



**SAINT MARY UNIVERSITY
SCHOOL OF GRADUATE STUDIES
FACULTY OF BUSINESS ADMINISTRATION**

**ASSESSMENT OF EMPLOYEE TURNOVER AND EMPLOYEE RETENTION
STRATEGIES**

THE CASE OF MIDROC CONSTRUCTION ETH PLC

BY

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ADDIS ABABA, ETHIOPIA

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THE CASE OF MIDROC CONSTRUCTION ETH PLC**

**BY
YOHANNES MULUGETA**

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DECLARATION

I hereby declare that this thesis entitled *Assessment of Employee Turnover and Organizational Performance of MIDROC Construction ETH Plc* is my original work under the guidance of Mr. Tiruneh Legesse (Asst Proffessor). Furthermore, I confirm that the thesis has not been submitted for any college or university for any degree and all the materials have been duly acknowledged.

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Date: _____

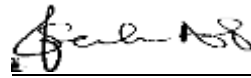
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ENDORSEMENT

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

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A handwritten signature in black ink, appearing to read 'Tiruneh Legesse', written over a horizontal line.

Signature & Date

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ABBREVIATIONS AND ACCRONYMS

ETH	Ethiopia
HO	Head Office
MIDROC	Mohammed Industries Development Research Organizations Companies
HR	Human Resource
HRM	Human Resource Management
Plc	Private Limited Company
SD	Standard Deviation
SPSS	Statistical Package for Social Science

ABSTRACT

Employee turnover is a significant factor that should be due attention by organizations. The general objective of the study was to assess employee turnover and employee retention strategies, the case study of MIDROC Construction ETH Plc. The study was guided by the following specific objectives; to identify the causes that lead to employee turnover in MIDROC Construction ETH Plc., and to assess employee turnover on organizations and to assess the possible strategies of reducing employee turnover in the organization. The study employed a descriptive research design since it intends to gather qualitative and quantitative data that describes the nature and characteristics of employee turnover and employee retention strategies in the organization. The target population comprised a total of 390 employees working at MIDROC construction ETH Plc. head office and terminal branches. The sampling method used in this study was stratified random sampling for quantitative data and purposive sampling for qualitative data. Primary data was collected using structured questionnaires and semi structured interview. Secondary data gathering instruments are observation and documents of the company from HR department. Therefore, the study found out that the majority of the respondents stated low compensation, lack of promotion, lack of training and education, lack of recognition and appreciation are the major causes of turnover and most respondents agreed that the organization lack remuneration adjustments within time, did not recognize and appreciate work achievements, and didn't have career growth plan and opportunity taken as retention strategies implemented by the organization. The study recommended that the organization to put competitive compensation packages, create training education and career development opportunities as a retention strategy to implement and has to make its employees stay longer

Key Words: *Employee Turnover, Costs of Turnover, Employee Retention, Retention*

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the Study

Employee turnover occurs when employees leave their current employment and recruitment of new employees takes place. When employees depart from an organization, the remaining employees tend to perform additional work until another employee is recruited, which affects the performance of the organization. Replacing employees who have left the organization, becomes costly and destructive to service delivery. Employee turnover is a major component that destabilizes the performance of organizations.

According to Martin (2005), a huge concern to most companies is that employee turnover is a costly undertaking especially in organizations that thrives and values viability of the business. Employees' wages, company benefits, employee attendance, and job performance are all factors that contribute to employee turnover (Dessler, 2009). According to Murphy (2009) companies take a deep interest in their employee turnover rate because turnover affect the running of the business by creating disruptions which results to reduced production and profits of the organization. Replacing an employee demands that time should be taken to induct the new employee on new roles and responsibilities which is a cost to the organization (Anthony, 2006).

In their search for new hires, organizations might pay to post job listings, hire recruiters, sponsor events, establish partnerships, and offer referral bonuses. Assessment tests, background checks, and various travel expenses associated with vetting candidates can also increase costs.

Employee turnover is expensive because organizations pay costs when an employee leaves and incur additional costs to recruit and train new hires.

Direct costs can include payouts for accrued vacation time and unused sick time, contributions to healthcare coverage, higher unemployment as decreased productivity, knowledge loss, and lowered morale, can incur incidental costs, as well.

According to (Willis, 2000), an organization can only be successful in its retention strategy if it offers competitive, market related pay and benefits because this motivates employees to become committed to the organization and remain in the organization for longer period of time. Organizations make great efforts to attract valuable employees and sustain them in the organization. In today's business environment only high salary is not adequate for employees to retain them in the organization, but others factors also play important role in their retention

The purpose of this study is to assess employee turnover and retention strategies practice in MIDROC Construction ETH Plc.

1.1 Background of the Organization

MIDROC Construction Ethiopia, which is one of the members of MIDROC Ethiopia group, was established in 1993 with a total investment in construction equipment and plant facilities of Birr 500 million and engaged in wide range of construction undertakings of all types and sizes. The company, is engaged in major projects ranging from high rise & complex multipurpose buildings, luxury hotel, hospital, stadium to small-scale construction activities so as to contribute its share in the construction sector of the economy. MIDROC Construction ETH has been registered by Ministry of works and Urban Development under the registration number CON/1203 and secured business license from Ministry of Trade and industry, under license number 00013/91 as a Private Limited Company. In the past 25 years since its establishment, MIDROC Construction ETH has successfully completed a number of major construction works (both in building and road sectors) in various parts of the country, most of which are massive and complex structures. The impressive and functional head office of African Union conference Center, Sheraton Addis, Oromia Conference Hall and Office Building Complex, Federal Police H.Q Building, Mekele Referral Hospital, and Bahirdar National Stadium are among the many construction works it has successfully undertaken.

The vision of the company is build an international standard construction company and engage in multimillion birr heavy projects and thereby contribute its share for the development of infrastructure of Ethiopia.

The company's mission among others, is based on firm company values and committed to:

- Offering the highest quality of construction service to clients
- Providing company trustworthiness through long term collaborative relationship with clients and suppliers
- Striving to work for excellence and quality on continuous basis for the satisfaction of clients
- Maximizing the potential of employees through training and development program

1.2 Statement of the Problem

Employee turnover has been a challenge for organizations. While few organizations tried to generalize what makes employees leave their work place, only a few have concerned and tried to solve the problem of employee turnover by investing the necessary resources. Employee turnover is generally tolerated by accepting that new employee will get of getting in the work place. In addition, the availability of cheap labor in most industries in ETH has made organizations not to invest much in employee turnover in terms of training, developing, maintaining and retaining them. But on the other hand, it is also a problem that when organizations lose experienced and trained employees, it is difficult to replace them. Moreover, when employees leave organizations, the remaining employee's tend to perform additional work until new employees are recruited which will affect the performance of the organization.

According to Maxwell (2010), a key problem to employees' turnover is that the organization loses the most experienced and skilled staff that the organization had invested heavily in training on various organization job task functions. This therefore means that, the organization must incur huge costs in terms of time and finance to train the newly recruited staff in order make them effectively adapt to organization working environment and demonstrate the required skills and experience. For the last 3 years, MIDROC construction has experienced an in-creased rate of employees' turnover. Furthermore, several skilled professionals

and a significant number of different employees left the organization that put its retention strategies in question. Although there are many researches that were studied by different researchers on the subject raised locally and globally, previous studies conducted on the topic specific to the organization are hardly available. In spite of this, based on observation by the researcher and previous related study conducted on MIDROC Construction showed that employee turnover had been a serious problem in the organization. In addition, the high employee turnover indicates that the organization was unable to prevent attrition of its employees that raised a question on the organization’s overall retention strategies.

The information obtained from the Human Resource Management Services Directorate of the organization shows that, MIDROC Construction ETH has experienced frequent employee turnover in the past few years. According to data obtained from HRM of the organization MIDOC had 3019 employees in March 2009 payroll. Although the available number of employees in the company mainly depends on the volume of the work, the current number of employees of the company is significantly reduced and reached below 400. This occurred after the increasing number of construction companies as a result of increased construction works in the country that brought aggressive competition among the organizations for better qualified works.

Table 1.1 Employees resigned from the organization from 2016-2021

Year	Average No. of employees in MIDROC Construction	Resignation	Percent
2016-2017	1058	102	10%
2017-2018	987	113	11%
2018-2019	890	121	14%
2019-2020	671	112	17%
2020-2021	565	109	19%

Source: HRM Activity Report of the Organization

Hence, unless this problem is addressed promptly, it will highly affect the performance of the company. Retaining valuable work force is very important for the survival of the company, and the company must design appropriate strategies to retain its quality employees.

To the best of the researcher’s knowledge, no research was conducted before to address this problem. This research aimed to fill this gap through theoretical discussion and empirical findings. Skilled employees enable an organization to excel and achieve its objectives efficiently.

Talented employees make a difference to organizational performance through their immediate efforts and they have potential to make an important contribution in the future. Organizations should have to adopt effective retention strategies such as career growth plan, financial and non-financial rewards adequate compensation, employee recognition and appreciation and training and development programs. Although several studies have been conducted on turnover and employee retention strategies by many researchers, there has not been such type of study done before in relation to MIDROC Construction ETH Plc., except, a related study on assessment of reward management on employee retention Gashaw, (2019). The study was focused on reward management as a retention strategy that has component variables of direct compensation, career development and work life balance.

Therefore, the study was aimed to assess employee turnover and focused on alternative employee retention strategies so that to fill this gap with alternative retention strategies through theoretical discussion and empirical findings.

1.4 Research questions

1. What are the major factors that lead to employee turnover in MIDROC Construction ETH Plc?
2. What retention strategies are being used by the organization to reduce turnover?

1.5 Objectives of the Study

1.5.1 General Objective

The general objective of this study is to assess employee turnover and employee retention strategies specifically in MIDROC Construction ETH Plc.

