

ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES SCHOOL OF BUSINESS

CAUSES OF EMPLOYEE TURNOVER AT HILTON ADDIS ABABA HOTEL

BY

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June, 2016 Addis Ababa

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A THESIS SUBMITTED TO THE ST. MARY'S UNIVERSITY, SCHOOL BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FPR THE AWARD PF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION

June, 2016 ADDIS ABABA

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Declaration

I, the undersigned declare that this research paper is my original work, prepared under the guidance and supervision of my advisor Ass. Professor Shoa Jemal. All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not submitted either in part of in full to any other higher institution for the purpose of earning any degree.

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Endorsement

The thesis has been submitted to St. Mary's University School of Graduate Studies for	
examination with my approval as a University advisor.	
Ass. Prof. Shoa Jemal	

Acknowledgements

First of all I would like to thank God for being with me and giving me the strength to finish the thesis.

Special thanks goes to my advisor Ass. Prof. Shoa Jemal for his direction and encouragement throughout the study.

I would also like to express my appreciation to my family, to my ex-colleagues at the Hilton for their assistance & cooperation.

Abbreviations and Acronyms

AU – African Union

ECA – Economic commission for Africa

SALT – Satisfaction and Loyalty Tracking

CIPD – Chartered Institute of Personnel and Development

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Abstract

The hotel industry is one of the fast growing industry in Ethiopian. However Ethiopia's hospitality industry is affected by high turnover. Employees are leaving one hotel to join another hotel; organizations are bearing high cost because of turnover. This study, therefore, attempts to assess causes affecting employee turnover in the hospitality industry, in the case Hilton Addis Ababa. The study used both primary and secondary data sources. Questionnaire was prepared and distributed to 80 employees and interview was also conducted with the human resource management. In order to analyze the collected data descriptive statistics and inferential statistics have been used. After analyzing the different variable causes of employee turnover like their job type, attitude about their job, compensation, management flexibility, career advancement, working environment and working policies; the finding of the research shows that their attitude about their job, the management flexibility and working environment have an impact on the turnover intention of the employees at Hilton Hotel. Subsequently the study recommends that the Hotel should work more on building the attitude of the employees like motivation, commitment, sense of belongingness, personal values and expectation; also work also on the working environment and management style by making it stimulating and good for the employees respectively.

Keywords: Employee turnover, Hilton Hotel, Hospitality Industry

CHAPTER ONE

INTRODUCTION

The study attempts to assess the causes of employee turnover in Hilton Addis Ababa Hotel. Chapter one includes the background of the study, operational definition of terms, statement of the problem, research question, objective of the study, hypothesis, significance of the study, scope of the study, limitation of the study and organization of the study.

1.1 Background of the Study

Business organization is the work of an individual or group of people that collaborate together to achieve certain business goal. These people working together to achieve certain goal are called employees. An employee is a person who works for another person or organization to gain wage or salary. The first requirement of every organization is to attract a sufficient number of people into the organization and to persuade them to stay at least a reasonable period of time. Organizations depend upon their ability to attract members, and the failure to attract a sufficient number of new members could prevent the organization from functioning effectively (Cherrington, 1998).

Associated to employment there is always employee turnover phenomena. Prince (1997) defined turnover as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period. Price, et al (2007) defined also turnover as the act of replacing an employee with a new employee. As any other business industries employee turnover is also affecting tremendously the hospitality industry and worldwide researches have suggested that employee turnover is among the highest in the hospitality industry. Organization should study the variables causing employee turnover in their organization. Turnover may be caused due to the pull factors or push factors. The pull factors according to Maureer (2002) are the attraction of new job in the market and the

push factor is the dissatisfaction of the employees in the organization. Pull factors occur when the employee is satisfied with the current job but the market offers more with his capability. When we come to the push factor that set in the motion of the employee to leave is the dissatisfaction of the employee on the current job due to low retribution, uncomfortable working environment, low work motivation, low training facilities, low responsibilities, not enough rest, no carrier advancement and by not participating on the decision making process.

Low employee turnover is seen as an asset in the competitive war meanwhile High employee turnover is seen as a problem to be managed (Bannister and Griffeth, 1986; Glebbeek and Bax, 2004).

The hotel industry has a long colorful history beginning with inns, lodges growing into the hospitality industry (Michael and Richard, 2001). An incredible change in the industry of tourism in the world brought many changes in the field of hotel business. This means, the expansion and development of travel has contributed a lot for the development of the hotel industry. The hospitality industry is one of the fast growing industries in the world, however turnover is one of the enormous problems in the industry and many hotels are making concerted efforts to control employee turnover through enhanced pay, benefits, or incentive systems, as well as by training managers to be competitive in the industry. Hotels competitive advantage depends on gaining advantage over competitors by offering consumers greater value either by means of lower prices or by providing greater benefit and service through their employees. As stated employees' turnover occurs cost to the organization, to control their cost and be competitive, hotels are trying to reduce their turnover rate.

Along with expansion and development of the hotel industries in the world, Ethiopia has gained her share. Our country is the destination for tourists and Addis Ababa has become the capital city for Africa hosting different big conferences and by having the biggest number of diplomatic missions in Africa. Thus the hospitality industry has been developing very fast, numerous hotels are opening every day and the government of Ethiopia is enhancing the investment policies for hotels (The Study by the Embassy of Japan in Ethiopia, 2008).

Nevertheless as the other part of the world also Ethiopia's hospitality industry is affected by high turnover. Employees are leaving one hotel to join another hotel, organizations are bearing high cost because of turnover. Turnover represents a significant direct cost in terms of recruiting, poor service practices and reduced standards as well as high replacement and training costs (Hiemstra, 1990). Subsequently, Fair (1992) suggests that, there are other costs associated with labour turnover which include separation costs (exit interviews and severance pay), recruitment costs (advertising and search fees), selection costs (interview and reference checking), hiring costs (induction and initial training), relocation expenses, uniforms and lost productivity costs associated with both the unfilled vacancy and the learning curve associated with the new employee. Indirect costs however are associated with decreased levels of employee motivation, absenteeism, tardiness leading to customer dissatisfaction and ultimately customer defection (Fair, 1992) of the current employees which are working and it will also destroy the organization reputation, the Hotels have to retain employees' especially talented employees to ensure their strength and their competitive advantage. The organizations have to calculate their turnover rate to reduce their turnover, enhance the retention strategies of the organization and off course solve the causes affecting employee turnover from the root.

In Ethiopia, there are studies regarding the emerging Hotel industry but there aren't that much of studies focused on employee turnover problems that are affecting the hotels. This paper therefore attempts to assess causes affecting employee turnover in the hospitality industry in Ethiopia, in the case of one of the big hotels in Ethiopia, Hilton Addis Ababa.

1.2 Operational Definition of Key Terms

Employee turnover: refers to the number of percentage of workers who leave an organization and are replaced by new employees."

Employee Retention: employee retention refers to the ability of an organization to retain its employees.

Retention strategy: are policies and plans that organizations follow to reduce employee turnover and ensure employees are engaged and productive long term.

Employee engagement: refers to a situation where all the employees are engaged in their own work and take keen interest in the organization's activities.

Hospitality Industry: the hospitality industry is a broad category of fields within the service industry that includes mainly hotels and lodging.

Hotel industry: Hotel industry is all forms of business relating to the provision of accommodation in lodging, food and drinks and various types of other related services.

1.3 Statement of the Problem

Organizations make large investment on their employees concerning training, developing, maintaining workers as retaining strategy. Employee turnover is one of the most important issues in organizations, and one that needs special attention. The problem is even more relevant when businesses are service giving as for example hotels.

Hilton Addis Ababa main objective is to deliver best quality services to the customers and achieve excellence in its service but employee turnover is becoming one negative factor. Employee turnover also known as employee mobility increases direct costs in terms of replacing cost, training cost, separation cost, selection cost, relocation cost and indirect costs like decreased level of employee motivation, increase absenteeism, increase tardiness which leads to customers dissatisfaction, numerous knowledge loss and it destroys the organization reputation (Williams et al, 1994).

Table 1.1 Employee Turnover b/n 2010 and 2015.

Year	2010	2011	2012	2013	2014	2015
Average Head count/Employee	629	603	585	603	656	656
Turnover %	5.43%	6.36	7.27	5.29	7.13	12.04
In numbers	34	38	43	32	47	79

Source: Hilton Hotel data survey

Hilton Hotel is one of the first and big hotels in Addis Ababa and now is facing turnover phenomena as per the above table. Studies are done on the emerging hotel industry, specifying how the hotel industry is a back bone of our country development by proving foreign currency and employment but no research has been done on the dilemma of the industry of Ethiopia.

Therefore this research will determine the causes of employee mobility in Ethiopian hotel industry taking into consideration Hilton Hotel. The research in the assessment also concludes and gives recommendation to the problems. The researcher is sure that Hilton Hotel will be benefited from this research.

1.4 Research Questions

To address the above stated problem, this study will try to answer the following basic questions.

- 1. What is the level of turnover intention among employees in the Hotel?
- 2. What are the causes of employee turnover in Hilton Addis Ababa taking into consideration the push factors?
- 3. How is Hilton Addis Ababa trying to reduce employee turnover?

1.5 Objective of the study

The general objective of the study is to assess causes of employee turnover in Hilton Addis Ababa and recommend a retention mechanism.

Meanwhile the specific objective of the study is to:

- To examine the level of turnover intention among the employees.
- > To assess the major push attributes for causing turnover
- > To review and recommend on the causes of the turnover

1.6 Hypotheses

The hypotheses of the study are the following:

H1: The type of the job variable will significantly affect the turnover intention.

H2: The work attitude will significantly affect the turnover intention.

