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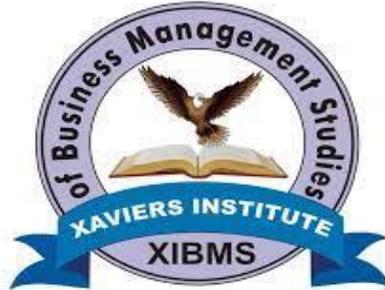
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**ASSESSING RATIONALES AND IMPACTS OF EMPLOYEES'
TURNOVER IN COMMERCIAL BANK OF ETHIOPIA
(SPECIAL EMPHASIS IN SHASHEMENE DISTRICT)**



**XAVIERS INSTITUTE OF BUSINESS MANAGEMENT STUDIES
DOCTORAL PROGRAM IN MANAGEMENT STUDIES
A DISSERTATION SUBMITTED TO XAVIERS INSTITUTE OF
BUSINESS MANAGEMENT STUDIES,
FOR THE REQUIREMENTS OF DOCTORAL DEGREE IN
MANAGEMENT STUDIES**

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December, 2022

XIBMS

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Declaration

I declare that this thesis (*Assessing Rationales and impacts of employee turnover in Commercial bank of Ethiopia*) is my original work. It has not been submitted for a degree in any other universities and all the materials used in this study have been duly acknowledged.

Mikias Mulugeta (Doctoral Candidate)

Date

Professor Arvind J. L. Rao

Date

Doctoral Committee Approval Sheet

We, the undersigned, members of the Advisor and External and Internal Examiners of the final defense by doctoral candidate Mikiyas Mulugeta Gebereyohannes have read and evaluated her thesis entitled “*Assessing Rationales and impacts of employee turnover in Commercial bank of Ethiopia*” and examined the doctoral candidate. This is therefore to certify that the dissertation has been accepted after oral presentation and viva voce in partial fulfillment for the award of the doctoral degree in Management Studies.

Chair Person

Signature

Date

Advisor

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External Examiner

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Date

External Examiner

Signature

Date

Internal Examiner

Signature

Date

Acronyms

CBE: Commercial Bank of Ethiopia

CS: Customer service

FR: Frequency

HR: Human Resource

HRM: Human Resource Management

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Acknowledgement

First of all, I Praise almighty Lord for giving me strength, health and peace to be successful in life challenges and successfully completes this study.

I extend my gratitude to my guide, Prof. Arvind Rao for his advice, encouragements and technical support during my study in XIBMS.

My special gratitude goes to my beloved wife Adonai Tibebu for her support and motivation throughout the study. Also, I would like to take this opportunity to appreciate my lovely daughter Lielna Mikiyas and my mother Genet Kassahun for their patience when I was in work and study.

Finally, I would like to express my gratitude and appreciation to my friends and colleagues who have provided motivation, advice, support, and even remark that had contribute toward the completion of my research.

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CHAPTER ONE

INTRODUCTION

This chapter highlights the background of the study on the rationales and impacts of employees' turnover in Commercial Bank of Ethiopia by considering the most common problem in the service and business sectors. This section provides the background of the study, statement of the problem, objectives of the research, significance of the study, scope of the study, limitations, and definition of key terms and organization of the study.

1.1. Background of the study

The ability of an organization in the process of management depends largely on its efficiency and effectiveness of utilizing its human resources. Human resource is the most fundamental and decisive asset. On the other hand, whatever ample material and financial resources it may have, the institution is lifeless unless it converted to some sort of outputs with the effort of people. This is due to the fact that human resources mobilize and organize other resources to realize organizational goals and objective. Labor turnover is an important and pervasive feature of the labor market Martin (2003), because, it affects both workers and the firms' performance by incurring high amount of turnover cost.

Employee turnover refers to the proportion of employees who leave an organization over a set period (often on a year-on-year basis), expressed as a percentage of total workforce numbers. At its broadest, the term is used to encompass all leavers, both voluntary and involuntary, including those who resign, retire or are made redundant, in which case it may be described as 'overall' or 'crude' employee turnover (Armstrong, 2006).

Organizations invest a lot on their employees in terms of induction and training, developing, maintaining and retaining them in their organization (Barb and Jancy, 2001). Recruiting employee consume a great deal of time and effort, bringing employee up to speed even takes more time, replacing employee costs money and in general high turnover often leaves customers and employee in the lurch; departing employee takes a great deal of knowledge with them. This lack of continuity makes it hard to meet organization goals and serve customer well and suggested that "respect, recognition and reward while the employees are with us can bring a positive result and increase retention". Creating mechanisms to reduce and retain active and

skilled manpower should be the major activities of any organization to ascertain its going concern ideology.

Turnover as a concern of Human Resources is an area where much attention should be given; hence, as part of the activity of Human Resource, Knowing the reason for employees leaving the organization and its consequence is important. Although there is a mechanism of identifying the reason for resignation of employees in the bank, the system is traditional and weak so that significant result has not been achieved in this matter and the bank is unable to stop such migration and purely cannot identify the consequence in a systemic manner. This is perhaps due to the inability of the existing system to clearly identify the reason for resignation and establishing the retention mechanisms.

As a service giving organizations, the quality of the Bank's service is highly dependent on maintaining such skilled manpower to achieve its mission effectively and efficiently. Though the bank has prepared some incentive mechanisms and established a new system of organization to manage the turnover, its impact is still unsatisfactory. This initiates the researcher to conduct a study to identify the root cause of the problem, its consequence and management so as to recommend possible solutions for the subject matter. Turnover could be minimized through considering different preventive measures by the management. These may include providing training to the employees and line managers for an effective supervision before appointing or upgrading them, providing security of jobs with good working environment, better salary and benefit packages etc.

Commercial Bank of Ethiopia a public owned financial institution aimed at transforming in to a world class commercial bank. To realize its vision, CBE had re-engineered its business process and is being transformed from a functionally-oriented bank into a processed-based bank that strives for efficient and effective service delivery. As per the report of 2011/12 of Commercial Bank of Ethiopia, the HRM sub-process from the total of 12,782 (in the fiscal year 2011/12) employees' 77 percent are diploma and first-degree holders. Having this skilled human resource CBE works in delivering the best quality service than the rest of competitors in the industry. This experience clearly shows that human resource is the most invaluable asset of any organization. Without the proper handling of its human resources, it is hard for any organization to realize its short- and long-term objectives and goals. The 2017/18 annual report clarified that there are 33,706 employees are working throughout the branches of CBE across Ethiopia and some countries like Djibouti (CBE annual report 2017/2018).

1.1.1 Background of Commercial Bank of Ethiopia

Commercial bank of Ethiopia (CBE) is the biggest state-owned bank and the largest commercial bank in the country. The bank was established as state bank of Ethiopia in 1942 but legally established as Share Company after twenty years in 1963. According to the annual reports of the bank, the bank has more than 1140 branches throughout the country. It has 13.3 million accounts holders and 1,352,000 users of mobile and internet banking. CBE has asset of ETB 384.6 billion as of June 30, 2016 and the number of employees has reached 33, 706 (Report year 2017/8).

CBE has a vision to be a world class commercial bank by the year 2025 (CBE: Annual Reports 2015/16-2017-18).

Currently the banking sector is growing rapidly following the government allow the operation of private banks since 1991. Before the downfall of the Dergue regime the banking sector of Ethiopia was run by three state owned banks namely CBE, development bank and construction bank.

The Monetary and Banking Proclamation of 1994 a number of private banks have been opened in Ethiopia. The national bank of Ethiopia (NBE) which is the regulatory authority in the industry reveals that private banks increased in number from 3 in 1991 to 19 banks in 2015 (NBE press release 1998). Whereas after the assimilation of construction bank to CBE in 2016, currently there are only two state banks and 16 private banks with a total of 18 banks in the country.

Commercial bank of Ethiopia is serving clients with different banking services. There are four core banking processes, domestic banking, international banking, E-payment and interest free banking. Under domestic banking there are deposits, credit facility and local money transfer. International banking service contains trade service (TS) Forex service and money transfer. On the other hand E-payment contains internet banking, card banking & Mobile banking.

1.2 Statement of the problem

Human resource plays a vital role in maintaining the sustainability of any organization. For an organization to be successful it needs to have a motivated and inspired employees as well as well articulated management since satisfied employees naturally treat the organization's

clients very well or give quality service, hence the management's awareness of the importance of keeping employees satisfied and the effectiveness of the existing motivation system contributes a lot for the quality of service and the success of the organization. Staff turnover issues have reached to such a level that many industrial, service and consulting organizations are investing a big slice of their resources under knowledge management and other retaining mechanisms.

Employee turnover has always been a matter of concern for all type of organizations including banks. Large number of employee turnover may be unfavorable to both the banks as well as the employees. High turnover can harm a business's ability to retain customers and customer service quality and also leads to low productivity, (Mabindisa, 2013). Turnover is well acknowledged by higher officials and HR managers due to its multi-dimensional untoward effects in banks. After Federal Government of Ethiopia legalized domestic private commercial banks to join the banking industry, increased number of banks has created stiff market competition. Even if commercial bank of Ethiopia has a leading position, the increased number of the private banks has made the competition tougher in providing quality service and introduction of modern banking system. The Commercial bank of Ethiopia can maintain its leading position when it continuously improve service quality and retain its customer since offering quality services give sustainable competitive advantage to any business. The flourishing number of banks has also created a lot of employment opportunity to the nation but it has also produced many staff turnovers in CBE even if the bank has employed many staff retention strategies. From the total employee large number of workers terminated from the bank due to different reasons. Besides, Corporate Human Resources Process is not able to retain its experienced and skilled employee (Birknesh 2016).

Commercial bank of Ethiopia has a vision to be a world class commercial bank by the year 2025. For the purpose of realization of this vision it has formulated strategies. One of the strategies is satisfying its employee through training and professional growth; recognize its employee as valuable organizational resources. But it is observed that senior employees are leaving the bank and join private banks. If the bank does not investigate the factors that influence employee turnover and formulate strategy to retain its talented employees, it may reduce its profitability and market share. There are a number of factors that drive turnover. These factors lead to employee low morale and quitting of the job which on the other hand can affect the bank by causing low organizational performance, loss of experienced employees, high administrative hiring costs and shift of customers to other banks (Biruk Walleign, 2013 as cited by Birknesh). Therefore, by focusing on these causes for employee turnover and taking corrective measure one can

proactively avert or reduce employee turnover rate (Bax&leberk, 2004 as cited by Birkinsh). A fuller understanding of factors for employee turnover in commercial bank of Ethiopia is a paramount importance for the bank higher officials and HR managers, as it gives an insight and entry point to formulate and implement various effective strategies to ensure that there is employee continuity in the bank to enhance overall performance of CBE. So it is imperative to study one of the biggest HR challenge in the banks (CBE); employee turnover and its causes, consequences and management.

