



**THE ASSESSMENT OF DETERMINANTS OF EMPLOYEES TURNOVER
INTENTIONS: THE CASE OF ETHIOPIAN REVENUES AND CUSTOMS
AUTHORITY (ERCA) SELECTED BRANCHES IN ADDIS ABABA**

By

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Declaration

I, the undersigned, declare that this thesis entitled theAssessment of Determinants of Employees' Turnover Intentions: The Case of Ethiopian Revenues and Customs Authority (ERCA) selected branches in Addis Ababa is my original work .I have under taken my research work independently with the guidance and support of the research advisor .All source of materials used for this thesis have been duly acknowledged. I further confirm that, the thesis has not been submitted in any other learning institution for the purpose of earning any degree.

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Abstract

The objective of this study was to assess determinants of employee turnover intention in Ethiopian Revenue and Customs Authority. Employee turnover intention has become a problem for most government organizations. Ethiopian Revenue and Customs Authority is one of those organizations that sufferer from this high rate of employee turnover intention. Among a total of 2183 employees currently working in ERCA Head office, Addis Ababa Kality Customs Branch Office and Akaki kality sub city small tax payer's branch offices, 330 employees were selected as the sample of the study by using both stratified and purposive sampling techniques. In order to collect primary data, questionnaires were distributed to 330 employees and 305 respondents filled and replied. In addition to questionnaires, interviews were conducted with three HRM administrators to gather data. This study employed qualitative and quantitative type of research approaches through explanatory and descriptive research method. Data collected through questionnaire were analyzed using SPSS 20.0 version. The tests involved are descriptive statistics, correlation and Regression analysis. The result of the findings indicated the highest factors affecting employee turnover intention were Employee-boss relationship, and working environment; reward system is another major factor that highly initiates employees to leave the organizations. Based on the data analysis the following findings were recorded. The main finding indicated that dissatisfaction with pay structure, mismanagement, unfair reward and promotion systems were some of the factors for employee turnover. The finding also indicated the following effects of turnover including loss of experienced and skilled employees, higher recruitment costs, and higher workload due to leavers. Similarly it was concluded that lack of career advancement, job dissatisfaction, leader's unwillingness to allow staff participation in decision making, and unfair training system were core factors for turnover. It was recommended that managers revise salary and benefit packages, provide fair and equal training and promotion opportunity, and allow employee to participate in the decision making process.

Key words: *reward system, employee boss relationship, working environment, person-job-fit and turnover intention.*

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Acronyms & Abbreviations

WE Work environment

JF Job fit

RS Reward system

EBR Employee boss relation

TOI Turn over intention

ERCA Ethiopian Revenue and Customs Authority

HRM Human Resource Management

HRMD Human Resource Management and Development

SPSS = Statistical Package for Social Science

CHAPTER ONE: INTRODUCTION

1.1 Back ground of the study

Employee turnover intention is a mental decision prevailing between an individual's approach with reference to a job to continue or leave the job (Jacobs and Roodt, 2007). Turnover intentions are the instant connection to turnover behavior (Boles *et al*, 2007). Indirect costs of turnover included diminution in morale among remaining staff, work overload, and loss of social capital. Employee turnover can be both voluntary and involuntary. This study considers voluntary turnover and its past history, in which the employee desires to leave the organization of his own preference, moreover to escape negative experiences in the work environment or to follow better opportunities that are more satisfying, either in terms of career augmentation or financially. It is therefore widely accredited that identifying and dealing with determinate of turnover intentions is an effectual way of reducing actual turnover (Dess and Shaw, 2001)

No business can enjoy and sustain the success until it deals with the problem of employee turnover intention efficiently and successfully. This calls for a strategic approach to the management of employees in order to motivate them to stay (Ongori, 2008). Turnover has negative effects on productivity, product and service quality, and profitability. The cost involved in hiring new employees is high and finding skilled employees can be difficult (Boyens, 2007). Replacing a lost valuable employee can be more expensive than employing a new one, Cappelli, (2008) believes that retaining the organization's valuable employees has been very challenging for many organizations. Research estimates indicate that recruiting and training new employees cost approximately 50 percent of the worker's annual salary (Johnson, Griffeth& Griffin, 2000).

The turnover intention has more than a few stages: judgment regarding quitting, Intention to look for one more occupation also plans to give up. "What determines member of staff turnover?" The respond to this problem has enormous importance to the human being who may be view about quitting a work, and for the administrator who is faced with lack of worker connection, the sky-scraping expenses occupied in the orientation and guidance of fresh

employees, and, not smallest amount, issues of managerial efficiency. Whereas real quitting behavior is the most important hub of significance to employers and researchers, purpose to quit is argued to be a physically powerful substitute indicator for such behavior.

Turnover intention is a mindful and conscious willfulness to go away institute (Tett and Meyer, 1993). The self-improvement purpose of uphill comparisons may thus strengthen individual's turnover intentions in an attempt to get better his or her place in another institute. Certainly, folks who regularly make uphill comparisons, focusing on how others are doing improved than oneself, have been established to put on show more work explore behaviors than those who normally make descending comparisons (Buunk et al., 2003). At the same time as an individual who regularly makes uphill comparisons may have a high regard for a human being performing superior than oneself (Buunk et al., 2003), this upward comparison can also persuade approach of greed and weakness (i.e. Diener and Fujita, 1997; Thornton and Moore, 1993), growing his or her turnover intentions. Job contentment is creating that has frequently be described, discussed and researched. There are a lot of theories relating to the fundamental association between turnover intention, Job satisfaction and earnings. For instance, work satisfaction be able to be seen as a consequence of a profession satisfaction sequence; it know how to be seen as a reason of job satisfaction; or else it be able to be seen as element of an instruction scheme in which the assessment of outcome leads to decisions regarding whether or not changes are to be completed (Thierry, 1997). The association have to effort to expand as well as care for commitment, which requires a cooperative connection flanked by owner plus worker." therefore worker commitment be a measurement with the intention of determines the relationship of a human being through the association commitment is nearly all directly linked with the accessible structure of occupation attachment (Brown 1996) with stream (Csikszentmihalyi, 1990). Structure upon the view that self-esteem is a many-sided and hierarchical occurrence (e.g. Horberg and Chen, 2010; Korman, 1970), and a common faith (see Coopersmith, 1967; Kirkpatrick et al., 2002) that self-esteem may expand about any figure of self-related domains (e.g. social-, physical- and spiritual-self), Pierce et al. (1989, (p. 625) introduced create they termed organization-based self-esteem. They defined association bases self-esteem as "the level to which an individual believes him/herself to be competent, important, and admirable as an organizational part". Workers with high levels of organization self-esteem have come to a deep-seated. According Nyhan and Marlowe (1997), as well as

Nyhan (2000), trust is the rank of self-assurance that one person has in another's competence and his or her enthusiasm to do something in a fair, moral, and expected way.

1.2 Back ground of the Organization

The Ethiopian Revenues and Customs Authority (ERCA) was established by the proclamation No .587/2008 on 14 July 2008, by the merger of the Ministry of Revenue, Ethiopian Customs Authority and the Federal Inland Revenue Authority for the purpose of enhancing the mobilization of government revenues, while providing effective tax and Customs administration and sustainability in revenue collection. The main objective of the establishment of ERCA was to streamline the public revenue generation function by bringing the relevant agencies under the umbrella of the central revenue collector body.

This structuring aimed at improving service delivering, facilitating trade, enforcing the tax and customs laws and thereby enhancing mobilization of Government revenue in sustainable manner. A study called "Business Process Re-engineering" had taken place before the merger of the foregoing administrations. The study was undertaken for a year and half beginning from November 2007 by teams of officials selected from within the administration.

The study has looked into the selected key business processes and has come across inefficient organizational structure and unnecessary complicated procedures that permitted insufficient service delivery. The study has also indicated that there was corruption within the administrations and that smuggling and tax evasion were serious problems. These problems have depressed the attempt of the foregoing administrations to be successful in achieving their objectives.

Documents for the import and export goods were processed through the former tax and customs administration and due to the inefficient procedures, these goods were subject to delay at exit or entry points of the former customs Authority. Owing to it, importers or exporters viewed the former customs procedure with disfavor or looks as an impediment for international trade. The former tax and customs administration also has long been criticized for lack of efficient and effective system to control tax evasion.

The administration had inefficient system to control taxpayers who fail to declare their actual income in order to reduce their tax bill and the federal government's revenue. The former

administration was also far behind in protecting investors from adverse effects of contraband and illegal practices. In its proposal, the team has suggested merger of the foregoing three administrations.

The researcher believed that it would be better if the three administrations merged, forming a single powerful organization to increase modern and equitable tax and customs administration system, effective resource utilization and quick service delivery. Presently, the Authority is exercising the powers and duties that were granted to the Ministry of Revenue, the Federal Inland Revenue Authority and the Customs Authority by existing laws.