H3: The compensation package will significantly affect the turnover intention.

H4: The management will significantly affect the turnover intention.

H5: The working environment will significantly affect the turnover intention.

H6: The policies and procedure will significantly affect the turnover intention.

H7: The career advancement will significantly affect the turnover intention.

1.7 Significance of the study

Hotels need to deliver quality service to be in the market and big hotel like Hilton needs to deliver high quality service than the market to win the competition. This can be achieved through well formulated functions of management which are planning, organizing, staffing, directing and controlling. Therefore the objective of this study is to help the staffing and directing functions achieve the organizational goals.

The study primarily will help as a source of reference and a stepping stone for those researchers that want to make further study on turnover in the Hospitality industry in Ethiopia. Secondly the study will identify the causes of employee turnover and draw some conclusion in the case of Hilton Hotel. The hotel because of turnover is having undesirable costs that can be prevented for Hilton benefit, employee benefit and customer benefit. This costs or damages or undesirable phenomena can be minimized by just knowing the reason of the turnover. Therefore, the researcher at the accomplishment of the research will be giving the research to the respective Hotel so that it can be disseminated and at use.

1.8 Scope of the study

Since the Hotel industry is one of the current significant industries in Ethiopia with numerous hotels facing turnover problem, but not recognizing the motive, the study will be focusing on assessing causes affecting employee turnover in Ethiopia. The scope of the study is delimited to Hilton Hotel located in Addis Ababa. The research will cover the last five years of employee turnover in the Hotel, focusing on professionals or those technically qualified personnel who do have both managerial and non-managerial positions. Furthermore, the study emphases on voluntary turnover and push factors. It does not include involuntary turnover and pull factors.

1.9 Limitation of the Study

The main limitation of the study is finding ex-employees of the hotel, that forced the study to depend on information obtained from current employees. The other limitation is that no studies were conducted in Ethiopian on the topic of labor turnover particularly on the Hotel industry, and this was a challenge to incorporate materials from empirical literature on employee turnover in Ethiopia.

1.10 Organization of the Study

The paper comprises five chapters. The chapter one is Introduction, chapter two is Review of Related Literatures, chapter three is Research Design and Methodology, chapter four is Data Analysis and Interpretation and chapter five is Finding, Conclusion and Recommendation.

The first chapter focuses on introduction, which includes background of study and organization, statement of the problem, basic research questions, objective of the study, hypothesis, significance of the study, scope of the study and limitation of the study.

Chapter two is devoted to theoretical and empirical literature review relevant to the subject matter of the study. In this chapter the research will examine different books, articles and websites to analyze better the matter in question.

Chapter three presents the research design and methodology employed to conduct the study. The researcher will be working on the best methodology that can be used to examine the problem.

The fourth chapter analyzes and discusses the findings of the study. This part will be analyzed accurately so that any finding will not be missed or overlooked.

The fifth chapter of the study presents the conclusions drawn and recommendation forwarded. The researcher will be more precise on the recommendation so that the Hotel can realize on the retention mechanism. The research at the end will be forwarded to the Hotel so that it could be at use.

To complete the above five chapters successfully, the researcher will be working with the support of the human resource department employees and management at the Hilton Addis Ababa. For that reason the researcher is very much thankful in advance for the Hilton Human Resource Department for giving the time and commitment for the study.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Definition of Employee Turnover

Over the years there have been thousands of research articles exploring the various aspects of turnover and in due course several models of employee turnover have been known. The first model, and by far the one attaining most attention from researchers, was put forward in 1958 by March & Simon and after this model there have been several efforts to extend the concept.

March and Simon (1958) introduced a general theory of organizational equilibrium, which emphasized the importance of balancing employee and organizational contribution and inducements.

Prince (1997) defined turnover as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period Price, et al(2007).

Turnover is the act of replacing an employee with a new employee. Frequently, managers refer to turnover as the entire process associated with filling a vacancy. Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995).

As you can see turnover has been defined in different methods but it comes at the point where it deals with employee leaving a company and their replacement by new employees in a determined time.

2.1.1 Turnover in the Hospitality Industry

The hospitality industry is one of the fast growing industries in the world. However turnover is one of enormous problems in the industry and many hotels are making concerted efforts to control employee turnover through enhanced pay, benefits, or incentive systems, as well as by training managers. According International Labor Organization (2011) recent report on the international tourism industry, hospitality industry is characterized as an industry with sensitive market and high level of staff turnover; as an industry which can be subject to intense competition; as an organization with high proportion of female, young and international staffs: as working environment where work can be done and extended up to 24-7, 24 hours a day, seven days per week; and finally as industry representing a high proportion of operating costs due to the labor intensity of hospitality service offerings. As per Pizam (2010) study, the hospitality industry is characterized by high staff turnover and thus the ongoing level development and loss of instructional and social capital are a significant issue in the day to day management of an organization; a long irregular hour, over a 24/7 week causes individuals to react and deal with stress in different ways which will affect their performance.

Hinkin and Tracey (2001) on their research lay out the mechanisms by which turnover costs hotels money, and their present study finds, across many hotels, that employee turnover really does show up in the hotel's bottom-line profits. The finding is that the effect is substantially stronger in high-rate hotels than less-expensive ones and shows that hotels in upper-tier segments should be especially concerned about the issue even where turnover rates may already be comparatively low.

Through the ages we have learnt that the only way to put the customer first in the hospitality industry is by putting the employee first (www.cha-international.com). Satisfied employees lead to satisfied customers, otherwise employee turnover in the hospitality industry will reduce the number of customers which will reduce the profit of the hotel in the long run.

Worldwide researches have suggested that employee turnover is among the highest in the hospitality industry. Studies have shown that the average turnover level among non-management hotel employees in the US is about 50%, and about 25% for management staff (Hinkin and Tracey, 2001).

Some researches indicated that the main reason for leaving the hotel industry are interests change, better opportunity in other service segments, low compensation, little opportunity for advancement in hotels, incompatible with family/social life, long hours and management issues and policies. It was not one reason that caused hotel employees to leave the industry but rather a combination of causes. Sixty percent of employees left the hotel industry because of unsuitable/unsociable working hours coupled with poor remuneration (Leary, 2003).

2.2 Type of Turnover

The act of the employees leaving the organization can be of four different types. Griffeth and Hom (2001) differentiated voluntary and involuntary turnover and then Park et al. (1994) described more the functional and dysfunctional types of turnover.

• **Voluntary** is the first type of turnover, which occurs when an employee voluntarily chooses to resign from the organization. Voluntary turnover could be the result of a more appealing job offer, staff conflict, or lack of advancement opportunities.

In order to explain the reasons behind voluntary resignation, Arthur on the book "The employee recruitment and retention handbook" published in 2001 gives a list that includes:

- Incompatibility with corporate values
- Feelings of not being appreciated or valued
- Not feeling part of the company
- Not knowing how one is doing for lack of feedback
- Inadequate supervision
- Lack of opportunity for growth

- Lack of training
- Unequal salaries and benefits
- Lack of flexible work schedules
- Unsatisfactory relationships at work
- Too much work and not enough staff
- Inadequate or substandard equipment, tools, or facilities
- **Involuntary** occurs when the employer makes the decision to discharge an employee and the employee unwillingly leaves his or her position. Involuntary turnover could be a result of poor performance, staff conflict, the at-will employment clause, etc.
- **Functional** occurs when a low-performing employee leaves the organization. Functional turnover reduces the amount of paperwork that a company must file in order to rid itself of a low-performing employee. Rather than having to go through the potentially difficult process of proving that an employee is inadequate, the company simply respects his or her own decision to leave.
- Dysfunctional occurs when a high-performing employee leaves the organization.
 Dysfunctional turnover is costly to the organization and could be the result of a more appealing job offer or lack of opportunities in career advancement in the organization of matter.

2.3 Causes of Turnover

Organization should study the variables causing employee turnover in their organization. Turnover may be caused due to the pull factors or push factors. The pull factors according to Maureer (2002) are the attraction of new job in the market and the push factor is the dissatisfaction of the employees in the organization.

Pull factors occur when the employee is satisfied with the current job but the market offers more with his capability. When we come to the push factor that set in the motion of the employee to leave are the dissatisfaction of the employee on the current job due to low retribution, uncomfortable working environment, low work motivation, low training facilities, low responsibilities and by not participating on the decision making process.

Beyond this two factors employees may leave their jobs due to personal reasons that can be wanting to travel or spouse relocation.

Here are the main reasons of employee turnover described by Jose (2003):

- Lack of vision: Initially, no employee cares about the company's profit but about their personal interest and gains. These shortsighted employees come with high expectations without realizing that the process would take some time. Therefore, they tend to change jobs.
- Salary scale: This is the common reasons why the employee turnover rate is high. Employees are for sure in search of jobs that pay them well. When employees are underpaid, they tend to look out for jobs that offer considerable pay.
- Work environment: Work environment is also the main cause for employee turnover.
 Every employee would want to work in the environment that he is comfortable in. This is one such reasons why employees jump from one company to another in a just a couple of months.
- Paucity of motivation: Employees who leave due to lack of motivation are not among those who look forward for a pat on their back, but those who would want to know if their work adds value to the company's growth.

- **Growth policies:** This is the prime reason why employees quit their job. Employees always look up for potential opportunities for advancements and promotions.
- **No employee engagement:** Employee engagement is one of the important motivator. Employees would be happy to be a part of the company's ups and downs, and therefore they should be kept posted with all the happenings in the organization.

Researches indicate that the main reasons for leaving the hotel industry are interests change because of the same routine job, better opportunity in other service segments, low compensation, little opportunity for advancement in hotels, incompatible with family/social life, long hours and management issues and policies (Leary, 2003).