This study tries to investigate causes, consequences and management of employee turnover at CBE, Keeping the aforementioned statement in to account, the study strive to answer the following basic research questions:

1. What are the main reasons for employees' turnover?
2. What are the consequences of employees' turnover in CBE?
3. What are the techniques of employee retention?
4. What are the ways of reporting turnover in CBE?

1.3 Objectives of the study

This study has both general and specific objectives.

1.3.1 General Objective

The main objective of the study is assessing the rationales and impacts of employees' turnover in the Commercial Bank of Ethiopia.

1.3.2 Specific objectives are to:

- Identify the causes of employee turnover
- Identify the consequences of employee turnover in the bank
- Examine the existing retention mechanisms of the Bank; if any,
- Examine the reporting systems pertaining to employee turnover

1.4 Significance of the study

This study shows a practical picture of the Human Resource Management practice of CBE in relation to employee turnover. Knowing the practice in turn is significant in helping to point out any weakness and strengths that exist in the Bank. This is the basis of ensuring best approach to handling and retaining employee turnover related issues in the CBE. Particularly, it helps the Bank to maintain improved human resource retention mechanisms; it provides insight for other researchers who want to study employee turnover in the Bank. This

study gives critical importance for the bank, policy makers and other researchers who are investigate on the issue and other untouched variables related to turnover in this study.

1.5 Scope of the study

There are many Banks in the country while the study is bounded to examine causes and consequences of employee turnover in Commercial Bank of Ethiopia. Even though, the CBE has also different kinds of activities within the human resource management, it would have been good if the study included all aspects of human resource management activities. Hence, this study focused only on one of the prominent issues in HRM; that is, employees' turnover, which has untold impact on the Bank's overall performance. Besides, the study covers only Shashemene area due to cost and time constraints. The methodological scope of the study employed only descriptive survey research method to explain the current status of employee turnover in the commercial bank of Ethiopia.

1.6 Limitation of the study

The main drawbacks of the study were difficulty in finding the ex-employees of the organization which forced the study to depend on a few numbers of ex-employees and exit interview data. In addition, respondents' reluctance and lack of willingness to complete and return the questionnaires on time as well as unorganized data from annual press releases of the bank.

1.7 Operational Definition of terms

Clerical Staff: - Staff who are engaged in clerical activities. E.g., Secretaries

Employees: -refers to all full-time workers at commercial bank of Ethiopia

Managerial Staff: - Staff who has subordinates under his/her control.

Professional Staff: - Staff who are engaged in professional work. E.g., HR Officer

Turnover intention: is an individual's desire to leave a job or an organization permanently at some point of time in the future.

Turnover: -refers to the movement of employees in an organization and movement in market between employment and unemployment

Turnover Rate: is ratio of the number of employees who left the bank during the period considered and the average number of employees of the organization in the same period.

Transport & Production Staff: - Staff who are engaged in technical work. e.g. Drivers, electricians, etc.

Service workers: - Staff who are engaged in technical work. Eg. Cleaner, Security Officer, Gardner etc.

1.8 Organization of the study

The study composed of five chapters. The first chapter deals with the background of the study; the state of the problem, objectives, scope, and significant of the study. The review of the related literature is discussed in the second chapter. It presents the conceptual and theoretical frameworks or a brief review of related studies and literatures that serve as the basis and proof to support the basic questions of the study. Chapter three addresses research design and methodology. It explains the methods, approaches, procedures and instruments that were used to achieve the purpose of the study. The fourth chapter focuses on the presentation, analysis and interpretation of the data. The Fifth chapter deals with summary, conclusions and recommendations based on the findings. Lastly, reference and the appendix part follow Chapter Five.

CHAPTER TWO

REVIEW OF THE RELATED LITATURE

This chapter gives a detail on employee turnover causes, consequences and retention mechanisms theoretically and empirically.

2.1 Employee Turnover

In today's working environment, a company's human resources are truly the only sustainable competitive advantage. Product innovations can be duplicated, but the synergy of a company's workforce cannot be replicated. It is for this reason that not only attracting talented employees but also retaining them is imperative for success. There is no set level of employee turnover above which effects on the employing organization becomes damaging. Everything depends on the type of labor markets in which the organization competes. Where it is relatively easy to find and train new employees quickly and at relatively little cost (i.e., where the labor market is loose), it is possible to sustain high quality levels of service provision despite having a high turnover rate. By contrast, where skills are relatively scarce, where recruitment is costly or where it takes several weeks to fill a vacancy, turnover is likely to be problematic from a management point of view. This is especially true of situations in which organizations lose staff to direct competitors or where customers have developed relationships with individual employees as is the case in many professional services organizations (John 2000).

Employee turnover is usually defined as the influx and exit of individuals into and out of the working force of the organization over a specific period of time. Movement into the organization, ordinarily not an important part of turnover analysis, is called accessions. Movements out of the organization are called separations; this includes voluntary resignations or quits, dismissals, layoffs and death or retirements.

2.2. Types of employee turnover and its measurement

When discussing turnover and what is considered to be an appropriate rate of turnover, several issues must be addressed. First is the misconception that a very low turnover rate (near

zero) is the most acceptable. It is virtually impossible and undesirable to achieve a continuous zero turnover rate in an organization.

Extremely low measure and monitor turnover and retention data turnover rates can be dysfunctional as well as unhealthy, particularly when new thinking and fresh ideas are needed. Also, extremely low turnover rates for extended periods of time can add tremendous costs as incumbent employees reach higher salaries.

Defining the acceptable rate of turnover is another concern. After the specific type of turnover is defined, the economic climate considered, the expectations detailed, and capabilities considered, a turnover rate above a certain level becomes excessive and will trigger action. More importantly, monitoring leading indicators to the actual turnover rate is better. There are five types of employee turnover. These are: - Total Turnover Rate, Voluntary and Involuntary, Avoidable and unavoidable, Functional and Dysfunctional and Early Turnover (Phillips and Lisa R, 2009). Each of them is briefly described as follows:

2.1.1. Total turnover rate

The definition of total turnover is the total number of employees leaving the organization during a month divided by the average number of employees during that month. Some calculations use the number of employees at mid-month in the denominator. However, this can be slightly misleading because of the surge of employees who leave at the end of the month (many professional employees prefer to leave at the end of the month). This category includes all the reasons for an employee's departure, regardless of the performance of the employee or unavoidable situations that created the departure. In reality, this value has little practical meaning because there are so many unavoidable reasons for turnover. Also, the value includes functional turnover, where a certain number of employees are purposely removed from the organization (Michael 2005).

2.1.2. Voluntary versus involuntary

Voluntary turnover usually refers to those employees who initiate their departure from the organization i.e., caused by the interest of the employee (e.g. to take job in other organization for better salary). Exit interviews mostly aim to establish evidence why people are leaving. Some of the reasons for leaving can be (Phillips and Lisa R. 2009):

- Personal dissatisfaction with the job, employer, hours, or working conditions, security, prospects (career move), relationships with manager/team leader or with colleagues, payment etc.
- There are also factors in employee's personal life not related to the job that make an employee resign. These may include family obligations, education, health, or moving to a new location.
- Getting hired at a new job. Reasons for wanting a different job may be better working conditions, better hours, a shorter distance to work, better pay, career progression or preparation for entry into a new career, or a career change.
- Feared or anticipated involuntary termination. The employee may wish to take matters into his/her own hands in order to leave more honorably either completely on their own initiative, or as an offered alternative to being fired (this is also known as mutual consent in some parts)

2.1.3. Dysfunctional versus functional turnover

Voluntary turnovers are further distinguished between functional and dysfunctional turnovers. Functional turnovers are the resignation of substandard performers and dysfunctional turnovers are referring to the exit of effective performers. They also classified dysfunctional turnover, which is the most concern of management due to its negative impact on the organization's general performance, into avoidable turnover (caused by lower compensation, poor working condition, etc) and unavoidable turnovers (like family moves, serious illness, death, etc) over which the organization has little or no influence. Therefore, management should give special attention to avoidable turnover over which it has control and improves the situation and then staffs retention (Jack et al, 2003).

In previous definitions, the quality of the employee's performance is not taken into consideration. For talent management, the issue becomes critical when high-performing talent leave the organization versus those considered being low performers.

2.1.4. Avoidable versus unavoidable turnover

The next definition is based on the concept of avoidable turnover. This turnover rate is defined as the number of employee departures that are avoidable, divided by the average number of employees during the month (or number at mid-month). This calculation requires the analysis of turnovers that could have been avoided in some way.

2.1.5. Early turnover

A critical time in an employee's tenure with an organization is usually with the first few days, weeks, and months of employment. It is during this period that mismatches are identified and frustrations intensify. An employee may decide to leave if other opportunities are available. This early turnover is often a function of improper selection systems, ineffective orientation systems, and inadequate socialization processes to adapt the employee to the organization. To understand this issue completely, it is recommended that an early turnover measure be developed. This measure is defined as the number of employees leaving in the first sixty days of employment divided by the number of new employees hired in the same period.

2.3. Causes and influencing factor of employee turnover

Turnover basically arises from the unhappiness from job place for individual employee. But being unhappy in a job is not the only reason why people leave one company for another. If the skills that they possess are in demand, they may be lured away by higher pay, better benefits or better job growth potential. That's why it is important to know and recognize the difference between employees who leave the job because they are unhappy and those who leave for other reasons. There are number of factors that contribute to employee turnover (Charless 2001). Some of these factors in more details are: The economy - in exit interviews, one of the most common reasons given for leaving the job is the availability of higher paying jobs. Obviously, in a better economy the availability of alternative jobs plays a role in turnover, but this tends to be overstated in exit interviews.

Employee turnover caused by several factors that in turn can have impacts in the performance and the future success of the bank. These factors can stem from the employer, the employees or both. According to Bean, (2009) employees' wages, company benefits, employee attendance, and job performance and organizational commitment are factors that play a significant role in employee turnover, However, (Bratton and Gold, 2003), (Pendulwa, 2011) described the causal factors for turnover which include job not matching new employee's expectations, lack of attention from line managers, lack of training, lack of autonomy, lack of challenge and variety within the work. The researchers also described; low salary, poor benefits,

lack of job securities, disappointment with the promotion and development opportunities, disappointment with standards of management such as unapproachable, uncaring and distant behavior and a failure to consult as factors for turnover. These factors are also crucial in banking sector. It is stated by many scholars that in turnover process even if employees usually point out one factor for their turnover choice, there are always more factors on the back hand that works as a driving force for that factor (Jaffari, 2011).

