

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE  
DEPARTMENT OF HUMAN RESOURCE MANAGEMENT

The Effect of Employee Promotion on Job Satisfaction in the Case  
of Ethiopian Airline Cargo and logistics Services

Thesis Submitted to Addis Ababa University School of Commerce in Partial  
Fulfillment of the Requirements for the Degree of Master of Arts in Human  
Resource Management

Advisor: Abdurazik Mohammed (PhD)

By: Kaleab Adnew

JUNE 2019  
ADDIS ABABA

## Declaration

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part submitted at any university for a degree.

Name: Kaleab Adnew

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE

SCHOOL OF GRADUATE STUDIES

This is to certify that the thesis prepared by Kaleab Adnew, entitled: The Effect of Employee Promotion on Job Satisfaction in the Case of Ethiopian Airline Cargo and logistics Services submitted in partial fulfillment of the requirements for the Degree of Master of Arts in Human Resources Management complies with regulations of the University and meets the accepted standards with respect to originality and quality.

Signed by examining Committee:

Approved By Board of Examiners

_____ Chairman Department Graduate Committee	_____ Signature	_____ Date
_____ Advisor	_____ Signature	_____ Date
_____ Internal Examiner	_____ Signature	_____ Date
_____ External Examiner	_____ Signature	_____ Date

## Acknowledgements

First of all I pay my whole hearted gratitude to Almighty GOD for giving me the inspiration to start and patience to finalize this thesis work. Without his grace and wish, I will not been where I am now and obviously this work can't accomplish successfully.

After that, I want to extend my sincere appreciation to my advisor Abdurazik Mohammed (Ph.D), for his valuable advice, constant support, commitment, dedication, encouragement and precious guidance, creative suggestions and critical comments, and for being everlasting enthusiastic from the beginning to the end of the research.

Finally, I am also would like to pass my sincere gratitude to all Ethiopian Airlines Cargo and logistics services employees, for their cooperation in providing data, filling out questionnaire, and provided very valuable information concerning the promotional practices in their organization. Last, but not least, I would like to thank my families, friends and colleagues, for their love, encouragement, patience and support throughout the thesis.

Kaleab Adnew

# Table of Content

Contents	Page
Acknowledgements.....	I
Acronyms and Abbreviations .....	V
Abstract.....	VI
CHAPTER ONE	
INTRODUCTION .....	1
1.1 Background of the Study .....	1
1.2 Background Of The Organization.....	4
1.3 Statement of the Problem.....	5
1.4 Objectives of the Study.....	7
1.4.1 General Objective .....	7
1.4.2 Specific Objectives .....	7
1.5 Significance of the Study .....	8
1.6 Delimitation of the Study.....	8
1.7 Definition of Operational Terms.....	9
1.8 Organization of the Study .....	10
CHAPTER TWO	
REVIEW OF RELATED LITERATURE .....	11
2.1 Theoretical Review .....	11
2.2 The Concept of Promotion.....	12
2.2.1 Basis for Promotion Practice .....	14
2.2.2 Practice of Promotion in Ethiopian Airline.....	16
2.3 The Concept Job Satisfaction.....	20
2.4 Empirical Review: Promotion Effects on Job Satisfactions .....	22
2.5 Conceptual Framework.....	24
CHAPTER THREE	
RESEARCH DESIGN AND METHODOLOGY .....	26
3.1 Research Setting: Description of the Study Area.....	26
3.2 Research Design.....	27

3.3 Source of Data .....	28
3.4 Population, Sample Size and Sampling Technique .....	28
3.5 Data Gathering Instruments .....	29
3.5.1 Questionnaires.....	30
3.5.2 Validity and Reliability.....	31
3.5.3 Document Analysis.....	31
3.6 Procedure of Data Collection.....	31
3.7 Pilot Testing.....	32
3.8 Ethical Consideration.....	32
3.9 Method of Data Analysis .....	32
<b>CHAPTER FOUR</b>	
<b>DATA PRESENTATION, ANALYSIS AND INTERPRETATION .....</b>	<b>34</b>
4.1 Reliability Analysis.....	34
4.2 Characteristics of the Study Participants .....	35
4.3 Descriptive Analysis: Participants Response on Promotion .....	37
4.4 Descriptive Analysis: Participants Response on General Job Satisfaction.....	40
4.5 Correlation Analysis .....	41
4.6 Regression Analysis.....	44
<b>CHAPTER FIVE</b>	
<b>SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....</b>	<b>46</b>
5.1 Summary.....	46
5.2 Conclusions.....	48
5.3 Recommendations.....	48
5.4 Limitations of the Study.....	49
5.5 Directions for Future Study .....	49
References.....	50
Appendix A: Questionnaire .....	54

## List of Tables

Table 3.1: Carvalho's Sample Size Determination .....	<b>Error! Bookmark not defined.</b>
Table 4.1: The Reliability Test of the Collected Data .....	<b>Error! Bookmark not defined.</b>
Table 4.2: Profile of Respondents.....	<b>Error! Bookmark not defined.</b>
Table 4.3: Participants Response for Promotion.....	<b>Error! Bookmark not defined.</b>
Table 4.4: Participants Response for General Job satisfaction with Promotion ....	<b>Error! Bookmark not defined.</b>
Table 4.5: Correlation Analysis .....	<b>Error! Bookmark not defined.</b>
Table 4.6: Test of Multicollinearity .....	<b>Error! Bookmark not defined.</b>
Table 4.7: Regression Analysis.....	<b>Error! Bookmark not defined.</b>
Table 4.8: Regression Analysis: ANOVA Table .....	<b>Error! Bookmark not defined.</b>
Table 4.9: Regression Analysis: Coefficients Table.....	<b>Error! Bookmark not defined.</b>

## List of Figures

Figure 2.1: Conceptual Framework of the Research.....	25
Figure 2: Test for Normality .....	42
Figure 3: Test for Homoscedasticity.....	42
Figure 4: Test for Linearity.....	43

## Acronyms and Abbreviations

JS	Job Satisfaction
SD	Standard Deviation
SPSS	Statistical Package for the Social Science



## Abstract

*The main purpose of this study was to identify the Ethiopian Airlines Cargo and logistics service employees' perception of the effect of promotion on their job satisfaction. The study employed an explanatory survey with a total of 125 Ethiopian Airlines Cargo and logistics Service employee respondents. The respondents were selected using simple random sampling. Document analysis and questionnaire were used as data gathering instruments. The gathered data was analyzed using descriptive statistics and regression. The result showed the existence of a strong relationship between the promotion practice and job satisfaction and promotion affects the job satisfaction of employees. Although the employees have a positive feeling about the promotion policy of the organization and promotion is perceived as effective in increasing the job satisfaction of the employees, the results showed that there are issues regarding the performance appraisal and practical implementation of the promotion procedure in the organization. The study recommends that the organization should conduct performance evaluations constantly and give feedback to employees and encourage the worker to acquire new knowledge by giving a chance for external training opportunities, and for the management to give more proper attention to the employee's complaints and grievances on promotion practices, and also practicing a fair and equal opportunity on promotion it will help to acquire and retain the best and satisfied worker, which leads the company to be more productive.*

*Keywords: Promotion, Job Satisfaction, perception, Ethiopian airline, policy and procedure*

# CHAPTER ONE

## INTRODUCTION

This chapter deals with the background of the study, statement of the problem, objectives of the study, significance, delimitation, limitation and, operational definition of terms and organization of the study.

### 1.1 Background of the Study

In the present world of globalization, service businesses have dominated the economy. International business that promote to transferring services across national boundaries involves understanding of the effects it has on the market, countries, governments, companies and individuals. Airline business is an international service business that provides air transport for traveling passengers and cargo. Air services have high market demand because it has advantage on other form of land or sea transportation services by its speed and safety.

Although an organization possesses many of the assets but human resource is considered to be the most valuable asset of any organization. Companies are said to be efficient when they derive maximum output from the available resources. Hence to be successful in the competitive world the companies need to have a highly motivated, loyal and satisfied workforce because a competent work force is believed to be a competitive edge for any type of business (Armstrong, 2008). Especially for companies that are services oriented depend on the quality of their workforce because the services they give

are people intensive. So the organization's employee management has an impact on the success of the business that the recruiting and selection process, the training, job analyses, performance management, advancement opportunities promotion and other employee management are important and should be implemented carefully (Dessler, 2013)

Human resource management is critical to the success of organizations because human capital has certain qualities that make it valuable. Companies with effective human resource management, employees and customers tend to be more satisfied, and the companies tend to be more innovative, have greater productivity, and develop a more favorable reputation in the community. So human resource management office has to come up with effective policies, practices, and systems that influence employees' behavior, attitudes, and performance so that it support the organization's business strategy and for the organization continue to succeed.

Every individual person has a different set of vision and goal, and accordingly the person is motivated by believing in their efforts and performance that will result in a pleasing reward and the reward can be a factor in satisfy an important need and the desire to satisfy the need is strong enough to make the effort meaningful (Quick, 1998). Armstrong (2007) stated people are motivated to achieve certain goals and will be satisfied if they achieve these goals through improved performance and even be more satisfied if they are rewarded by extrinsic recognition or an intrinsic sense of achievement.

Noe et al. (2011) suggest that the organizations should address and be prepare to support the organization's business strategy by promote job satisfaction so employees have pleasant feeling resulting from the perception that one's job fulfills or allows for the fulfillment of one's important job values in the organization. If an employee is dissatisfied because of circumstances related to the specific job the employee may leave the organization altogether the organization faces the costs of replacing the employees as well as loss of productivity companies' top performers tend to be among the hardest employees to keep because they see little opportunity for promotions. Gopinath and Shibu (2014) found that past promotion have lingering impacts of job satisfaction and having received a promotion in short time leads to increased job satisfaction. Job satisfaction is influenced by a lot of variables and promotions are an important aspect of employee's life, considerable increase in pay or wage of an employee have major effect on work (Brown, 2001).

