to five chapters. Chapter one deals with the research Introduction, background the study, statement of the problem, basic research questions, objectives of the study, definition of used terms, significance of the study, and scope of the study. Chapter two deals with detailed literature review related to the employee retention mechanisms and organizational commitment .Chapter three deals with methodology of the study and analysis of the collected data. Chapter four deals with the results of the analyzed data in chapter three and discussions is carried out accordingly. And finally, in Chapter five the conclusion and recommendation is presented.

CHAPTER TWO

LITERATURE REVIEW

In this section various literatures in relation with the basic premise of this study are reviewed so as to draw a clear theoretical framework of the subject matter. Accordingly, the distinct meaning and features of employee retention and employees organizational commitment are elaborated in detail.

2.1. THEORETICAL BACKGROUND:

Employee retention and employees organizational commitment has different theoretical background and as such both are discussed as follows:

2.1.1. EMPLOYEE RETENTION:

Retention is the ability to hold onto those employees you want to keep, for longer than compared to your competitors (Johnson, 2000 as cited by Fatima, 2011). Retention is considered as multifaceted component of an organization's human resource policies. It begins with the hiring of right people and persists with working agendas to keep them involved and devoted to the organization (Freyermuth, 2004 as cited by Fatima, 2001)

Retention is a voluntary move by an organization to create an environment, which engages employees for long term (Samuel and Chipunza, 2009). The main purpose of retention is to prevent the loss of competent employees from the organization as this could have adverse effect on productivity and service delivery. However, retention of high performing employees has become more challenging for managers as this category of employees frequently move from one job to another as they are being attracted by more than one organization at a time.

According to Armstrong &C (2006), employee retention is the process of keeping employees on the staff and not losing them to rival firms. Ensuring that the organization is perceived as being 'a great place to work' means that it becomes an 'employer of choice', i.e. one for whom people want to work. There is a desire to join the organization and once there, to want to stay. Employees are committed to the organization and engaged in the work they do. To acquire a national, even a local reputation as a good employer takes time. But it's worth the effort (Armstrong, 2006)

Market pay and market supplements are the first resort of firms wishing to attract and retain high-quality people. 'Golden hellos' and 'golden handcuffs' (recruitment and retention

bonuses) may be used for this purpose but there is more to attracting and retaining people than simply throwing money at them (Armstrong, 2004).

According to an article written (Kotze, K. & Roodt, G. 2005), Veldsman proposed a model to explain the relationship of various factors that affect the propensity of an employee to stay or leave an organization. According to the figure depicted here under, an individual in the first instance has certain views regarding his/her organization as an Employer of Choice (EoC) which affects his/her decision to join and stay with the company.

2.1.1.1. Factors that affect the retention of employees:

The factors that affect retention of employees have to be managed and must therefore be identified. Such factors are clustered into three categories as described in the Veldsman model are : factors pertaining to organizational climate and culture, factors pertaining to job satisfaction, and factors pertaining to employee well-being as discussed here under..

2.1.1.1.1. Factors pertaining to organizational climate:

Organizational climate is defined as an enduring characteristic of an organization which embodies the members' collective perceptions about their organization with respect to dimensions such as trust, cohesiveness, support, recognition, innovation and fairness. It also reflects the prevalent norms, values and attitudes and the organization's culture (Moran & Volkwein, 1992, p. 20). The following studies have linked retention to organizational climate:

Employees are more likely to leave if they perceive a lack of clear direction on the part of management. An international survey spanning 50 countries and 330 companies revealed that 74% of dissatisfied employees feel that their company has no clear sense of direction, compared to 43% of satisfied employees. It would appear that companies are less adept at marketing themselves to their employees than they are at selling the company to other stakeholders (Hay, 2002).

Level of control over work environment: Lok and Crawford (1999) found a significant positive correlation between commitment and the level of control over the work environment. Control in this context refers to the employee's freedom or ability to influence or manipulate the work environment.

Lok and Crawford (1999) also found a significant positive correlation between commitment and innovative and supportive subcultures. In this context, an organizational subculture refers to the culture in a section, team or department, which is often different to the greater organizational culture. In the same study, a negative correlation was found between

commitment and a bureaucratic subculture. The Markinor (2003) study also pointed out that commitment levels to a team or department are stronger than to the company, strengthening the argument that “employees quit a boss, not a company”.

Employees’ reaction to “the war-for-talent mindset”: Demby (2002) reported that many top-performing companies are obsessed with talent and are endlessly recruiting and dismissing as many top performers as they can. Many companies believe that bringing in people from outside the company is necessary for high performance. An unintended negative consequence of this mindset was that newly recruited people, supposedly with the sought-after talent, were viewed as being superior to existing staff in the company. As a result, the “institutional type of employee” (the loyal career type who wants to stay in the company) started to believe that the only way to get ahead was to leave to move from company to company. In this sense, “being loyal” became negative.

2.1.1.1.2. Factors pertaining to job satisfaction:

Job satisfaction is a result of employees’ perceptions of how well their jobs provide in those qualities that they perceive as important (Luthans, 1998, p. 44). A strong correlation, and in fact a causal relationship between job satisfaction, employee commitment and retention, has been established in several studies to date, as reported by Roland et al (1996). The following specific factors pertain to job satisfaction and its relationship to retention:

Udo and Tor-Guimaraes (1997) found that significant indirect influences on the intention to stay were job satisfaction, job involvement, task characteristics and role stressors.

The second-highest factor contributing to high turnover according to Hay’s international study

(2002) is that employees are “unhappy with their boss”. In fact, 74% of those who planned to stay were happy with their managers, compared to 41% of those planning to leave.

In a landmark study by the Gallup Organization that includes interviews with 1 million employees and 80 000 managers, it emerged that people leave managers, not companies. This suggests that if a turnover problem exists, first look at the organization’s managers (Taylor, 2002).

Satisfaction of higher-order needs: The study of Lok and Crawford (1999) confirmed the strong positive correlation between commitment and higher-order needs, or intrinsic factors as per Maslow’s Hierarchy of Needs Theory and Herzberg’s Theory of Motivation. Examples of higher-order needs as per Lok and Crawford’s study (1999) referred to the level of control

over the working environment, the amount of interaction, acceptance by co-workers, the level of professionalism, praise received from colleagues and leader as well as feedback.

Asymmetric information: Sigler (1999) stated that insufficient information on and communication about the employee's performance may complicate the employer's endeavor to retain productive employees. Without adequate information, an employer may not be able to distinguish between productive and non-productive employees. Therefore, productive workers cannot distinguish themselves from non-productive workers and are not rewarded accordingly.

2.1.1.1.3. Factors pertaining to employee well-being

Warr (1990) described affective well-being as the emotional state of employees within their total work setting as being either predominantly negative or positive on 3 principal axes: (a) anxious – contented, (b) enthusiastic – depressed and (c) pleased – displeased.

Having established the relationship between employee satisfaction and retention in the previous section, it is important to note that Roland et al (1996) found that employee satisfaction is largely driven by satisfaction with managerial processes related to employee well-being. These processes include supervision, benefits, work design and work environment. The following specific factors pertain to employee well-being and its relationship to retention:

Skills and talent development: This proved to be the most significant retention factor in an international study, as reported by Hay (2002). Another significant factor that emerged from this study is managers who fail to take an interest in staff's career development. Both these factors were found to have a profound effect on the emotional well-being of employees in their work situation. Closely associated with skills and talent development is the opportunity to learn new skills. According to Hay's international study (Hay, 2002), only 38% of those planning to leave were satisfied with the current opportunities to learn new skills. The Markinor South African employee relations survey (Markinor, 2003) also pointed out that development of a long-term career is a major driver of employee loyalty. Therefore, many employees feel trapped in a narrow job function with little scope for development. This trapped feeling was also found to have a profound effect on the emotional well-being of employees.

The P-E Corporate survey in which 800 South African companies participated, reported that the main reason for leaving an employer was the prospect of better pay and better working

conditions. Amongst skilled staff, 23% of those who quit left for better pay. This accounted for about 19% of staff resigning at lower levels (Westcott, 2003).

According to a study by Walker Information spanning 31 countries, what employees want (i.e. the top drivers for employee loyalty) is fair treatment, care/concern and trust, and better communication. The South African leg of this survey revealed the same result (Markinor, 2003). Yet, as reported by Taylor (2002), a retention study by the Society of Human Resource Management shows that what employers give employees instead, are better benefits and more competitive compensation - i.e. commodities. This is according to Taylor (2002) a problem of alignment not giving what employees want.

2.1.1.2. Retention strategy:

According to Armstrong (2006), a retention strategy takes into account the particular retention issues the organization is facing and sets out ways in which these issues can be dealt with. This may mean accepting the reality, as mentioned by Cappelli (2000), that the market, not the company will ultimately determine the movement of employees. Cappelli believes that it may be difficult to counter the pull of the market ‘you can’t shield your people from attractive opportunities and aggressive recruiters’, and suggests that: ‘The old goal of HR management, to minimize overall employee turnover, needs to be replaced by a new goal: to influence who leaves and when.’ This, as proposed by Bevan et al (1997), could be based on risk analysis to quantify the seriousness of losing key people, or of key posts becoming vacant

2.1.1.3. Risk analysis:

Risk analysis can be carried out initially by identifying potential risk areas, the key people who may leave and, for each of them as individuals or groups, estimating: the likelihood of this occurring, how serious the effects of a loss would be on the business, the ease with which a replacement could be made and the replacement costs.

Each of the estimates could be expressed on a scale, say: very high, high, medium, low, very low. An overview of the ratings under each heading could then indicate where action may need to be taken to retain key people or groups of people.

2.1.1.4. Analysis of reasons for leaving:

Risk analysis provides specific information on areas for concern. More generally, some indication of the reasons for leaving and therefore where action needs to be taken may be provided by exit interviews, but they are fallible. More reliance can be placed on the results of attitude or opinion surveys to identify any areas of dissatisfaction. The retention plan

should propose actions that would focus on each of the areas in which lack of commitment and dissatisfaction can arise.

2.1.1.5. Areas for action:

Depending on the outcome of the risk analysis and the overall assessment of reasons for leaving, the possible actions that can be taken are as follows:

Deal with uncompetitive, inequitable or unfair pay systems. But as Cappelli (2000) points out, there is a limit to the extent to which people can be bribed to stay. Remember that while money might attract, you can't buy love. It is often other things that get people to stay (how they are treated).

Design jobs to maximize skill variety, task significance, autonomy, control over their work and feedback, and ensure that they provide opportunities for learning and growth. Some roles can be 'customized' to meet the needs of particular individuals.

Develop commitment to the work (job engagement) not only through job design but also by organizing work around projects with which people can identify more readily than the company as a whole.

Encourage the development of social ties within the company. In the words of Cappelli (2000), 'loyalty to companies may be disappearing but loyalty to colleagues is not'.

Ensure that selection and promotion procedures match the capacities of individuals to the demands of the work they have to do. Rapid turnover can result simply from poor selection or promotion decisions, Reduce the losses of people who cannot adjust to their new job – the 'induction crisis' – by giving them proper training and support when they join the organization, Take steps to improve work-life balance by developing policies including flexible working that recognize the needs of employees outside work and Eliminate as far as possible unpleasant working conditions or the imposition of too much stress on employees.

