

St. Mary's University School of Graduate Studies

# THE EFFECT OF JOB SATISFACTION ON EMPLOYEES' TURNOVER INTENTION:

## (THE CASE OF ELMI OLINDO CONSTRUCTION COMPANY)

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> Addis Ababa Date: July 03, 2021

# THE EFFECT OF JOB SATISFACTION ON EMPLOYEES' TURNOVER INTENTION: THE CASE OF ELMI OLINDO CONSTRUCTION COMPANY

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#### ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

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July 2021

#### DECLARATION

I, the undersigned, hereby declare that this thesis entitled "The Effect of Job Satisfaction on Employees' Turnover Intention: The case of Elmi Olindo construction company" is my original work and that all sources of materials used for this study have been identified and acknowledged as complete references. This research study hasn't been submitted in full or partial fulfillment before for a degree in this or any other recognized educational institution. This research paper is being submitted as part of the Master of Science in Business Administration requirements.

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# ST. MARY'S UNIVERSITY SCHOOL OF GRADUATE STUDIES

# The Effect of Job Satisfaction on Employees' Turnover Intention:

# The case of Elmi Olindo construction company

BY

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## LIST OF ABBREVIATIONS

HR- Human Resource

HCB-Hollow Concrete Blocks

IV- Independent Variables

DV- Dependent Variables

SPSS - Software Package for Social Science

ANOVA - Analysis of Variance

VIF -Variance Inflation Factor

#### ABSTRACT

The main purpose of the study was to examine the effects of job satisfaction on employees' turnover intention of Elmi Olindo construction company. Both mixed research approaches were used to collect data through the utilization of a questionnaire and interviews respectively. The respondents were randomly selected from Elmi Olindo construction company Head office and construction site at Addis Ababa and around. The questionnaire design includes 7 items of demography, 5 dimensions of job satisfaction with 23 items, and 1 dimensions turnover intention with 6 items and. Independent and dependent variables' items utilized five Point Likertscales. A total of 148 questionnaires were administered and 134 were analyzed with a response rate of 90.36 %. The reliability and validity tests were done before analyzing the data. Data analysis was done by descriptive statistics, correlation, and regression analysis using SPSS 26(Statistical Package for Social Science). Five factors of job satisfaction; achievement, recognition, compensation/pay, organizational commitment, and job engagement were found to Medium employee job satisfaction at Elmi Olindo construction company. The study also found employees have a high level of intention to leave the company. All aspects of job satisfaction were found to be strongly linked with turnover intention. Furthermore, the study found that all factors of job satisfaction explained 31.8 % of turnover intention. Since this model explains only 31.8% of the dependent variable that reveals the model is weak. Therefore, to increase employee satisfaction level and to reduce turnover intention the HR and/or company management must focus to improve the factors of job satisfaction (on compensation /pay and job engagement) that have a high impact on turnover intention.

*Key Words:* Elmi Olindo construction company, job satisfaction, factors of job satisfaction, turnover intention.

## **CHAPTER ONE**

#### **INTRODUCTION**

#### 1.1 Background of the study

This research aims at studying to examine the effects of levels of job satisfaction on turnover intentions by expressing job satisfaction factors (achievement, recognition, compensation/pay, organizational commitment, and job engagement) within Elmi Olindo construction company employees in Addis Ababa and around.

Human resource is the base for organizational existence and development. HR professionals and organization executives are seen implementing different mechanisms to retain their experienced employees. Depending on the mechanism organizations are implementing, they can retain their employees or reduce employees turnover. They focus on turnover for three main reasons: it has significant cost implications; it affects overall business performance; and it has the potential to become difficult to control, resulting in a talent crisis, where it is hard to find quality candidates with the skill sets required to fill open positions.

Managing and retaining important human resources is prominent for organizational effectiveness. Moreover, losing key talent and human capital when valuable employees voluntarily decide to leave the organization can be destructing for an organization. As a result, attracting, developing, managing, motivating, and retaining dedicated personnel has become a vital success factor for long-term organizational success. (Spagnoli & Caetano, 2012).According to (Wright and Bonett,2007), satisfied employees are more willing to stay at their jobs, being more productive, and working towards achieving their organization's goals. Therefore, employee job satisfaction affects turnover rate in organizations as it is closely linked to turnover intention.

Considering the turnover intention, it is a serious issue, especially in the field of human resource management. It is a well-known subject to the organization in any business culture and industry. This is one of the most important topics that need due considerations at the workplace and in any organization. Meyer et al.(1993) explained turnover intention as aware willfulness to find other alternative jobs chances in other

organizations. No matter how big or small the organization, turnover intentions among the employees exist and always be the main concern for the organization to reduce or eliminate due to the existence of associated costs.

Currently, employee turnover has been a significant issue in several business areas. This focuses on the market analysis and the costs occurring due to high labor turnover. The high turnover rate among employees has negative influences on the organization starting by reducing the organization's efficiency and productivity as well as affecting the overall performance due to the consequences of passing the organization's resources away (Brown and Mitchell 1993; Simmons, 2008). There are many studies to investigate this but employee turnover has not decreased. Some of the noticeable studies in which they were conducted on the area of employee turnover intention by Muhammad, 2014 Mohammad & Mohsen, 2017.

An organization's employees' plan to leave their jobs is called turnover intention (Ngamkroeckjoti, Ounprechavanit & Kijboonchoo, 2012). Every organization regardless of its location, size, or nature of business has always given a key concern about Employees' turnover intention (Long, Thean, Ismail & Jusoh, 2012). According to Kumar, 2011, turnover is a critical human resource issue in all sectors of the economy which affects productivity, product and service quality, and profitability. Turnover intention can be classified as either voluntary or involuntary. All kinds of turnover incur costs, identified that turnover force the organization to incur huge costs relating to employment and selection, personnel process and training, training of fresh personnel, and above all, loss of knowledge gained by the employee while on the job (Jha, 2009). For organizations, the turnover of employees means the waste of investment in the selection and training of personnel. Besides, the high rate of employee turnover in an organization adversely affects the motivation of existing personnel; increases the workload, and makes work planning difficult. Thus, the resignation of skilled employees, who are considered as human capital, is an important issue that hurts the efficiency, effectiveness, and general performance of an organization Kaya & Abdioğlu, (2010).

The effect of intention to leave had received great attention from senior management or executives' management, human resource professionals and other industrial psychologists has confirmed it to be one of the most costly and difficult human resource challenges faced globally by different organizations in the whole world (Kaya & Abdioğlu, 2010). Turnover intentions are influenced by organizational commitment (Parasuraman, 1991). Alternative job opportunity and remuneration has a significant influence on turnover intention. This view is also supported by Igbaria and Greenhaus (1991). On the other hand, job satisfaction has a significant and negative relationship with turnover intention (Spector, 1997). Turnover intentions of employees are influenced by the perception of employees' satisfaction in terms of pay, promotional opportunities, and relationships with supervisors, employee performance management system, and fringe benefits.

Organizational commitment is the extent to which a person is emotionally attached to the place where he/she works and this may affect the turnover intention of the employees (Muhammad, 2014). One of the key variables of research on the actual turnover or intention to leave is employee engagement. Organizational commitment is commonly defined as an attachment or identification with the body. Person organization fit dealt with the compatibility between people and the entire organization. Perceived alternative employment opportunities refer to a person's perception of the availability of alternative jobs in the environment of the organization, and is a function of labor market conditions this might affect the turnover intention of the employees (Muhammad, 2014).

Other studies have also indicated that turnover is provoked by sadness with such factors as associations with managers, job content, working conditions, and pay (Griffeth, Horn, & Gaertnern 2000). However, other factors might affect a person's decision to leave, such as the competitive situations of the local market; it is known that management may have direct control over many of the chief important carters of employee turnover.

The company needs to be well competent in its employees' satisfaction levels to retain and nurture key performers. Therefore, this particular study aims at examining the effects of job satisfaction (expressed in terms of achievement recognition, compensation/pay, organizational commitment, and job engagement) on employees' turnover intention in Elmi Olindo construction company.

In the area of the effect of job satisfaction on employees' turnover intention research have carried out different countries including ethiopia . However, the economic performance, political, social and cultural factors are various from country to country. The majority of the conducted studies were performed at public universities, this in turn that the type of benefit package and management of organization, personal attitude of the employees might differ from the industry. This research work is differing from the conducted research works are: the researcher has used regression analysis, marginal effect of the explanatory variables on the dependent variable, and also new variables such as job engagement to identify the effect of job satisfaction on employees' turnover intention.Hence, this research will fill the gap by analyzed the effect of job satisfaction on employees' turnover intention of the company.

#### 1.2. Background of the Study Organization

In 1937, Elmi Olindo Construction began operations in Eritrea. Its primary business, in the beginning, was the manufacturing and distribution of construction materials coming from quarrying operations. It later became involved in the construction of roads and buildings. In the mid-1960s, it expanded its operations to include all of Ethiopia. Dergue nationalized most of its assets in 1980, but Luigi Elmi relaunched the company in 1983.

Elmi Olindo construction has more than 70 years of construction expertise and is now Ethiopia's premier construction firm. Its capacity has grown to undertake major projects with confidence and professional execution the organization is Grade one, contractor. Elmi Olindo Construction Company is mainly engaged in the construction sector and undertakes construction of schools, residential buildings, guest houses, mixed-use buildings, sports fields, universities, hospitals, and offices for government, NGOs, and private and public use. Head office location in Lideta Kifle ketema Around Balcha Hospital in Addis Ababa, Ethiopia.

#### **1.3 It's main Product or Service**

Its main product is the construction output that is the contract that is given to Elmi Olindo construction company for different kinds of buildings and roads. It has its hollow concrete blocks (HCB) manufacturing stations and also stone crushing areas so that it prepares different types of HCB's and sand and aggregates for the construction purpose. These products and services are not for sale rather only for the construction purpose that is going to be used for Elmi Olindo's contract.

#### Vision

To be the top engineering and construction firm, known for its innovative working methods, technology skills, and human resources.

#### \* Mission

To provide the greatest degree of quality building services to company customers at fair and market competitive costs. Maintaining the greatest levels of professionalism, honesty, and accountability, honesty, and fairness in company relationships with company suppliers, subcontractors, professional associates, and customers.

#### **1.4 Statement of the Problem**

It has been found that satisfied employees are more likely to be committed and productive employees (Tessema,2013). As a result, Every company prioritizes keeping their employees happy by providing a variety of benefits., which improves satisfaction, reduces dissatisfaction, and turnover intention. If an employee is not satisfied with the job, there are chances for absenteeism, turnover, and lower productivity (MahdI et al.,2012).

According to (Spector,1997), there is an association between job satisfaction and turnover intention of employees; employees with low satisfaction are therefore more likely to quit their jobs. When employees are dissatisfied with their jobs and the organization does not trust them, employee turnover will be higher, they will leave, and their work tenure will be shorter. (Jefferey,2007).

Furthermore, if there is considerable job dissatisfaction, the likelihood of turnover is very high. It is advisable and important to manage job satisfaction levels as it might trigger turnover and turnover intentions (Luthans, 1995). According to Cohen and Golan (2007), job satisfaction is a major contributor to turnover. They believed that, if employees are not satisfied at work, this leads to turnover. Turnover is very costly and leads to lower productivity. It is also argued that, if the environment is not conducive for the work this leads to turnover intention. (Rhodes and Steers, 1978) named job attitude as a fundamental place in their model. They predict that the effect of other job-related and organizational variables on absence would work their way through job satisfaction. They also revealed that people who displeasure their jobs will try to find another job, versus people who like their jobs, who would prefer to stay with the same employer.

Employee turnover intention has long been a source of concern for all types of organizations. Highly dissatisfied employees are intended to leave their job, which can harm business ability to retain customer and customer service quality and lead to low productivity. Employees build skill and experience over years through costly training and retraining and rotational service provision. Therefore, retaining skilled and experienced employees is one of the ways an organization can enjoy a return on its investment in labor.

Many researchers identified some gaps by reviewed the theoretical and empirical literature ranging from geographical, methodologies used, time as well as the nature of the organization studied. Despite the relevance of the study, the study will be conducted in Ethiopia where geographical attributes, political inclination, and socio-cultural values differ from other countries. Even though many studies were conducted to explore the influences of employees" job satisfaction on turnover intention in different sectors of the economy, most of them were completed in other countries. Few studies were carried out to investigate the effects of job satisfaction on the employees" turnover intention in many countries including Ethiopia. Some of these studies were done by Mahdi et al (2012), Samuel (2012), Tessema (2013), and Shah and Jumane (2012).

Furthermore, as far as the researcher's knowledge there were no studies were done that included all job satisfaction factors that the researcher used for this study. This study aimed to fill gaps left by the previous researches specifically in evaluating the effects of employees" job satisfaction on turnover intentions in Elmi Olindo construction company.

It is the aforementioned facts that motivated the researcher to identify the effects of job satisfaction on employees' turnover intention: the case of Elmi Olindo construction company.

The company has done an employee satisfaction survey on some satisfaction factors such as satisfaction in the company salary increment. satisfaction result, Elmi Olindo construction company employees' attrition rate indicates that more than 470 employees left within 5 years. Although, all the three years attrition rate shows the company has low and healthy employee turnover. Allen et al.(2003) stated effective turnover analysis should examine; 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.

The below table indicates the number of Elmi Olindo construction company employees who where left the company due to different reasons each year for the past five years.