The Addis Ababa City Tax Administration and ERCA have signed a memorandum of understanding in January 2011 to gain support from ERCA. The main objective of the agreement is to enhance the capacity of tax administration of the city to collect its revenue effectively and efficiently. Based on the agreement, the administration part of the city tax administration is temporarily merged to ERCA; the revenue collected is to the Addis Ababa city government administration.

Objectives

- ✓ Establish modern revenue assessment and collection system; and render fair, efficient and quality service;
- ✓ Assess, collect and account for all revenues in accordance with tax and customs laws set out in legislation;
- ✓ Equitably enforce the tax and customs laws by preventing and controlling contraband as well as tax fraud and evasion;
- ✓ Collect timely and effectively all the federal and Addis Ababa tax revenues generated by economy, and
- ✓ Provide the necessary support to the regional states with the objective of harmonizing federal and region

Vision

ERCA's vision is being a leading, fair and modern Tax and Customs Administration in Africa by 2025 that will finance Government expenditure through domestic tax revenue collection.

Mission

ERCA's mission is to contribute to economic development and social welfare by developing a modern Tax and Customs Administration that employs professional and highly skilled staff who promote voluntary compliance amongst individuals and businesses, and take swift action against those who do not comply.

Organization structure & man power

ERCA is organized as an authority led by a Director General (with the rank of minister) with direct accountability to the Prime Minister. The Director General assisted by five Deputy Director Generals, both the director general and deputies are assigned by the prime minister. There is an advisory board to the Director General for advice on policy issues. In order to achieve its goals, it has organized itself into divisions, directorates and work units at head office level based on business process. While, the office of the Director General serves as a secretariat for the authority and is managed by a Director, a management team/council comprising of professionals is also organized within the secretariat to provide the necessary advice to the Director General. Furthermore, five of the directorates at the head quarter also directly report to the office of the Director General.

There are five divisions directly reporting to the Director General each headed by Deputy Director General. The divisions are: 1) Domestic Tax Development and Support Division 2) Customs Programs Development and Support Division 3) Tax Law Enforcement Division 4) Modernization and Corporate Division, and 5) Addis Ababa City Tax Program Development and Support Division. The five divisions are further organized into 30 directorates (six under Domestic Tax Development and Support Division, four under Customs Programs Development and Support Division, ten under Tax Law Enforcement Division, eight under Modernization and Corporate Support Division, and three under Addis Ababa City Tax Program Development and Support Division)

1.3. Statement of the Problem

Nowadays, turnover intention is a common topic in Ethiopia. Turnover intention shows a serious problem to any government and non-government organization in terms of losing of talents, additional employment and training costs (Loi et al., 2006). There are several factors which were affected the employees' turnover intention.

Furthermore, overmuch turnover is a threat for organization and will affect the efficiency and productivity of the organization. ERCA had also facing an acute turnover of employees. Data collected from the Human Resource Management and Development Directorate of ERCA from 2005-2009E.C shows that the annual average employee turnover rate to be 14 %. This is frequent and it is becoming a series problem of the organization. The following table shows employee turnover rate at the organizations from 2005 to 2009E.C.

Table 1.1 Trend of Turnover Rate.

Year in E.C	Total # of employees	Turnover data			Percentage
		Males	Females	Total	
2005	8,391	531	402	933	11
2006	9,058	1,202	779	1,981	22
2007	10,963	1,007	727	1,734	16
2008	10,901	1118	665	1783	16
2009	12,361	514	283	798	6.5
Five year average turnover data					14%

Source: Computed from Report of ERCA HRM & Development Directorate, 2005 -2009 E.C.

Table 1.1 shows the employee turnover rate trend of ERCA for periods 2005 -2009E.C.

There was a high yearly increase in the turnover rate which ranges from 11% in the year 2005 to 21.87% in the year 2006, and 15.82 in the year 2007 & 2008. However, in 2009 it decreases to 6.5 %. But the average turnover rate for the five-year period shows 14%. In addition to this, the data shows there was a significant growth of recruitments year to year.

Frequent employee turnover rate obviously costs the organization in terms of delay in quality service delivery, daily tax revenue collections, money and time on recruiting, hiring and

training for new comers. Consequently, the researcher assesses the antecedents of employee turnover intention in Ethiopian revenue and customs authority.

1.4 Objective of the study

1.4.1 General objectives

The general objective of this research is to identify determinants of employee turnover intention in Ethiopian Revenue and Customs Authority.

1.4.2. Specific objectives

The research will achieve the following specific objectives:-

- ✓ To investigate the relationship between reward system and employee turnover intention
- ✓ To assess the relationship between employee- boss relationship and employee turnover intention.
- ✓ To identify the work environment is a reason for employee turnover intention.
- ✓ To examine whether turnover intention is caused by a mismatch between employees and position they hold in the organization.
- ✓ To examine the effects of independent variables(WE,JPF,RS & EBR) on the dependent variable (Employee turnover intentions)

1.5. Research Hypotheses

The following alternative hypotheses are formulated and tested at 0.05 level of significance and the Pearson's Correlation Coefficient Matrix and regression analysis are used to decide the relation.

H1₁: There is significant relationship between reward system and turnover intention.

H1₂: There is significant negative relationship between Employee boss relationship and turnover intention.

H1₃: There is significant negative relationship between working condition and turnover intention

H1₄: There is significant relationship between job fit (person-job-fit) and turnover intention.

H1₅: All independent variables (reward system, employee-boss relationship, work

environment, and person-job fit) have significant impact on the dependent variables (turnover intention).

1.6. Significance of the Study

- **For the studied organization**

From this study the organization (ERCA) will know the major factors that causes employee turnover in the organization and by knowing those factors ERCA will reduce (control) and prevent employee turnover intentions in the future by taking appropriate action and prevent employee turnover intention and thereby improve the employees' satisfaction through doing this ERCA will achieve the objective and the mission.

- **For other organization and scholars**

It uses as a base reference for other government organization who are trying to- make decision regarding employee turnover issue. And the findings of the study also serve as base line for future research to scholars.

1.7. Scope of the study

The total numbers of branch offices of ERCA are 33. However, the scope of the research is delimited to the ERCA head offices and two branch offices in the city of Addis Ababa. These are Akaki Kaliti Sub City Small Tax Payers Branch Office, and Addis Ababa Custom Branch Office. Furthermore, the study focuses on voluntary turnover intention. That is, it does not include involuntary turnover intention.

The reason to focus on the above area is, ERCA annual report of 2015 showed that there is high employee turnover in ERCA head office and Custom office. Also the researcher is working at Akaki kaliti small tax payer's branch office and this also help him to get accessible information. This is done to keep the study to a manageable size taking the time and financial constraints in to consideration.

1.8. Organization of the thesis

The thesis consists of five chapters. Chapter one will be introduction, including the statement of the problem, objectives of the study, significance of the study, scope of the study, limitation of the study, and the organization of the thesis. The literature related to the subject matter will be presented in chapter two. Chapter three will focus on the

research methodology and approach used. The presentation and analysis of the data collected will be presented in chapter four. Summary of major findings, conclusion, recommendation about the problem and limitation of the study will be in chapter five.

CHAPTER TWO: REVIEW OF THE RELATED LITERATURE

2.1 Theoretical literature review

2.1.1 Employee turnover

In human resources context, Employee turnover is the rate at which an employer loses employees. Simple ways to describe it are “how long employees tend to stay” or “the rate of traffic through the revolving Door”(swarnalatha&prasanna 2014). Employee turnover is the ratio of the number of organizational members who have left during the period being considered divided by the average number of people in that organization during the period (Price 1977 cited by Dwomoh&Korankye, 2012). This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regardless of the reason .According to Musa, Ibrahim&Abubakar (2014) Employee turnover refers to the movement of employees in and out of a business .It refers to the number of persons leaving and the ones retained within the organization. Employee Turnover is the ratio of the number of workers that had to be replaced in a given time period to the average number of workers (Agnes, 1999). In simpler terms, employee turnover is the series of actions that it takes from the employee leaving to his or her being replaced.

According to CPID (2013), Organizations may track their ‘crude’ or ‘overall’ turnover rates on a month by month or year by year basis, expressed as a percentage of employees overall. The formula is simply:

$$\frac{\text{Total number of leavers over period}}{\text{Average total number employed over period}} \times 100$$

The total figure encompasses all leavers including those who leave involuntarily due to dismissal or redundancy (and as a result of retirement). It also makes no distinction between functional (that is, beneficial) turnover and that which is dysfunctional.

Crude turnover figures are often used in published surveys of employee turnover as they tend to be more readily available and can be useful as a basis for benchmarking against other organizations. However, it is also useful to calculate a separate figure for voluntary turnover – specifically, resignations - as such departures are unplanned and often unpredictable (unlike,

say, planned retirements or redundancies) and hence can have a particularly adverse impact on the business. It may also be helpful to consider some of the more complex employee turnover Indices which take account of characteristics such as seniority and experience.