2.1.2. EMPLOYEES ORGANIZATIONAL COMMITMENT:

In addition to feelings of satisfaction or dissatisfaction, employees may develop feelings of attachment or commitment toward the organization in which they are employed. As with satisfaction or dissatisfaction, a strong case can be made that the tendency to develop attachment or commitment ties extends far beyond the workplace. For example, people

commit to each other through marriage and other forms of kinship. Many people also faithfully commit themselves to activities such as exercising, institutions such as churches, and political ideologies such as democracy. Given these vast numbers of commitments, it is not surprising that employees also develop feelings of commitment and attachment toward the organizations in which they work (Jex, 2002:133).

According to Armstrong (2009), Commitment refers to attachment and loyalty. It is associated with the feelings of individuals about their organization. As defined by Porter et al (1974), commitment is the relative strength of the individual's identification with, and involvement in, a particular organization. The three characteristics of commitment identified by Mowday et al (1982) are: a strong desire to remain a member of the organization, a strong belief in and acceptance of the values and goals of the organization, a readiness to exert considerable effort on behalf of the organization.

An alternative, although closely related, definition of commitment emphasizes the importance of behavior in creating commitment. As Salancik (1977) put it: 'Commitment is a state of being in which an individual becomes bound by his actions to beliefs that sustain his activities and his own involvement.' Three features of behavior are important in binding individuals to their acts: the visibility of the acts, the extent to which the outcomes are irrevocable, and the degree to which the person undertakes the action voluntarily. Commitment, according to Salancik, can be increased and harnessed 'to obtain support for organizational ends and interests' through such ploys as participation in decisions about actions.

2.1.2.1. Developing a commitment strategy

According to Armstrong (2009), a commitment strategy will be based on the high-commitment model. It will aim to develop commitment using, as appropriate, approaches such as those described below. When formulating the strategy, account should be taken of the reservations and too much should not be expected from it. The aim will be to increase identification with the organization, develop feelings of loyalty amongst its employees, provide a context within which motivation and therefore performance will increase, reduce employee turnover, and increase job satisfaction. But too much should not be expected from campaigns to increase commitment the level of which is influenced by many factors that cannot always be manipulated as the organization would wish. It is naïve to believe that 'hearts and minds' campaigns to win commitment will transform organizational behavior overnight.

Steps to create commitment will be concerned with both strategic goals and values. They may include initiatives to increase involvement and ‘ownership’, communication, leadership development, developing a sense of excitement in the job, and developing various HR policy and practice initiatives.

2.1.2.1.1. Developing ownership

Commitment, a sense of belonging, is enhanced if there is a feeling of ‘ownership’ among employees: not just in the literal sense of owning shares (although this can help) but in the sense of believing they are genuinely accepted by management as key stakeholders in the organization.

This concept of ‘ownership’ extends to participating in decisions on new developments and changes in working practices that affect the individuals concerned. They should take part in making those decisions and feel that their ideas have been listened to and that they have contributed to the outcome.

2.1.2.1.2. Communication programs

It may seem to be strikingly obvious that commitment will only be gained if people understand what they are expected to commit to. But management too often fail to pay sufficient attention to delivering the message in terms that recognize that the frame of reference for those who receive it is likely to be quite different from their own. Management’s expectations will not necessarily coincide with those of employees. Pluralism prevails. And in delivering the message, the use of different and complementary channels of communication such as newsletters, briefing groups, videos, notice boards, etc is often neglected.

2.1.2.1.3. Leadership development

Commitment is enhanced if managers can gain the confidence and respect of their teams, and development programs to improve the quality of leadership should form an important part of any strategy for increasing commitment. Management training can also be focused on increasing the competence of managers in specific areas of their responsibility for gaining commitment, e.g. performance management.

2.1.2.1.4. Developing HR practices that enhance commitment

The policies and practices that may contribute to the increase of commitment are learning and development, career planning, performance management, reward management, work–life balance policies and job design. Engagement strategies will create feelings of excitement in the job and therefore commitment.

2.1.2.2. The contribution of HR to developing commitment

The HR function can play a major part in developing a high-commitment organization. The 10 steps it can take are: advice on methods of communicating the values and aims of management and the achievements of the organization so that employees are more likely to identify with it as one they are proud to work for, emphasize to management that commitment is a two-way process; employees cannot be expected to be committed to the organization unless management demonstrates that it is committed to them and recognizes their contribution as stakeholders, impress on management the need to develop a climate of trust by being honest with people, treating them fairly, justly and consistently, keeping its word, and showing willingness to listen to the comments and suggestions made by employees during processes of consultation and participation, develop a positive psychological contract by treating people as stakeholders, relying on consensus and cooperation rather than control and coercion, and focusing on the provision of opportunities for learning, development and career progression, advise and assist on the establishment of partnership agreements with trade unions that emphasize unity of purpose, common approaches to working together and the importance of giving employees a voice in matters that concern them, recommend and take part in the achievement of single status for all employees (often included in a partnership agreement) so that there is no longer an 'us and them' culture, encourage management to declare a policy of employment security and ensure that steps are taken to avoid involuntary redundancies, develop performance management processes that provide for the alignment of organizational and individual objectives, advise on means of increasing employee identification with the company through rewards related to organizational performance (profit sharing or gain sharing) or employee share ownership schemes enhance employee engagement, ie identification of employees with the job they are doing, through job design processes that aim to create higher levels of job satisfaction (job enrichment)

2.1.2.3. Development of Organizational Commitment

According to Jex (2002), most researchers have approached this issue by examining the development of each of the three bases of commitment proposed by Meyer and Allen (1991). If one considers affective commitment, a logical supposition might be that employees will tend to develop this type of commitment if they perceive that the organization is being supportive and/or treating them in a fair manner (Meyer & Allen, 1991). In fact, research has shown that affective commitment is positively related to variables such as perceived organizational support (POS) and procedural justice. POS simply represents the extent to

which the organization is seen as helpful to the employee; in effect, it is “on the employee’s side”.

Another factor that may impact the development of affective commitment is whether the organization is seen as a source of rewarding outcomes. Research has shown, for example, that a positive relationship exists between affective commitment and variables such as job scope, participative decision making, job autonomy, and perceived competence (Meyer & Allen, 1997).

One way to interpret such findings is based on a belief that employees develop feelings of affective commitment if they see the organization as a place where they feel they are important and competent.

Another way some researchers have sought to explain affective commitment is through behavioral commitment and retrospective sense making. Put differently, one might say that employees develop feelings of affective commitment as a retrospective mechanism to justify their tenure in the organization and the level of effort they have expended on its behalf. In general, retrospective explanations of affective commitment have met with very limited support.

However, as Meyer and Allen (1997) point out, this mechanism is quite subtle and thus may be very difficult to test empirically.

Compared to affective commitment, explaining the development of continuance commitment is much more straightforward. Most explanations of continuance commitment rely on H. Becker’s (1960) notion of “side bets” as a mechanism committing one to a course of action. If, for example, a person has wagered a bet that he or she would lose 20 pounds over the next six months, this would commit the person to that course of action. When this concept is applied to the workplace, we can see very clearly that, over time, employees accumulate a number of “side bets” that commit them to their current employer. For example, the accrual of seniority means that employees may be entitled to special benefits or privileges. If the employee were to leave and work for another employer, such benefits would be forfeited. Also, many employees develop numerous social relationships with their coworkers, and these bonds help to facilitate feelings of belonging and comfort. These feelings would be forfeited in a switch to another employer.

Another proposed determinant of continuance commitment is the extent to which employees perceive other viable alternatives to the present employer. The word “perceive” is italicized because it really doesn’t matter whether actual alternatives exist; the important thing is an employee’s perceptions. Perceptions of alternatives may be impacted by things in the

environment, such as the unemployment rate, but may also be affected by other, more subjective factors. For example, an employee's perception of his or her overall competence, level of training, and mobility will all enter into the perception of alternatives. As one might guess, continuance commitment will tend to be higher among employees who perceive few alternatives to the present employer.

Compared to affective and continuance forms of commitment, much less is known about the development of normative commitment. According to Meyer and Allen (1997), personal characteristics and the nature of an employee's transactions with the organization may impact the development of normative commitment. At a personal level, individuals may differ in terms of whether their early socialization emphasized the development of strong loyalty and a sense of moral obligation to their employer. They also point out that the organization may attempt to instill in employees, during the initial socialization process, a strong sense of moral obligation to the organization.

Perhaps the most powerful determinant of normative commitment is ultimately the manner in which an organization treats its employees. When employees enter an organization, an implicit agreement, or a psychological contract, exists between them and the organization (e.g., Schein, 1980). A psychological contract essentially represents an employee's perceptions of what he or she feels is reasonable treatment as a member of the organization. One would assume that normative commitment is highest when an employee perceives the organization as honoring its end of the psychological contract. More research, however, is needed before more conclusions can be drawn about the development of this form of commitment.

2.1.2.4. Correlates of Organizational Commitment

As with job satisfaction, researchers and managers are interested in organizational commitment largely because of its relationship with other variables. In this section, we briefly review evidence on the relationship between organizational commitment and attitudinal variables, absenteeism, turnover, and performance.

2.1.2.4.1. Attitudinal Variables:

Given Meyer and Allen's (1991) distinction among affective, continuance, and normative commitment, the correlates of each of these forms of commitment are examined separately. Compared to affective commitment, less empirical work has examined the relation between attitudinal correlates of either continuance or normative commitment (Meyer & Allen, 1997).

Based on the little evidence that is available, however, it appears that continuance commitment is correlated with many of the same variables as affective commitment, yet there are some important differences. Mathieu and Zajac (1990), for example, found that affective commitment was more strongly related to job satisfaction and job involvement than was continuance commitment. Given the dearth of research on normative commitment, very little can be concluded about its relation with other attitudinal variables.

2.1.2.4.2. Absenteeism:

Compared to attitudinal correlates, much less evidence exists on the relation between each form of organization commitment and absenteeism. Based on the assumption of organizational policy, frequent absenteeism would be met with negative consequences. With respect to normative commitment, frequent absenteeism would seem to be inconsistent with commitment based on a strong moral obligation toward one's employing organization. Given the little research that is available, both of these possibilities await examination in future research

2.1.2.4.3. Employee Turnover:

With the nature of organizational commitment, considerably more evidence exists on the relation among all three forms of commitment and turnover, compared to other outcomes. As might be expected, research has generally shown a negative relation among all three forms of commitment and turnover (Allen & Meyer, 1996; Mathieu & Zajac, 1990). The fact that all forms of commitment are negatively associated with turnover would appear to be a positive thing for organizations. However, this may not be true in some cases. For example, consider an employee who remains in an organization primarily because he or she has a high level of continuance commitment. Is this necessarily good for the organization, or even for the employee? Such an individual may adopt an attitude of doing the bare minimum and may be very unhappy in his or her job. The same may be true for an employee who remains in an organization primarily out of a sense of moral obligation (e.g., normative commitment).