#### > Summary of Turnover

Year	Total Number	No. of Employees left	Yearly Percentage
i ear	of Employees	the company	of Turnover
April 2016-April 2017	350	30	8.60 %
April 2017-April 2018	300	50	16.7 %
April 2018-April 2019	450	90	20.0 %
April 2019-April 2020	500	120	24.0 %
April 2020-April 2021	600	180	30.0 %
Total left within	3 years	470	

Table 1: Five Years Summary of Turnover Data 2017-2021

Source: Elmi Olindo construction company HRM (2021)

The majority of the employees who left voluntarily the company were highly skilled professionals from management (project managers) which had an impact on the sustainable growth of Elmi Olindo construction. To sum up, the base of the current study is Elmi Olindo employees' satisfaction survey result implication as a major issue together with the turnover part who is leaving within five years.

Generally, to maintain and offer consistent construction quality, the company should have to retain a satisfied workforce. The researcher, therefore, tried to examine the effect of job satisfaction on employee turnover intention by expressing job satisfaction factors (achievement, recognition, compensation/pay, organizational commitment, and job engagement) in Elmi Olindo construction company.

#### **1.5 Research Questions**

This research tries to raise several key questions.

- 1. What is the effect of job satisfaction with achievement on employee turnover intention?
- 2. What is the effect of job satisfaction with recognition on employee turnover intention?
- 3. What is the effect of job satisfaction with compensation/pay on employee turnover intention?

- 4. What is the effect of job satisfaction with organizational commitment on employee turnover intention?
- 5. What is the effect job of satisfaction with job engagement on employee turnover intention?

## 1.6 Objectives of the Study

## **1.6.1 General Objective**

In line with the research question, the general objective of this research is to assess the effects of job satisfaction on turnover intentions among the employees of Elmi Olindo construction company.

## **1.6.2 Specific Objectives**

Based on the general objective of the study, the specific objectives will be:

- ✓ To examine the effects of satisfaction with achievement on employees" turnover intention.
- ✓ To examine the effects of satisfaction with recognition opportunity on employees" turnover intention.
- ✓ To examine the effects of satisfaction with compensation/pay on employees" turnover intention.
- ✓ To examine the effects of satisfaction with organizational commitment on employees" turnover intention.
- ✓ To examine the effects of satisfaction with job engagement on employees<sup>\*\*</sup> turnover intention.

## **1.7 Significance of the Study**

This study is expected to examine the major job satisfaction factors that affect employees' turnover intention at Elmi Olindo construction company. The study could have importance to provide some suggestions or recommendations that used to take corrective measures to alleviate the problems. The study is also expected to reveal opportunities for the company to align the company's human capital strategies with key job satisfaction factors to attract capture and retain its employees. Furthermore, the study will also use as a source of information for future research.

#### **1.8 Scope of the Study**

The scope of this study is to examine the effects of job satisfaction on employees' turnover intention in Elmi Olindo construction company and would only undertake at Head office and five Addis Ababa and around a construction site. All effects of job satisfaction on turnover intentions may not be addressed in this study. Therefore, the study mainly focuses on achievement recognition, compensation/pay, organizational commitment, and job engagement factors by applying regression analysis by using quantitative data and descriptive analysis will be made for qualitative data to identify the significant effect on employees' turnover intention.

Besides this variable other variables, such as, advancement, growth, work itself, supervision and others can influence turnover intention, which is not being considered in this study.

#### **1.9 Limitations of the study**

To conduct this study, some challenges affect the quality of the paper and hinder the progress of the research. The researcher was challenged by a lack of cooperation on the side of few respondents in filling out and returning questionnaires due to time constraints and workload in addition to social desirability bias. The other limitation of this study was missed to address all job satisfaction variables that have an impact on turnover intention, which may have some impact on the outcome of the study as the dependent variable is subject to other satisfaction variables.

#### 1.10 Organization of the study

This thesis is separated into five chapters. A brief description of each chapter is presented below to summarize the contents of the whole thesis.

**Chapter one: Introduction:-** background of the study, statement of the problem, research question, objectives of the study (general and specific objectives), the significance of the study, the scope of the study, and limitation of the study.

**Chapter two: Literature Review: -** This chapter discusses a review of literature that would be gathered from both conceptual and empirical literature sources.

**Chapter Three: Research Methodology: -** Under this chapter, research design, sources of data, target population, sampling methods, data collection techniques & method of data analysis will be discussed.

**Chapter Four: Data Presentation & Analysis: -** This chapter presents the analysis of data and findings from the primary data that was gathered from the respondents. It contains a summary of the results & hypothesis testing.

**Chapter Five: Summary of Findings, Conclusion, and Recommendations: -** In this chapter, a summary of the findings from the previous chapter will be discussed & a conclusion will be made based on the results. Finally, the recommendation, research limitations & Suggestions for Future Research will be stated.

### **CHAPTER TWO**

#### LITERATURE REVIEW

This section has two parts which are the theoretical and empirical literature which will help to analyze and identify the effects of job satisfaction on employees' turnover intention: the case of Elmi Olindo construction company.

#### **2.1 Theoretical literature**

#### 2.1.1 Definition of Job satisfaction

The concept of job satisfaction has been developed in many ways by many different researchers and practitioners. One of the most frequently cited and widely used in organizational research definitions on job satisfaction is the one given by Locke (1976) as a pleasure or positive emotional state resulting from the appraisal of one''s job or job experiences. Rifayat (2012) defines job satisfaction as the degree to which the worker''s work-related expectation match his/her experiences in the work environment. Job satisfaction can be defined also as the extent to which a worker is a content with the rewards he or she gets out of his or her job, particularly in terms of intrinsic motivation (Statt ,2004). The term job satisfaction refers to the attitude and feelings people have about their work. Favorable attitudes towards the job indicate job satisfaction (Armstrong, 2006). The other definition of job satisfaction is the one given by Spector (1997), according to him job satisfaction has to do with how people feel about their job and their various aspects.

Furthermore, Robbins (2003) states that job satisfaction is when an individual is pleased with his job because it is something he/she needs to do and he/she is remunerated accordingly in that work. This simply means that job satisfaction is the collection of feelings and beliefs that people have about their current job. People<sup>\*\*</sup>s degrees of job satisfaction can range from extreme satisfaction to extreme dissatisfaction. a person with high job satisfaction levels will embrace positive spirits towards the job and a dissatisfied person will hold and embrace negative spirits towards his work.

Employees who are satisfied with their jobs are less likely to miss work and have lower turnover, according to studies. (Mutula, 2002; Jalagat, 2016). Dissatisfied personnel, on the other hand, are more likely to resign from their positions, have more absenteeism, higher overhead costs, and poor performance, according to these writers.

Job satisfaction is a positive emotive state subsequent from the appraisal of one's job or reactions to work experiences, how workers feel about their jobs, aspects of their jobs, and work situations. It is the degree to which a worker feels positively or badly about his or her job's internal and/or exterior aspects. (Bhuian S. N. et al, 2002). Employees evaluate their job and related factors through their experience in the organization. The result of this evaluation enables the employee to know whether he/she is satisfied or not. Job satisfaction is generally recognized as a multifaceted construct that includes employee feelings about a variety of both intrinsic and extrinsic job elements. It refers to specific qualities of satisfaction that are related to pay, benefits, promotion, working conditions, supervision, organizational practices, and relationships with co-workers (Misener et al., 1996).

Aziri (2008) further said that job satisfaction is a sensation that arises from the belief that one's employment meets one's material and psychological demands. Besides, Shah (2011) identifies job satisfaction as the feeling an employee has about the job itself as well as other job satisfaction factors.

According to McKenna (2000), job satisfaction refers to how well personal expectations at work are in line with outcomes. To illustrate this point, an individual who expects that hard work will lead to fair rewards; will be satisfied if this is indeed the case. However, if individuals feel that they worked hard, but did not receive a fair reward, job dissatisfaction may result. Weiss (2002) defines job satisfaction as a positive or negative evaluative judgment that one makes about one's job or the job situation. Ivancevich and Matteson (2005) postulate that job satisfaction is the attitude individuals have towards their jobs, which results from the perception of the job and the extent to which there is a good fit between the individual and the organization.

Hence, employers should provide a favorable working environment where their employees would feel welcomed when they are recognized for their contribution, free of their judgments, and participated in decision-making. For the reason that, employees are satisfied at work, the employer organizations enjoy greater stability at the workplace, a pleasant and encouraging working environment is created. As a result, there is an advancement of economic development, social justice, labor peace, and democratization of the workplace is promoted. Accordingly, the employer and employee"s relationship would be fruitful to both parties to increase job satisfaction and to decrease the level of turnover intention or turnover in the organization (Medina et al,2012).

#### 2.1.2 Factors of Job Satisfaction

Job Satisfaction Factors In empirical studies, job satisfaction is defined as an overall or global feeling about the job, or as a linked set of views about distinct parts of the workplace, or a facet approach. (Spector, 1997). When the focus is on total job attitude, the global method of measurement is applied. Facet approaches, on the other hand, can identify which components of the job are causing the individual to be satisfied or dissatisfied, and are thus useful in identifying areas for change. Any part of the job might be a source of job pleasure.

Herzberg *et.al* (1959), The most widely recognized point of view is the Two Factor Theory, which states that employees' work environments are influenced by elements that produce job satisfaction and factors that generate job discontent.

As a result, all elements derived from extensive empirical research have been classified into variables that cause job satisfaction (motivators) and ones that induce job discontent (dissatisfiers)hygiene factors. Furthermore, different authors have noted that employee satisfaction results from a mixture of rewards other than anyone particular reward (Eshun and Dual, 2011).

Evidence from various researches done over the years suggests the importance of both extrinsic and intrinsic rewards. To achieved enhanced employee satisfaction, neither one can be substituted for the other. Employees who are well paid but are made to work in environments that are not conducive or made to be repetitive or not recognized will leave for the other organizations because of the nonexistence of intrinsic rewards (motivators) Employees who work in a motivating and enabling work environment and are recognized will leave because they are dissatisfied with extrinsic rewards, just as (hygiene factors) which reinforce Herzberg's two-factor theory.

#### Factors of Job Satisfaction

✓ Achievement:- means something that has been accomplished and shows the efforts putting in it. Despite achievement motivation positively impacting one's job satisfaction, it is possible that this could impact the achievement motivation, job satisfaction, and work-life balance of others, particularly if the individual is in a management role with subordinates.

- ✓ Recognition:- Employee recognition affects job satisfaction in several different ways. Generally speaking, low job satisfaction is indicative of poor recognition. When employees aren't recognized by their employer, they may have a negative attitude towards their job and the company as a whole. But this is just the tip of the iceberg when it comes to how employee recognition impacts job satisfaction. Employees who don't receive recognition or appreciation from their peers are more likely to feel dissatisfaction concerning their job. This can open up a whole world of new problems, some of which are obvious while others are not so obvious. For instance, the employee may call out sick more often, work more slowly, or fail to handle his or her professional responsibilities.
- ✓ Compensation/pay:- is all compensations which are given to an employee against his work. Compensation, work environment, and other factors influence employee satisfaction. By balancing pay with other programs, such as career development opportunities, flexible work schedules, and attractive surroundings, you can improve job satisfaction for your employees cost-effectively. This typically results in improved morale, reduced absenteeism, fewer conflicts on the job, and increased productivity. Increased compensation alone doesn't always lead to increased job satisfaction. Sometimes a small increase can have a negative effect. By surveying employees regularly, you can find out what they want.
- ✓ Organizational Commitment:- Organizational commitment is defined as the degree of an individual's relations and experiences as a sense of loyalty toward one's organization. In addition to loyalty, organizational commitment encompasses an individual's willingness to extend an effort to further an organization's goals and the degree of alignment the organization has with the goals and values of the individual. Organizational commitment refers to the extent to which an employee develops an attachment and feels a sense of allegiance to his or her employer. The emotional attachment that one may form with their company would help build a stronger commitment.
- ✓ Job Engagement:- is the high participation of the employees in their job roles, as the employees feel motivated to employ them cognitively, physically, and emotionally through accomplishing their job requirements.

The main focus of this study is to evaluate the effects of employees' job satisfaction on employees' turnover intention at Elmi Olindo construction company head office and Addis Ababa site. For the study, the researcher used job satisfaction factors (achievement, recognition, compensation/pay, organizational commitment, and job engagement), to evaluate how job satisfaction factors affect the employees' turnover intentions at Elmi Olindo construction company.

#### **2.1.3.** Turnover Intentions

#### Definitions of turnover intentions

The theory of turnover displays that turnover intention is the best predictor of whether a worker leaves the firm or not and the cognitive process of thinking and planning to leave a job (Lambert et al., 2006). According to Medina (2012), the turnover intention is defined as an employee's intention to look for a new job with a different company in the coming year. turnover intentions refer to an individual"s perceived probability of Continuing to work for or leaving a company Cotton &Tuttle (1986).

Mor, Nissly, Levin (2001) suggested that employee turnover is terror and costly. Hence employee turnover takes managers' attention. On the other hand, Armstrong (2009) defines staff turnover as the permanent departure of employees from an organization. Testa (2008) agrees with Armstrong and further adds that the departure of the employees is in terms of human capital loss to the organization. Similarly, Agnes (1999) defines employee turnover as the comparative ratio of the number of employees an organization must replace in a given period to the average number of total employees within the organization in the same period. Employee turnover is defined as the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period.

The reason so much attention has been paid to the issue of turnover is that turnover has some significant effects on organizations. Many researchers argue that high turnover rates might have negative effects on the profitability of organizations if not managed properly (Mbah & Ikemefuna, 2012). They do not tell the whole story, but if turnover is significantly higher than in comparable organizations, this should stimulate action to investigate why this is the case and to do something about it (Michael, 2006). Employees are seen as a major contributor to an organization's competitive advantage,

and to maintain this advantage employee turnover should be discouraged by management. Those organizations which are ignorant to employee turnover problem or retention of employees will get difficulty in achieving organizational objectives.