1.5.2 Specific Objectives

This research is intended to have the following specific objectives:

1. To identify the causes that lead to employee turnover in MIDROC Construction ETH Plc.
2. To assess the possible strategies put in place by MIDROC Construction ETH to reduce employee turnover

1.6 Significance of the Study

Employee turnover becomes one of the most important HRM issues that organizations need to give attention particularly in MIDROC Construction ETH Plc. The research hopes to identify the different explanations on consequences of turnover and alternative retention strategies to suggest management of the organization to take a corrective measure. The study could be also useful to the HR managers of MIDROC construction ETH Plc and other organizations facing similar problems in improving their practices on matters of employee retention strategies. This research provided an in-depth understanding of causes of turnover and employee retention strategies across multiple sectors, which will enable policymakers to (a) develop retention strategies in the backdrop of severe competition, (b) improve organizational long-term sustainability, and (c) understand the dynamics of employee retention across multiple sectors and industries. Moreover, this study could be a basis for further research related to practice and implementation of effective retention strategy in the organization in particular and the construction industry in ETH in general.

1.7 Scope of the Study

This study is to assess the causes of employee turnover and retention strategies in MIDROC Construction ETH Plc. In this regard, the study focuses only on the opinion of the employees and human resource manager of the organization. Among a bundle of HRM Practices, the study pays more attention on assessing employee retention strategy variables related with pay and benefits, internal relationships, work environments, training and management. Other components of retention strategies were not considered. Furthermore, the study adopted a cross-sectional survey that is confined to a single period time. It was conducted from March – April 2022.

1.8 Limitation of the Study

The study is confined to HO and terminal branches and in a project site found only in Addis Ababa to enable management to disclose much information on concerning the employee turnover problems and is therefore limited because the sample size of the study didn't cover employees who left the organization because of the difficulty to contact them to collect data. In addition, a project site outside Addis is not covered due to lack of funds and time and also because the presence of relatively few employees there as it is a newly contracted project started not more than six months back.

1.9 Organization of the Study

This study has five chapters. The first chapter includes background of the study, statement of the problem, objective of the study, significance of the study, scope and limitation of the study. The next chapter deals with the related review of literature which are related with the topic. The third chapter describes the research design and methodology used in the research. The fourth chapter presents the data analyzed, and will interpret the main findings. Finally, the last chapter concludes the paper by summarizing and giving recommendation.

1.10 Definition of key terms

- Employee - an individual who was hired by an employer to do a specific job.
- Employee turnover- refers to the total number of workers who leave a company over a certain time period.
- Employee retention- initiatives which management takes to prevent employees from leaving the organization (Cascio 2003).
- Employee Retention strategy - a plan that organizations create and use to reduce employee turnover, prevent attrition, increase retention, and foster employee engagement.
- Career development is an ongoing process by which individual's progress through a series of stages, each of which is characterized by relatively unique set of issues, themes and tasks (Armstrong 2014)

CHAPTER TWO

2. LITERATURE REVIEW

The last chapter discussed the background of the study and addressed a number of problems in relation to the two subjects of the study. In accordance to that, this chapter provides a detailed literature review (secondary sources) on employee turnover and retention strategies and the way in which the two elements are related each other and alternative retention strategies that could be effectively address employee turnover problem. The chapter presents facts obtained from a number of researchers and other sources regarding the topic at hand.

2.1 INTRODUCTION

Organizations invest a lot on their employees in terms of induction and training, developing, maintaining and retaining them in their organization. Therefore, managers at all costs must minimize employee's turnover. Although, there is no standard framework for understanding the employee turnover process as whole, a wide range of factors have been found useful in interpreting employee turnover Kevin et al. (2004). Therefore, there is need to develop a fuller understanding of the employee turnover, more especially, the sources- what determines employee turnover, consequences and strategies that managers can put in place minimize turnover. With globalization which is heightening competition, organizations must continue to develop tangible products and provide services which are based on strategies created by employees. These employees are extremely crucial to the organization since their value to the organization is essentially intangible and not easily replicated Meaghan et al. (2002).

Therefore, managers must recognize that employees as major contributors to the efficient achievement of the organization's success Abbasi et al. (2000). Managers should control employee turnover for the benefit of the organization success. The literature on employee turnover and retention strategies is divided into three groupings: types and sources of employee turnover, consequences of turnover and employee retention strategies to minimize turnover.

2.2 The concept of Employee Turnover

Labor turnover as defined by (Yankeelov et. al., 2008) as a situation whereby employees leave organization willingly for other causes and thereby influencing the organization negatively in relation to costs; and the capacity to foster the minimum services necessary. Employee turnover is delineated to a situation in which employees depart the organization for several reasons, and thus, negatively affect the organization in terms of overall expenditure and the abilities to distribute the minimum required services (Yankeelov et. al., 2008).

When employees leave the organization, this may not only impact on organization but also on workforce itself. Due to its depressing impact, employee turnover has been considerable topic for scholars, academics and managers.

Though employees work in units or positions for a long period, they feel tired and tend to leave the jobs. According to Ma et al. (2003), “Employees with young, inexperienced and high education level tend to have low level of satisfaction about jobs and careers, and have lower commitment to the organization, these negative attitudes are associated with turnover intention”.

But there is no standard reason why people leave organization. Employee turnover is the rotation of workers around the labor market; between firms, jobs and occupations; and between the states of employment and unemployment Abassi et al. (2000). Frequently, managers refer to turnover as the entire process associated with filling a vacancy: Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regard less of reason.

2.3 Types of Employee Turnover

Even though there are several sources of turnover in an organization, not all have the same effect on the performance of an organization. Memon et al. (2016) has identified two major type of employee turnover for an organization: involuntary and voluntary turnover. Organizations should identify between involuntary and voluntary turnovers that are discussed below.

2.3.1 Involuntary Turnover

The definition of involuntary turnover given by Cao et al. (2013), is related to the fact that the closure of the contract is initiated from the company and not by the employee himself. Involuntary turnover is initiated by the employer and can occur by other situations such as death, retrenchment, incapacity or retirement

There are some factors that are, in part, beyond the control of management, such as the death or incapacity of a member of staff. Other factors have been classed as involuntary turnover in the past such as the need to provide care for children or aged relatives. Today such factors should not be seen as involuntary turnover as both government regulation and company policies create the chance for such staff to come back to work, or to continue to work on a more flexible basis (Ongori, 2007).

2.3.2 Voluntarily Turnover

Voluntary turnover occurs when employees leave the organization they are working for on their terms and migrate to other organizations. It is the choice of the employee to depart from the organization. Dess et al. (2001), considers voluntary turnover to add costs to the organizations which come both from the direct costs, related to replacement, recruitment and selection temporary staff, management time, etc., and the indirect costs which come as a result of the loss of the so-called social capital, such as morale, pressure on remaining staff, costs of learning, product/ service quality, organizational memory etc.

Turnover often has a negative connotation, yet turnover is not always a negative event. Voluntary turnover further classified as functional and dysfunctional turnovers. Functional turnover occurs when an employee whose performance falls below the company's expectations is replaced by someone whose performance meets or exceeds expectations. It is functional because poor job performance, absenteeism, and tardiness are costly replacing a poor performer with an employee who does his job can improve the company's profitability. Functional turnover also occurs when replacing employees infuse new talent and skills, which can give an organization a competitive advantage. Dysfunctional turnover means an organization is losing employees whose performance, skills and qualifications are valuable

resources (Ogony, 2017). Dysfunctional turnover has been a major problem for management of organizations because it has a negative impact on the comprehensive performance of an organization.

2.4 Causes of Employee Turnover

Most researchers (Bluedorn, 1982; Kalliath and Beck, 2001) have attempted to answer the question of what determines people's intention to quit by investigating possible antecedents of employees' intentions to quit. To date, there has been little consistency in findings, which is partly due to the diversity of employed included by the researchers and the lack of consistency in their findings. Therefore, there are several reasons why people quit from one organization to another or why people leave organization. Employee turnover basically occurs due to unhappiness of an individual employee from job environment. Being unhappy is not merely the reason in a job, why individuals leave one job for another job. If the employees possess the skills that are in demand, they may be awarded higher pay, better facilities or job growth prospective. So, it is very important to recognize and know the difference between those employees who leave the job because they are not satisfied with their job and those employees who leave their job for other reasons, (Ibrahim, Usman, & Bagudu, 2013). Some of the important factors that contribute to employee turnover are;

2.4.1 Job Related Factors

There are several reasons why people quit from one organization to another or why people leave organization. The experience of job-related stress (job stress), the range factors that lead to job related stress (stressors), lack of commitment in the organization; and job dissatisfaction make employees to quit Firth et al. (2004). This clearly indicates that these are individual decisions which make one to quit. They are other factors like personal agency refers to concepts such as a sense of powerlessness, locus of control and personal control. Locus of control refers to the extent to which people believe that the external factors such as chance and powerful others are in control of the events which influence their lives Firth et al. (2004).

2.4.2 Economic Reasons

Manu et al. (2004) argue that employees quit from organization due economic reasons. Using economic model, they showed that people quit from organization due to economic reasons and these can be used to predict the labor turnover in the market. Role stressors

also lead to employees' turnover. Role ambiguity refers to the difference between what people expect of us on the job and what we feel we should do. This causes uncertainty about what our role should be. Insufficient information on how to perform the job adequately, unclear expectations of peers and supervisors, ambiguity of performance evaluation methods, extensive job pressures, and lack of consensus on job functions or duties may cause employees to feel less involved and less satisfied with their jobs and careers, less committed to their organizations, and eventually display a propensity to leave the organization. If roles of employees are not clearly spelled out by management or supervisors, this would accelerate the degree of employees quitting their jobs due to lack of role clarity.

2.4.3 Organizational Factors

Organizational instability has been shown to have a high degree of high turnover. Indications are that employees are more likely to stay when there is a predictable work environment and vice versa (Zuber, 2001). In organizations where there was a high level of inefficiency there was also a high level of staff turnover (Alexander et al., 1994). Therefore, in situations where organizations are not stable employees tend to quit and look for stable organizations because with stable organizations, they would be able to predict their career advancement.