Hospitality graduates in the industry liked challenging jobs, direct involvement working with others, a good work environment and career advancement opportunities (Pavesicetal, 1989).

The graduates still in the industry did not like about their jobs were hours and schedules quality of life and low pay. Frustration about routine jobs activities, lack of advancement opportunities and little recognition were also mentioned.

The major reasons for staff erosion in hotel industry are the followings (William, 2005):

Little opportunity for advancement in hotels: Employees need to be able to start at the bottom and work their way up gaining experience as they go. They are hungry to take responsibility and learn.

Incompatible with family/social life: the shift working hours doesn't enable employee to get along with their social life or family gathering.

Management issues and policies: some management procedure and policies doesn't allow employees to be independent, decision making and initiative in their work.

Low salaries: Different surveys done on employee's commitment to organizations and the industry have found compensation ranked immediately below chances to grow and to have challenging jobs.

Long working hours: the standardized official weekly working hours are 48 hours per week which means 1 day off per week and 8 hours per day. But the legal limit for working hours is not

followed by the hotel industry. The researcher can be witness to this situation in that thought the hoteliers apply this law, the employees due to one and other reasons they work in different hotels by trying to arrange their shift. This has both advantage and disadvantage for the hotel. The advantage is, the employees will practice the good working procedures learnt from other hotels and the advantage will be the employees will get tired of not having sufficient time to rest.

2.4 Turnover Consequences

Employee turnover is significant to organization, individuals and management. From the organizational perspective, labour turnover represents a significant direct cost in terms of recruiting, poor production practices and reduced standards as well as high replacement and training costs (Hiemstra, 1990). Subsequently, Fair (1992) suggests that, there are other costs associated with labour turnover which include separation costs (exit interviews and severance pay), recruitment costs (advertising and search fees), selection costs (interview and reference checking), hiring costs (induction and initial training), relocation expenses, uniforms and lost productivity costs associated with both the unfilled vacancy and the learning curve associated with the new employee. Indirect costs however are associated with decreased levels of employee motivation, absenteeism, tardiness leading to customer dissatisfaction and ultimately customer defection of the current employees which are working and it will also destroy the organization reputation (Fair, 1992).

In the hospitality industry turnover will reduce the number of customers in consequence it will reduce the profit of the hotel.

2.5 Employee Retention Mechanisms

Stauss et al. (146; 2001) has defined retention as customer liking, identification, commitment, trust, readiness to recommend and repurchase intentions, with the first four being emotional-cognitive retention constructs, and the last two being behavioral intentions. Panoch (2001) forwarded the view in saying that employee retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time. Every organization invests time and money to groom a new joinee, make him a corporate ready material and bring him at par with the existing employees. The organization is completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time.

Employees are important in any running of a business; without them the business would be unsuccessful. However, more and more employers today are finding that employees remain for approximately 23 to 24 months, according to the Bureau of Labor Statistics of US of America (2006).

According to Dwonoh and Koralcye (2012), here are some ways to lower employee turnover:

- Hiring the right people from the start
- Setting the right compensation and benefits
- Review compensation and benefits packages at least annually
- Pay attention to employees personnel needs and offer flexibility
- Booster employees engagement in the organization
- Improve working environment
- Outline challenging, clear career paths.

Providing a stimulating workplace environment, which fosters happy, motivated and empowered individuals, lowers employee turnover and absentee rates (Noble, 2003). Promoting a work environment that fosters personal and professional growth promotes harmony and encouragement on all levels, so the effects are felt company wide.

As per May (2016) research made on cause and effect of turnover, underlined these different points as solution to employee turnover: continual training and reinforcement develops a work force that is competent, consistent, competitive, effective and efficient. Beginning on the first day of work, providing the individual with the necessary skills to perform their job is important. Before the first day, it is important the interview and hiring process expose new hires to an explanation of the company, so individuals know whether the job is their best choice. Networking and strategizing within the company provides ongoing performance management and helps build relationships among co-workers. It is also important to motivate employees to focus on customer success, profitable growth and the company well-being. Employers can keep their employees informed and involved by including them in future plans, new purchases, policy changes, as well as introducing new employees to the employees who have gone above and

beyond in meetings. Early engagement and engagement along the way, shows employees they are valuable through information or recognition rewards, making them feel included.

The provision of a high quality working environment with a range of employee-valued benefits may also increase satisfaction levels and hence discourage turnover behaviors (Mobley, 1977).

Denton (2000) research says that most of the employees leave an organization out of frustration and constant friction with their superiors or other team members. In some cases low salary, lack of growth prospects and motivation compel an employee to look for a change. The management must try its level best to retain those employees who are really important for the system and are known to be effective contributors.

It is the responsibility of the line managers as well as the management to ensure that the employees are satisfied with their roles and responsibilities and the job is offering them a new challenge and learning every day.

Employee engagement refers to a situation where all the employees are engaged in their own work and take keen interest in the organization's activities. An engaged employee is one who is focused, enjoys his work and learns something new each day (Perrin, 2003).

The team leaders and the management must take the initiative to assign challenging work to the subordinates so that they do not treat their work as a burden. An employee must be asked to do something innovative every time. An individual engaged in his work strives hard to deliver his level best and live up to the expectations of the management every time. He looks forward towards achieving his organization's targets and thus making it one of the best places to work (Kaliprasad, 2006).

Gberevbie (2008), on his research has found that an organization to do well and earn profits it is essential that the high potential employees stick to it for a longer duration and contribute effectively. The employees who spend a considerable amount of time tend to be loyal and committed towards the management and always decide in favour of the organization. The management can't completely put a full stop to the process of employees quitting their jobs but can control it to a large extent. Actor et al. (2003) on his research listed the following strategies to retain an individual:

- An employee looks for a change when his job becomes monotonous and does not offer anything new. The responsibilities must be delegated according to the individual's specialization and interests.
- Constant disputes among employees encourage them to go for a change. Conflicts must be avoided to maintain the decorum of the place and avoid spreading negativity around.
 Promote activities which bring the employees closer.
- The human resource department must ensure that it is hiring the right candidate.
- Employee recognition is one of the most important causes which go a long way in retaining employees. Monetary benefits such as incentives, perks, cash prize also motivate the employees to a large extent and they prefer sticking to the organization.
- Performance appraisals are also important for an employee to stay motivated and avoid looking for a change.
- The salary of the employees must be discussed at the time of the interview.
- The company's rules and regulations should be made to benefit the employees.

Researchers such as Cascio (2003) have agree that an organization's inability to formulate and implement strategies capable of recruiting competent employees and retaining them to achieve organizational goals is one of the main challenge facing organizations in the area of performance. An employee must find his job challenging and as per his interest to excel at work and stay with the organization for a longer period of time. The management plays an important role in retaining the talented employees who are familiar with the working conditions of the organization and thus perform better than the employees who just come and go.

Motivation plays an important role in employee satisfaction and eventually employee retention. Nothing works better than motivation stated Gberevbie (2008) on his research. Motivation acts as a catalyst to an individual's success. The team leaders and the managers must constantly motivate the employees to extract the best out of them Gberevbie (2008). Whenever any company policy is to be formulated, the opinion of each and every employee should be taken into consideration. Appraisals are also an important way to motivate the employees. The salaries of the performers must be appraised at regular intervals- an effective way to retain the employees.

An organization can't survive if the top performers quit Taplin et al.(2003). It needs employees who are loyal and work hard with full dedication to achieve the organization's objective. It is essential for the management to retain its valuable employees who think in favour of the organization and contribute their level best. An employee who spends a longer duration at any particular organization is familiar with the rules, guidelines and policies of the organization and thus can adjust better.

As per Amadasu (2003) study the Human Resource team plays an important role in employee retention such as:

- Whenever an employee resigns from his current assignments, it is the responsibility of the HR to intervene immediately to find out the reasons which prompted the employee to resign.
- It is the duty of the HR to sit with the employee and discuss the various issues face to face.
- Try to provide a solution to his problem.
- The HR person must ensure that he is recruiting the right employee who actually fits into the role.
- The human resource department must conduct motivational activities at the workplace.
- The HR must launch various incentive schemes for the top performers to motivate them.
- Performance reviews are a must.

Strong measures must be taken to retain the high potential employees who have spent a good amount of time in the organization and know it in and out. It is essential to retain the talented employees who are loyal towards the organization and can contribute effectively.

As per Kehr (2004) rules and regulations should be same for everyone, granting special favors to anyone should be avoided and bosses should not be feared. The team leader should trust and respect his team members to expect the same from them.

A major challenge for an organization is to retain its valuable and talented employees. As per researchers such as Amadasu (2003); Taplin et al.(2003); Gberevbie(2008) there are several challenges to it:

- Monetary dissatisfaction
- Mismatch between the employee and the job.
- Unrealistic expectations from the job also lead to employees looking for a change.

Denton (2000) has clearly stated that employees who are happy and satisfied with their jobs are more dedicated towards their work and always put their effort to improve their organizational customer's satisfaction. To maintain best employee as per Denton (2000):

- Work should never become monotonous and must offer a new learning each day.
- Every individual should enjoy privacy at the workplace.
- The seniors must be reachable to their subordinates in case of queries.
- Every employee should be treated as one irrespective of his designation.
- The management must formulate employee friendly policies.
- Incentives, cash prizes, trophies, perks should be given to deserving employees to motivate them to perform up to the mark every time.
- The performers must be made to participate in the decision making process.
- Discipline is a must at the workplace.

Westin (1997) in his book described exit interviews as interviews conducted with departing employees, just before they leave. From the employer's perspective, the primary aim of the exit interview is to learn reasons for the person's departure, on the basis that criticism is a helpful driver for organizational improvement.