In addition, intention to quit is defined as a conscious and purposeful desire to leave a company soon, and it is the final step in the withdrawal cognition process. (Mobley et al.,1978). Three elements exist in the withdrawal cognition process namely, thoughts of leaving the organization, the intention to search for another job somewhere else, and the intention to leave. Hence, according to Molina (2011), the last part of this process (intention to quit) is costly for organizations both directly and indirectly. It is costly directly by losing staff through recruitment, selection, training, and development and indirectly through the loss of tacit knowledge and intellectual property to competitors. Furthermore, Parry (2008) found that actual turnover and intent were influenced by a separate set of factors with intent to leave being a poor predictor of turnover behavior; most of the turnover research supports overwhelmingly the predictive strength of turnover intentions.

The intention of employees' turnover is workers' feeling towards for better working environment. A turnover intention is a mental decision prevailing between an individual's approach concerning a job to continue or leave the job. Employee turnover intention is the only best indicator of turnover. Turnover intention refers to an individual's perceived probability of staying or leaving an employing organization (Cotton & Tuttle, 1986). Tett and Meyer (1993), on the other hand, referred to turnover intentions as a conscious and deliberate willfulness to leave the organization. Intentions are, according to researchers such as Fishbein and Ajzen (1975), the most immediate determinants of actual behavior/turnover.

Turnover intentions are the instant connection to turnover behavior (Ajzen 2012). Employees' turnover intention is a corrupt feeling of currently working employees to resign from the company. Employee's turnover intention or intention to leave or quit is a depraved feeling or need of the employee's to leave the organization which is working in (Bhat, 2013). One's intention to perform a specific behavior is the immediate determinant of that behavior and a worker's —intention to leavel is considered a sign of quitting. This positive relationship is supported by the attitude-behavior theory (Mahdi 2012). The turnover intention has been widely used in many types of research as an appropriate dependent variable as it is linked with actual turnover. Bluedorn

(1982) recommended the use of turnover intention over actual turnover is preferred because actual turnover is more difficult to predict than intentions as many external factors affect turnover behavior (Mbah &Ikemefuna, 2012).

Generally, turnover intentions have been an extremely powerful concept that helps to understand employee attitude and behavior. A study conducted by Iiyas (2013) contributed to the literature on turnover intentions by understanding heterogeneity among employees' turnover intentions within the call center industry, where it is almost a norm to quit. It is important to identify and understand which attitudes of employees are associated with their decision to stay, leave, or be unsure about either.

#### **\*** Types of turnover Intentions

Employees may leave a company for a variety of reasons, including voluntary or involuntary turnover (Allen, Shore, and Griffeth, 2003). It is voluntary when the employee chooses to leave the company, and it is involuntary when the employee is forced to leave. Dismissal, retrenchment/redundancy, retirement, long-term disease, physical/mental incapacity, relocation or being relocated abroad, and death are all possible causes. Turnover intention is a well-researched topic. Many authors have studied its close relationship with voluntary turnover.

Functional and dysfunctional turnovers are two natures of voluntary turnover. Functional turnovers refer to low performers leaving, whereas dysfunctional turnovers allude to top achievers leaving. Dysfunctional turnover is of greatest concern to the management due to its negative impact on the organization's general performance. There are two types of dysfunctional turnover: preventable turnover and unavoidable turnover (caused by lower compensation, poor working conditions, etc.) and Unavoidable turnovers (such as family moves, significant sickness, death, etc.) over which the company has little or no control.

#### **\*** Cause of Turnover Intentions

Turnover arises from job dissatisfaction from job place for an individual employee. However, being dissatisfied with one's employment isn't the sole reason why individuals switch jobs. If their abilities are in high demand, they may be enticed away by greater compensation, benefits, or job growth opportunities, among other things. That is why it is critical to understand and distinguish between employees who leave for reasons other than dissatisfaction and those who depart for other reasons. One of the turnover models, Mobley et.al (1982) was a groundbreaking conceptual piece that eloquently demonstrated how job unhappiness may result in employee turnover. According to the model, between job discontent and final turnover, an employee goes through seven sequential and intermediate steps. Work discontent, according to Mobley, prompts an employee to consider resigning, which may assist that individual in evaluating the expected utility of seeking another work as well as the expenses connected with abandoning the current job. From the evaluation an intention to search for alternative jobs to the evaluation of the acceptability of any specific alternatives, the employees would likely compare the new alternative with the current job which in turn can lead to an intention to quit, and eventual employee turnover.

When employees are not satisfied with their jobs and organizations do have not to trust in their employees the employee's<sup>\*\*</sup> intention towards turnover will be greater, they will leave the organization and the duration of their job will be smaller (Jeffrey,2007). Furthermore, Shamsuzzoha (2007) highlighted that turnover is caused by individual employees' dissatisfaction with their workplace, but that dissatisfaction with one's workplace is not the sole cause why people leave one firm for another. If the abilities they have are in high demand, they may be lured away by higher pay, better benefits, or better job growth potential. That<sup>\*\*</sup>s why it is important to know and recognize the difference between employees who leave the job because they are unhappy and those who leave for other reasons.

#### 2.2. Theories of Job Satisfaction

The effect of turnover has acknowledged considerable attention by executive management and Human Resource Professionals. In the past, employee turnover is the greatest studied event and developed several theories to clarify why employees intention to leave their current organization. Commonly, the following are the foremost theories related to the study.

#### 2.2.1. Herzberg Two Factor Theory

Herzberg's motivation/hygiene theory is also known as the two-factor theory. Herzberg started the study of job satisfaction in the 1950's in Pittsburg. The basis of Herzberg's work is in Maslow's Hierarchy of Needs. He began with the hypothesis that what creates job happiness is the polar opposite of what causes job unhappiness. However,

after studying thousands of books he could not draw any guidelines. He conducted a survey where he asked participants to identify those things that made them feel positive about their job and those that made them feel negative. As a result, Herzberg discovered that what makes individuals happy is what they do or how they use their time, whereas what makes them sad is how they withdraw.

Those that make people happy at work aren't the same as things that make them unhappy, therefore the two emotions can't be mutually exclusive. Based on these data, Herzberg developed his Motivators and Hygiene Factors theory. Both elements can motivate employees, but they do so for different reasons. Hygiene elements tend to provide workers with just short-term contentment, whilst motivators are more likely to provide long-term job happiness.

Dissatisfaction emerges from company policies, salary, coworker relationships, and supervisory styles (Bassett-Jones & Lloyd, 2005). Herzberg (1959) as cited in Bassett-Jones and Lloyd (2005) believed that eliminating the sources of dissatisfaction (via hygiene considerations) would result in an impartial condition rather than a state of satisfaction. Motivation would only happen as a result of the use of intrinsic factors. Empirical studies (Kinnear & Sutherland, 2001); (Meudell & Rodham, 1998); (Maertz & Griffeth, 2004) have employees, on the other hand, mentioned extrinsic factors such a competitive compensation, solid interpersonal relationships, a pleasant working environment, and job security as significant motivational variables that influenced their retention in the firms. Therefore, employee retention should not be based just on intrinsic factors; rather, a combination of intrinsic and extrinsic factors should be regarded as an efficient retention approach.

#### \* Motivators

Motivators, or satisfiers, are those factors that cause feelings of satisfaction at work. These factors motivate by changing the nature of the work. They challenge a person to develop their talents and fulfill their potential. For example, adding responsibility to work and providing learning opportunities to a person to work at a higher level can lead to a positive performance growth in every task a person is expected to do if the possible poor results are related to the boredom of the task they are supposed to accomplish. Motivators are those that come from intrinsic feelings. In addition to responsibility and learning opportunities, recognition, achievement, advancement, and growth are motivation factors. These factors do not dissatisfy if they are not present but by giving

value to these, the satisfaction level of the employees is most probably going to grow. (Bogardus ,2007) When hygiene factors are maintained dissatisfaction can be avoided. When, on the other hand, dissatisfaction is most probable to occur, motivation cannot take place.

#### \* Hygiene Factors

Hygiene factors, or dissatisfies, are those that the employee expects to be in good condition. As motivators are those that at present cause satisfaction, hygiene factors are those that don't cause satisfaction but if they are lacking, it causes job dissatisfaction. Salaries or wages must be equivalent to those salaries that other people in the same industry or geographical area get. The status of the person must be recognized and maintained. Employees must feel that their job is as secured as it is possible in the current economic situation. The working conditions should be clean, sufficiently lit, and safe in another way. A sufficient amount of fringe benefits like health,

pension, and child care must be provided and compensation in general equivalent to the amount of work done. Policies and administrative practices such as flex hours, dress code, vacation schedules, and other scheduling affect workers and should be run efficiently. These factors relate to the content of the work and if they are in proper form, it tends to eliminate job dissatisfaction. (Ellis,2005). The main finding of Herzberg is that the opposite of satisfaction is not dissatisfaction but no satisfaction. (Salanova & Kirmanen, 2010).

#### 2.2.2. Equity theory

According to Adams, 1965 as offered in (Spector, 2008) the equity theory suggest that employees seek to maintain equity between the input that they convey into a job (for instance commitment, education, time, experience, effort) and the outcome obtained from it (like promotion, recognition, increased pay) besides the idea of inputs and outcomes of other employees. Individuals who perceive themselves to be under-or over-rewarded are said to be distressed, according to equity theory, and this hints at efforts to reinstate equity within the organization.

For instance, may quit and leave high performers in the organization, it might lose its productive talent and the ability to attain competitive advantage. If dissatisfied employees stay, may react by destructing effort to restrict output, lower quality, embark on deliberate damage of equipment. This might bring the organization a competitive drawback. rewarded employees tend to express feelings of opposition to the organization and perhaps their co-workers, which may lead to reduced productivity and impair the overall performance of the organization especially when high-performing employees are involved.

The equity theory of motivation proposes that people are influenced in their behavior by the comparative rewards of either getting or are going to obtain. The theory is based on the hypothesis that people are most likely to be motivated by the way they are fairly treated at work. People tend to relate the pay they get with what others are paid for the same effort and situation so that if they are treated falsely, will consider themselves as losses of inequity.

#### 2.2.3. Linkage Model

The linkage model explains a series of interrelated links between job satisfaction and voluntary employee turnover. In this model one major factor is considered by job dissatisfaction which leads to a series of withdrawal intentions like thoughts of quitting, job search intension and fringe benefits comparison, this behavior ultimately is the cause for high voluntary employee turnover (Nawaz, Rahman, and Siraji, 2008)

#### 2.2.4. Job Embeddedness Theory

According to Ramesh et.al (2012), Job embeddedness refers to the variables that prevent a person from quitting a company while encountering events that can lead to such thinking. Workplace embeddedness can be caused by a variety of factors(positive relationships with supervisor and nice health benefits, and coworkers) or non-work-related (husband or wife works in the same field, parents live in the same community). These work and non-work domains can be further divided into three types of attachment that are links, fit and sacrifice and these can be expressed by how many people are connected individually, feel of employee matched with their work and non-work environment, and the individual give up to leave respectively.

#### 2.2.5. Exit Voice Theory

Employee turnover is primarily triggered by dissatisfaction with how things are done on the job. The majority of employees in organizations are used to discussing what they think is wrong with the company during lunch breaks. The problem is that often this information is solely shared with peers. This might be an effect of several reasons. They might fear that they will be perceived as trouble because they are giving their opinion unasked. Also, they might think that the cost of trying to change the condition is greater than the benefit that gets out of it.

Hirschman, 1970 the exit-voice theory describes the nonexistence of expressing frustrations and discomforts that may have a consequence on the turnover rate. This theory, which was initially used to describe varieties of customer behavior, claims that when a person is a dissatisfaction, they may have two possibilities to deal with this feeling. The first possibility is expressing feelings and trying to change the situation, which is called the voice. The second possibility is selecting to leave, which is called exit. If the possibilities to use voice are too limited, the employee will choose to leave the firm.

Hence, organizations should make the right procedures and other mechanisms for the employees to prompt their feeling and complaints and to feel their opinion being taken seriously, whereas at the same time reducing the step to precise their dissatisfaction since they recognize that the firm wants to observe their complaint. Managers cooperating with the worker frequently and require to discuss openly by asking them about criticisms to take the discomfort out of the workers before they decide to exit the firm.

#### 2.2.6. Job Matching Theory

This theory has been developed by Jovanovic (1979). In his Theory, he states that turnover results from new information about the current job match. Before employees start their job, they have faulty information. Hence, they do not know the particular utility it will yield. If job occupancy increases this utility is becoming clearer and the employee can then choose to stay or leave. Herein theory, if an employee observes that a job does not fit their expectations they will leave and search for another job, which might create a good match.

#### 2.3. Determinant Factors of Turnover Intention

#### 2.3.1 Achievements

Things you did that had a long-term impact on your organization or client are considered achievements. It's a result that you individually achieve when performing a specific task. They're usually something you developed, constructed, designed, sold, or started. It is one of the three major needs of employees at the managerial position; achievement, power, and affiliation. Therefore, employees' achievement motivation can be raised by organizations through processes such as job design, performance management, and skill or competency-related pay schemes.

Therefore, based on the literature reviewed above. The researcher makes the following hypothesis.

# H1: Achievement has a negative and significant effect on employees' turnover intention.

#### 2.3.2 Recognitions

A study developed in a group of American Public Sector Organizations of South Carolina, the perceptions of employees' recognitions had a significant impact on the intent to leave the organizations (Henryhand, 2009). Furthermore, a study conducted in Malaysia to determine what drives retail employees and their level of job satisfaction utilizing Herzberg's hygiene factors and motivators discovered that recognition is the most important motivator for employees. (Hong and Waheed, 2011). As a result, while most employees they want to be appreciated and recognized for their efforts as well as to accomplish a good job. 'Even the most seasoned employee needs to be reminded of what they are doing well now and then.' (Shamsuzzoha, 2007).

Therefore, based on the literature reviewed above. The researcher makes the following hypothesis.