McCausland, Pouliakas and Theodossiou (2005) found that job satisfaction is strongly correlated with promotion opportunities and there is a direct and positive association between promotion opportunities and job satisfaction. For organization developing policies that emphasize promotions and that encourage employees to plan their career give the employees a favorable impression of the organization's jobs (Wilson, 1999). Internal recruiting, which is promotions from within the organization, generally makes job vacancies more attractive because candidates see opportunities for growth and advancement. It also motivates other employees by demonstrating opportunities for advancement. As Heery and Noon (2001) stated promotion involves )moving an employee into a position with greater challenges, responsibility and authority

than in the previous job and it usually include pay increases; improve the person's pay, status, and feelings of accomplishment (Noe et al., 2011).

Ivancevich (1998) stated employees who are dissatisfied with the opportunity available for promotion show a greater intention to leave the organization and with the growth of Ethiopian Airline Cargo Services internationally has prompted the acquiring and retaining of qualified employees that are empowered to fit for the international business. So knowing how employees can achieve excellence and what make them motivated and productive in their job to achieve that excellence help the company to be successful. Therefore this research was conducted at Ethiopian Air Lines Cargo Service to identify the effect of promotion have on the employees job satisfaction.

## 1.2 Background Of The Organization

Ethiopian airlines enterprises is founded on December 21,1945 and start operation on April 08, 1946. Ethiopian Airlines is the flag carrier of Ethiopia one of the continent's leading carriers, Operating at the forefront of technology, the airline has also become one of Ethiopia's major industries and a veritable institution in Africa. Ethiopian Airlines has come along 70 plus years of successful journey by becoming a Leading African Aviation Group. Ethiopian airlines is one of the star aliens member which is fully owned by Government. Ethiopian currently serves 100 international destinations. Ethiopian has been growing in leaps and bounds and has kept on introducing new aviation technology and systems, with so many firsts in the history of African Aviation as an aircraft technology leader. The airline has established itself as adept in all facets of the aviation industry: technology leadership, network expansion and aviation mentoring.

Currently Ethiopian Airline enterprises own 116 aircrafts and have more than 15,432 employees. Ethiopian airline is currently implementing vision 2025 that is 15 years plan to become the leading aviation group in African by following its motto of Bringing Africa Together and Beyond. Ethiopian is multi award winning Airline and also registered average growth of 25% in the past years. It operates with seven business centers; one of this business centers is Cargo Services. Ethiopian Cargo s is the largest cargo network operator in Africa and Ethiopian Cargo is perfectly situated in the center of the emerging economies contributing its part to the growth trade and tourism partnership between countries as well as between continents. Recently Ethiopian has inaugurated a state-of-the-art cargo terminal II, which upgrades the cargo handling capacity close to a million tons per annum together with the existing cargo terminal I. When the 600,000 tons capacity phase II of the cargo expansion completes, Ethiopian Cargo and Logistics services will have an overall annual capacity of over 1.5 million tons.

### 1.3 Statement of the Problem

A commercial enterprise that provides service work performed in an expert manner by an individual for the benefit of its customers increase its customer base. But many companies spend huge money for creating loyalty of their customer but normally overlook the serious aspect of increasing employee's motivation for achieving their economic and nonfinancial objectives to be satisfied in their profession.

According to DeCenzo and Robbins (2005) managing people is more difficult than managing technology or other resource because it requires the implementation of

effective employee management techniques like promotion that employees improve their performance and job related attitude to reduce employee turnover and increase the feeling of commitment, responsibility and importance in the company. Companies that implemented techniques that manage their human resource well achieve their envisioned goal and become successful in today's competitive market. Especially in service providing company acquiring and retaining full packaged qualified employee is important because their performance is important in the formulation and determining the customer's perception of the company service and integrity.

A services providing company to be successful it need satisfied worker to achieve the company goal. If workers are dissatisfied with the opportunity available like opportunity for promotion they show a greater intention to level the organization (Ivancevich, 1998). Ethiopian Airlines is the major air service provider in Ethiopia and it is growing and expanding its business internationally by increasing its destination and offices. This expansion creates promotion opportunities within the organization hierarchy for its employees. As Ivancevich (1998) stated dissatisfaction with job an opportunity is a major cause for turnover, therefore Ethiopian can implement effective promotion to acquire and retain qualified employee for its growing business. Also in addition to this some previous employees of the Ethiopian raised complaints on the promotion practice of the organization to be unfair and biased.

Ethiopian Airlines Cargo is a growing organization that competes with international market so to compete with other organization it need qualified employee. To acquire and retain qualified employee the organization must know what make them motivated to achieve that excellence become successful. So this study was done to

examine the existing perception of employees on the effect of promotion on job satisfaction of employees of the organization.

Therefore, the purpose of this study was to assess the effect of promotion practices on job satisfaction in the Ethiopian Airline Cargo Services and to meet the objective of the study, the following basic questions were expected to be answered at the end of the study:

1. How do employees of Ethiopian Airline Cargo Service perceive the company's promotion practice?
2. What is the effect of promotion on job satisfaction of the employees in Ethiopian Airline Cargo and Logistic Service employees?

## 1.4 Objectives of the Study

### 1.4.1 General Objective

The general objective of this study was to identify the effect of employee promotion on job satisfaction in the Ethiopian Airline Cargo Service.

### 1.4.2 Specific Objectives

The specific objectives of the study are:

- To identify the promotion policy and procedure of Ethiopian Airline Cargo Service.
- To identify the effect of promotion policy and practice on job satisfaction of



## 1.5 Significance of the Study

The promotion policy and practice that Ethiopian Airline Cargo Service provides for its employees were investigated to identify its effect of job satisfaction of its employees in the study. So the study may have the following significance:

- It may enable the employees to gain information about the kind of promotion policy followed by the company.
- It will point out the factors that affect promotion and provide insight for concern bodies like the human resource of the company to promote an effective promotion policy so that employees are motivated and improve their performance.
- It may contribute to the existing knowledge and suggest recommendation regarding the practice of promotion and job satisfaction for Ethiopian Airline context.

## 1.6 Delimitation of the Study

In order to make it manageable and feasible in time, the study is delimited to study employees of one unit of Ethiopian Airline business unit, Ethiopian Airlines Cargo and logistics Service employees that are working in Ethiopia located in Addis Ababa . The research has only covered employees who are permanent and non managerial staff Because other like outsourced and temporary worker did not have job promotion benefit Since the study focuses on identifying the effect of the organization promotion practice

on job satisfaction of its employees the scope of the study was on the promotion policy and procedure, its implementation and the effect it had on job satisfaction of the employees of the Ethiopian. The data that were used to identify the effect was collected using questionnaire distributed to the Ethiopian Airline Cargo and logistics Service employees.

## 1.7 Definition of Operational Terms

Ethiopian: - Brand Name for Ethiopian Airline

Cargo: - Goods carried on a ship, aircraft, or motor vehicle.(Oxford Dictionary, 1948)

Logistics: -The commercial activity of transporting goods to customers. (Oxford Dictionary, 1948)

Perception: - An idea, a belief or an image you have as a result of how you see or understand something (Oxford Dictionary, 1948)

Promotion: - Promotion is advancement of an employee to a better job, better in terms of greater responsibility, more prestige or status, greater skills and especially increased rate of pay or salary. (Rothwell, 2010)

Job Satisfaction: Job satisfaction is the degree to which people like their jobs. (Spector, 1997)

## 1.8 Organization of the Study

This paper was organized under five chapters. Background of the study, statement of the problem, general and specific objectives of the study, significance of the study, delimitation and limitation of the study, definition of key terms and the organization of the study is covered in Chapter one and reviewed related literature is in Chapter two. Research design and methodology that include organization of the study, source of data, sample size and sampling techniques, data gathering instruments and procedure of data collection, ethical consideration, as well as data analysis are focused in chapter three. Chapter four discussed the findings related with presentation, analysis and interpretation of data obtained from the respondents. The summary, conclusions and recommendations were presented in Chapter five.

## CHAPTER TWO

### REVIEW OF RELATED LITERATURE

This chapter has reviewed literature related to the study by different authors in reference to promotion, job satisfaction and their relationship. It includes theoretical review, concept of promotion, basis of promotion, practice of promotion in Ethiopian Airline, concept of job satisfaction, empirical review on promotion and job satisfaction and conceptual framework.

#### 2.1 Theoretical Review

According to Herzberg's (1968) two factors theory motivation at work can take place in two ways intrinsically and extrinsically. Intrinsic motivation is the internal satisfaction that individuals have from doing the work. This is about basic job satisfaction; someone taking pride in their work, it builds self-esteem and feelings of competence and self-determination. Intrinsic factors include like growth and esteem needs such as recognition responsibility advancement, promotion achievement and personal growth. These factors are called motivators because employees experience job satisfaction when these qualities are available on the job.

Extrinsic motivation is the behavior that results from factors external to the individual such as reward and punishment that is in any form. Financial incentive like bonuses and performance-related pay were an extrinsic motivator. Factors extrinsic to the work called hygiene affect the extent that employees feel dissatisfaction. Hygiene

includes wage or salary, benefits, organization's policy and procedure, job security, working condition, and coworker relation. Improving these hygiene factors will reduce job dissatisfaction of an employee.

## 2.2 The Concept of Promotion

Different organizations or institutions use promotion as a reward for high productivity of their employees to increase their efforts. When the existing staff from the internal labor market applies for organizational job opportunities and they are considered for it, promotion occurs (Pilbeam and Corbridge, 2010). Lazear (2000) defined promotion as a shifting of employee for a job of higher significance and higher compensation. Promotion is the reassignment of a higher level job to an internal employee with delegation of responsibilities and authority required to perform that higher job and normally with higher pay.