2.1.2 Types of Employee turnover

Employees of different organizations leave their job for all sorts of reason. Some leave to get better salary, some find conducive work conditions, due to geographical factors and for multiple reasons. Employee turnover can be grouped into different categories:-

2.1.2.1 Voluntary and involuntary turnover

The separation of employees from an organization may be due to voluntary or involuntary turnover. It is voluntary when the choice of leaving the organization is initiated by the employee and involuntary where the employee has no choice in their termination. It may result from the following situations: dismissal, retrenchment/redundancy, retirement, long term sickness, physical/ mental disability, moving /relocating abroad, death.(Mbah&Ikemefuna, 2012).

2.1.2.2 Avoidable and unavoidable turnover

Some voluntary turnover is avoidable and some is unavoidable. Avoidable turnover stems from causes that the organization may be able to influence. For example, if employees are leaving because of low job satisfaction the organization could improve the situation by redesigning jobs to offer more challenge or more opportunities to develop their skills. Unavoidable turnover stems from causes over which the organization has little or no control. For instance, if employees leave because of health problems or a desire to return to school, there may be little the organization can do to keep them (Allen, 2008).

2.1.2.3. Functional and dysfunctional turnover

Voluntary turnovers are further distinguished by functional and dysfunctional turnovers. While functional turnover (i.e. bad performers leave, good performers stay) can help reduce sub-optimal organizational performance (Johnson *et al.*, 2000), excessive turnover can be detrimental to the firm's productivity. This can result in the loss of business and relationships, and can even jeopardize the realization of the firm's objectives. To compound the negative side effects of turnover, not all of the departing employees are considered sub-optimal performers.

Dysfunctional turnover (i.e. good performers leave, bad performers stay) damages the organization through decreased innovation, delays services, lethargic implementation of new programs, and degenerated productivity (Abassi&Hollman, 2000). Such activity can radically affect the firm's ability to prosper in today's competitive economy; leaving even the most ambitious firms unable to succeed due to the inability to retain the right employees

2.1.2.4 Skilled and unskilled turnover

Unskilled positions often have high turnover, and employees can generally be replaced without the organization incurring any loss of performance. The ease of replacing these employees provides little incentive to employers to offer generous employment contracts; conversely, contracts may strongly favor the employer and lead to increased turnover as employees seek, and eventually find, more favorable employment. However, high turnover rates of skilled professionals may pose a risk to the business or organization, due to the human capital lost - skills, training, and knowledge lost. Notably, given the natural specialization of skilled professionals, these employees are likely to be re-employed within the same industry by a competitor. Therefore, turnover of these individuals incurs both replacement costs to the organization, as well as a competitive disadvantage to the business (Mbah&kemefuna, 2012).

2.1.3 Turnover intention (Dependent variable)

Turnover intention as presently defined is an employee's preference to quit his or her job. Real turnover has been looked to be especially likely the result of intentions to withdraw (Harrison et al., 2006). Intention to leave a job is "a deliberate and conscious determination to quit the organization". Scholar's term turnover intention as "person "own expected probability (subjective) that they are quitting the organization permanently at some spot in the close to future" (Liu & Low, 2011). Turnover intention as currently understandable as an employee's preference to quit his or her organization refers that an employee's is unable to remain the organizational part (Lacity et al., 2008). Bodla&Hameed (2008) suggested that the employees' turnover will have significant cost or risk of losing social assets. The research also found the measurement on the employees' turnover intention, which is an uncontrollable and controllable force. There are five variable that been identify, which is the satisfaction with management, satisfaction with salary, satisfaction with working conditions, Job stress and organizational commitment. According to Jeffrey (2007), if the mistrust of management is

pervasive and disappointment among workers would lead to decreasing job tenure, increasing turnover intention. As a result, employer shouldn't lose sight of this factor. While the researchers who are conducting research want to perfectly know turnover behavior, while in authenticity, it is frequently complicated to empirically observe the behavior. While in reality, researchers generally survey recent workers and turnover intention is asked by them. Intentions to leave a job are consistent predictors of turnover behaviors. Considerable empirical proof supports the theory that attitude affects behavior more than behavior affects attitude (Lacity et al., 2008). On the basis of above definitions, turnover intention can be defined as the wish of workers to intentionally make a choice to leave the recent organization in the near future. Intention to leave is one of the antecedents of actual turnover. A number of antecedents have been identified by many scholars for turnover intention.

According to Cotton and Tuttle turnover is an individual estimated probability that they will stay or leave an employing organization. Meanwhile, Meyer justifies turnover intention as conscious willfulness and deliberate intention to leave the organization to seek for other alternatives job opportunities in other organization. In the same vein, Hom and Griffeth noted that turnover intentions as an individual voluntary withdrawal from the company and intent to search for alternative employment.

2.1.4. Reward system (Independent variable)

Reward systems are very crucial for an organization (Maund, 2001). Rewards include systems, programs and practices that influence the actions of people. The purpose of reward systems is to provide a systematic way to deliver positive consequences. Fundamental purpose is to provide positive consequences for contributions to desired performance (Wilson, 2003). The only way employees will fulfill the employers dream is to share in their dream (Kotelnikov, 2010). Every organization's reward system should focus on these major areas; compensation, benefits, recognition and appreciation (Sarvadi, 2010).

Employee recognition refers to the general acknowledgement or confirmation of a given occurrence or performance (Petrescu and Simon, 2008). According to Harrison (2012), "employee recognition is a timely, informal and/ or formal acknowledgement of a person's

behavior, effort or business result that supports the organization's goals and values, and which clearly has been beyond normal expectations".

2.1.5 Rewards (Independent variable)

Rewards can be extrinsic or intrinsic, extrinsic rewards are tangible rewards and these rewards are external to the job or task performed by the employee. External rewards can be in terms of salary/pay, incentives, bonuses, promotions, job security, etc. Intrinsic rewards are intangible rewards or psychological rewards like appreciation, meeting the new challenges, positive and caring attitude from employer, and job rotation after attaining the goal

2.1.6 Employee -boss relationship (Independent variable)

One among high turnover factors within the workplace is organization working environment which comprise communication at workplace, political environment, colleagues and manager behavior will not satisfy the employee. Unfavorable and poor working conditions are cited as a major reason for high turnover intention among employees.

The quality of supervision was a significant influence on intent to leave across settings. Little supervision and less support from manager in conducting the assignment will lead towards high level of stress and turnover intention.

2.1.7 Person job fit / person-job-fit/ (Independent variable)

P-J fit is defined as compatibility that exists between an individual personal attributes and the job characteristics and it is of two types: One is Demand-Abilities (D-A) fit while the other is Need-Supply (N-S) fit (Cable &DeRue, 2002). D-A fit is referred as matching between employees Knowledge, Skills and Abilities (KSA) with requirements of their jobs, whereas N-S fit can be referred as the degree to which employee's needs, aspirations and preferences are fulfilled by the jobs they perform and by the rewards associated with that jobs (Cable &DeRue, 2002). These two parts of P-J fit are now combined into an overall concept of P-J fit (Cable &DeRue, 2002; Vogel & Feldman, 2009). A good fit exists when an individual have right skills and abilities to perform his job or the job can fulfill the individual's need (Edwards, 1991).

According to Arora,(2000) person job fit is defined as “The extent to which the dispositions, abilities, expectations and performance contributions of an individual worker match the job demands, situational demands, expectations available and available Rewards of a particular job”(p.326).“Person job fit is a fit between the abilities of a person and demands of the job and needs of the person and attributes of the job” (Edwards, 1991).Person job fit is a type of person environment fit and the two basic domain of person job fit are: demands-abilities fit and supplies-values fit.

Demands abilities fit occur when employee’s knowledge, skills and abilities are matched with the requirement of job whereas supplies-values fit occur when employees needs, desires are fulfilled by the job which they perform (Brown, Zimmerman & Johnson 2005; Kristof, 1996).

The factors that can influence on person job fit are applicant self selection, employee selection procedure (Sekiguchi, 2006). The consequences are improved job performance, low intension to quit and job satisfaction (Edward, 1991).

The insignificant level of person job fit leads to individual stress, low performance and frustration among employees (Arora, 2000).

2.2 Empirical Literature review

The Islamia University of Bahawalpur, Pakistan department of Management Science lecturers (2014) conducted a study and visited numerous local organizations in both government and private sectors in Bahawalpur, Punjab, Pakistan and observed the causes of turnover. The aim of their research paper was to discover the existing reasons of turnover, adverse effects, and possible results that could be useful for their productivity and market shares.

Their results showed that job stress had a significant positive relationship with turnover intentions, enhanced organizational commitment and job satisfaction contributes most to the reduction of intention to leave the organization. Employee satisfaction had a strong negative relationship with turnover intentions. Their result also showed that the right person for organization is closely linked to job satisfaction, job performance and turnover intension.

Many findings have shown that recruiting the person who appropriately fits the organization and job specifications would have low rates of absenteeism and turnover intentions.

