ST. MARY'S UNIVERSITY

SCHOOL OF GRADUATE STUDIES

ASSESSMENT OF PROFESSIONAL EMPLOYEES RETENTION

PRACTICES AND CHALLENGES:

A CASE OF ETHIO-TELECOM

BY:

SIHINE YESHIDINBER

JANUARY, 2020

ADDIS ABABA, ETHIOPIA

ASSESSMENT OF PROFESSIONAL EMPLOYEES RETENTION PRACTICES AND CHALLENGES: A CASE OF ETHIO-TELECOM

BY:

SIHINE YESHIDINBER

A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTERS OF BUSINESS ADMINISTRATION

ADVISOR

SHOA JEMAL (ASST.PROFESSOR)

JANUARY, 2020

ADDIS ABABA, ETHIOPIA

ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

ASSESSMENT OF PROFESSIONAL EMPLOYEES RETENTION PRACTICES AND CHALLENGES: A CASE OF ETHIO-TELECOM

BY
SIHINE YESHIDINBER

APPROVED BY BOARD OF EXAMINERS

_____ _____

Dean, Graduate studies   **Signature**   **Date**

_____ _____

Advisor   **Signature**   **Date**

_____ _____

External Examiner   **Signature**   **Date**

_____ _____

Internal Examiner   **Signature**   **Date**

Table of Contents

ACKNOWLEDGEMENT

First and foremost, all praise and deep thanks to the Almighty God and His Mother St. Marry. My deepest gratitude goes to my advisor Shoa Jemal (Ass. Professor) for his devotion of precious time, constructive comments and guidance from the inception of designing the proposal to the final paper.

This thesis would never have seen the sun without the full support of my family. They provided me with love, guidance, prayer, and wisdom. It is my pleasure to thank, participants of the study (Employees of Ethio-Telecom) for being willing to participate in the study and provide valuable information.

At last but not least my deep gratitude goes all those who directly or indirectly helped and encouraged me for the completion of this thesis.

LIST OF TABLES

ABSTRACT

Retaining employees whose knowledge has highly competitive value is becoming a critical challenge. Professional employees' retention in big corporation like Ethio-Telecom is well-recognized challenge. The purpose of the study was to assess professional employees' retention practice and challenges. The main objective of this study was to find out employee turnover is an ongoing practice in Ethio-Telecom, to identify whether they have or not a good training opportunity, career development, job security, working condition, recognition practice, and coworker's relationship of the corporation. In order to obtain desired results, the researcher used a mixed-method approach. Questionnaires were distributed to 376 Ethio-Telecom employees and semi-structured interviews were conducted with purposively selected managers. The purposes of interviews were to know if there was actual retention practices and strategy that was implemented by the corporation. The research was a descriptive study applying quantitative and qualitative approach in which data was collected across a population through simple random and purposive sampling method and descriptive statistics were used for data analysis, which was obtained by means of questionnaires. Content analysis was used for data that was obtained by means of semi-structured interviews. Hence, the study revealed that there were employee's retention strategies available in the organization. However, most of employees of Ethio-Telecom are not satisfied with their career development, management support and recognition system. All those factors influence employees to leave the corporation. Based on the study, the researcher recommended that the organization needs to revise and employ different retention strategies, improve or modify career development programs, implement more aggressive reward and recognition system to retain its experienced and qualified employees.

Key Words: Professional employees, Employee retention, Employee turnover

CHAPTER ONE

INTRODUCTION

This chapter introduces readers background of the study, statement problems of the research, formulates its objectives and research questions. Moreover, issues related to significance as well as delimitation of the study are included in this chapter. Finally, the chapter concludes by summarizing the content of the subsequent chapters.

1.1. Background of the Study

Employee retention is strategies and practices organizations use to prevent valuable employees from leaving their jobs. Employee retention is a procedure in which the employees are encouraged to stay with the organization for a long period of time. A way to retain valuable employees is one of the biggest problems that most organizations face in a competitive marketplace. Employee retention is an organized and planed effort by employers to create and foster an environment that encourages current employees to remain employed by establishing policies and practices that address their diverse needs.

Companies often find that they spend extensive time; effort and money to train an employee only to have them develop into a valuable commodity. In order to create a profitable company, employers should study as many options as possible when it comes to retaining employees, while at the same time securing their trust and loyalty so they have less of an intent to leave in the future.

Retaining employees for longer periods of time helps to attract and retain the right quality of employees to meet organizations requirements. This contributes to the engagement of highly qualified employees that enables the organizations achieve set objectives and deliver exceptional results. The positive image created helps in ensuring that the organizations hire people with the highest relevant technical and behavioral competencies. It assists to get the right people in the right work positions. It helps in ensuring a clear, transparent and fair recruitment and selection processes. However, although the employee retention is encouraged in many organizations as far as possible, cases of employee turnover are on the rise.

There are many potential causes for turnover. These include such things as non-competitive compensation, high stress, working conditions, monotony, poor supervision, poor fit between the employee and the job, inadequate training, poor communications, and other organization practices (Mushrush, 2002). In order to address these issues, organizational leaders need to be aware of the needs and environmental circumstances surrounding their employees (Martin,2011).

Organizations should develop human resource policies and strategies, including selection and recruitment, working condition, pay and benefit, training and development, that reflect their beliefs and principles as well as maintaining acceptable relationships between management and employees. However, some human resource departments merely devise policies that deal with current problems or requirements (Jackson & Schuler, 1995). This present study is therefore attempted to asses professional employee retention practice and challenges.

Employee Retention for larger public Corporation like Ethio-Telecom have proved to be a core human resource planning activity and as such, they are a vital part of an organization's overall strategic plan.

Ethio-Telecom is the oldest Public Telecommunications Operator (PTO) in Africa and one of the most profitable companies in Ethiopia *(www.ethiotelecom.et)*. Currently the company have 39.54 million mobile telephone, 1.14 million fixed telephone, 426,000 broadband & narrowband & internet subscribers across the country *(www.ethiotelecom.et)*.

Ethio telecom is among the fastest growing huge monopoly company and one of the "Big-5" groups of state-owned company in Ethiopia, along with Ethiopian Airlines, the Commercial Bank of Ethiopia, Ethio-Insurance, and the Ethiopian Shipping Line. The company is an integrated telecommunications services provider in Ethiopia, providing internet and telephone services. Ethio telecom makes a key contribution to a country GDP and employment opportunity. According to the company's annual report for 2018/19 budget year, the company has more than 15,648 employees.

Even though it's declining considering the rate at which Ethio-Telecom losing professional employees, one can conclude that there are issues that affect staff retention, hence labor turnover undermines reputation of the organization, while it will also affect productivity (Naris and Ukpere,

2010). In the current market circumstances, too much turnover would endanger the continuity of services delivered, and for this reason it is important to limit it by focusing on staff retention (Beulen, 2009). In an effort to retain the best professional employees in Ethio-Telecom, attention must be directed to the causes for premature turnover and assess the culture and environment that currently exists, as well as what can be modified from an organizational perspective to retain those employees.

Therefore, the present study conducted on Ethio-Telecom because employees' turnover is an issue in the organization. Hence, the study focuses on assessing professional employee retention practices and challenges at Ethio-Telecom.

1.2 Definitions of Terms

- ➢ **Professional employees**-employees who possess diploma and above in the area of business and holding at least officer position.
- ➢ **Employee retention** -is a process in which the employees are encouraged to remain with the organization for the maximum period of time.
- ➢ **Employee turnover** - the number or percentage of workers who leave an organization and are replaced by new employees.

1.3 Statement of the Problem

The success of a business or an organization is directly linked to the performance of those who work for that business. Organizations need to have the ability to recruit and retain appropriate workers in order to create an inflow of knowledge and skills to develop and maintain their competitiveness. Difficulties to attract and retain staff lead to high labor turnover. Turnover is costly for organizations. Direct costs such as recruitment, selection, and training of new employees, as well as indirect costs, such as stress on remaining workers, reduced productivity, and low morale for organizations, can cost as much as two year's pay and benefits (Ramlall, 2005).

High labor turnover affects service delivery, as it can be harmful to the company's productivity. There is a search cost of finding appropriate workers and an opportunity cost of losing knowledge and experience, which are accumulated by leavers (Bertinelli, Cardi, Pumukçu, Strobl and

Thornton, 2009). Loss of knowledge and experience increases the importance of talent retention (Ramlall, 2005).

The corporation has done employee satisfaction survey on some satisfaction factors such as the overall satisfaction in the company, working condition, management and supervisor, salary and benefit for the budget years of 2018/19 and the average satisfaction level were 53.14% (ET

satisfaction survey, 2019). This result implies that there is a low level of employees' job satisfaction in Ethio-telecom. In addition to satisfaction result, Ethio-telecom employees' attrition rate indicates that more than 940 employees left within 3 years. Although, all the three years attrition rate shows Ethio-telecom has low and health employee turnover. Allen et al. (2003) stated effective turnover analysis should examines; how many people are leaving (turnover rate)? Who is leaving? What are the relative costs and benefits of our current turnover? makes the analysis complete. It is also realized some employees during the recruitment process leave and join other higher payer institution and immediately after employment leave their post, the challenge is therefore how to retain such employees once they are employed. New hire turnover is the most expensive turnover of all, because the organization reaps no benefits from the new hire, only all the costs of recruiting (Stone 2002).

According to Internal report of human resource of Ethio-Telecom the number of employees left the company for the budget year 2016/17 are 370, budget year 2017/18 are 289, and budget year 2018/19 are 283 leaving the average turnover rate to be 4.92%. Even though the number of employees left the company seems declining, the annual employee voluntary turnover of the company is still an issue to be examined. For instance, according to the annual HR report of 2016/17 budget year from 370 employees who left the company 163 disappear and 207 resigned. Majority of the employees who left voluntarily the company were highly skilled professionals from Operations (core task of the company) which had an impact in sustainable growth of Ethio-telecom.

Therefore, this study is conducted to assess professional employee retention practice and challenges on Ethio-Telecom by examining the factors affecting employees retention like Training Opportunity, Career Development, Job security, working condition, compensation

system, Management Support, Recognition and coworkers relationship within Ethio-Telecom employees in Addis Ababa.

1.4 Research Questions

To address the above stated research problems the researcher aims to address the following basic research questions.

- ➢ What are the challenges of the corporation to retain its professional staff?
- ➢ What employee retention strategy are put in place of Ethio-Telecom?
- ➢ To what extent are employee of Ethio-Telecom satisfied with Job security?
- ➢ To what extent are employee of Ethio-Telecom satisfied with compensation system, working condition, and management support?
- ➢ What is the expectation of Ethio-Telecom employees on career development, training opportunity and Recognition?
- ➢ How does co-worker relationship affect employee retention in Ethio-Telecom?

1.5 Objectives of the Study

The general and specific objectives of this research are discussed as follows:

1.5.1 General Objectives

The general purpose of undertaking this thesis is to assess professional employee retention practice and challenges at Ethio-Telecom.

1.5.2 Specific objectives

The following are concerned with achieving the specific objective of the study.

- ➢ To assess employee retention challenges at Ethio-Telecom.
- ➢ To explore the various employee retention practices implemented at Ethio-Telecom.
- ➢ To assess the current level of employees Job security at Ethio-Telecom.
- ➢ To examine the current level of satisfaction on compensation system, working condition, and management support.

➢ To look for perceptions on carrier development, training opportunity and recognition at Ethio-Telcom

➢ To identify the relationship between coworkers in Ethio-Telecom.

1.6 Significance of the Study

The result of this study is significant in various aspects. The result of this study provide some insights to Ethio-Telecom HR practitioners who concerns to employees' retention strategies, and management to make informed decisions on how to tackle challenges to attract and retain talent professional employees, based on the findings for this study, management also be able to save on costs that are incurred through recruitment, training and loss of customers. Findings of the study also would enable management of organizations, through the use of more favorable retention strategies.

There is a high possibility that employees' productivity and quality of services improve when challenges, which concern attraction and retention are identified and properly addressed. Through the intervention that is proposed by this study, the community receive quality services that are produced by Ethio-Telecom.