As Rothwell (2010) stated promotion is advancement of an employee to a better job, better in terms of greater responsibility, more prestige or status, greater skills and especially increased rate of pay or salary. The employees are given the promotions to higher posts and positions as and when vacancies are available or when new posts are created at the higher levels that have higher status, more responsibilities and higher salary (Mahapatro, 2010).

Promotion from within are encouraged because it has distinct advantages: It sustains and improves employee morale, encourage retention and reduce turnover, easy to get information about existing employees record, minimize time and expense cost

associated with interviewing, orienting, and training, and it smooth transitions by ensuring that key positions are filled by those whose personalities, philosophies, and skills are already known to others in the organization (Rothwell, 2010).

Promotion can occur in three ways. The first is when promotion is an upward mobility or mobility across a continuum of technical knowledge/competence as what experienced workers have learned becomes critical to business continuity because it is linked, on the one hand, to institutional memory and proprietary knowledge unique to the business and, on the other hand, to its competitive advantage (Rothwell, 2010). The second is when promotion is horizontal by upgrading the position of an employee in which promotion involves an increase in responsibilities, pay and a change in designation but the employee concerned does not transgress the job classification, vertical promotion employee naturally transgresses the job classification in which the promotion results in greater responsibility, prestige and pay together with a change in the nature of the job. The third is dry promotion that occurs when there is no change in responsibilities but promotions is given in one or two annual increments to increases the employee remuneration.

Nowadays employees' dissatisfaction over their career prospects is a major cause of turnover, so to maintain the workforce organization has to plan to provide career opportunities. And organization can achieve this while providing employees with wider experience and skill, it encourage within employees by promotion and developing fair and equitable promotion procedures (Armstrong, 2008).

Armstrong (2008) also stated since acquiring and developing intellectual assets is a source of sustained competitive advantage. For an organization that use promotion can achieve its purposes because it helps in utilizing the employee's skills, knowledge at the appropriate level in the organizational hierarchy resulting in organizational effectiveness and employee satisfaction. It is used to develop competent internal source of employees that have the spirit and passion to acquire the skills and knowledge required by higher level jobs. Hence the organization have ready employees to take up higher level jobs, promote interest in the training and development programs and self-development, also promotion is used to build loyalty and boost morale by creating feeling of content with the existing conditions of the company and a sense of belongingness.

### 2.2.1 Basis for Promotion Practice

There are three basis of promotion that can be applied in an organization. These are promotion based on Merit, promotion based on Seniority and promotion based on Mixed: both Merit and Seniority (Dessler, 2013).

#### 1. Merit Basis Promotion

In this basis of promotion, merit is taken to denote an individual employee's skills, knowledge, ability, efficiency and aptitude as measured from educational, training and past employment record (Dessler, 2013).

The advantage of this basis of promotion is competent employees are motivated to exert all their resources and contribute to the organizational efficiency and effectiveness. It continuously encourages the employees to acquire new skill and knowledge for all-

round development, and also since employees are utilized it result in maximum utilization of human resources and reduce turnover in an organization.

The disadvantage of this merit denotes mostly the past achievement and efficiency but not the future success. Therefore if merit is taken as sole criteria for promotion the purpose of promotion may not be served and also measurement of merit is highly difficult and subjective so it cause distrust of integrity the promotion practice in employees.

## 2. Senior Basis Promotion

In this basis of promotion, seniority refers to relative length of service in the same job and in the same organization. Promotion occurs because of the consideration of doing the same job in for the length of time help to acquire the amount of knowledge and the level of skill that is needed and has the custom that the first-in should be given first chance in all benefit and privileges.

The advantage of this basis of promotion is it gives a sense of certainty of getting promotion to every employee and of their turn of promotion as it is relatively easy to measure the length of service and judge the seniority. And also senior employees will have a sense of satisfaction to this system as the older employees are respected.

The disadvantage of this basis of promotion is the assumption that the employees learn more relatively with length of service is not valid as this assumption has reverse effect in the motivating young competent employees and the interest for development, as



everybody will be promoted with or without improvement of their performance. This results in employees' turnover particularly among the dynamic force.

### 3. Mixed Promotion: The Combination of Merit with Seniority

In this basis of promotion, a combination of both seniority and merit is regarded as an effective basis of promotion because it is satisfying for both the management, for organizational effectiveness by enriching its human resources, and employees, for respecting the length of service. The following are two ways an organization can use to balance between seniority and merit.

- **Minimum length of service and merit:** - Under this method all those employees who complete the minimum service, say five years, are made eligible for promotion and then merit is taken as the sole criteria for selecting the employee for promotion from the eligible candidates.
- **Minimum merit and seniority:** -Under this method minimum score of merit that is acceptable for performance on the future job is determined and all the candidates who secure minimum score are declared as eligible candidates and for promotion candidates are selected based on their seniority from it.

#### 2.2.2 Practice of Promotion in Ethiopian Airline

Ethiopian have core values that include to recognize and reward employees for their performance and demonstrate integrity, respect to others, candor, team work and to give equal opportunity for employees (Ethiopian, 2017). Promotion opportunity is one

from the different policy and procedures implemented by Ethiopian Airlines human resource to manage its employees that motivate and retain the employees.

As per the Ethiopian Airline progression scheme procedure last revised on December 01, 2016 the procedure use the mixed basis of promotion, i.e. seniority and merit and it establishes a guideline for upward progression of non-management employees. Progression scheme means a ladder that typically describes the possible progression of an employee from the current level job to higher level job based on performance evaluation result and fulfillment of the corresponding skill training and other requirements like responsibility, authority and pay. This practice helps to utilize the human resource effectively and efficiently, and also address the motivation factor and turnover rate.

The corporate human resources management vice president is primarily responsible for implementing this procedure. An employee who has assumed a position can progress to the next higher level job with no competition if the requirements are met. And for employees under Ethiopian Airline Cargo divisions to promote from one level to the next higher level job the mandatory requirements include employees shall have minimum 3.00 performance evaluation result, pass promotion examination, accomplish coaching program, meet the minimum education, work experience qualification, meet mandatory certification and take training specified for the promotion position.

An employee who scored the minimum performance evaluation result and other requirements specified in the progression scheme may request his immediate supervisor for non-competitive promotion. The immediate supervisor shall check whether the

employee has met all requirements specified in the progression scheme before the employee's promotion data changing and shall permit the employee to take promotion exam and mandatory trainings or other requirements specified for the job. If the employee meets all requirements first level supervisor issue promotion letter and on a continuous basis shall advise and encourage the employee to meet requirements specified in the progression scheme to promote to the next higher position, but if the employee needs more time to acquire skills, knowledge that the next higher position requires and doesn't deliver output on his current position the immediate supervisor shall reflect same on the performance evaluation of the employee and the year of service requirement will be extended as required.

Another type of progression scheme is fast track promotion which is for an employee with outstanding performance who have minimum of 4.00 and above performance result during the recent two evaluation periods, demonstrates the competency required to perform the job, worked for a minimum of one year on his current position and meets other specified requirement in the progression scheme can promote to the next higher position. However to enjoy the fast track promotion opportunity the employee shall work for a minimum of one year on his current position.

A promotion examination shall consist of written and practical examination. Ethiopian aviation academy is responsible to determine the scope and magnitude of all written promotional examinations, to fix schedules of written promotion examinations and conduct the examination per the request of user departments. Written promotional examination from the first to the next progression step shall consist of 50% multiple choice and 50% essay type questions and written promotion examination to higher than

the second level progression steps may consist of 100% multiple choice questions. If the examination consists of both types of questions then the essay type questions shall not exceed 40% of the whole examination. The passing grade of each section of written examination shall be seventy percent (70%). The employee must pass and complete all section of the examination in six (6) attempts or in two (2) years whichever comes first.

An employee who desires to retake a written or practical examination must wait ninety days or thirty days respectively from the date of the last examination. These periods may be extended if the employee so wishes. For an employee who cannot pass written examination due to lack of formal evaluation to get promotions on exceptional basis and have served in the same job grade for a minimum of three (3) years waiver of written promotion examination is done only to assist some hard working and technically capable employees. An employee shall not sit for practical examination before he passes the written portion. Practical examination shall be given after the employee has completed the entire written exam and scored 70% and above in the examination.

An employee who has a complaint on the result of his examination may be given an opportunity to review his result with the examiner or the person who prepared the examinations or his immediate supervisor. If the employee is still not satisfied he shall have the option of presenting his case to a review board that consist two expertise on the subject matter of the examination selected one each by Ethiopian and the Ethiopian Airlines Employee Union. The decision of the review board is final (Ethiopian,2016).

## 2.3 The Concept Job Satisfaction

Job satisfaction is one of the most complex areas facing today's managers when it comes to managing their employees. Despite its wide usage in everyday life, there is still no general agreement regarding what job satisfaction is. In fact there is no final definition on what job satisfaction represents. Different authors and researchers have different approaches towards defining job satisfaction. Some of the most commonly cited definitions on job satisfaction include: Spector (1997) defined job satisfaction as the degree to which people like their jobs. Armstrong (2009) states job satisfaction refers to the attitudes and feelings people have about their work. Job satisfaction can be regarded as one aspect of life satisfaction as experiences on the job influence perception of the job (Davis and Newstrom, 1989). Locke (1976) described job satisfaction as "a pleasurable or positive emotion state resulting from the appraisal of one's job or job experiences". Pushpakumari (2008) stated job satisfaction as an affective or emotional response toward various facets of one's job.

Many studies have shown that job satisfaction has large impact on the motivation of workers, and motivation has an impact on productivity and also on performance of organizations (Pushpakumari, 2008). Different employees have different perceptions regarding their job, thus making factors of job satisfaction difficult. There are different factors that influence the level of job satisfaction. A factor that works for one employee does not work for another employee. So an employee is likely to have an attitude about the aspect of job like the set of tasks, roles and interaction with others as well as the job as a whole. The commonly known factors that affect job satisfaction include such as the

nature of work, recognition, salary, equitable rewards, advancement opportunities, promotion, supportive working conditions and supportive colleagues. It is vital for an employee to have a satisfaction level derived from the job that he or she is doing for the productivity of the job. Employees' job attitudes are extremely important in the decision to leave organization dissatisfaction with job an opportunity is a major cause for turnover (Ivancevich, 1998).