2.1.2.4.4. Job Performance:

Much research over the years has investigated the relation between organizational commitment and job performance. In general, affective commitment has been shown to be positively related to job performance, although the magnitude of this relation is not strong (Mathieu & Zajac, 1990; Meyer & Allen, 1997). Determining the mechanisms behind these relations is difficult, however, because these studies have used a wide variety of performance criterion measures. For example, some have used supervisors' ratings of overall performance (e.g., Konovsky & Cropanzano, 1991), others have used objective indexes such as cost

control (e.g., Shim & Steers, 1994), and others have utilized self-ratings of performance (e.g., Baugh & Roberts, 1994). One commonality among these studies, however, is that the relation between affective commitment and performance is mediated by employees' effort. Employees who possess high levels of affective commitment tend to work harder and exert more effort than employees who possess lower levels of affective commitment. In some cases, this higher level of effort will translate into higher levels of performance, although this is not always the case (J. Campbell, 1990, 1994).

This link between affective commitment and effort suggests that commitment is positively related to performance when employees possess adequate ability, when performance is primarily determined by motivation, and when employees have some level of control over performance.

This explains why researchers have generally found that affective commitment predicts organizational citizenship behavior (OCB) better than in-role performance (Meyer & Allen, 1997; Organ & Ryan, 1995). Since OCB is largely motivationally based, employees have greater control over it than they do over in-role performance.

Compared to affective organizational commitment, considerably less research has examined the performance-related implications of either continuance or normative commitment. Meyer and Allen (1997) point out; however, that most of the available empirical research has shown that neither of these forms of commitment is strongly related to either in-role performance or OCB.

Furthermore, it is difficult to come up with a conceptual justification for why they would be related to performance. For example, there is no reason why continuance commitment would prompt an employee to exert high levels of effort or go appreciably beyond his or her required job duties.

It is somewhat more plausible that high levels of normative commitment would engender high levels of effort toward organizational goals. One can also make an equally plausible counter argument that commitment based on employees' feelings of obligation will not necessarily lead to greater levels of effort on behalf of the organization. To the contrary, one can even imagine that an employee who feels compelled to remain in an organization out of a sense of obligation may even grow to resent that organization and perhaps be compelled to engage in counterproductive behaviors

2.1.2.5. Factors affecting commitment

According to Armstrong (2009), Kochan and Dyer (1993) have indicated that the factors affecting the level of commitment in what they call ‘mutual commitment firms’ are as follows:

Strategic level: supportive business strategies, top management value commitment and effective voice for HR in strategy making and governance.

Functional (human resource policy) level: staffing based on employment stabilization, investment in training and development and contingent compensation that reinforces cooperation, participation and contribution.

Workplace level: selection based on high standards, broad task design and teamwork, employee involvement in problem solving and a climate of cooperation and trust.

2.2. EMPIRICAL EVIDENCES:

To see the relationship and the nature of both organizational citizenship behavior and organizational commitment, the student researcher has gone through various literatures and the following empirical research is believed to demonstrate that there is little difference between the two.

2.2.1. RELATIONSHIP BETWEEN ORGANIZATIONAL COMMITMENT AND CITIZENSHIP BEHAVIOR

According to an empirical research conducted by Rehan M. & Islam T (2013), under the title of “*Relationship between organizational commitment and citizenship behavior*”, the relationship between Organizational Citizenship Behavior (OCB) and Organizational Commitment (OC) has been empirically tested via their respective dimensions.

According to Organ, D.W. (1988), Organizational Citizenship Behavior (OCB) is defined as, “an individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in the aggregate promotes the effective functioning of the organization. It has three distinct dimensions:

Altruism: is the willingness of an employee to help the co-worker into their work and also the selflessness of an employee towards his organization.

Conscientiousness: refers to discretionary behaviors that go beyond the basic requirements of the job in terms of obeying work rules, attendance, and job performance. In other words, conscientiousness means the scrupulous obedience to organizational rules and procedures, even when no one is watching.

Civic Virtue: refers to behaviors that demonstrate a responsible concern for the image and wellbeing of the organization. At a very general level, organizational commitment can be

thought of as the extent to which employees are dedicated to their employing organization and are willing to work on its behalf, and the likelihood that they will maintain membership (Jex, 2002:P133). Accordingly, organizational commitment also has three distinct dimensions:

Affective Commitment: an affective or emotional attachment to the organization such that the strongly committed individual involves and enjoys membership in the organization

Normative Commitment: refers to perceived obligation of the employees to remain with the organization.

Continuance Commitment: refers to commitment based on the costs that the employee associates with leaving the organization.

Organizational commitment (OC) for many years has been identified as an important factor to understand the relationships between the employee and the employer. Organizational commitment is one of the important factors which contribute to foster Organizational citizenship behavior. An employee's organizational commitment is positively related to organizational citizenship behavior. Results of previous researches show that commitment is the predictive of organizational citizenship behavior because it significantly impacts on OCB. The present study was an attempt to find the relationship between dimensions of organizational commitment (i.e. affective, normative and continuance) and key determinants of organizational citizenship behavior (i.e. altruism, Conscientiousness and civic virtue). Some important findings of the study are that, all the dimensions of organizational commitment significantly correlate with the key determinants of organizational citizenship behavior. The employees having emotional attachment with their organizations and want to continue with the organizations, not only put their efforts to lift up the organization but also help their co workers. Thus an organization should win the commitment of its key employees to have positive image globally.

2.2.2. FACTORS AFFECTING EMPLOYMENT RETENTION: EVIDENCE FROM LITERATURE REVIEW

According to an empirical research conducted by Irshad M., under the title "Factors Affecting Employment Retention: Evidence from Literature Review", the researcher describes the relationship between human resource practices and employees retention in a given organization.

The research reviews relevant literature to identify elements of HR practices that influence employee retention. Over the past decade, the way in which people are managed and

developed at work has come to be recognized as one of the primary factors in achieving improvement in organizational performance.

According to Irshad (2012), from literature review it is recognized that human resource management play pivotal role in employee's retention. Researcher's finds that human resource management practices in compensation & rewards, job security, training & developments, supervisor support culture, work environment and organization justice can help to reduce absenteeism, employee retention and better quality work.

The review of the literature finds HR practices are the most important and valuable means that influence employee's retention in any organization. Some of the specific findings in this regard are:

Compensation, reward and recognition play a key role in employee's motivation which leads to employee's retention in the organization.

In the area of organization fit (employee personal value match), organization culture play important role in employee retention. Family support and flex time culture is consider significant factor in employee retention.

Similarly training and development was found motivating factor which leads to retention and career development was also associated with employee retention and was found important influencing factor in employee retention in the organization.

Job security, also, has significant relation with employees' retention and consider as important factor in employee retention.

In the area of work environment found that it is key factor in employee retention, it is also found that employee leave the job due to work environment.

Organizational justice (distributive justice and procedural justice) also play pivotal role in employee retention, it is reveled from study that, if organization want to retain their prowess employees, organization must fallow fairness formula.

2.3. CONCEPTUAL FRAMEWORK

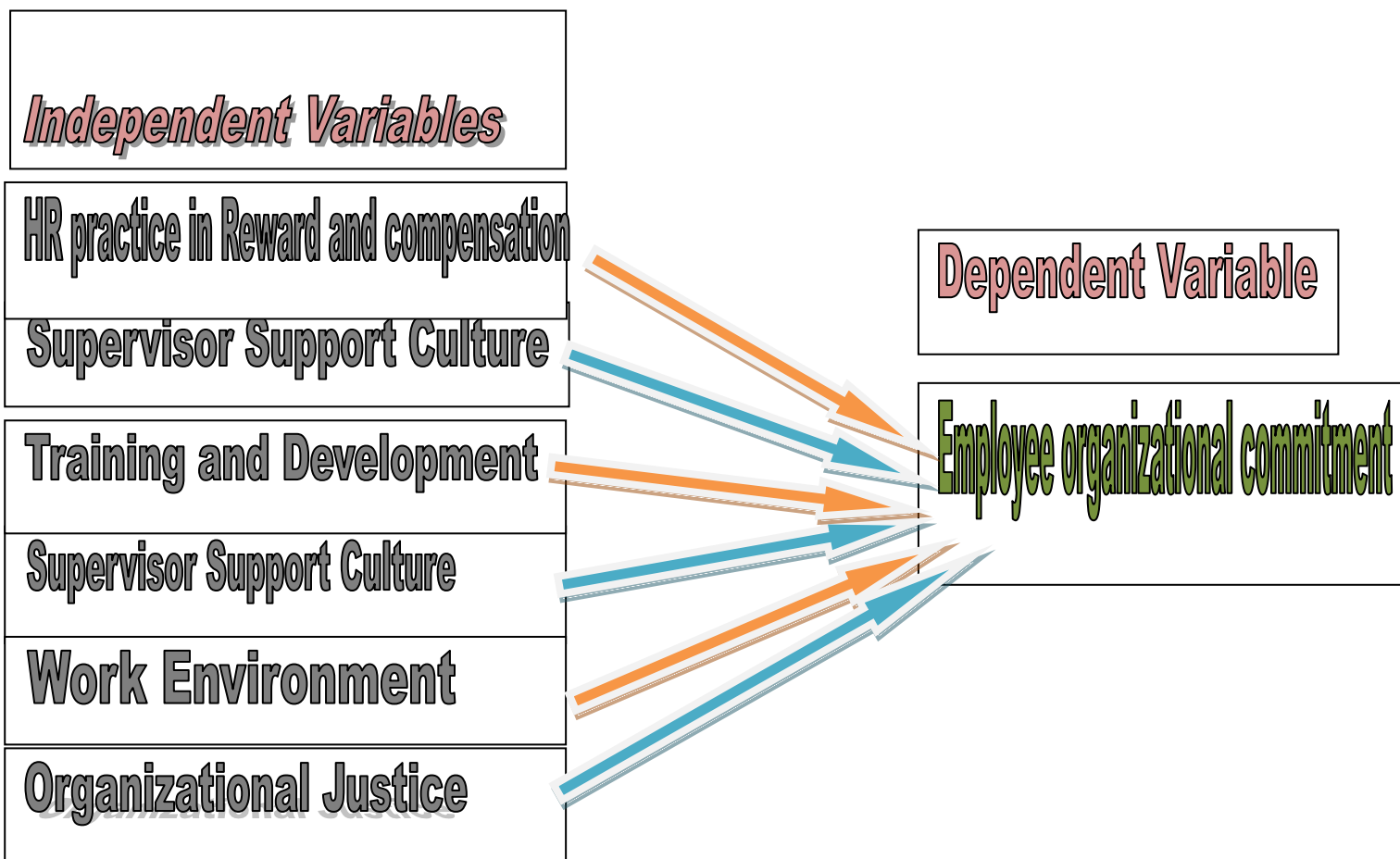
This conceptual framework is developed as per the above empirical research conducted by Irshad M. (2012). Accordingly, employees' retention programs are normally designed to boost the organizational commitment intent buried deep down in every employee given that all employees are assumed to have something to bring to the table as long as their tenure in the organization continues. Hence, by introducing meaningful and current retention programs, the company will benefit from the continued and unwavering service of its employees that are committed not only to get to the office in time and leave late, but be

engaged to contribute something that will become meaningful and worth a while to the company.

The overall conceptual frame work for this particular research revolves around the effect of the independent variables on the dependent variable in the case of my subject companies. Factors that affect employees' retention programs such as HRM practices in compensation & rewards, job security, training & developments, supervisor support culture, work environment, and organization justice are assumed to be independent variables whereas employees' organizational commitment in its affective, continuance, and normative forms is the dependent variable as depicted hereunder:

FIGURE -1 RELATION SHIP BETWEEN DEPENDANT AND INDEPENDENT VARIABLES

Source: (Rehan, M. & Islam, T. 2013.)