2.6 Empirical Review

Alice and Wanderi (2012) study focused on labor turnover in three and five star rated hotels in Kenya found that pay is the most critical outcome of organizational membership for employees to stay on. In his study respondents described their salaries as poor as pointer to their dissatisfaction with the employers therefore constantly looking for greener pastures. Also the unfavorable work conditions developed work related stress and reduced employees who worked up to their retirement.

Similarly the study established that, about thirty two percent of the respondents readily accessed information they needed for work done, according to the study, most of the respondents were familiar with the vision and mission statements of the organizations they were working with. This perhaps enabled them to achieve more satisfaction derived from the work they do and therefore staying longer in the current employments.

The study further established that employees were not involved in decision making process, even those decisions which affected their jobs. Also in the study, thirty five percent of the respondents did not receive training which enabled them to do their jobs well therefore were dissatisfied with their jobs and low morale among them. This perhaps also resulted to the employees to look for jobs elsewhere. It was equally evident from the findings of the study that, the management did not treat their employees well as cited by the respondents. Employers were described as inflexible and they did not provide a balance between work and employee's personal life. This resulted to sixty percent of the respondents to indicate that, they would not recommend others to work for the organization.

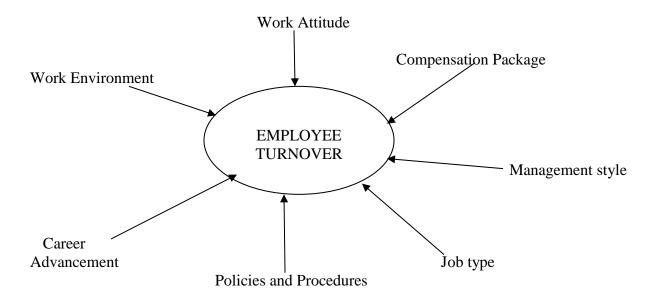
Based on the result the paper recommend on causes of labor turnover in three and five star hotels in Nairobi, Kenya. The first and obvious solution for pay is to compensate employees with the highest possible wages. The study also established that the major causes of employee turnover in the hotels were the poor working conditions and lack of shared decision making between the employees and the management.

Wei Su et al. (2011) study focused on the determinants of New Employees turnover in international hotels, concluded that predicting the potential highest turnover risk hotel is often a complicated task. Especially in the rapidly changing economic environment, human resources managers lack precise and objective decision-making procedures and evaluation criteria. Therefore, integrating quantitative methods into the evaluation procedure enables decision makers to identify the potential highest turnover risk international hotel objectively and efficiently. Research results find that the potential highest turnover risk in international hotel for new employees based on the following rank: Internal Contentment (0.343), External Contentment (0.333), and Organizational Proffer (0.323), respectively. The result from the sensitivity analysis indicates the changing of the criteria weight will result in different alternative ranking. The study recommends that not only human resource managers but also the other managers in hotel industry can use this model to evaluate and predict the potential highest turnover risk international hotel to strengthen the competition capacity.

Rasmi and Puad (2013) in their study about employee dissatisfaction and turnover crises in the Malaysian hospitality industry attempted to present the impacts of demographic factors, salaries and wages, and the organizational environment on employee satisfaction. Their study also aims to discover whether job dissatisfaction could lead to turnover intention which will lead the employee to the actual turnover and leave their present employment. Much literature has been previously done to investigate labor satisfaction, turnover intention and customer loyalty. The Malaysian hospitality and tourism industry should be aware of the Mobley model and its application as its one of the most valid models which explains the series an employee transition when faced with the case of dissatisfaction. Moreover, Mobley assumed that the case of employee dissatisfaction will come from unacceptable working conditions, low salaries and injustice influencing them to quit. The Rasmi and Puad study attempted to explain the Mobley Model and encouraged the Malaysian Hospitality stakeholders to review and develop their employment strategies to reduce the effects of turnover and crises.

2.7 Conceptual Framework

The above theoretical frame work is developed by the researcher to show the basic causes which affect turnover. The basic causes are work attitude (motivation, commitment, sense of belongingness), compensation package, management style, career advancement, work environment, policies of the hotel and the job type (monotonousness of the job, schedule or working hours, training). If these causes are not seen very carefully, they will cause low productivity, customer dissatisfaction, different costs (training or recruiting cost) and unstable working environment.



Source: Researcher's own conceptual framework

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This chapter is the third chapter of the study and it includes research design, target population, sampling technique, procedure of data collection, method of data analysis, study model and ethical considerations.

3.1 Research Design

It's known that the research design is the most critical part of the research and it needs attention starting from the selection to the implementation. According to Leary (2004) good research design methodology must meet main basic characteristics like address the question, be within your capacity, interest, and be practical and achievable.

This study assesses factors that contribute to the turnover rate of Hilton hotel employees. Explanatory research design is used as research method because it is a method that examinees and investigates the study systematically utilizing facts, behaviors and relationship between the subjects being studied. The researcher implements more of quantitative method with a descriptive and inferential statistics that collect data at only one point in time also used qualitative method to investigate more about factors that contribute to the turnover.

3.2 Source of Data and Data Gathering Instrument

In order to gather the data from relevant sources, the researcher used both primary and secondary data sources.

Primary data are data originated by the researcher for the specific purpose of addressing the research problem. With regards to primary data, structured questionnaire have been distributed to be filled by existing employees of the Hotel and interview question and answer session was held with HR management of the organization. These enable the researcher to obtain undistorted information about the subject matter.

Secondary data are data that are collected from review of journals, articles, company profile, book and magazines. For these research publications of human resource department, different books and websites were used.

As data gathering instrument, the researcher has used Likert Scale.

3.3 Target Population

The target populations of this study are operational level employees and human resource managers working in Hilton Hotel. The total population is 657 employees (Human Resource Department of Hilton Hotel). The Hotel is run by two expatriate managers (general manager and food and beverage manager), one expatriate chef.

The Hilton Addis Ababa hotel is located in a hub of international diplomacy at Menelik Avenue with close proximity to the headquarters of the African Union (AU) and the United Nations Economic Commission for Africa (ECA) between the national palace and the grand Menelik palace and opposite to the Ministry of Foreign Affairs right on ideal place for both visitors and diplomats.

The Hilton Addis Ababa was the only five stars Hotel in Ethiopia before the opening of Luxury collection Sheraton Addis in March 1998G.C. Since its opening, the Hilton Addis Ababa has become a vital centerpiece for both the local and expatriate communities as well as the many business and vacation travelers visiting the capital.

Hilton Addis Ababa seeks a high standard of performance and quality and aims to maintain a long-term position in its respective competitive environment to satisfaction and loyalty tracking (SALT) that is the survey system utilized by Hilton Hotels Corporation to determine how their guests feel about their stay at their Hotels. It allows guests to provide feedback on various aspect of their experience from reservations, check in, arrival and to check out and departure.

3.4 Sample and Sampling Technique

For the purpose of this study stratified random sampling methods is used, the researcher has used stratified random sampling method to make the study manageable by dividing the population by department. Among the different method of the sample size determination, the one which is developed by Carvalho (1984) is used by the researcher to determine the number of respondents to be included in the study. Accordingly, to have a good representative, due to time and resource limitation the researcher has used medium sample size i.e. 80.

3.5 Procedures of Data collection

When collecting the data, first the willingness of the Hotel was asked with a supportive letter from St. Marry University. Then after getting the permission from the Hotel, pilot test on the questionnaire was conducted on 5 participants to check if there are missed points that have to be included and if the design of the questionnaire is comfortable to respondents. Then the primary data which was relevant to the study was collected from the sample through structured questionnaires. All information provided by respondent would be kept private and confidential. The questionnaires were distributed randomly in the departments and also the researcher briefly explains to respondents if there were any unclear points when they fill the questionnaires. In

addition interview session is conducted with the Human Resource Department. Side by side the relevant secondary data was collected from different documents, different websites, other research works and journals.

3.6 Data Analysis Method

To meet the objective of the study, the data gathered from both primary and secondary sources have been analyzed using descriptive statistics such as frequency distribution, mean and percentage to give a condensed picture of staff turnover and inferential statistics using correlations and regressions. On the process it has been used Excel, SPSS software programs and Eviews 6.

3.7 Study Model

The study used regression model to present and combine the results of the collected data on the variable way of data analysis. The main model considered for the research has been formulated is:

 $\mu = \alpha TI + \beta 1(JT) + \ \beta 2(WT) + \ \beta 3(CM) + \ \beta 4(MF) + \ \beta 5(WE) + \ \beta 6(PP) + \ \beta 7(CA) + \ E$

where:

 $\beta 1(JT) = Job type$

 β 2(WT)=Work attitude

β3(CM)=Compensation package

β4(MF)=Management Flexibility

β5(WE)=Working environment

β6(PP)=Policies and Procedures

β5(CA)=Career advancement

E= standard error

αTI =The regression constant

 β 1, β 2, β 3.... β *i* the partial regression coefficient for the independent variable.

In order to make the data ready for analysis and to get reliable results from the research, the model stated was tested for five CLRM assumptions. Among them the major ones are test for heteroscedasticity, multicollinearity, normality and constant variable. Accordingly, the following sub-section presents the tests made by the different assumption:

Assumption one: the errors have zero mean $(E(\epsilon) = 0)$ or constant variable

The first assumption states that the average value of the errors should be zero. According to (Brooks, 2008) if the regression equation contains a constant term, this presumption will never be breached.