2.4.3.1 Firm Stability

A sign of organizational stability or instability is one factor among many other factors responsible for the strength of employee turnover by level of employee satisfaction. Indications are that employees are more likely to stay when there is a predictable work environment and vice versa (Zuber, 2001). In organizations where there was a high level of inefficiency there was also a high level of staff turnover (Alexander et al., 1994). Therefore, in situations where organizations are not stable employees tend to quit and look for stable organizations because with stable organizations, they would be able to predict their career advancement.

2.4.3.2 Managerial Factors

High employee turnover is caused by the instability in the management of an organization. Employees are more inclined to stay and work when the organization is stable and friendly working environment (Bergmann and Scarpello, 2001). The obligation of a quantitative

approach to managing the employees has led to disillusionment of employee and so it directs to turnover. Because of this, managers should not apply the quantitative approach in supervising their employees (Dress and Shaw, 2001). Approving a cost-oriented approach to labor costs increases employee turnover. If managers take steps to cut the labor turnover, it is essential to avoid all these approaches (Dobbs, 2001). Organizations could eventually reduce in size turnover unless organization has performed as well-balanced communication system between managers and workers (Griffith and Hom, 2001).

2.4.4 Pay Level

Pay has a true alliance between employers and employees that help the organizations to apprehend and view decisions which assist in achieving the preset plans and objectives. Though, the idea of paying the employees is divided into two sections, one is external equity and second one is internal equity. External equity means those employees who are waging similar depending on their position, though the organizations may be different. It can help the organizations retain and magnetize its employees. Internal equity refers to the employees that are paid a similar position to work at a same pay scale. Some employees feel injustice without internal equity in the organization's environment, which leads to a greater employee's turnover rate in the organization.

2.4.5 Industry

The industry itself is surrounded by one of the causes which relate various dependent aspects that can impact employee's turnover rate in the organization. Several research studies have been conducted explaining various dimensions as market reflection, economic factors which are related to that industry as well as long term industry future aspect. (Taplin et al. 2003) conducted research on British industry of clothing concluded that various aspects having an impact on employee turnover of the organization where those that had a direct influence on that industry.

2.4.6 Work Situation

Employment status is the most conventional issue which is recognized to be the main issue for the employee's turnover. According to the faith of some consultants, the most essential influence on employee satisfaction associated with the work is the character of the work itself, which is the inherent characteristic of work as it is the most critical aspect of the

financial executing individual life (Judge & Watanabe, 1994). Employee self-satisfaction associated to the job characteristics highlights some important factors as job challenge, scope of work, the diversity of work and job retention are other ground aspects which finally varies from person to person depending upon their environment and approaches.

2.4.7 Training and Supervision

Employees always need direction and guidance. Those who are newly recruited need extra guidance in learning different jobs. Likewise, absence of training programs may cause employees to fall behind their performance level and realize that their skills are missing (Ibrahim et al. 2013). On the other hand, the quality of training programs provided to the organization's employees shows an indirect relationship with an employee's plan to remain or give up the organization. He recommended that training of employees' is the main root for the success of an organization. The employee's turnover rate could be reduced by training the employees and to keep talented people with them. No organization can be successful in any sector until and unless the strategies are adopted by the management to reduce the turnover rate efficiently and effectively (Aiza & Abdus, 2013).

2.5 Consequences of Employee Turnover

2.5.1 Replacement costs

Employee turnover is expensive from the view of an organization. Voluntary quits which represents an exodus of human capital investment from the organization and the subsequent replacement process entails various costs to the organizations. These replacement costs include for example, search of the external labor market for a possible substitute, selection between competing substitutes, induction of the chosen substitute, and formal and informal training of the substitute until he or she attains performance levels equivalent to the individual who quit John (2000).

Addition to these replacement costs, output would be affected to some extend or output would be maintained at the cost of overtime payment. Research estimates indicate that hiring and training a replacement worker for a lost employee costs approximately 50 percent of the worker's annual salary (Johnson et al., 2000): but the costs do not stop there.

Turnover has many hidden or invisible costs and these invisible costs are result of incoming employees, co-workers closely associated with incoming employees, co-workers closely associated with departing employees and position being filled while vacant. And all these affect the profitability of the organization.

2.5.2 Customer Service and Satisfaction

On the other hand, turnover affects customer service and satisfaction. Catherine (2002) argue that turnover include other costs, such as lost productivity, lost sales, and management's time, estimate the turnover costs of an hourly employee to be \$3,000 to \$10,000 each. As the labor market continues to tighten, employers are increasingly concerned about maintaining a stable workforce. They need competent, dedicated, and effective workers to serve their customers to fulfill their missions. Without a sufficient qualified and productive workforce, employers are vulnerable to competitive forces as well as the impact of negative relationships with their customers. It is frustratingly difficult to find, recruit, and hire the caliber of employees that companies desire today (Gupta, 2008).

2.5.3 Productivity

Each time an employee leaves the firm, we presume that productivity drops due to the learning curve involved in understanding the job and the organization. Furthermore, the loss of intellectual capital adds to this cost, since not only do organizations lose the human capital and relational capital of the departing employee, but also competitors are potentially gaining these assets Meaghan et al. (2002).

2.5.4 Increase in Work Load for Employees

High level of stress leads to employees making unnecessary mistakes/accidents and low morale leads to them not caring about what they do. Staff turnover breaks the team spirit and group cohesion, which is necessary for the successful and smooth running the business. Gupta (2008) states that “the real cost of staff turnover leads to lowered morale among other employees who must shoulder the workload, lost revenue from sales not made, the loss of customers who fled to competitors for better service”. The morale of staff may be lowered because work overload, overtime work, substitute personnel and working with fewer staff than required is problematic. This causes an increase in errors during the performance of activities and results in poor service.

2.5.5 Profitability

According to Armstrong (2016) one of the primary performance goals of organizations is to attain maximum profits, but when there's a high employee turnover in an organization, there is an undesirable influence on the profitability. However, this is because the cost of replacing employees who have left the organization will be high due to training and development and induction of new talent into the organization.

2.6 Employee Retention Strategies

Employees' departure from organizations for various motives and cause organization performance to weaken. Some of these motives are inevitable, and management of organizations cannot control them, while some of the motives are preventable if controlled. Yezina (2014;35) further expresses that "decreases in turnover leads to increases in organizational performance and a reduction in costs associated with losses of the firm and job-specific knowledge, hiring, and retraining of replacement employees". That is the reason it is advantageous for managers to concentrate on strategies to reduce employee turnover and stabilize performance. There are some strategies organizations can adapt to reduce employee turnover and improve performance that shall be discussed below in detail.

2.6.1 Communication

Staff turnover can also have a negative impact on other employees by disrupting group socialization processes and increasing internal conflict, which can lead to triggering additional absenteeism. In addition, the interpersonal bond that is developed between employees is central to the communication patterns that are characteristic and unique to any organization. People grow professionally and personally, and good employers are able to accommodate these changes in the circumstance. A highly satisfied workforce is far more capable of meeting organizational goals and customer needs than an apathetic and uninspired one (Martin, 2005). Employers who communicate regularly with employees lessen the risk of creating a workforce that feels undervalued and unappreciated. Keeping employees informed about organizational changes, staffing plans and fluctuating business demands is one way to ensure employees remain with the company. Neglecting employee concerns about job security through lack of communication or excluding employees from discussions

that can affect their job performance, such as policy or procedural changes, negatively impacts the way employees view their employer. Their views transform to dissatisfaction and finally low performance due to low morale and disengagement (Miguel, 2008).

2.6.2 Remuneration

Remuneration is the most common cause of the employee turnover rate being so high. Employees' value jobs that compensate them well (Gupta, 2008). Companies that do not offer good salaries, tend to face the highest turnover. To avoid this scenario, companies should strive to be competitive enough in order to retain qualified and talented personnel. Unsatisfactory performance appraisals are also one of the reasons for employees leaving a company (Brian, 2009). Gupta (2008) affirmed that employees always flock to companies who offer more benefits. There are many employees who are not aware of the benefits that are provided to them in their compensation package. The employers need to reduce their bureaucratic procedures in order for the employees to receive the best available benefits without any difficulty. They should make a note of what all benefits other organizations are providing, which may attract their current employees (Gupta, 2008).

2.6.3 Promotions and Internal transfer

According to Mokoditsoa (2013), promotion is viewed as an essential basis for recruitment, because vacancies shall be filled by current employees through promotion or transfer. Organizations can fill vacant positions through internal promotion or transfer, which can save time, costs and increase employee satisfaction that will reduce employee turnover. It is a good strategy that an organization promotes employees within before advertising post externally, which shall reduce turnover, as employees will feel valued. Richard (2008) found out that the prime reason why many mid-level executives leave the organization is lack of potential opportunity for advancements or promotions; they prefer other companies which may provide them with higher posts and increased compensation packages. The companies need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance.

2.6.4 Recognition and Rewards

According to Bidisha & Mukulesh (2013) defines rewards as something given to employees by the organization because of work completed or good performance. Recognition from Managers, supervisors, colleagues and team members enhances loyalty (Bidisha & Mukulesh, 2013). According to Yezina (2014) recognition and reward for employees who performed outstanding contribute to the working culture of respect and gratitude for employees and job well done, which in turn reinforces employee commitment to the organization and improves performance. Rotundo (2002) as cited in Wallelegn (2013) argues in his study that reward systems ought to be a profound area of innovation for the organization. Recognition and rewards incorporate a broad range of incentives both financial and non-financial, formal or informal offered to employees of an organization.

2.6.5 Training and Development

According to Bidisha & Mukulesh (2013), when an organization invests in training and development, it results in the reduction of turnover and enhancement of organizational performance. Mapelu & Jumah (2013) assert that training and development are an investment that an organization make in an employee, offering them new skills and better competencies. Wallelegn (2013:24) states that “training often leads to work that is more intrinsically rewarding and combined with effective communication about how an employee’s efforts at developing skills will lead him or her to more challenging and meaningful positions within the company”. Training opportunities should be made available by the organization to keep employees intrigued and rotation of employees into different job positions to encourage variety and motivation. Training and development motivate employees to make long-term commitments to their place of work (Mapelu & Jumah, 2013). Career development opportunities assist in confining employees from departing from the organization.