2.4. HYPOTHESIS:

According to Robert Half International (2010), the most common factors that caused satisfactory employees to quit their jobs were unhappiness with management, limited career advancements and recognition, insufficient pay and benefits, and job boredom. This survey

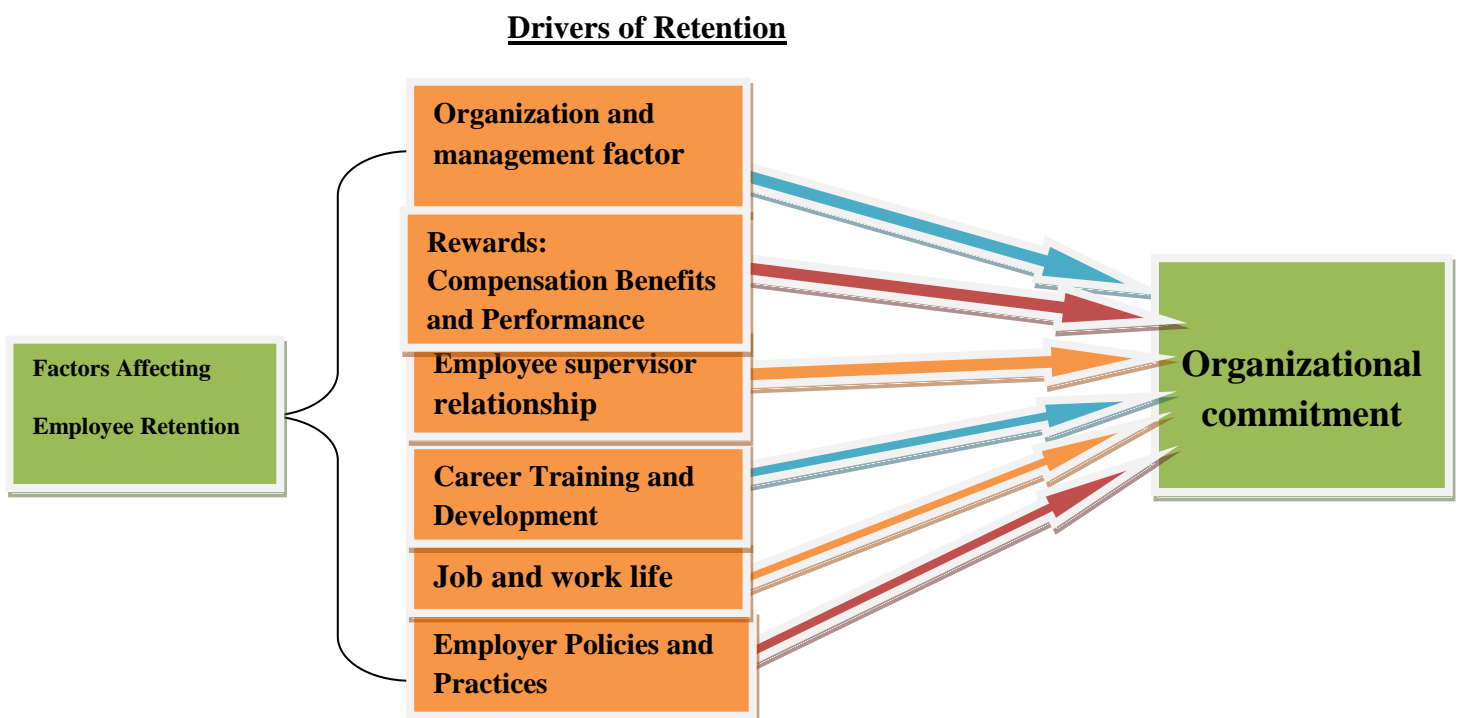
illustrates that many of the factors involved in retention drivers are organizational and management factors within the employees control.

According to Torrington (2005), there are basically six measures that have been shown to have a positive effect on employee retention: Pay, Managing expectations, Induction, Family-friendly HR practices, Training and development, improving the quality of line management.

According to (Rober L. Jounsen H. 13th edition), there are also six significant factors affecting employment retention: HRM practices in compensation & rewards, job security, training & developments, supervisor support culture, work environment and organization justice. These six factors for retention can help reduce absenteeism, employee retention and better quality work.

Thus, these six retention factors have also been used as driving factors for organizational commitment as depicted hereunder:

FIGURE -2 FACTORS AFFECTING EMPLOYEE RETENTION



Source (Robert L. Mathis, John H. Jackson, (2010) p(165)

Accordingly, based on the above six employee retention factors, the following hypotheses are formulated:

H1: Compensation positively affects retention of employees' on organizational commitment

H01: Compensation has no effect on retention of employees' on organizational commitment

H2: Job security positively affects retention of employees' on organizational commitment

H02: Job Security has no effect on retention employees' on organizational commitment

H3: Training and Development positively affects retention of employees' on organizational commitment

H03: Training and Development has no effect on organizational commitment

H4: Supervisor Support culture positively affects retention of employees' on organizational commitment

H04: Supervisor Support Culture has no effect retention of employees' on organizational commitment

H5: Work Environment positively affects retention of employees 'on organizational commitment.

H05: Work Environment has no effect retention of employees on organizational commitment

H6: Organizational Justice positively affects retention of employees' on organizational commitment.

H06: Organizational Justice has no effect retention of employees' on organizational commitment.

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

In this section the research design and methodology will be discussed in detail so as to paint a clear road map on how the study will be carried out and the instruments that are used in data collection & analysis. It also illustrates how the population is analyzing in order to reach at a valid sample size that is believed to represent the population.

3.1. RESEARCH DESIGN:

The general purpose behind this study is to quantitatively and qualitatively scrutinize the effect of retention policies on overall employee commitment. To investigate the degree of employee retention provision in governmental and private banks as perception of employees.

The research is carried out using descriptive and inferential survey research design so as to explain what currently exists and also to draw conclusion from the statistical analysis. According to Tayie (2005), a descriptive survey attempts to picture or document current conditions or attitudes, that is, to describe what exists at the moment. This research design is chosen because of its resource economy nature and its proven validity and reliability.

Accordingly, the design used to conduct this research is descriptive and inferential survey research design. Descriptive study was used to assess the factor of employee retention provision as perceived by the selected public and private banks. To this effect, various factors that have an effect on employee retention and that are also drivers of organizational commitment have been examined. According to (Kohtari, 2004), the major purpose of descriptive research is description of the state of affairs, as it exists at present.

3.2. POPULATION AND SAMPLING:

The population for this particular study is all permanent professional employees of Awash bank Dashen bank and Wegagen Bank. The researcher selected three banks from seventeen private banks randomly in terms of the leading and prior formation of private banks in Ethiopia and Commercial bank of Ethiopia and Development bank of Ethiopia from public banks, the whole data collected from the report of 2018/19 fiscal period. The researcher specifically also selected randomly branches from Mexico area , Megenagna area and Merkato area in terms of high service capacity interaction of employee with their customers as per the 2018/19 annual reports of HR from the selected banks, the collection data that includes department directors, all levels of managers, all levels of accountants, branch auditors, senior customer service officers (SCSO), Customer service officers (CSO), and

junior bankers (JB).The researcher selected branches from Awash bank, Dashen bank Wegagen bank and CBE about Mexico area, Balcha Abanebso branch , Mexico branch , Africa Andinet Branch and Safarian Branchs respectively ,In the area of Megegnagna, Megegnagna branches, for all banks ,from Merkato area , Military tera branch, Sebategna branch, Merkato branch and Sebategna branch respectively and finally the research collect data for only from Head office branch of DBE (Development bank of Ethiopia) ,From the selected branches the total population describes from private bank branches (204) two hundred four and Two hundred sixteen (216) from public banks branches. Then researcher should have total population 420 (four hundred twenty).

Samples are selected using a special type of Cluster Sampling known as Area Sampling. According to C.R. Kothair (2004: P65), If the total area of interest happens to be a big one, a convenient way in which a sample can be taken is to divide the area into a number of smaller non-overlapping areas and then to randomly select a number of these smaller areas (usually called clusters), with the ultimate sample consisting of all (or samples of) units in these small areas or clusters.

TABLE 1: POPULATION DESCRIPTION EMPLOYEES OF PRIVATE AND GOVERNMENTAL ORGANIZATION (MARCH 31, 2018/19) G.C

Location Category	Positions Category																Total Population		
	Managerial				Professional				Clerical				Non Clerical						
Located in Addis Ababa	Private		Government		Private		Government		Private		Government		Private		Government				
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total
		22	10	20	9	56	25	49	21	65	28	68	30	8	20	18	26	306	169
	32		29		81		70		93		98		28		44		475		
Total	61				151				191				72				475		475

Detailed Description of Population as per employee profile of Private and Governmental banks maintained as at March 31, 2019 G.C:

Accordingly, based on the above size of the population, sample size will be determined using Slovin's sampling formula:

(Source: <https://dheeman.wordpress.com/2017/01/31/how-to-use-slovins-formula-2/>)

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

Where: n = Number of Sample

N = Total Population and

e = Error Tolerance

According to HR data collected from the banks as of March 31, 2019, the population data collected from the selected private and Governmental bank branches had a total of 475 employees out of which 72 employees are found to be non-clerical, 28 employees has below

provision period of service in both private and governmental banks. The banks have its Owen policy which states that, all employees' needs to serve the bank to complete the provision period so as to be eligible for some kinds of employee retention programs there by rendering them null and void for this particular research. Accordingly, the population will automatically become 375 employees.

Therefore:

The confidence level is assumed to be 95%, so error tolerance for the research is 0.05 Sample size $(n) = 375 / (1 + 375 * 0.0025) = 194$ participants have been taken as sample size with 95% estimated response rate

This shows that about 51.73% of the target population has been included in the sample.

The total questionnaire that needs to be distributed 204 which are found by dividing the total sample size with the estimated response rate.

The student researcher used a two staged sampling for this particular study. Samples are selected using a special type of Cluster Sampling known as Area Sampling. According to C.R. Kothair (2004: P65), If the total area of interest happens to be a big one, a convenient way in which a sample can be taken is to divide the area into a number of smaller non-overlapping areas and then to randomly select a number of these smaller areas (usually called clusters), with the ultimate sample consisting of all (or samples of) units in these small areas or clusters. If clusters happen to be some geographic subdivisions, in that case cluster sampling is better known as area sampling. In other words, cluster designs, where the primary sampling unit represents a cluster of units based on geographic area, are distinguished as area sampling.

After the area sampling, the sample was put under a systematic sampling which yielded in the final participants of the study. In some instances, the most practical way of sampling is to select every i^{th} item on a list. Sampling of this type is known as systematic sampling. An element of randomness is introduced into this kind of sampling by using random numbers to pick up the unit with which to start (C.R. Kothair, 2004). Accordingly, branches' of the bank are taken as clusters and the head office is taken as the last cluster. Hence, the sample distribution incorporates all clusters as an individual unit which then went through a systematic sampling to determine the final sample.