The study conducted by Tamkeen Saleem and Seema Gul(2013) to examine the relationship of Pay Satisfaction, organizational commitment and perceived employment opportunities with Turnover intention and pay satisfaction with organization commitment. The instruments used to measure the variables of the study were Demographic Data Sheet and Pay Satisfaction scale, Organizational commitment scale and turnover intentions scale. The sample consisted of 90 employees (39 Males and 51 females) from public sector organizations of Islamabad. It was hypothesized that higher the pay satisfaction lower will be the turnover intention and higher the organizational commitment lower will be the turnover intention. It was also hypothesized that higher the pay satisfaction higher will be the organizational commitment. It was also hypothesized that higher the perceived employment opportunities higher will be turnover intentions. In order to determine the relationships, results were analyzed by the use of Pearson Product Moment correlation coefficient. The overall results revealed significant relationship between the variables and supporting all the hypotheses.

The study of Tio (2014) used 74 samples with multiple regression analysis to measure the significance of work environment on job satisfaction among staff of a particular organization. The study found that work environment significantly determines job satisfaction. This result corroborates findings of previous research that investigated the connection between variables in workplace environment and workforce or work process (see Nakpodia, 2011; Vikas&Ravis, 2011; Akinyele, 2010; 2007; Junaida et al., 2010; Taiwo, 2010).

Other research works have been specific on factors inherent in the workplace environment. For instance, Ali, Abdiaziz and Abdiqani (2013) investigated and found that working conditions was significantly related to employee productivities in manufacturing sectors. With particular focus on such variables as comfort level and temperature in the office work, the study of Junaida et al., (2010) investigated the physical work environment on staff productivity. With 150 participants among civil servants in the Ministry of Youth and Sports in Malaysia, the study revealed the same result. This was however on workplace environment and employee productivity. The study of Demet (2012) also revealed a significant positive

relationship between workplace quality and productivity among bank workers while Faridah, Rahmatul&Razidah (2012) deviate a little from the trend in research on workplace environment. They studied organizational environment-behavior and its influence on safety culture in organization. In their opinion, as organization behaves, so do the working environment and this behavior determines the level of safety consciousness among staff.

Regardless of which environmental variables were examined, there seem to be a general census among these researchers. It is generally concluded that workplace environmental factors significantly influence such other employee related variables like health, safety, and well-being, (Jain &Kaur, 2014), job satisfaction (Tio, 2014; Saddat, Zarqa, Sajida, Farheen& Malik, 2013), safety culture (Faridah et al.,2012), job performance (Ajayi, Awosusi, Arogundade, Ekundayo&Haastrup, 2011), organizational performance in public sectors (Chandrasekar, 2011) and so forth. What seems unsatisfying is that many of these researches were carried out in other developed countries and are foreign to African context.

Few studies which have attempted studying African workplace environmental factors on staff related variables were done in workplaces other than campuses and those studies conducted in universities fail to show the empirical link between workplace environmental factors and either teaching and nonteaching staff of higher institutions of learning (seeAjayi et al., 2011;Adeyinka,Ayeni & Popoola, 2007; Zainudin&Junaidah, 2010). The dependent variable in the study of Ajayi et al. (2011) was job satisfaction while workers morale and perceived productivity in industrial organizations was the dependent variable in Akintayo's study in 2012. Akinyele (2010) did another study that linked workplace environment to workers' productivity in the oil and gas industry. Yusuf and Metiboba (2012) also linked work environment with workers attitudes in all organization in general. Job commitment among staff of tertiary institutions of learning is seriously lacking and begging for empirical probing especially as may be influenced by factors in campus environment. Palpably, the relationship between campus environments and job commitment of staff therein is not well established in our framework of knowledge. How do we fill this gap?

In Skinner's "Beyond Freedom and Dignity", the place of human behavior was shown to be connected to global problems: crime, poverty, pollution, war, overpopulation, even health-related problems such as cancer, sexually transmitted diseases, polio, malaria, and so forth. Better contraceptives will control population only if people use them; new methods of agriculture and medicine will not help if they are not practiced, and housing is a matter not only of buildings and cities but also of how people live. We need to make vast changes in human behavior and it is not enough to use technology with a deeper understanding of human issues or dedicate technology to man's spiritual needs or to encourage technologists to look at human problems. What we need is a technology of behavior" (B.F. Skinner, cited in Oludeyi, 2013a), a technology that will reshape behavior and commitment towards advancement of mankind.

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While there are sufficient studies on leadership styles, few studies were found in the literature which attempted linking management styles, principles and policies with job commitment of staff in organizations. However Kalliny, Ograk and Saran (2004) using cross-cultural approach finds such management related variables like authoritative, democratize, coercive, affiliate as correlates of affective job commitment among workers. These are variables inherent in leadership composition. The studies focusing on many variables identified by Kyko (2005) which are associated with his Opaque Management and what he called Boss feature prominently in many research studies but other researchers prefer the word leadership to using management as independent variables in their various researches. Using a multifactor leadership questionnaire, Mclaggan, Bezuidenhout& Botha (2013) studied transactional and transformational leadership styles, with sub-variants of inspirational motivation, intellectual stimulation, individualized consideration and idealized influence. They also investigate the sub-variants of transactional leadership, which include contingent rewards and management by exception (active) and management by exception (passive) and the influence on organizational commitment (as measured by the Organizational Commitment Questionnaire) in the coal mining industry at a specific site in Phola. They found a significant relationship between transformational and transactional leadership styles and affective job commitment. Their result somewhat corroborates previous findings of Kyko as it indicated that the subordinates of supervisors who adopt a transformational leadership style, who show an interest in and value their subordinates and make the employees feel important, shows more affective commitment towards their job. Several earlier findings have been carried out that reveals the same results (see studies like Kalliny et al., 2004; Bushra, Usman&Naveed, 2011; Dosumu&Olusanya, 2011; Voon, Ngui&Ayob, 2011; Akinbode&Fagbohunge, 2012).

The foregoing shows that employee job commitment is to some degree at the instance of the management leadership of organization whose strategic efforts and programmes, along with other workplace environmental factors, determine the extent to which an employee is loyal to the job and the organization. This is because where employee loses interest on the job; it is not without cost implications on the overall effectiveness of organizations especially if valuable staff begins to lose enthusiasm on the job or on the organization itself. The study of Ogunola, Kalejaiye, and Abrifor, (2013) which used Supervisory Behavior Descriptive Questionnaire (SBDQ) and Role-Based Performance Scale (RBPS) collected data that

supports these findings. Management leadership atmosphere is also found in the study of Akinbode, & Fagbohunge (2012) to demean, disrespect and demotivate employees, thereby leading to seeming erosion of motivational tendencies, organizational commitment and job involvement among staff. While there is circumstantial evidence, an accurate empirical analysis is required on the relationship between, for instance, university management-leadership approaches and staff commitment to university work particularly in developing world.

Although the word condition may be viewed from two perspectives: conditions of service as contained in the contract of employment and the built layout or physical conditions of work. Kyko (2005) believes that working conditions that constitute toxic environment includes hot and noisy environment, unsafe work conditions, dirty work environment, insufficient resources, old technology, old machinery and so forth. It is the physical work condition that is of interest in this research. The working conditions in relation to job commitment have not really enjoyed much empirical attention in the literature. Whereas, McGuire & McLaren, (2007) believes that an organization's physical environment especially its design and layout can affect employee behavior in the workplace. They therefore investigated the mediating role of employee well-being in the relationship between physical work environment and job commitment in Call Centres (McGuire & McLaren, 2007). They not only found strong evidence of a mediation effect evidencing the importance of both physical environment and employee well-being to employee commitment, but also found that there exists a strong positive relationship between physical environment and employee commitment. These findings are in agreement with earlier study of De Croon, Sluiter, Kuijer and Frings-Dresen (2005) that did a review on the effect of office concepts (such as office location, design, layout and usage) on employees' health status and job satisfaction. They found these factors to be significant in increasing employee convenience at work as they boost morale and job satisfaction. These findings corroborate several other findings. For instance Butt, Khan, Rasli and Iqbal (2012) found that work and physical environment of hospitals significantly influence nurse's commitment to work while Oludeyi (2013) who did a research on classroom design among secondary schools teachers also found similar results. None of these studies was done in university environment; there is still much to understand about physical working conditions in campus communities and level of job commitment staff therein.

Workplace interpersonal relationship is an emerging area of study in labor and employment relationship and empirical research on it is seriously lacking particularly when it has to be in connection with worker's job commitment. Workplace interpersonal relations encompasses office politicking, level of cooperation among workers, back stabbing, empire building, rumor mongering, alienation, trust or mistrust, sabotage and so forth (Kyko, 2005). Within organizations, there are at least two possible foci for the interpersonal relationship: the superior-subordinate and the co-workers relationship. There are certain researchers that attempted studying some of the elements in workplace interpersonal relationship (such as office politicking, workers' cooperation, rumor mongering, trust etc). For instance the trust level of employees at work towards their supervisor and co-worker was studied by Bagraim and Hime,(2007) and its relationship with affective job commitment among staff.