Finally, the study serves as a spring board to those who want to investigate much into Human Resource practices and employee retention.

1.7 Scope of the study

Because of time and budget constraint, this research was delimited to geographical location and the sample was restricted to Ethio-Telecom head office. This research is also delimited itself on the head office and the study focuses on professionals or those technically qualified personnel who do have both managerial and non-managerial positions. This research is also delimited to the data collection tools used. There are data collection tools such as questionnaire, interview, observation and experiment. However, the researcher employed only questionnaire and interview type of data collection tools for this study. This research is further delimited to the number and type of respondents. For the purpose of this study only the head office employees were selected.

1.8 Limitation of the study

The limitation of the study were respondent's might be reluctant to express their true feelings about the questions asked, so conclusion and recommendation of the findings might be affected, busy people were not want to take the time, try to help by giving pleasant answers. The other limitation in this study was little empirical studies that have been done in Ethiopian context on the issue particularly in telecom sector.

1.9 Organization of the Study

The study is categorized in to five chapters. The first Chapter deals with the introduction, background of the study, statement of the problem, objectives of the study, research questions, definitions of key terms, scope of the study, and organization of the thesis. The second chapter covers review of theoretical and empirical literature related to the investigation and conceptual frame work of the study, this followed by the methodology used in the research in chapter three. The fourth chapter presents the results and discussion part of the study. Finally, in the last chapter, summarization of major findings, conclusion and recommendations.

CHAPTER TWO

LITERATURE REVIEW

This chapter discusses and deliberates literature reviews on professional employee retention practice and challenges. It elaborates the past studies and relevant theories on the construct variables. The literature review leads to development of research framework.

2.1 Theoretical Literature Review

2.1.1 Employee Retention

Hiring an employee is only a first step. Building awareness of the importance of employee retention is essential. The retention of talented employees is an advantage to an organization because employees' knowledge and skills are central to a company's ability to be economically competitive.

Retention is everything an employer does to encourage qualified and productive employees to continue working for the organization. Retention strategies strengthen the ability of businesses to attract and retain their workforce. The main purpose of retention is to prevent the loss of competent employees from the organization, which could have an adverse effect on productivity and service delivery. The retention of talented employees is an advantage to an organization because employees' knowledge and skills are central to a company's ability to be economically competitive.

Employee retention becomes increasingly important in organizations because periodic labor shortages can reduce the availability of high performing employees; thus, workers are searching for better employment opportunities, and firms are seeking to improve the productivity of their workforce. However, there are challenges in attempting to retain employees. HR executives can find that attracting and retaining talent is a problem because of bounded rationality, particularly of cultural and social norms associated with the country (Metcalfe, 2008).

2.1.2 Why Employee Retention

Studies have found that one-quarter of organizations' workforce is at high risk of turnover and 70% of them feel that they need to leave to advance their careers. A lack of opportunities to grow can't be solved through raises or through distracted talks with the line manager once in a while. The very foundation of employee satisfaction and engagement should ensure that the work environment is very conducive to learning and the benefits should make employees feel cherished and valued (HR Soft, 2017).

Employers implement retention strategies to manage employee turnover and attract quality employees into the organization. Retention programs focus on the relationship between management and their workers. Competitive pay, benefits, employee recognition and employee assistance programs are all part of a company's attempt to maintain employee satisfaction. Human resources specialists utilize feedback they receive from exit interviews and focus groups to improve employee relations and reduce turnover (HR Soft, 2017).

2.1.3 Benefits of Employee Retention

- **Maintain Performance and Productivity**

Employee retention practices help support an organization's productivity. Recruiting and training new employees takes time. An unfilled position means work is not getting done. Even if a position is filled, there is still a learning curve most employees must overcome before their work becomes profitable. Taking the necessary steps to keep current workers satisfied with their roles will ensure productivity is not interrupted (Mita, Aarti, & Ravneeta 2014).

- **Enhances Recruitment**

Effective retention strategies often begin during the employee recruitment process. Employees are more inclined to remain with a company that fulfills the promises made when their employment offer was extended. Companies that provide a realistic view of their corporate environment, advancement opportunities and job expectations to new hires can positively influence employee retention.

- **Increases Morale**

Employees that enjoy what they do and the atmosphere in which they work are more likely to remain employed with their company. Retention strategies are important because they help create a positive work environment and strengthen an employee's commitment to the organization. Strategies that target employee engagement, such as team-builders and community involvement, increase company morale and give employees a sense of pride in what they do (HR Soft, 2017).

- **Saves invested time and money**

A new employee is completely raw and the management really has to work hard to train him for his overall development. It is a complete wastage of time and money when an individual leaves an organization all of a sudden. The HR has to start the recruitment process all over again for the same vacancy; a mere duplication of work. Finding a right employee for an organization is a tedious job and all efforts simply go waste when the employee leaves.

- **Prevents organizations from losing employees for competitors**

In such cases, employees tend to take all the strategies, policies from the current organization to the new one. Individuals take all the important data, information and statistics to their new organization and in some cases even leak the secrets of the previous organization. To avoid such cases, it is essential that the new employee is made to sign a document which stops him from passing on any information even if he leaves the organization. Strict policy should be made which prevents the employees to join the competitors. This is an effective way to retain the employees.

2.1.4 Challenges in Employee Retention

In the current scenario, a major challenge for an organization is to retain its valuable and talented employees. The management can control the problem of employees quitting the organization within no time to a great extent but can't put a complete full stop to it. There are several challenges to it Following are the challenges in Employee Retention: -

- **Salary Dissatisfaction** −every employee has high salary expectations and this is one of the major reason, why an employee quits the organization. Retention becomes a problem when an

employee quotes for an exceptionally high salary, which is beyond the budget of the organization. Every organization has a salary budget for every employee which can be raised to some extent but not beyond a certain limit.

- **Job Opportunities are high** − There is a cut-throat competition to attract the best talent in the market. Companies go a long way to attract talented resources from their competitors. Availability of such profitable offers make it difficult to retain good resources for long.

- **Hiring the Wrong Candidate** − Recruitment plays an important role, which is the future of any organization. A right candidate hiring will give a good future and a wrong candidate hiring will give a bad future. Candidates speak all kind of lies at the time of interviews for getting a job. It is only later doing people realize that there has been a mismatch and thus look for a change. And problems arise whenever a right candidate is into a wrong job.

- **No Job Rotation** − any employee gets bored, if he/she does the same job for years together. The job might be good and interesting in the starting phase, but soon, it could become monotonous. In this scenario, the management must go for a job rotation and provide such employees the opportunity to do something new. And if there is no job rotation, then such employees might look for other avenues.

- **Unrealistic Expectations of Employees** − It is not possible for an organization to meet the expectations of all the employees. An employee must be mature enough to understand that one can't get all the comforts at the workplace. Sometimes, when the unrealistic expectations of the employees are not met, they look for a job change.

2.1.5 Overcoming consequences of employee turnover through retention

High turnover represents a considerable burden on human resource and line managers who constantly have to recruit and retain new employees. High attrition rate or employee turnover is a great loss towards any organization. It's true because a company invest a lot on employee with the expectation of some return. So, if the employee leaves the organization in the early stage or middle stage then the loss can't be fulfilled.

Some good organizations are not even ready to leave their employees at their last stage of their professional career (after retirement). Organization keeps them in the advisory board with less work pressure (Smrutihara, 2013).

Studies have said much about how employee turnover hampers the working environment of the organization. The dissatisfaction among employees may cause turnover. But high attrition rate discourages the remaining employees to continue in the same organization. Unknowingly employee turnover creates gap in between the employer & the remaining employees. Misunderstanding & misbelieve will be developed among them. At the same time, it distracts the talent from the market and can create a black spot on company's brand image. All these reasons either directly or indirectly bear some investment for the failure of the organization.

2.1.6 Retention Strategy

The simplest way to retain employees is to increase satisfaction levels; but this will only be effective if performed properly (Denisi & Griffin, 2008). The challenge lies in tackling different employee needs, as these are varied (Mello, 2010). Retention programs should be worked out that address the needs of employees who seem likely to resign.

Retaining employees whose knowledge has highly competitive value is becoming a critical and well-recognized challenge (Martin, 2011). Some employees are difficult to replace when they leave due to the acute scarcity of their skills and their expertise. Retention strategies for such employees might involve additional career development opportunities, incentive compensation that rewards high performance, or innovative benefits that are tailored to the needs of the employee. Accordingly, Chan, S., & Kuok, O. (2011) suggests that back-ups should be developed by the organization for employees who would be difficult to replace. The strategy for managing turnover involves keeping high performers rewarded through innovative compensation and recognition and reward programs while engaging HR planning to ensure that as few employees as possible occupy positions that will make them difficult to replace.

High turnover rates incur high financial costs to organizations. The amount of money goes into recruiting, training and compensating employees is costly, so the more frequently people decide to leave organizations; more money has to be invested in the recruitment process, therefore increasing overhead expenses. So it is important for the organizations to capture and maintain the human capital on knowledge workers as a valuable resource to the organization, by careful attraction, selection and retention practices (Wang, 2012).

Today, managing employee retention and keeping turnover rate below target and industry norms is one of the most challenging issues facing organizations (Paguma, 2010). The Employee Retention Strategy initiatives are designed to assist employers in retaining their current workforce by providing support in areas that encourage the use of best practices.

Previous researches suggested several factors which play pivotal role in employee retention. The factors which are considered and have direct effect are; career opportunities, work environment, work life balance, and existing leave policy and organization image. Employee are stay and loyal with such organization where employee have value, sense of pride and work to their full potential Cole (2000).

Assessments of retention factors are important to the workforce should be done. Retention practices might only be successful if they are consistent with what employees value (Armstrong,2009). This leads organizations to consider critical examination of factors that affect retention of staff. With sufficient knowledge of what factors contribute to retention of staff in the organization, the study proposes strategies that can help to curb this challenge.

Retention strategies should be based on an understanding of the factors that affect whether or not employees leave or stay. For early-career employees (30 years and under) career advancement is significant. For mid-career employees (age 31–50) the ability to manage their careers and satisfaction from their work are important. Late-career employees (over 50) will be interested in security. It is also the case that a younger workforce will change jobs and employers more often than an older workforce, and workforces with a lot of part-timers are less stable than those with predominately full-time staff (Armstrong, 2009).

2.1.6.1 Training Opportunity

Training is a process that attempts to provide an employee with information, skills and an understanding of organization and its goals. They are also designed to help a person continue to make positive contribution in the form of good performance.

Training helps employees to do their work better while development prepares individuals for the future. It focuses on learning and personal development. Training is important for new and present employees. It attempts to improve the current or future performance. It is a systematic process of

altering the behavior of employees in a direction that will help employees master specific skills and abilities needed to achieve organizational goals. This can be done through formal training where the employer provides opportunities for the employee to acquire job-related skills, attitudes and knowledge (Ivancevich, 2003).

One key factor in employee motivation and retention is the opportunity employees want to continue to grow and develop job and career enhancing skills. There are a couple of secrets about what employees want from Training opportunities. These ideas emphasize what employees want in Training opportunities and articulate your opportunity to create devoted, growing employees who will benefit both your business and themselves through your Training opportunities. These factors are key in multiplying the value of the Training you provide. They include allowing employees to pursue training in directions they choose, not just in company-assigned and needed directions and having the company support learning, in general and not just in support of knowledge needed for the employee's current or next anticipated job. Recognize that the key factor is keeping the employee interested, attending, and engaged (Heathfield, 2009).

The development of a life-long engaged learner is a positive factor for the organization no matter how long the employee chooses to stay in your organization. These Training activities should be used to ensure that you optimize the employee's motivation and potential retention.

One way to impact Training significantly is through realigning the responsibilities in an employee's current job. This can be done by expanding the job to include new, higher level responsibilities, reassigning responsibilities that the employee does not like or that are routine, providing more authority for the employee to self-manage and make decisions, inviting the employee to contribute to more important, department or company-wide decisions and planning, providing more access to important and desirable meetings and providing more information by including the employee on specific mailing lists, in company briefings, and in your confidence(Heathfield, 2009). In addition, provide more opportunity to establish goals, priorities, and measurements assign reporting staff members to his or her leadership or supervision, assign the employee to head up projects or teams, enable the employee to spend more time with his or her boss and provide the opportunity for the employee to cross-train in other roles and responsibilities.