TABLE 2: SAMPLE SIZE AND DISTRIBUTION OF QUESTIONNAIRE

S.No.	Position Category	Target Population (Private)	Target Population (Government)	Sample Size (Private)	Sample Size (Government)	Allocated Questionnaire
1	Managerial	26	25	14	14	29
2	Professional	70	70	15	15	32
3	Clerical	102	102	68	68	143
Total		395		194		204

Sample size distribution for each position category is made by multiplying percentage of target population that has been included in the sample. Target population included in the sample is 50.4%. Questionnaire allocation is calculated by dividing each sample category by the estimated response rate. E.g. $28/0.95 = 29$

3.3. SOURCE OF DATA:

This study mainly relied on data which was obtained from two different sources namely: Primary data and secondary data .The primary data is collected using a questioner from the employees of the selected public and private banks found in Addis Ababa.

Secondary data was obtained from the report of the selected banks annual report by considering the report of National Bank of Ethiopia due to the roll of independent body and authority of controlling all financial sectors.

3.4. INSTRUMENTS OF DATA COLLECTION:

The close ended questionnaires have two parts. The first one being demographic data such as gender, age category, educational level...etc and the other, a five point likert scale that will have five different levels of conformity; strongly agree, agree, neutral, disagree, and strongly disagree. The questionnaires will be adopted from Allen & Meyer (1990) commitment scale items and from various previous post graduate theses. According to Kothair C.R. (2004), the method of collecting information through personal interviews involve through the use of a set of predetermined questions.

3.5. PROCEDURES OF DATA COLLECTION:

Hard copies of the questionnaire were distributed to selective big Addis Ababa branches and departments.

Despite the fact that the five banks have a quit number of branches operating in Addis Ababa for this research were selected a total of twelve branches. Nine branches from private banks and Three branches from public banks of CBE and head office of DBE are considered as a representative of banks .Hence the following area of branches were choose by convenient way for the researcher. Mexico area, Megenagn area and Merkato area of Addis Ababa Branches and Head office of development bank of Ethiopia because no more of branches have in Addis Ababa.

3.6. METHODS OF DATA ANALYSIS:

Descriptive statistics was used to analyze the collected data via questionnaire. SPSS version 20 is used to analyze the data to analyze the data. Various statistical tools such as arithmetic mean of constructs, correlation, and multiple regressions are also used to analyze the effect of the independent variables on the dependent variable (organizational commitment).

3.7. VALIDITY AND RELIABILITY

According to Kotair (2004, P:5), a measuring instrument is reliable if it provides consistent results. The reliability of the construct items were evaluated using Cronbach’s coefficient alpha.

The result of the reliability test exceeds the minimum acceptable cut-off point. One of the most commonly used indicators of internal consistency is Cronbach’s alpha coefficient. Ideally, the Cronbach alpha coefficient of a scale should be above 0.7 (Pallant, 2005). All measures used to construct the instruments have shown acceptable level of construct and content validity in previous studies and are used in this study with subtle change.

All measures used to construct the instruments have shown acceptable level of construct and content validity in previous studies and are used in this study with subtle change. The constructs are adapted from Allen & Meyer (1990) commitment scale items and from a previous (2013 G.C) post graduate thesis conducted by Ahmed Mohammednur under the title “*The effect of Total reward on Employees’ Engagement: The Case of South Wollo Agriculture Extension Workers*”

TABLE 3: RELIABILITY STATISTICS

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.821	.825	48

3.8. ETHICAL CONSIDERATION

The student researcher has maintained all ethical code of conduct while collecting and analyzing data. Informed consents of the participants, required level of anonymity, and equal consideration of collected responses were upheld throughout the process regardless of the personal opinion of the researcher.

CHAPTER FOUR

DATA ANALYSIS

To conduct this research a total of 204 (194 sample plus 10 reserve) questionnaire were distributed and a total of 184 (90.2%) were properly filled and returned from both private and governmental banks. Furthermore, an interview session was held with human resource department staffs. Accordingly, to illustrate the analysis in a sensual manner, first the demographic analysis will be presented followed by inferential statistics and report on interview questions.

4.1. DEMOGRAPHIC COMPOSITION OF RESPONDENTS

The demographical make up of the sample are analyzed and tabulated hereunder in a manner that paints a clear mental picture as to what the majority inclines to.

TABLE 4: GENERAL DEMOGRAPHIC DATA OF RESEARCH RESPONDENTS FROM PRIVATE AND GOVERNMENTAL BANKS,

Vs	Category	Frequency(private)	Frequency(Gov.)	Percent(private)	Percent(Gov.)	Percent (Total=private + Gov)	Cumulative Percent
Gender	Male	49	56	27.0	30.1	57.1	57.1
	Female	42	37	22.8	20.1	42.9	100.0
Educational Level	Diploma	22.1	23.9	12	13	25.0	19.1
	Bachelor of Art	70	65	38.0	35.3	73.3	98.4
	Masters	2	1	.01	.005	1.6	100.0
Age Category	Under 25 Years of Age	11	8	5.9	4.4	10.3	10.3
	25 – 35 Years of Age	61	74	33.3	40.3	73.6	83.7
	36 – 45 Years of Age	7	10	3.8	5.4	9.2	92.9
	46 Years & Above	5	8	2.8	4.3	7.1	100.0
Year of Service	<2 Year	1	2	.01	.005	1.6	1.6
	2 – 5 Years	61	54	33.1	29.3	62.5	64.1
	5 - 10 Years	12	15	6.5	8.2	14.7	78.8
	>10 Years	15	24	8.2	13.0	21.2	100.0
Position Category	Clerical	14	17	7.6	9.2	16.8	16.8
	Professional	63	70	34.3	38.0	72.3	89.1
	Managerial	8	12	4.3	6.5	10.9	100.0

According to the above table, 57.1 percent of the respondents are male and the remaining 42.9 percent appears to be female respondents out of the total 184 research subjects. From

their educational achievements, 25.0 percent have diploma, 73.3 percent have bachelor of art, and 1.6 percent have masters' degree. Furthermore, 10.3 percent of the respondents are under 25 years of age, 73.4 percent are between the age of 25 and 35, 9.2 percent falls between the age of 36 and 45, the remaining 7.1 percent of respondents are 46 years of age and above. This demographic composition shows that the banks has a younger and educated work force with a commendable gender balance that can be put to better use so as to enhance organizational performance.

The above table also shows that, 1.6 percent of respondents have worked for less than two years, 62.5 percent of the participants fall under 2 to 5 years of service period, 14.7 percent has served the bank from 5 to 10 years, and the remaining 21.2 percent has worked for over 10 years. This shows that, the majority of the banks employees have a service period between two to five years which implies that the bank needs to work on how to retain its work force since it is assumed that employees with this level of service period are in an early stage of developing organizational commitment.

From the above Table 4, we can see that 16.8 percent of the respondents work in various clerical positions, 72.3 percent works as professional employees, and the rest 10.9 percent of the study participant serves the bank on various managerial posts ranging from branch manager to division managers. The level of professional employees in the bank are high which implies that with few training and development programs, employees can be brought up to the organization's service

4.2. DATA ANALYSIS

In this section various statistical data analysis tools such as mean, correlation, and regression are used to analyze the collected data. Accordingly, detail of the analysis is presented as follows:

4.2.1. MEAN OF INDIVIDUAL CONSTRUCTS:

TABLE 5: ARITHMETIC MEAN OF INDIVIDUAL CONSTRUCTS

Construct Items	N Total (P and G)	N (private)	N (Government)	Mean (Pri.)	Mean (Gov.)	Std. Deviation (Pri)	Std. Deviation (Gov.)
Compensation	184	93	91	2.65	2.75	.564	.594
Job Security	184	93	91	3.07	3.15	.605	.608
Training and Development	184	93	91	3.10	3.12	.678	.680
Supervisor Support	184	93	91	2.66	2.69	.623	.625
Work Environment	184	93	91	2.70	2.75	.645	.643
Organizational Justice	184	93	91	2.85	2.87	.636	.638
Organizational Commitment	184	93	91	2.75	2.78	.458	.462
Valid N (list wise)							

The above descriptive statistics clearly depicts the corresponding arithmetic mean and standard deviation of every construct totals (total of every individual categorical construct). Thus, the private and governmental organization of compensation categorical total has a mean of 2.65 and a standard deviation of 0.564 and mean of 2.75 and a standard deviation of 0.594 respectively, job security categorical total has a mean of 3.07 and a standard deviation of 0.605 and a mean of 3.15 and a standard deviation of 0.608 respectively, training and development categorical total has a mean of 3.10 and a standard deviation of 0.678 and a mean of 3.12 and a standard deviation of 0.680 respectively, supervisor support culture categorical total has a mean of 2.66 and a standard deviation of 0.623 and a mean of 2.69 and a standard deviation of 0.625 respectively, work environment categorical total has a mean of 2.70 and a standard deviation of 0.645 and a mean of 2.75 and

a standard deviation of 0.643 respectively, organizational justice categorical total has a mean of 2.85 with a standard deviation of 0.636 and a mean of 2.87 and a standard deviation of 0.638 , and finally organizational commitment categorical total has a mean of 2.75 with a standard deviation of 0.458 and a mean of 2.78 and a standard deviation of 0.462 which shows that employees level of commitment of the organization are below the average cut-off point of three.

This analysis of mean deviation constructs that, with the exception of job security and training and development, all other constructs have a mean value less than the average standard. Accordingly, it implies that the employees of the bank in general are not happy with their compensation scheme, don't feel that they are supported enough by their respective supervisors, are not happy with the work environment, don't think that they are being treated fairly and equitably, and thus are not committed to the organization.

4.2.2. CORRELATION ANALYSIS

According to Pallant (2005), correlation analysis is used to describe the strength and direction of the linear relationship between two variables. In this analysis, Bivariate Pearson Product-Moment Coefficient (r) has been used to see the relationship between the dependent and independent variables. Pearson product-moment coefficient is designed for interval level (continuous) variables (Pallant, 2005).

TABLE 6: PEARSON CORRELATIONS (PRIVATE)

Constructs	1	2	3	4	5	6	7
Organizational Commitment	1 184						
Compensation	.411** .000 184	1					
Job security	.366** .000 184	.324** 1 000 184	1				
Training and Development	.489** 000 184	.259** .000 184	.323** .000 184	1			
Supervisor Support Culture	.456** .000 184	.109** .000 184	.192** .000 184	.391** .000 184	1		
Work Environment	.528** .000 184	.383** .000 184	.187* .000 184	.436** .000 184	.404** .000 184	1	
Organizational Justice	.509** .000 184	.536** .000 184	.179* .000 184	.394* .000 184	.381** .000 184	.557** .000 184	1

N.B: **. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Accordingly, as can easily be inferred from the above Pearson correlation table, organizational commitment (the dependant variable) has a strong and positive relationship with the various independent variable constructs such as compensation, job security, training and development...etc. Hence compensation ($r=.411$, $P<0.01$), job security ($r=.366$, $P<0.01$), training and development ($r=.489$, $P<0.01$), supervisor support culture ($r=.456$, $P<0.01$), work environment ($r=.528$, $P<0.01$), and organizational justice($r=.509$, $P<0.01$) are significantly and positively correlated with organizational commitment in the case company.

Thus, any corresponding change in the independent variables such as increase on compensation, improved supervisory support, improvement in the working environment...etc will have a positive and very strong relative impact on the dependent variable. However, if the changes in the individual independent constructs are not in a positive manner, then its effect on the dependent variable will be negative.