# H2: Recognition has a negative and significant effect on employees' turnover intention.

#### 2.3.3 Compensation/Pay

Many researchers conclude that financial reward is one of the basic types of extrinsic monetary rewards which comprises the basic needs of income and affects the turnover intention of employees' Once the employees perceive that their employers cannot offer their expected level of compensation; they may leave the organization (Mondy, 2010). On the other hand, Higginbotham (1997) mentioned that high salaries are not important, but good and fair salaries indicate a strong correlation to remain, signifying that as long as the compensation is competitive, financial rewards are not the primary factor in retention. According to Lai (2011), an efficient compensation system leads to organizational growth and development which reveals a positive correlation between job satisfaction and skill-based pay, job-based pay, and performance-based pay.

Therefore, based on the literature reviewed above. The researcher makes the following hypothesis.

# H3: Compensation/ pay has a negative and significant effect on employees' turnover intention.

#### 2.3.4 Organizational Commitment

Organizational commitment is usually defined as a strong belief in and receiving of the organization's objectives and beliefs, a willingness to put forth a large amount of effort on behalf of the organization, and a strong desire to remain a member of the organization" (Watson, 2010). Organizational commitment is thought to be an imperative part of the mental condition of the employees, as well as the attitudes they generalize towards their organization (Sirin & Sirin, 2013). organizational commitment is the attitude that leads an employee to feel connected to the organization (Eleswed & Mohmmed, 2013; Zehir, 2012). Nagar (2012) asserted "organizational commitment is necessary for keeping and attracting highly skilled employees as only happy and committed employees are eager to continue their association with the organization and make substantial efforts towards achieving its goals".

The most accepted and widely used commitment construct, which the researchers applied to this study, was put forward by Meyer and Allen (1993) and hypothesizes three components: affective, normative, and continuance commitment. Affective commitment expresses the emotional connection of the employees to their organization, their wish to observe the organization does well in its goals, and a feeling of pleasure at being part of that organization. Employees with a higher level of emotional commitment are more likely to stay with the company voluntarily and joyfully because they are aware of their place within the business and internalize the company's standards and values as their own. (Nagar, 2012).

Normative commitment, by contrast, does not match any individually beloved attachment of the organization members, but rather reflects their moral or ethical obligation towards the organization because maintaining membership is sighted as "the right thing to do". Fred and Donald (1977) recommended that normative commitment emerges from the socialization and induction of newcomers to the organization, so that the individual feels "indebted to his organization for investing its time and resources in him, and feels responsible to pay back the benefits that he receives from the organization by putting effort on the job and staying on the job." (Nagar, 2012).

Therefore, based on the literature reviewed above. The researcher makes the following hypothesis.

# H4: Organizational commitment has a negative and significant effect on employees' turnover intention.

## 2.3.5 Job Engagement

Work engagement has been a concept for a long time, but numerous methodologies and conceptualizations have hampered the development of an appropriate measure that appropriately represents the idea. (Thomas, 2009). Therefore, it is required to briefly reexamine how the concept evolved to clarify its meaning and obtain a more accurate measure. Kahn (1990) first conceptualized work engagement as the attaching of organizational members' selves to their job roles in the engagement of people who employ and express themselves physically, passionately, and cognitively in the course of role performances. In looking for a way to suspend burnout, they suggested that engaged employees have a sense of energy and view their work as a challenge.

Therefore, based on the literature reviewed above. The researcher makes the following hypothesis.

# H5: Job Engagement has a negative and significant effect on employees' turnover intention.

## **2.4 Empirical Review**

The empirical studies have been conducted in different parts of the world concerning the effect of employees" job satisfaction on turnover intention and different factors were discovered to have an impact on employees" job satisfaction and its effect on turnover intention. Raddaha, et al. (2012) investigated the factors that influence job satisfaction and dissatisfaction and the intention to leave. He reported that supervision, co-worker relationships, and tenure influence job satisfaction. However, reported low satisfaction in terms of contingent rewards, fringe benefits and pay, these were highly associated with the employee"s intention to leave their jobs. He also found that job satisfaction level as a total score was not related to any demographic variables; however, there were numerous associations between particular facets of job satisfaction and demographic variables. The levels of satisfaction between males and females on those job satisfaction facets were also differing. It was also found that a substantial of employees reported strong intention to leave their jobs due to low satisfaction. Hence there were impacts of employees" job satisfaction on intention to turnover.

Kanwal and Majid (2013) investigated the factors, which are the major contributors to employees "s job satisfaction. It was found that low pay, long working hours, bonuses and rewards, and effective communication were the contributors towards job satisfaction or dissatisfaction and have an impact on the employee"s intention to leave or stay in the organization. Nyamekye (2012) argued that non-monetary benefits had a direct bearing on employees" job satisfaction. Employees were unsatisfied with their supervisors and their lack of engagement in the decision-making process, which may have influenced their decision to leave.

Lee and Jimenez (2011), explained further that performance-based rewards, supervision support reduce the possibility that employees will opt to leave their current jobs, and job satisfaction is the most important predictor of turnover intention. In a recent study, it was observed that it is bad working conditions, lack of career growth, unfair compensation, negative supervisory support, lack of employee development; work itself the absence of staff achievement, and job stress caused the employee to leave the organization.

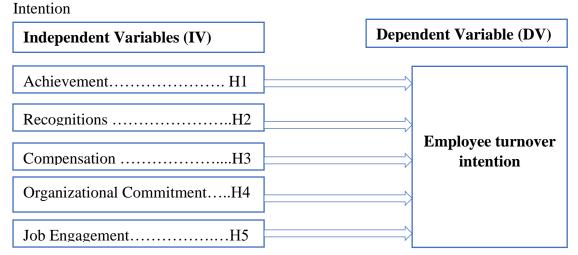
Mosadeghrad, et al. (2008) investigated the relationship between job satisfaction and employee''s turnover intention and found that there was a positive relationship between job satisfaction and turnover intention. He also found that the factors that may influence the level of employees'' job satisfaction are demographic variables, pay, fringe benefits, promotion, supervision, co-workers relationships, task variety, and working conditions and found that job satisfaction and its facets are the strongest predictors of intention to leave. Nazim (2008) investigated work satisfaction and its effect on the likelihood of turnover. Employees were very unsatisfied with advancement, moderately unsatisfied with compensation, fringe benefits, and contingent rewards, and somewhat satisfied with working conditions, colleague relations, work nature, and communication, according to him. He also found that there was a significant negative relationship between turnover intention and pay and promotion followed by supervision, fringe benefits, contingent rewards, techniques for operation, co-workers, nature of work, and communication. and achievement. Hence there was a significant negative association between facets of job satisfaction and overall job satisfaction and turnover.

## **2.5 Conceptual Framework**

The study was guided by the researcher.s conceptual framework. According to the framework, the independent variable for this study is Job satisfaction. Job satisfaction is the attitudes and feelings people have about their work Armstrong (2006). Job satisfaction divided using five dimensions namely: satisfaction with achievement, satisfaction with recognition, satisfaction with compensation/pay, satisfaction with organizational commitment, and satisfaction with job engagement. Intention to leave the organization is the dependent variable. Based on these variables, a conceptual framework is constructed as shown below.

The factor's influence of independent variables is reflected in the employees' intention to leave their current job which is treated as a dependent variable. The model poses the basics of this research which is examined in the context of Elmi Olindo construction company (Muhammad, 2014).

Table 2:-Theoretical Frame Work for Job Satisfaction and Employees' Turnover



Source: Muhammad, (2014)

# **CHAPTER THREE**

# **RESEARCH METHODOLOGY**

## **3.1. Introduction**

This section presents the various mechanisms that were used to conduct the research. Moreover, research design, sources of and types of data, data gathering methods and instruments sampling method and sample size, method of data analysis, sound measurement tests, and ethical considerations.

#### **3.2. Research Approach**

For this study, a quantitative research approach was used. According to Sekaran (2003), the quantitative method is a study involving analysis of data and information that are descriptive and qualified which answers questions through a controlled logical process, allowing for the collection of numerical data, the prediction, and the measurement of Variables.

## **3.3 Research Design**

The research design refers to the researcher's overall approach for integrating the many components of the study coherently and logically. A research design is a plan or a blueprint of how to design conducting the research (Babbie & Mouton, 2001). Since this research contains clear objectives derive from the research hypothesis and specifies the source. This study used an explanatory research design this is because descriptive studies are concerned with specific predictions, narrations of facts, and characteristics concerning individuals, groups, or situations. Therefore, this study followed the descriptive research design.

#### 3.4 Sources of Data and Types of Data

Kumar (2011) stated that there are two major approaches used by researchers' namely primary and secondary data. This study used both primary and secondary data through a self-administered questionnaire and relevant company documents. The primary was obtained from Elmi Olindo construction company's head office and construction site Addis Abeba and around mainly through questionnaires and interviews.

Secondary data obtained from written materials like journals, research papers, internet resources for literature review.

## **3.5 Data Gathering Methods and Instruments**

The study had used both primary and secondary data sources. The primary data was obtained from Elmi Olindo construction company's head office and construction sites Addis Abeba and around mainly through questionnaires. To get a high response rate from the respondent, the researcher chose a structured and close-ended type questionnaire. The interview session was conducted with the HR Director, Project manager, site foreman, and engineers.

Agresti (2002) stated that a variable's measurement scale determines which statistical methods are appropriate. In the measurement hierarchy, interval variables are highest, ordinal variables are next, and nominal variables are lowest. Statistical methods for variables of one type can also be used with variables at higher levels but not at lower levels. Analysts frequently make use of ordinal variables' quantitative nature by giving numerical scores to categories or assuming a continuous distribution.

This study utilized questionnaires consists of 29 items categorized into two sections where 7 items were for demographic variables. Twenty-three independent variables in the third section and 6 variables in turnover intention items. Independent and dependent variables' items utilized. five-point Likert-scale ranked from strongly disagree to strongly agree were 1 - "strongly disagree", 2 - "disagree", 3 - "neutral", 4 -"agree", and 5 - "strongly agree. will be used to measure the determinant factors of turnover intention. According to their view on each question, Each answer was given a score. It is easier for the respondents to understand the format and bring into being more accurate answers.

## **3.6** Sampling Method(s) and sample Size

Sampling is a process of selecting several study units from a defined study population (Kombo and Tromp, 2006; Kothari, 2009). In this study, the sample was selected by both purposive and simple random sampling procedures. For the purposive (non-probability sampling), respondents were chosen based on the researcher's judgment that they have desirable job characteristics and could provide the required information. The researcher also used a simple random sampling technique to distribute the questionnaires for respondents. The rationale behind using a simple random sampling technique for this study is to give each member of the study population an equal chance of being selected. The total population for this study is estimated to be 234. The sample

size of 148 was considered from Elmi Olindo construction company. In reality, this would be a challenging sample size to cover given the length of the study period and attached financial, time and other resource limitations. Different formulas are used to determine the sample from the population, for this study, sample determination calculation is done based on Yemane (1967), a simplified formula for calculation of sample size from a population. According to him, for a 95% confidence level and p=0.5, the size of the sample should be,

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

N = Where N is total population = 234

e is the level of precision or the error term tolerable = 0.05n is no of sample drawn from the total population

n = 
$$\frac{234}{1 + 234(0.05)^2}$$
  
n =  $\frac{234}{1 + 0.585}$   
n =  $\frac{234}{1 + 0.585}$ 

n = 147.63 which was approximately equal to~ 148

A random sampling technique was used to allocate sample size into the head office and construction site Addis Abeba and around. Therefore, according to the above calculation a total of 148 questionnaires were distributed to collect relevant data concerning the research purpose.

The company conducts research interviews to expand its qualitative research formats. This can solidify the results and discover trends found in your company's quantitative research. Compare each of the interviewees' responses to see if there is a consistency of answers. 10 respondents were selected in the interview assessment this is due to a head office and construction site level there is four working position such as (HR Director, Project manager, site foreman, and engineers).

## 3.7. Data Analysis and Interpretation

## 3.7.1. Quantitative data analysis

Following ascertain the reliability of the instruments, the researcher carried on administering the questionnaire. The researcher distributed and administered the collection of questionnaires. Data obtained through the questionnaire were computed with the use of computer and software programs (SPSS), edited, and coded. Then data would be grouped into tables, to analyze, summarized, and recommend. Information obtained from the questionnaire would be analyzed, coded, and updated according to the coding structure. The researcher used descriptive statics such as frequency counts, percentage, mean values, and charts for structure items, and inferential statics such as multiple regression analysis was used to examine the predictive power of each independent variable for the overall dependent variable (turnover intention), correlation test would be performed to assess the strength of association between a dependent variable and independent variable then interpreted according to the findings and finally triangulated data's would be obtained both in a questionnaire and interview analysis.

## **3.7.2. Qualitative Data Analysis**

Some qualitative information was also gathering from the Elmi Olindo construction company by using interview checklists and analyzed based on their response. And finally, the researcher was deduced by the majority of the interviewer's responses.

### **3.8 Reliability and validity test**

## **3.8.1 Reliability Test**

According to Hair Jr Joseph F, William C. Black, Barry J. Babin & Rolph E. Anderson (2014), reliability refers to the extent to which a variable or set of variables is consistent in what it is intended to measure. If multiple measurements are taken, reliable measures will all be consistent in their values. It implies that the same thing happens again and over again under the same or extremely similar circumstances. The opposite of reliability is an erratic, unstable, or inconsistent result that happens because of the measurement itself (Neuman, 2014)

In this study, first of all, the reliability and validity of the job satisfaction facets (achievement, recognition, compensation/pay, organizational commitment, job engagement) and turnover intention scales were assessed. The Cronbach's Alpha Coefficient was used in the reliability analysis of the scales. According to Hair et al

(1998) above, 0.7 level of Alpha value considered the scale has overall stability and consistency.