Assumption two: Normality (errors are normally distributed $\mu_{t\sim} N(0, \sigma^2)$

A normal distribution is not skewed and is defined to have a coefficient of kurtosis 3. Jarque Bera formalizes this by testing the residuals for normality and testing whether the coefficient of skeweness and kurtosis are zero and three respectively. Normality assumption of the regression model can be tested with the Jarque Bera measure. If the probability of Jarque Bera value is greater than 0.05, it's an indicator for the presence of normality (Brooks 2008).

Assumption three: homoscedasticity (variance of the errors is constant ($Var(\mu_t) = \sigma^2 < \infty$)

Heteroskedasticity is a systematic pattern in the errors where the variances of the errors are not constant. When the variance of the residuals is constant it is referred as homoscedasticity, which is desirable. To test for the absence of heteroscedasticity white test was used in this study. In this test, if the p-value is very small, less than 0.05, it is an indicator for the presence of heteroscedasticity (Gujarati 2004).

Assumption four: Multicollinearity Test

According to Churchill and Iacobucci (2005), multicollinearity is concerned with the relationship which exists between explanatory variables. When the problem of multicollinearity exists, the amount of information about the effect of explanatory variables on dependent variables decreases and as a result, many of the explanatory variables could be judged as not related to the dependent variables when in fact they are. Many authors have suggested different level of correlation to judge the presence of multicollinearity. While (Hair, et al. 2006) argued that correlation coefficient below 0.9 may not cause serious multicollinearity problem, Malhotra (2007) stated that multicollinearity problem exists when the correlation coefficient among variables is greater than 0.75 and Kennedy (2008) suggests that any correlation coefficient above 0.7 could cause a serious multicollinearity problem leading to inefficient estimation and less reliable results. This indicates that there is no consistent agreement on the level of correlation that causes multicollinearity.

3.7 Ethical Considerations

Ethical considerations identified in connection with this study included the need to provide information about the purpose and confidentiality of the data collected, the protection of the anonymity of the respondents and their free participation, including the right to withdraw their consent to participate. The completed questionnaires have never been shared by me with anybody within or outside the organization. Confidentiality and anonymity is reinforced by the fact that the results are always presented whether in this thesis or when discussing them with anybody else in a collective manner.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION

This chapter consists of presentation, analysis and interpretation of primary and secondary data gathered. To collect the data from employees, questionnaire was prepared and distributed to operational level employees and some to department heads of Hilton Hotel.

In this study, 80 questionnaires were distributed and all were returned filled. The Carvalho (1984) model was used to determine the sample size of the population, therefore from 657 employees the researchers choose the medium size which is 80 employees.

4.1 Descriptive analysis

Under this part, the analysis will be more descriptive and will show the impacts of each variable. The mean has been categorized as strongly disagree when is 1, disagree when is 2, neutral when is 3, agree when is 4 and strongly agree when is 5.

4.1.1 Measuring Job

Table 4.1 Response on Job Type

			Response categories					Mean	
Item	About the job	Response	SD	D	N	A	SA	Total	Value
	Monotonousness of	Frequency	9	15	16	34	6	80	3.2
1	their job	Percentile	11%	19%	20%	43%	8%	100%	
	Enough independence is allowed in their job	Frequency	9	12	18	34	7	80	3.24
2	(ex. decision making)	Percentile	11%	15%	23%	43%	9%	100%	
	Adequate training and	Frequency	5	8	14	43	10	80	3.57
3	information on their job	Percentile	6%	10%	18%	54%	13%	100%	
3	Between their current	Frequency	11	21	6	33	9	80	3.16
	job and their	Trequency	11	21	U	33	7	80	3.10
4	personality	Percentile	14%	26%	8%	41%	11%	100%	
	Satisfaction with their	Frequency	17	9	13	26	15	80	3.20
5	scheduled working hour	Percentile	21%	11%	16%	33%	19%	100%	
	Enough time given to	Frequency	13	15	19	28	5	80	3.01
6	them to spend with families	Percentile	16%	19%	24%	35%	6%	100%	
	Enough rest compared	Frequency	13	16	24	25	2	80	2.82
7	to the work they do	Percentile	16%	20%	30%	31%	3%	100%	

Source: Own survey, 2016

The table 4.1 shows that 11 percent of the employee strongly disagrees, 19 percent disagree, 20 percent are neutral, 34 percent agree and 8 percent strongly agree on the monotonousness of their job. When jobs become monotonous, the employees tend to get annoyed and bored and start to seek new things. It has a mean of 3.2 which is closer to agreeing that their job is monotonous.

While about independence on their work, 11percent strongly disagree, 15 percent disagree, 23 percent are neutral, 43 percent agree and 9 percent strongly agree on the enough independence allowed on the job. It has a mean of 3.24. Independence on the work gives the employees courage to give decision on the day to day work.

Regarding adequate training and information on the job they are performing, 6 percent strongly disagree, 10 percent disagree, 18 percent are neutral, 54 percent agree and 13 percent strongly agree. Therefore the hotel provides training to the employees.

About their current job and personality, 14 percent strongly disagree, 26 percent disagree, 8 percent are neutral, 41 percent agree and 11 percent strongly agree. This shows that the employees have a personality that goes with their job, otherwise the job will be difficult to them and they will tend to leave the job.

About their scheduled working hours, 21 percent strongly disagree, 11 percent disagree, 16 percent are neutral, 33 percent agree and 19 percent strongly agree. Moreover, the mean of the distribution of response is 3.2, which is closer to the value of agree. This shows that the employees are happy with their working schedule. Satisfaction with the working schedule is a positive feed to their job and increases output.

Concerning enough time given to the employees to spend with families and have a social life, 16 percent strongly disagree, 19 percent disagree, 24 percent are neutral, 35 percent agree and 6 percent strongly agree. The mean of the distribution of response is 3.01, which is closer to the value of neutral, which implies that the employees are not satisfied or dissatisfied about their time spending with their family. Time with family has a good implication on people, furthermore the hotel has to think about giving the employees the time to spend with their family so that they can refresh up and work with a refreshed mind.

Regarding enough rest given compared to the work they perform, 16 percent strongly disagree, 20 percent disagree, 30 percent are neutral, 31 percent agree and 3 percent strongly agree. Moreover the mean of distribution is 2.82, which is closer to the value of disagreeing, this shows that the employees disagree on the enough rest given compared to the work they perform. Rest has a big impact on output. If they do not get enough rest there output will decrease, they will make more errors and their job will become monotonous to them.

4.1.2 Measuring Job attitude

Table 4.2 Response on Attitude towards their Job

	About attitude toward		Respo	onse ca	tegorie	S			Mean
Item	their job	Response	SD	D	N	A	SA	Total	Value
	Enjoy coming to work	Frequency	11	23	12	28	6	80	2.94
1	everyday	Percentile	14%	29%	15%	35%	8%	100%	
	Sense of belonging to	Frequency	13	17	14	26	10	80	3.04
2	Hilton	Percentile	16%	21%	18%	33%	13%	100%	
	Motivation	Frequency	9	20	18	22	11	80	3.04
3		Percentile	11%	25%	23%	28%	14%	100%	
	Commitment to their job	Frequency	10	8	17	26	19	80	3.45
4		Percentile	13%	10%	21%	33%	24%	100%	
	Personal values alighted	Frequency	8	11	14	36	11	80	3.39
	with the values of the								
5	Hilton	Percentile	10%	14%	18%	45%	14%	100%	
	Reaching expectation	Frequency	22	20	13	21	4	80	2.53
6	about Hilton	Percentile	28%	25%	16%	26%	5%	100%	

Source: Own Survey, 2016

From the table above, regarding the enjoyment coming to work of the respondents every day, 14 percent strongly disagree, 29 percent disagree, 15 percent remained neutral, 35 percent agree and 8 percent strongly agree. This has a mean value of 2.94 which is closer to disagreeing. The enjoyment of employee coming to work has a big impact on their job. If they are not happy they will tend to look elsewhere.

Concerning the sense of belonging to the hotel, 16 percent strongly disagree, 21 percent disagree, 18 percent are neutral, 33 percent agree and 13 percent strongly agree. Moreover has a mean value of 3.04 which is near to neutral, however employees need to feel the belongings of the hotel otherwise they will tend to think outside.

Regarding the motivation of the respondent to their job, 11 percent strongly disagree, 25 percent disagree, 23 percent remain neutral, 28 percent agree and 14 percent strongly agree. Motivation has a big impact on turnover. It is important to the hotel to understand and structure work to

encourage productive behavior and discourage those that are unproductive. Moreover has a mean value of 3.04 which is neutral, however the motivation level has to be higher.

When it comes to commitment to their job, 13 percent strongly disagree, 10 percent disagree, 21 percent remained neutral, 33 percent agree and 24 percent strongly agree. The mean is 3.45 which is near to agreeing. Commitment plays a great role to organization success therefore 33 percent that are on the disagreeing side are less committed to their job.

Regarding the alignment of personal values of employees to the values of the Hotel, 10 percent strongly disagree, 14 percent disagree, 18 percent are neutral, 45 percent agree and 14 percent strongly agree. The mean is 3.39 which is near to agreeing. Personal value have to be aligned with the value of the hotel, to increase motivation, commitment and production, thus will reduce turnover.

About reaching expectation about the hotel, 28 percent strongly disagree, 25 percent disagree, 16 percent remained neutral, 26 percent agree and 5 percent strongly agree. It has a mean of 2.53 which is near to disagree and this is wrong. If the employees set an expectation and after some years their expectation is not met, the employees become unhappy and start to look around.