2.6.6 Recruiting Suitable Employees

According to Hulin et al. (1985), staffing is designed at providing a pool of latent human resources from which business organization can select the suitable employees on the basis of job condition. Hence, if the organizations try to minimize the rate of employee turnover, it is required to ensure that the suitable applicants have considered for recruitment and selection in the job. Recruitment is the process of attracting the potential candidates so that

they will possibly contribute to the organization (Steel and Ovalle, 1984). It becomes noticeable that sound strategies are needed to draw an attention to the employees and motivate them to stay put in the organization. However, organizations should have the ability to identify the right, qualified and experienced employees and thus, this will lead to achieve the business goals. What this means is, businesses would have letdown or diminutive growth unless they recruit skilled workforce.

2.7 Conclusion

Employee turnover has been defined in numerous ways by different authors. Employee turnover is a ratio of the number of workers in an organization who have left voluntarily or involuntarily in a particular period divided by the number of employees who remain in the organization in a period (Ongori, 2007). Employee turnover can be very destructive to organizations if it is not controlled to the lowest level. Turnover can be voluntary and involuntary. There are causal factors that contribute to employee turnover, which in turn affects the performance of an organization, such as psychological, demographics, and economic factors. These factors play a vital role in causing a turnover in organizations that have an impact on organizational performance. Employee turnover can affect the performance of organizations with certainty; it is linked with adverse effects much of the time. Because the loss of knowledgeable workers may be destructive to the organization since it might meddle with the output of the organization. Turnover is known to have numerous unknown and known costs, and these unknown costs are consequences of incoming workers and positions being filled while vacant which affects the profitability of the and can be avoided if there are proper retention strategies in place. The inability for an organization to successfully recruit and oriented employees will lead turnover in the future

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

2.8 Empirical Review

The analysis of the empirical data and primary data helps the researcher to find out various practices and strategies of the organization which will be useful for the organizations in retaining employees. An organization cannot implement all strategies, but at least having some of them will surely benefit the organization in achieving a reasonable level of retention in the organization. Several studies have been conducted on employee turnover and employee retention strategy practices by organizations locally and globally. A study on the motivation to stay and to perform among managers in Nigeria finds three factors: compensation, advancement of career and affiliation, to be the reason to stay within the organization Ovadje and Muogboh (2009).

Mahal PK (2012) conducted a study on HR practices as determinants of organizational commitment and employee retention in five companies of India on hundred managers and staff concludes that: the factors such as income, training possibilities and careful selection of employee improve job satisfaction and commitment. It also has an influence on retaining employees.

Klippert (2014) and Armstrong-Stassen M, Schlosser F (2010) identified some strategies for retaining employees and improving employee productivity by including factors in organizations such as appreciating employee on a good performance, mentoring, management, morale, and employee development training.

According to Silbert (2005), well skilled and talented workers may easily find good job, position and workplace elsewhere however the effective way for retention these talented employees is to enhance friendly and close working environment and to promote leader support.

Most of the employers are introduced flexible working packages as part of work-life balance policy, to attract, recruit, and retain highly qualified staff to their organizations (Shagvaliyeva, Sussanna, Yazdanifard, & Dr. Rashad, 2014). As mentioned by Anon (2008) choose your own work schedule makes employees to feels that employer cares about the wellbeing and non-working life, which leads to increased satisfaction with the job and the organization, resulting in higher work commitment and retention.

The work in Maccoby (1984) stated that, employees and supervisors are motivated to work effectively when they are paid and provided with other benefits. There are a number of reasons for employees to be dissatisfied with a job. In addition to an individual's domestic issues, income is one of the reasons when employees feel dissatisfied Bantangar (2007). To improve retention strategies, organizations should periodically increase income scales and other benefits.

Divya and Gomathi (2015) have demonstrated that, the organization's specific benefits from employee training and development, including lower employee turnover and less need for supervision.

In addressing retention, Werner et al. (2012) stressed that effective recruitment and retention improve productivity, reduce cost and help the organization to remain competitive. As such, these two activities are consistent with the organization's strategy, vision and values.

According to Taylor (2002:180), the supervisor-subordinate relationship has been noted to be crucial as far as employees are concerned. The author further stressed that a healthy supervisor-subordinate relationship is characterized by trust and that a loyal relationship enhances the level of performance produced by the employees, simultaneously reducing the chances of them seeking employment elsewhere. However, with poor, weak, nonexistent supervisor-subordinate relationships, voluntary resignations often occur (Taylor, 2002)

CHAPTER THREE

3. RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter describes the research design that was used during data gathering and sampling methods and techniques followed through the study. The chapter also describes the data type and data source, the research instruments data analyses tools and methods used in reporting and ethical considerations.

3.2 Research Design

To decisively describe the impact employee turnover has on organizational performance at MIDROC construction ETH Plc, this study utilized descriptive research design to assist in generating both qualitative and quantitative data (Mixed methods research).

According to Sekeran (2003), descriptive research design is type of design used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation. Mugenda and Mugenda (1999) describes descriptive research as including surveys and fact-finding enquiries adding that the major purpose of descriptive research is description of the state of affairs as it exists at present. The study utilized descriptive research design as descriptive studies attempt to develop initial understanding and describe the true characteristics of some phenomenon under study (Babbie, 2011:120). The questionnaires and interview guides were used to obtain information as per the research objectives. Kumar (2014:181) argues that the use of questionnaires as research method provides greater anonymity in cases where sensitive questions are asked and helps to increase the likelihood of obtaining accurate information. He further states that structured interviews provide uniform information which assures comparability of data.

3.3 Data Type and Source

3.3.1 Data Type

Research data is any information that has been collected so as to validate research findings. The data could be qualitative or quantitative in nature. Data is an important aspect of any type of research. According to Hesse-Bibber & Burke Johnson (2015), qualitative research method is imperative in attaining certain information about the values, behaviors, opinions and social setting of certain populations.

According to Punch (2013), quantitative method is utilized to assess objective data comprising of numerals with the objective of attaining high levels of reliability in relation to the analysis of data while qualitative research involves looking at characteristics or qualities that cannot be entirely reduced to numerical values. Qualitative research allows flexibility so that the researcher can probe and obtain more information from the respondents. This method enabled the researcher to explore factors related to staff retention.

In this study, the data used were both primary and secondary data types. Primary data were collected through questionnaires and interviews. Secondary data used were: data from HRM that are related to turnover, reports and journals, books and observations.

3.3.2 Data Source

In this research study, data from both primary and secondary sources were used. The primary data sources were structured questionnaires and semi-structured interview. The questionnaires comprised of closed-ended questions were distributed to employees in different departments at head office, terminal branches (production) and project sites (construction). In addition, interview through semi-structured questions was conducted with senior department managers. Data from secondary sources will be collected from different secondary sources such as data from HRM related to turnover, reports and journals, books and observation.

3.4 Population, Sample Size and Sampling Techniques

The population of the study consists of 390 members working at head office, two terminal branches and project sites. Of this total working force of the organization, 220 were different employees working at two terminal branches on material production division, 92 were employees at head office and 78 were employees of the construction department working

at project sites. From a total of 390 employees, 32 were members of management (11 seniors and 21 middles). The study targets staff in the three categories since they have witnessed various performance related problems as result of employees' turnover rates. The senior managers who are managers of different departments were interviewed while questionnaires were distributed to 90 employees who are not management members but includes employees with supervisory duties.

The population of this study therefore consisted of 24 management members which included five senior managers, 10 middle management members and 20 officials who are not in management but have supervisory duties.

3.5 Sampling Design

Sample size is the number of observations used for calculating estimates of a given population. Stratified Sampling is a sampling method used to group the samples that have similar characteristics within the strata i.e., the heterogeneity of the population within the strata is reduced Ranjit Kumar (2011). A stratified sampling technique was applied to in order to select from the total population. Stratified Sampling ensures each subgroup of a given population is adequately represented within the whole sample population of a research study (Orodho, 2003). According to Kothari (2004), in cases where strata differ not only in size but also in variability and it is considered reasonable to take larger samples from the more variable strata and smaller samples from the less variable strata, both by using disproportionate sampling design. Because, this study was focused on different groups of respondents with different size and variability, each group of the respondents were required to have its own representative from the total sample size by taking larger samples from the more variable strata.

The list containing the names of the respondents in the respective three population categories were sourced from the organization HR department and were used as the sampling frame for the study.

3.6 Sample Size

Sample size is the number of observations used for calculating estimates of a given population. If a population from which a sample is to be drawn does not constitute a homogene-

ous group, stratified sampling technique is generally applied in order to obtain a representative sample. In this study, a stratified sampling followed by simple random sampling were used to pick the sample (Orodho, 2003). The target population was divided into subgroups and respondents picked randomly from each group. According to Orodho (2003) 10%-30% of the sample gives unbiased representation of all respondents' opinion in the target population and this assists in generalization of research findings when the study design is descriptive. According to Leedy and Ormrod (2014:154), qualitative researchers are often intentionally nonrandom in their selection of data sources because their sampling is purposeful for they select individuals or objects that will yield the most information about the topic under investigation. In this study, 5 managers were purposively selected from a total of 11 department managers who are all members of management to conduct an interview. Five senior managers from different departments were selected to get in-depth information on key determinants of staff retention strategies in the form of interviews. The sample population was 23% of the total target population.

Once the size of the sample from each stratum has been determined, the required respondents from each stratum have been selected using simple random sampling technique and purposive sampling. In doing so, the researcher received the name list of the employees in each category from HR department and used excel worksheet to properly compile the data which reduced much of the time and effort that would have been spent. Therefore, the list has been randomized as it was initially organized using alphabetic order. Thus 40, 30, and 20 samples were identified from employees in terminal branch, head office and project sites respectively.