Because employees spend so much time in their work environment, it's important for organization to have an adequate working condition, appreciated employees of their good work done to boost their morale. And when appreciation leads to encouragement and advancement opportunity the ultimate result is reflected in the efficiency of work automatically. According to Servaln (2014) effective communication in the relationship between team members and the immediate supervisor is also crucial. Therefore the level of job satisfaction is always higher wherever appreciation and promotion opportunities are higher, because the job satisfaction factors can make or break job satisfaction (Alina, 2014).

When analyzing the above definitions of job satisfaction the logic is that a satisfied employee is a happy employee and happy employee is a successful employee. As had been argued (Robbines, 1989) an employee with a high level of job satisfaction holds positive attitude towards the job while an employee who is dissatisfied with his/her job holds negative attitudes about the job. Currall, Towler, and Judge (2005) found that the level of job satisfaction the employees have result in better performance of the employees. Therefore job satisfaction can be considered as one of the main factors when it comes to efficiency and effectiveness of organizations.

## 2.4 Empirical Review: Promotion Effects on Job Satisfactions

The relationship between promotion and job satisfaction has been raised in different studies. Every individual person has a different set of vision and goal, and accordingly the person is motivated by believing in their efforts and performance that will result in a pleasing reward and the reward can be a factor in satisfy an important need and the desire to satisfy the need is strong enough to make the effort meaningful (Quick, 1998). Hence with the changes in the business world, personal desires are also changing. Employees start to give importance not only to financial satisfaction, but also to moral satisfaction. Because of this issue, organizations that apply career management efficiently such as promotion opportunities have become very essential for workers.

Khan and Mishra (2013) studied on academic teaching employees and found that the employees are satisfied with their promotion and an organization has to provide a necessary step to satisfy their staff by promoting them according to their levels or skill or by their contribution in bringing effectiveness to their work in a way also to the organization. Leyian (2016) also found concludes that promotion influences employees job satisfaction and it affects employees level of commitment. Job satisfaction is influenced by a lot of variables and promotions are an important aspect of employee's life, considerable increase in pay or wage of an employee have major effect on work (Brown, 2001). Gopinath and Shibu (2014) found that past promotion have lingering impacts of job satisfaction and having received a promotion in short time leads to increased job satisfaction. Wan, Sulaiman, and Omar (2012) argue that employees that perceived promotion decisions as fair are more likely to be committed to the

organization, experience career satisfaction, perform better and subsequently have a lower intention to leave the organization.

McCausland, Pouliakas and Theodossiou (2005) suggested that job satisfaction is strongly correlated with promotion opportunities and there is a direct and positive association between promotion opportunities and job satisfaction. Rad and Moraes (2009) found that motivating factors includes loyalty, job security, good pay, good working conditions, recognition and promotion create satisfaction with their jobs to employee. Shields and Ward (2001) also found that dissatisfaction with promotion and training opportunities have a stronger effect on intentions to quit than dissatisfaction with workload or pay.

According to Shields and Ward (2001) the employees who are dissatisfied with the opportunity available for promotion show a greater intention to leave the organization. Pergamit and Veum (1989) established that greater the chances of promotion higher will be the job satisfaction of employees. It means that optimistic feeling about work and environment around job lead someone towards satisfaction (Cadsby, Bram and Francis, 2007). Employees can be retained and satisfied when they are satisfied with their work which includes the challenges, scope and variety of the job (Fried and Ferris, 1987). Thus satisfied employee is more committed and can be retained on the organization for a longer period, thus enhancing the productivity of the company.

Aminuddin and Yaacob (2011) stated an organization must prioritize the welfare of their employees as they are the key players in determining the prosperity of the organization. So to increase the effort and maximize the satisfaction level among



employees stressing on their promotion to retaining the employees and organization's succession is important. Qasim, Cheema and Sied (2012) found that the promotion factor affect job satisfaction of an employee.

Deeproose (2006) states the most important reason to recognize and promote employees aside from employees to be satisfied with their job, doing it effectively helps organizations grow their revenues and profits, retain their best employees, recruit top new talent and inspire peak performance from all their employees. Hora (2011) concluded that promotion opportunities help employees see themselves having a future as well as bring self-development that result in higher organizational performance but that employees are more dissatisfied with lack of opportunities of promotion in the organization. Employees that are satisfied have higher productivity which leads to promotion since they are highly motivated and had more positive attitude toward the job (Coomber and Barriball, 2007)

## 2.5 Conceptual Framework

For the study the following conceptual framework was used to show the relationship between the independent variable and dependent variable. Thus, the conceptual framework is formulated to show the association between the independent and dependent variable; promotion as the independent variable and job satisfactions as the dependent variable.

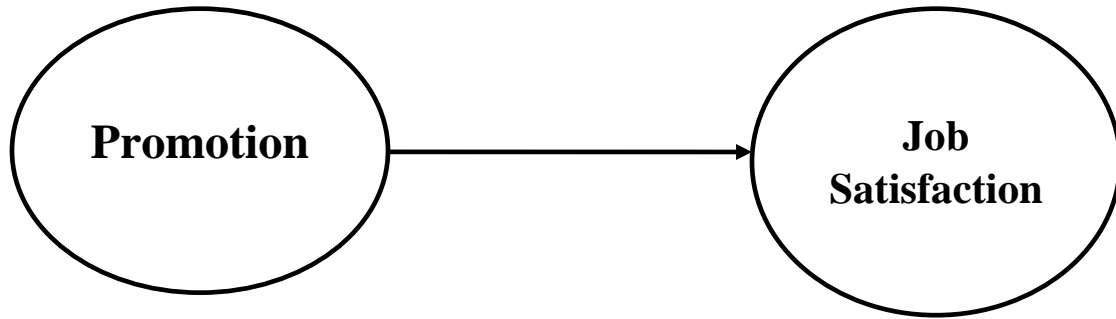


Figure 2.1: Conceptual Framework of the Research

For Ethiopian Airline Cargo service to contribute for the airline success and achieving its goal it need to have a highly motivated, loyal and satisfied workforce because a competent work force is believed to be a competitive edge in the business and help in attaining the envisioned goal. The literature highlights the importance of promotion in an organization and the key role of the promotion in increasing the job satisfaction of employees. Herzberg's hygiene-motivation theory is presented and different arguments and definitions are presented for the concept of promotion and job satisfaction. The promotion policy and procedure implemented by the Ethiopian Airline had emphasized on encouraging and motivating its employees to increase their job satisfaction was highlighted.

Therefore, it is important to investigate perception of the employees about this implemented promotion policy and procedures practice effect has on increasing their job satisfaction. Therefore in this chapter the reviewed literature has indicated the promotion and job satisfaction relationship and promotion effect on job satisfaction. It is in the light of these aspects that the design of research methodology was set described in the next chapter.

## CHAPTER THREE

### RESEARCH DESIGN AND METHODOLOGY

This chapter focuses on the research design and methodology used in this study. It consists of the research setting, research design, source of data, study population, sample size, samplings technique, data gathering instruments, procedures of data collection, pilot tasting, ethical consideration and method of data analysis.

#### 3.1 Research Setting: Description of the Study Area

This research was done to identify the perception of the effect promotion on job satisfaction of Cargo Service employees in Ethiopian Airline. The organization is found in Bole sub-city of Addis Ababa City Administration. Ethiopian Airline Cargo is part of the Ethiopian Airlines enterprises. The origination is owned by government and the airline has also become one of the Ethiopian major industries and veritable institution in Africa. An Ethiopian Airline enterprise was founded on December 21, 1945 and began operation on 08 April 1946. Ever since, Ethiopian has been growing in leaps and bounds and has kept on introducing new aviation technology and systems, with so many firsts in the history of African Aviation as an aircraft technology leader. The airline has established itself as adept in all facets of the aviation industry: technology leadership, network expansion and aviation mentoring.

Living its motto of Bringing Africa Together and Beyond, Ethiopian has created a missing link through its vast African network to 58 cities and more than 100 international

passenger and cargo destinations, with daily and more flights it has positioned vast Intra-Africa network better than any Airline. Currently Ethiopian Airline enterprises own 106 aircrafts and have more than 15,432 employees. Ethiopian airline is currently implementing vision 2025 that is 15 years plan to become the leading aviation group in African. Ethiopian is multi award winning Airline and also registered average growth of 25% in the past years. It operates with seven business centers; one of this business centers is Cargo Services. Ethiopian Cargo s is the largest cargo network operator in Africa and Ethiopian Cargo is perfectly situated in the center of the emerging economies contributing its part to the growth trade and tourism partnership between countries as well as between continents. It has total number of 594 employees under it.

### 3.2 Research Design

The purpose of this study is to assess the effect of promotion on the job satisfaction of Ethiopian Airline Cargo employees and suggest possible solutions to the perceived problems. A explanatory survey design was employed since it is used to obtain relevant and precise information concerning the existing status of a phenomenon and to draw valid conclusions from the facts discovered from a population. It has been suggested by (Cohen et al., 2005) descriptive research methods are set out to describe and to interpret what is. The research method used is a survey and quantitative data were collected. And the participants for the study were the Ethiopian Airline Cargo s Service employees.

### 3.3 Source of Data

The data sources for this study include both primary and secondary data. The primary sources were the Airlines employees because they are at the ones affected by the organization practice of promotion. The secondary sources were books, published and unpublished materials, and electronic abstracts that were examined to help in reviewing related literature for the study about the promotion and job satisfaction.