2.1.6.2 Career Development

Growth and development are the integral part of every individual's career. If employees can not Foresee their path of career development in their current organization, there are chances that they will leave the organization as soon as they get an opportunity (Bratton and Gold, 2003). The important factors in employee growth that an employee looks for himself/herself are work profile, personal growth, dreams, training and development. Career development is vital for both the employees and employers. Career development is mutual beneficial process because it gives imperative outcomes to employer and employees. To gain and maintain competitive advantage organizations required talented and productive employees and these employees need career development to enhance and cultivate their competencies. Price (2007) indicates career development programs are important in ensuring continuous updating and upgrading of employees knowledge, skills, attitudes and competence. It ensures that employees are well developed before they move up the next higher ladder in the hierarchy. Investing in the development of the careers of employees is central in the maintenance and development of skills, knowledge and abilities of both individual employees and the organization as a whole.

Career development aims at making employees use fullest potential, face expanded challenges, and have greater responsibilities and increased autonomy. The availability of career development opportunities illustrates the willingness and effort of the organization to cherish employees. Huselid (1995) suggested that progressive human resource practices that embrace career-related practices could improve knowledge, skills and the abilities of an organization's current and potential employees, and enhance the retention of quality employees. Organizations were able to improve their employees' retention rate by adopting job enrichment programs and enhancing their advancement opportunities. Besides promotion opportunities, the evaluation criteria used in the promotion and reward system also had significant effects on employees' turnover intentions (Quarles, 2004). Ineffective performance appraisal and planning systems contributed to employees' perceptions of unfairness and they were more likely to consider leaving the organization.

Career development is about the development of employees that is beneficial for both the individual and the organization. Effective career development programs enhance individual work performance by continuously learning and adapting, while the organization offers favorable

developmental relationships with their employees. It is a complex process that shapes the career of any given individuals over their lifespan. Lips-Wiersma and Hall (2007) suggested career development as the outcome of interaction between individual career planning and institutional career management processes. By offering career development opportunities, employers help employees to develop their own personal competitive advantage and ensure their long-term employability. Many employees seek out employers who provide training and development activities that facilitate career advancement. When they receive such opportunities, employees are likely to commit to the organization.

2.1.6.3 Job Security

Job security is stated as a person's expectations about continuity in a job situation. This definition takes beyond concern over continuation of employment with an employer. It includes Concern over loss of desirable job features such a lack of promotion opportunities, long-term career opportunities and current working conditions.

Job security in wider sense as employee keep going to work with the current organization with no decrease in grade level, pay, pension rights, etc. recent meta-analytic evidence demonstrates that employees who see their jobs as lacking security tend to have lower job satisfaction, less organizational commitment, and a stronger intention to turnover (Sverke et al., 2002). Many researchers have successfully found the link between job security and employee turnover intention as job security is an important determinant for employee turnover discovered the steadiness of the work as a major precedent of turnover intention. Steadiness of the work and job security is parallel to each other. Leaving from the situation by quitting one's job is a means of coping with a stressor like job insecurity. There is a negative relationship between job security and turnover intention that is high job security leads towards reduced turnover intention and vice versa (Gill et al., 2010) Lack of job security, makes the employee less responsible, also they fell less attachment with the organization which leads them towards turnover.

2.1.6.4 Working Condition

According to Ramlall (2003), people are striving to work and to stay in those corporation that provide good and positive work environment, where employee feel that they are valued and

making difference. Talented employees of such organizations are dragging together to push the organization forward. When the work environment is well regarded, employee work attitudes are better, and thus, job satisfaction is higher. Some employees jump from company to company because they prefer a working environment that is suitable for them. If working conditions are substandard or the workplace lacks important facilities, such as proper lighting, furniture, clean restrooms, and other health and safety provisions, employees won't be willing to put up with the inconvenience for long. If an employee finds an appropriate work environment which is suitable for them in a specific company, they may work in that same organization for several years

Furthermore, Hytter, A. (2008) concluded that work environment has only really been discussed by people from the industrial perspective, meaning the focus has primarily been on the physical sides such as noise, heavy lifts, toxic substance and their exposure etc. However, Zeytinoglu & Denton (2005) found out that the environment also plays an important role in the employees' decision of either staying or leaving the organization.

2.1.6.5 Compensation system

Employee compensation is one of the major contributors to the retention of employees. The company to become a good employer and also to succeed it is important that they keep their turnover rate low and for this purpose he/she identified that compensation is one of the important things to keep employees motivated and retain.

A study by Umair (2015) has revealed that employee compensation plays very important role for job satisfaction, commitment and employee retention. It also influences external competitiveness and internal equity to predict employee's productivity which has measured by their pay fairness structure and it must be both cost efficient and effective. According to Lia (2011), compensation has been used as an internal factor to retain and external tool to attract the best employees, and is used to satisfy, motivate, retain and reward the employee.

Umair (2015) has also noted that compensation in term of pay act as a reward which demonstrates accomplishment for an individual and helps him/her to satisfy their necessities; these acknowledgements might be on performance, full participation, year-end or merit reward. In the subject of human resource rewards are divided into two groups according to their nature. First is

extrinsic rewards which include all the tangible plunders like pay, fringe benefits, job security, promotion, bonus, certificate of gratitude. The second is intrinsic rewards, it uses to encourage sense of achievement, recognition, and praise from supervisor, work identity, and respect (Ozuku 2012).

2.1.6.6 Management Support

The leadership style consider affective factor in employee retention. The relationship between supervisor and worker play pivotal role in employees' turnover intention. Leaders are the human face of the firm. Greenhaus (2004) suggested that employees' views regarding organization are strongly concerned to their relationship with supervisor. If supervisor support, open communication and have good relationship with employees, the employee's turnover intentions are likely less and more engaged with organization. Leaders interact as a bond to perform application between expectations and stated goals. By harmonizing the rivaling demands supervisor support and manage the inside and outside work environment. If the relationship among workers and supervisors are exceeding and strong the workers will never seek to any other new employment opportunity rather than stay in the organization and vice versa. Managers can help promote an organization and make it attractive to employees, or they can be the cause of high turnover. Managers often are less directly involved in the early recruiting stages, and they usually become more actively involved at the selection stage. Then, once the employees are on board, the manager plays a key role in determining whether good employees stay with the organization or leave for something better (Schuler and Jackson, 2006).

Heathfield (2008) postulates that employees leave managers and supervisors more often than they leave organizations or jobs. In other words, the most common cause of employee turnover is the lack of a positive relationship between the employee and the manager or supervisor. He further argues that it is not enough that management is liked by the employees. Starting with clear expectations of the employee, management has a critical role to play in retention. Anything that management does to make the employee feel unvalued will contribute to turnover.

According to Hildebrand (2008) the employee's relationship with the supervisor has the greatest impact on whether to stay or go, because a supervisor has control over the core elements that create job satisfaction i.e. compensation, opportunity, recognition and environment. It is therefore

important to hold management accountable for retaining a thriving workforce. This means that not only do organizations need a performance management system that recognizes and rewards management for meeting objectives that reduce employee turnover; managers need to understand what steps they can take to meet their responsibility in employee retention.

Thompson & Prottas (2005) recommended that organization must groom leader to support the employees and to well build the work environment where workers want to stay. Providing opportunities test their abilities and providing level of performance can enhance employees" capabilities and want to stay in the organization. Employees who feel valued will take active part in the organization goals, show productive behavior, workplace and increased job involvements, which decrease absenteeism and turnover intention rates (Masaiti & Naluyele, 2011). The effective leadership style can be revealed by formal and informal acknowledgment. In organization employees responds to admire, support and encouragement, no matter the environment is profession or personal (Silbert, 2005). To ensure accurate performance appraisal management leader must discusses the progress with employees.

2.1.6.7 Recognitions

Through recognition, employee' feel rewarded and motivated. Most of the time their motivation comes from the recognition they got from managers for well work and their perception that they were important members of the organization. It will decrease their intentions to leave the organization. Furthermore, in a study developed to examine what motivates employees in the retail industry, and their level of job satisfaction using Herzberg's hygiene factors and motivators in Malaysia found that recognition is significant motivator of employees (Hong and Waheed, 2011). Hence, employees generally want to do a good job, it follows that they also want to be appreciated and recognized for their works.

2.1.6.8 Relationship with co-workers

Co-workers are the primary set of people that can affect job satisfaction (Noe et al., 2003:438). Having a good relationship with one"s co-workers is one of the major reasons for staying with a job. Having a strong relationship with one's supervisor is important; having a positive relationship with co-workers is also a major reason for staying with a particular job.

According to Noe et al. (2003), there are three reasons why a person may be satisfied with his/her co-workers, which include: having many of the same values, attitudes and philosophies that supervisors and co-workers have; providing social support - this is the degree to which a person is surrounded by people that are sympathetic and caring. Social support is said to be a strong predictor of job satisfaction (Neo et al., 2003). This could possibly influence employees" decision of whether or not to stay with the organization; and helping to attain some valued outcomes.

2.1.7 Empirical Review

Employee turnover is a problem that employers have been facing in all industries, but the situation is different for every industry (Catherin, 2002). Due to this, various studies were conducted on causes of turnover on various industries. Several literatures indicated various factors that why employees stay or quit their job. There are also many discussions in international and national level study on the relationship between various factors of turnover and its effect. For example, Ongori (2007) focused on sources of employee turnover, effects and forwards some strategies on how to minimize employee turnover in organizations. Rehman (2012) worked on employee turnover and retention strategy. Samuel and Chipunza (2009) also identified intrinsic and extrinsic motivational variables influenced the retention and reduction of employee turnover in both public and private sector organizations. A research was conducted in Saudi company to identify the main turnover factors in some Saudi business companies and to suggest some employee retention strategies within the Saudi context (Achoui and Mansour, 2007). Nadeem, Yasir and Hussain (2011) in their study elaborate the retention of employees its benefits and factors that may help to retain the best talent of the organization in the case of textile sector.

Employee turnover occurs when employees leave their jobs and must be replaced. Replacing exiting employees is costly to organizations and destructive to service delivery. It is therefore imperative for management to reduce, to the minimum, the frequency at which employees, particularly those that are crucial to its operations leave. Retention is a voluntary move by an organization to create an environment which engages employees for long term (Chaminade, 2007). The main purpose of retention is to prevent the loss of competent employees from the organization as this could have adverse effect on productivity and service delivery. However, retention of high performing employees has become more challenging for managers as this category of employees

frequently move from one job to another as they are being attracted by more than one organization at a time.

Empirical studies such as Stovel and Bontis (2002) have shown that employees, on average switch employers every six years. This situation demands that management should identify the reason/s for this frequent change of employment by employees. Once this reason/s has been identified, management cans then device retention strategies that will help in keeping essential employees for a rather longer tenure.

While functional turnover (that is, bad performers leave, good performers stay) can help reduce suboptimal organizational performance (Stovel and Bontis, 2002), high turnover can be detrimental to the organization's productivity. This can result in the loss of business patronage and relationships, and can even jeopardize the realization of organizational goals. On the other hand, Abassi and Hollman (2000) argue that dysfunctional turnover (that is, good performers leave, bad performers stay) damages the organization through decreased innovation, delayed services, improper implementation of new programmed and degenerated productivity. Such activities can radically affect the ability of organizations to prosper in today's competitive economy, leaving even the most ambitious organizations unable to succeed due to their inability to retain the right employees (Stovel and Bontis, 2002).

In an Ethiopian context, findings of a study by Assmamaw (2011) shows that employees' age group, increase in level of qualification, the management of the organization not being committed to provide to employees' needs, not having performance based assignment of positions, not having attractive terminal and pension benefits, not putting clear path for career advancement, staying in the organization just because not having other alternative, mismatch between positions and skill and knowledge, lack of formal employee representative, poor interpersonal relation of the organization, not having sense of belongingness to the organization, and not having a properly laid down disciplinary measures of the organization were found to be the major factors that affected employees retention. Apart from the above study, the findings of the few studies that have been undertaken in Ethiopia only discuss about turnover and its impact on organizations productivity/ performance but does not show employee retention practices or recommend the need for employee retention strategies. For example, the findings of the study by Solomon (2007) states that lack of proper orientation, low salary and benefit package, poor staff training and development, and

mismatch between the person and organization were some of the reasons for employee's departure from ERA but the study did not show the need for employee retention and did not recommend on how the organization could retain its employees.