A study conducted on turnover intention in 160 employees of CIM Bank of Klang valley branches, in Malaysia showed a moderate correlation between working environment and bank employees turnover intention compared to other variables such as job stress, compensation salary and career growth. However, the study done by Oluwafemi on turnover intention in Nigeria's oil industry on 750 employees found that fairness in distribution of rewards, implementation of organizational policies and procedures, as well as the prevailing superiors' styles of interaction with subordinates were found to be more important determinants of employees' intention to stay with their organization. And the study also found that participants who were emotionally unstable also scored higher on turnover intention than participants who were emotionally stable.

According to study done by Elizabeth Medina by title "Job Satisfaction and Employee Turnover Intention: What does Organizational Culture Have to Do with It?" depicts factors for job satisfaction which indirectly affects turnover. This study was done on 4717 individuals working on different sectors, and data is drawn from data collected for General Social Survey (GSS) of residents of the United States. The results show that, an increase in job satisfaction is associated with a decrease in turnover intention to leave his or her current employer; and, holding job satisfaction constant; employees with high workplace cultural satisfaction have lower turnover intention compared to employees with low workplace cultural satisfaction. It is worth noting that this relationship is statistically significant at the 90% confidence interval. The results of this study confirm having higher education, increased life satisfaction from work and low income status is significantly associated statistically with increases in turnover. Furthermore, this research showed that people who have been employed with the same company for an extended period (about 5 years) are less likely to move. A person who is the lowest quartile of income (i.e. in the bottom 25 percent of earners) have increased turnover intention and intend to find a new, better-paying job when compared to someone who is not in the lowest quartile of income People in this group. Additionally, the study also showed that young adults (18-35) have more level of turnover intention compared to mature adults (36-88).

A study done on causes of employee turnover on local Banks in both government and private sectors in Bahawalpur, Punjab, Pakistan, shows that employee turnover has a significant relationship with the variables i.e Job satisfaction, Trust Relationship, Job Security, Organizational Commitment and Job Stress but it has insignificant relationship with Person Organization Fit and recognized that Job Stress is the major contributor for turnover. It was also concluded that workload monitoring and supervisory subordinate relationships from the management can not only reduce stress, but can also increase job satisfaction, job security and commitment to the organization. Moreover, given their importance in quitting intentions, managers must monitor both the extrinsic and intrinsic sources of job satisfaction provided to workers.

According to a study conducted in 2016/7 by Birkinesh Gemechu ‘factors affecting employee turnover in commercial bank of Ethiopia ‘the main causes of employee turnover include low salary and other fringe benefits, high supervision, less opportunity for career growth and development identified.

2.4. Consequences and costs of employee turnover

The cost of turnover can differ across organizations, and costs associated with turnover are difficult to estimate. For example, an organization’s geographic location may necessitate a particularly high cost of recruiting new employees, which causes the cost of turnover in that organization to be unusually high. Due to this it is difficult to estimate. “Turnover” refers to the movement into and out of organization by the work force. An excessive movement is undesirable and expensive from the view of the organization. Voluntary quits which represents an exodus of human capital investment from organizations and the subsequent replacement process entails manifold costs to the organizations (Flippo., 1980). These replacement costs include the following costs:

- Hiring costs, involving time and facilities for recruitment, interviewing, and examining a replacement.
- Training costs, involving time the time of supervisor, personnel department and trainee.
- Loss of production in the interval between separations of the old employee and the replacement by the new. And as the new employee is learning the job, the company policies and practices, etc., they are not fully productive. Whatever training is provided, the employee is contributing.

- Overtime pay may result from an excessive number of separations, causing trouble in meeting contract delivery date.
- Induction costs, all of which are concerned with preparing new employees to work as effectively as possible and as soon as possible in their new jobs, in helping new starters to adjust emotionally to the new workplace.

Employee turnover is expensive from the view of the organization. Voluntary quits which represents an exodus of human capital investment from organizations and the subsequent replacement process entails manifold costs to the organizations. These replacement costs include for example, search of the external labor market for a possible substitute, selection between competing substitutes, induction of the chosen substitute, and formal and informal training of the substitute until he or she attains performance levels equivalent to the individual who quit John (2000). Addition to these replacement costs, output would be affected to some extent or output would be maintained at the cost of overtime payment. The reason so much attention has been paid to the issue of turnover is because turnover has some significant effects on organizations (DeMicco and Giridharan, 1987; Dyke and Strick, 1990; Cantrell and Saranakhsh, 1991; Denvir and McMahon, 1992). Many researchers argue that high turnover rates might have negative effects on the profitability of organizations if not managed properly (Hogan, 1992; Wasmuth and Davis, 1993; Barrows,1990). Hogan 1992, nearly twenty years ago the direct and indirect cost of a single line employee quitting was between \$ 1400 and \$4000.

Turnover has many hidden costs Philips (1990) and these invisible costs are result of incoming employees, coworkers closely associated with incoming employees, co-workers closely associated with departing employees and position being filled while vacant. And all these affect the profitability of the organization. On the other hand, turnover effects on customer service and satisfaction Kemal et al. (2002). Catherine (2002) argue that turnover include other costs, such as lost productivity, lost sales, and management's time, estimate the turnover costs of an hourly employee to be \$3,000 to \$10,000 each. This clearly demonstrates that turnover affects the profitability of the organization and if it's not managed properly, it would have the negative effect on the profit.

Research estimates indicate that hiring and training a replacement worker for a lost employee costs approximately 50 percent of the worker's annual salary (Johnson et al., 2000) – but the costs do not stop there. Each time an employee leaves the firm, we presume that productivity drops due to the learning curve involved in understanding the job and the organization. Furthermore, the loss of intellectual capital adds to this cost, since not only do organizations lose the human capital

and relational capital of the departing employee, but also competitors are potentially gaining these assets Meaghan et al. (2002). Therefore, if employee turnover is not managed properly it would affect the organization adversely in terms of personnel costs and in the long run it would affect its liquidity position. However, voluntary turnover incurs significant cost, both in terms of direct costs (replacement, recruitment and selection, temporary staff, management time), and also (and perhaps more significantly) in terms of indirect costs (morale, pressure on remaining staff, costs of learning, product/service quality, organizational memory) and the loss of social capital Dess et al. (2001).

In their analyses of turnover costs, Schultz (2006) concludes that employee turnover is costly for organizations. Every time an employee quits, a replacement must be recruited, selected, trained, and permitted time on the job to gain experience. Phillips and Connell (2003) as cited in Asmamaw (2011) concur and enumerate the costs of turnover to include, recruiting costs, selection and or employment costs, orientation costs, training costs, lost wages/salaries, administrative costs, lost productivity, loss of human capital, and customer satisfaction issues. It is important for management to know why employees, particularly high performing employees resign from the organization.

The common way of investigating employee's resignation is by conducting an exit interview which also is another cost to the Organization. The reason given by Phillip and Connell (2003: 1) as cited in Asmamaw (2011) for such interview is to investigate the reasons for the employee's withdrawal. If the reasons given by the employee suggest inadequacies on the part of the organization (for example, inadequate salary, inequity, poor promotion, etc.) management can review the issue and this will help the organization in the formulation of retention policies that adequately provide for the shortcoming. In conducting an exit interview, some costs are involved and they must be taken into consideration when calculating turnover costs. Bliss (2007) lists these costs to include the time of the person conducting the interview and the administrative costs involved in processing the resignation letter, including stationery and printing. Before a recruitment process is initiated, a job analysis is necessary to determine the job content of the vacant position. A job analysis expert will have to be consulted to evaluate outstanding work and job requirements of the vacant position. These costs also represent turnover costs and must be considered. Training and re-training of employees constitute one of the most crucial aspects of management in both the public and private sector organizations.

Hidden cost of turnover expenses falls into four basic categories: termination costs; replacement costs; which can include orientation and basic training costs; vacancy costs when no one is there

to do the work; and lost productivity or opportunity costs that result from the learning curve of the new employee. Furthermore, it is impossible to calculate exactly what turnover cost amounts to, but it is substantial and it is possible to come up with a very good estimate. a number of different costs that go up on turnover rates. Initially to be very accurate turnover costs categorized under direct and indirect hiring costs and direct replacement and indirect replacement costs. Each of these categories was contain a number of cost areas to develop standard costs for different categories of jobs (Fitz-Enz as cited by Ayalikbet 2013) .

Table 2: Turnover costs categories

Direct new hiring cost	Indirect hiring costs	Direct replacement costs	Indirect replacement costs
Advertising	-Management time per hire	Applicant expenses	Management time per hire
Agency and search fees	Supervisor/lead time per hire	Relocation expenses	Supervisor/lead interview time per hire
Salary and benefits of staff	Orientation and training per hire	Salaries and benefits of staff	Training time per hire
Applicants	Vacancy cost	Employment office	Opportunity loss
Recruiter's expense	Opportunity loss /productivity loss per hire		
Staffing office overhead			

Source: (Fitz-enz,1997)

2.5. Benefits of turnover

According to Glebbeek and Bax (2002), the following potential advantages of labor turnover could be listed:

- **Leave of relatively expensive employees:** This applies especially in case a firm uses a compensation system based on seniority or if the premiums for social security are age related. If the rise of labor costs exceeds the increase of productivity of an employee, replacement of the latter becomes profitable
- **Leave of less productive employees:** This refers to workers who lose productivity due to aging, physical and mental wear or because they cannot cope with rising work pressures.

- **Termination of bad matches:** Even under the conditions of careful recruitment and selection procedures, some matches turn out to be better than others. This holds true especially when productivity and performance do not so much depend on technology as well as on social relations and contextual skills.
- **Innovation:** Labor turnover creates possibilities for replacing employees and therefore enables firms to import new types of knowledge, ideas, experience and skills.
- **Advantage of market condition:** The personnel demand of a firm is dependent on external conditions of which the market and the business cycle are important ones. Hence, some variation in the number of staff employed is inevitable.

2.6. Exit interview and ways of reporting

While exit interviews or leaver questionnaires can provide some information about why people are leaving, they do not necessarily get to the root of the problem. For example, someone might say that they are leaving to go to a job with better pay but this does not show what led the person to start looking for another job in the first place. In order to produce human resource plans that address labor turnover problems, organizations need to differentiate between ‘push’ and ‘pull’ factors. The former relates to factors within the organization (e.g. poor line management, inadequate career opportunities, job insecurity, dissatisfaction with pay or hours of work) that weaken the psychological link between an individual and their employer. Once an individual has decided to look for another job they are likely to base their decision on ‘pull’ factors, i.e. the attractions of the new job or organization in relation to their existing circumstances.