### 3.4 Population, Sample Size and Sampling Technique

For the researcher to study all the possible members of the study population the limited available time did not allow it so using sampling method was essential to determine the sample size that represent employees for the study. According to the data from Ethiopian Airline Human Recourse Office there are 15,432 employees in Ethiopian Airline from this the total employee population for Ethiopian Airline Cargo s Service unit is 594 permanent employees and 675 temporary workers without including of Outstation Employee, who are working outside of country, which are under the Ethiopian Airline Cargo business unit. Among the 594 permanent employees found in Ethiopian Airline Cargo business unit 550 of them were non-management employees that were undertaken as the study population for the study.

As for sample size determination, from the different methods available, Carvalho's sampling technique was used for this study. According to Carvalho (1984) sample size determination table as shown below the sample selected from 550 total target population of the study 125 Ethiopian Airline Cargo employees were selected by simple

random sampling technique to facilitate the purpose and utilize the limited time and effort. In simple random sampling, each member of the population under study has an equal chance of being selected (Given, 2008).

Population Size	Sample Size		
	Low	Medium	High
51-91	5	13	20
91-150	8	20	32
151-280	13	32	50
281-500	20	50	80
501-1200	32	80	125
1201-3200	50	125	200
3201-10000	80	200	315
10001-35000	125	315	500
35001-150000	200	500	800

Source: Carvalho (1984)

Table 3.1: Carvalho's Sample Size Determination

### 3.5 Data Gathering Instruments

Document analysis and questionnaire were the two basic kinds of data gathering tools that were employed in the research in order to get relevant information and find out answers to the research questions of the study. Accordingly, after the researcher developed questionnaire from the literature review done by reviewing and analyzing the

different documents related to the study and it was administered and filled by respondents of Ethiopian Airline Cargo employees.

### 3.5.1 Questionnaires

Questionnaires are suitable for collecting factual information, opinions and attitudes from a population and the data can be easily and quickly analyzed once completed. In designing the questionnaire, an assessment of all the necessary documents, related literature and other questionnaires were consulted and the researcher prepared the questionnaire as for data gathering tool from the respondents.

The questionnaire consists two parts. The first part of the questionnaire was designed to collect data on the characteristics and background information of the respondents and part two was designed to assess about the effect of the promotion on job satisfaction as perceived by the employees of Ethiopian Airline Cargo Service. The questionnaire was prepared in the form of Likert scale types and the level of agreement will be indicated on five-points scales ranging from (5) strongly agree to (1) strongly disagree. This helped to get information regarding the perception of Airline Cargo Service employees towards the effect of the promotion has on their job satisfaction. The first sub part focus on promotion which was examined by regarding the organization policy and procedure, opportunities, fairness and equity, professional development and performance appraisal, and the second sub part focus on general job satisfaction with the promotion respectively under the same five-points scale level measurement.

### 3.5.2 Validity and Reliability

The Cronbach's Alpha reliability coefficients were calculated for each item of collected data. The reliability analysis for the study was above 0.70 alpha values which is considered reliable and this value is highly acceptable & satisfactory. As the reliability value gets closer to 1 it becomes highly acceptable (Sarantakos, 2005).

### 3.5.3 Document Analysis

The researcher used Ethiopian Airline Promotion policy and procedure, different authors study related documents as secondary data sources and thoroughly consulted to make the study complete. These documents were used to collect supplementary information concerning promotion and its effect on job satisfaction in order to enrich the gathered information about the issues raised in the study. These documents also helped by supporting, reviewing and in interpreting the data obtained through the questionnaires since documents generally exist for the purpose and knowledge in understanding and interpreting the result of the analysis (Abiy et al, 2009).

## 3.6 Procedure of Data Collection

The sample size number questionnaires were prepared for the respondent employees. The researcher asked the management and human resource of the Ethiopian Airline for their cooperation and got permission to distribute the questionnaires. After that they were distributed to willing employees after the researcher explained its purpose and importance.



### 3.7 Pilot Testing

As Sekaran (2008) stated that pilot testing is necessary for testing the reliability of instruments and the validity of a study. Pilot testing was employed before the actual data collection began to ensure the planning of the main study and its study tools were correct, reliable and valid. Questionnaires were prepared then it was administered to 30 Ethiopian Airlines Cargo employees. The respondents gave their comments that the questionnaires were all right and they didn't find any problem with the questionnaires in addressing the issue and the collected data reliability coefficient for the pilot test was above 0.70 which indicated that the research instruments were reliable, thus enabling the data collection to continue.

### 3.8 Ethical Consideration

The study was conducted considering of all the ethical issues of the research. The researcher explained the purpose of the study by emphasizing its importance and significance to the respondents, what was being asked in the questionnaire and informs the respondents about the nature of the study. The respondents were assured that issues relating to personal privacy and confidentiality would be strictly observed, and any information or data collected were used only for the educational research purpose.

### 3.9 Method of Data Analysis

Since the nature of topic deals with the perception of employees in the organization, the data collecting method used a technique that had measuring scales so

the researcher used the quantitative data analysis methods. Then the acquired data were analyzed by the aid of SPSS application by the use of descriptive statistics, calculating percentages, means, standard deviation and regression analysis to interpret the perception of Ethiopian Cargo employees on the effect of promotion on their job satisfaction.

## CHAPTER FOUR

### DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter is concerned with the presentation, analysis and interpretation of data. It includes the reliability analysis, the characteristics of the respondents and the analysis of interpretation of Ethiopian Airlines Cargo Service employees' response to the questionnaire that were distributed.

#### 4.1 Reliability Analysis

Items	Number of respondents	Cronbach's alpha	Item
Promotion	125	0.916	19
General Job Satisfaction	125	0.840	3
Total		0.878	

Table 4.1: The Reliability Test of the Collected Data

The Cronbach's Alpha reliability coefficients were calculated for each item of collected data. From one hundred twenty five respondents a reliability analysis for the study was that was 0.878 which is above 0.70 alpha values to be considered reliable. and this value is highly acceptable & satisfactory. As the reliability value gets closer to 1 it becomes highly acceptable.

## 4.2 Characteristics of the Study Participants

The data were collected from the employees of Ethiopian Airlines Cargo Service. The total number of questionnaires distributed for the study was 125 and from the distributed 125 questionnaires, 100% of them were returned fully filled.

The questionnaire first section deals with the characteristics of the respondents and the second section presents the analysis and interpretation of the main data with item scores for each category were arranged under five rating scales. The range of rating scales were strongly agree = 5, agree = 4, undecided = 3, disagree = 2 and strongly disagree = 1.

The respondents were asked to indicate their background information in the questionnaire and the details of the characteristics of the respondents are represented in table 3.

	Respondent Teachers	
	Number of Teachers	%

Sex	Male	43	34.4
	Female	82	65.6
	Total	125	100%
Age	25 and below	31	24.8
	26-35	47	37.6
	36-45	23	18.4
	46-55	22	17.6
	56 and above	2	1.6
	Total	125	100%
Qualifications	Diploma	33	26.4
	BA Degree	63	50.4
	Master Degree	29	23.2
	Total	125	100%
Work experience	< = 2 years	19	15.2
	3 - 6 years	63	50.4
	7 - 11 years	23	18.4
	12< =	20	16.0
	Total	125	100%

Table 4.2: Profile of Respondents

As the above Table 3 indicated when compared, the number of male employees were greater than the number of female employees as sex of the respondents, 43 (34.4%)

were female and 82 (65.6%) were male. As for concerning the age of respondents 31 (24.8%) were twenty-five & below years old, 47 (37.6%) were between 26 – 35 years old, 23 (18.4%) were between 36 – 45 years old, 22 (17.6%) were between 46 – 55 years old and 2 (1.6%) were 56 and above years old. The majority age of the respondents was between 26 – 35 years of age of the respondents that showed the organization has more young employees. From the findings also the level of education of respondents reflects 33(26.4%) of respondents had a diploma, 63 (50.4%) of respondents had first degree and 29(23.2%) respondents had master degree. This showed that regarding the qualification most of the respondents were degree holders and educated. Finally, concerning the service years of respondents the finding showed that when the respondents were asked to indicate their work experience 19 (15.2%) had less than or equal to 2 years, 63 (50.4%) had 3 – 6 years, 23 (18.4%) had 7 – 11 years, 20 (16.0%) had 12 and above years of work experience.

### 4.3 Descriptive Analysis: Participants Response on Promotion

The descriptive analysis of the participants' response on promotion is shown in table 4.

No	Items	Mean	SD
1	I receive regular feedback about my performance	2.46	0.69
2	My performance appraisal is conducted on time each year.	4.34	0.86
3	The organization provides me with adequate resources, enough work related training and chances to develop myself professionally.	4.32	0.80
4	The organization encourage me to acquire additional qualification from external training course	2.82	0.61
5	The organization provides me with opportunity to implement the knowledge gained during training.	4.09	0.81
6	My organization practices regular job rotation.	3.96	0.57
7	Information on promotion is shared openly within the organization	3.66	0.58
8	The organization has a written and operational promotion policy	4.46	0.69
9	Employees' career opportunities and their growth are immensely considered by the organization management.	3.54	0.70
10	My organization has a clear career path.	3.78	0.96
11	Promotion opportunities are not limited and are fairly adequate in this organization.	3.40	0.96
12	My organization promotion policy and strategy takes efficiency performance and experience into account.	3.97	0.92
13	Specifications requirements to be eligible for promotion are reasonable.	3.66	0.89
14	I believe the promotion assessing procedure of the organization is satisfactory.	3.02	0.82
15	For promotion opportunity, I am treated fairly compared with colleagues who have similar qualifications and years of experience.	2.44	0.84
16	I feel confident about the possibility to be promoted on my job.	2.37	0.68
17	Those who do well on the job stand a fair chance of being promoted.	3.41	1.03
18	The organization puts the right person in the right position.	3.81	0.91
19	The organization gives proper attention to employee's complaints and grievances.	2.95	0.72
Grand Mean		3.5	

Table 4.3: Participants Response for Promotion

The participants responded to the promotion items as showed in the above Table 4. For item 1 and 2 the participants were asked about the feedback they receive about their performance and about their performance appraisal conduct timing, their reply rated with mean score of 2.46 and 0.69 SD in disagreement and 4.34 and 0.86 SD in agreement respectively. For third item asked about the resources, training and profession development opportunities that the organization provides to its employees, the respondents agreed with mean score of 4.32 and 0.8 SD. Item 4 focused on the encouragement to acquire additional qualification by the organization, they disagree with 2.82 mean score and 0.61 SD. For item 5 the respondents were asked about the opportunity they have to implement the acquired training and the practice of job rotation in the organization in item 6, they agree with mean score of 4.09 and 3.96 respectively and 0.81 and 0.57 SD respectively. In item 7 the communication of information about promotion in the organization were asked and it was rated with 3.66 mean score and 0.58 SD.