For the purpose of this Study, the researcher has chosen training opportunity, career development compensation system, management support, working condition, recognition and coworkers relationship will be considered as factors of employee retention based on the conceptual framework adopted below.

2.1.8 Conceptual Frame Work
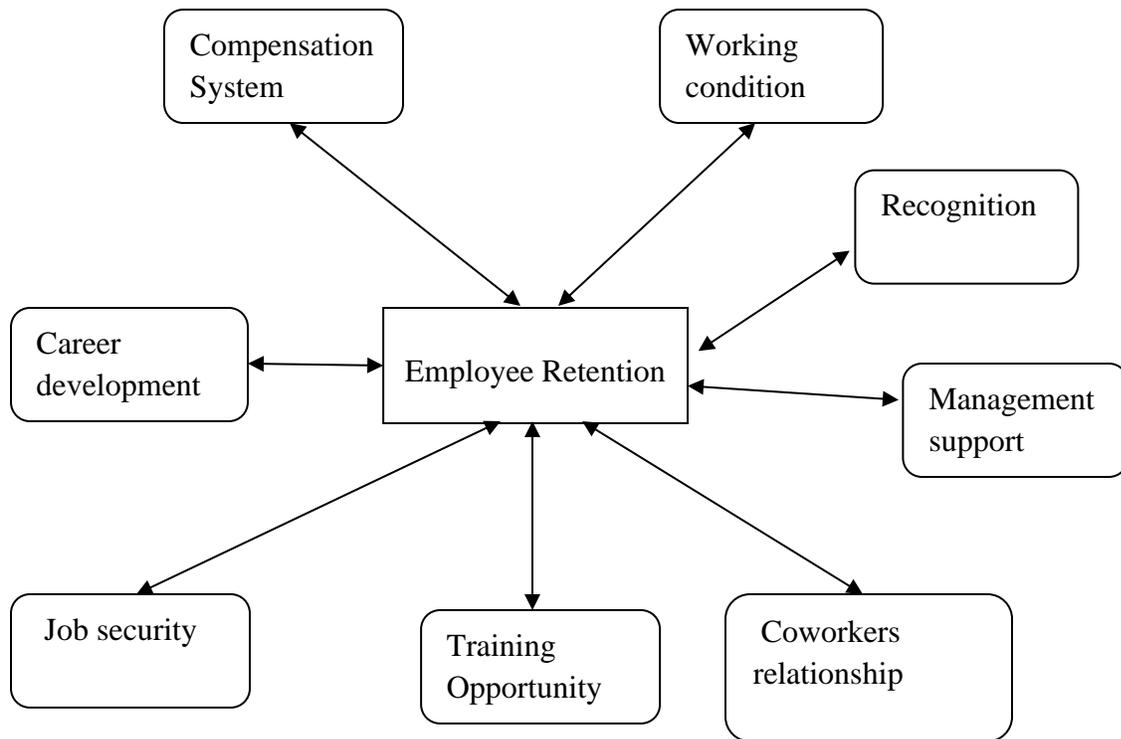
Fig. 2.1 Proposed Conceptual Framework Source, 2019

Source: Own Survey, 2019

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

This section describes the research design, the sample of the study, measuring instrument and issues pertaining to validity and reliability, the procedures followed to gather data and the statistical techniques is used to analyze the data are discussed below.

3.1 Research Design

According to Mouton and Prozesky (2005) as cited in Samuel (2008) a research design is "a plan or a blue print of how a researcher intends to conduct a study". This involves plans for data collection, the instrument for gathering information, how information gathered would be processed and analyzed to give meaning to a research finding.

This is a descriptive study developing on the basis of literature review of researches conducted by considering single variable at a time. The research design employed in this study is both quantitative and qualitative research design. The study is based on the use of questionnaires and semi-structured interview. These approaches are used because they are satisfactory tools for collecting data for the sample population to investigate the topic under study. The research is conducted by using more quantitative with less qualitative research design.

3.2 Source of Data

Kumar (2005) stated that there are two major approaches used by researchers' namely primary and secondary data. This study uses both the primary and secondary data through self-administered questionnaire and relevant company documents. The primary data will be collected from Ethio-Telecom head office employees. The participants of the study will be non-managerial employees, supervisors and senior managers of Ethio-Telecom who are currently working in different departments. The Secondary data collected from relevant company documents; policy and procedure manual, collective agreement, organizational reports, company magazines, company website and related study by the company. The target population of this study incorporates employees above diploma holders from the head office. The rationale behind not including below diploma; it is not that much affecting the institution's performance with regard to attracting and

retaining those groups, due to the overall organization performance is highly influenced by the professionals one.

3.3 Data Gathering Tools

The data for this study is obtained from both primary and secondary. With regard to primary data, the data is collected through questionnaire filled by the existing employees and management staffs of the organization and semi-structured interview will be conducted with respondents from HR directorate (HR department). The study also utilized secondary data in collecting information. The sources of the secondary data include books, internet search, articles, and journals among others. This helps to identify how others have defined and measured key concepts, and help to discover how this research project is related to other studies.

3.4 Sample Size and sampling techniques

In this study, the sample was selected by both simple random and purposive sampling procedure. Simple random sampling is employed, since it is not possible to collect data from all Ethio-Telecom employees because of time, resource, and access to employees. First by using the list of all employees, the researcher selected employees at professional level to be taken as a study population since Ethio Telecom is facing a problem of employee turnover at professional level per the research in the literature. On the other hand, purposive sampling technique, which is a non-probability sampling technique is utilized for interview purpose to select the HR managers of Ethio-Telecom, who are deemed to be in a better position to describe their HR practices. The total population for this study is 6381. The sample size of 376 were considered from Ethio-telecom. There are different formulas that used to determine the sample from the population, for the purpose of this study, sample determination calculation done based on Yemane (1967), simplified formula for calculation of sample size from a population. It is calculated as follows: -

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

Where n-is the sample size,

N-is the population size, and

e -is the level of precision or sampling error = (0.05)

A 95% confidence level was assumed for this formula to determine sample size

n, is no. of samples drawn from total population $= 6381/ (1 + 6381 * 0.05^2)$

n $= 6381/ (1 + 15.95)$.

Therefore, n $= 376$

3.5 Procedure of Data Collection

A copy of the questionnaire, distributed to respondents at work places. The researcher explained the questions to the respondents thoroughly after copies of the questionnaire were given to them. This was designed to help the respondents to understand the purpose of the research, and to be able to provide their independent opinions on the questionnaire items given to them. The researcher went back and collected the answered questionnaires. To have a valid and reliable data, the researcher ensured that the questions were well formulated which allows error minimization.

Interview was conducted with HR managers to assess the corporation retention practice and challenges.

3.6 Validity and Reliability of Research Instrument

Validity refers to the extent of accuracy of the results of the study. According to R. Kothari (2004), Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested .as stated on the methodology, questionnaire used to collect the primary data. Meanwhile, the questionnaire has adopted from different accredited sources. Therefore, to assure validity of the instrument, the researcher has given a chance for professionals on the area to review the questionnaire and the advisor validated it.

Reliability is the degree to which the measure of a construct is consistent or dependable. In this regard, it is essential to test out its reliability due to the reason that the questionnaire is composed of different questionnaire developed by different people. Therefore, Cronbach's alpha was used to test the reliability of the questionnaire as it is a widely used statistical means to measure the internal consistency of scales in sets of items. In this regard the pilot study was conducted on 20 respondents.

All the Cronbach's alpha coefficients examined in the variables were above 0.7 which was considered to be acceptable (Schutte et al, 2000) enabling further analyses. The reliability co-efficient of the modified instrument after the pilot survey result is presented as follows.

. **Table 3.1 Reliability Statistics Table**

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
0.821	0.814	9

Variable	Cronbach's Alpha	N of Items
Training Opportunity	.818	5
Career Development	.822	5
Job Security	.804	5
Working Condition	.752	4
Compensation System	.800	5
Management Support	.750	4
Recognition	.809	5
Coworkers Relationship	.854	5
Challenges of Employee Retention	.770	5

Source: Reliability Test Result (2019)

3.7 Method of Data Analysis

Once data is collected, the data analyzed and interpreted for the purpose of drawing conclusions regarding the research questions of interest (Bhattacherjee, 2012).

The data will be analyzed using the Statistical Package for Social Science (SPSS v. 24). Descriptive statistics employed to analyze data. The descriptive statistics used to analyze the data including means, standard deviations, frequencies, percentages and tables. On the other hand, the

qualitative analysis analyzed through by content analysis, is a research technique which systematically examines the content of communications- in this instance, the interview data. During the process of data categorizing, the data is abstracted and summarized. The analysis helps the researcher to remove data that are irrelevant to the research scheme and retain only what are the relevant (Wang, 2012).

3.8 Ethical Considerations

Research participants were given fair, clear, honest explanations of what was done with the information that has been gathered bout them and the extent to which confidentiality of records will be maintained. Ethical issues to be considered in this research included that of confidentiality of both participants' individuals and organizational data – in order to obtain true perception and information. It was also possible that participants may wish to take part anonymously, and it was important that their confidentiality be respected.

CHAPTER FOUR
DATA PRESENTATION AND DISCUSSION

This chapter contains a presentation, discussion of data collected from the sample population through questionnaire and semi-structured interview. In addition to this, background information of respondents was presented and the statistical methods of analysis were discussed, which included a descriptive analysis, through Statistical Package for Social Science (SPSS v. 24) and triangulated with an interview.

4.1. Response Rate

In order to make the collected data suitable for the analysis, all questionnaires were screened to be complete. All returned incomplete questionnaires are considered as errors and removed from the survey data. Out of the 376 distributed questionnaire 86% (323) response rate has been obtained. During data editing, the collected questionnaires was checked for errors and 4 incomplete questionnaires were identified and discarded. Therefore, out of the 323 collected questionnaires, 319 were found to be valid and used for the final analysis.

Table 4.1 Response Rate of Respondents

Copy of Questionnaire Disturbed	Number of Questioner returned	Percentage of Returned Questionnaire
376	319	86%

Source: Questioner Survey Data 2019

4.2 Demographic Presentation of Respondents

The first part of the questionnaire consists of related to demographic information of respondents. It covers the personal data of respondents such as gender, age, educational level, number of years worked in the institution and current position of the respondents.

Table 4.2: Demographic Profile of Respondents

No.	Respondents characteristics	Frequency	Percent
Gender	M	220	68.97
	F	99	31.03
Age	18-25	33	10.34
	26-30	112	35.11
	31-35	86	26.96
	36-45	53	16.61
	Above 45	35	10.97
Educational Level	Diploma	69	21.63
	First Degree	218	68.34
	Masers and above	32	10.03
Experience	Below 1 year	57	17.87
	1-2 years	94	29.47
	3-5 years	129	40.44
	6-10 years	36	11.29
	11 and above years	3	0.94
Position	Subordinate	241	75.55
	Supervisor	63	19.75
	Senior level management	15	4.70
	Total	**319**	**100.00**

Source: Survey Questionnaire SPSS (2019)

Table 4.2 depicts the demographic profile of 319 respondents. In the category of gender: 220 employees were males, representing a 68.97% response and 99 employees were females, representing a 31.03% response. This implies that this study shows uneven distribution of gender.

Regarding age, respondents age was presented in five categories. The sample population is largely dominated by the age group of 26-30 (35.11%) followed by the group comprise age of 31-35 (26.96%) and the age group between 36-45 (16.61%). The rest of the respondents consists, 18-25(10.34%) with the age group between 36-40 and 10.97% above the age of 45.

This figure shows majority of the respondents are young and under productive age group. Thus, younger employees change jobs and employers more often than older workforce. Torrington, Hall

and Taylor (2008) suggest that younger employees are more interested in high direct earnings at the expense of indirect benefits, such as pensions which will be of more interest to older employees.