2.7. Management of employee turnover and retention mechanisms

“Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project or retirement.” (Martin 2003). To be competitive, organizations in many industries must have highly skilled, knowledgeable workers.

According to Parker (2008) the retention mechanism to intervene potential employee turnover includes:

- Conduct routine opinion surveys, exit interviews and focus groups to discern issues.
- Address the matter directly with co-workers in attendance and work for solutions.
- Meet individually with employees to determine issues, what each seeks and how each feels the matter can be resolved.

- Use progressive discipline with the intent of molding and correcting behavior rather than punishing.
- Counsel and work with problem employees before the point of termination.
- Ensure employees have a clear understanding of what is required and that management understands why things are going wrong.
- Use succession planning to identify who will be leaving, who will replace them and who will replace that person. Plan it before it happens.
- Automate if possible; fan-out other duties across the remainder of employees.
- Explore how the retiree may want to work fewer hours, days or tasks.
- Clearly explain the job prior to hiring candidates.
- Implement effective, comprehensive orientation programs.
- Use pre-employment testing to match the candidate with the job.
- Survey your market to determine competitiveness of pay and benefits.
- Review demographics of workforce to determine what benefits are best for your specific employees; shop for same with benefits providers.
- Use a suggestion box and ask for employee input on social and health benefits suggestions..
- Benchmark working conditions with other retailers and make adjustments.

Strategies on how to minimize employee turnover, confronted with problems of employee turnover, management has several policy options viz. changing (or improving existing) policies towards recruitment, selection, induction, training, job design and wage payment. Policy choice, however, must be appropriate to the precise diagnosis of the problem. Employee turnover attributable to poor selection procedures, for example, is unlikely to improve were the policy modification to focus exclusively on the induction process. Equally, employee turnover attributable to wage rates which produce earnings that are not competitive with other firms in the local labor market is unlikely to decrease were the policy adjustment merely to enhance the organization's provision of on-the- job training opportunities. Given that there is increase in direct and indirect costs of labor turnover, therefore, management are frequently exhorted to identify the reasons why people leave organization's so that appropriate action is taken by the management. Extensive research has shown that the following categories of human capital management factors provides a core set of measures that senior management can use to increase the effectiveness of their investment in people and improve overall corporate performance of business: Employee engagement, the organization's capacity to engage, retain, and optimize the value of its employees

hinges on how well jobs are designed, how employees' time is used, and the commitment and support that is shown to employees by the management would motivate employees to stay in organizations. Knowledge accessibility, the extent of the organization's relationships and its capacity for making knowledge and ideas widely available to employees, would make employees to stay in the organization. Sharing of information should be made at all levels of management. This accessibility of information would lead to strong performance from the employees and creating strong corporate culture Meaghan et al. (2002). Therefore; information accessibility would make employees feel that they are appreciated for their effort and chances of leaving the organization are minimal.

Workforce optimization, the organization's success in optimizing the performance of the employees by establishing essential processes for getting work done, providing good working conditions, establishing accountability and making good hiring choices would retain employees in their organization. The importance of gaining better understanding of the factors related to recruitment, motivation and retention of employees is further underscored by rising personnel costs and high rates of employee turnover (Badawy, 1988; Basta and Johnson, 1989; Garden, 1989; Parden, 1981; Sherman, 1986). With increased competitiveness on globalizations, managers in many organizations are experiencing greater pressure from top management to improve recruitment, selection, training, and retention of good employees and in the long run would encourage employees to stay in organizations.

Job involvement describes an individual's ego involvement with work and indicates the extent to which an individual identifies psychologically with his/her job (Kanungo, 1982). Involvement in terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics. Workers who have a greater variety of tasks tend stay in the job. Task characteristics have been found to be potential determinants of turnover among employees (Couger, 1988; Couger and Kawasaki, 1980; Garden, 1989; Goldstein and Rockart, 1984). These include the five core job characteristics identified by Hackman and Oldham (1975, 1980): skill variety, which refers to the opportunity to utilize a variety of valued skills and talents on the job; task identity, or the extent to which a job requires completion of a whole and identifiable piece of work - that is, doing a job from beginning to end, with visible results; task significance, which reflects the extent to which the job has a substantial impact on the lives or work of other people, whether within or outside the organization; job autonomy, or the extent to which the job provides freedom, independence, and discretion in scheduling work and determining procedures that the job provides; and job feedback, which refers

to the extent to which the job provides information about the effectiveness of one's performance (Tor et al., 1997). Involvement would influence job satisfaction and increase organizational commitment of the employees. Employees who are more involved in their jobs are more satisfied with their jobs and more committed to their organization (Blau and Boal, 1989; Brooke and Price, 1989; Brooke et al., 1988; Kanungo, 1982). Job involvement has also been found to be negatively related to turnover intentions (Blat and Boal, 1989). Job satisfaction, career satisfaction, and organizational commitment reflect a positive attitude towards the organization, thus having a direct influence on employee turnover intentions. Job satisfaction, job involvement and organizational commitment are considered to be related but distinguishable attitudes (Brooke and Price, 1989). Satisfaction represents an effective response to specific aspects of the job or career and denotes the pleasurable or positive emotional state resulting from an appraisal of one's job or career (Locke, 1976; Porter et al., 1974; Williams and Hazer, 1986). Organizational commitment is an effective response to the whole organization and the degree of attachment or loyalty employees feel towards the organization. Job involvement represents the extent to which employees are absorbed in or preoccupied with their jobs and the extent to which an individual identifies with his/her job (Brooke et al., 1988). The degree of commitment and loyalty can be achieved if management they enrich the jobs, empower and compensate employees properly

Empowerment of employees could help to enhance the continuity of employees in organizations. Empowered employees where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997).

Managers act like coaches and help employees solve problems. Employees, he concludes, have increased responsibility. Superiors empowering subordinates by delegating responsibilities to them leads to subordinates who are more satisfied with their leaders and consider them to be fair and in turn to perform up to the superior's expectations (Keller and Dansereau, 1995). All these makes employees to be committed to the organization and chances of quitting are minimal.

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter provides research methodology that was used to collect data for the study, study design, source of population, sample procedure, data capturing instrument, procedures of data collection, & data analysis techniques. The study adopted the quantitative and qualitative research design. In order to identify the factors that influence employee intention to turnover questionnaires were used to collect the data from employee and interview.

3.1. Description of Study Area

The study is conducted in Shashemene, the capital and business area of West Arsi Zone. Shashemene is center for many business organizations as the town has a corridor for Southern part of Ethiopia in to two direction and Bale Zone.

The survey is done in the Commercial bank of Ethiopia. The commercial bank of Ethiopia (CBE) is the biggest state bank of Ethiopia which has over 29000 employees and more than 1140 branches scattered all over the country, annual report of 2017/2018. The study conducted on the employees working in Shashemene town on selected branches of the bank.

3.2 Research design

This study employed descriptive survey research method to reveal the current state of turnover, consequence and management in CBE. Descriptive survey design helped the study to gather varieties of data to achieve the objectives of the study by describing the situation as it is. It also assisted in assessing the practices of employee turnover by addressing the size of population and describes the phenomena. Therefore, a descriptive survey design is found to be appropriate and relevant in describing the existing phenomena of employees' turnover.

The research method used both qualitative and quantitative approaches were utilized in order to describe the issue very well. This method was selected because it is planned method of data collection which helps to gather the necessary information on the issue under study. Thus, the descriptive survey method was employed to achieve the objectives of the research, since it shows prevailing conditions of particular trends. Also, it is one of important tool to use quantitative approach in manageable form.

3.3 Population and sample frame

The source of population for this study is employees working in Commercial Bank of Ethiopia. Study population used for this study are employees working as managers and admin, professionals, clericals worked as customer service officers/CSO/, and secretaries and transport and production workers including securities in selected branches of Shashemene Town.

The study employed stratified random sampling techniques for current employees. Stratified sampling was employed to achieve representation of the respondents. The respondents are stratified on the basis of the bank's job category. The sample frame of the study is the lists of employees of the bank, which are 258 from selected branches.

3.4. Sample size and sampling techniques

The sampling process was based on the categorical classification of the Human Resources Management Process of the bank; i.e. Administrative & Managerial, Professional, Clerical, Transport & Production and Service Workers are included with a total number of 258 population sample size. Stratified sampling used to select the population surveyed because stratified sampling allows the researcher to obtain a greater degree of representativeness; it reduces the probable sampling error to ensure that both groups in a population are adequately represented in the sample, by randomly choosing subjects from each stratum. Thus, the population stratified into six branches, i.e. Shashemene main branch, Harufa Branch, Dida Boke Branch, Arada main Branch, semanyaand Branch and Bulchana Branch.

The sample size for this study is calculated using the single population proportion formula with the following assumptions: the turnover rate of CBE is about 6% on average but from surveys done on private banks turnover rate was between 6% and 9%; and for this research 9% is considered to get adequate number of sample size. Using the estimated average proportion of employee turnover (i.e. $p= 0.09$, $q=1-p$), tolerance error of 0.05 and level of significance $\alpha = 0.05$

(two tailed Z-value is 1.96), and confidence level of 95% (E= 0.05); the sample size of this study is determined using the following equation which resulted in the sample size of 126.

$$\begin{aligned} \text{Sample size} &= \frac{(z\alpha/2)^2 * p *(1-p)}{E^2} \\ &= \frac{(1.96)^2 * 0.09 * 0.91}{(0.05)^2} \\ &= 126 \end{aligned}$$

Table 3: Sample participants of the study

No	Job Title	Category	No of employees	Sample	percent
1	Mangers	Managerial/Admin	10	5	4
2	Human Resource experts & officers	Professional	8	4	3
3	Internal auditors	Professional	12	6	4.8
4	Customer relationship managers	Professional	20	11	8.5
5	Human Resource Clerks	Clerical	6	3	2.4
6	Customer service officers /CSO/	Clerical	141	70	56
7	Secretaries	Clerical	10	5	4
8	Drivers & Technicians	Transport & production	13	6	4.8
9	Security officers & office service attendants		20	11	8.5
10	Staffs that might be left with known address and those who are in the process of resignation		10	5	4
	Total		258	126	100

3.5 Sources and Types of Data

Primary data and secondary data will be used in this research. The primary data collected using semi structured questionnaires and interview of key informants. It has two parts.

3.5.1 Primary Data

Part 1: questionnaire and scale

Data was primarily collected using semi structured questionnaires filled by current employees of the bank.

Part 2: Interview

Interview was conducted with the Human resource Manager of CBE Shashemene main branch.

3.5.2 Secondary data

Documents were reviewed to obtain information from termination letters of employees, financial reports, human resource inventory files, department reports and any other documents that have relevant information to the study were investigated.