For item 8, 9, 10, 11, 12, and 13 the respondent were asked about the promotion policy and procedure, thus item 8 and 9 asked about if the organization promotion policy is written and operational, and for organization's management consideration of employees' career opportunity and growth, they agreed with 4.46 and 3.54 means scores and SD value of 0.69 and 0.70 respectively. Item 10 asked about if the organization has a clear career path and they agreed with rated 3.78 mean score and SD value of 0.96. Item 11 asked about availability of adequate of promotion opportunity, and item 12 asked about the procedures consideration of both performance efficiency and experience into account it was agreed with rated 3.40 mean score with SD value of 0.96 and 3.97 mean



score with SD value of 0.92. Item 13 asked about the promotion's requirement specification reasonability the respondent agreed with mean score of 3.66 with SD value of 0.89.

For item 14, 15, 16, 17 and 18 the respondent were asked about their feeling about practical process of promotion, thus item 14 asked about their acceptance of the promotion assessing procedure, the fairness in handling it, the confidence they have process, their believe on getting fair chance and the final decision choice on the promotion, the participants rated with mean score of 3.02(SD value of 0.82), 2.44 (SD value of 0.84), 2.37 (SD value of 0.68) , 3.41(SD value of 1.03) and 3.81 mean score with SD value of 0.91 respectively. The last item 19 asked about the proper attention that organization gives for employees' grievance and complaints it was rated with mean score of 2.95 with SD value of 0.72 in disagreement. In general the grand mean score was 3.5 that showed the respondent employees agree and have a positive view on the promotion policy and procedure of the organization.

#### 4.4 Descriptive Analysis: Participants Response on General Job Satisfaction

No	Items	Mean	SD
1.	I am satisfied with my chances for promotion.	3.73	.855
2.	I feel optimistic about my future with the organization.	3.88	.630
3.	Overall, I am satisfied with my job.	3.96	.574
Grand Mean		3.86	

Table 4.4: Participants Response for General Job satisfaction with Promotion

As shown in the Table 5, the job satisfaction item has 3 items that item 1 asked the respondents if they are satisfied with their chance of promotion and it was rated with mean score of 3.73 and lastly for item 2 and 3 they responded with mean score of 3.88 and 3.96 about their optimistic feeling to stay in the organization and the overall satisfaction of their job. In general the grand mean score was 3.86 that showed the respondent employees are satisfied with their work in the organization.

#### 4.5 Correlation Analysis

<b>Correlations</b>			
		Average Promotion Items	Average General Job Satisfaction Items
Average Promotion Items	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	125	
Average General Job Satisfaction Items	Pearson Correlation	.696**	1
	Sig. (2-tailed)	.000	
	N	125	125
**. Correlation is significant at the 0.01 level (2-tailed).			

Table 4.5: Correlation Analysis

A correlation analysis was done to determine whether the study variables had any significant relationships. As shown in the above Table 6 the findings revealed that using the Guildford rule of thumb there is a high relationship between promotion and job satisfaction  $r(0.696)$ ;  $P < 0.01$  since it is greater than 0.70 point.

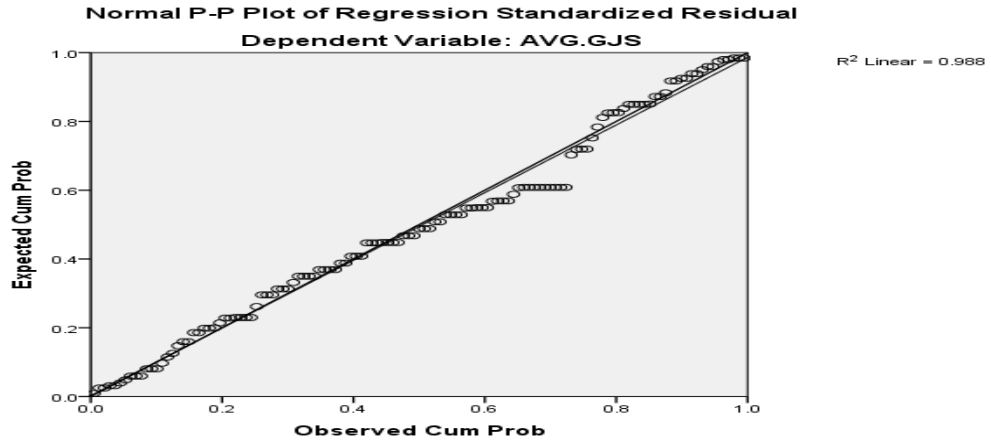


Figure 2: Test for Normality

Before regression analysis was done the regression analysis assumptions were tested by the test for the normality, linearity, homoscedasticity and absence of multicollinearity. The normality assumptions is tasted by a normal P-P plot to determine if the residuals are normally distributed and the plot indicated the they conform to the diagonal normality line indicated in the plot as seen in figure 2.

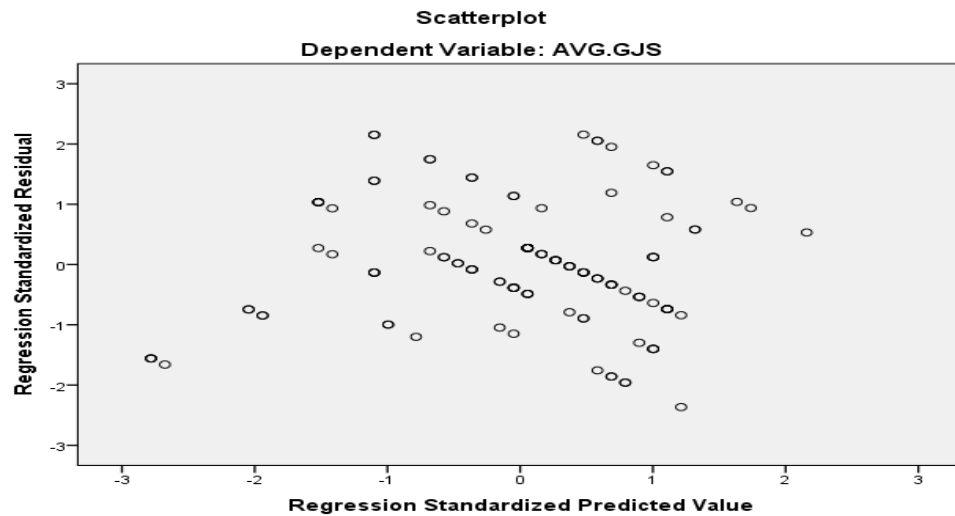


Figure 3: Test for Homoscedasticity

The next assumption checked was the homoscedasticity. It refers to whether the residuals are equally distributed or spread far apart. As figure 3 showed the residuals are distributed equally.

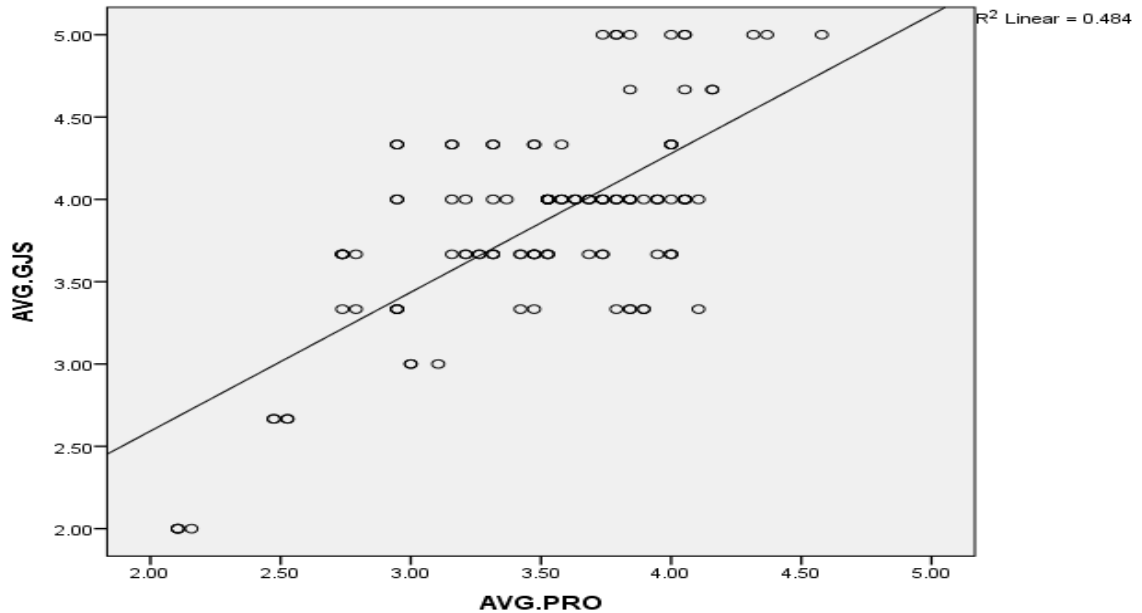


Figure 4: Test for Linearity

Test for linearity was done to see the relationship between the dependent variable and each of the independent variables are linear as shown in figure 4.