Table 3.2: Total Population and Sample size

Description of Strata	Total Targeted Population	Sample Size
Kality Terminal	220	40
Head Office	92	30
Projects	78	20
Total	390	90

Source: Survey data

3.7 Sampling Technique

The study deployed stratified random sampling technique to group the population of the study (Orodho, 2003). According to Dempsey (2003) stratified sampling is considered appropriate since it gives respondents an equal chance of being selected as a study respondent and thus it has no bias and eases generalization of the obtained findings. Stratified sampling which is a probability sampling was used for the sake of grouping the samples in strata that have similar characteristics. The criteria that respondents were stratified were on the basis of their departments. A disproportionate stratified sampling were used because the researcher needed to ensure that the sample size is large enough and to create an adequate size and representation of a strata so that to avoid underrepresentation of the strata and need to obtain precise estimates of each group and the differences between them (Shanti and Shashi 2011).

After the respondents are grouped using stratified sampling technique that is based on the department that employees of the organization are working, a simple random sampling was used to sample from within each stratum. Purposive sampling was used to select the participants of the interview in this study. According to Leedy and Ormrod (2014:154), qualitative researchers are often intentionally nonrandom in their selection of data sources because their sampling is purposeful for they select individuals or objects that will yield the most information about the topic under investigation. An interview was used to obtain information from departmental managers to represent the views of the senior management.**3.8**

3.8 Data Collection Methods and Instruments

This section deliberates on the research instrument that was used in the collection of data and will discuss the following; the questionnaire and interview, administration and distribution of the questionnaire, forms of questions and the response rate.

3.8.1 Data Sources

In this study, the researcher has used of both secondary and primary data. The questionnaire that was formulated was used as the main primary data collection instrument because by utilizing this method the researcher was able to get original information from the field that addressed the research problem under the study. In addition, semi-structured interview instrument was prepared to collect data from HR manager and from managers of all other departments of the company. Secondary data was utilized in the writing of the literature review, articles, reports, books, document analysis and articles from different journals were implemented and served as reference. The researcher has used these tools because questionnaire helps him to gather basic data from large number of respondents whereas, interview was used to initiate discussion with the HR manager focused on the important human resource elements related to retention strategies and data has been collected making use of a field note book .

3.8.2 Data Collection Instrument

The study was adopted self-administered structured questionnaires and semi-structured interviews. Questionnaires comprised of lists of closed-ended questions were given to employee respondents to answer and give their opinion. Questionnaires secure standardized results that can be tabulated and treated statistically. The questionnaire was pre-tested for improved accuracy and completeness. The questionnaire consisted of four Sections: the first section (Section A) considers demographic information of employees, Section B consisted of general questions, Section C is comprised of questions related to causes of employee turnover and Section D, which is the last section, consisted of questions related to employee retention strategies of reducing turnover. In addition, semi structured interview was conducted with human resource manager to enhance and supplement the results of questionnaire. In this case, some six items were developed and used to initiate discussion with the respondents and data has been collected making use of a field note book

The closed ended questionnaire was structured by applying a five point Likert Scale so that the respondents were required to choose from a predetermined set of responses or scale points. Likert-scale is comprised of statements, with each statement followed by a number of ordered responses. Interview was used to collect qualitative data on the important human resource elements that were raised in the research questions framed for the study from the start.

3.9 Data Analysis Techniques

The data will be cleaned, coded, categorized per each of the research variables and then analyzed using descriptive analysis such as frequency, percentage and mean. It is anticipated that the study generated both quantitative and qualitative data. Descriptive statistics data analysis method will be applied to analyze numerical data gathered using closed ended questions. Qualitative data analysis will be applied to analyze the data gathered using open ended questions and from interview that was conducted with the HR manager, where the respondents give their personal opinions on causes and consequences of employee turnover and retention strategies, the case of MIDROC Construction ETH Plc. The Statistical Package for Social Sciences (SPSS Version 26) computer software was used to process data and to generate data array that were used for subsequent data analysis. SPSS Version 26 has got descriptive statistics features that assist in variable response comparison and gives clear indication of responses frequencies.

3.9.1 Validity

According to (Kumar, 2011), validity is the ability of an instrument to measure what it is designed to measure. The questionnaires items were also checked for their validity by using face and content validity tests (Kumar, 2011). Face validity is guaranteed in this study, because the instrument evidently appears to be measuring employee turnover and performance. Content validity was attained by assessing the face validity of the questionnaire through a series of discussion with my advisor and experts in HRM and based on their response, a small number of questions were re-phased before distributed to the respondents. In addition, the questionnaires were checked by my colleagues who have the knowledge and expertise to comment on it.

3.9.2 Reliability

According to (Kumar, 2011) reliability is the degree of accuracy or precision in the measurements made by a research instrument. The lower the degree of 'error' in an instrument,

the higher the reliability. A measuring instrument is reliable if it provides consistent results. (Kothari, 2004). The questionnaire's reliability of the study was statically measured by measuring the internal consistency by applying Cronbach's alpha. The test-retest method involved testing the questionnaire with two (2) employees of terminal branch, one (1) HO employee and one (1) project site employee who were part of the population under study. The responses received from the test- retest were analyzed utilizing frequencies, graphs and percentages to obtain a score to assist in checking if the two processes yielded the same results. If the inconsistency in scores concerning the two tests is high, it means that the questionnaire has yield data that has high test-retest. The Cronbach alpha's value range between 0.60 to .0.90 for the variables of the questionnaires used to be reliable. Therefore, coefficients such as 0.794, and 0.774 were obtained for Section C and D, respectively which were found to be adequate for this type with descriptive nature (Kothari, 2004).

3.10 Ethical Considerations

The research purpose was explained to each respondent be for the questionnaires are distributed to them. Moreover, the interview was conducted after permission is granted by the participants to answer the questions in the interview guide. The participants of this research study were assured of anonymity and confidentiality. Questions that would violate respondents' privacy were avoided. The questionnaire was personally administered to the respondents and the purpose of the study was conversed to the respondents before administration of the questionnaire. The researcher assured confidentiality of any information collected on the cover letter and informed consent (Appendix I). The consent letter indicated that partaking in the study was completely voluntary and that participants could withdraw at any stage.

CHAPTER FOUR

4. DATA PRESENTATION AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter analysis, interprets and presents the data which were gathered for the completion of this study. During the study, questionnaires and document analysis were conducted to collect the necessary data. In order to conduct this research, totally ninety (90) questionnaires were distributed to selected respondents in each stratified group; HO employees (Administration and Finance), batch plant (Production department) employees and project site employees (Construction dept.). From each stratum respondents are selected using simple random sampling, 30 (33.33%) were distributed to the HO employees, 40 (44.44%) to material production employees and 20 (22.22%) of questionnaires were distributed to employees working at existing projects and 85 were returned and 4 were found to be not properly completed and was rejected by the researcher. So, the remaining 81 questionnaires represent a 90% response rate. The chapter presents the data gathered in the form of tables and bar graphs together with a brief discussion. The data will be cleaned, coded, categorized per each of the research variables. The quantitative data were processed using the Statistical Package for Social Sciences (SPSS) version 26. The study used descriptive statistical measurements such as mean, standard deviation and variance to analyze the data from the respondents.

4.2 Analysis of respondents' demographic characteristics

The demographic data of the respondents is summarized in Table 4.1 below. In addition, information for each demographic item is presented in this section in the form of bar graphs and a pie chart under the headings: age of respondents, gender, service of respondents, and education level of respondents.

Table 4.1 Summary of Demographic Information of the Respondents

Variables	Frequency	Percentages
Gender		
Male	48	59
Female	33	41
Age		
18-30	30	37
31-40	19	23.5
41-50	22	27
51-60	8	10.0
61 and over	2	2.5
Service		
1-3	37	45.7
4-6	27	33.3
7-11	10	12.3
Over 11	7	8.6
Education Level		
High School	8	10
Diploma	28	35
First Degree	35	43
Second Degree	10	12

Source: *Own Survey March 2022*

The above Table 4.1 shows that among the respondents, there were 48% male and 33% female. Looking at their ages, 37% of the respondents were from 18-30 years, 23.5% were between 31-40 years, 27% were 41-50 years 10% were between 51- 60 years and 2.5% were above 61 years old. Regarding their academic background 10% of the respondents were high school completed, 35% had diploma, 43% had first degree and 12% had second degree. Moreover, 45.7% of the respondents were with work experience of 1 -3 years, 33.3 had 4-6years experience, 12.3% were in 7-11 years, 8.6% had over 11 years of service.

4.3 Quantitative Data Analysis

In this section quantitative data analysis of the closed-ended questionnaires are presented and interpreted. In this regard, the responses received were analyzed utilizing frequency and percentages and summarized in tables.

4.3.1 General Questions

This section of the study describes data analysis of general questions collected from This section of the study describes data analysis of general questions collected from questionnaires given to the respondents.

Table 4.2: Employees Salary Satisfaction

Item	Response	Frequency	Percent
How do you rate the level of satisfaction you get with the salary that you are currently paid?	Very high	-	-
	High	6	7
	Moderate	11	14
	Low	28	35
	Very Low	36	44

Source: Own Survey May 2022

Respondents were asked the level of satisfaction they get from the salary that they are currently paid. As Table 4.2 above shows, 7% of the employees said they have high level of satisfaction by the salary that they are currently paid, 14% said moderately satisfied, 35% said their satisfaction level to be low and 44% replied that they had a very low level of salary satisfaction. This shows that most of the respondents (79%) are not satisfied by the salary they are currently paid.

Table 4.3: Satisfaction of Work Accomplishment

Item	Response	Frequency	Percent
To what extent you think you're feeling satisfied with your work accomplishment?	Very high	4	5
	High	10	12
	Moderate	17	21
	Low	29	36
	Very Low	21	26
If your answer is low or very low, why is it? (You can select more than one option from the list below)	Bored with repetitive tasks	31	38
	Limited career growth and advancement	11	14
	Lack of recognition and reward	9	11
	Stuck with current job position	23	28
	Feeling that I'm contributing less	7	9

Source: Own Survey May 2022

Table 4.3 shows above 5% of the respondents said they get a very high level of satisfaction from their work accomplishment, 12% said they feel highly satisfied, 21% of them replied

moderate, 36% said it to be very low and 26% of the respondents replied that they felt a very low level of satisfaction from their work accomplishment. This shows that, most of the employees (62%) do not feel satisfied from their work accomplishments.