3.6 Data Collection tools and instruments

The researcher used questionnaire, interview and investigation of secondary data of the bank in this study. Interview session was held to obtain data for further clarity and credibility of the research with human resource managers of the bank.

3.7 Data processing and Analysis

In order to analyze the quantitative data obtained through questionnaire, first the data tabulated analyzed and interpreted by using the appropriate statistical tools (descriptive statistics) like; frequencies, percentage and mean supported by SPSS software version 20.00. The data obtained through interview and documents were analyzed qualitatively. Besides, the data collected using open-ended questions of the questionnaire and exit interviews processed through qualitative discussion. Consequently, the data collected from the respondents analyzed; interpreted on the base of which major findings were summarized and presented.

3.8 Reliability

In the study statements that were provided to participants that are rated on five-point likert response scale including strongly agree, agree, neutral, disagree and strongly disagree. The finding of the study was tested reliability of causes, consequences and management of employee turnover in Commercial bank of Ethiopia.

3.9 Validity

To make the study sound and more valid the researcher presents the study to refine the methodology and questionnaires reviewed by advisor. The instrument selected by the advisor was printed and distributed for potential respondents. Further, the validity of the instrument checked by first doing face validity with few co-workers, then 30 questionnaires were distributed for pilot testing which helped the researcher to check on the gaps and adjust the questionnaire accordingly then acceptability. The instruments were showing the causes consequences and management of employees' turnover in commercial Bank of Ethiopia.

3.10. Ethical considerations

Before getting in to the field for data gathering, the researcher received an official letter from XIBMS. Using this letter, the researcher was requested permission to the Commercial Bank of Ethiopia to start data gathering activities. The researcher explained the purpose of the study that is for fulfilling the requirement of doctorate degree in Management and confirms respondents' information only utilized for academic purposes.

CHAPTER FOUR
DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter presents the results of data collected from 126 employees of CBE, Shashemene on May 2019. The chapter starts with presenting the profiles of the interviewed employees of CBE and discusses the findings. It then presents the descriptive analysis and interpretation of the causes and consequences of the independent variables with the dependent variable, turnover.

4.1 Respondent Background Information

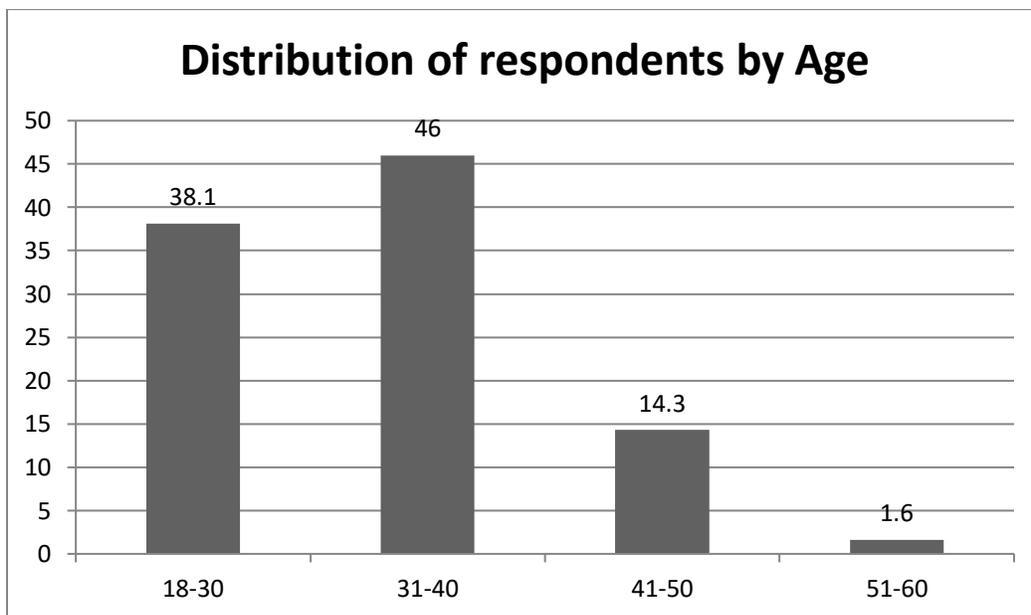
Table 4: Background information of Respondents

No	Variable	Frequency	Percentage
1	Age		
	18-30 years	48	38.1
	31-40	58	46
	41-50	18	14.3
	51-60	2	1.6
	Total	126	100
2	Gender		
	Male	69	54.8
	Female	57	45.2
	Total	126	100
3	Marital Status		
	Single	49	39
	Married	71	56
	Divorce	6	5
	Total	126	100
3	Educational Background		
	High school certificate		
	Diploma/Level IV	3	2.4
	BSC/BA Degree	92	73
	MA/MBA/MSC	31	24.6
	Total	126	100
4	Job Category		
	Administrative & Managerial	6	4.8
	Professional	22	17
	Clerical	81	64.2
	Transport and production	7	5
	Service	12	9
	Total	126	100

5	Service Year		
	Below 5 years	45	35.7
	6-10 years	50	39.6
	11-20	17	13.4
	21-25	8	6.3
	Above 25 years	6	5
	Total	126	100

As indicated in the above tables 84.1 % of respondents are below 40 years of age and the majority 46% of them were in between in 31 and 40 years of age group. These clearly shows that the majority of the employees are in the active, energetic and productive groups which is good if the bank can properly use this productive workforce group.

Figure 1: Age distribution of respondents'



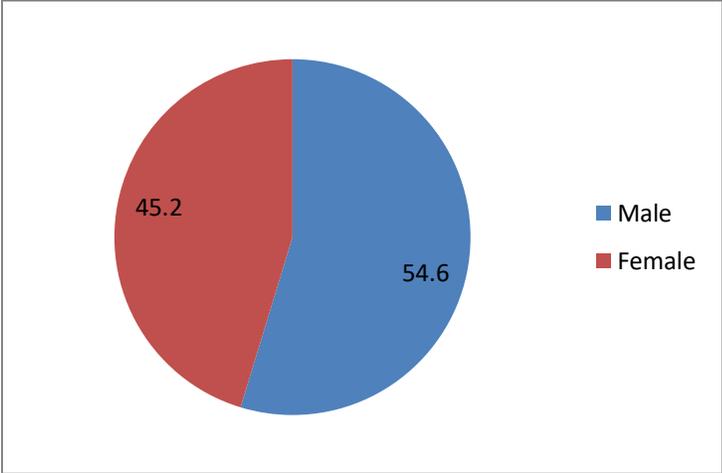
Source: Own survey, May 2021

N=126

In addition, 39% of the respondents are single whereas the majority of the proportion 56% is married and the other 5% are divorced. Family responsibility is a cause that may affect turnover as they are want to leave their job for better salary and additional benefits to support their families and on the other hand family responsibility may also be related to job security so they may even stay at their job placement avoiding disturbance of turnover.

Male respondents were 54.8% and 42.2% females are greater than female with 9% and the gap is not as such significant. This indicates that the bank provides equal job opportunity for male and female which is good.

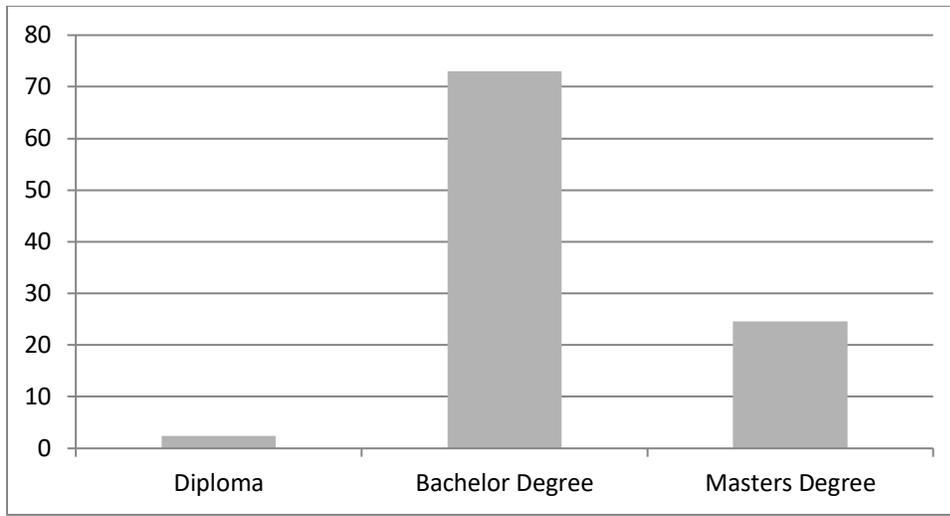
Figure 2: Respondents’ gender distribution



Source: own survey: May 2021 N=126

In terms of respondents’ educational background 2.4% are diploma holders while 73% of the respondents have Bachelor Degree and 24.6% of the respondents are master’s degree holders. As these data shows the bank is rub by well-educated employees while it is believed that the educated workforce mainly prone to turnover. The skilled employees have good level of perception to an event before making decision so they are likely to be linked to turnover due to several reasons.

Figure 3: Respondents Educational Background

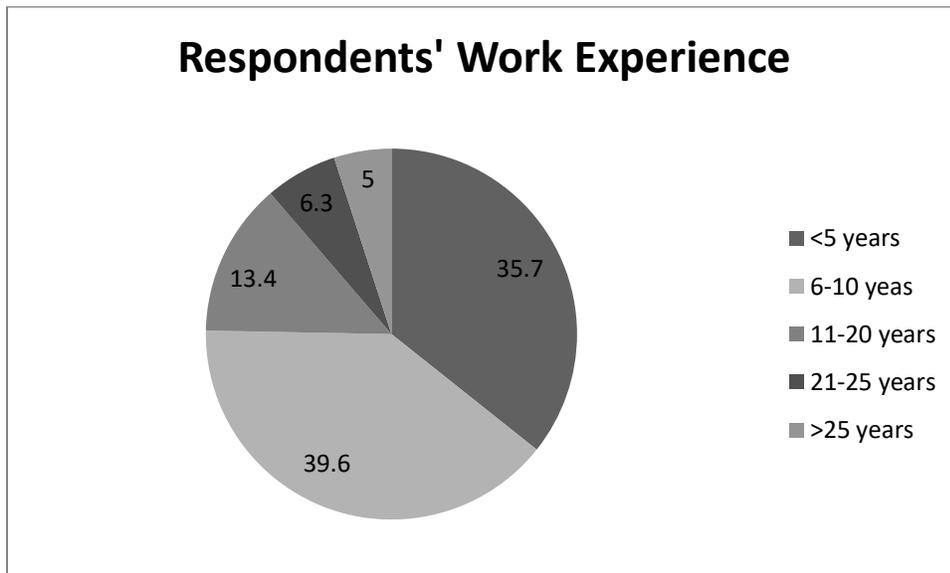


Source: Own survey, May 2021

N=126

From the total participants of this study, 35.7% of the respondents worked in the company below 5 years while the majority of the respondents 39% were worked from 6 to 10 years and 13.4% of the employees were worked 11 to 20 years and the remaining 11.8% of the respondents have experience more than 20 years.