	Collinearity Statistics	
	Tolerance	VIF
Promotion	1.000	1.000

Table 4.6: Test of Multicollinearity

From collinearity statistic table VIF value obtained was 1.000, this means that the VIF value obtained is between 1 – 10 it can be concluded that there is no multicollinearity symptoms.

## 4.6 Regression Analysis

The regression equation for the study is  $Y = \text{constant} + \beta X$ , Y represent the dependent variable and X represent independent variable in which the Independent variable is the promotion of employees and dependent variable is job satisfaction of employees.

<b>Model Summary</b>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.696 <sup>a</sup>	.484	.480	.43739
a. Predictors: (Constant), AVG.PRO				

Table 4.7: Regression Analysis

As show on the above table 9 the study revealed significant positive relationship between the independent variable promotion and the dependent variable job satisfaction, and regression analysis was conducted to determine the level of these relationships. The findings show that the study had an adjusted R square of 0.484 meaning that 48.4% of employee job satisfaction was attributed to promotion and 51.6 % of employee job satisfaction was attributable to other factors that are not considered in this study.

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.099	1	22.099	115.517	.000 <sup>b</sup>
	Residual	23.531	123	.191		
	Total	45.630	124			
a. Dependent Variable: AVG.GJS						
b. Predictors: (Constant), AVG.PRO						

Table 4.8: Regression Analysis: ANOVA Table

The ANOVA table shows the significant at the .0001 level. In the degree of freedom the first number represents the number of independent variables (1), the second number (123) is the total number of complete responses for all the variables in the equation (N), minus the number of independent variables (K) minus 1. That  $(N - K - 1)$   $[(125-1 - 1) = 123]$ .

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.907	.277		3.271	.001
	Promotion	.843	.078	.696	10.748	.000
a. Dependent Variable: Job Satisfaction						

Table 4.9: Regression Analysis: Coefficients Table

The regression equation for the study is  $Y = \text{constant} + \beta X$ ,

Y represent the dependent variable and

X represent independent variable thus

$Y = 0.907 + 0.696 X + \varepsilon$  the equation of the study.

## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter deals with the summary of the main findings, the conclusions drawn from the findings and recommendations which the researcher proposes and assumes to be able to be implemented which will go a long way to help to increase the job satisfaction of Ethiopian Airlines Cargo Service employees.

#### 5.1 Summary

The purpose of this research was to identify the effect of promotion on job satisfaction of Ethiopian Airlines Cargo Service employees. Investigations on the perception of the employees toward the organization promotion practice and job satisfaction were employed to answer the desired objectives. At last the researcher made an attempt to come up with suggestions and recommendation for the future.

The study was conducted in Ethiopian Airlines Cargo Service which found under the Ethiopian Airlines Enterprise and to achieve the objectives of the study the following questions were formulated and answered.

1. How do employees of Ethiopian Airline Cargo Service perceive the company's promotion practice?
2. What is the effect of promotion on job satisfaction of the employees in Ethiopian Airline Cargo and Logistic Service employees?

To answer the above question descriptive survey design was used. And simple random sampling technique was used to select the sample one hundred twenty five

employees from the total five hundred fifty employees. The study used questionnaire as tool for collecting data from participants. The collected data were analyzed using descriptive statistics and regression to determine the effect of promotion has on job satisfaction of Ethiopian Airlines Cargo Service employees.

Based on the information gathered from the questionnaire respondents characteristics for the study were 43(34.4%) were female and 82(65.6%) were male employees which were the majority, regarding the age of respondents the finding show that the organization has more young employees with 31(24.8%) were twenty-five & below years old, 47(37.6%) were between 26 – 35 years old, 23(18.4%) were between 36 – 45 years old, 22(17.6%) were between 46 – 55 years old and 2(1.6%) were 56 and above years old, regarding the educational qualification most of the respondents were degree holders and educated as the data showed 33 (26.4%) of respondents had a diploma, 63 (50.4%) of respondents had first degree and 29 (23.2%) respondents had master degree and concerning the service years of respondents the finding showed that 19(15.2%) had less than or equal to 2 years, 63(50.4%) had 3 – 6 years, 23(18.4%) had 7 – 11 years, 20(16.0%) had 12 and above years of work experience.

The finding showed the respondents have a positive feeling about the promotion policy and procedure as the participants responded with total of 3.5 mean score as shown in table. And regarding the effect of promotion on job satisfaction, the findings indicated that promotion affect the job satisfaction of employees  $r(0.712)$ ;  $P < 0.01$ . That means the promotion opportunity and practice is adequate the job satisfaction of the employees also increase.



## 5.2 Conclusions

The study finding showed that there is a strong significant relationship between promotion and job satisfaction, and promotion affect the job satisfaction of an employee. The study finding aligned with Zakaria and Mustapha (2013) and Khan, Nawaz, Aleem and Hamed, (2011) in which their study identified that promotion had positive significant relationship with job satisfaction and indicated that promotion significantly affect the level of job satisfaction among autonomous medical institutions of Pakistan, and with Danish and Usman (2010) that indicated a positive significant relationship between opportunities for promotion and job satisfaction. So the study concludes that the organization consideration to provide their employees with promotion opportunity to meet the employees need for personal growth would make the employees to be satisfied.

## 5.3 Recommendations

The main purpose of this study was to examine the effect of promotion on job satisfaction. To improve the practice of promotion and increase the job satisfaction of its employees the management should conduct performances evaluation constantly and give feedback to employees and encourage the worker to acquire new knowledge by giving chances for external training opportunity. It also should give proper attention to the employee's complaints and grievances on promotion practices that arise because for an organization that practice fair and equal promotion opportunity acquire and retain a productive and satisfied employee that is the source of organization success.

## 5.4 Limitations of the Study

The study main limitation was the time constraints, since it is impossible to collect data from all the employees in airlines business so sampling is used in this study so the researcher decided to use only questionnaire for collecting the data from the employees to know their perception about the effect of promotion practice had on their job satisfaction. Using additional method for collecting data would have provided a strong impression to understand the extent of their perception regarding the impact of promotion on their job satisfaction. And to avoid biased and inaccurate data collected as it can ruin the results of the study the researcher assured the responders about the purpose and confidentiality of the data.

## 5.5 Directions for Future Study

The aim of this study was to find out the effect of promotion practice on job satisfaction. The study only focused on promotion Ethiopians promotion policy and procedure, implementation in practice and its effect on job satisfaction of the organization employee. It did not include all the possible variables that affect job satisfaction in the organization; therefore, so further research can also be carried out to identify other factors that may affect job satisfaction of Ethiopian employee or different sectors.

## References

- Aguinis, H. (2009) Performance Management. 2nd ed.Us: Pearson Education.
- Ahmed, I., Nawaz M.M., Iqbal N, Ali, I., Shaukat, Z. and Usman, A. (2010 ) 'Effects of Motivational Factors on Employees Job Satisfaction a Case Study of University of the Punjab, Pakistan', International Journal of Business and Management, 5(3), pp. 70-80
- Aminuddin, A. and Yaacob, M. (2011) 'The Effects of Recruitment and Promotion Practices on Employees' Job Satisfaction in the Local Governments', Voice of Academia, pp.11- 22.
- Armstrong, M. (2007) A Handbook of Employee Reward Management and Practice. 2<sup>nd</sup> ed. United States: Kogan Page Limited.
- Armstrong, M. (2008) Strategic Human Resource Management.4<sup>th</sup>ed. United States: Kogan Page Limited.
- Armstrong, M. (2009) Handbook of Performance Management: An Evidence-Based Guide to Delivering High Performance. 4th ed. India: Replika Press Pvt Ltd.
- Bandura, A. (2003) Observational Learning. New York: Macmillan.
- Brown, M. (2001) 'Unequal Pay, Unequal Responses? Pay Referents and their Implications for Pay Level Satisfaction', Journal of Management Studies, 38(6), pp. 879 – 896.
- Bruce, W.M. (Ed.) and Blackburn, J.W. (Ed.). (1992) Balancing Job Satisfaction & Performance: A Guide for Human Resource Professionals. The University of Michigan: Quorum Books.
- Cadsby, C., Bram, F. S. and Francis, T. (2007) 'Sorting and Incentive Effects of Pay for Performance: An Experimental Investigation', Academy of Management Journal, 50, pp. 387–405.
- Carvalho J., (1984) 'Archival application of mathematical sampling techniques', Records management quarterly, 18(63).
- Coomber, B. and Barriball, K.L. (2007) 'Impact of job satisfactions on intent to leave and turnover for hospital based nurses', A review of the research literature, International Journal of Nursing Studies, 44,pp. 297-314.
- Cranny, C.J., Smith, P.C., Stone, E.F. (1992) Job Satisfaction: How People Feel About Their Jobs and How It Affects Their Performance. USA: Sage Publication, Inc.