In addition, respondents who had replied their satisfaction level to be low or very low were asked to give their reason why it was so. Based on the findings 38% said that they are bored with repetitive tasks, 14% said that there is limited growth and advancement, 11% replied lack of recognition and reward 28% said that they are stuck with current job position and 9% said they feel that their contribution is less. The overall analysis indicates that most of them are not satisfied with the type of work they are doing and the length period fixed with current job position.

4.3.2 Causes of Employee Turnover

Table 4.4 Employee –Management Relations.

Item	Response	Frequency	Percent
Poor relationship with managers	Strongly Disagree	6	7
	Disagree	10	12
	Neither Agree nor Disagree	11	14
	Agree	39	48
	Strongly Agree	15	19
Little opportunity for Decision Making	Strongly Disagree	11	14
	Disagree	9	11
	Neither Agree nor Disagree	14	17
	Agree	27	33
	Strongly Agree	20	25

Table 4.4 above highlights that a total of 67% (48%+19%) of the respondents agreed and strongly agreed that poor relationship with managers is a cause of turnover followed by a total of 58% (33%+25%) agreed and strongly agreed that little opportunity for decision making is also a cause of turnover in the organization.

Table 4.5 Job related Causes.

Item	Response	Frequency	Percent
Lack of recognition and appreciation	Strongly Disagree	5	6
	Disagree	7	9
	Neither Agree nor Disagree	8	10
	Agree	36	44
	Strongly Agree	25	31
Absence of monetary reward (Inadequate compensation)	Strongly Disagree	2	2
	Disagree	2	2
	Neither Agree nor Disagree	6	7
	Agree	35	43
	Strongly Agree	36	44
Lack of Promotion	Strongly Disagree	4	5
	Disagree	11	13
	Neither Agree nor Disagree	6	7
	Agree	25	31
	Strongly Agree	35	43

Source: Own Survey May 2022

Table 4.5 above reveals that a total of 75% of the respondents agreed and strongly agreed that lack of recognition and appreciation causes turnover in the Organization. Furthermore, the table also indicates that a total of 84% and 74% of respondents agreed and strongly agreed that inadequate compensation and lack of promotion are causes of turnover. From the table, one can easily note that inadequate compensation or absence of monetary reward is the main cause of turnover in the organization.

Table 4.6 Working Environment

Item	Response	Frequency	Percent
Inflexible work environment	Strongly Disagree	7	9
	Disagree	10	12
	Neither Agree nor Disagree	4	5
	Agree	35	43
	Strongly Agree	25	31
Poor Working Condition or Environment	Strongly Disagree	28	35
	Disagree	29	36
	Neither Agree nor Disagree	12	15
	Agree	7	9
	Strongly Agree	5	6

Source: own Survey, 2022

It could be noted from Table 4.6 that a total of 74% of the respondents strongly agreed and agreed that inflexible work environment is a cause of turnover, while a total of 71% of the respondents disagreed and strongly disagreed that poor working condition causes turnover. This indicates that while work inflexibility causes turnover, majority of the respondents claimed work environment is not a cause of turnover in the organization.

Table 4.7 Personal Issues

Item	Response	Frequency	Percent
Seeking of better job opportunity	Strongly Disagree	9	11
	Disagree	11	14
	Neither Agree nor Disagree	7	9
	Agree	32	40
	Strongly Agree	22	27
Personal Issues (health problems, relocations, opening private business...)	Strongly Disagree	12	15
	Disagree	15	19
	Neither Agree nor Disagree	23	28
	Agree	16	20
	Strongly Agree	15	19

Source: own Survey, 2022

Table 4.7 above shows that majority (67%) of the respondents agreed and strongly agreed that seeking for a better job is a cause of turnover, 14% disagreed, 11% of them strongly disagreed and 9%, were neither agreed nor disagreed. This shows that seeking for a new job causes employee turnover in the organization. In addition, Table 4.7 indicates that 12(15%) of the respondents strongly disagreed, 15(19%) of the respondents disagreed, 23(28%) were neutral, 16(20%) agreed, whereas 15(19%) of the respondents strongly agreed. Based on the results, most employee respondents, 31(39%), claimed increased personal issue is a cause of turnover in the organization.

Table 4.8 Organizational Factors

Item	Response	Frequency	Percent
Lack of training and education opportunities	Strongly Disagree	8	10
	Disagree	9	11
	Neither Agree nor Disagree	4	5
	Agree	38	47
	Strongly Agree	22	27
Lack of up-to-date technology	Strongly Disagree	27	33
	Disagree	31	38
	Neither Agree nor Disagree	5	6
	Agree	15	19
	Strongly Agree	3	4
Organizational Restructuring	Strongly Disagree	9	11
	Disagree	10	12
	Neither Agree nor Disagree	18	22
	Agree	24	30
	Strongly Agree	20	25

Source: own Survey, 2022

It could be noted from Table 4.8, lack of training and education opportunities and organizational restructuring are causes of turnover as a total of 74% and a total of 55% of the respondents agreed and strongly agreed respectively, on the other hand, lack of up-to-date technology is not a cause of turnover in the organization as most respondents (71%) disagreed and strongly disagreed as shown in Table 4.8.

Table 4.9 Expectation/Role related Factors

Item	Response	Frequency	Percent
Retirement	Strongly Disagree	26	32
	Disagree	23	28
	Neither Agree nor Disagree	6	7
	Agree	12	15
	Strongly Agree	14	17
Lack of employee assistance program	Strongly Disagree	10	11
	Disagree	12	15
	Neither Agree nor Disagree	13	16
	Agree	24	30
	Strongly Agree	23	28
Increased workload to existing employees.	Strongly Disagree	3	4
	Disagree	10	12
	Neither Agree nor Disagree	10	12
	Agree	32	40
	Strongly Agree	26	32

Respondents were asked to rate the extent to which they agreed with role or expectation factors such as work load, lack of employee assistant programs and retirement. The result in Table 4.9 above shows that, around 60% of the respondents disagreed and strongly disagreed, that retirement was a cause of turnover in the company. In addition, about 58% and 72% of the respondents agreed and strongly agreed that that lack of employee assistant program and increased workload were causes of turnover in the organization.

Table 4.10 Means and Standard Deviations Distribution of Respondents for Employee-Manager Relations

Items	Mean	SD	Variance
Poor relationship with managers	3.58	1.150	1.322
Little opportunity for Decision Making	3.44	1.342	1.8
Aggregate mean	3.51	1.25	1.56

The above analysis shows that majority of employees agreed that there is poor relations between employees and managers and they have little opportunity for decision making.

A smooth and strong relationship between employees and managers creates good team work spirits and motivates employees to stay working in the organization.

Changes in management systems and behavior of senior managers and changes in organizational variables, such as the scale of benefits, employee participation, a work environment

which may pose the value for the employee, can reduce employee turnover Nanda et al. (2019). Moreover, employee participation in problem-solving and decision making can lead to increased productivity, improved attitudes, and decreased absenteeism and employee turnover

Table 4.11 Means and Standard Deviations Distribution of Respondents for Working condition Factors

Items	Mean	SD	Variance
Lack of flexibility	3.75	1.26	1.588
Poor working conditions	2.16	1.177	1.386
Aggregate mean	2.96	1.22	1.49

Table 4. 11 shows how employees rated items of working conditions or environment. As indicated majority of employees agreed that workplace is not flexible in the organization and this also caused turnover in the organization.

As mentioned by Anon (2008) choose your own work schedule makes employees to feels that employer cares about the wellbeing and non-working life, which leads to increased satisfaction with the job and the organization, resulting in higher work commitment and retention. Flexible working result in employee loyalty, increased organizational commitment, and low attrition, also helps in retaining talented employees for the organization. Furthermore, increased productivity, reduced employee turnover and absenteeism have been identified as advantages of flexible working for the employers (Hofacker and S. Konig, 2013).

Table 4.12 Means and Standard Deviations Distribution of Respondents for Job Related Factors

Items	Mean	SD	Variance
Lack of recognition and appreciation	3.85	1.141	1.303
Increasing employee remuneration	4.25	.888	.788
Lack of promotion	3.94	1.228	1.509
Aggregate mean	4.01	1.09	1.20

Similarly from the above analysis, lack of recognition and appreciation (Mean=3.85, SSD=1.141), increasing employee remuneration (Mean=4.25, AD=.888) and lack of promotion (Mean=3.94, SD=1.228). Findings of this study are in line with other researchers.

According to Nadem (2019), the extent to which employees feel that their organization appreciates their contribution and cares about well-being can efficiently reduce their intention to quit. Appreciation and recognition have high impact on employee retention. These factors are used by organizations to motivate their employees in order to keep employees motivated to work harder.

The work in Maccoby (1984) stated that, employees and supervisors are motivated to work effectively when they are paid and provided with other benefits. There are a number of reasons for employees to be dissatisfied with a job. In addition to an individual's domestic issues, income is one of the reasons when employees feel dissatisfied Bantangar (2007). To improve retention strategies, organizations should periodically increase income scales and other benefits. In addition, proper treatment of employees and fair promotion will increase employee responsibility.

Table 4.13 Means and Standard Deviations Distribution of Respondents for Personal Factors

Items	Mean	SD	Variance
Seeking of better job opportunity	3.58	1.322	1.747
Personal Issues (health problems, relocations,)	3.09	1.315	1.73
Aggregate mean	3.34	1.32	1.74

As indicated in Table 4.13, seeking of better job opportunity (Mean=3.58, SD=1.322) and personal factors like relocations and health problems (Mean=3.09, SD=1.315). The overall result shows that they moderately agreed on seeking for better job opportunity statement and seem to be neutral for the case of personal issues.