The results in this study showed that trust in supervisor and co-workers was significantly related to affective commitment in supervisor and explained significant variance in affective commitment in supervisor. In their study of interpersonal trust and its role in organization, Hassan, Toyman, Semerciöz and Aksel (2012) revealed that trust-building interpersonal relationships between managers and workers positively lead to high productivity and organizational commitment in all the organizations whether public or private. These findings are consistent with findings of other studies such as Semerciöz, Hassan and Aldemir (2011) which investigated the influence of interpersonal and institutional relationship on innovativeness where innovation may not be possible without commitment to work.

There seems to be no single research work that shows empirical connections between job commitment and all the elements in the workplace interpersonal relationship (such as office politicking, level of cooperation among workers, rumor mongering, trust and mistrust) and especially in the campus communities. Few researchers who have tried in this regard either carried out their study on foreign countries or linked workplace interpersonal relations with other dependents variables like new comers's ocialisation (Takeuchi, Takeuchi & Takeuchi, 2010), business purchase decisions (Guihua, Jun & Haiyan, 2008), organizational innovativeness (Semerciöz et al., 2011), working conditions and health(Stoetzer, 2010), depression (Stoetzer, Ahlberg, Johansson, Bergman, Hallsten, Forsell& Lundberg,2009), job

Satisfaction (Mustapha, 2013), and many others. This reveals an interesting gap in the body of empirical literature. It will definitely be more enlightening to do a correlation study on workplace interpersonal relationship viz-a-viz workplace politics, cooperative team association, back stabbing, empire building, rumour mongering, alienation, mistrust, sabotage, etc., and how they correlate and influence overall job commitment among staff in campus environments.

Concerning work environment; research by Stall. J (1996) has also shown that when human needs are considered in office design, employees work more efficiently. One survey conducted by Brill .P (2008) in particular has suggested that improvements in the physical design of office buildings may result in a 5-10 percent increase in productivity and eventually increase performance.

Other studies have examined the effect of physical work environment on workers' job satisfaction, performance, and health. For example Scott, (2000) reported that working conditions associates with employees' job involvement and job satisfaction Brill.P (1993). Strong et al (1999) in a study observed that social, organizational and physical context serve as the impetus for tasks and activities, and considerably influence workers' performance Strong M (1999). Researches on quality of work life have also established the importance of safe and healthy working conditions in determining employees' job performance Strong .M(1999) .

The influence of working environment, which is mostly composed of physical, social and psychological factors, has been extensively examined in past two decades. In a number of studies, employees' motivation, job satisfaction, job involvement, job performance, and health have been found to be markedly influenced by psycho-social environment of work organization Franco .M (2000).

Muhammad Aamir Shafique Khan, Jianguo Du (2014) conducted a study to understand the factors that directly affect the turnover intentions in call center industry of Pakistan. Quantitative approach is used for this study.

The Data of all variables is collected through questionnaires. Sample size of 137 call center agents from call center industry of Pakistan were used to examine relationship between turnover intentions, workload, compensation and benefits and job conditions as well. Various factors manipulate turnover intentions, including: workload and type of work, salary and other benefits, Organizational climate and culture, supervision and interpersonal relationships, position, sovereignty, job conditions, entirely environment in the call centers, the nature of tasks to be performed and job outcomes.

2.3 Conceptual Framework

The framework below summarizes the factors that the researcher employed in the study that sought to analyze determinates of employee turnover intention. These factors are: reward system, Employee boss relationship, work environment and job -fit (person -job -fit).

Independent variables

Dependent variable

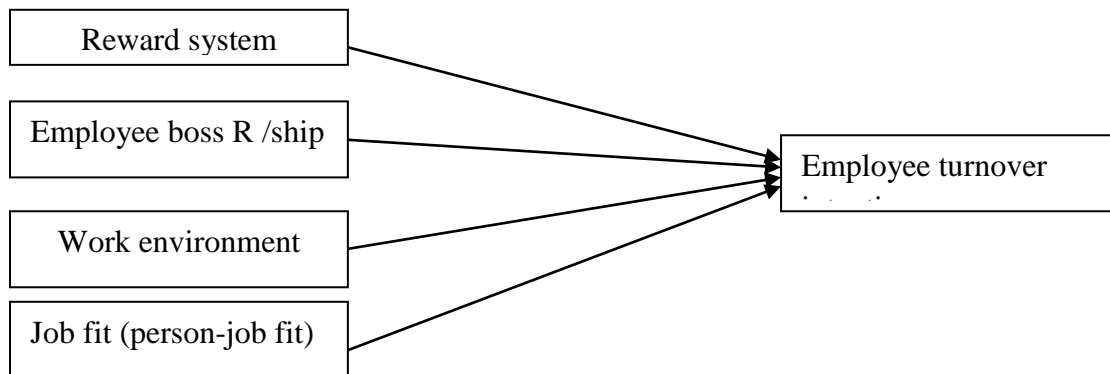


Figure 2.1. Research model

2.4 Conclusions

This chapter presented a review of related literature that focused on the relationship between reward system, employee boss relationship, working environment, job fit (person–job- fit) and turnover intention.

Effort has been taken to review current literature related to the concept of reward system, employee boss relationship, workplace environment and job fit with a view to identify areas where further research may be necessary, especially in the citadel of learning. The essence is to expand our knowledge framework about reward system, employee boss relationship, workplace environment and job fit factors especially among staff in the organization.

It is important to do this because, in the first instance, human behavior is associated with major problems across the globe, and on the second note, it maybe maladjusted which can only be reformed in learning institutions.

In Skinner’s “Beyond Freedom and Dignity”, the place of human behavior was shown to be connected to global problems: crime, poverty, pollution, war, overpopulation, even health-related problems such as cancer, sexually transmitted diseases, polio, malaria, and so forth. Better contraceptives will control population only if people use them; new methods of agriculture and medicine will not help if they are not practiced, and housing is a matter not only of buildings and cities but also of how people live. We need to make vast changes in human behavior and it is not enough to use technology with a deeper understanding of human issues or dedicate technology to man’s spiritual needs or to encourage technologists to look at human problems. What we need is a technology of behavior” (B.F. Skinner, cited in Oludeyi, 2013a), a technology that will reshape behavior and commitment towards advancement of mankind.

The results of empirical studies also show that there are different factors affecting the turn over intentions of employees in any organizations depending on the nature, size, geography and complexity of the organizations. There seems to be no conclusive agreements as to which factors are the only factors to employee turnover intentions. This study attempts to close the knowledge gap by analyzing the determinate of factors affecting the intention of employee turnover in ERCA.

CHAPTER THREE: RESEARCH DESIGN AND METHODS

3.1 Research Design

The research design employed in this study is both descriptive and explanatory type of research design. This research design method is adopted to show the relationship among the variable with the aid of closed ended questionnaires to analyze using descriptive statistics. While the explanatory research method was used to explore attitudes, behaviors and experiences through semi- structured interview and open ended questionnaires to get opinion from respondents about the causes and the effect of employee turnover intention in a given organizations. The study involves survey of different document and questionnaire (close ended) and an interview with ERCA HRM Directorate director, Addis Ababa Customs branch Office HRM administrator and Akaki kaliti sub- city small tax payer's branch office HRM administrator.

3.2 Research approach

Both qualitative and quantitative approaches have their strengths and weaknesses, and advantages and disadvantages, 'neither one is markedly superior to the other in all respects' (Ackroyd & Hughes 1992: 30). Since both research approaches have its own limitation; this study employed a mixed type of research approach through explanatory & descriptive research method by analyzing the data collecting from primary and secondary sources by using statistical analysis tools (SPSS).

3.3 Population and Sampling

3.3.1 Target population

The population of the study will be ERCA employees in Addis Ababa which is a total of 2,183 employees. Out of this, 1,164 employees of belong to ERCA head office, 282 employees of Akaki Kaliti sub city small tax payers branch office, and 737 employees of Addis Ababa Custom Branch Office.

3.3.2 Sampling Technique

For the purpose of this study, both purposive sampling and stratified sampling techniques were employed. Purposive sampling was used to select people with desired qualities. ERCA HRMD Directorate director, Addis Ababa Customs branch Office HRM administrator and Akaki kaliti sub- city small tax payer’s branch office HRM administrator were purposively sampled due the information they have by the virtue of the positions they hold.

The study used stratified random sampling techniques for current employees. Stratified sampling was used to achieve representation of the respondents. The respondents are stratified on the basis of their Office category. Currently 2,183 employees working in three offices and among these employees a sample of 330 employees were drawn. Out of 330 respondents, 305(92.4%) responded and returned questionnaires. It is believed that the sample taken is representative of target population.

3.3.3 Sampling size Determination

The sample size that I take 330 respondents which is indicated below in table 1 from the total population of 2183 employees by considering Confidence level of 95% and 5% margin of error was considered. Small Sample Techniques. The NEA Research Bulletin, Vol.38 December, 1960),P 99. All Respondents are working in ERCA under different directorates. Therefore, in this study the sample size is 327 employees proportionally selected from the three strata and 3 top management officials with total of 330 respondents in the survey.