- Currall, S.C, Towler, A.J, Judge, T.A, (2005)'Pay Satisfaction and Organizational Outcomes', *Personnel Psychol*, 58, pp. 613-640.
- Dan Y. and Xinde C. (2014) 'Innovation Research of Enterprise Human Resource Selection-The Selection of Southwest Airlines' *International Journal of Business and Social Science*. Vol. 5, No. 7.
- Danish, R.Q and Usman, A. (2010) 'Impact of Reward and Recognition on Job Satisfaction and Motivation: An Empirical Study from Pakistan', *International Journal of Business and Management*, 5(2), pp. 159-167.
- Davis, K. and Newstrom, J. W. (1989) *Human Behavior at Work: Organizational Behavior*. 8<sup>th</sup>ed. IndianaUniversity: McGraw-Hill.
- DeCenzo, D. A. and Robbins, S. P. (2005) *Fundamentals of Human Resource Management*.8<sup>th</sup>ed. USA: John Wiley & Sons, Inc.
- Dessler, G. (2013)*Human Resource Management*.13<sup>th</sup>ed. USA: Pearson Education, inc.
- Ethiopian Airlines (2016) *Human Resource Management Procedural Manual*. Addis Ababa: Ethiopian Airline
- Ethiopian Airlines (2018) *Ethiopian-short-FactSheet*. Addis Ababa: Ethiopian Airline
- Fried, Y., and Ferris, G. R. (1987) 'The validity of the job characteristics model: A review and meta analysis', *Personnel Psychology*, 40(2), pp. 287–322
- Gathungu, E., Iravo, M.A and Namusonge, G.S (2015) 'Effect of Promotion Strategies on the Organizational Commitment of Banking Sector Employees in Kenya', *IOSR Journal Of Humanities And Social Science*, Volume 20, Issue 10, pp. 36-45.
- Gurbuz, S. (2009) 'The effect of high performance human resource practices on employees' job satisfaction', *Istanbul university journal of the school of business administration*,38(2), pp. 110-123.
- Heery, E. and Noon, M. (2001) *A Dictionary of Human Resource Management*. 2<sup>nd</sup> ed. UK: Oxford University Press.
- Herzberg F (2003) 'One more time: How do you motivate your employees?', *Harvard Business*, vol. 46 no 1, pp.53-62
- Hora, E.A. (2011)*An Assessment of Employees' Job Dissatisfaction (A Case of Ethiopian Electric Power Corporation Jimma Town Branch)*. Unpublished thesis.Ethiopian Civil Service University.

- Ivancevich, J. M. (1998) *Human Resource Management*. 7<sup>th</sup>ed. Irwin McGraw Hill.
- Kathombe, M.W, Kipchumba S. and Kirui K. (2018) 'Reward Management Strategies and Employee Performance in Selected Universities in Nakuru County, Kenya', *Journal of Human Resource Management*, 6(3), pp. 95-102.
- Khan A.M and Aleem, M. (2014) 'Impact of job satisfaction on employee turnover: An empirical study of Autonomous Medical Institutions of Pakistan', *Journal of International Studies*, 7(1), pp. 122-132
- Khan, A. H., Nawaz, M. M, Aleem, M. & Hamed, W. (2011). Impact of job satisfaction on employee performance: An empirical study of autonomous Medical Institutions of Pakistan. *African Journal of Business Management* Vol. 6 (7), pp. 2697-2705.
- Lawler, E. E. (1971). *Pay and Organizational Effectiveness: A Psychological View*. New York: MacGraw-Hill.
- Lazear, E.P. (2000) 'Performance Pay and Productivity', *American Economic Review*, 90, pp. 1346 – 1361.
- Leyian, B.N. (2016) *Factors Influencing Employees' Job Satisfaction: A Case of Amboseli-Tsavo Game Scouts Association of Kajiado County in Kenya*. Unpublished thesis. University of Nairobi.
- Locke, E. A. (1976) *The Nature and Causes of Job Satisfaction*. Chicago: Rand McNally.
- Luthans, F. (1998) *Organizational Behavior*. 6<sup>th</sup>ed. New York: McGraw-Hill.
- Mahapatro, B.B. (2010) *Human Resource Management*. New Delhi: New Age International Publishers.
- McCausland, W., Pouliakas, K. and Theodossiou, I.(2005) 'Some Are Punished and Some Are Rewarded: A Study of the Impact of Performance Pay on Job Satisfaction', *International Journal of Manpower*, 26, pp. 636 – 659.
- Noe, R.A., Hollenbeck, J.R., Gerhart, B., Wright, P.M. (2011) *Fundamentals of Human Resource Management (4th Ed.)*. New York: McGraw-Hill/Irwin.
- Pergamit, M. R., and Veum, J. R. (1999) 'What is a promotion? *Industrial and Labor Relations Review*', 52(4), pp. 581-601.
- Pilbeam, S. and Corbridge, M. (2010) *People Resourcing and talent planning HRM in Practice*. 4<sup>th</sup> ed. England: Pearson Education Limited.

- Qasim, S., Cheema, F., and Sied, N.A. (2012) 'Exploring Factors Affecting Employees Job Satisfaction at Work', *Journal of Management and Social Science*. 8(1), pp. 31 – 39.
- Rast S. and Tourani A. (2012) 'Evaluation of Employees' Job Satisfaction and Role of Gender Difference: An Empirical Study at Airline Industry in Iran', *International Journal of Business and Social Science*, Vol. 3 No. 7;
- Robbin, S. P. (1989) *Organizational Behavior*. 8<sup>th</sup>ed. New Jersey: Prentice Hall.
- Rose, M. (2014) *Reward Management*. India: Replika Press Pvt ltd.
- Rothwell, W.J. (2010) *Effective Succession Planning Ensuring Leadership Continuity and Building Talent from Within*. 4<sup>th</sup>ed. United States of America: American Management Association.
- Rue, L.W. and Byars, L.L. (1992) *Management Skill and Application*. Burr Ridge: IRWIN.
- Sarantakos, S. (2005) *Social Research*. 3<sup>rd</sup>ed. UK: Palgrave Macmillan.
- Shabbir, M.S (2014) 'The impact of human resource practices on employee perceived performance in pharmaceutical sector of Pakistan', *International African journal of business management*, 8, pp.626-632
- Shields, M. and Ward, M. (2001) 'Improving nurse retention in the National Health Service in England: the impact of job satisfaction on intentions to quit', *Journal of Health Economics*, Vol. 20, 677-701.
- Shields, M.A., and Ward, M. (2001) 'Improving nurse retention in the National Health Service in England: The impact of job satisfaction on intention to quit', *Journal of Health Economics*, 20, pp. 677-701.
- Spector, P. E. (1997) *Job Satisfaction: Application, Assessment, Cause, and Consequences*. Thousand oaks, CA: Sage Publication, Inc.
- Taslim, K. and Mishra, G.P. (2013) 'Promotion As Job Satisfaction, A Study on Colleges of Muscat, Sultanate Of Oman', *European Journal of Business and Management*, 5(5).
- Wilson, J.P (1999) *Human Resource Development*. London: Kogan Page Limited.
- Zakaria, Z.C, and Mustapha, N. (2013) 'The Effect of Promotion Opportunity in Influencing Job Satisfaction among Academics in Higher Public Institutions in Malaysia', 3(3), pp. 20 - 26.



## Appendix A: Questionnaire

Addis Ababa University School of Commerce  
Department of Human Resource Management

### Questionnaire to be filled by Ethiopian Airline Cargo Employees

Dear Participants,

The purpose of this questionnaire is to gather data related to the “The Effect of Employee Promotion on Job Satisfaction in the Case of Ethiopian Airline Cargo Services”. Your contribution is crucial for the success of the study .Therefore you are kindly requested to read all questions and fill the questionnaire genuinely. It may take 5 - 10 minutes to fill. The successes of this study openly depend up on your honest and real response to the questionnaires. The information that will be obtained from response to this questionnaire will be used only for the purpose of the study. Your response will keep confidential and used for academic purpose only. Thank you very much for your willingness to participate in this study.

General Directions: To fill the questionnaire please note the following points

1. No need of writing your name
2. Put ' ✓ ' mark in the box of your alternative answer
3. Please give answers to each closed ended items as appropriate as possible.
4. Please give your short and precise responses to the open ended questions.

#### Section One: Background Information

Please respond to the following by circling the letter of your choice.

1. Sex:           A. Male                            B. Female
2. Age:   A. 25 and below   B. 26- 35       C. 36-45       D. 46-55       E. 56 and above
3. Your Educational back ground:   A. Diploma                            B. BA/BSc  
  C. Masters                            D. Other please specify\_\_\_\_\_
4. Total years of work experiences:   A. < = 2 years                            B. 3 - 6 years  
  C. 7 - 11 years                            D. 12 and above

Section Two. Issues related to the effectiveness of Employee Promotion on Job Satisfaction as perceived of Ethiopian Airline Cargo s Service employees. To be answered by Ethiopian Airline Cargo s Service employees.

Please rate each item using a five point scale from strongly agree (5) to strongly disagree (1) as related to the promotion effect in employees job satisfaction in Ethiopian Airline. Choose only one response from the given alternatives and put” ✓” sign in the space provided. Thank you for your positive response and availability.

Key: 5 = Strongly Agree, 4 = Agree, 3 = Undecided, 2 = Disagree, and 1 = Strongly Disagree

No	Indicators	Scales				
		5	4	3	2	1
1	Promotion					
1.1	I receive regular feedback about my performance.					
1.2	My performance appraisal is conducted on time each year.					
1.3	The organization provides me with adequate resources, enough work related training and chances to develop myself professionally.					
1.4	The organization encourage me to acquire additional qualification from external training course					
1.5	The organization provides me with opportunity to implement the knowledge gained during training.					
1.6	My organization practices regular job rotation.					
1.7	Information on promotion is shared openly within the organization					
1.8	The organization has a written and operational promotion policy					
1.9	Employees’ career opportunities and their growth are immensely considered by the organization management.					
1.10	My organization has a clear career path.					



No	Indicators	Scales				
		5	4	3	2	1
1.11	Promotion opportunities are not limited and are fairly adequate in this organization.					
1.12	My organization promotion policy and strategy takes efficiency performance and experience into account.					
1.13	Specifications requirements to be eligible for promotion are reasonable.					
1.14	I believe the promotion assessing procedure of the organization is satisfactory.					
1.15	For promotion opportunity, I am treated fairly compared with colleagues who have similar qualifications and years of experience.					
1.16	I feel confident about the possibility to be promoted on my job.					
1.17	Those who do well on the job stand a fair chance of being promoted.					
1.18	The organization puts the right person in the right position.					
1.19	The organization gives proper attention to employees' complaints and grievances.					
2	<b>General Job satisfaction with Promotion</b>					
2.1	I am satisfied with my chances for promotion.					
2.2	I feel optimistic about my future with the company.					
2.3	Overall, I am satisfied with my job.					