Reliability Statistics				
Dimensions	N of Items	Cronbach's Alpha		
Achievement	4	0.865		
Recognition	4	0.860		
Compensation /Pay	5	0.867		
Supervision	5	0.862		
Job Engagement	5	0.845		
Over all Cronbach's á ( independent Variables)	5	0.966		
Turnover Intentions	6	0.895		
Over all Cronbach's á ( dependent variables)	1	0.895		

Table 3:Summery of Reliability Test

Source: Own Survey Output (2021)

Cronbach's alpha coefficient was applied to determine the internal consistency or reliability of the questionnaire. The above table shows that reliability test result ranges from 0.845 to 0.895 for each variable of the study. This indicates the internal consistency of the questionnaire and each scale represents a reliable construct. The overall Cronbach's  $\alpha$  for the five independent variables was found to be 0.966 and for the turnover intention was 0.895. The Cronbach's  $\alpha$  values for each dependent & independent variables and overall values are found to be above the minimum acceptable limit of 0.7 as suggested by Hair et al (1998).

# 3.8.2 Validity

Validity is the extent to which a scale or set of measures accurately represents the concept of interest. According to Muji's (2004), validity concerns whether we are measuring what we want to measure and is probably the single most important aspect of measurement. The degree of similarity between the components used to create a summated scale and its conceptual description is measured by content validity. (Hair 2014,).

Validity explains how well the collected data covers the actual area of investigation (Ghauri and Grongaug 2005) Validity means "measure what is intended to be measured" (Field 2005). Validation was made to get some evidence on whether the content of the item was relevant in helping to answer the research question and to check the clarity of the question.

## **3.9 Ethical Considerations**

Confidentiality and privacy are the cornerstones of field research activities to get relevant and appropriate data. The researcher assured the purpose of the study and confidentiality of information. Respondents have assured any information gathered through data collection instruments that were used only for academic purposes. The data and documents were secured during the research and kept safely, not being transferred to third parties. Back up of the research inputs and outputs were archived. Moreover, the study was conducted with the consent of the organization, and data collected from the respondents based on their consent. On the other hand, all sources and materials consulted have been duly acknowledged.

# **CHAPTER FOUR**

# DATA INTERPRETATION AND ANALYSIS

## 4.1. Introduction

This chapter presents and discusses the results and the process through which the results are obtained. Background information of the respondents and statistical analysis are presented and discussed, which includes a descriptive, a correlation, and a regression analysis based on SPSS version 26 findings.

## **4.2 Data Response Rate**

The survey was conducted in Elmi Olindo construction company's head office and construction site at Addis Ababa and around. A total of 148 numbers of structured questionnaires were distributed to the respondents out of which 138 questionnaires were returned,10 (6.75%) questionnaires were uncollected. Out of the returned 4 questionnaires or 2.89% of them not included in the further analysis due to incomplete and invalid responses. Therefore, 134 questionnaires were processed for the analysis of data with a response rate of 90.36% which indicates an acceptable survey response rate. Table 4:Response Rate

	Response Rate					
		Frequency Percent		Valid Percent	Cumulative Percent	
Valid	Not valide	4	2.7	2.7	2.7	
	Uncollected number of questionnaires	10	6.75	6.75	9.45	
	Processed number of questionnaires	134	90.54	90.54	100	
	Total number of respondents	148	100	100		

Source: Own Survey Output (2021)

## 4.3 Demographic Characteristics of Respondents

The demographic information of respondents is organized for this study in terms of gender, age, marital status, educational level, work experience, job category, and salary range of the respondents.

## **4.4 Demographic Information Analysis**

## 4.4.1 Frequency of Respondents based on Gender

Table 5, shows that the gender distribution of the selected sample. The male respondents are taken a major share of the respondents which is (n=93), 69.4%. The female respondents (n=41) encompass 30.6% of the sample. This shows that the company employees dominantly male and the analysis accommodated the reflection of their views.

Gender is not a significant variable on the levels of job satisfaction and in contrast, some indicated that gender has an influence on it since they found that women gained a better sense of job satisfaction than men due to the effort and recognition may be differentiated between genders and women seems to be easier to build the sense of success and their career pathway than men so this study is going to see whether gender plays an effective role in job satisfaction or not.

	Gender						
Frequency         Percent         Valid Percent         Cumulative Percent							
Valid	Male	93	69.4	69.4	69.4		
	Female	41	30.6	30.6	100.0		
	Total	134	100.0	100.0			

 Table 5:Respondent Gender

Source: Own Survey Output (2021)

## 4.4.2 Frequency of Respondents based on Age

Table 6. shows that among the respondents, the majority of the respondents fall between the age ranges of 26-35 years" old, which was comprised of 69 respondents, equivalent to (51.5%) This age group is known to be very energetic. For this reason, the company's use of performance management is the best option to use this energetic workforce to meet the company's strategic goals. The next one is the age range of 18-25 years 31 (23.1%) respondents still this age group is active and energetic, between the age range of 36-40 years old 27 (20.1%), lastly 7(5.2 %) 41-above years old respondents.

The various studied and the most consistent in its relationship to intention to leave is the employees' age supported by Ahuja et al (2007) on the IT industry in India. There are different perceptions of job satisfaction and motivation across the age spectrum. In their separate studies on retention of healthcare professionals, they found younger nurses had lower levels of job satisfaction while the older age group of 40 and above had levels higher of job satisfaction (Griffeth. 2000; Kavanaugh. 2006). They found that age had a modest but significant effect on employee intention to leave.

Age is one of the indicators in measuring job satisfaction and they cited that the older employees who have the longest working experience seem to have higher job satisfaction than the younger colleagues, the reason that has been mentioned is that the older workers have experienced more and longer, and therefore they will adjust their expectation on work so they are easier to be satisfied than the youth workers. However, this study also mentioned that there are still some researchers who argued that age is not one of the factors that influencing employee satisfaction, therefore it leads to further investigation in this study.

	Age						
		Frequency	Percent	Valid Percent	Cumulative Percent		
Valid	18-25	31	23.1	23.1	23.1		
	26-35	69	51.5	51.5	74.6		
	36-40	27	20.1	20.1	94.8		
	41-above	7	5.2	5.2	100.0		
	Total	134	100.0	100.0			

 Table 6:Age of the respondents

## Source own survey,2021

### 4.4.3 Frequency of Marital Status of the Respondents

According to the following table 7, the majority of the respondents are single, they are equivalent to 82 (61.2%) and those 52 (38.85%) are married.

Another influential biographic variable that might have bearing on job satisfaction is marital status of the employees. However, there are not enough studies to draw any conclusion about the effect of marital status on job satisfaction but the limited research conducted on this area consistently indicates that married employees are more satisfied with their jobs than are their unmarried coworkers .The reason may be marriage imposes increased responsibilities that may make a steady job more valuable and important.

	Marital Status						
		Frequency	Percent	Valid Percent	Cumulative Percent		
Valid	Single	82	61.2	61.2	61.2		
	Married	52	38.8	38.8	100.0		
	Total	134	100.0	100.0			

Table 7:Marital status of the respondents

Source: Own Survey Output (2021)

# 4.4.4 Respondents Based on Educational Background

Based on Table 8, the respondents in terms of Educational Background depict that majority of the respondents 68 (50.7%) have achieved BA/BSC degree, followed by 43 (23.2%) have diplomas, 5 (3.7%) have certificates,18 (13.4%) respondent have MA/MSC. This shows that under normal conditions they can express ideas related to the study consistently with good understanding. so their response can be taken as acceptable to the study.

The majority of the company's employees are bachelor's degrees holders, the minority are master's degree holders. There is no doctoral degree in the company and this shows that most of the educated employees in the organization are bachelor degree holders who are key persons and needed to retain them or recruit them in this competitive market to maintain this professional employee. Education level is not significantly affecting the satisfaction level of staff since the working experience and the ability will become the concern once the employees participate in the field.

	Educational Background					
		Frequency	Percent	Valid Percent	Cumulative Percent	
Valid	Diploma	43	32.1	32.1	32.1	
	BA / BSC	68	50.7	50.7	82.8	
	MA / MSC	18	13.4	13.4	96.3	
	If others Specify	5	3.7	3.7	100.0	
	Total	134	100.0	100.0		

 Table 8:Education qualification of the respondent

Source: Own Survey Output (2021)

## **4.4.5 Experience of the Respondents**

Regarding Table 9, the majority of the respondents worked in Elmi Olindo construction company the organization (1-4) years, which counts of 64 (47.8%) respondents, followed by 54 (40.3%) respondents have been attached for the range of 5-9 years, However, only 16 (11.9%) of respondents have attached to Elmi construction company for more than 10 years. This implies that the higher number of the respondent who participated in this study worked for their organization for 4 years experience so this might not help them to have a good understanding of the culture of the company which in turn might not help to give the right answer to the prepared questionnaire. It can be significantly found out that there are very few employees with a larger number of working years and it is highlighting that the turnover of employees is relatively high and that the company needs to keep its core employees longer.

Experience of the Respondents					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-4 years	64	47.8	47.8	47.8
	5-9 Years	54	40.3	40.3	88.1
	10 and above	16	11.9	11.9	100.0
	Total	134	100.0	100.0	

Table 9:Length of experience in Elmi Olindo construction company.

Source: Own Survey Output (2021)

# 4.4.6 Respondents Based on Job Category

Based on job category table 10 the position of respondents ranges from project manager to site staff worker. From the total number of respondents 14 (10.4%) are project manager,34 (25.4%) are engineer, 24 (17.9%) Officer (site and head office worker), 12 (9.0%) are site Formans,18 (13.4%) are site staff, 15 (11.2%) are surveyor and safety officer are 12 (9.0%). This implies that the company employees are skilled and working in their position.

Table 10: Job Category of the Respondents

	Job Category of the Respondents					
		Frequency	Percent	Valid Percent	Cumulative	
					Percent	
Valid	Project Manager	14	10.4	10.4	10.4	
	Engineer	34	25.4	25.4	35.8	
	Officer	24	17.9	17.9	53.7	
	Site Forman	12	9.0	9.0	62.7	
	Site Staff	18	13.4	13.4	76.1	
	Surveyor	15	11.2	11.2	86.6	
	Safety Officer	17	12.7	12.7	99.3	
	Total	134	100.0	100.0		

Source: Own Survey Output (2021)

## 4.4.7 Current Salary Range

Various studies have examined the relationship between pay and intention to leave and have found a consistent association between larger salaries and lower rates of intention to leave (Kelly, 2004; Stockard and Lehman, 2004). As can be indicated in Table 11, respondents 5 (3.7%) earned a salary range between Less than ETB 1,650. Following to that ETB 1,651 to ETB 3,200 salary range take a share of 10 (7.5%) ,Following to that ETB 3,201 to ETB 5,250 salary range take a share of 8 (6.0%),the next salary range between ETB 5,251 - ETB 7,801 salary range take a share of 19 (14.2%), the next one salary range between ETB 7,802 - ETB 10,900 salary range take a share of 59 (44.0%).The remaining respondents' were put in place at a salary range of above ETB 10,901 takes a share of 33(24.6%). The employee's level of compensation could have significantly affected the employee's decision to remain employed with the organization General compensation and financial rewards alone may have a limited impact on employee turnover.

	Current Salary Range						
				Valid	Cumulative		
		Frequency	Percent	Percent	Percent		
Valid	Less than ETB 1650	5	3.7	3.7	3.7		
	ETB 1,651 - ETB 3,200	10	7.5	7.5	11.2		
	ETB 3,201 - ETB 5,250	8	6.0	6.0	17.2		
	ETB 5,251 - ETB 7,801	19	14.2	14.2	31.3		
	ETB 7,802 - ETB 10,900	59	44.0	44.0	75.4		
	Above ETB 10,901	33	24.6	24.6	100.0		
	Total	134	100.0	100.0			

Table 11:Current salary range of the respondents

Source: Own Survey Output (2021)

## 4.5. Descriptive analysis

According to Moidunny, K. 2009. the mean score of 1.00-1.80 is very low, 1.81-2.60 low, 2.61 - 3.20 medium, 3.21 - 4.20 high, and 4.21-5.00 mean score value is very high as shown below.

No	Mean value	Description
1	1.00 - 1.80	Very Low
2	1.81 - 2.60	Low
3	2.61 - 3.20	Medium
4	3.21 - 4.20	High
5	4.21- 5.00	Very High

Table 12: Comparison bases on the mean score of five-point Likert scale instruments

Source: Moidunny, K. 2009

According to Kenton (2018), descriptive statics are brief descriptive coefficients that summarize a given data set, which can be either a representation of a given entire or a sample of a population.

The analysis in Table 12 shows the descriptive statics (mean and standard deviation) of job satisfaction variables such as achievement recognition, compensation/pay, organizational commitment, and job engagement, and turnover intention rated by respondents.

	N	Minimum	Maximum	Mean	Std. Deviation
Achievement	134	1	5	2.8451	1.09114
Recognition	134	1	5	2.8806	1.1408
Compensation Pay	134	1	5	2.7955	1.05331
Organizational Commitment	134	1	5	2.8388	1.02171
Job Engagement	134	1	5	2.8254	0.93211
Turnover Intention	134	1	5	3.4876	0.99909
Valid N (Listwise)	134				

Table 13:Descriptive Statistics for the mean, Std.Deviation

Source: Own Survey Output (2021)

The researchers deployed, descriptive statistics analysis to understand the level of job

satisfaction dimensions and turnover intentions of employees of Elmi Olindo construction company.In the above table it can be seen that the mean value of five independent variables Achievement (Mean=2.8451 and SD =1.09114), Recognition (Mean= 2.8806 and SD =1.1408) ,Compensation Pay (Mean = 2.7955 and SD=1.0533), Organizational Commitment (Mean=2.8388 and SD=1.02171), Job Engagement (Mean=2.8254 and SD=0.93211) have a medium mean score between 2.61 up to 3.20. It can be said that Elmi Olindo construction company employees have medium satisfaction levels related to these predictors or in general displaying a medium level of job satisfaction. Whereas the mean score of turnover intention is 3.4876. Hence, it can be said that Elmi Olindo construction company employees have a high level of intention to leave the company.