Figure 4: Work experience of respondents

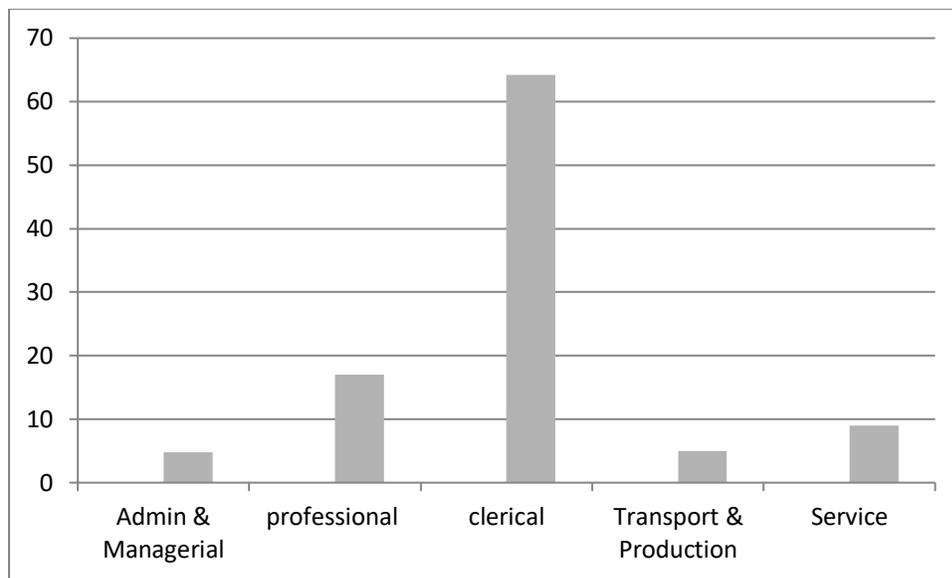


Source: Own survey, May 2021

N=126

Regarding the job category of respondents 4.8% are administrative and managerial workers, 17% of them are professional workers, the majority of the respondents were clerical 64% and the remaining workers are transport and service delivery staffs counts about 5% and 9% respectively.

Figure 5: Respondents Job category



Source: Own survey, May 2021

4.2 Data Presentation and Analysis

The research aimed to assess causes, consequences and management of employees' turnover of Commercial Bank of Ethiopia in Shashemene Town. Employees as well as documents are the main sources of data. Questionnaires, interviews, document analysis and observation were used as data gathering tools. Based on this, 126 questionnaires were distributed to respondents, of which 126 98% usable questionnaires were returned. Data obtained through questionnaire were analyzed using descriptive statistics such as frequency and percentage. While, lastly, the findings of the study are presented in such a way that the leading research questionnaires are ensured.

4.2.1 Respondents' perception towards their work, turnover, compensation and training

Table- 5a: Participants' responses regarding work, turnover, promotion, payment, training and retention

No	Items	Response	Frequency	Percentage
1	Are you satisfied with your work?	Yes	87	69
		No	39	31
		Total	126	100
2	Do you believe that there is high turnover in CBE?	Yes	103	81.7
		No	23	18.3
		Total	126	100
3	Are you aware of organizational mission, vision and values?	Yes	119	94.5
		No	7	5.5
		Total	126	100
4	HR department actions are in	Yes	90	71.4

	accordance to organizational mission	No	36	28.6
		Total	126	100
5	The importance of orientation after recruitment	Yes	119	94.4
		No	7	5.6
		Total	126	100
6	Expectations after recruitment in the organization are met	Yes	34	27
		No	92	73
		Total	126	100
7	I am satisfied by the payment and benefits of the bank	Yes	22	17.5
		No	104	82.5
		Total	126	100

Respondents were asked about their satisfaction on their current job 69% of them are satisfied by their work whereas 31% of them are not satisfied by their work. From this data it is obvious to understand a quarter of respondents were unsatisfied regarding with their current job. The major reason for their dissatisfaction on their current job, as stated in the open-ended question are the routine nature of their work, lack of reclassification to other post for a long time, place of assignment and also the risk of the work and the benefit are not taking in account the level of work they have performed.

Regarding item 2, 81.7% respondents responded that they are believe in the existence of high turnover in CBE while 18.3% of respondents were disagree on high turnover in the bank. From this response, it is possible to infer that majority of employees feel that CBE is currently facing a high turnover.

Based on their response the respondents are requested to select the reason/s (one respondent can choose one or more answer) for turnover and 105 respondents in number payment made by the bank is inadequate, 103 responded as benefit package, 23 respondents stated due to lack of smooth communication, 38 believe that the location convenience (where the employee is assigned), 64 respondent perceive that lack of opportunity for advancement, 37, 42 and 23 respondents stated that recognition for work, work environment and supervision qualities are the main reasons for employees' turnover respectively. This is also supplemented by exit interview held with resigned employees revealed that pay is one of their resignation reasons. During interview with thirteen members of management except one member the rest has responded that their exist turnover with an increasing rate and the reasons are similar with the above response.

In addition, respondents were asked to rate whether they are aware of the mission, vision and value of the Bank, about 94.5% of respondents are agreed that they are well aware of the Bank's mission, vision and value; whereas, 5.5% of respondents are not well aware. From the

overall response of this item we can infer that most of the employees are well aware of the Bank's mission, vision and value. Knowing these make the staff to effectively discharge their duties and responsibilities in line with the Bank's requirements.

On the question whether the respondents believe that HR process is working as per the Bank's mission or not (item 4), about 71.4% of respondents agreed whereas 28.6% of respondents respond as no. On their open ended questions opinion the 26% of respondents stated that as the human resource activities are decentralized in district level and to one office centrally that handle that case of Head Office staff they observe there is lack of knowledge in HRM activities theoretically as well as practically since the mission require CBE to deploy highly motivated, skilled and disciplined employees capable of providing Banking products and services that meet international best practices and standards.

On the question whether the respondents agree for the necessity of orientation after recruitment (item 5), about 94.4% of respondents agreed and 5.6% disagreed on the requirement. This question was included it is sometimes observed in that bank that orientation is not conducted keeping the right time properly or may be ignored. But the staff believes the need for orientation since the face the newly employed staff intact at work place and this is also supported by the principles of human resources employment.

With regard to item 6, about (73%) of respondents replied that their company (CBE) does not able to fulfill their expectations; whereas, around 27% of respondents are comfortable on this issue. From this response, it is possible to infer that majority of employees feel that CBE is unable to satisfy their need; particularly, as some say, they are not able to continue their second degree whereas others stated that the benefit package is not in line with their expectation and the remaining stated other things. This raises a question of the CBE's commitment to give attention to listen its employees. This needs serious consideration because this feeling of employees give serious signal to take care of them before losing them.

With regard to salary an attempt was made to know whether employees are satisfied with their current salary or not item 7, about 82.5% of respondents have shown their disagreement on the statement; at the same time about 17.5% of respondents have agreed that they are satisfied on their current salary. To understand the issue more, interviews have conducted with some selected employees about their perception on their current salary. All of them replied that their current salary was not enough to cover the current cost of living as well as the volume of work they have been performing.

Table- 5b: Participants' responses regarding work, turnover, promotion, payment, training and retention

No	Items	Response	Frequency	Percentage
1	Ever had training in CBE	Yes	40	31.7
		No	86	68.3
		Total	126	100
2	Member of Labor Union	Yes	69	54.7
		No	57	45.3
		Total	126	100
3	Labor union suggest about the turnover	Yes	6	4.7
		No	120	95.3
		Total	126	100
4	The Bank has Retention Mechanisms	Yes	24	19
		No	102	81
		Total	126	100

In relation to training as discussed in literature review, organizations offer job-specific training to provide employees with the relevant skills to enable them perform their duties efficiently and effectively. The immediate application of skills acquired through such training may boost employee confidence and productivity. Through effective training employees will become more aligned to career growth. In line with this, respondents are asked to give their response whether they have got enough relevant training items 1, only 31.7% of respondents have got training in CBE, while 68.3% of respondents do not get adequate training. It raises a question of the CBE's commitment to provide adequate training to employees that enables them to do their job. In relation to the above issue, interview (informally) conducted with some respondents indicate that they are highly complain about the training opportunity that they have not given adequate job specific and on time training that enables them to perform their work well.

Respondents were asked whether they are the members of labor union item 2, about 54.7% of respondents are member and 45.3 % of respondents are not members of labor union. From this, the researcher inferred that about this 45.3% of the employees is managerial staff because by default when an employee joins CBE he/she becomes the member of labor union and when one is appointed as a managerial staff, he/she is made out of the union immediately.

Regarding item 3, about 95.7% of respondents believe that labor union does not present suggestion for HRM process; whereas, around 4.7% of respondents replied that the union provide suggestion to the process. As it is clearly seen in the open-ended responses that majority of the respondent does not have such information because labor union does not say anything in meeting

with employee as well as in its magazines which is published quarterly. However, some respondents stated that they do not have faith in the Labor union because the association is not working in favor of the employees rather it works in favor the of management.

To know whether respondents recognize and acknowledge the existence of retention mechanism or not (item 4), the responses have shown that only 19% of respondents know the existence of staff retention mechanism from Human Resource Development Process and the rest 81% of respondents do not know. The researcher came to know that CBE has employed a consultant from Frankfurt School of Finance and on their advice the CBE has prepare retention strategy and got approval for implementation but the HRD process does not communicate this to other processes and sub processes. The implementation of the strategy has not fully started.

4.2.2. Respondents’ perception about benefit, working environment, grievance handling and retention mechanisms

Securing Bank’s service and retaining well skilled employees through favorable working condition (promote friendship at work), good grievance handling and related benefits than competition become necessary. The researcher has prepared the questions in Likert Scale form so as to get the response on promotion, working environment, grievance, and benefit and retention mechanism. Note that the interpretations were made for all five-point scale measurements based on the following scale: 5= Strongly Agree; 4= Agree; 3= Neutral; 2= Disagree; 1=strongly Disagree. Accordingly, the researcher made interpretation taking a neutral attitude ‘3’ as a reference point by averaging the scales; that is, the mean scores as above 3 (neutral) if opinions tend to be favorable to the given point of view; and below 3 (neutral) if opinions tended to be unfavorable to the given point of view. This corresponds to what Best and Kahan (1995) explain about Likert Scale interpretation.