Table 3.1 Determining sample size from a given population

TABLE I
Table for Determining Sample Size from a Given Population

N	S	N	S	N	S
10	10	220	140	1200	291
15	14	230	144	1300	297
20	19	240	148	1400	302
25	24	250	152	1500	306
30	28	260	155	1600	310
35	32	270	159	1700	313
40	37	280	162	1800	317
45	40	290	165	1900	320
50	44	300	169	2000	322
55	48	320	175	2200	327
60	52	340	181	2400	331
65	56	360	186	2600	335
70	59	380	191	2800	338
75	63	400	196	3000	341
80	66	420	201	3200	344
85	70	440	205	4000	351
90	73	460	210	4500	354
95	76	480	214	5000	357
100	80	500	217	6000	361
110	86	550	226	7000	364
120	92	600	234	8000	367
130	97	650	242	9000	368
140	103	700	248	10000	370
150	108	750	254	15000	375
160	113	800	260	20000	377
170	118	850	265	30000	379
180	123	900	269	40000	380
190	127	950	274	50000	381
200	132	1000	278	75000	382
210	136	1100	285	100000	384

Note:— N is population size.
S is sample size.

Source: The NEA Research Bulletin, Vol.38 December, 1960), P 99.

Table 3.2 Stratified proportional sample size

Office category	Population size	Sample size
ERCA	1164	176
Addis Ababa Customs branch office	737	112
Akaki kaliti small tax payers Branch office	282	42
Total	2183	330

3.4 Data Collection Tools and Procedures

3.4.1 Data Collection Procedures

Approval of the study and request letter to get necessary support from the respected sample company will be first obtained from AASTU; Dean Office. Permission to collect relevant data from the ERCA through the General Manager to Human Resource manager of ERCA Branches. After the permission get the researcher then secured an appointments with the Human Resource manager , to collect data from the records of the organizations of the study periods.

3.4.2 Data Collection Tools

This study will conduct through the collection of both primary and secondary data. With regard to primary data, the data collected through questionnaire filled by the existing employees of the organization and interview conducted with HRM administrator of the three offices .Interviews enabled the key informants to express themselves and provide in-depth data and make clarifications where ever necessary. Secondary data are obtained through the review of the organization’s annual and quarterly report, books, articles, literatures, journals, previous researches, websites and other available sources.

3.5 Data Analysis and Presentation

Data collected from questionnaires were analyzed by using SPSS 20.0 version. Both descriptive and inferential statistics are employed to analysis data; descriptive statistics such as frequency and percentage are used to describe the respondents’ characteristics. Regarding inferential statistics, correlation analysis is used to show the degree of the relationship between independents and dependent variables. Also the researcher used regression analysis to show the impact of independent variables on dependent variable.

3.6 Variables and Measurement

The questionnaire is one of the main tools for collecting data from respondents in the study. In this study the questionnaire is a four-page questionnaire which is divided into four sections includes; Section-I, Section-II, Section-III and Section-IV. All sections of the questionnaires are developed in English language.

3.6.1. Interpretation of Variables

Section-I: Background of the Respondent :In this section, questionnaires are designed to get information on the demographics of the respondents or respondent profile such as sex, age, marital status, level of education and years of experience. The questionnaires used the Multiple-Choice question where the respondents have to choose the most suitable answer that is related to them and used nominal scale. Nominal scale categorizes individual into mutually exclusive and collectively exhaustive groups. Nominal scale is used for measurement. It allows the researcher to assign subjects to certain categories or groups.

Section-II: General Questions: - Here respondents asked about the intensity of employee turnover intention in their organization, the degree of their satisfaction with the reward paid to them for the work they do, the work skill you personally possess match the skill you need to accomplish their job ,the rate of satisfaction with the current rewards and recognition offered by the organization , the rate of work environment and employee relationship with the boss . Their responses analyzed and interpreted by using descriptive statistics such as frequency and percentage.

Section-III: Factors Related to the determinants of Employee Turnover intention: Meanwhile, as for section III (items related to the determinants of employee turnover intention), the questionnaires were developed using a five-point Likert type scale ranging from 1 (strongly agree with the statement) to 5 (strongly disagree) for each of the statements. It comprises of statements and questions designed to examine the responds on how strongly subjects agree or disagree towards it. The questionnaire, which is equipped with full instructions, is then distributed among the existing selected respondents. Reward system,

employee-boss relationship, work environment, job fit (person -job fit) are identified as independent variables and Turnover intention as dependent variables.

Section IV: Measurement of Turnover Intention: employee's turnover intention will be measured using five-item measure by Mobley (1981). These five items are (1) As soon as I find a better job, I will leave this organization, (2) I am actively looking for a job outside of this organization, (3) I am seriously thinking of quitting my job(4) I often think about quitting(5). I think I will still be working at this organization two years from now. 5-point Likert Scaling was used ranging from 1= "Strongly agree" to 5= "Strongly disagree".

3.7 Reliability and Validity

Validity

Validity is the accuracy of a measure or the extent to which a score truthfully represents a concept (G.Zikmund, J.Babin, C.Carr & Griffin, 2010). Researcher use validity test to ensure that the variables been measure is accurate. For instance, we assessed the validity of dependent variable through content validity where the evaluation of turnover intention should include reward system, employee boss relationship, working environment and job fit (person–job-fit) towards the intention.

Reliability

Reliability is an indicator of a measure's internal consistency. In the scale measurement, we use reliability test to get a reliable result from the data collected from questionnaire. Reliability is the degree to which measures are free from error and therefore have consistent results (Sekaran, 2003).

According to Zikmund, Babin, Carr, and Griffin (2010), the standard coefficient alpha (α) is stated as 0.80 to 0.95, very good reliability, 0.70 to 0.80, good reliability, 0.60 to 0.70, fair reliability and <0.60, as poor reliability. In this study, all the independent variables and dependent variable turnover, met the above requirement.

The alpha value for each question is identified and summarized in Table-3.3 as shown below.

Table-3.3: Alpha Coefficient for Each Section of Questionnaire

S/n	Section	No. of Items	Alpha Value
1	Factors of reward system	10	0.988
2	Factors of employee boss relationship	4	0.981
3	Factors of Work environment	6	0.967
4	Factors of Job fit (person job-fit)	3	0.976
5	Turnover Intention	5	0.980

Source: Research Questionnaire

Table 3.4 Reliability test

CRONBACH'S ALPHA	No OF ITEMS
0.969	40

Source: SPSS reliability test

3.8 Ethical Consideration

Ethics is a critical aspect of a research (Snowden, 2014). Snowden (2014) stated that ethical research is free from unfair discrimination, harming individuals, violating individual's privacy and confidentiality. The purpose of study was explained to the study subjects & participation was voluntarily and they can withdraw from the study at any time without explanation and without penalty or loss of benefit. The right of each respondent to refuse or answer for few or all questions was respected. Omitting names of the study subjects from the questionnaire help to assure confidentiality of the information and maximum effort was made to maintain privacy of the respondents. The right and autonomy of all participants were respected.

CHAPTER-FOUR: DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

4.1 Introduction

This chapter presented and discussed the main findings of the study. Under this topic, demographic profile of respondents are presented by frequency and percentage and employee turnover intention analysis also carried out through Correlation analysis (Pearson correlation coefficient) to determine relation between and/or/ among variables and regression analysis are also used to examine the effects of independent Variables (employee boss relationship, job fit, work environment and reward system) on the dependent variable (Turnover Intentions).

4.2 Demographic characteristics of respondents :(By gender, age, marital status, education level & working experience)

Table 4.1: Frequency Distribution-sex Respondents

Variables		Frequency	Percentage (%)
Gender	Male	111	36.4
	Female	194	63.6
	Total	305	100.0

Source: Computed from data survey, 2017

Table 4.1 above shows that the total populations of the study were 330; only 305 (92.4%) employees return the questionnaire. Most of the respondents 194(63.6%) were females while 111 (36.4%) were males. This indicates that women have more chance of employment as an affirmative action.

Table 4.2: Frequency Distribution-age of Respondents

S/n	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
2	Age	<i>Less than 21</i>	-	-	-
		<i>21-30</i>	191	62.6	62.6
		<i>31-40</i>	82	26.9	89.5
		<i>41-50</i>	19	6.2	95.7
		<i>More than 50</i>	13	4.3	100
		Total	305	100	-

Source: Computed from data survey, 2017

Table 4.2 respondents age distribution of the respondents shows that majority of respondents 191(62.6%) were between 21-30 years old while 82 (26.9%) were between 31-40 years old, 19(6.2%) were 41-50 years and 13(4.3%) were over fifty years old. This implies that majority of employees in this organization are in their productive age and Ethiopian Revenues and Customs Authority have energetic work force.

Table 4.3: Frequency Distribution- Marital Status of Respondents

S/n	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
3	Marital Status	Single	131	42.9	42.9
		Married	169	55.4	98.3
		Separated	3	0.98	99.28
		Divorced	2	0.66	100
		Widowed	-	-	-
		Total	305	100	-

Source: Computed from data survey, 2017

Table 4.3 also points toward the marital status of the respondents. Data on the marital status showed that majorities of the respondents were married which occupied 169 respondents (55.4%) of the total respondents while 131 (42.9 %) respondents were single, 3 respondents (0.98%) were separated and 2 respondents (0.66 %) were divorced.