4.1.3 Measuring compensation

Table 4.3 Response on Compensation System

				Respo	nse cate	gories			Mean
N.	About the compensation	Response	SD	D	N	A	SA	Total	value
		Frequency	40	20	13	7	0	80	1.84
1	Current compensation	Percentile	50%	25%	16%	9%	0%	100%	
	The incentives provided	Frequency	33	27	10	10	0	80	1.99
	for employees are good as								
	compared to the work they								
2	perform	Percentile	41%	34%	13%	13%	0%	100%	
	Service charge is paid	Frequency	23	14	16	24	3	80	2.55
3	justly	Percentile	29%	18%	20%	30%	4%	100%	
	I am equally paid as	Frequency	31	23	22	4	0	80	1.96
	compared to other hotels of								
4	my level	Percentile	39%	29%	28%	5%	0%	100%	
	I am paid as equal as my	Frequency	30	32	13	5	0	80	1.90
5	performance	Percentile	38%	40%	16%	6%	0%	100%	

Source: Own Survey, 2016

In table 4.3, talking about satisfaction with pay package, 50 percent strongly disagree, 25 percent disagree, 16 percent remained neutral, 9 percent agree and no respondent strongly agree with the pay package. It gives a mean value of 1.84 which is near to disagreeing. This shows the extent to which pay package influences turnover.

Also when we see if the incentives provided for employees are good as compared to other hotels of the same level, 41 percent strongly disagree, 34 percent disagree, 13 percent are neutral and 13 percent agree. In this case also the mean is 1.99 which is near to disagreeing. Therefore the hotel incentives are less to those that are given by other hotels; this will also have a big impact on turnover.

Considering service charge, 29 percent strongly disagree, 18 percent disagree, 20 percent are neutral, 30 percent agree and 4 percent strongly agree on the distribution of service charge justly. Moreover it shows a mean of 2.55 which is between disagreeing and remaining neutral. Service

charge has to be distributed justly otherwise the employees will think that they will not get what they have worked for. This variable also has a big influence on turnover.

From the total respondents, 39 percent strongly disagree, 29 percent disagree, 28 percent remained neutral, and the rest 5 percent agree It gives a mean of 1.96 which is near to disagreeing. This variable has a big influence on turnover because if the employees do not think that are paid at least as same to those people that are working in other hotels having the same job; they will definitely look elsewhere than the current working place.

When we see if they are paid as equal as their performance, 38 percent strongly disagree, 40 percent disagree, 16 percent remained neutral and the others 6 percent agree. It gives a mean of 1.9 which is near to disagreeing. This shows that the employees do not think that are paid as their performance, this will reduce their output and increase the turnover.

4.1.4 Measuring the Management Style

Table 4.4 Response on the Management Style

				Respo	nse cate	egories			Mean
Item	About the management	Response	SD	D	N	A	SA	Total	Value
	Flexibility of the	Frequency	25	22	18	15	0	80	2.29
1	management	Percentile	31%	28%	23%	19%	0%	100%	
	I am valued and	Frequency	21	21	19	17	2	80	2.53
2	appreciated by the management	Percentile	26%	26%	24%	21%	3%	100%	
	I am comfortable with the	Frequency	16	15	11	28	10	80	2.93
3	management of my section	Percentile	20%	19%	14%	35%	13%	100%	
	Everyone is treated fairly in the hotel	Frequency	22	27	18	10	3	80	2.35
4	in the note:	Percentile	28%	34%	23%	13%	4%	100%	
	The labor union in the	Frequency	17	6	31	21	5	80	2.85
5	hotel strong	Percentile	21%	8%	39%	26%	6%	100%	
	Rules and Regulations are	Frequency	22	17	21	18	2	80	2.56
6	applied equally for all employees	Percentile	28%	21%	26%	23%	3%	100%	

Source: Own survey, 2016

In the table above, regarding the flexibility of the management, 31 percent of the respondents strongly disagree, 28 percent disagree, 23 percent remained neutral and the remaining 19 percent agree. It has a mean of 2.29 which is near to disagreeing. This shows that the employees think that the management are not flexible; this also will have an influence on the turnover. If the management team is not flexible, it will reduce the sense of belongingness of the employees.

The respondents regarding their appreciation by the management, 26 percent strongly disagree, 26 percent disagree, 24 percent remained neutral, 21 percent agree and only 3 percent strongly agree. This gives a mean of 2.53 which is between disagreeing and being neutral. It shows that the employees do not feel valued and appreciated by the management, therefore will reduce their output and their unhappiness.

Also about feeling comfortable with the management of the same section, 20 percent strongly disagree, 19 percent disagree, 14 percent remained neutral, 35 percent agree and 13 percent

strongly agree. This shows a mean of 2.93 which is near to being neutral, in this case the employees neither they feel comfortable nor uncomfortable with the management. It will decrease the willingness of the employees to be open to giving opinion and giving decision on their day to day duty.

When we come to a fair treatment, from the respondent 28 percent strongly disagree, 34 percent disagree, 23 percent remained neutral, 13 percent agree and 4 percent strongly agree. This gives a mean of 2.35 which is near to disagreeing. It shows that the respondent do not think that they are treated fairly by the management.

Regarding the strength of the labor union in the hotel, 21 percent strongly disagree, 8 percent disagree, 39 percent remained neutral, 26 percent agree and 6 percent strongly agree. It has a mean of 2.85 which is near to be neutral. Labor union has to be strong otherwise the employees won't feel protected; this will lead them to leave and go where the labor union is strong and the employees are protected.

Also in the case, if the rules and regulations are equally applied to all employees, 28 percent strongly disagree, 21 percent disagree, 26 percent remained neutral, 23 percent agree and 3 percent strongly agree. It has a mean between disagreeing and being neutral which is 2.56. This will also have an impact on turnover.

4.1.5 Measuring Working Environment

Table 4.5 Response on the Working Environment

	About working			Respoi	nse cate	egories			Mean
Item	environment	Response	SD	D	N	A	SA	Total	Value
	I have good relation	Frequency	4	4	10	45	17	80	3.86
1	with my colleagues in the hotel	Percentile	5%	5%	13%	56%	21%	100%	
	There is pleasant work	Frequency	9	17	17	28	9	80	3.18
2	surrounding	Percentile	11%	21%	21%	35%	11%	100%	
	Team work is	Frequency	4	4	17	42	13	80	3.71
3	respected in the hotel	Percentile	5%	5%	21%	53%	16%	100%	
	The management	Frequency	22	16	20	21	1	80	2.53
	organizes v.good team								
4	recreations	Percentile	28%	20%	25%	26%	1%	100%	
	I am satisfied with my	Frequency	20	13	19	19	9	80	2.90
5	working environment	Percentile	25%	16%	24%	24%	11%	100%	

Own survey, 2016

Considering the working environment, good relation between colleagues, 5 percent strongly disagree, 5 percent disagree, 13 percent remained neutral, 56 percent agree and 21 percent strongly agree. It has a mean of 3.86 which is near to agreeing. This shows the good relationship with colleagues, this variable has a good influence on the output and productivity.

In the same case, on the subject of team work in the hotel, 5 percent strongly disagree, 5 percent disagree, 21 percent remained neutral, 53 percent agree and 16 percent strongly agree. It gives a mean of 3.71, this shows that the good relation between colleagues also boosts the team work.

Also regarding the pleasant work surrounding, 11 percent strongly disagree, 21 percent disagree, 21 percent remained neutral, 35 percent agree and 11 strongly agree. It has a mean of 3.71 which is near to agreeing, this shows that the employees are happy about their work surrounding.

About team recreations organized by the management, 28 percent strongly disagree, 20 percent disagree, 25 percent remained neutral, 26 percent agree and 1 percent strongly agree, this shows

a mean of 2.53 which is near to being neutral. In this case, the management does not organized that much very good team recreations. This variable will boost the mood of the employees toward their job but in this case the management is not that much working on it.

With a reference to satisfaction of working environment, 25 percent strongly disagree, 16 percent disagree, 24 percent remained neutral, 24 percent agree and 11 percent strongly agree. This has a mean of 2.90 which is near to being neutral. Here, the employees tend to disagree and beneutral meanwhile they have to agree. The working environment has an influence on the behavior and productivity of the employees.

4.1.6 Measuring Policies and Procedures

Table 4.6 Response on the Policies and Procedure

	About policies			Respon	nse categ	gories			Mean
	of the								Value
Item	organization	Response	SD	D	N	A	SA	Total	
	The policies,	Frequency	21	21	19	19	0	80	2.39
	procedures,								
	objectives are								
1	flexible	Percentile	26%	26%	24%	24%	0%	100%	
	I often	Frequency	29	23	14	14	0	80	2.10
	participate in								
	making or								
	revising policies								
	and procedures								
2	periodically	Percentile	36%	29%	18%	18%	0%	100%	
	Innovation and	Frequency	26	16	22	16	0	80	2.35
	participation in								
	decision making								
	is encouraged by								
3	the management	Percentile	33%	20%	28%	20%	0%	100%	

Source: Own survey, 2016

When we see if the policies, procedures, objectives are flexible, 26 percent strongly disagree, 26 percent disagree, 24 percent remained neutral, 24 percent agree. It has a mean of 2.39 which is

near to disagreeing. When policies and procedures are not flexible, the employees tend to think that they will not make a change. In the same case, regarding their participation in making or revising policies and procedures, 36 percent strongly disagree, 29 percent disagree, 18 percent remained neutral and 18 percent agree. The mean is 2.10 which is near to disagreeing, this shows that the employees do not participate in making or revising policies and procedures periodically, this will make them feel that they are not important and they do not matter.

Also in if the decision making and innovation is encourage by the management, 33 percent strongly disagree, 20 percent disagree, 28 percent remained neutral and 20 percent agree. It has a mean of 2.35 which is near to disagreeing, in this case you can see that not only employee do not want participate on the decision making but also the management do not encourage the employees on the same matter.