When we look at the education level of respondents, 69 (21.63%) of employee diploma, 218 (68.34%), first degree and the rest 32 (10.03%), who have masters and above. Most of the respondents are first degree holders, represents 218 (68.34%) of the total respondents the institution has a pool of educated employees.

The result concerning education is explained in that the more employees are educated, the more their turnover intention. Hence, employees think that they will have more opportunity of employment in the labor market. Moreover, this study targeted only high educated employees.

The study also sought to find out the years of service that the respondents have rendered to the organization to enable us to put their responses into proper perspective. As displayed in above table 4.1, 129 (40.44%) had between 3-5 years' experience, followed by 94 (29.47%), between 1-2 years, 57 (17.87%) less than 1 year, 36 (11.29%) had between 6–10 years, and 3 (0.94%) with over 11 years of the respondent. This figure shows that the main categories of years worked by respondents is less than 6 years, which accounted for more than half of respondents. This is an indication that most of the staff members do not stay long with Ethio-Telecom, or that they leave within the first five (5) years of employment. According to this result, it appears that Ethio-Telecom is experiencing retention challenges.

The above table 4.2 indicated that 241 (75.55%) of the respondents are from non-managerial position or subordinates, supervisors and senior managers are 63 (19.75%) and 15 (4.70%) respectively.

4.3. Descriptive Statistics Analysis

Descriptive statistics was used to analyze the quantitative data. The data were analyzed and the output interpreted in terms of frequencies, mean, standard deviation, percentage, and table by using Likert scale 1= strongly disagree, 2= disagree, 3= neutral, 4= agree and 5= strongly agree, mean values to show the degree of agreement or disagreement respondents represented their opinion to each questionnaire items.

According to Zaidatol and Bagheri (2009) the mean score value below 3 is considered as low; the mean value score from 3 up to 3.79 is considered as moderate and mean score above 3.8 is considered as high.

Table 4.3 Comparison Bases of Mean Score of Five Point Likert Scale Instruments

No	Mean value Description
1	<3.00 Low
2	3.00 up to 3.79 Moderate
3	>3.8 High

Source: Zaidatol and Bagheri (2009)

4.3.1 Training Opportunity and Employee Retention

Training opportunity for employees enhances their skills and competence and this improves their overall effectiveness, efficiency and performance. Respondents were requested to rate their responses in regard to some statements relating to training opportunity in regard to the retention of employees in Ethio-Telecom.

Table 4.4 Respondents level of agreement with the provision of Training Opportunity.

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	Ethio-Telcom gives training for their employees in order to close performance gap.	319	F	16	54	59	107	83	3.45
		100%	P	5.02	16.93	18.50	33.54	26.02	
2	The training objective are designed based on identified performance gap	319	F	5	49	33	192	40	3.68
		100%	P	1.57	15.36	10.34	60.19	12.54	
3	Ethio-Telcom gives on time training for the employees when there is a new system development.	319	F	79	101	56	61	22	2.53
		100%	P	24.76	31.66	17.55	19.12	6.90	
4	Through training I have acquired skills that have helped me to improve my performances.	319	F	29	49	71	178	13	3.05
		100%	P	9.09	15.36	22.26	55.80	4.08	
5	I feel motivated to stay in the organization as the training content helped me to do my Job better.	319	F	2	32	44	173	68	3.77
		100%	P	0.63	10.03	13.79	54.23	21.32	
									3.29

As indicated in table 4.4, statement 1, 16(5.02%) strongly disagree, 54(16.93%) agree, 59(18.50%) neutral, 107(33.54%) agree and 83(26.02%) strongly agree. So, the above result showed that most of the respondents agreed Ethio-Telcom gives training for their employees in order to close performance gap. This implies that most employees believe that they have opportunity to learn new things which helps in improving performance.

The survey result in table 4.4, statement 2, indicates that 5(1.57%) strongly disagree, 49(15.36%) disagree, 33(10.34%) neutral, 192(60.19%) agree and 40(12.54%) strongly agree. These indicate that most of the respondents agreed that the training objectives are designed based on identified performance gap.

As shown in the above table 4.4 statement 3, 79(24.76%) strongly disagree, 101(31.66%) disagree, 56(17.55%) neutral, 61(19.12%) agree and 22(6.9%) strongly agree. Based on the result, the majority of the respondents disagree that Ethio-Telcom gives on time training for the employees when there is a new system developed.

As shown in the above table 4.4 statement 4, 29(9.09 %) strongly disagree, 49(15.36%) disagree, 71(22.26%) neutral, 178(55.80%) agree and 13(4.08%) strongly agree. Based on the result the majority of the respondent agree that through training employees have acquired skills that have helped them to improve performances. This implies that majority of the respondents believe that the training that they receive is in accordance with their job requirement which adds value to the attainment of organizational objective.

As indicated in the above table 4.4, statement 5, 2(0.63%) strongly disagree, 32(10.03%) disagree, 44(13.79%) neutral, 173(54.23%) agree and 68(21.32%) strongly agree. As indicated, the survey result of majority the respondent agreed that they are motivated to stay in the organization as the training content helped them to do their Job better.

In general, the descriptive statistics result revealed that employees are moderately satisfied with Ethio-Telecom training opportunity (M= 3.29). This means employees perceive investment in their training by employers as a strong sign of commitment on the part of management to retain them. Training provides specialized technique and skills to employee and also helps to rectify deficiencies in

employee performance, while development provide the skills and abilities to employee which will need the organization in future.

4.3.2 Career development and Employee Retention

The respondents were requested to indicate their level of agreement on career development and employee retention at Ethio-Telecom since when employees cannot foresee their path of career development in their current organization, there are chances that they will leave the organization as soon as they get an opportunity.

Table 4.5 Respondents Opinion on Career Development

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	There is an opportunity for personal and professional growth at Ethio-Telcom	319	F	-	111	83	56	69	2.15
			P	-	34.80	26.02	17.55	21.63	
2	Ethio-Telcom help employees to plan their future career with in the company	319	F	21	122	108	55	13	2.1
			P	6.58	38.24	33.86	17.24	4.08	
3	There is fair knowledge sharing practice in Ethio-Telcom	319	F	19	133	110	41	16	2.48
			P	5.96	41.69	34.48	12.85	5.02	
4	Employees are allowed to learn new skills for career advancement	319	F	7	58	63	114	77	2.67
			P	2.19	18.18	19.75	35.74	24.14	
5	There is equal opportunity for advancement at the organization	319	F	35	181	73	30	-	2.35
			P	10.97	56.74	22.88	9.40	-	
									2.35

Source: Survey Questionnaire (2019)

As indicated in table 4.5, statement 1, 111(34.80%) disagree, 83(26.02%) neutral, 56(17.55%) agree and 69(21.63%) strongly agree. So, the above result showed that most of the respondents disagree on the statment there is an opportunity for personal and professional growth at Ethio-Telcom.

The survey result in table 4.5, statement 2, indicates that 21(6.58%) strongly disagree, 122(38.24%) disagree, 108(33.86%) neutral, 55(17.24%) agree and 13(4.08%) strongly agree.

These indicate that most of the respondents were disagree that Ethio-Telcom helps employee to plan their future career with in the company.

As shown in the above table 4.5 statement 3, 19(5.96 %) strongly disagree, 133(41.69%) disagree, 110(34.48%) neutral, 41(12.85%) agree and 16(5.02%) strongly agree. Based on the result, the majority of the respondents were disagreed that there is fair knowledge sharing practice in Ethio-Telcom.

As shown in the above table 4.5 statement 4, 7(2.19 %) strongly disagree, 58(18.18%) disagree, 63(19.75%) neutral, 114(35.74%) agree and 77(24.14%) strongly agree. Based on the result the majority of the respondent agreed that employees are allowed to learn new skills for career advancement.

As indicated in the above table 4.5, statement 5, 35(10.97%) strongly disagree, 181(56.74%) disagree, 73(22.88%) neutral, and 30(9.40%) agree. As indicated, the survey result of majority the respondent disagreed there is equal opportunity for advancement at Ethio-Telecom. This shows that employees believe that there is no equal opportunity for advancement within Ethio-Telecom.

In general, based on the descriptive statistics even though most employees agree with learning new skills for career advancement, in general with the result it is possible to say that most of the organization employees perceived as they are not satisfied with their career development (M= 2.35). In addition, professional growth related to career progression is related to employees retention and thus Ethio-Telecom is advised to have regular career advancement opportunities and professional growth for its staff in a bid to retain employees.

4.3.3 Job Security and Employee Retention

Respondents were requested to rate their responses in regard to some statements relating to job security in regard to the retention of employees in Ethio-Telecom.

Table 4.6 Respondents opinions on Job Security

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1		319	F	29	33	53	146	58	3.27

				1	2	3	4	5	
	The employees in Ethio-Telcom feel secured in their job.		P	9.09	10.34	16.61	45.77	18.18	
2	Ethio-Telcom Labor union and managements are committed to working together to solve employees' problem.	319	F	49	103	53	76	38	2.51
			P	15.36	32.29	16.61	23.82	11.91	
3	Employees couldn't lose their job at any moment without further Explanation.	319	F	36	25	61	129	68	3.03
			P	11.29	7.84	19.12	40.44	21.32	
4	Employees don't concern that advance technology replace their job in the future.	319	F	8	43	31	155	82	3.47
			P	2.51	13.48	9.72	48.59	25.71	
5	Employees don't fear losing position due to lower qualification and experience.	319	F	19	62	38	127	73	3.12
			P	5.96	19.44	11.91	39.81	22.88	
									3.08

Source: Survey Questionnaire (2019)

As indicated in table 4.6, statement 1, 29(9.09%) strongly disagree, 33(10.34%) disagree, 53(16.61%) neutral, 146(45.77%) agree and 58(18.18%) strongly agree. So, the above result showed that most of the respondents agreed Ethio-Telcom employees feel secured in their job.

The survey result in table 4.6, statement 2, indicates that 49(15.36%) strongly disagree, 103(32.29%) disagree,53(16.61 %) neutral, 76(23.82%) agree and 38(11.91%) strongly agree. These indicate that most of the respondents were not satisfied with statement Ethio-Telcom labor union and managements are committed to working together to solve employees' problem.

Therefore, Ethio-Telecom labor union and managements need to work on to answer employees question and problem.

As shown in the above table 4.6 statement 3, 36(11.29%) strongly disagree, 25(7.84%) disagree, 61(19.12.%) neutral, 129(40.44%) agree and 68 (21.32%) strongly agree. Based on the result, the majority of the respondents were agreed that Employees couldn't lose their job at any moment without further Explanation.

As shown in the above table 4.6 statement 4, 8(2.51%) strongly disagree, 43(13.48%) disagree, 31(9.72%) neutral, 155(48.59%) agree, and 82(25.71%) strongly agree. Based on the result the

majority of the respondent agreed that employees don't concern that advance technology replace their job in the future.

As indicated in the above table 4.6, statement 5, 19(5.96%) strongly disagree, 62(19.44%) disagree, 38(11.91%) neutral, 127(39.81%) agree, and 73(22.88%) strongly agree. As indicated, the survey result of majority the respondent agreed there is no fear of losing position due to lower qualification and experience.

In general, based on the descriptive statistics it can be concluded that with the result it is possible to say that most of the organization employees perceived as they are moderately satisfied with their job security (M= 3.08). So, Ethio-Telecom should improve the activities regarding to employees job security.

4.3.4 Working Condition and Employee Retention

Employees are striving to work and to stay in those corporation that provide good and positive work environment, where they feel that they are valued and making difference. Respondents were asked to rate their responses with regard to some statements relating to working condition in regard to the retention of employees in Ethio-Telecom.