Table 4.14 Means and Standard Deviations Distribution of Respondents for Organizational Factors

Items	Mean	SD	Variance
Lack of training and education opportunities	3.7	1.279	1.636
Lack of up-to-date technology	2.21	1.201	1.443
Organizational Restructuring	3.44	1.294	1.675
Aggregate mean	3.12	1.26	1.58

Table 4.14 shows employees responses in which how they rate organizational factors. The above results with respect to a lack of training and education opportunities re supported by other previous researches. The managers could promote the identification of a company's goals and principles for employees through training programs to reduce employee turnover Jehanzeb

et al. (2013). Employee dissatisfaction, absenteeism and turnover can be greatly reduced if employees are so well trained that they can feel instant satisfaction with a sense of accomplishment and knowledge that develops their capabilities Motlokoa et al. (2018).

The employees are highly critical for the organization's success, therefore; reducing turnover is a challenge to keep organizational costs under control. Organizations can reduce the costs of recruiting and training new employees through the retention of the existing employees in organizations Laudicina (2014)

Table 4.15 Means and Standard Deviations Distribution of Respondents for Expectation/Role related Factors

Items	Mean	SD	Variance
Increased workload to employees	3.84	1.123	1.261
Lack of employee assistance program	3.49	1.343	1.803
Retirement	2.57	1.499	2.248
Aggregate mean	3.30	1.32	1.77

Similarly from the above analysis of job related factors, lack of recognition and appreciation (Mean=3.85, SSD=1.141), increasing employee remuneration (Mean=4.25, AD=.888) and lack of promotion (Mean=3.94, SD=1.228). The overall result shows that majority of the respondents agreed that work load to employees was a cause of turnover in the organization.

Previous studies also support the above findings. Employees feel that their work or workplace is not what they expected, also there is a discrepancy between the job and the person (Branham, 2005). Work load is the tension that affects a person's emotions, thoughts, and physical condition A. L. Hakim, Sudarmiati, and Sutrisno (2008).

According to Branham (2005), employees feel devalued and unrecognized, employees feel stressed due to overwork and have an imbalance between work and life. Therefore, employee turnover can be a consequence of burnout due to load-causing long working hours, M. Thomas, V. Kohli, and J. Choi (2014).

Employees who are highly stressed at work are more likely to leave the organization, R. Markey, K. Ravenswood, and D. J. Webber (2015). In this regard, employees who are stressed at work are less satisfied with their jobs and are more likely to consider leaving their jobs.

4.3.3 Employee Retention Strategies by the Organization

The study asked respondents if measures were employed by the organization to manage employee turnover. The findings are summarized in Table 4.15

Table 4.16 Retention Strategies Employed to Reduce Employee Turnover

Are there measures deployed by the organization to reduce employee turnover?		
Response	Frequency	Percent
Yes	61	52
No	20	48
Total	81	100

Source: Survey data May 2022

As indicated in Table 4.16 most respondents (52%) said that the organization have taken measures to reduce employee turnover and 39% of the respondents disagreed and answered there were no measures deployed to reduce turnover.

Table 4.17 Effectiveness of Employee retention practices

Effectiveness of employee retention practices in the organization				
	High	Average	Low	Very low
Frequency	10	20	37	14
Percentage	12%	25%	46%	17%

Source: Survey data May 2022

Table 4.17 above shows that majority (46%) of respondents rated the effectiveness of measures deployed by the organization to reduce employee turnover to be low, 25% rated average, 17% rated very low and 12% rated it to be high. The overall analyses indicate that the strategies deployed by the organization to reduce turnover lacked to be effective.

The study asked respondents if measures were employed by the organization to manage employee turnover. The findings are summarized in Table 4.15

Table 4.18 Descriptive summary of employee retention strategies

Retention Strategies	Mean	SD	Variance
The company does not recruit suitable employees	3.95	.973	.948
The company do not recognizes and appreciates employees when they achieve goals	4.15	.923	.853
There is no adjustment of remuneration within reasonable time	4.17	.863	.745
I have a poor working relation with my superior managers	4.02	.987	.974
Career growth opportunities are not widely available in the company	4.17	.834	.695
The company do not allows flexible workplace or environment	3.83	.959	.920
Aggregate Mean	4.048	0.923	0.856

Source: Survey data May 2022

Means and standard deviations were used to summarize the findings of the study in Table 4.17. The statements were rated using a five point Likert scale with each aspect rated from 1 (strongly disagree) to 5 (strongly agree). Most employees agreed that the company do not recruit suitable employees (Mean=3.95, SD=.973). Most employees were not satisfied with the remuneration that the company didn't make any adjustments within reasonable time (Mean =4.17, SD=.863). Most respondents agreed that they are not recognized and appreciated for their goal accomplishment (Mean = 4.15, SD=.923). Furthermore, the organization has no career growth plan so that employees have low opportunity for career development (Mean = 4.17, SD=.834). On the basis of the study results, majority of the respondents do not enjoy with lack of the retention strategies that included: lack of remuneration adjustments career growth opportunity offered by the company poor relationships of employees with managers and failed to recognize and appreciate employees during goal achievements.

4.4 Presentation of Data obtained through Interviews

Seven managers of different departments of MIDROC Construction were interviewed. This group of participants consisted of managers with ranks as Director. The inclusion of department managers was done to obtain in-depth views of the management on the issue of staff retention in the organization with a particular emphasis on the current efforts being employed to retain employees with its associated challenges. The responses obtained were coded in terms of Managers A, B, C, D, and E. The contents of the interview questions focused on retention strategies to get a comprehension of the data. The data is narrated hereunder by making use of the research questions developed at the beginning of the study.

The following were questions posed during the interview together with the results obtained:

1. What are the main complaints that the employees make about MIDROC Construction?

Manager A indicated that most employees complain about not being recognized for promotion and lack of respect. Manager B, in turn, stressed that the company is too big, has too many challenges as a result, and its workload is also huge. Like Manager A, Manager C highlighted that the lack of career growth in the company, particularly with regard to promotion, affected many employees. Manager C indicated that the recent salary scale in the company is very low and lack timely adjustment. Manager D stressed that the absence of exit interviews prior to leaving makes it difficult for the organization to discover factors influencing employees to leave the company.

2. Describe the rate of employee turnover that your organization experience?

Manager C and Manager D, indicated that the staff turnover at their respective departments are not that high; they added that, this is mainly because the employees who wish to leave may not have wider alternatives in terms of where to go. Manager A & E said that the average turnover rate is increasing to high level. Manager B said that, this year's turnover rate is high compared to last year which was average because, in this year, more employees left the organization due to retirement and resignation without job offers from any other organizations that made the management worried in their last meetings.

3. In your view, kindly indicate the main factors causing the employees to leave the company?

Sixty percent (60%) of the department managers interviewed cited low salary and benefits and lack of work recognition, appreciation and performance based incentives as the main factors causing employees to leave the company. Manager A stressed that the salaries paid to employees is not enough and competitive enough compared to other companies within the industry. Thirty percent (30%) of the managers stressed that lack of promotion and lack of career development and advancement.

Ten percent (10%) of the managers claimed that employees leaved for lack of training and education opportunities. They further said that employees have not been given enough training and there is a very low education opportunity in the company to allow employees acquire new skills and knowledge and grow professionally that the present time needs to improve their performance and capabilities. In addition, some of the reasons cited by the managers were a lack of staff development, too much work and job dissatisfaction.

The above findings are also supported by other studies. The finding is supported by Taylor (2002:188-191) who stressed that leaders need to provide clear direction and give feedback including recognition of efforts as well as complimenting a job well done. The work in Maccoby (1984) stated that, employees and supervisors are motivated to work effectively when they are paid and provided with other benefits.

4. Is there a strategy in place that the company has adopted to retain its valuable employees?

On the one hand, all the participants interviewed indicated that there is no strategy in place to retain employees at the company. However, the company had introduced inspirational and motivational trainings to employees recently and also started giving new short term trainings; such as, IFRS, Peachtree accounting software, AutoCAD for different departments. On the other hand, the company has already started revising and working to improve and adjust the salaries and benefits for all employees with the aim of retaining them.

Salaries and benefits are considered the most important factors for attracting and retaining the talent (Willis, 2000). Likewise, Griffeth et al (2000) have suggested from their studies that when high performers receive inadequate remuneration look out for alternative employment.

5. Are exit interviews conducted when an employee leaves the company?

All the participants interviewed indicated that no exit interviews are conducted when an employee leaves. One of the managers stressed that there have been talks concerning exit interviews at the management level but these interviews are not yet put in place.

The idea of conducting exit interviews is advisable according to Meyer et al. (2012:319) for it allows root cause analysis to identify and address problems, challenges and stumbling blocks in the system

6. Identify issues in order of importance which can assist the company to retain its qualified and productive employees.

The senior managers consulted during the study suggested the following measures to retain employees of the ministry:

- Conduct proper selection and recruitment of employees;
- Improve salaries by making them competitive;
- Reduce workload;
- Provide staff development adequately;
- Reward productive staff with monetary rewards or non-monetary rewards;
- Improve promotion opportunities within the company
- Install among employees a sense of belonging to the company
- Improve the relationship between employees and management is most important component to increase retention of employees in the organization.
- Adopt career development plan

One of the important factors noted by (Julie & Tim, 2007:201), proper selection and recruitment systems benefit an organization to ensure the hiring of valuable candidates which assist the organization to remain competitive. According to Taylor (2002), the supervisor-subordinate relationship has been noted to be crucial as far as employees are concerned.

7. In your view, what are the challenges facing MIDROC Construction as whole in retaining its employees?

In terms of challenges facing MIDROC Construction in addressing staff retention the participants interviewed felt that challenges are generally many. Manager C indicated that one of the biggest challenges facing the company is lack of additional construction

projects as the previous as a result of loss of customers and reputation decreased its profits and challenged the company's productivity. Another challenge highlighted was the issue of limited budget allocation within the existing projects, head office and production department. One of the managers stressed that the organization lost its reputation and resulted in low productivity and profitability and hence employee turnover are mainly resulted because of fraud and wastage of resources that was happening frequently in the last two decades since its establishment.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter summarizes the major findings, draws its conclusion and presents practical recommendations against the backdrop provided in the literature review on the assessment of employee turnover and retention strategies, the case of MIDROC Construction ETH Plc.