TABLE 7: PEARSON CORRELATIONS (GOVERNMENT)

Constructs	1	2	3	4	5	6	7
Organizational Commitment	1 184						
Compensation	.399** .000 184	1					
Job security	.381** .000 184	.374** 1 000 184	1				
Training and Development	.470** 000 184	.229** .000 184	.356** .000 184	1			
Supervisor Support Culture	.430** .000 184	.119** .000 184	.172** .000 184	.371** .000 184	1		
Work Environment	.550** .000 184	.333** .000 184	.181** .000 184	.421** .000 184	.416** .000 184	1	
Organizational Justice	.531** .000 184	.526** .000 184	.175* .000 184	.374* .000 184	.388** .000 184	.567** .000 184	1

N.B: **. Correlation is significant at the 0.01 level (2-tailed).

*. Correlation is significant at the 0.05 level (2-tailed).

Accordingly, as can easily be inferred from the above Pearson correlation table, organizational commitment (the dependant variable) has a strong and positive relationship with the various independent variable constructs such as compensation, job security, training and development...etc. Hence compensation ($r=.399$, $P<0.01$), job security ($r=.381$, $P<0.01$), training and development ($r=.470$, $P<0.01$), supervisor support culture ($r=.430$, $P<0.01$), work environment ($r=.550$, $P<0.01$), and organizational justice($r=.531$, $P<0.01$) are significantly and positively correlated with organizational commitment in our case company.

Thus, any corresponding change in the independent variables such as increase on compensation, improved supervisory support, improvement in the working environment...etc will have a positive and very strong relative impact on the dependent variable. However, if the changes in the individual independent constructs are not in a positive manner, then its effect on the dependent variable will be negative.

4.3. HYPOTHESIS TESTING

To test the hypothesis, simple linear regression F-value test and multiple regression analysis are used.

4.3.1. LINEAR REGRESSION ANALYSIS

Linear regression analysis is used to measure the statistical significance of the effect of each individual independent variable on the dependent variable through F and P value. This measurement is made by inferring the value of R^2 to explain the magnitude of the effect of the independent variable on the dependent variable. Here below depicted and explained are the linear regression of various independent and dependent variables.

4.3.1.1. Compensation and Organizational Commitment (private organization)

TABLE 8: REGRESSION TABLE FOR COMPENSATION AND ORGANIZATIONAL COMMITMENT ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	6.471	1	6.471	37.092	.000 ^b
1 Residual	31.753	182	.174		
Total	38.224	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Compensation

According to the above table 8, the relationship between compensation and organizational commitment is significant ($P < 0.01$). F value, which is the ratio of variance between groups and variance within groups, is well above 1 (if F value is close to 1, it implies that the null hypothesis is accepted). Accordingly, the null hypothesis which states that compensation has no effect on employees' organizational commitment is rejected.

4.3.1.2. Compensation and Organizational Commitment (Governmental Organization)

TABLE 9: REGRESSION TABLE FOR COMPENSATION AND ORGANIZATIONAL COMMITMENT ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	6.471	1	6.471	37.092	.000 ^b
Residual	31.753	182	.174		
Total	38.224	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Compensation

According to the above table 9, the relationship between compensation and organizational commitment is significant ($P < 0.01$). F value, which is the ratio of variance between groups and variance within groups, is well above 1 (if F value is close to 1, it implies that the null hypothesis is accepted). Accordingly, the null hypothesis which states that compensation has no effect on employees' organizational commitment is rejected.

4.3.1.3. Job Security and Organizational Commitment (private organization)

TABLE 10: REGRESSION TABLE FOR JOB SECURITY AND ORGANIZATIONAL COMMITMENT ANOVAa

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.091	1	5.091	27.283	.000 ^b
Residual	33.959	182	.187		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Compensation

According to the above table 10, the relationship between job security and organizational commitment is significant ($P < 0.01$). F value, which is the ratio of variance between groups and variance within groups, is well above 1 (if F value is close to 1, it implies that the null

hypothesis is accepted). Accordingly, the null hypothesis which states that job security has no effect on employees' organizational commitment is rejected.

4.3.1.4. Job Security and Organizational Commitment (Governmental Organization)

TABLE 11: REGRESSION TABLE FOR JOB SECURITY AND ORGANIZATIONAL COMMITMENT.
ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.091	1	5.091	27.283	.000 _b
Residual	33.959	182	.187		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Compensation

According to the above table 11, the relationship between job security and organizational commitment is significant ($P < 0.01$). F value, which is the ratio of variance between groups and variance within groups, is well above 1 (if F value is close to 1, it implies that the null hypothesis is accepted). Accordingly, the null hypothesis which states that job security has no effect on employees' organizational commitment is rejected.

4.3.1.5. Training and Development and Organizational Commitment (private Organization)

TABLE 12: REGRESSION TABLE FOR TRAINING & DEVELOPMENT AND ORGANIZATIONAL COMMITMENT
ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.091	1	5.091	27.283	.000 _b
Residual	33.959	182	.187		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

As can be seen from the above table 12, there is a significant relationship between training & development and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the null hypothesis which states that training and development has no effect on employees' organizational commitment is rejected.

4.3.1.6. Training and Development and Organizational Commitment (Governmental Organization)

TABLE 13: REGRESSION TABLE FOR TRAINING & DEVELOPMENT AND ORGANIZATIONAL COMMITMENT

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.091	1	5.091	27.283	.000 _b
1 Residual	33.959	182	.187		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

As can be seen from the above table 13, there is a significant relationship between training & development and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the alternate hypothesis which states that training and development has no effect on employees' organizational commitment is rejected.

4.3.1.7. Supervisor Support Culture and Organizational Commitment (private Organization)

TABLE 14: REGRESSION TABLE FOR SUPERVISOR SUPPORT CULTURE AND ORGANIZATIONAL COMMITMENT

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	8.050	1	8.091	47.259	.000 _b
1 Residual	31.000	182	.170		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

As can be observed from the above table 14, there is a significant relationship between supervisor support culture and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the alternate hypothesis (H_o) which states that supervisor support culture has no effect on employees' organizational commitment is rejected.

4.3.1.8. Supervisor Support Culture and Organizational Commitment (Governmental Organization)

TABLE 15: REGRESSION TABLE FOR SUPERVISOR SUPPORT CULTURE AND ORGANIZATIONAL COMMITMENT

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	5.091	1	5.091	27.283	.000 _b
1 Residual	33.959	182	.187		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

As can be observed from the above table 15, there is a significant relationship between supervisor support culture and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the alternate hypothesis (H_o) which states that supervisor support culture has no effect on employees' organizational commitment is rejected.

4.3.1.9. Work environment and Organizational Commitment (private Organization)

TABLE 16: REGRESSION TABLE FOR WORK ENVIRONMENT AND ORGANIZATIONAL COMMITMENT

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	10.551	1	10.551	67.385	.000 _b
1 Residual	28.498	182	.157		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

It can be observed from the above table 16 that there is a significant relationship between work environment and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the null hypothesis (H_0) which states that work environment has no effect on employees' organizational commitment is rejected.

4.3.1.10. Work environment and Organizational Commitment (Governmental Organization)

TABLE 17: REGRESSION TABLE FOR WORK ENVIRONMENT AND ORGANIZATIONAL COMMITMENT

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	10.551	1	10.551	67.385	.000 _b
Residual	28.498	182	.157		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

It can be observed from the above table 17 that there is a significant relationship between work environment and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the null hypothesis (H_0) which states that work environment has no effect on employees' organizational commitment is rejected.

4.3.1.11. Organizational Justice and Organizational Commitment (Private Organization)

TABLE 18: REGRESSION TABLE FOR ORGANIZATIONAL JUSTICE

ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	9.889	1	9.889	61.719	.000 _b
Residual	29.161	182	.160		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

It can be observed from the above table 18 that there is a significant relationship between organizational justice and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded

that the null hypothesis (H_0) which states that organizational justice has no effect on employees' organizational commitment is rejected.

4.3.1.12. Organizational Justice and Organizational Commitment (Governmental Organization)

TABLE 19: REGRESSION TABLE FOR ORGANIZATIONAL JUSTICE ANOVA_a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	9.889	1	9.889	61.719	.000 _b
Residual	29.161	182	.160		
Total	39.050	183			

a. Dependent Variable: Organizational Commitment

b. Predictors: (Constant), Training and Development

It can be observed from the above table 19 that there is a significant relationship between organizational justice and organizational commitment ($P < 0.01$, $F > 1$). Hence, it is concluded that the null hypothesis (H_0) which states that organizational justice has no effect on employees' organizational commitment is rejected.

4.3.1.13. Summary of Hypothesis Testing for both Private and Governmental organization)

TABLE 20: SUMMARY OF HYPOTHESIS TESTING

Hypothesis Type	Result
1 (H_{01}) Compensation does not affect employees' retention on organizational commitment	Rejected
2 (H_{02}) Job security has no effect on employees' retention on organizational commitment	Rejected
3 (H_{03}) Training and Development has no effect on organizational citizenship	Rejected
4 (H_{04}) Working environment conditions has no effect on employees' retention on organizational commitment	Rejected
5 (H_{05}) Supervisor support culture has no effect on employees' retention on organizational commitment	Rejected
6 (H_{06}) Organizational justice has no effect on employees' retention on	Rejected

4.3.2. MULTIPLE REGRESSION ANALYSIS

Multiple regressions is not just one technique but a family of techniques that can be used to explore the relationship between one continuous dependent variable and a number of independent variables or predictors (usually continuous). Multiple regressions is based on correlation, but allows a more sophisticated exploration of the interrelationship among a set of variables (Pallant, 2005).

TABLE 21: MODEL SUMMARY FOR MULTIPLE REGRESSIONS (PRIVATE ORGANIZATION)

Model Summary b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.690a	.476	.458	.336

a. Predictors: (Constant), Organizational Justice, Job Security, Supervisor Support Culture, Training and Development, Compensation, Work Environment

b. Dependent Variable: Organizational Commitment.

As shown in the above table the six independent variables such as compensation, job security, training and development...etc explains 48% ($R^2 = .476$) of the dependent variable (Organizational Commitment). This suggests that 48% of employees' retain in the organizational commitment level in the bank clearly depends on the independent variables while the remaining 52% is determined by other unaccounted factors.

TABLE 22: MODEL SUMMARY FOR MULTIPLE REGRESSIONS (GOVERNMENTAL)

Model Summary b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.706a	.498	.488	.366

a. Predictors: (Constant), Organizational Justice, Job Security, Supervisor Support Culture, Training and Development, Compensation, Work Environment

b. Dependent Variable: Organizational Commitment.

As shown in the above table the six independent variables such as compensation, job security, training and development...etc explains 49.8% ($R^2 = .498$) of the dependent variable

(Organizational Commitment). This suggests that 49.8% of employees' retain in the organizational commitment level in the bank clearly depends on the independent variables while the remaining 50.02% is determined by other unaccounted factors.