Table 4.7 Respondents view on Working Condition

No.	Item	Sam ple	Resp onse	Response Categories					Mean
				1	2	3	4	5	
1	Employees have the necessary equipment and tools to facilitate their job.	319	F	7	43	75	144	50	3.06
			P	2.19	13.48	23.51	45.14	15.67	
2	The corporation jobs will keep employees busy all the time.	319	F	20	39	26	183	51	2.74
			P	6.27	12.23	8.15	57.37	15.99	
3	Ethio-Telecom creates a conducive atmosphere for employees by providing a good work place arrangement.	319	F	9	13	10	111	176	2.94
			P	2.82	4.08	3.13	34.80	55.17	
4	There is teamwork and collaboration exist in Ethio- Telcom	319	F	-	40	73	176	30	3.31
			P	-	12.54	22.88	55.17	9.40	
									3.01

Source: Survey Questionnaire (2019)

As indicated in table 4.7, statement 1, 7(2.19%) strongly disagree, 43(13.48%) disagree, 75(23.51%) neutral, 144(45.14%) agree and 50(15.67%) strongly agree So, the above result showed that most of the respondents agreed that Ethio-Telecom employees have the necessary equipment and tools to facilitate their job..

The survey result in table 4.7, statement 2, indicates that 20(6.27%) strongly disagree, 39(12.25%) disagree, 26(8.15%) neutral, 183(57.37%) agree and 51(15.99%) strongly agree. These indicate that most of the respondents were agree that the corporation jobs will keep employees busy all the time.

As shown in the above table 4.7 statement 3, 9(2.82%) strongly disagree, 13(4.08%) disagree, 10(3.13%) neutral, 111(34.80%) agree and (55.17%) strongly agree. Based on the result, the majority of the respondents were agreed that Ethio-Telecom creates a conducive atmosphere for employees by providing a good work place arrangement.

As shown in the above table 4.7 statement 4, 40(12.54%) disagree, 73(22.88%) neutral, 176(55.17%) agree and 30(9.40%) strongly agree. Based on the result the majority of the respondent agreed that there is teamwork and collaboration exist in Ethio-Telecom.

Considering the study, it may be concluded that Ethio-Telecom's working conditions are somewhat moderately conducive, with regard to team work, work place arrangement, facilities provided and since most of the employees indicated that they are moderately happy with their working stations (M= 3.01).

4.3.5 Compensation System and Employee Retention

Compensation systems that organizations offer to the employees play a key role in increasing employee motivation, performance and productivity. Respondents were asked to rate their responses with regard to some statements relating to compensation systems in regard to the retention of employees in Ethio-Telecom.

Table 4.8 Respondents view on compensation system

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	

1	Employees are fairly paid for what they contribute to Ethio-Telecom	319	F	29	38	53	163	36	3.18
			P	9.09	11.91	16.61	51.10	11.29	
2	The salary offered by Ethio-Telecom is compatible with labor market.	319	F	50	76	53	103	37	3.46
			P	15.67	23.82	16.61	32.29	11.59	
3	The salary Employees Receives adequately cover their basic expenses.	319	F	36	26	53	133	71	2.80
			P	11.29	8.15	16.61	41.69	22.26	
4	Employees receives additional payment if they do additional work.	319	F	-	9	41	156	113	3.42
			P	-	2.82	12.85	48.90	35.42	
5	Ethio-Telecom provides excellent fringe benefit package such as medical insurance etc.	319	F	19	62	30	120	88	3.39
			P	5.96	19.44	9.40	37.62	27.59	
									3.25

Source: Survey Questionnaire (2019)

As indicated in table 4.8, statement 1, 29(9.09%) strongly disagree, 38(11.91%) disagree, 53(16.61%) neutral, 163(51.10%) agree and 36(11.29%) strongly agree. So, the above result showed that most of the respondents agreed Ethio-Telcom employees are fairly paid for what they contribute to the company.

The survey result in table 4.8, statement 2, indicates that 50(15.67%) strongly disagree, 76(23.82%) disagree, 53(16.61 %) neutral, 103(32.29%) agree and 37(11.59%) strongly agree. These indicate that most of the respondents are satisfied with the salary offered by Ethio-Telcom.

As shown in the above table 4.8 statement 3, 36(11.29%) strongly disagree, 26(8.15%) disagree, 53(16.61.%) neutral, 133(41.69%) agree and 71 (22.26%) strongly agree. Based on the result, the majority of the respondents were agreed that the salary employees receives adequately cover their basic expenses.

As shown in the above table 4.8 statement 4, 9(2.82%) disagree, 41(12.85%) neutral, 156(48.90%) agree, and 113(35.42%) strongly agree. Based on the result the majority of the respondent agreed that employees receive additional payment if they do additional work.

As indicated in the above table 4.8, statement 5, 19(5.96%) strongly disagree, 62(19.44%) disagree, 30(9.40%) neutral, 120(37.62%) agree, and 88(27.59%) strongly agree. As indicated, the

survey result of majority the respondent agreed there Ethio-Telecom provides excellent fringe benefit package such as medical insurance.

All the cases were supported by a moderate mean (M=3.25) which implies that majority of the respondents were of similar opinion. In this regard Ethio-Telecom should improve the compensation and benefit package system as it is considered an important factor for attracting and retaining talented employees.

4.3.6 Management Support and Employee Retention

Leaders are the human face of the firm and therefore the style of the leadership have great effect on the performance of employees. Respondents were requested to rate their responses in regard to some statements relating to management support in regard to the retention of employees in Ethio-Telecom.

Table 4.9 Respondents view on Management support

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	Supervisors help employee to set achievable job objective.	319	F	40	81	76	51	71	2.15
			P	12.54	25.39	23.82	15.99	22.26	
2	Employees feel motivated to work at the Corporation due to the work-related support given to them by their immediate supervisor.	319	F	18	84	82	81	54	2.33
			P	5.64	26.33	25.71	25.39	16.93	
3	The performance appraisal system help employee to see their work-related weakness and strength.	319	F	66	87	82	62	22	2.28
			P	20.69	27.27	25.71	19.44	6.90	
4	Work related information is communicated by their supervisor clearly and precisely.	319	F	32	79	56	87	65	2.69
			P	10.03	24.76	17.55	27.27	20.38	
									2.36

Source: Survey Questionnaire (2019)

As indicated in table 4.9, statement 1, 40(12.54%) strongly disagree, 81(25.39%) disagree, 76(23.82%) neutral, 51(15.99%) agree and 71(22.26%) strongly agree. So, the above result

showed that most of the respondents disagree on the statement supervisors help employee to set achievable job objective.

The survey result in table 4.9, statement 2, indicates that 18(5.64%) strongly disagree, 84(26.33%) disagree, 82(25.71 %) neutral, 81(25.39%) agree and 54(16.93%) strongly agree. These indicate that most of the respondents were neutral that employees feel motivated to work at Ethio-Telecom due to the work-related support given to them by their immediate supervisor.

As shown in the above table 4.9 statement 3, 66(20.69%) strongly disagree, 87(27.27%) disagree, 82(25.71%) neutral, 62(19.44%) agree and 22 (6.9%) strongly agree. Based on the result, the majority of the respondents were disagreed that the performance appraisal system help employee to see their work-related weakness and strength.

As shown in the above table 4.9 statement 4, 32(10.03%) strongly disagree, 79(24.76%) disagree, 56(17.55%) neutral, 87(27.27%) agree and 65(20.30%) strongly agree. Based on the result the majority of the respondent agreed that work related information is communicated by their supervisor clearly and precisely.

Therefore, it can be concluded that in general Ethio-Telecom employees are not satisfied with management support (M= 2.36). The management and supervisors should set and clearly communicate the goals and job objectives. In addition, Ethio-Telecom performance appraisal system should be designed to help employees identify their weakness and strength.

4.3.7 Recognition and Employee Retention

When organization recognizes the work of employee, they feel rewarded and motivated. Respondents were asked to rate their responses with regard to some statements relating to recognition in regard to the retention of employees in Ethio-Telecom.

Table 4.10 Attitudes towards Recognition

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	Employees success are recognized & acknowledged by their supervisor.	319	F	47	139	79	42	12	2.18
			P	14.73	43.57	24.76	13.17	3.76	
2		319	F	50	101	82	50	36	2.43

	Employees feel appreciated when they have achieved or completed a task.		P	15.67	31.66	25.71	15.67	11.29	
3	Employees receive constructive feedback on the job which emphasize in a positive way	319	F	32	79	82	50	76	2.57
			P	10.03	24.76	25.71	15.67	23.82	
4	Employees receive adequate recognition and rewards for job well done.	319	F	73	113	35	66	32	2.38
			P	22.88	35.42	10.97	20.69	10.03	
5	Creativity is expected from employees and they are encouraged to take the initiative.	319	F	55	89	61	70	44	2.49
			P	17.24	27.90	19.12	21.94	13.79	
									2.41

Source: Survey Questionnaire (2019)

As shown in table 4.10, statement 1, 47(14.73%) strongly disagree, 139(43.57%) disagree, 79(24.76%) neutral, 42(13.17%) agree and 12(3.76%) strongly agree. So, the above result showed that most of the employees responded that their success are not recognized & acknowledged by their supervisor.

The survey result in table 4.10, statement 2, indicates that 50(15.67%) strongly disagree, 101(31.66%) disagree, 82(25.71%) neutral, 50(15.67%) agree and 36(11.29%) strongly agree. These indicate that most of Ethio-Telecom employees feel unappreciated when they have achieved or completed a task.

As shown in the above table 4.10 statement 3, 32(10.03%) strongly disagree, 79(24.76%) disagree, 82(25.71.%) neutral, 50(15.67%) agree and 76(23.82%) strongly agree. Based on the result, the majority of the respondents were neutral that they receive constructive feedback on the job which emphasize in a positive way.

As shown in the above table 4.10 statement 4, 73(22.88%) strongly disagree, 113(35.42%) disagree, 35(10.7%) neutral, 66(20.69%) agree, and 32(10.03%) strongly agree. Based on the result the majority of the respondents do not satisfied with the statement they receive adequate recognition and rewards for job well done.

As indicated in the above table 4.10, statement 5, 55(17.24%) strongly disagree, 89(27.90%) disagree, 61(19.12%) neutral, 70(21.94%) agree, and 44(13.79%) strongly agree. As indicated, the

survey result of majority the respondent disagreed with the statement creativity is expected from employees and they are encouraged to take the initiative.

From the study it can be concluded that employees are not satisfied with recognition system of Ethio-Telecom (M=2.41). Therefore, Ethio-Telecom management need to appreciate, give constructive feedback and recognize their work. In addition, the management should encourage creativity in work.

4.3.8 Coworkers Relationship and Employee Retention

Having a strong and positive relationship with coworkers is important also a major reason for staying with a particular job. Respondents were asked to rate their responses with regard to some statements relating to coworkers relationship in regard to the retention of employees in Ethio-Telecom.

Table 4.11 Respondents view on coworkers relationship

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	Employees have good interactions with each other.	319	F	3	12	41	144	119	3.41
			P	0.94	3.76	12.85	45.14	37.30	
2	There is a good trust between co-workers in the Ethio-Telcom	319	F	-	23	20	200	76	3.60
			P	-	7.21	6.27	62.70	23.82	
3	Employees are cooperative and friendly at the work place.	319	F	-	-	10	238	71	4.27
			P	-	-	3.13	74.61	22.26	
4	Employees feel accepted and valued by their co-workers.	319	F	1	-	33	194	91	4.01
			P	0.31	-	10.34	60.82	28.53	
5	Employees free to share their idea and thought with their co-workers.	319	F	-	15	50	161	93	3.8
			P	-	4.70	15.67	50.47	29.15	
									3.81

Source: Survey Questionnaire (2019)

As shown in table 4.11, statement 1, 3(0.94%) strongly disagree, 12(3.76%) disagree, 41(12.85%) neutral, 144(45.14%) agree and 119(37.3%) strongly agree. So, the above result showed that most of the employees responded that they have good interactions with each other.

The survey result in table 4.11, statement 2, indicates that 23(7.21%) disagree, 20(6.27%) neutral, 200(62.70%) agree and 76(23.82%) strongly agree. These indicate that most of Ethio-Telecom employees feel there is a good trust between co-workers in the Ethio-Telcom.

As shown in the above table 4.11 statement 3, 10(3.13.%) neutral, 238(74.61%) agree and 71(22.26%) strongly agree. Based on the result, the majority of the respondents were agreed eemployees of Ethio-Telecom are cooperative and friendly at the work place.