The interview result shows that from 10 of the director 6(60%) of them were interviewed and agreed that there is an existence of a moderate rate of turnover intention. This indicates that the output obtained from the questioner and interviews were alike and confirmed that there is a moderate rate of employee turnover intention in Elmi Olindo construction company.

Information obtained from interview results shows that the majority of the interviewer was believed that most of the employees of the company are needs to leave Elmi Olindo company and the reason for them are employees are bad working environment and compensation/pay, low-level technological application, due to organizational image/poor public image of Elmi Olindo, high amount of some employee is not well assessed by the company, unfair management treatment and poor quality of job training. The finding of questioner and interview results reveal that there is a moderate level of compensation/ pay in the company.

## **4.6 Correlation Analysis**

In statistical terms, Correlation is a method of assessing a possible two-way linear association between two continuous variables. In this section, the direction and degree of the strength of the relationship among the variables were determined. The Pearson<sup>\*</sup>'s product movement correlation coefficient was computed to determine the relationships between. Achievement, recognition, compensation/pay, organizational commitment, job engagement, and turnover intention.

Correlation analysis is a useful way of exploiting relation (association) among variables. The value of the coefficient (r) ranges from -1 up to +1. The value of the

coefficient of correlation (r) indicates both the strength and direction of the relationship. If r = -1 there is a perfectly negative correlation between the variable. If r = 0 there is no relationship between the variable and if r = +1 there is a perfect positive relationship between the variables.

For this study decision rule is given by Cohn"s (1988) was used to describe the strength of association among the variables as follows.

Correlation strength	Positive values	Negative values
Small	r=0.10 to 0.29	r=10 to29
Medium	r = .30 to .49	r=30 to49
Large	r=.50 to 1.0	r=50 to -1.0

Table 14:Classification of the strength of a relationship

Source: Cohn (1988)

		Achievement	Recognition	Compensati on Pay	Organizational Commitment	Job Engagement	Turnover Intention
	Pearson Correlation	1	.840**	.854**	.855**	.852**	545**
Achievement	Sig. (2- tailed)		0.000	0.000	0.000	0.000	0.000
	Ν	134	134	134	134	134	134
	Pearson Correlation	.840**	1	.849**	.808**	.813**	519**
Recognition	Sig. (2- tailed)	0.000		0.000	0.000	0.000	0.000
	Ν	134	134	134	134	134	134
Compensation	Pearson Correlation	.854**	.849**	1	.833**	.828**	559**
Pay	Sig. (2- tailed)	0.000	0.000		0.000	0.000	0.000
	Ν	134	134	134	134	134	134
Organizational	Pearson Correlation	.855**	.808**	.833**	1	.848**	541**
Commitment	Sig. (2- tailed)	0.000	0.000	0.000		0.000	0.000
	Ν	134	134	134	134	134	134
Job	Pearson Correlation	.852**	.813**	.828**	.848**	1	553**
Engagement	Sig. (2- tailed)	0.000	0.000	0.000	0.000		0.000
	Ν	134	134	134	134	134	134
Turnovor	Pearson Correlation	545**	5.19**	5.59**	5.41**	553**	1
Turnover Intention	Sig. (2- tailed)	0.000	0.000	0.000	0.000	0.000	
	Ν	134	134	134	134	134	134
		**. Correlation	is significant	at the 0.01 leve			

# Table 15:Correlation Coefficient Table

Source: Own Survey Output (2021)

Based on the above table information, independent variables like Achievement (r= -0.545, p<0.05), recognition (r= -0.519, p<0.05), compensation/pay (r=-0.559, p<0.05), organizational commitment (r= -0.541, p<0.05), job engagement (r= -0.553, p<0.05), and the dependent variable (turnover intention) are negatively correlated and have large and significant correlation with each other.

The strength of correlation between job satisfaction and turnover intention is very strong. This finding is consistent with (Mahdi, 2012) who showed that both practices of job satisfaction have an inverse relationship with employees' turnover intentions.

## 4.7 Regression Analysis

A regression analysis was conducted to determine the effect of job satisfaction on employees' turnover intention: the case of Elmi Olindo construction company. Before discussing the outputs of the regression tests for violation on the classic linear regression model assumptions were conducted as follows.

## 4.7.1 Testing for violations of statistical assumptions

Most statistical tests make assumptions about the variables that will be utilized in the analysis. The results may be unreliable if certain assumptions are not met, leading to a Type I or Type II error, as well as an over-or underestimation of significance or effect size (s). (Osborne and Waters, 2002) The degree to which accurate inferences can be derived from inferential statistics results is determined by the sampling methodology used and the features of the population data. This is because statistical studies presume that the sample(s) and population(s) meet particular criteria. Statistical assumptions are the terms used to describe these requirements. If violations of statistical assumptions are not addressed properly, the results may be misinterpreted. In particular, when statistical assumptions are violated, the probability of a test statistic may be inaccurate, distorting Type I or Type II error rates (Nimon, 2012).

## 4.7.2 Normality and Linearity Tests

According to Park (2008), one common assumption is that a random variable is normally distributed. Normality is frequently inferred in statistical analysis without any empirical proof or test. However, many statistical procedures require normality. Interpretation and inference may not be reliable or valid if this assumption is violated. A distribution can depart from normal in two ways: skewness (lack of symmetry) and pointiness (kurtosis). The values for these parameters should be zero in a normal distribution. (Ghasemi and Zahedias, 2012).

(Kim,2013) stated that for small samples (n < 50), if absolute z-scores for either skewness or kurtosis are larger than 1.96, which corresponds with an alpha level 0.05, then reject the null hypothesis and conclude the distribution of the sample is non-normal. For medium-sized samples (50 < n < 300), reject the null hypothesis at absolute z-value over 3.29, which corresponds with an alpha level 0.05, and conclude the distribution of the sample is non-normal. The following table summarizes the skewness and kurtosis results of the variables that were used in the regression models.

Variable-	N Skewness		wness	Kurtosis		
Job satisfaction	Statistic	Statistic	Std. Error	Statistic	Std. Error	
Achievement	134	0.299	0.209	-0.482	0.416	
Recognition	134	0.313	0.209	-0.531	0.416	
Compensation Pay	134	0.300	0.209	-0.750	0.416	
Organizational Commitment	134	0.226	0.209	-0.325	0.416	
Job Engagement	134	0.269	0.209	-0.648	0.416	
Turnover Intention	134	-0.351	0.209	-0.592	0.416	
Valid N (listwise)	134					

Table 16:Skewness and Kurtosis results for job satisfaction

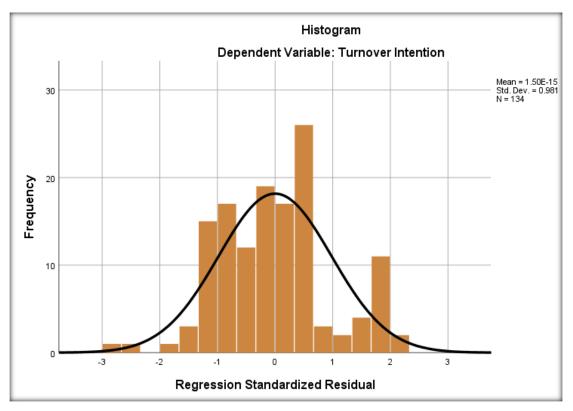
### Source: Own Survey Output (2021)

As can be observed from the tables the results of skewness and kurtosis values in relation to standard errors are between the acceptable ranges of  $\pm 2.00$ .

According to (Gujarati, D., & Porter, D. C. 2004), in testing the normality assumption, three tests of normality could be considered: a)histogram of residuals; b)normal probability plot (NPP), a graphical device; and c) the Jarque–Bera test (it is an asymptotic, or large-sample, test). As indicated below, Because of their simplicity, the first two simple graphical instruments for testing the normality assumption were applied in this study.

# > Histogram of Residuals

Figure 1:Normal distribution of the data



Source: Own Survey Output (2021)

A histogram of residuals is a simple graphic device that is used to learn something about the shape of the Probability Density Function of a random variable. On the horizontal axis, the values of the variable of interest are divided into suitable intervals, and in each class interval.

rectangles are erect equal in height to the number of observations (frequency) in that class interval. If the residuals are normally distributed around its mean of zero the histogram is bell-shaped. The shape of the histogram as shown below in figure 2 revealed that the residuals are normally distributed around its mean of zero. This shape indicates that the majority of scores are clustered around the distribution's center (so the largest bars on the histogram are all around the central value).

# > Normal Probability Plot

In addition to a histogram of residuals, the normal probability plots were used to test the normality of the data. It is a comparatively simple graphical device to study the shape of the probability density function (PDF) of a random variable in the normal probability plot (NPP). It uses values of the variable of interest on the horizontal axis and the expected value of this variable on the vertical axis. If the fitted line in the NPP is approximately straight, one can conclude that the variable of interest is normally distributed. Hence, Figure 2 below indicated that residuals from the research model regression are approximately normally distributed because a straight line gives the impression to fit the data reasonably well. This test also shows the normal distribution of residuals around its mean of zero.

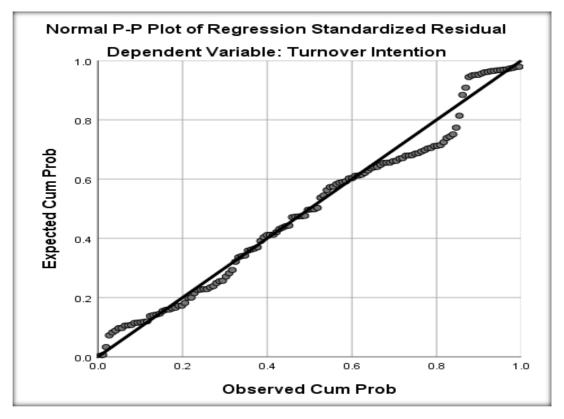


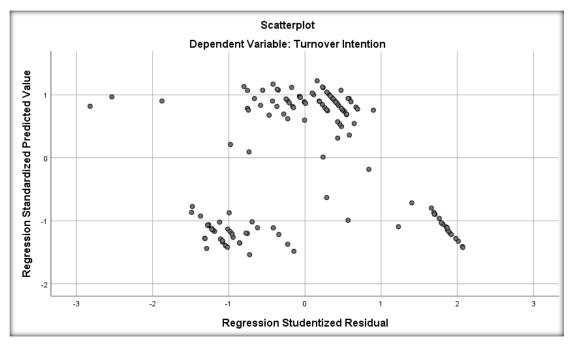
Figure 2:Normal p-p plot of Regression Standardized Residual

Source: Own Survey Output (2021)

Figure 2 plots the cumulative probability of independent variables (in this case we would specify a normal distribution). If the data is normally distributed, the actual cumulative probability equals the expected cumulative probability, yielding a gorgeous straight diagonal line. The goal is to compare the data points to this line, which is conveniently drawn on the graphic. The variable is normally distributed if values fall on the diagonal of the plot, but departures from the diagonal indicate departures from normality.

# > Scatter Plot





# 4.7.3 Multicollinearity Test

The multicollinearity test was performed to determine if the independent variables were not highly correlated with one another. To detect this, pairwise and multiple variable collinearity tests of Tolerance and its inverse Variation Inflation Factor (VIF) were used. Accordingly, the table below presents these values of the two independent regression independent variables.

Table 17:Collinearity Statistics for a Regression model

Model		Collinearity	Collinearity Statistics		
		Tolerance	VIF		
1	(Constant)				
	Achievement	0.171	5.839		
	Recognition	0.218	4.583		
	Compensation Pay	0.190	5.259		
	Organizational Commitment	0.200	5.010		
	Job Engagement	0.203	4.930		
a. Depen	dent Variable: Turnover Intention		1		

Source: Own Survey Output (2021)

The VIF is a measure of the reciprocal of the complement of the inter-correlation among the predictors. The decision rule is a variable whose VIF value is greater than 10 indicates the possible existence of multicollinearity problem. Tolerance (TOL) defined as 1/VIF, is similarly used by countless researchers to check on the degree of collinearity. The decision rule for tolerance is a variable whose TOL value is less than 0.1 shows the possible existence of multicollinearity problem (Gujarati, D., & Porter, D. C. (2004).

As can be seen from table 16 the tolerance values for both models are above 0.1 and the inverse VIF values are below 10. This indicates that there is no severe multicollinearity among the independent variables, hence, the assumption of multicollinearity is not violated.

## 4.7.4 Independence of Observations

A final test that the residuals of observations are independent of one another was performed to verify the assumption of no autocorrelation in the CLRM. The Dublin-Watson (DW) test was used to check the independence of residuals from one another. A regression analysis using the DW test statistic indicated the following values for the regression model. Durbin-Watson statistic is used to test for the presence of serial correlation among the residuals. The residuals are not correlated if the Durbin-Watson statistic is approximately 2, and a tolerable range is 1.50 - 2.50.

Table 18:DW Statistic for the Regression model.

Model Summary <sup>b</sup>							
Model	R	R Square	Adjusted R	Std. Error of	Durbin-		
			Square	the Estimate	Watson		
1	.586 <sup>a</sup> 0.344		0.318	8.2494	2.188		
a.Predictors: (Constant), Achievement, Recognition, Compensation/Pay, Organizational							
Commitment, Job Engagement.							
b. Dependent Variable: Turnover Intention.							