TABLE 23: COEFFICIENTS FOR SIX INDEPENDENT VARIABLES (PRIVATE)
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.642	.178		3.616	.000
Compensation	.108	.056	.134	1.951	.053
Job Security	.122	.045	.162	2.692	.008
Training and Development	.118	.044	.175	2.676	.008
Supervisor Support Culture	.149	.047	.203	3.193	.002
Work Environment	.147	.050	.206	2.936	.004
Organizational Justice	.105	.054	.147	1.944	.053

a. Dependent Variable: Organizational Commitment

Using the above table 21, we can now compare the relative contribution of each of the different variables by taking the beta value under the standardized coefficients. The reason why we took the value of beta under the standardized coefficients is that the values for each variable are converted to the same scale so that it can be compared. The higher the beta value, the strongest its contribution becomes. Accordingly, work environment (Beta=.206) makes the strongest unique contribution to explaining the dependent variable followed by supervisor support culture (B=.203), then training and development (B=.175). On the other hand, compensation, organizational justice, and job security are the list contributors to explaining the dependent variable with beta values of (.134, .147, .162) respectively.

When we see the statistical significance of each variable from the above coefficients table 4-21, Job security (Sig. = .008), training and development (Sig. = .008), supervisor support culture (Sig. = .002), and work environment (Sig. = .004) have a statistically significant contribution (Sig<.05) for the prediction of the dependent variable while compensation (Sig=.053) and organizational justice (Sig. = .053) does not make any significant prediction.

TABLE 24: COEFFICIENTS FOR SIX INDEPENDENT VARIABLES(G)Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.662	.168		3.416	.000
Compensation	.110	.054	.130	1.851	.050
Job Security	.112	.041	.142	2.482	.007
Training and Development	.125	.049	.175	2.756	.009
Supervisor Support Culture	.152	.052	.210	3.091	.003
Work Environment	.150	.050	.219	2.826	.003
Organizational Justice	.107	.051	.157	1.833	.050

a. Dependent Variable: Organizational Commitment

Using the above table 24, we can now compare the relative contribution of each of the different variables by taking the beta value under the standardized coefficients. The reason why we took the value of beta under the standardized coefficients is that the values for each variable are converted to the same scale so that it can be compared. The higher the beta value, the strongest its contribution becomes. Accordingly, work environment (Beta=.219) makes the strongest unique contribution to explaining the dependent variable followed by supervisor support culture (B=.210), then training and development (B=.175). On the other hand, compensation, organizational justice, and job security are the list contributors to explaining the dependent variable with beta values of (.130, .157, .142) respectively.

When we see the statistical significance of each variable from the above coefficients table 4-22, Job security (Sig. = .007), training and development (Sig. = .009), supervisor support culture (Sig. = .003), and work environment (Sig. = .003) have a statistically significant contribution (Sig<.05) for the prediction of the dependent variable while compensation (Sig=.050) and organizational justice (Sig. = .050) does not make any significant prediction.

4.4. ANALYSIS OF INTERVIEW QUESTIONS

To assess the overall retention programs that the organizations currently offers to its permanent employees and to see its corresponding effect on employees' organizational commitment as an outcome and also to further investigate the managements expectation out of the employee retention programs, the student researcher has prepared a set of structured interview questions that were administered face to face with one human resource administrators. To create rapport, the interviewee were communicated in advance and were asked for a convenient time to conduct the interview and it was done from the comfort of their office on the agreed upon time.

For the sake of convenience and to avoid any redundancy of responses, the interview report is narrated by the student researcher hereunder:

4.4.1. INTERVIEW QUESTION ONE

Does the bank have any retention programs extended to its employees?

When all the interviewee were asked if the bank had an employee retention program extended to its employees, all interviewees' said yes without a moment of hesitation. Thus, it's been confirmed that the bank does have employee retention programs.

4.4.2. INTERVIEW QUESTION TWO

What employee retention programs does the bank currently practice?

All the interviewees were asked the kind of employee retention programs that the bank currently offers and their answers are exhaustively summarized as follows:

1. Attractive Salary
2. Benefit Packages (Bonus, Allowances, Company Vehicles for managerial posts ... etc)
3. Medical Expense Coverage (Domestic Only)
4. Various Loans (Emergency Staff Loan, Consumer Loan, Housing Loan ... etc)
5. Training and Developments (both in house and outsourced)

4.4.3. INTERVIEW QUESTION THREE

What are the eligibility criterions so as to benefit from such retention programs?

When all the interviewee was asked about the basic criterion for eligibility, they answered the question in three parts based on the length of service in the bank. The first one being employees who has served the bank for less than six months, for over six months, and the rest for over a year.

Employees who have a service period less than six months will benefit from attractive salary, benefit packages (depending on their respective position), and a 100% local medical expense coverage. On the other hand, employees who have served the bank for over six months but under a year are eligible to all the benefits in addition to emergency staff loan. For those employees who have a service period over a year, all retention programs are available subjected to applicable rules and regulations.

4.4.4. INTERVIEW QUESTION FOUR

What is the management expecting to gain out of the current practice of employee retention programs being implemented in the bank?

All the interviewees' was asked about the management's expectation from the current retention programs that are being practiced and their answers are summarized as follows:

1. To retain valuable employees in the bank
2. To gain HR competitive advantage in the banking industry
3. To remain competent in the ever changing labor market
4. To become employer of choice
5. To curb turnover rate
6. To reinforce positive attitude in the minds of employees' about their company

4.5. CONSOLIDATED RESULTS OF QUANTITATIVE AND QUALITATIVE DATA ANALYSIS:

As the arithmetic mean of the descriptive statistics shows compensation, supervisor support culture, work environment, organizational justice, and organizational commitment are below average while other factors such as job security and training & development are slightly above average which clearly shows that the bank has a long way to go in regards to securing employees organizational commitment. Moreover, the analysis has further shown that there is a strong and positive correlation among the dependent and the independent variable to the extent that the independent variables explain 48% of the dependent variable.

On the other hand, from the interview report we have seen that the management of the bank expects to retain valuable employees, gain HR competitive advantage, become employer of choice, manage rate of employee turnover, and implant a great company image in the minds of the employees' as a result of the offered employee retention programs despite all procedural barriers that range from eligibility criterion to lengthy process.

Accordingly, the prevailing employees' level of commitment and the management's expectation to harness the benefit appears to be on two different extremes. However, in order

for the programs result and the managements expectation to align, this seemingly opposite state of affairs needs to be pulled to come together so that both individual level and corporate level objectives can be converted into one and the same focal point i.e. bottom line.

4.6. DISCUSSION

This study set out to describe the current situation as it exists in relation to the specific objectives of the research. In view of that, the first objective of this study was to review retention programs, related policies, and eligibility criterion being implemented in the bank. Accordingly, the bank offers various retention programs such as attractive salary, benefit packages, medical Expense Coverage, various loans, training and developments with eligibility criterion depending on the service period of each employee.

The second objective that this study set out to assess was the management's desired outcome as a result of the current practice of employee retention programs. Accordingly, the management expects to retain valuable employees, gain HR competitive advantage, become employer of choice, manage rate of employee turnover, and implant a great company image in the minds of the employees' as a result of the offered employee retention programs

The third and probably the most significant objective that this study set out to measure was the level retention of employees' commitment to the bank. Hence, from the statistical data it's been inferred that compensation, supervisor support culture, work environment, organizational justice are below average and also employees' are not committed to the bank regardless of the management's expectation. Accordingly, this study results are consistent with the research conducted by Irshad (2012) under the title "Factors Affecting Employee Retention: Evidence from Literature Review" which set out to empirically assess the effect of the said retention factors on employees' organizational commitment. Thus, since most of the retention factors (drivers of organizational commitment) (the independent variables) discussed above are found to be below average, it proves that the output (organizational commitment) (the dependent variable) will automatically become below average, which it did (mean=2.78 or mean=2.87).

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS:

In this section, summary of major findings, conclusions inferred from the data analysis in chapter four, and suggested recommendations are illustrated in detail.

5.1. SUMMARY OF FINDINGS:

The effect of retention factors on employee's organizational commitment of private and governmental organization were investigated both quantitatively and qualitatively and the following major findings were reached:

- Based on the demographic data collected, the analysis indicates in private and governmental organization that 57.1% and 61.2 respectively are male respondents where as the remaining 42.9% and 38.8 respectively are Female. When we see their level of education in private and governmental organization, 19.1% and 22.6% have diploma, 79.3% and 76.2% have bachelor of art, and the rest 1.6% and 1.2% have masters' degree respectively. Regarding the age composition of the respondents private and governmental employee`s, 10.3% and 11% are under the age of 25, 73.4% and 70.2% are between the age of 25 and 35, 9.2% and 8.8% falls between the age group of 36 and 45, and the remaining 7.1% and 8.1% are over the age of 46 respectively . When we see their service period in the bank in private and governmental organization, 1.6% and 1.5% have a service period of less than two years, 62.5% and 55% of the participants fall under 2 to 5 years of service period, 14.7% and 19.2% has served the bank from 5 to 10 years, and the remaining 21.2% and 24.3% has worked for over 10 years respectively
- When we look at the arithmetic mean generated by the descriptive statistics from private and governmental organization, it shows that compensation (mean=2.65 and mean=2.75) respectively, supervisor support culture (mean=2.69 and mean=2.66) respectively, work environment (mean=2.75and mean=2.7) respectively, organizational justice (mean=2.87and mean=2.78) respectively, and organizational commitment (mean=2.78 and 2.75) respectively are below the average cut-off point of 3. While other factors such as job security (mean=3.07 and 3.15) respectively and Training and Development (mean=3.12 and 3.10) respectively are slightly above average.

- When we see the values generated in the Pearson correlation of private and governmental organization, compensation ($r=.411$, $P<0.01$ and $r=.489$, $P<0.01$) respectively, job security ($r=.366$, $P<0.01$ and $r=.489$, $P<0.01$) respectively, training and development ($r=.489$, $P<0.01$, and $r=.489$, $P<0.01$) respectively, supervisor support culture ($r=.456$, $P<0.01$ and $r=.489$, $P<0.01$) respectively, work environment ($r=.528$, $P<0.01$ and $r=.489$, $P<0.01$) respectively, and organizational justice ($r=.509$, $P<0.01$ and $r=.489$, $P<0.01$) respectively are significantly and positively correlated with organizational commitment as hypothesized in the case company. Accordingly, all null hypotheses were rejected.
- Analysis conducted under the multiple regression showed in private and government banks that job security, training and development etc explains 48% ($R^2 = .476$) and 49.8% ($R^2=.498$) respectively of the dependent variable (Organizational Commitment). Those suggests that 48% and 49.8% respectively of employees' organizational commitment level in the bank clearly depends on the independent variables while the remaining 52% and 50.02% respectively is determined by other unaccounted factors.
- When we see the relative contribution of each of the different independent variables of private and governmental organization on work environment (Beta=.206 and Beta=.219) respectively, makes the strongest unique contribution to explaining the dependent variable followed by supervisor support culture (B=.203 and Beta=.210) respectively, then training and development (B=.175 and Beta=.175) respectively. On the other hand, compensation, organizational justice, and job security in private sector are the list contributors to explaining the dependent variable with beta values of (.134, .147, .162) respectively and compensation, organizational justice, and job security in on governmental organization are also the list contributors to explaining the dependent variable with beta values of (.130, .157, .142).respectively.
- When we see the statistical significance of each variable of private and governmental organization on Job security (Sig.=.008 and Sig.=.007) respectively, training and development (Sig. = .008 and Sig.=.009) respectively, supervisor support culture (Sig.=.002 and Sig.=.003) respectively, and work environment (Sig.=.003 and Sig.=.004) respectively have a statistically significant contribution (Sig<.05) for the prediction of the dependent variable while compensation (Sig.=.053 and Sig.=.050) and organizational justice (Sig.=.053 and Sig.=.050) does not make any significant prediction.