As shown in the above table 4.11 statement 4, 1(0.31%) strongly disagree, 33(10.34%) neutral, 194(60.82%) agree, and 91(28.53%) strongly agree. Based on the result the majority of the respondents feel accepted and valued by their co-workers.

As indicated in the above table 4.11, statement 5, 15(4.70%) disagree, 50(15.67%) neutral, 161(50.47%) agree, and 93(29.15%) strongly agree. As indicated, the survey result of majority the respondent feels free to share their idea and thought with their co-workers.

In general, the descriptive statistics result revealed that employees are satisfied with by Ethio-Telecom co-workers relationship (M= 3.81).

4.3.9 Challenges of Employee Retention

Employee retention is vital in all organizations and therefore having in place employee retention strategies increases the chances of long-term employees. As career development is at one's control and responsibility, one should make choices, adapt to circumstances (such as organizational change), learn to grow, and control one's own destiny. Further, the respondents were asked to rate their responses in regard to some statements relating to employee retention.

Table 4.12 Respondents view on challenges of employee retention

No.	Item	Sample	Response	Response Categories					Mean
				1	2	3	4	5	
1	There is no equal opportunity for advancement.	319	F	20	77	59	98	65	3.73
			P	6.27	24.14	18.50	30.72	20.38	
2	Ethio-Telecom doesn't provide the necessary equipment and tools to facilitate their job.	319	F	81	153	41	27	17	2.71
			P	25.39	47.96	12.85	8.46	5.33	

3	I fell there is no better Job opportunity if I leave Ethio-Telcom.	319	F	19	75	38	115	72	2.97
			P	5.96	23.51	11.91	36.05	22.57	
4	I feel insecure with the right qualification and Experts for the job.	319	F	31	79	65	106	38	3.20
			P	9.72	24.76	20.38	33.23	11.91	
5	My expectation on the work is not Meet.	319	F	22	69	59	88	63	2.86
			P	6.90	21.63	18.50	27.59	19.75	
									3.09

Source: Survey Questionnaire (2019)

As indicated in table 4.12, statement 1, 20(6.27%) strongly disagree 77(24.14%) disagree, 59(18.50%) neutral, 98(30.72%) agree and 65(20.38%) strongly agree. So, the above result showed that most of the respondents agree on the statement there is no equal opportunity for advancement.

The survey result in table 4.12, statement 2, indicates that 81(25.39%) strongly disagree, 153(47.96%) disagree, 41(12.85%) neutral, 27(8.46%) agree and 17(5.33%) strongly agree. These indicate that most of the respondents were disagree that Ethio-Telecom provides the necessary equipment and tools to facilitate their job.

As shown in the above table 4.12 statement 3, 19(5.96 %) strongly disagree, 75(23.51%) disagree, 38(11.91%) neutral, 115(36.05%) agree and 72(22.57%) strongly agree. Based on the result, the majority of the respondents were agreed that if they leave Ethio-Telecom there is no better Job opportunity.

As shown in the above table 4.12 statement 4, 31(9.72 %) strongly disagree, 79(24.76%) disagree, 65(20.38%) neutral, 106(33.23%) agree and 63(19.75%) strongly agree. Based on the result the majority of the respondent agreed that they feel insecure with the right qualification and Experts for the job.

As indicated in the above table 4.12, statement 5, 22(6.9%) strongly disagree, 69(21.63%) disagree, 59(18.5%) neutral, 88(27.59%) agree and 88(27.59%) agree. As indicated, the survey result majority of the respondents agreed that their expectation on the work is not meet.

From the study it can be concluded that employees have a mixed feeling on challenges of employee retention in Ethio-Telecom (M=3.01).

Table 4.13: Mean and Standard Deviation of Employee retention in Ethio-Telecom

	N	Minimum	Maximum	Mean	Std. Deviation
Training Opportunity	319	1	5	3.29	.876
Career Development	319	1	5	2.35	.732
Job Security	319	1	5	3.08	.862
Working Condition	319	1	5	3.01	1.016
Compensation System	319	1	5	3.25	.541
Management Support	319	1	5	2.36	.808
Recognition	319	1	5	2.41	.698
Co-Workers Relationship	319	1	5	3.81	.961
Challenges of Employee retention	319	1	5	3.09	.761
Valid N (list wise) 319					

Source: Survey Questionnaire (2019)

The descriptive statics clearly depicts the corresponding arithmetic mean and standard deviation of the variables (Table 4.13). Thus, training opportunity has a mean score of 3.29 standard deviation of 0.87, career development has a mean score of 2.35 and standard deviation of 0.73, job security has a mean of 3.08 and standard deviation 0.86, working condition has a mean of 3.01 and standard deviation of 1.01, compensation system has a mean of 3.25 and standard deviation of 0.54, management Support has a mean of 2.36 and standard deviation of 0.8, recognition has a mean of 2.41 and standard deviation of 0.69, co-workers Relationship has a mean of 3.81 and standard deviation of 0.96, and challenges of employee retention has a mean of 3.09 and standard deviation of 0.76.

This shows that employee career development, management support and recognition has mean value lower than the average. Accordingly, it implies that respondents moderately satisfied with training opportunity, job security, working condition, compensation system. However, respondents' perception is in favor of the dimension co-worker's relationship.

However, the mean values for career development, management support and recognition are below the average standard, which shows that respondents are not satisfied with career development, management support and recognition.

4.4 Analysis of Interviews

Semi-structured interviews were conducted with purposively selected departmental HR managers. Interviews were necessary in order to obtain management views in respect of retention of staff in Ethio-Telecom. The information would assist the researcher to reach a better conclusion and hence make informed recommendations to the organization.

Therefore, the managers responded lack of abroad training due to foreign currency shortage and high salary offer by some NGO's and international organizations are the main challenges of retaining professional employees in Ethio-telecom.

Providing open carrier path to improve employee's position, implementation of variable payment along with monthly salary based on their performance, annual salary increment, provide various encouraging benefit packages, training opportunities, co-worker relationship, and working conditions are some of Ethio-Telecoms strategic plan to retain employees. Furthermore, they believe the compensations system of Ethio-Telecom is done with clear assessment. Additions to the skill Ethio-Telecom employees get from training they will sign a commitment letter while they take above 2 weeks training in Telecom excellence academy (TExA).

They also responded that, in order to discharge their responsibility, the management also need to manage their team in a fair way, updating company status and current situation, empowering them to be more competent and provide timely response for their request. Finally, to improve professional employee retention they suggest an option for more abroad training, provide and option to get a house for living.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

This chapter aims to review summary of the current study and conclude the findings with regard to the objectives of the study. Recommendation that focuses on how the problem identified is also included in the present chapter.

5.1 Summary of Major Findings

Based on the analysis and interpretation of the data the researcher presented the summary of the major findings as shown below:

➢ The first findings of the study showed that the mean value training opportunity have low mean score of 3.29 which indicates respondents feels that they relatively less satisfied on training opportunities provided by Ethio-Telecom.

➢ With respect to career development the findings of the study showed that a lowest mean value 2.35. This implies that majority of employees perceived that they are not satisfied with their career development.

➢ With respect to job security the findings of the study showed that a moderate mean of 3.08. This indicates that majority of employees perceived that they are moderately satisfied with their perception towards job security.

➢ With respect to working condition the aggregate mean showed that a moderate mean of 3.01. This implies that majority of employees perceived that they are moderately satisfied with their perception on working condition at Ethio-Telecom. The working condition that they are currently placed on majority of the respondents are moderately satisfied and conducive, with regard to team work, work place arrangement, facilities provided.

➢ The findings of the study indicate that compensation system with aggregate mean of 3.25 implies that majority of employees of Ethio-Telecom are moderately satisfied with statements within compensations system.

➢ With regard to management support the study found that at Ethio-Telecom management have a low concern for staff as reflected by the categorically negative perceptions with aggregate mean of 2.36.

- Similarly, the study found that negative perceptions were recorded on recognition with mean value of 2.41 which implies that employees of Ethio-Telecom are not satisfied with the recognition system of the corporation. Negative perceptions were reported for performance appraisal and communication at Ethio-Telecom, also poor communication between staff and management occurs.

- The findings of the study showed that the mean value coworkers relationship have positive mean score of 3.81 which indicates respondents feels that they relatively less satisfied with coworkers relationship in Ethio-Telecom.

- Findings of this research shows that training opportunities, career development, co-worker relationship, compensation system, annual salary increment, job security and working conditions are strategies employed by Ethio-Telecom to retain employees.

- Lack of abroad training due to foreign currency shortage and high salary offer by some NGO's and international organizations are the main challenges of retaining professional employees in Ethio-telecom.

5.2 Conclusion

One of the primary conclusions from this study is career development that had the lowest overall mean score followed by management support and recognition. Career appears to be the primary concern for the surveyed employees. This seems to be the predominant cause for employee turnover and considering jobs outside. In addition, these three factors playing a major role for employee turnover at Ethio-Telecom compared to other factors considered in this study.

The overall mean score or result shows that employees of Ethio-Telecom have a mixed perception towards training opportunity, working condition, compensation system and job security.

Majority of the respondents are not satisfied with management support. The findings implied that management doesn't help employees to set achievable job objective and the performance appraisal system doesn't help employees to see their on job weakness and strength. In addition, there is a reasonable concern about work related communication gap between the management and the employees.

Employee recognition appears to be an issue as well. Employees are unhappy with the lack of appreciation of their good work. Regarding to recognition majority of the employees are not satisfied.

Majority of the respondents are satisfied with coworkers relationship with regard to good interactions with each other, good trust between them and sharing their idea and thoughts freely.

Ethio-Telecom is familiar with the significance of retaining employees, that's why they provide the financial and non-financial incentive to employees like training opportunities, career development, co-worker relationship, compensation system, annual salary increment, job security and working conditions; and there are laws, rules, regulations and policies that protects the welfare of the employees as a way to motivate and retain them. But still employee retention is a problem. Managers also mentioned reasons that are challenges of employee retention like high salary offer by NGOs and lack of abroad training.

5.3 Recommendations

Based upon the findings and conclusions made, the researcher recommended the following points to Ethio-Telecom wishing to limit occurrences of unwanted voluntary turnover of employees:

- The findings on employees career development showed that low mean score. Career development is one of the most important factors that influence people to take up employment and stay with organizations. Ethio-Telecom should develop a clear and realistic employee career development plan. Lack of career progression opportunities at Ethio-Telecom is a major cause of staff turnover. An employee whose career goals are not aligned with that of the organization will not feel motivated to stay in the organization and will leave once market conditions are favorable.
- Employees want fair and equal opportunity for career development, that's why Ethio-Telecom need to bring fair policy and communicate it to the employees, because lack of equity toward some employees may cause them to leave the organization. And the resources of the organization need to be equally distributed among the employees.
- The findings on management support showed that low mean score. Therefore, it is recommended that working relationship between the management and employees must be improved. Employees should be able to feel that the management support and value them and their work. Management should make efforts towards the promotion of communication between managers or supervisors and subordinates to achieve positive internal relations. Thus, internal communications should be reconciled. This study concludes and recommends that

communication is very important for employees of Ethio-Telecom, such a communication gives the feeling of belonging and sense of partnership with employees. When employees feel they have been heard and that they can communicate with their supervisors at any time they feel more a part of a group and are more motivated to work.

- The findings on compensation system showed that moderate mean score. Therefore, it is recommended that human resource directorate should conduct market analysis on the compensation system fairness and competitiveness.

- The variation in retention strategies suggests that a comprehensive retention strategy that combines various motivational variables monetary and non-monetary that appeal to individual employees should be employed to address the problem of turnover. Managers should take every opportunity to encourage their employees to add value to themselves and the organization.

- The findings on working condition showed that moderate mean score. The management should create conductive working environments; standardize office, office equipment, furniture, office layout, clean restrooms as well as other health and safety provisions depending on the nature of the work.

- Managements of Ethio-Telecom should strive to build a trust through fair working conditions, management responsiveness to employee concerns, realistic performance expectations, and open communication, including one-on-one work related communications between managers and employees when-ever possible.