4.1.7 Measuring Career Advancement

Table 4.7 Response on Career Advancement

	About career			Respo	nse cate	gories			
	advancement							Total	Mean
Item	and enrichment	Response	SD	D	N	A	SA		Value
	There are								2.85
	possibilities for	Frequency	13	16	15	36	0	80	
	career	requestey	10	10	10	- 50	Ü		
	development in								
1	my current job	Percentile	16%	20%	19%	45%	0%	100%	
	My job is								3.62
	challenging and	Frequency	8	39	12	19	2	80	
	doesn't offer								
	growth and								
2	opportunities	Percentile	10%	49%	15%	24%	3%	100%	
	I feel that I will	Frequency	7	12	17	33	11	80	3.35
	be successful in								
3	hotel industry	Percentile	9%	15%	21%	41%	14%	100%	
	The hotel	Frequency	15	15	21	29	0	80	2.75
	provides you								
	different								
	position based								
	on your								
4	performance	Percentile	19%	19%	26%	36%	0%	100%	
	Qualifications	Frequency	21	13	20	26	0	80	2.56
	and experiences								
	are considered								
	to promote								
_	employees/		2.501	1.50	2.50	2201	0.01	1000	
5	Promotion	Percentile	26%	16%	25%	33%	0%	100%	

Source: Own survey, 2016

In the above table, regarding the possibility of career development, 16 percent strongly disagree, 20 percent disagree, 19 percent remained neutral and 45 percent agree. It has a mean of 2.85 which is near to be neutral. The employees do not think that there is a possibility for career development in the current job. About their job being challenging and offering growth, 10 percent strongly disagree, 49 percent disagree, 15 percent are neutral, 24 percent agree and 3 percent disagree. This show that the employees do not think their job is challenging and they

think that there job can offer them growth. Their feeling of being successful in the industry, 9 percent strongly disagree, 49 percent disagree, 15 percent remained neutral, 24 percent agree and 3 percent strongly agree. The mean is equal to 3.35 which is near to agreeing, this shows that the employees feel that they will be successful in the industry.

19 percent strongly disagree, 19 percent disagree, 26 percent remained neutral and 36 percent agree on the matter that the hotel provides different position based on their performance. It has a mean of 2.75 which is near to disagreeing; this means that the hotel is not offering them the position based on the performance they are performing. In the same case regarding the qualification and experiences considered to promote employees, 26 percent strongly disagree, 16 percent disagree, 25 percent remained neutral and the rest 33 percent agree. It has a mean of 2.56 which is also near to disagreeing. This shows that promotions are not given based on experience and qualification.

4.1.8 Measuring Turnover intention

Table 4.8 Response on Turnover Intention

			Response categories						Mean		
	About looking								Value	St.	Var.
Item	for a new job	Response	SD	D	N	Α	SA	Total		Dev.	
	I do not often										
	think about	Frequency	10	40	20	5	5	80			
	quitting the								2.4	1	1
	job/turnover										
1	intention	Percentile	13%	50%	25%	6%	6%	100%			
	It is not likely	Frequency	10	40	20	5	5	80			
	that I will look								2.4	1	1
2	for a new job	Percentile	13%	50%	25%	6%	6%	100%		_	

Source: Own survey, 2016

On the above table, on turnover intention or to the question of wanting to quit, 31 percent disagree, 30 percent remained neutral, 10 percent agree and the other 15 percent strongly agree. It has a mean of 2.4 which is near to disagreeing and being neutral to not quit, also to the question of not looking to other jobs, 6 percent strongly disagreeing, 38 percent disagree, 25

percent remained neutral, 13 percent agree and 19 percent strongly agree, this shows that more than half of the employees have the intention to quit. As overall the turnover intention has a mean of 2.4, a standard deviation 1 and a variance 1. This shows that the employee have a high intention to turnover.

4.2 Inferential statistics

4.2.1 Result test of for linear regression model (CLRM) Assumptions

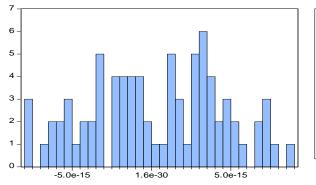
Assumption one: the errors have zero mean $(E(\epsilon) = 0)$ or constant variable

Since from the regression result table the constant term (i.e. β 0) was included in the regression equation; this assumption holds good for the model.

Assumption two: Normality (errors are normally distributed $\mu_{t\sim} N(0, \sigma^2)$

The normality tests for this study as shown in Figure 4.1 the kurtosis is close to 3, and the Jarque-Bera statistic has a p-value of 0.2823 which is well over 0.05 implying that the data were consistent with a normal distribution assumption.

Figure 4.1 Normality Test result



Series: Residuals Sample 180 Observations 80 Mean 3.00e-16 Median 5.61e-16 Maximum -7.91e-15 Std. Dev. 4.20e-15 Skewness -0.086237 Kurtosis 2.146230 Jarque-Bera 2.528899 Probability 0.282395

Source: Eviews output from own survey, 2016

Assumption three: Homoscedasticity (variance of the errors is constant ($Var(\mu_t) = \sigma^2 < \infty$)

Table 4.9 presents three different types of tests for heteroscedasticity. Since the p-values of all the three tests are considerably in excess of 0.05 it's a clear indicator that there is no evidence for the presence of heteroscedasticity. Hence, the model passes the third test.

Table 4.9 Heteroscedasticity Test: White test

Heteroskedasticity Test: White

F-statistic	3.62E+23	Prob. F(35,44)	0.0723
Obs*R-squared	80.00000	Prob. Chi-Square(35)	0.1321
Scaled explained SS	36.62448	Prob. Chi-Square(35)	0.3933

Assumption four: Multicollinearity Test

Table 4.10 Correlation matrix between explanatory variables

	Attitude	Career	Compensati		Management	Working	Working
		Advancement	on	Job type	style	Environment	Policy
Attitude	1.000000						
Career							
Advancement	0.527370	1.000000					
Compensation	-0.071065	-0.180813	1.000000				
Job type	0.451552	0.501828	-0.154999	1.000000			
Management style	0.611049	0.589985	0.049829	0.478390	1.000000		
Working							
Environment	0.674152	0.430164	0.049042	0.405122	0.680231	1.000000	
Working Policy	0.664072	0.671262	-0.136622	0.439668	0.640674	0.550313	1.000000

Eviews output from own survey, 2016

Therefore, in the study correlation matrix for seven of the independent variables is shown above in Table 4.10. The results of the estimated correlation matrix shows that the highest correlation of 0.680 which is between Turnover Intention and Management Style. Since there is no correlation above 0.7, 0.75 and 0.9 according to Kennedy (2008), Malhotra (2007) and Hair, et al. (2006) respectively, it can be concluded that there is no problem of multicollinearity.

4.2.2 Regression result

Table 4.11 Regression result

Model		Unstandardized Coe	efficients	Т	Sig.
		В	Std. Error		
	(Constant)	3.066	.380	8.064	.000
	Job type	.050	.097	.520	.605
	Attitude	.183	.065	2.836	.006
	Compensation	042	.079	538	.592
1	Management style	152	.072	-2.119	.038
	Working Environment	.197	.072	2.721	.008
	Working Policy	.040	.069	.582	.563
	Career Advancement	.111	.085	1.304	.196

SPSS output from own survey, 2016

H1: The type of the job variable will significantly affect the turnover intention.

From the regression result the p-value of job type is 0.605 which is greater than 0.05. This shows that there is no significant association between job type and turnover intention.

H2: The work attitude will significantly affect the turnover intention.

From the regression result the p-value of work of attitude is 0.006 which is less than 0.05. This shows that there is significant association between work attitude and turnover intention.

H3: The compensation package will significantly affect the turnover intention.

From the regression result the p-value of compensation package is 0.592 which is greater than 0.05. This shows that there is no significant association between compensation and turnover intention.

H4: The management will significantly affect the turnover intention.

From the regression result the p-value of management is 0.038 which is less than 0.05. This shows that there is significant association between management style and turnover intention.

H5: The working environment will significantly affect the turnover intention.

From the regression result the p-value of working environment is greater than 0.008 which is less than 0.05. This shows that there is significant association between working environment and turnover intention.

H6: The policies and procedure will significantly affect the turnover intention.

From the regression result the p-value of policies and procedure is 0.563 which is greater than 0.05. This shows that there is no significant association between job type and turnover intention.

H7: The career advancement will significantly affect the turnover intention.

From the regression result the p-value of career advancement is 0.196 which is greater than 0.05. This shows that there is no significant association between career advancement and turnover intention.

As conclusion work attitude, management style and work environment have a significant impact on turnover intention meanwhile job type, compensation package, working policies and procedure and career advancement have no significant impact on turnover intention in the case of Hilton Hotel, therefore they need further study.

Model Summary

Table 4.12 Model Summary

Model	R	R Square	Adjusted R	Std. Error of
			Square	the Estimate
1	.416 ^a	.173	.093	.37414

SPSS output from own survey, 2016

a. Predictors: (Constant), Career Advancement, Compensation,

Working Environment, Job type, Attitude, Working Policy,

Management style

b. Dependent Variable: Turnover intention

The above table telling us the value of R, shows that 41.6% of the variations of Turnover Intention explained by the independent variables that are Career Advancement, Compensation Package, Working Environment, Job Type, Work Attitude, Working Policy and Management Style. The other variations 58.4% comes from unobservable variables other than what it mentioned from the independent variables.

4.3 Open ended question to the Human Resource Department

1. What are the main challenges of employees in the hotel?

From the perspective of the manager the main challenge is the lack of motivation, ownership and unreasonable expectations

2. What do you think are the reasons for employee turnover in hospitality industry?

Availability of new openings and opportunities, lack of skilled labor in this sector makes it easy for those with the experience to move, better salaries etc.