# Source: Own Survey Output (2021)

From the result DW was within the range of 1.50-2.50, as a result, the assumption of independence of residuals was satisfied.

## 4.8 Regression Analysis and Discussion

Overall the model passed the four diagnostic tests by Classical Linear Regression Assumptions (CLRM). The next part will present the results of the regression output to analyze the factors of job satisfaction on employee" turnover intention.

Regression analysis is preoccupied with describing and evaluating the relationship between a given independent and dependent variable(s). It is used must be able to recognize the relationships between variables and forecast the value of one variable based on the value of another. Further, regression analysis helps the researcher to understand when each one of the independent variables is held constant, how the mean value of the dependent variable changes (Julie and Pallant, 2005).

## 4.8.1. Regression analysis

Table 18, indicates the investigation of the relationship between job satisfaction factors (achievement recognition, ,compensation/pay, organizational commitment, job engagement) and turnover intentions. All dimensions were examined using multiple regression analysis to ascertain the extent to which they explain that the variance in turnover intention Elmi Olindo construction company.

The R-value is the correlation coefficient between the dependent variable and the independent variables are taken together. The adjusted R square indicates the extent or percentage of the independent variables which can explain the variations in the dependent variable.

As per the multiple regression model result, the R-value is 0.586, which showed that a large correlation between the dependent variable and independent variables exists, the adjusted R square value of 0.318 showed that those independent variables can explain 31.8 % of the variation in the dependent variable i.e. turnover intention is explained by these five predictors; while the rest of 68.2% turnover intention is influenced by other variables which are not incorporated under this study. Since this model explains only 31.8% of the dependent variable that reveals the model is weak.

## Table 19:Multiple Regression Model Summary

Model Summary <sup>b</sup>							
				Std. Error			
				of the	Durbin-		
Model	R	R Square	Adjusted R Square	Estimate	Watson		
1	.586ª	0.344	0.318	0.82494	2.188		
a. Predictors: (Constant), Job Engagement, Recognition, Organizational							
Commitment, Compensation Pay, Achievement							
b. Dependent Variable: Turnover Intention							

Source: Own Survey Output (2021)

# Table 20:ANOVAa

	ANOVA <sup>a</sup>							
Model		Sum of Squares	df	Mean Square	F	Sig.		
1	Regression	45.650	5	9.130	13.416	.000 <sup>b</sup>		
	Residual	87.107	128	0.681				
	Total	132.757	133					
a. Depe	a. Dependent Variable: Turnover Intention							
b. Predictors: (Constant), Job Engagement, Recognition, Organizational Commitment,								
Compensation Pay, Achievement								

Source: Own Survey Output (2021)

Table 19, shows the ANOVA test on the general significance of the model. The result revealed that the set of predictors is statistically significant at predicting turnover intention, with Fstatistic= 13.416 and P-value (Sig. = 0.000) is less than alpha value 0.05. Therefore, the independent variables are significant to explain the variance in turnover intention.

Table 21:Regression Coefficients

Coefficients <sup>a</sup>							
Model		Unstandardized		Standardized		Sig.	
		Coefficients		Coefficients	t		
	Widdei	В	Std.	Beta			
		D	Error	Deta			
1	(Constant)	5.219	0.231		22.635	0.000	
	Achievement	-0.082	0.158	-0.09	-0.517	0.606	
	Recognition	-0.008	0.134	-0.009	-0.057	0.955	
	Compensation	-0.222	0.156	-0.234	-1.428	0.156	
	Pay	0.222	0.150	0.254	1.420	0.150	
	Organizational	-0.099	0.157	-0.101	-0.633	0.528	
	Commitment	0.077			0.020	0.020	
	Job Engagement	-0.203	0.170	-0.189	-1.190	0.236	
a. Dependent Variable: Turnover Intention							

# Source: Own Survey Output (2021)

Table 20, shows the extent to which each independent variables influence the dependent variable. The result shows the regression coefficient (beta) that has a negative sign indicates the independent variables have a negative impact on turnover intention.

The beta coefficient values shown in Table 20, indicated that achievement has a coefficient of (- .09), recognition has a coefficient of (-.009), compensation pay has a coefficient of (-.234), organizational commitment has a coefficient of (-.101), job engagement has a coefficient of (-.189), with significant p-value < 0.05 for all those five predictors. Hence, these predictors (achievement, recognition, compensation/pay, organizational commitment, job engagement) have a negative relationship with employee turnover intention. It also has a significant impact (contribution) on turnover intention. Therefore, it can be said that the increase or decrease of the value of those variables has a significant impact on the level of employee turnover intention at Elmi Olindo construction company.

As the result of this regration, it can be said that (achievement recognition, compensation/pay, organizational commitment, job engagement)have contributed high to the variation of employees' turnover intention at Elmi Olindo construction from the higher to lower compare to other predictors under study. From this result, we can say that job satisfaction has an inverse relationship and effect on employees' turnover intention. Mahdi et al, (2012) stated that both forms of job satisfaction (intrinsic and extrinsic satisfaction) have an inverse relationship with employees' turnover intentions. Even though, intrinsic job satisfaction has a greater impact on the intention to turnover. The existence of extrinsic job satisfaction also must be considered in measuring intention to quit.

The regression model is a model which explains the relationship between a dependent and independent variable in which variables on the right side of the model are independent variables including the constant term and dependent variable in the left side of the model.

Therefore, the following model is formulated by using the coefficients of the independent variables.

 $Y = \beta o + \beta 1X1 + \beta X2 + \beta 3X3 + \beta 4X4 + \beta 5X5 + \mu$ Where Y = the dependent Variable, Intention to leave  $\beta o = Y$  axis intercept( the constant beta value)

 $\beta$ 1,  $\beta$ 2,  $\beta$ 3,  $\beta$ 4, and  $\beta$ 5 is beta weight for each independent variables

*X*1, *X*2, *X*3, *X*4 and *X*5

X1(chievement), X2(recognition), X3(compensation pay),

X4(oganizational commitment), and X5(job engagement)

 $\mu = the \ error \ term \ (0.05)$ 

TI = 5.219 - 0.09(A) - 0.009(R) - 0.234(C) - 0.101(OC) - 0.189(JE) + 0.05The regression coefficient explains the average amount of change in the dependent variables due to unit change in the independent variable holding other explanatory variables constant. The result shows the regression coefficient (beta) that has a negative sign indicates the independent variables have a negative impact on turnover intention.

# 4.9 Summary of Regression Analysis

Based on the regression result the hypothesis of the study is tested and presented as follows.

## **Results of Hypothesis H1:**

H1: Achievement has a negative and significant effect on employees' turnover intention. As we can see in the above coefficient table, achievement has a beta value of -0.09 (P >0.05).

Null: Achievement has a positive and significant effect on employees' turnover intention.

Alternative: Achievement has a negative and significant effect on employees' turnover intention.

The Null hypothesis would be rejected and the alternate hypothesis fails to reject according to the SPSS analysis result.

# **Results of Hypothesis H2:**

**H2**: Recognition has a negative and significant effect on employees' turnover intention. As we can see in the above coefficient table, achievement has a beta value of -0.009 (P>0.05).

Null: Recognition has a positive and significant effect on employees' turnover intention.

Alternative: Satisfaction with Recognition has a negative and significant effect on employees' turnover intention.

The Null hypothesis would be rejected and the alternate hypothesis fails to reject according to the SPSS analysis result.

## **Results of Hypothesis H3:**

H3: Compensation/pay has a negative and significant effect on employees' turnover intention. As we can see in the above coefficient table, achievement has a beta value of -0.234 (P>0.05)

Null: Compensation/pay has a positive and significant effect on employees' turnover intention.

Alternative: Satisfaction with Compensation/ pay has a negative and significant effect on employees' turnover intention.

The Null hypothesis would be rejected and the alternate hypothesis fails to reject according to the SPSS analysis result.

# **Results of Hypothesis H4:**

**H4**: Organizational commitment has a positive and significant effect on employees' turnover intention. As we can see in the above coefficient table, organizational commitment has a beta value of -0.101 (P>0.05)

Null: Organizational commitment has a negative and significant effect on employees' turnover intention.

Alternative: Satisfaction with Organizational commitment has a negative and significant effect on employees' turnover intention.

The Null hypothesis would be rejected and the alternate hypothesis fails to reject according to the SPSS analysis result.

# **Results of Hypothesis H5:**

**H5**:Job Engagement has a negative and significant effect on employees' turnover intention. As we can see in the above coefficient table, job engagement has a beta value of -0.189 (P>0.05).

Null: Job Engagement has a negative and significant effect on employees' turnover intention.

Alternative: Satisfaction with Job Engagement has a negative and significant effect on employees' turnover intention.

The Null hypothesis would be rejected and the alternate hypothesis fails to reject according to the SPSS analysis result.

The negative and significant finding is consistent with Ghayas M.M & Siddiqui S. J (2012) According to their study Payment/compensation, promotion opportunity, and nature of work have a negative impact on turnover intentions. The negativity in the relationship showed that with the increase in the satisfaction level of these facets of the job satisfaction, employees are less likely to have the intentions to switch the job and vice versa. Hence, to reduce turnover intentions, the managers in the industry should focus on raising job satisfaction levels in the above-mentioned aspects of employee work satisfaction.

# **CAPTER FIVE**

# FINDING, CONCLUSION, AND RECOMMENDATION

## **5.1 Introduction**

In this chapter, the conclusions and recommendations are discussed. For clarity purposes, the summary of findings is based on the objectives of the study, and the conclusions are based on the findings of the study. Based on the conclusions of the study recommendations are made to regulatory bodies of Elmi Olindo construction company, managers, and suggestions for future researchers.

The survey was conducted in Elmi Olindo construction company's head office and construction site at Addis Ababa and around. A total of 148 numbers of structured questionnaires were distributed to the respondents out of which 138 questionnaires were returned,10 (6.75%) questionnaires were uncollected. Out of the returned 4 questionnaires or 2.89% of them not included in the further analysis due to incomplete and invalid responses. Therefore, 134 questionnaires were processed for the analysis of data with a response rate of 90.36% which indicates an acceptable survey response rate. And, among the 134 valid respondents of study 93(69.4%) were male; whereas, the remaining 41(30.6%) were female respondents. By using reliability test factors of job satisfaction and turnover intention questionnaires were tested and their Cronbach alpha coefficient measures > 0.7.

The researcher applied a quantitative approach; descriptive statistics to assess the level of employee job satisfaction and employee turnover intention. And, inferential statistics of Pearson correlation in describing the relationship between job satisfaction and employee turnover intention, and path analysis in evaluating the effect of job satisfaction on employee turnover intention. The summary of findings was made based on the five specific objectives of the study as follows.

## **5.2. Summary of Findings**

The summary of the finding was drawn based on the objectives and the finding of the study. Accordingly, the following summary of the finding was drawn for each objective:

Objective one: To examine the effects of job satisfaction with achievement on employees" turnover intention.

To describe the first objective Moidunny, K. 2009. the mean score of 1.00-1.80 is very low, 1.81-2.60 low, 2.61 - 3.20 medium, 3.21 - 4.20 high, and 4.21-5.00 mean score value is very high Standing from this, Elmi Olindo construction company employees have a medium level of job satisfaction with achievement (Mean=2.8451 and SD =1.09114). Whereas the mean score of turnover intention is 3.4876. Hence, it can be said that Elmi Olindo construction company employees have a high level of intention to leave the company.

The second findings of the study using correlation analysis revealed that factors of job satisfaction, achievement have a large, negative, and significant relationship with employee turnover intention. The third findings of the study using regression analysis showed that the adjusted R square value of 0.318 depicting 31.8 % of the variation in employees' turnover intention is explained by the factors of job satisfaction used in this study, while the rest of 68.2% turnover intention is influenced by some other variables.

More specifically, the regression coefficient (beta) also showed the extent to which achievement influences the dependent variable. Accordingly, achievement has a negative and significant beta value at the level of P>0.05. Therefore, it can be said that the increase or decrease of the value of achievement of job satisfaction had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company.

Amongst these factors of job satisfaction achievement, relatively high impact to the variation of turnover intention with Beta value -0.090. More clearly speaking, a 100% improvement in achievement results in reducing the intention of employees to leave by 9.0%.

# Objective two: To examine the effects of job satisfaction with recognition opportunity on employees" turnover intention.

Standing from this, Elmi Olindo construction company employees have a medium level of job satisfaction with recognition (Mean= 2.8806 and SD =1.1408). Elmi Olindo construction company employees have a high level of intention to leave the company. The second finding using correlation analysis revealed that factors of job satisfaction, recognition have a large, negative, and significant relationship with employee turnover intention. The regression coefficient (beta) also showed the extent to which recognition

influences the dependent variable. Accordingly, recognition has a negative and significant beta value at the level of P>0.05.

Therefore, it can be said that the increase or decrease of the value of recognition of job satisfaction had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company. Amongst these factors of job satisfaction recognition, relatively high impact to the variation of turnover intention with Beta value -0.009. More clearly speaking, a 100% improvement in recognition results in reducing the intention of employees to leave by 0.9%.

# Objective three: To examine the effects of job satisfaction with compensation/pay opportunity on employees" turnover intention.

Standing from this, Elmi Olindo construction company employees have a medium level of job satisfaction with compensation/pay (Mean = 2.7955 and SD=1.0533). Elmi Olindo construction company employees have a high level of intention to leave the company. The second finding using correlation analysis revealed that factors of job satisfaction, compensation/pay have a large, negative, and significant relationship with employee turnover intention. The regression coefficient (beta) also showed the extent to which recognition influences the dependent variable. Accordingly, recognition has a negative and significant beta value at the level of P>0.05.