5.2 Summary

Most respondents indicated that the organization was experiencing employee turnover and the level of turnover was indicated by majority of respondents to be high. Majority of respondents (61%) agreed that there is no recognition and appreciation for their contribution. Most respondents (74%) agreed that lack of promotion is a cause of employee turnover. Most respondents (74%) agreed that lack of training and education opportunity in the organization causes employee turnover in the organization. The findings showed most respondents (67%) agreed that poor relations between employees and management causes employee turnover in the organization. Most respondents (71%) indicated lack-of-up-to-date technology is not a cause of employee turnover in the organization. Most respondents (87%) believe that insufficient compensation causes employee turnover. Most respondents said they will probably be looking for another job soon. The study found out that respondents repeatedly mentioned salary as the main reason to stay with an employer. Therefore, insufficient salary is one that causes employee turnover in MIDROC Construction ETH Plc.

Few employees replied that retirement and personal issues such as health problems, relocations, caring ill children, starting new business contributes to turnover, so that they are not causes of employee turnover as most of them disagree. Other causes of turnover that most employees agreed were, seeking of better job opportunity, poor working environment, organizational restructuring and lack of employee assistant programs.

Most respondents felt that the organization has employed various measures to reduce employee turnover. In addition, most respondents rated the effectiveness of employed turnover management strategies to be low. Most respondents (79%) rated that 'recognizing employees when they achieve goals is one solution to reduce employee turnover at large extent. Majority of respondents (80%), claimed increasing employees' remuneration providing training and education opportunity and foster employees career growth (85%) and creating

open relationships between employees and management (73%) could reduce employee turnover to a great extent.

The study also finds that most managers of different departments indicated that various factors causing employees to leave & the most common ones are: promotions, a lack of training and education, a lack of career growth, inadequate remuneration including benefits, poor communication between employees and managers

5.3 Conclusion

Based on the data analysis, the researcher drawn the following major conclusions:

Causes of Employee Turnover

The purpose of the research was to understand the causes of employee turnover and retention strategies for employees in the organization. The study revealed that retention of employees in MIDROC Construction is a challenge and the contributing factors to employee turnover are numerous.

Obviously, there are many reasons why an employee leaves their job, and some of these reasons are low remuneration, insufficient training and low education opportunity, job-related factors, high work stress, lack of career advancement, lack of recognition and appreciation, and poor employee relation with managers,. Therefore, based on the main findings in relation to the objectives of the study, it is concluded that majority of employees had understanding that the organization experienced high employee turnover due to the following major causes; poor employee career growth, insufficient remuneration, lack of recognition and appreciation for significant accomplishment, lack of promotion, poor relationships between management and employees and lack of training and education opportunity and poor employee involvement and decision making opportunities.

Possible solutions to manage employee turnover

The most chosen, agreed and approved strategies of reducing employee turnover by employee respondents include; there was no career growth plan by the organization, employee remuneration, recognition and appreciation for significant accomplishment, training and education opportunity and creating good relationships between employees and management could reduce employee turnover and recover organization performance to a great extent.

5.4 Recommendations

Arising from the analysis and findings derived and conclusions drawn the following recommendations are made to MIDROC Construction ETH Plc management so that appropriate measures can be taken to retain employees and reduce employees' turnover.

The management should consider the adoption of the retention strategies developed by this study. As per the findings, the company has no retention strategy in place, hence the developed retention strategies should be widely consulted to assist in the development of the integrated retention strategy of the company to enable it to retain its valuable employees. The implementation of the retention strategy can also be used to improve the morale among all the employees of MIDROC Construction.

Consequently, the organization must understand the needs of its employees, which will help organizations, adopt certain strategies to improve employee performance and reduce turnover. Therefore, there are several employee retention strategies, such as good employee- management relations, provision of training, career development plans, , job satisfaction, salary adjustments and provision of benefits, good management systems and high employee participation.

Employees should be given enhanced remuneration corresponding with job since most of the employees are influenced by these factors for the reason. So, MIDROC Construction has to put in place competitive compensation packages signaling strong commitment on the part of the company, and can therefore build a strong commitment on the part of employees. The company must ensure that there is a pay policy based on education level, work experience and output or productivity and increased remuneration will help in motivating employees to improve their performance. Also, recognition for significant accomplishment, chance of advancement and giving opportunity to grow and career development has to be taken in to consideration.

Appropriate Performance appraisal system shall be in place for a number of HR decisions related to compensation, training, promotion, and even termination. Opportunities for training and education and career development has to be created by management. This will

help employees to become more knowledgeable and satisfied with their work and also offers prospects for employees' growth and development.

Management should be ensured that there are good, open and strong relationships between employees and management. This will enhance the communication level and also reduce disputes and grievances between employers and employees. Employees should be recognized, appreciated and rewarded for significant accomplishments and goal achievements which in turn increase employee commitment and improves performance.

Proper treatment of employees and fair promotion will increase employee responsibility. The organization has to re-examine its employee reducing strategies and make ensured on the effectiveness of the strategies and would have to plan and implement the strategies effectively.

Finally, proper treatment of employees, enhanced remuneration, and fair promotion will increase employee responsibility. Therefore, management should properly treat the employees and fairly promote employees

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APPENDIX I: INTRODUCTION LETTER

**SAINT MARY'S UNIVERSIT
SCHOOL OF GRADUATE STUDIES
DEPARTMENT OF BUSINESS ADMINISTRATION**

Questionnaire to be filled out by Employees of MIDROC Construction Ethiopia Plc.

In fulfilment of the Masters degree in Business Administration I am carrying out a research project at Saint Mary's University. The study is entitled: *“Assessment of Employees Turn-over and Organizational Performance: A Case Study of MIDROC Construction Ethiopia plc.”* The purpose of this study is to assess employee turnover and its influences on organizational performance and hence to help better understand the subject and propose workable solutions to the problems.

To achieve the objectives of this research the researcher needs assistance from you to fill the questionnaire provided. So, I am kindly requesting you to take your precious time to fill out the questionnaire as sincerely and truthfully as possible. The attached questionnaire will take about 20 minutes to complete. The researcher ensured that the information you will not be used for any other purpose except for research. Your responses will be treated with utmost confidentiality and will not be divulged to any other party. Your participation will be highly appreciated.

For any questions you may have, please contact me with my telephone address (0913 757254) and my email address: yohmulu@gmail.com

Yours faithfully,

Yohannes Mulugeta

APPENDIX II: QUESTIONNAIRE

Section A: Demographic factors

Please tick your answer with an "X"

1. **Age Group (in yrs.):**
 18-30 31- 40 41-50 51 –60 Over 60
2. **Gender:** Male Female
3. **Education**
 High school complete
 Diploma
 First Degree
 Second Degree
 PhD and above
4. **Length of Service (in yrs.)**
 1-3 4-6 7-10 above 11yrs

Section B: General questions

Please indicate your response to the general questions (VH; Very High, H; High, M; Moderate, L; Low, VL; Very Low)

Items	VH	H	M	L	VL
1. How do you rate the level of satisfaction you get with the salary that you are currently paid?					
2. To what extent you think you're feeling satisfied with your work accomplishment?					

3. If your answer to question No. 2 above is low or very low, why is it? (You can select more than one option from the list below)

- Bored with repetitive tasks
- Limited career growth and advancement
- Lack of recognition and reward
- Stuck with current job position
- Feeling that I'm contributing less

Section C: Questions linked to causes of employee turnover and its impact on organization performance

Note: *VH; Very High, H; High, M; Moderate, L; Low, VL; Very Low*

1. If you were to leave the organization today, what could be your probable reason to leave the organization?
 Poor remuneration
 Lack of training and development opportunities
 Low interpersonal relationship
 Not interested in the job unit or position
 Poor communication between employees and management
 For a better job opportunity
 Job dissatisfaction

Section C: Causes of employee turnover

Please indicate your response to questions related to causes of turnover and its effects on performance by ticking (“X”) at the space provided (SD=Strongly Disagree, D=Disagree, N=Neither agree nor disagree, A=Agree, SA=Strongly Agree)

Causes of Turnover	SD	D	N	A	SA
Poor relationship with managers					
Little opportunity for Decision Making					
Lack of flexibility					
Poor working conditions					
Lack of recognition and appreciation					
Inadequate monetary compensation					
Lack of promotion					
Seeking for better job opportunity					
Personal Issues (health problems, relocations.)					
Lack of training and education opportunities					
Lack of up-to-date technology					
Organizational Restructuring					
Increased workload to existing employees					
Lack of employee assistance program					
Retirement					

2. How do you rate the level of employee turnover in MIDROC construction?

- Very high
- High
- Average
- Low
- Very low

Section D: Employee retention Strategies

Please indicate your response to questions related to Employee Retention Strategies by ticking (“X”) at the space provided (SD=Strongly Disagree, D=Disagree, N=Neither agree nor disagree, A=Agree, SA=Strongly Agree)

Employee retention Strategies	SD	D	N	A	SA
The company does not recruit suitable employees					
The company do not recognizes and appreciates employees when they achieve goals					
There is no adjustment of remuneration within reasonable time					
I have a poor working relation with my superior managers					
Career growth opportunities are not widely available in the company					
The company do not allows flexible workplace or environment					

Appendix III: Interview to Department Managers

1. What are the main complaints that the employees make about MIDROC construction?

2. Describe the rate of employee turnover that your organization experience?

3. In your view, kindly indicate the main factors causing the employees to leave the company?

4. Is there a strategy in place that the company has adopted to retain its valuable employees?

5. Are exit interviews conducted when an employee leaves the company?

6. Identify issues in order of importance which can assist the company to retain its qualified and productive employees.

7. In your view, what are the challenges facing MIDROC Construction as whole in retaining its employees?