3. What do you think is the view of your current employees to the hotel?

The management thinks that new hires think as a job and nothing else while employees who stay here for some times view it as their home and love it.

4. What do you think about the working environment?

The management thinks that it is conducive and better than other similar places.

5. What do you think about your compensation scheme?

The hotel considers the compensation scheme competitive in the current hotel industry.

6. Do you think that your organization gives enough training?

The management also thinks that more than enough training is given to the employees.

7. Do you give enough information to your employees about your policies, procedures and regulations?

The management gives enough information about the policies, procedures and regulation to create awareness between the employees.

8. How often do you promote employees? Is there any policy on promotion and carrier advancement?

Promotion is not time bound rather as per the business need and in line with the organizational/departmental structure.

9. Does your hotel give exit interview?

The hotel gives an exit interview for those employees that what to leave after talking to them and having some knowledge about their reason to leave

10. How often do you calculate turnover rate ratio? Can you tell the researcher the last five turnover ratio calculated?

The human resource office does the turnover every year which is 5-9% on average.

11. What retention strategy does your hotel use to retain employees?

The hotel uses the career path and development as the main one while they discuss individual cases to reach to a mutual agreement as well.

CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusions

The study examined different variable as causes of employee turnover by using simple descriptive analysis and inferential statistics; accordingly the following conclusion are drawn:

- ✓ The employees perform monotonous jobs and they are bored about it. Employees do not have the decision making role and they do not get enough rest compared to the work they perform.
- ✓ The employee do not have a sense of belongingness to the hotel, they are not motivated and they expectation is not met. In the other part also the Human Resource Management thinks that the employees lack motivation, lack sense of ownership and they have high expectation. Meanwhile both parties agree that enough training is given on and off duty.
- ✓ When we come to the compensation, they are unhappy about their pay. They are paid low taking in consideration into the job they do and the compensation scheme in the industry. Meanwhile the management thinks that the compensation scheme is very competitive.
- ✓ The management is not flexible and the employees are not valued. Therefore there is no good relationship between the employees and the supervisors.
- ✓ They are very much happy about their working surrounding, they have good relation between them but still they complain on the recreation program organized by the human resource department.
- ✓ Policy and procedures are only granted to the management and the level employees do not have a say on the matter for any suggestion or recommendation.
- ✓ The employees are not getting that much of promotion. They feel that they will be stuck on the same position for long time because when the management approves the promotion it doesn't take into consideration qualification and experience. Meanwhile the

- management says that promotion is not time bound rather as per the business need and in line with the organizational/departmental structure.
- ✓ The Hilton retention strategy is career path development and direct talk with employee at the time they want to leave.
- ✓ The researcher after conducting the interview with the human resource manager and after seeing the descriptive statistics given by the employees to the single causes has come to the conclusion that there is a big gap between the management and the employees. The management thinks in a way and the employees have another saying. Therefore the gap has to be narrow and there should be some mutual understanding and consideration by both parties.
- ✓ The major factors causing employee turnover in Hilton Addis Ababa are working attitude towards their job, working environment and management style respectively.

5.2 Recommendations

As per the findings and conclusion the researcher has made the following recommendations as retention mechanism for the major causes of employee turnover in Hilton Hotel:

✓ When we come to work attitude the hotel has to focus on motivation, sense of belongingness and commitment of the employees. Motivation acts as a catalyst to an individual's success. The team leaders and the managers must constantly motivate the employees to extract the best out of them. If an employee has performed exceptionally well, do appreciate him. The top performers must be in the limelight. The employees must feel indispensable for the organization. It is essential for the employees to be loyal towards their organization to deliver their level best. The superiors should send motivational emails. Display inspirational posters, photographs on the notice board for the employees to read and stay motivated. It is natural for an individual to feel low sometimes, but the superiors must ensure to boost their morale and bring them back on track. No individual should be neglected or criticized, this de-motivates them. If they fail to perform once, motivate them and give them another opportunity. Organize various activities and events at the workplace. Ask each one to take charge of something or the other. Engage the employees in productive tasks necessary for their overall development. The management must show its care and concern for all the staff members. The employees must feel secure at the workplace for them to stay motivated. In this ways the employees will feel motivated and will have a sense of belongingness. HR must launch various incentive schemes for the top performers to motivate them. This way the employees feel important for the organization and strive hard to perform even better the next time. The employees who show promise should be awarded with cash prizes, lucrative perks and certificates to make the individual stand apart from the crowd. Send a mail wishing the employees on their birthdays or congratulating them when they perform exceptionally well or come out with something innovative. Arrange a small bouquet for them as a gift from the organization's side. This way the employees feel attached to the

organization and are reluctant to look for a change. A friendly atmosphere is essential for the employees to feel safe and secure. Make them participate in various management decision making Taplin et al.(2003).

- ✓ Providing a stimulating workplace environment, will foster happy, motivated and empowered individuals, lowers employee turnover and absentee rates. Promoting a work environment that fosters personal and professional growth promotes harmony and encouragement on all levels, so the effects are felt company wide. There should be a good relationship between colleagues in the hotel therefore Hilton Hotel should work on organizing recreation activities for the employees.
- The company's rules and regulations should be made to benefit the employees. They should be employee friendly. It is important for the management to understand the employees to gain their trust and confidence. The consistent performers must also have a say in the company's decisions for them to feel important. The management must show its care and concern for all the staff members. The employees must feel secure at the workplace for them to stay motivated. The management must be flexible in such a way that even the human resource department must take the initiative to celebrate birthdays of employees at the workplace. This way people come closer, make friends, develop trust and are thus reluctant to go for a change. The management should organize some events to get closer to the employees so that the employees do not feel the barrier.

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Appendices

Carvalho sample size determination

Population size	Low	Medium	High
51-90	5	13	20
91-150	8	20	32
151 – 280	13	32	50
281 – 500	20	50	80
501 – 1200	32	80	125
1201 – 3200	50	125	200
3201 – 10000	80	200	315
10001 – 35000	125	315	500
35001 – 45000	200	500	800

Source: Nation Archives (2005). Application of Mathematical Sampling

St. Mary's University School of Graduate Study MBA Program

Questionnaire to be filled by Employees of Hilton Addis Ababa

You are being invited to participate in a research study about employee turnover on your organization. The objective of this research project is to attempt to understand why employees leave their job.

In order for the survey to give a true picture your genuine response will have a great impact. So feel free and respond to the question in the way you really feel. The information you provide is confidential. You are not expected to write your name.

Thank you for your cooperation!

Optional Survey on Turnover

<u>Instruction</u>: Indicate your level of agreement to the statement given below by putting "x" mark in the appropriate space.

No.	About your job	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	My job is monotonous					
2	Enough independence is allowed in my job (ex. decision making)					
3	I receive adequate training and information to do my job well					
4	There is a good fit between my current job and my personality					
5	I am satisfied with the scheduled working hour					
6	I have enough time to spend with my families and social life					
7	I get enough rest compared to the work I do					

No.	About your attitude towards your job	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I enjoy coming to work every day					
2	I have a sense of belonging to this hotel					
3	I am motivated					
4	I feel that I am committed to my job					
5	In general my personal values are alighted with the values of the hotel industry					
6	My expectation were met as I joined Hilton					

No.	About your current compensation	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I am satisfied with my pay package					
2	The incentives provided for employees are good as compared to the work they perform					
3	Service charge is paid justly					
4	I am equally paid as compared to other hotels of my level					
5	I am paid as equal as my performance					

No.	About the current management of your organization	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Are the management team flexible					
2	I am valued and appreciated by the management					
3	I am comfortable with the management of my section					
4	Everyone is treated fairly in the hotel					
5	The labor union in the hotel strong					
6	Rules and Regulations are applied equally for all employees					

No.	About the working environment of your organization	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I have good relation with my colleagues in the hotel					
2	There is pleasant work surrounding					
3	Team work is respected in the hotel					
4	The management organizes v.good team recreations					
5	I am satisfied with my working environment					

No.	About organizational policies of your organization	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	The policies, procedures, objectives are flexible					
2	I often participate in making or revising policies and procedures periodically					
3	Innovation and participation in decision making is encouraged by the management					

No.	About career advancement and enrichment	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	There are possibilities for career development in my current job					
2	My job is challenging and doesn't offer growth and opportunities					
3	I feel that I will be successful in hotel industry					
4	The hotel provides you different position based on your performance					
5	Qualifications and experiences are considered to promote employees					

No.	About intention of turnover	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I do not often think about quitting					
2	It is not likely that I will look for a new job					

Thank you for your precious time and energy!

INTERVIEW QUESTION FOR THE MANAGEMENT OF HUMAN RESOURCE

Interview session was held with the manager of HR to assess whether the organization is aware of about the existence of turnover rates, causes and costs of the employee turnover and retention mechanism followed (if any) to reduce the turnover ratio of Hilton Addis Ababa.

- 1. What are the main challenges of employees in the hotel?
- 2. What do you think are the reasons for employee turnover in hospitality industry?
- 3. What do you think is the view of your current employees to the hotel?
- 4. What do you think about the working environment?
- 5. What do you think about your compensation scheme?
- 6. Do you think that your organization gives enough training?
- 7. Do you give enough information to your employees about your policies, procedures and regulations?
- 8. How often do you promote employees? Is there any policy on promotion and carrier advancement?
- 9. Does your hotel give exit interview?
- 10. How often do you calculate turnover rate ratio? Can you tell the researcher the last five turnover ratio calculated?
- 11. What retention strategy does your hotel use to retain employees?