Therefore, it can be said that the increase or decrease of the value of compensation/pay of job satisfaction had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company. Amongst these factors of job satisfaction compensation/pay, relatively high impact to the variation of turnover intention with Beta value -0.234. More clearly speaking, a 100% improvement in compensation/Pay results in reducing the intention of employees to leave by 23.4% *Objective four: To examine the effects of job satisfaction with organizational commitment opportunity on employees*" *turnover intention*.

Standing from this, Elmi Olindo construction company employees have a medium level of job satisfaction with organizational commitment (Mean=2.8388 and SD=1.02171). Elmi Olindo construction company employees have a high level of intention to leave the company. The second finding using correlation analysis revealed that factors of job satisfaction, organizational commitment have a large, negative, and significant relationship with employee turnover intention. The regression coefficient (beta) also

showed the extent to which recognition influences the dependent variable. Accordingly, recognition has a negative and significant beta value at the level of P>0.05.

Therefore, it can be said that the increase or decrease of the value of organizational commitment of job satisfaction had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company. Amongst these factors of job satisfaction organizational commitment, relatively high impact on the variation of turnover intention with Beta value -0.101. More clearly speaking, a 100% improvement in organizational commitment results in reducing the intention of employees to leave by 10.1%

# Objective five: To examine the effects of job satisfaction with job engagement on employees" turnover intention.

Standing from this, Elmi Olindo construction company employees have a medium level of job satisfaction with job engagement (Mean=2.8254 and SD=0.93211). Elmi Olindo construction company employees have a high level of intention to leave the company. The second finding using correlation analysis revealed that factors of job satisfaction, job engagement have a large, negative, and significant relationship with employee turnover intention. The regression coefficient (beta) also showed the extent to which recognition influences the dependent variable. Accordingly, recognition has a negative and significant beta value at the level of P>0.05.

Therefore, it can be said that the increase or decrease of the value of job engagement of job satisfaction had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company. Amongst these factors of job satisfaction job engagement, relatively high impact on the variation of turnover intention with Beta value -0.090. More clearly speaking, a 100% improvement in job engagement results in reducing the intention of employees to leave by 18.9%.

## **5.3.** Conclusion

This research was conducted with the prime intent of critically assessing the effect of job satisfaction on employee turnover intention in Elmi Olindo construction company. Based on the objectives and findings of the study, the following conclusions are worth drawn.

The results of the study enable us to conclude that Elmi Olindo construction company employees have a medium level of job satisfaction and Similarly, Elmi Olindo construction company employees have a high level of intention to leave the company. As Pearson correlation results of this study indicate the researcher generalized that job satisfaction, has a large, negative, and significant relationship with employee turnover intention. From the findings, the researcher concluded that job satisfaction affects turnover intention in the Elmi Olindo construction company.

Regarding Regression analysis output, we can conclude that satisfaction with payment, satisfaction with promotion, satisfaction with nature of work have a negative and significant effect on dependent variables. Whereas, job satisfaction dimensions such as satisfaction with supervision and satisfaction with achievement have a negative and insignificant effect on turnover intention.

The researcher concluded that the overall employee's intention to leave the company was high and this indicates that Elmi Olindo construction company human resource management does not provide high attention to achievement recognition, compensation/pay, organizational commitment, job engagement of the employees.

#### 5.4. Recommendation

Job satisfaction is one of the primary reasons for employees to quit their jobs in an organization (Barak et al 2001). When employees leave an organization, they take knowledge capital, relationships, and investments along with them. Intelligent employers never undermine the importance of retaining the best talent. Business strategies in general and HR policies and practices, in particular, must be framed in such a way that they ensure the retention of key performers. Therefore, to achieve the company mission and strategic goals Elmi Olindo construction company should work continuously to attract, develop, manage, motivate and retain committed employees. In view of the above discussion, the following suggestions are recommended to the policymakers and /or elmi Olindo construction company management (from highest to lower-level management) in general and HR in particular which will help to increase the level of employees' job satisfaction and in turn reduce the level of employees' turnover intention at Elmi Olindo construction company.

 The finding of the study showed that Elmi Olindo construction company employees have a medium level of job satisfaction which is expressed in its factors; achievement, recognition, compensation/pay, organizational commitment, and job engagement. Thus, it is recommended that Elmi Elindo construction company human resource division:

- ✓ Personal management functional unit should make exit interviews for employees who leave the company voluntarily, so this helps to know partially the reasons of the employees' turnover and helps managements to take appropriate action for the problem.
- ✓ Develop proper human resource management retention policy and strategy to reduce turnover intention as a result to retain key performer employees.
- ✓ Has to continue conducting the annual employee satisfaction survey for the total staff by providing delegation for HR teams rather than monitoring central which helps to increase response rates. Therefore, based on the survey result the management should take appropriate remedial action.

The first findings of the study also showed that compensation/pay the lowest mean score were the major factors of job satisfaction found to be playing a major role for employees' turnover intention at Elmi Olindo compared to other job satisfaction factors considered in this study. Therefore, it has been recommended that Elmi Olindo construction company management in general and HR in particular:

- ✓ Since satisfaction with compensation/pay has a negative and statistically significant effect on the turnover intention with a mean value of below average. It indicates that employees of the company are dissatisfied with payment. Pay package plays a significant role in influencing the level of job satisfaction. There are twin purposes solved by good packages. Firstly, money is an important motivator and secondly, it shows employer<sup>\*\*</sup>s attitude and concern towards employees. According to (Lai,2011), an efficient compensation system leads in organizational growth and development which reveals a positive correlation between job satisfaction and skill-based pay, job-based pay, and performance-based pay which helps to increases job satisfaction and reduce turnover intention.
- 2) The second findings revealed that factors of job satisfaction; achievement, recognition, compensation/pay, organizational commitment, and job engagement were found to be negatively and significantly associated with employees' turnover intention at Elmi Olindo construction company. Among these five factors, were found negatively and significantly associated with employees' turnover intention. Therefore, it has been recommended that Elmi Olindo construction company:

- ✓ Managements (the highest to lower-level management) have to acknowledge employee's achievements on a daily, weekly, monthly, and annual basis. In addition to this, executing a formal program to recognize top achievers in every job category is essential. Furthermore, these acknowledgments create a healthy competition environment among employees that helps to increase satisfaction and reduce turnover intention.
- Another important policy implication is related to the strong association/relationship prevailing between organizational commitment and turnover intention. This relationship sheds light on the importance of incorporating, as well as giving high emphasis on, the requirement of organizational commitment; the company should introduce ways in the organization so that the committed employees get the motivation to get satisfied with the job. This may enhance the organizational commitment level and reduce the ratio of turnover intention.
- ✓ One of the vital policy implications has much to do with the strong relationship existing between job engagement and intention to leave. This negative correlation suggests that the company should, adopt a more focused organizational approach to improving employee engagement from high-level measures such as the formation of an engagement board through to company-wide awareness training and worker involvement programs. To realize the full benefits of employee engagement, it needs to be taken seriously at all levels even as far as incorporating engagement and client satisfaction dimensions into the employee bonus scheme.
- ✓ Even if recognition is statistically insignificant for turnover intention, the management should give attention to solve problems associated with these variables since they are dissatisfied with the recognition.
- 3) The third findings using regression analysis also showed the increase or decrease of the value of the predictor variables (achievement, recognition, compensation/pay, organizational commitment, and job engagement) had a negative and significant impact on the level of employees' turnover intention at Elmi Olindo construction company. Therefore, it has been recommended that Elmi Olindo construction company.

✓ Management in general and Sourcing and facility division, in particular, has to create standardize working environments; standardize office, office equipment, furniture, office layout, proper lighting, free of noise, clean restrooms, free of toxic substance and their exposure, as well as other health and safety provisions, depend on nature of the work. That helps to increase job satisfaction in turn reduces employee turnover intention.

Generally, the management of the company has to work on employee job satisfaction to enhance employee satisfaction and reduce turnover intention since a skilled workforce is crucial to achieving its goal of becoming top engineering and construction firm, known for its innovative working methods, technology skills, and human resources.

#### 5.5. Areas of Future Research

This study has some limitations the limitation of the respondents might be reluctant to express their true feelings about the questions asked, and also the limitation of the study is the small sample size this sample size does not reflect the general population or appropriate population concerned. 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, and lack of the researcher's experience affected the research work. Furthermore, other factors that may influence Elmi Olindo construction employee's turnover intentions are not measured.

The study found out that 31.8 % of the variation in employees' turnover intention is explained by factors of job satisfaction (achievement, recognition, compensation/pay, organizational commitment, and job engagement); while the rest of 68.2% turnover intention is influenced by other variables outside the variable under study. Therefore, the results presented in this study are not inclusive of different factors that affect employees' turnover intention and all Elmi Olindo construction company employees. Therefore, future research needs to be done considering the factors under this study in Elmi Olindo construction companies and/or other sectors of the country.

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## **Appendix 1: Questionnaire**



# St. Mary's University School of Graduate Studies Master's in Business Administration

# Questionnaire to be filled by Elmi Olindo Construction Company Employees Dear Respondents

The purpose of this questioner is to collect primary data for the study on "THE EFFECT OF JOB SATISFACTION ON EMPLOYEES' TURNOVER INTENTION" The case of Elmi Olindo construction company.

The study is required for academic purposes only. Your cooperation in filling the questionnaire is crucial and makes the study more useful. So, please take a few minutes to fill the questionnaire and be objective while completing your answers. I would like to assure you that the information you give would strictly be kept confidential.

### Instruction

- No Need to write your name
- Please put a tick mark ( $\sqrt{}$ ) in the box

For further clarification and questions about the study, please contact me via,

Girma Terefe

Tel-+251923298807

Email - Girmaterefe8807@gmail.com

1. Sex Male Female
2. Age 18-25 26-35 36-40 41-55 56-60
3. Marital Status Single Married
4. Educational Background Diploma B.A/B.Sc. M.A. /M.Sc. If
others specify
5. Your Service years in this organization 1-4 5-9 10 and above
6. Your current position
Project Manager Engineer Officer Site Forman Site staff
Survey Safety Officer Others
7. Your current salary range between
Less than ETB 1650 between ETB 1,651-3,200 Between ETB 3,201-
5,250 between ETB 5,251-7,801 ETB 7,802-10,900 Above 10,901

### Part II. Opinion Survey on Job Satisfaction and Employees Turnover Intention

**Directions:** The following are descriptive statements about job satisfaction and turnover intention. Please put ( $\checkmark$ ) Mark in the place where the choice appropriate for you.

#### **Rating Scale:**

**Part I. Demographic Information** 

1=Strongly Disagree (SD);2= Disagree(D);3= Neutral (N);4= Agree (A);5= Strong

	Statements	Rating scale								
S/N		1(SD)	D(2)	3(N)	4(A)	5(SA)				
	Job Satisfaction									
	Achievement									
1	I like the feeling of accomplishment I get from the job.									
2	I am proud to work in Elmi Olindo construction									
	company because it recognizes any achievement.									
3	I feel satisfied with my job because it gives me a feeling									
5	of accomplishment.									
4	I feel I have contributed towards Elmi Olindo's									
Т	construction company goals.									
	Recognition									
1	I feel appreciated when I achieve or complete a task.									
2	My boss/ manager /supervisor always thanks me for									
	a job well done.									
3	I receive adequate recognition and rewards for a job									
5	well done.									
4	I like the recognition I get for doing my job well.									
	Compensation /Pay									
1	I am satisfied with the payment I receive from Elmi									
T	Olindo construction company.									
2	I receive an additional payment if I do additional work.									
3	I feel my salary is enough to support my lifestyle.									
	All necessary fringe benefits are provided in Elmi									
1	Olindo construction company. {e.g, health insurance,									
4	transport allowance, provident fund/pension, and									
	different types of loans).									
	Regarding salary, I feel that I am treated fairly									
5	compared to colleagues in Elmi Olindo construction									
5	company who have similar qualifications and who									
	have served similar service years.									

	Statements	Rating scale									
		1(SD)	D(2)	3(N)	4(A)	5(SA)					
	Organizational Commitment										
1	I am willing to put in a great deal of extra effort to help										
Ĩ	Elmi Olindo construction company to be successful.										
2	I am proud to tell others that I am part of Elmi Olindo										
-	construction company.										
3	I could be just as happy working for a different company										
	as long as the types of work were similar.										
4	I really care about the fate of Elmi Olindo construction										
1	company.										
5	It would take very little chance in my present										
	circumstances to cause me to leave.										
	Job Engagement										
1	I am happy with my job placement according to my skill,										
-	experience, and qualification.										
2	I am happy with the nature of my job/work.										
3	I am highly engaged in this organization.										
4	I lose track of time when I fulfill my job requirement.										
5	I am not able to think about other things while doing my										
U	job.										
	Turnover Intentions	5									
1	I stayed at the current job because I don't have other										
-	options.										
2	I try my best to look for a new job.										
	I am already fed up with working in this construction										
3	company, so I am searching for a better job in a better										
	organization at the moment.										
4	I often think of leaving Elmi Olindo's construction company.										
5	I will likely actively search for a new job in the next year.										
6	The moment I can obtain a better job, I will resign from Elmi										
	Olindo construction company.										

### **Part III Interview Questions**

**Paper title -** The effect of job satisfaction on employees' turnover intention" The case of Elmi Olindo construction company.

#### **Semi-structured Interview**

1. Do you believe Elmi Olindo Construction Company has a high rate of employee turnover?

2. Why do most of Elmi Olindo's workers need to leave the firm?

3. Would you please list out some of the challenges that have faced the construction, as a result of

employee turnover intention?

4. What impact does employee turnover have on the Elmi Olindo construction company's results, and what is your attitude toward it?

5. Does the company has ever used or attempted to use any methods to know the reason for turnover intention (if there were any)?

6. What strategies have the organization used to combat the threat of turnover, and how successful were these approaches (if any)?