Table 4.4: Frequency Distribution- Educational Level of Respondents

S/n	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
4	Educational Level	Diploma or certificate	56	18.4	18.4
		First Degree	225	73.8	92.2
		Second degree	24	8	100
		PhD	-	-	-
		Total	305	100	-

Source: Computed from data survey, 2017

Table 4.4 presented the educational level of the respondents. 56(18.4%) respondents are Diploma or certificate holders, while 225(73.8%) respondents have university degree, and 24(7.8%) respondents have master's degree. There are no respondents who have PhD degree. Depending on the respondents' response of education levels the distribution showed that the majority of the respondent have Universities degree. This implies that the organization have educated man power.

Table 4.5: Frequency Distribution- Work Experience of Respondents

S/n	Item	Measurement	Freq.	Percentage	
				Valid %	Cumulative %
5	Working Experience	1–3years	125	41	41
		4–6years	104	34.1	75.1
		7–9years	51	16.7	91.8
		10 years & above	25	8.2	100
		Total	305	100	-

Source: Computed from data survey, 2017

Table 4.5 summarizes number of years of service of the respondents in the current organization. The majority of the respondents 125(41%) have between 1-3 years of experience in their current organization, while 104(34.1%) of the respondents have 4–6years of experience in the organization, and 51(16.7%) of respondents serve for 7 to 9 years. The number of respondents spent more than 10 years & above in the organization represent 25(8.2 %) of the total respondents. So, based on the data obtained most of the organization of the

employees served 1-3 years. This implies that the organization has less experienced employees.

Part-II: General Questions for employees of ERCA

Table-4.6: Frequency Distribution-Level of Employees Satisfaction with the amount of reward Paid

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	To what extent are you satisfied with the amount of reward you are paid by ERCA?	Very satisfied	-	-	-
		Satisfied	66	21.6	21.6
		Neither satisfied nor dissatisfied	63	20.6	42.2
		Dissatisfied	151	49.5	91.7
		Very dissatisfied	25	8.2	100
		Total	305	100	-

Source: Computed from survey data, 2017

Table 4.6 In trying to determine the extent of satisfaction of respondents with the amount of reward paid by the organization, 66 of them representing 21.6% were satisfied, 63 of the respondents indicating 20.6% were Neither satisfied nor dissatisfied, 151 of the respondents denoting 49.5% were dissatisfied and 25 (8.2%) of the respondents were very satisfied. The findings showed that half of the respondents were dissatisfied with the extent of the amount of reward paid by the organization.

Table-4.7: Frequency Distribution-Level of Employees skill match the job to accomplish

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	How did the skill you personally possess match the job needed to accomplish your job in your organization?	Much higher	87	28.5	28.5
		A bit higher	77	25.2	53.7
		About the same	51	16.7	70.4
		A bit lower	45	14.8	85.2
		Much lower	45	14.8	100
		Total	305	100	-

Source: Computed from survey data, 2017

As shown in Table 4.7, employees were asked to what extent their skills match with the skill needed to accomplish or to perform organizations' task. Accordingly, 87(28.5%) of the respondents responded that their skills is much higher than the skill needed to perform the job, 77(25.2%) were replied that a bit higher, 51(16.7 %) answered that about the same, 40(14.8%) were answered that a bit lower and 45(14.8%) answered the skill they possess much lower to the skill needed to accomplish the tasks of the organizations. From these responses we can summarize that more than 50 % of the respondent think the job what the company assign them is below their skills. This mismatch between persons' skill and organizations' job may result in employees' job dissatisfaction which further can cause employee turnover intention.

Table-4.8: The rate of Employees satisfaction with rewards & recognition

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	How would you rate your overall satisfaction with the current rewards and recognition programs offered by the organization?	Very satisfied	8	2.6	2.6
		Satisfied	49	16.1	18.7
		Neither satisfied nor dissatisfied	47	15.4	34.1
		Dissatisfied	151	49.5	83.6
		Very dissatisfied	50	16.4	100
		Total	305	100	-

Source: Computed from data survey, 2017

In Table 4.8 Respondents were asked to indicate the rate of satisfaction in terms of the reward and recognition programs offered by the organizations.

Accordingly, 50of them representing 16.4% were very dissatisfied, 151 respondents, signifying 49.5% were dissatisfied, 47 respondents which account 15.4% were neither satisfied nor dissatisfied, and 49 respondents signifying 16.1% were satisfied, while 8 of the respondents, representing2.6% were very satisfied with the rate of satisfaction in terms of the reward and recognition programs offered by the organizations.

The finding is an indication that more than 50 % of the respondents were dissatisfied about the current rewards and recognition programs offered by the organization.

Table-4.9: Frequency Distribution- Rate of the work environment

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	How do you rate the work environment in which you are working?	Excellent	3	1	1
		Very good	26	8.5	9.5
		Good	145	47.5	57
		Fair	64	21	77.9
		Bad	67	22	100
		Total	305	100	-

Source: Computed from data survey, 2017

In the above table 4.9, With regard to the rate of working environment, Results showed that 3 respondents representing 1 % was working with in excellent work environment, 26 of the respondents denoting 8.5 % was working with in very good work environment . On the other hand, 145 respondents, representing 47.5% have been working with in good work environment. The study further revealed that 64 and 67 respondents each denoting 21% stated fair and 22% bad respectively in terms of working with work environment.

Table.-4.10: Frequency Distribution-Rate employee relationship with the immediate boss

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	How do you rate your relationship with the immediate boss?	Excellent	42	13.8	13.8
		Very good	75	24.6	38.4
		Good	97	31.8	70.2
		Fair	63	20.6	90.8
		Bad	28	9.2	100
		Total	305	100	-

Source: Computed from data survey, 2017

As shown in table 4.10. Respondents were asked to indicate the rate of relationship with immediate bosses in relation to the work. Results showed that 42 respondents representing 13.8 % were excellent relationship with immediate bosses, 75 of the respondents denoting 24.6% very good relationship with the immediate bosses. On the other hand, 97 respondents, representing 31.8 % were good relationship with the immediate bosses. The study further

revealed that 63 and 28 respondents each denoting 20.6 % stated fair and 9.2% bad respectively in terms of their relationship with the immediate bosses. It is clear from the finding that majority of the respondents felt that there was good relationship with their immediate boss.

Table-4.11: Frequency Distribution- the degree of employee satisfaction with the recognition

S/n	Items	Measurement	Freq.	Percentage	
				Valid %	Cum. %
1	What is the degree of satisfaction you have with the recognition/reward you got from ERCA?	Very satisfied	13	4.3	4.3
		Satisfied	48	15.7	20
		Neither satisfied nor dissatisfied	56	18.4	38.4
		Dissatisfied	136	44.6	83
		Very dissatisfied	52	17	100
		Total	305	100	-

Source: Computed from data survey, 2017

As indicated in table 4.11. Respondent were asked to indicate the degree of satisfaction in terms of the recognition/ reward they got from the organizations. Analysis of results showed that 48 of them representing 15.7% were satisfied with recognition/ reward they got for the work they do, 13 respondent representing 4.3% were very satisfied with the recognition/reward they received for the work they do while 56 respondents, signifying 18.4% could not determine their degree of satisfaction with regards to the recognition /reward they got for work done. On the other hand 136 of the respondents denoting 44.6% were dissatisfied with the recognition/reward they received for the work they do. It also showed that 52 respondents signifying 17% were very dissatisfied with the recognition they got for the work they do. The finding is an indication that majority of the respondents were not happy about the recognition/reward they got from the work they do.