Table- 6: Participants’ response on promotion, working environment, grievance, benefit etc.

S.NO	Items		Response					M
			N=126					
			5	4	3	2	1	
1	I believe the existence of turnover	f	39	61	7	12	7	4.05
		%	31	48.5	5.5	9.5	5.5	
2	Benefit provided by CBE is better than private Banks	f	6	16	18	36	50	2.12
		%	4.8	12.7	14.7	28.5	39	

3	Promotion and transfer are carrying out as per the HR procedure	f	12	29	46	20	19	2.96
		%	9.5	23	36.5	15.8	15	
4	Salary of CBE is better than private Bank's	f	2	14	24	38	48	2.12
		%	1.6	11	19	30.4	38	
5	Satisfied with promotional activities	f	5	20	39	50	12	2.60
		%	4	16	31	39	10	
6	Relationship (Working environment) has effect on turnover	f	18	16	25	47	20	3.87
		%	14	12.6	20	37.4	16	
7	Employee turnover affect belongingness	f	45	56	15	8	2	4.05
		%	35.7	44.3	12	6.4	1.6	
8	The job is matched with your interest	f	8	42	39	27	10	3.18
		%	6.3	33.3	31.4	21	8	
9	Adequate training facilities	f	9	26	29	43	19	2.88
		%	7.1	20.6	23.3	34	15	
10	Good grievance handling	f	4	11	43	36	32	2.48
		%	3.1	8.7	34.4	28.5	25.3	
11	Decision Making is participatory	f	5	19	55	33	14	2.58
		%	4	15	43.6	26.4	11	
12	CBE has good retention mechanisms	f	7	12	29	41	37	2.18
		%	5.5	9.5	23.2	32.5	29.3	

5= Strongly Agree; 4= Agree; 3= Neutral; 2= Disagree; 1=Strongly Disagree.

During the study an attempt was made to investigate current employees' perception about the existence of turnover in their Bank; and hence, item 1 gives a summary of the respondents' views. In this regard, about 79.5% of respondents have shown their agreement that CBE is facing high turnover one of the best companies to work for, 15% of respondents have shown their disagreement and 5.5% of them neither agreed nor disagreed. From this one can conclude that respondents believed the existence of high turnover in CBE. The mean value (M=4.05) of respondents indicate that their agreement on this issue. As indicated in part 1 and 2 response the existence of turnover is undeniable but regarding its consequence all members of management commonly agreed that it is very damaging consequence which means losing highly trained, dependable employees and which creates dissatisfaction, lack of trust in the Bank, damages the quality of service, incurring unnecessary cost and also has bad impact on customers.

Concerning item 2, about 17.5% of respondents agreed that their bank (CBE) is providing benefits better than private Banks; whereas, and around 67.5% of respondents disagreed and the rest 14.7% neither agreed nor disagreed to this issue. From these responses, it is possible to conclude that majority of employees feel that CBE does not provide better benefit package than Private Banks. This needs serious consideration because this feeling gives serious signal to take care of them. Besides, the mean value ($M=2.12$) of the view of the respondents about benefit issues gives the general picture that respondents have shown that they are not comfortable with the benefit package.

In addition, respondents are asked to rate whether they believe that the management is doing promotion and transfer as per the HRM procedures (item 3), about 32.5% of respondents agreed; whereas, 36.5 % of respondents neither agreed nor disagreed. However, the rest 30.8% of employees disagreed. From the overall response of this item we can conclude that majority of employees do not have any idea regarding HR's implementation of promotion and transfer. It is also seen in the mean value ($M=2.96$) that the dissatisfaction is somewhat significant. In the interview with seven management members of the bank, four out of the seven said that there is equal promotion opportunity in CBE as per the HR procedure, however the remaining three did not agree to this view as individual can be promoted by the interest of the process and sub-process owner, due to his/her political attitude, friendship and other different aspects. Therefore, the Bank has to take corrective actions.

With regard to salary an attempt was made to know whether employees get better salary than Private Banks' (item 4). About 68.4% of the respondents showed their disagreement to the statement and at the same time about 12.6 % of respondents agreed that the CBE pays better salary than other private Banks' and 19% of respondents neither agreed nor disagreed to this issue. Therefore, the mean value ($M=2.12$) of respondents response on this item support this result and indicated that the CBE pays a salary lower than private Banks. In the interview made with thirteen members of management, all responded that the financial as well as the non financial benefit couldn't comparable with CBE and they are not satisfied with the current payment.

However, respondents' perception for the statement that request them whether they are satisfied with the promotion activities (item5), about 20% have shown their agreement; whereas, 49% of respondents have shown their disagreement and about 31% are neither agreed nor disagreed on the issue. The mean value ($M=2.60$) of respondents indicates that their disagreement on this issue. The opinion and views of respondents, generally speaking, are

supported by interview conducted with the employees. They revealed that they are not comfortable with the selection process of promotion.

Concerning item 6 of the above Table, about 53.4% of the respondents said that working environment (their relationship with their coworkers and supervisors) has effects on turnover. About 26.6% of respondents disagreed and about 20% have no opinion. From this it is possible to say that respondents are very much interested to have smooth relationship in their working environment. Similarly, the mean value ($M=3.87$) support the response of the 53.4 respondents. Besides, in the interview process the majority of the management staff stated that there is good relationship between the management and other staff but they are afraid that currently due to lack of follow-up from the Bank's side there is some signals that this culture may be eroded.

Respondents were asked to tell their opinion related to effect of turnover on belongingness (item 7). About 80% of respondents agreed that turnover has poor effect on belongingness and about 8% of respondents disagree to the statement. However, the rest of the respondents i.e; 15% neither agreed nor disagreed on the statement. From this it is possible to say that the employees' turnover has a great adverse impact on belongingness; the mean value confirms so ($M=4.05$). Respondents were asked to tell their opinion related to matching of the job with their interest, and about 39.6 % of respondents agreed that their present job is based on their interest about 29% of respondents also revealed that their jobs are not interesting and 31.4% of the respondents are neutral. From this it is possible to conclude that the employees are relatively satisfied with their current jobs and believe that their jobs are interesting. Mean Value of their responses is ($M=3.18$)

In line with adequate training facility (item 9), respondents were asked to give their opinion whether CBE has adequate training facilities; only 27.7 % of respondents have shown their agreement while 49 % of respondents have shown their disagreement to the statement. On the contrary, 23.3 % of respondents became unable to say anything about the facility. It raises a question of the CBE's commitment to provide adequate training to employees that enables them to do their job more perfectly. The mean value ($M=2.88$) of this item also indicate that respondents' disagreement about the training facility of the organization. Regarding item 10 of the above Table, about 11.8 % of respondents have shown their agreement for the existence of good grievance handling in CBE; whereas, about 53.8 % have shown their disagreement and the rest about 34.4 % have neither agreed nor disagreed. The mean values ($M=2.48$) of respondents also indicated their disagreement on the issue. Regarding participation in decision making, about 19% of respondents replied that their

managers encourage them to participate in decision making related to the work of the branch (item11) and 47.4% of respondents replied disagree with the statement. However, 43.6% neither agreed nor disagreed. From this it is possible to conclude that a manager in CBE does not encourage the staff to participate in decision making of the Branch. The result of the mean value supports this response (Mean=2.58).

In relation to the existence of good retention mechanism in CBE, only 15% of respondents agreed that there is good employee retention mechanisms in the Bank; whereas about 61.8% of respondents disagreed on the existence of good retention mechanism in the Bank with mean value of (M=2.18). The rest 23.2% are neither agreed nor disagreed. During interview with thirteen management staff of the Bank except two managers the remaining has no information for the existence of retention mechanisms in CBE. From this result it can be conclude that the Bank has a problem of communicating what has been done by the Bank.

Similarly, the interviewees were requested to give comments or suggestions (Annex-2) on how to retain employees. Majority of them responded that the top management is reluctant and believe that there is many educated staff in the market. This thinking damages the bank since talented and trained staff is leaving the Bank. Moreover, they responded that the HR has to revise its policy and procedure and also implement them properly without bias, giving value to the employees as per the Bank's mission, better working environment and better packages are the major comment of the respondents.

Also in the interview session that salary scale was revised three years ago and they didn't revise salary scale within these years. But recently they made a policy revision on one of their benefit package i.e increased the mortgage loan capacity of their employees. Previously employees were able to borrow up to one third of their salary capacity but now they could borrow up to 50% of their salary. This enables them to acquire residence building, automobile and the likes. The Director responded that the bank was aware of some private banks revised their salary scale and paid attractive salary for similar job position. But the bank believes as it couldn't proactively respond to salary scale revision as private banks because of the large size of the bank. Nevertheless the bank believes as it is best employer of the country and pays average salary whereas majority of employees are not happy with the prevailing salary of the bank and have high intention to leave.

The administrative bodies believed different reasons could cause employee turnover and the major could be benefit package. As per the director response, CBE believes up to 5% turnover

rate is normal and acceptable as it believes it is best practice but still they are very sensitive for key personnel like, Vice President, Directors, and Branch Managers even though the turnover rate is increasing alarmingly. However the bank is managing turnover of the key employees by working on succession planning to replace. Because of which it is investing a huge capital on training and development to equipped successors. This shows the bank doesn't focus on the factors influencing employee turnover and manage the factors from their root since replacing couldn't be a solution as turnover incur huge cost for the organization. On the other hand, the bank depend on the turnover rate that could be in acceptable rang but still the number is less because of the large number of recruitment undertaken continuously. Moreover, the bank doesn't conduct survey to understand the employees' level of intention to leave the bank.

The HR Manager of CBE responded as the procedure of the bank has room for subjectivity on promotion and selection. For example to promote one employee, there are internal exam and interview. On top of that committee recommendation is very important as they are authorized to give some points. This makes promotion opportunity unfair. But now the new procedure proposed by the foreign consultants from the Head Office would be finalized within short time. The proposed promotion procedure has objective measurement, transparent and fair that would answer employees' dissatisfaction.

The HR manager also responded that work environment is a combination of various factors like relationship with supervisors, autonomous in their job, office layout and the like. As per the response of the manager, in a prevailing situation the bank system doesn't allow employees to involve in decision making which affects ownership of the work. The manager respond as the bank is a learning organization with a vision to be world class commercial bank in the year 2025 and they are working to create a convenient work environment.