- It has been revealed that the both organization offers various kinds of retention programs such as attractive salary, various benefit packages, medical expense coverage, various types of loans, and training and developments.
- It's been disclosed that employees in general who have completed the provision period that will benefit from attractive salary, benefit packages (depending on their respective position), and a 100% local medical expense coverage for some of private organization for only the employer and 90% local medical expense coverage in addition to the employee it also included of his/her family some other private organization and 100% local medical expense coverage for employees of governmental organization. In addition to the above point, employees who have served the organizations above a year for private and governmental organization, that are eligible to all retention programs subjected to applicable rules and regulations.
- From the interview session it's been confirmed that the both organizations does have employee retention programs. The interview session also revealed that the management expects to retain valuable employees, to gain HR competitive advantage in the banking industry, to remain competent, to become employer of choice, to curb turnover rate, and to reinforce positive attitudes about their company as an outcome of the said retention programs.

5.2. CONCLUSIONS

- The gender balances on both private and governmental organizations are a little inclined towards male employees'. On both organizations have an educated workforce which, with a little influence on the retention factors, can be committed to the company's best interest? When we see the age composition of the employees, the majority falls under the active age category in between 25 to 35. Hence, this age group demands a modern life style and there by a better income. It is concluded that, the majority service period of the employees of the private banks (62.5%) and in governmental banks (55%) falls under 2 to 5 years, it which shows that the organizations have a young and volatile work force that may or may not decide to stick around with the bank for a foreseeable future.
- It is concluded that arithmetic mean generated by the descriptive statistics from private and governmental organizations that compensation, supervisor support culture; work environment, organizational justice, and organizational commitment are below average.

- It is concluded that each independent variable have a positive correlation with the dependent variable (employees' organizational commitment). Thus, in overall analysis, the independent variables explain 48% of the dependent variable from private organization and the independent variables explain 49.5% of the dependent variable from the governmental organization, which are very consistent with the researcher's initial assumption.
- Among the independent variables on private and governmental organization, work environment makes the strongest unique contribution to explaining the dependent variable followed by supervisor support culture and training and development. Hence, a change in the above said variables will result in a substantial change on the dependent variable.
- It has been concluded that eligibility criterion for retention programs in different organizations are vary waiting period of the employment with the organization, for some are at list six months and a year for others. This waiting period by itself plays a significant role for the employee either to get onboard for the long term or terminate their employment for a better opportunity elsewhere.
- From the interview questions it's been concluded that the management expects to retain valuable employees, gain HR competitive advantage in the banking industry, remain competent, become employer of choice, curb turnover rate, and reinforce positive attitudes about their company which is not consistent with the actual prevailing situations in the organizations.

5.3. RECOMMENDATIONS

- The bank has a very advantageous composition of educational qualification with a majority of employees having a service period of two to five years. Thus, the management of the bank should seriously consider investing more on its employees in areas of training and development, in improved benefit packages, in improving employees issues of job security by helping them form their own employee union, improving the working conditions to suit its employees starting from office furniture, coffee & tea to clean and attractive work place... etc so that the productive age and educational level of its employees can be put to better use for the good of the company as well as its stakeholders.

- Even though the organizations offer various retention programs, its effect on employees in eliciting their commitment has not been materialized. Thus, the management of the bank should focus on the how to improve compensation, supervisor support culture, work environment, and organizational justice. To do so, the organization needs to focus on: assessing the overall compensation strategy that is currently being practiced in the industry and by taking that as a benchmark lay down a better compensation scheme, if not an equivalent one. Conduct need assessment to identify gaps between expected supervisors support culture and the actual practice and address the gap with training and skill updates. Work on employees' perceived organizational injustice and identify the root cause in order to create a sensible organizational justice.
- The management should also need to make the reward system equitable, transparent, and merit based so as to unleash true potential of employees'. Otherwise, the effect of perceived inequality in terms of reward system will have a devastating effect on the productivity of each and every employee.
- Immediate supervisors need to be trained to act as coaches and encourage support culture not only from top bottom but also among employees. To this effect, the management should plan and execute various social events and gatherings such as employees' day, bring your children to work day, sport competitions'...etc so that employees' gets acquainted with one another and also with their bosses on a personal level. This friendly social gathering will create a kind of harmonious work relationship between employees and with their immediate supervisors.
- Employees' who successfully finalize their probationary period for permanent employment needs to be eligible to all types of staff retention programs with no prior service period requirement. Moreover, since the organization has sufficient employee data for security purpose, the procedure that needs to be fulfilled so as to benefit from the staff retention program needs to be kept to a minimum in a way that will not expose the organization's interests.
- To be eligible for the retention program, the organizations have some preconditions that needs to be met ranging from years of service to various rules and regulations. Accordingly, since the majority of the banks employees fall under the service period of two to five years and age category of 25 to 35, the bank needs to adjust some of its eligibility criterion such as the waiting period, minimal requirements, and ease of procedural barriers. Because employees who have served the bank for this relatively

short period of time and within such an active age category, inherently are prone to change in search of a better pay and other enticing factors than what they are now being offered.

- From the interview session it's been concluded that the organizations expects to retain valuable employees, gain HR competitive advantage in the banking industry, remain competent, become employer of choice, curb turnover rate, and reinforce positive attitudes about the organization in the mindset of its employees as an outcome of the extended employee retention plan. But from the analysis of the research it's been confirmed that, even though the banks are doing what it supposes will elicit employees' organizational commitment, the empirical evidences states differently. Accordingly, the management should be very pragmatic and alert in practicing employee retention policies in a manner that is employee friendly, more appealing, and in a way that make employees fall in love with and take pride in the company they work for and not only for the sake of just doing it.

5.4. SUGGESTION FOR FUTURE RESEARCH

This study is conducted only on data collected from selective private and governmental banks. However, the essence of employees' organizational commitment needs to be researched in all types of industries since it has the potential to help a company to go above and beyond the norms.

Moreover, since the research is conducted using a five point likert scale for employees and an interview for HR staffs', respondents might have answered questions being in a state of emotional detachment or for the sake of giving a socially desirable answer. Thus, the research needs to be further strengthened using critical combination of various data collection tools.

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APPENDIX
Addis Ababa University
College of Business and Economics
Masters of Public administration and Development Management

Dear Respondent,

I would like to thank you in advance for your willingness and cooperation in filling this questionnaire devoting your valuable time.

I am conducting a research on “*Comparative analysis of human resource retention policy on employees’ organizational commitment* in the case of private and public organization” in partial fulfillment for my Masters of Art Public administration and Development Management. Accordingly, I would like you to give your views as honestly and rationally as possible so that your fair and expert feedback will make this research a successful one.

I assure you that the information you provide will be kept confidential and will only be utilized for the study purpose. If you have any question or enquiry, please don’t hesitate to contact me at any time through the following address: e-mail tesfayee.te45@gmail.com Tel: +251 911 372102

Part One: Demographic Question

Please put a check (√) mark just inside the given box in front of each alternative.

1. Gender

1. Male

2. Female

2. Age

1. Under 25 years old

3. 36-45 years old

2. 25-35 years old

4. 46 and above years old

3. Educational Attainment

<input type="checkbox"/>	1. Diploma	<input type="checkbox"/>	3. Master's Degree
<input type="checkbox"/>	2. Bachelor Degree	<input type="checkbox"/>	4. Other, please specify _____

4. For how long have you been employed in this company? (Tenure) than

<input type="checkbox"/>	< 2 years	<input type="checkbox"/>	3. 5 to 10 years
<input type="checkbox"/>	2. 2 to 5 years	<input type="checkbox"/>	4. >10 years

5. Position in the Organization

<input type="checkbox"/>	1. Clerical	<input type="checkbox"/>	2. Professional
<input type="checkbox"/>	3. Managerial		

Part Two: Retention Factors Questionnaire

Please put (√) mark against each question that indicate your level of agreement for each question.

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

S.NO.	Research Questions	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Compensation		5	4	3	2	1
6	I feel I am being paid a fair amount for the work I do					
7	I feel my payments are enough to support my life style					
8	I feel there are sufficient types of benefits (e.g. Health care benefits, Tuition fee sponsorship...etc)					

9	I feel satisfied with my chances for salary increments					
10	If I perform my work well, I can get more money (in the form of bonus, Overtime...etc)					
11	I earn the same as or more than other people in a similar job					
12	All tasks to be accomplished are associated with incentives					
Job Security		5	4	3	2	1
13	I feel very secured in my present job					
14	My fellow team members also feel secure with their present job					
15	The company has a policy to sack (layoff) employees that do not meet the set target					
16	I feel my job is secured as long as I achieve the set target					
Training and Development						
17	When employees arrive from training, supervisors encourage them to share what they have learned with other employees					
18	My organization links training and development with our company business strategy					
19	My organization has full-fledged training and development department manned with competent professionals					
20	Supervisors give employees the chance to tryout their training on the job immediately					
21	Job aids(resources or technology) are available on the job to support what employees learned in training					
22	Supervisors make sure that employees have the opportunity to use their training immediately					
23	Employees who use their training are given preference for new assignments					
Supervisor Support Culture						
24	My immediate supervisor is impartial					
25	My immediate supervisor gives me feedback that helps me improve my performance					

26	My immediate supervisor follows through on commitments					
27	I receive coaching and training from my immediate supervisor					
28	I receive credit from my immediate supervisor for a job well done					
29	I feel my job performance is fairly evaluated.					
30	My immediate supervisor tries to understand my point of view when he or she discusses problems or projects with me					
Work Environment						
31	The physical working conditions (e.g., heating, ventilation, layout, cleanliness) are very good					
32	Individual differences are respected here (e.g. religion, gender, race educational background,... etc.)					
33	The culture and emotional climate of the company is generally positive and supportive					
34	I believe in and take pride in my work and my workplace					
35	At work, I am accepted for the person I am					
36	The rewards for success are greater than the penalties for failure					
37	I feel accepted and am treated with courtesy, listened to, and invited to express my thoughts and feelings by the upper administration					
Organizational Justice						
38	I feel my rewards are fair when compared to those who work the same level of work as I do					
39	My company keeps rewards given to each employee as a secret					
40	In my company, I believe there is a fair distribution of rewards and benefits					
41	I believe I have access to Information regarding distribution of benefits and rewards for my understanding and comparison					

42	I feel my opinions regarding fair distribution of benefits will be taken into consideration by the upper administration					
43	I believe I am being treated with the necessary dignity and respect					
44	I believe I will try to create justice if I feel there is unfair distribution of benefits and rewards					
Organizational Commitment						
45	I would be very happy to spend the rest of my career with this organization					
46	This organization has a great deal of personal meaning for me					
47	This organization has a great deal of personal meaning for me					
48	Too much in my life would be disrupted if I decided to leave my organization now.					
49	It would be very hard for me to leave my organization right now, even if I wanted to					
50	Right now, staying with my organization is a matter of necessity as much as desire.					
51	Right now, staying with my organization is a matter of necessity as much as desire.					
52	If I got another offer for a better job elsewhere, I would not feel right to leave my organization					
53	One of the major reasons I continue to work in this organization is because I feel a sense of moral obligation to remain					

----- The End -----

Thank you for your time