- Employees cannot be retained by financial benefits alone. Creativity is an important part of employee motivation. While the work itself may be exciting, however time pressure may turn it into repetitive and may wipe out the creativity element of it. Therefore, it is imperative that a balance be struck between productivity and creativity.

- The findings on recognition showed that low mean score. Recognition of the employee's inputs and outcomes need further improvements. This concept may be improved if Ethio-Telecom introduced formal recognition system i.e. certificates, employee of the year in each section or department, etc.

- Finally, human resource directorate should develop proper human resource management retention policy and strategy to reduce turnover as a result to retain professional employees.

5. 4 Direction for future study

As this paper was written focusing only Ethio-Telecom head office, the Author would like to recommend the study should be carried in all branch office of Ethio-Telecom with a wide population size to have a better figure on employee retention practice and challenges.

Furthermore, the questionnaire used in this research could be expanded and modified to develop a retention measuring instrument which can form the basis for developing retention program for organizations.

Reference

Allen, D. G., Scotter, J. R. V., & Otondo, R. F. (2004). Recruitment communication media:

Armstrong, M. (2009). Handbook of HRM practice, Kogan Page, London and Philadelphia.

Assmamaw A., 2011. Professional Employees Turnover and Retention Practices of Ethiopian Public Sector Organizations of Ministry of Finance and Economic Development (MoFED*)*. [Internet]. Available from:http://etd.aau.edu.et/bitstream/123456789/2387/3/Asmamaw%20Argeta.pdf [Accessed 21 October 2019].

Beulen, E. (2009). The contribution of a global service providers Human Resources Information System (HRIS) to staff retention in emerging markets, comparing issues and implications in six developing countries. Information Technology & People, 22(3) 270-288.

Bertinelli, L., Cardi,O., Pamukcu, T., Strobl, E & Thornton, R. (2009). The determinants of excess worker turnover in Luxembourg. International Journal of Manpower, 30(3):253-268.

Cole G.A(2000). Personnel Management: Theory and Practice. 4th Edition, London. Letts Educational Aldine Place Human Resource Management

Denisi, A., & Griffin, R. (2008). Human resource management. New York: Houghton Mifflin Company.

Heathfield, S. M. 2009. Salary and compensation trends for forward thinking organizations, your guide to human resources. www.humanresources.about.com. Accessed, 18 July, 2007.

Hong T. and Waheed A. (2011). Herzberg's Motivation-Hygiene and Job Satisfaction in The Malaysian Retail Sector: Mediating Effect of Love of Money. Asian Academy of Management Journal, Vol. 16, No. 1, 73‑94.

Huselid, M. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance. Academy of Management Journal, 38(3), 635-672.

HR Soft, 2017. The importance of employee retention [Internet]. Available from https://hrsoft.com/blog/the-importance-of-employee-retention/ Accessed 4 January 2017].

Hytter, A. (2008). Dark side leaders, work environment and employee health.

Jackson, S., & Schuler, R. (1995). Understanding human resource management in the context of organizations and their environments. Annual Review of Psychology, 46(1), 237-264.

Kumar R. (2005). Turn over issues in the textile industry in Ethiopia: A case of Arba Minch Textile Company. African Journal of Marketing Management Vol. 3(2), pp. 32-44, ISSN 2141-2421 c2011 Academic Journals Available at: http://academicjournals.org/ajmm

Martin, M. J., (2011). "Influence of Human Resource Practices on Employee Intention to Quit", Dissertation submitted to the faculty of Virginia Polytechnic Institute and State University.

Mello, Jeffrey A (2010). Strategic human resource management, 2nd ed, Thomson-Western, Mason, Ohio

Naris, N.S & Ukpere, I. W. (2010). Developing a retention strategy for qualified staff at the Polytechnic of Namibia. African Journal of Business Management, 4(6) 1078-1084, June

Noe, R.A., Hollenbeck, J.R., Gerhart, B., &Wright, P.M. (2008) Human Resource Review, 24

Ongori. H.(2007). A Review of the Literature on Employee Attrition. African Journal of Business Management," pp.049-054.

Prince, B.J. (2005). Career-focused employee transfer processes. Career Development International, 10(4), 293-309.

Ramlall, S. (2003). Organizational Application Managing Employee Retention as a Strategy for Increasing Organizational Competitiveness, Applied H.R.M. Research, 8(2), 63-72.

Ramlall, S. (2005,). A review of employee motivation theories and their implications for employee retention within organizations. Journal of American Academy of Business, 5(1),52-63.

Samuel, M.O. (2008): Using motivational strategy as panacea for employee retention and turnover in selected public and private sector organizations in the eastern cape province of South Africa. Dissertation submitted to the faculty of Management and Commerce Of the university of Fort Hare.

Schuler, S.R., Jackson, S.C. (2006). Managing Human Resources. Cengage Learning.

Smrutihara, B. (2013). Employee Turnover VS. Retention. International Journal of Computing and Corporate Research, [Online] 3 (1). Available from: http://www.ijccr.com/January2013 /1. pdf [Accessed 19 October 2019].

Silbert, L.T. (2005). The effect of Tangible Rewards on Perceived Organizational Support. Management Sciences.

Thompson CA, Prottas DJ (2005). Relationships among Organizational Family Support, Job Autonomy, Perceived Control, and Employee well-being. Journal of Occupational Health Psychology. 11(1):100-118

Wang, Y.H. (2012). Recruitment and Retention of Knowledge Workers in Taiwan's High Technology Industry. A Thesis Submitted in Fulfillment of the Requirement for the Degree of Doctor of Philosophy of Cardiff University.

www.ethiotelecom.et [Accessed from February - December 2019].

Yamane, Taro. (1967) Statistics an industry analysis 2ndEd.New York. Harper & Row.

Zaidatol, A.L., & Bagheri,A.(2009).Entrepreneurship as a center choice: An analysis of entrepreneurial self-efficiency and intention of university student. European journal of social science, 9(2):338-346.

Zeytinoglu, I.U., & Denton, M. (2005). Satisfied workers, retained workers: Roles of work and work environment on Homecare workers job satisfaction, stress, physical health, and retention. Canadian Health Services Research Foundation, 5(7),6

APPENDEICES
ST. MARRY'S UNIVERSITY
SCHOOL OF POST GRADUATE STUDIES
Research Questionnaire

Questionnaire to be filled by employees of Ethio- Telecom

Dear Respondents;

The purpose of this questionnaire is to collect information for the research paper entitled "**An Assessment of Professional Employees Retention Practices and challenges at Ethio- Telecom**" This information shall be used as a primary data in this research, which is being conducted as a partial requirement for completing **MBA** program at **St. Mary's University**. Therefore, you are kindly requested to provide your genuine response. All your response will remain confidential and will be used for academic purpose only.

Thanks in advance for your cooperation.

Sihine Yeshidinber. Mob 09 12 45 20 27

Email. sihine3@gmail.com

Note: - No need of write your name

Part I: General Profile of the respondent

Instruction: Please put a tick mark (√) inside the boxes.

1. What is your gender?　☐　Male　☐　Female

2. How old are you?

    Age:　18-25　☐　☐ 26-30

    31-35　☐　☐ 36-45

    Above45　☐

3. What is your educational level?

    ☐ College diploma　　First degree　☐

    ☐ Master & above

4. How long have you been in the current organization?

| | Below 1 year | | 1-2 year | | 3-5 year |

| | 6-10 year | | 11 and above |

5. What is your current position In Ethio-Telecom?

| | Subordinate (non-management)

| | Supervisor

| | Senior Level Management

PART II: Respondents opinion on Employee Retention Practices in Ethio-Telcom.

2.1 On Employee Retention Practices Instruction: Please put a tick mark (√) in front of the items that indicates your level of agreement or disagreement based on the following rating scales such as Strongly Agree, Strongly Disagree, Neutral, Agree and Disagree

Training Opportunity

		Rating Scales				
	Statement	**Strongly disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	Ethio-Telcom gives training for their employees in order to close performance gap.					
2	The training objective are designed based on identified performance gap					
3	Ethio-Telcom gives on time training for the employees when there is a new system development					
4	Through training I have acquired skills that have helped me to improve my performances					
5	I feel motivated to stay in the organization as the training content helped me to do my Job better					

Career Development

	Statement	Rating Scales				
		Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	There is an opportunity for personal and professional growth at Ethio-Telcom					
2	Ethio-Telcom help employees to plan their future career with in the company					
3	There is fair knowledge sharing practice in Ethio-Telcom					
4	Employees are allowed to learn new skills for career advancement					
5	There is equal opportunity for advancement at the organization					

Job Security

	Statement	Rating Scales				
		Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	The employees in Ethio-Telcom feel secured in their job					
2	Ethio-Telcom Labor union and managements are committed to working together to solve employees' problem					
3	Ethio-Telcom Labor union and managements are committed to working together to solve employees' problem					
4	Employees concerned that advance technology may replace their job in the future					
5	Employees couldn't lose their job at any moment without further Explanation					

Working Condition

	Statement	Rating Scales				
		Strongly disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	Employees have the necessary equipment and tools to facilitate their job.					
2	The corporation jobs will keep employees busy all the time					
3	Ethio-Telecom creates a conducive atmosphere for employees by providing a good work place arrangement					
4	There is teamwork and collaboration exist in Ethio- Telcom					

Compensation system

	Statement	Rating Scales				
		Strongly disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	Employees are fairly paid for what they contribute to Ethio-Telecom					
2	The salary offered by Ethio-Telecom is compatible with labor market					
3	The salary Employees Receives adequately cover their basic expenses					
4	Employees receives additional payment if they do additional work.					
5	Ethio-Telecom provides excellent fringe benefit package such as medical insurance etc					

Management support

	Statement	Rating Scales				
		Strongly disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**

1	Supervisors help employee to set achievable job objective					
2	Employees feel motivated to work at the Corporation due to the work related support given to them by their immediate supervisor					
3	The performance appraisal system help employee to see their work related weakness and strength					
4	Work related information are communicated by their supervisor clearly and precisely					

Recognition

		Rating Scales				
	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	Employees success are recognized & acknowledged by their supervisor					
2	Employees feel appreciated when they have achieved or completed a task					
3	Employees receive constructive feedback on the job which emphasize in a positive way					
4	Employees receive adequate recognition and rewards for job well done					
5	Creativity is expected from employees and they are encouraged to take the initiative.					

Coworkers Relationship

		Rating Scales				
	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree

		Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	Employees have good interactions with each other					
2	There is a good trust between co-workers in the Ethio-Telecom					
3	Employees are cooperative and friendly at the work place					
4	Employees feel accepted and valued by their co-workers					
5	Employees free to share their idea and thought with their co-workers					

2.2 Challenges of Employee Retention

		Rating Scales				
	Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1	There is no equal opportunity for advancement.					
2	The Salary offered by Ethio –Telecom is un fair					
3	Ethio-Telecom doesn't provide the necessary equipment and tools to facilitate their job.					
4	I feel insecure with the right qualification and Experts for the job					
5	I fell there is no better Job opportunity if I leave Ethio-Telcom.					

PART III: Semi- Structured Interview

1. What are the main challenges of retaining professional employees?

2. Is there any strategic plan that the corporation use to retain staff pleases elaborate?

3. Do you think that the compensation system of the corporation is serving its purpose?

4. How does training contribute to employee's retention in your organization?

5. What do you think managers should do to fulfill their responsibilities in retaining Employees?

6. What do you suggest to further improve Ethio-Telcom employee retention practice?

DECELARATION

I hereby declare that this thesis is my original work and has not been presented for a degree in any other university. This thesis is prepared under the guidance of Shoa Jemal (Ass. Professor). All documents and resources of material used for the thesis material have been duly acknowledged.

Sihine Yesidinber   _____

                                                                    Signature

St. Mary's University
Addis Ababa, Ethiopia   January, 2020

ENDORSEMENT

This thesis has been submitted to St. Mary's university, school of graduate studies for examination with my approval as a university advisor.

Shoa Jemal (Asst. Professor)   _____

                                                                    Advisor Signature

St. Mary's University
Addis Ababa, Ethiopia   January, 2020