The interviewees' also claimed that the consequences of employee turnover is not estimated in terms of cost but it is obvious the bank releasing experienced employees for others by assuming the competition of the business by itself. Once new employees come on board, they could have to go through the CBE's laid down training, orientation/induction programs. These activities are organized at an extra cost to the organization depending on their frequency. Currently 'we are as a management of human resource faces huge difficulty in order to keep our experienced personnel in the bank due to attractive payments and benefit schemes of other institutions specifically banks.

One senior manager revealed that most of experienced employees who had left CBE in last five years were currently working as a manager at corporate and branch level. This implies CBE

invested a lot of cost to get maximum productivity while due to lack of insight on the issue as strategy the bank cannot retain the productive work force. In addition some of the top managers have an attitude that is linked with the excessive supply of human capital from the universities and colleges whereas when we come to reality it has been a real challenge to equip those graduates with the skill and other basic competencies they miss from the college and it takes time to shape and orient them according to the bank's HR need. On the other hand the researches tried to get ex employees of the bank who left recently. As they formally said their main reason to exit from the bank include better payment, better career growth and other benefits. As they insisted on the issue of exit interview before they left the bank nobody didn't talk them even they didn't requested by manager. All ex-employees were responded that they are currently working as a branch and department managers for private banks with high payment relatively in the industry. Also, they add the experience they got from CEB is very helpful for them currently to be effective and efficient in their work as well as they got several trainings and development programs in their current organization.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

This chapter deals with summary of the findings, conclusions and recommendations of the study.

5.1 Summary of Findings

The demographic characteristics of respondents the study found out that the majority of respondents are male. Majority of respondents are found to be in age group of 18-30 and thus the CBE is composed of young energetic and productive work forces. As we understand from the data the majority of the employees are first degree holders and most of the respondents were served the bank above five years. In terms of their marital status the majorities of respondents are married.

The results of the study indicate that majority of the respondents said that they are satisfied with their current jobs but they also believe that there is high turnover in CBE with a mean value of (M=4.05). Still majority of the respondents are well aware of CBE's mission, vision and value and do believe that HR is doing its job as per its mission.

Concerning employees training and its facility, the study indicates that respondents are not happy about the training in the Bank with mean value (M=2.88) and also they are dissatisfied with the promotional prospects of the Bank with mean value (M=2.60). The study indicates that the relationship between respondents and supervisors/managers are found to be good position with mean value of (M=3.87).

Concerning salary and benefits, the study indicates that respondent are found to be dissatisfied with their current salary and benefit scheme (M=2.12 and M=2.16). All groups of respondents are found to be dissatisfied with their current salary and benefit.

The study found that respondents are not satisfied with grievance handling system of the bank (M=2.48) and also they do not get a chance to participate in any types of decision making (2.58). Generally, seventy percent of the respondents stated that their expectations while joining CBE are not met accordingly.

Finally, regarding retention mechanism the researcher believes that in any organization, staff retention is depending up on the extent to which the adequacy of extrinsic and intrinsic factors of motivation. Staff turnover is associated with job intrinsic and extrinsic dissatisfaction. The insufficiency of extrinsic factors such as salary and non salary benefits, promotion, financial and non- financial rewards, poor administration and supervision practices, polices, work overload which are external to the job and located in the work place had more effect on the staff turnover because dissatisfied staff are more likely to quit. However, the intrinsic part depends on the individual perception and attitude.

5.2. Conclusions

Among the causes that contribute for termination of employee is employees' attitude about their Bank, current job, career development opportunities (growth), relation with managers, training facilities, relationship with coworkers', salary and benefits packages and working environment. Accordingly, from the findings of the study it can be concluded that employees are found to be satisfied with working in CBE, their current job, and relationship with their manager as well as coworkers, with their work environment.

On the other hand, employees are dissatisfied with Bank's initiative to maintain competitive pay system; the current salary and benefit; development opportunities (promotion), such as the training opportunities. If employees are unsatisfied with these basic factors, it may

negatively affect the quality service provision which adversely affects customer satisfaction and if such dissatisfying factors are not mitigated on time, employees may not perform their tasks as expected or may leave the bank and this may have bad effect on the operation of the Bank. Finally, as commented majority of the respondents the turnover is high. Besides, respondents' opinion indicates that they love (satisfied) with their current job and wants to work in CBE if their expectations are met and their problems are solved. The respondents believe that the bank has no good retention mechanism that can handle those who are working currently who wants to leave it. The reporting mechanism of the Bank is not helping the management to be conscious of the problem because it is presented only in a general way; like the number of staffs who left the bank during that period, the reasons for their resignation, dismissal and so on. It does not give detail analysis for decision making. The research shows that, generally, employees are continuously leaving the Bank and most of them are not satisfied with the benefits. The Bank does not work on retention mechanisms as expected.

5.3. Recommendations

Based on the findings of the study, the following recommendations have been forwarded. Employees of the CBE have favorable attitude towards CBE. Employees have a sense of belongingness to the CBE; that is, every employee feels that CBE is his/her company and later each employee assumes responsibility for his/her own job performance. Thus, this is a positive trend that must be encouraged further. However,

- Employees are satisfied with their present job; they are satisfied the kind of work they do; they know what is expected of them from their work and this leads to good job performance that increases the quality and quantity of work accomplished. Therefore, this is a positive practice that must be encouraged further.
- Training and training facilities should be developed and each employee has to get the chance. Doing this enables to enhance each employee's current job performance, enables individuals to take advantage of future job opportunities and fulfill CBE's goals for a dynamic and effective workforce. In addition, as skill and knowledge is obsolete like equipments and technologies, enough relevant training has to be provided periodically to enhance their knowledge, skill and attitudes by assessing the training needs of employees. If employees are trained well, they will be able to take the responsibility of making

decisions (It is also one area of compliant) that are necessary to achieve desirable results. If not, expecting results without giving proper training is unjust for the employer.

- Internal promotion another method of maintaining employee within a given company enables exiting employees that they are valued and appreciated. To this end, the study found that employees are dissatisfied with the exiting promotion practice. Thus, to reduce this problem promotion should be provided for those who deserve it based on merit; the HRM has to revise procedures as soon as possible; the HRM has to make effort to let each candidate know the selection result through notice boards and using CBE's websites. Doing this may enable to convince applicants upon the results obtained by comparing themselves with the selected candidate.
- On the other hand, the CBE's effort to fill vacancies from within before recruiting from outside is a good practice that must be continued in the future because it creates a feeling of having opportunity to grow in the Bank and be recognized.
- The study revealed that there is a conducive (employee-manager-coworker) work relationship; i.e., there is a spirit of team working in CBE this good practice must be encouraged

The study also found out that employees are not satisfied on their current salary scheme. Based on the preceding facts it is good to recommend that CBE should provide their level best to give due attention for this sensitive issue through revising the current pay structure by considering factors such as the current cost of living, the CBE's paying capacity and banking industry's pay system by balancing the Bank's plans and programs with employees need in collaboration with appropriate organs.

The researcher would like to recommend that CBE has to act implement HR consultant's recommendation on retention strategies as soon as possible. Until then the bank has to revise the salary and benefit package, strengthen the good relation among the supervisor, subordinate and peers, provide recognition and encourage innovations rather than sticking to the rule of thumb.

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Appendix A

XIBMS

Doctoral Program in Management Studies

MBA PROGRAM

Questionnaire

The objective of this questionnaire is to collect data from CBE employees who help me to evaluate the Reasons and impacts of Employees' Turnover, as a partial fulfillment of Doctorate program in Management

Your cooperation and honesty are valuable in filling this questionnaire and forwarding it back to me. In addition, all responses will be held strictly confidential and no information which could reveal your organization's or your own identity will not be used in any data reporting, nor will it be shared in its individual form with any outside party without your expressed permission to do so.

Therefore, your genuine, honest, and prompt response is a valuable input for the quality and successful completion of the dissertation.

Thank you for your cooperation and timely response in advance!

PART I: - Please tick in only one of the boxes.

1. Age

18-30 31-40 41-50 51-60

2. Gender

Male Female

3. Education

High school certificate

Diploma/Level IV

BA/BSC Degree

MA/MBA Degree

PhD

4. Job Category

Administrative & managerial

Professional

Clerical

Transport & production

Service worker

5. Service Year

>5 years 6-10 years 11-20 21-25 > 25

PART II: - Please put tick mark, it is possible to tick more than one box and to give explanation at the end of the questions

1. Are you satisfied with your work? Yes No

2. If your answer is no to the above question, what are your reasons?

3. Do you believe that there is high turnover in CBE? Yes No

4. What is the reason/s for this turnover?

Pay

Lack of motivation

Benefit

work environment

Communication

High level of supervision

Opportunity & advancement If any other _____

5. Are you aware of the Banks mission, Vision and Value? Yes No

6. Do you believe that the Bank has acting as per the mission regarding HR? Yes No

If your answer is No what is the reason _____

7. Do you think orientation is necessary after an individual is recruited? Yes No

8. After joining at CBE, Is your expectation met? Yes No

9. Are you satisfied with the amount of pay? Yes No

10. Have you ever had training in CBE? Yes No

11. Are you the member of labor union? Yes No

12. Is the labor union has any suggestion for the turnover? Yes No

If your answer is yes to the above question, how it presents its suggestion?

13. Do you know that the Bank has a retention mechanism? Yes No

Part III: - Please put tick mark for the variable

No	Variables	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree
1	I believe the existence of turnover					

2	Benefit provided by CBE is better than private Banks					
3	Promotion and transfer are carrying out as per the HR procedure					
4	Salary of CBE is better than private Bank's					
5	Satisfied with promotional activities					
6	Relationship (Working environment) has effect on turnover					
7	Employee turnover affect belongingness					
8	The job is matched with your interest					
9	Adequate training facilities					
10	Good grievance handling					
11	Decision Making is participatory					
12	CBE has good retention mechanisms					

Appendix B

XIBMS

Doctoral Program in Management Studies

INTERVIEW QUESTIONS FOR HR MANAGERS

1. What do you feel about the turnover in CBE? Increasing, Decreasing or Constant?

2. If your answer is increasing, decreasing or constant, what would be the reasons?

3. What are the main reasons for employees' turnover?

4. Do you feel that there is equal opportunity for promotion?

-
-
5. Do you expect that the benefit (financial and non-financial) is adequate/ comparable with similar industry? If not, how do you evaluate it?

 6. Do you think that there is smooth relationship between management & other staff? If not, what would be the reason/s?

 7. What are the consequences of turnover (high or low) in the Bank's activity?

 8. Is there proper human resource handling practice in Commercial Bank of Ethiopia?

 9. Do you know whether CBE has established standards (Procedure) for retention of employee?

 10. What is your expectation that the top management think while an employee leave the organization voluntarily?

 11. What mechanism are you suggesting to retain employee?

 12. If you have any comment, suggestion or message that you want to transfer, please.