Table-4.12: Frequency Distribution-Respondents' Response about reward system

S/n	Items	Distribution	Response categories					Total
			SA	A	N	D	SD	
1	My pay is adequate for normal payment	Frequency	7	45	60	153	40	305
		Valid %	2.3	14.7	19.6	50	13.4	100
		Cumul. %	2.3	17	36.6	86.6	100	-
2	I am satisfied with my pay	Frequency	11	30	50	168	46	305
		Valid %	3.6	9.8	16.4	55	15.2	100
		Cumul. %	3.6	13.4	29.8	84.8	100	-
3	My pay is more sufficient for my living expenses	Frequency	6	30	21	145	103	305
		Valid %	2	9.8	6.9	47.5	33.8	100
		Cumul. %	2	11.8	18.7	66.2	100	-
4	I am paid according to my working experience	Frequency	3	36	56	142	68	305
		Valid %	1	11.8	18.4	46.6	22.2	100
		Cumul. %	1	12.8	31.2	77.8	100	-
5	Pay increase depends on my performance	Frequency	5	39	27	130	104	305
		Valid %	1.6	12.8	8.9	42.6	34.3	100
		Cumul. %	1.6	14.2	23.1	65.7	100	-
6	Pay is paid equal to the work done	Frequency	5	19	47	146	88	305
		Valid %	1.6	6.2	15.4	47.9	28.9	100
		Cumul. %	1.6	7.8	23.2	71.1	100	-
7	My pay is very secure	Frequency	8	29	61	144	63	305
		Valid %	2.6	9.5	20	47.2	20.4	100
		Cumul. %	2.6	12.1	32.1	79.3	100	-
8	I Feel appreciate when I achieve or complete a task	Frequency	24	72	80	98	31	305
		Valid %	7.9	23.6	26.3	32.1	10.3	100
		Cumul. %	7.9	31.5	57.6	89.7	100	-
9	My boss always thanks me for the job well done	Frequency	21	81	36	131	36	305
		Valid %	6.9	26.6	11.8	43	11.8	100
		Cumul. %	6.9	33.5	45.3	88.2	100	-
10	I receive adequate recognition and rewards for a job well done.	Frequency	9	47	54	149	46	305
		Valid %	2.9	15.4	17.7	48.9	15.1	100
		Cumul. %	2.9	18.3	36	84.9	100	-

Source: Computed from data survey, 2017

Item-1 of table 4.12, 45(14.7%) and 7(2.3%) of the respondents agree and strongly agree respectively about their pay is adequate for normal payment. In contrast, 153(50%) disagree and 40(13.4%) strongly disagree whereas 60(19.6%) of respondent are neutral.

Item-2 of the table revealed 30(9.8%) and 11(3.6%) of the respondents agree and strongly agree respectively regarding their satisfaction with their payment. On the other hand, 168(55%) disagree and 46(15.2%) strongly disagree while 50(16.4 %) neutral.

Item-3 of the table indicates 30(9.8%) and 6(2%) of the respondents agree and strongly agree respectively about their payment is sufficient for their living expenses. While 145(47.5%) disagree and 103(33.8%) strongly disagree regarding the question while 21(6.9%) neutral.

Item-4 of the above table, 36(11.8%) and 3(1%) respondents agree and strongly agree respectively. However, 142(46.6%) disagree and 68(22.2%) strongly disagree whereas about 56 (18.4%) neutral.

Item-5 of the above table shows 130(42.6%) and 104(34.3%) of the respondents disagree and strongly disagree respectively about their payment is increases depends on their performance result. But, 39(12.8%) agree and 5(1.6%) strongly agree whereas 27(8.9%) of the respondents not support the agreement or disagreement.

Item-6 of the above table also indicates 146(47.9%) and 88(28.9%) disagree and strongly disagree respectively regarding their payment is paid equal to the work done. However, 19(6.2%) agree and 5 (1.6%) strongly agree whereas 47(15.4%) neutral.

Item-7 of the table shows 63(20.4%) and 144(47.2%) strongly disagree and disagree respectively about their payment is very secure. Though, 29(9.5%) agree and 8(2.6%) strongly agree about the issue while 61(20%) neutral.

Item-8 of the table indicates 72(23.6%) and 24(7.9%) agree and strongly agree respectively about their appreciation of achievement or completion of a task. Nevertheless, 98(32.1%) disagree and 31 (10.3%) strongly disagree while 80(26.3%) neutral.

Item-9 of the table, 81(26.6%) and 21(6.9%) of the respondents agree and strongly agree respectively about their boss always thank for the job well done. In contrast, 131(43%) disagree and 36(11.8%) strongly disagree whereas 36(11.8%) neutral.

Item-10 of the table revealed 47(15.4%) and 9(2.9%) of the respondents agree and strongly agree respectively regarding their achievement of adequate recognition and rewards for a job well done. On the other hand, 149(48.9%) disagree and 46(15.1%) strongly disagree while 54(17.7%) neutral.

From the response one can infer that employees are dissatisfied with organizations' payment system of Ethiopian revenue and customs authority.

Table-4.13: Frequency Distribution-Respondents' Response about employee boss relationship

S/n	Items	Distribution	Response categories					Total
			SA	A	N	D	SD	
1	I feel that management of the organization shows a genuine interest in fixing the issues/problems in my role	Frequency	4	74	56	99	67	305
		Valid %	1.3	24.3	18.4	34.1	21.9	100
		Cumul. %	1.3	25.6	43.9	78.1	100	-
2	my supervisor keep me well informed on work issue	Frequency	18	98	80	69	40	305
		Valid %	6	32.1	26.2	22.6	13.1	100
		Cumul. %	6	38.1	64.3	86.9	100	-
3	My supervisor available to me when I have questions or need help	Frequency	15	125	73	69	23	305
		Valid %	5	41	23.9	22.6	7.5	100
		Cumul. %	5	46	69.9	92.5	100	-
4	My supervisor treats me fairly and respectfully	Frequency	24	103	66	82	30	305
		Valid %	7.9	33.8	21.6	26.9	9.8	100
		Cumul. %	7.9	41.7	63.3	90.2	100	-

Source: Computed from data survey, 2017

Item-1 of table 4.13, shows 74(24.3%) and 4(1.3%) agree and strongly agree respectively regarding their feeling the management of the organization shows a genuine interest in fixing the issues/problems in their role. In contrast, 99(34.1%) disagree and 67(21.9%) strongly disagree while 56(18.4%) neutral.

Item-2 of the table 4.13, shows 98(32.1%) and 18(6%) agree and strongly agree in that orders concerning their supervisors action to keep well informed on work issue. However, 69(22.6%) disagree and 40(13.1%) strongly disagree whereas 80(26.2%) neutral.

Item-3 of the table 4.13, 125(41%) agree and 15(5%) strongly agree respectively about their supervisor available to me when I have questions or need help. Oppositely, 69(22.6%) disagree and 23 (7.5%) strongly disagree while 73(23.9%) indifferent.

Item-4 of the table 4.13, also shows 103(33.8%) and 24(7.9%) agree and strongly agree respectively regarding their supervisor treats fairly and respectfully.

On the other hand, 82(26.9%) disagree and 30(9.8%) strongly disagree in that order whereas 66(21.6%) neutral. From the illustration one can concludes that employees have problem with employee boss relationship at ERCA.

Table-4.14: Frequency Distribution-Respondents' Response about working environment

S/n	Items	Distribution	Response categories					Total
			SA	A	N	D	SD	
1	I am working under the unclean environment	Frequency	56	144	21	55	29	305
		Valid %	18.4	47.2	6.9	18	9.5	100
		Cumul. %	18.4	65.6	72.5	90.5	100	-
2	I am working under instable environment	Frequency	47	119	57	42	40	305
		Valid %	15.4	39	18.7	13.8	13.1	100
		Cumul. %	15.4	54.4	73.1	86.9	100	-
3	I am working under inappropriate environment	Frequency	39	96	79	76	15	305
		Valid %	12.8	31.5	25.9	24.9	4.9	100
		Cumul. %	12.8	44.3	70.2	95.1	100	-
4	My working environment is initiating me to leave the organization.	Frequency	31	109	71	84	10	305
		Valid %	10.1	35.9	23.2	27.5	3.3	100
		Cumul. %	10.1	45.8	69.2	96.7	100	-

5	At work, I have the necessary equipment and tools to facilitate my job.	Frequency	30	59	43	141	32	305
		Valid %	9.8	19.3	14.1	46.2	10.5	100
		Cumul. %	9.8	29.1	43.2	89.5	100	-
6	At work, my organization provides an independent and healthy work environment.	Frequency	9	38	78	129	51	305
		Valid %	2.9	12.5	25.6	42.3	16.7	100
		Cumul. %	2.9	15.4	41	83.3	100	-

Source: Computed from data survey, 2017

Item-1 of the table 4.14, shows 55(18%) and 29(9.5%) disagree and strongly disagree respectively concerning they are working under the unclean environment. However, 56(18.4%) strongly agree and 144 (47.2%) agree while 21(6.9%) neutral.

Item-2 of the table 4.14, displays 42(13.8%) and 40(13.1%) disagree and strongly disagree respectively about they are working under the instable environment. On the other hand, 119(39%) agree and 47(15.4%) strongly agree whereas 57(18.7%) neutral.

Item- 3 of the table 4.14, indicates 76(24.9%) and 15(4.9%) disagree and strongly disagree in that order regarding they are working under inappropriate environment. In contrast, 96(31.5%) agree and 39(12.8%) strongly agree while 79(25.9%) indifferent about the issue.

Item-4 of the table 4.14, shows 84(27.5%) and 10(3.3%) disagree and strongly disagree respectively about the working environment of their organizations initiating them to leave. However, 109(35.9 %) agree and 31(10.1%) strongly agree whereas 71(23.2 %) neutral.

Item-5 of the table 4.14, shows 59(19.3%) and 30(9.8%) of the respondents agree and strongly agree respectively about its necessary equipment and tools to facilitate their job. Oppositely, 141(46.2%) disagree and 32(10.5 %) strongly disagree while 43(14.1%) neutral.

Item-6 of the table4.14, 38(12.5%) and 9(2.9%) of the respondents agree and strongly agree respectively regarding organization provides an independent and healthy work environment. However, 129(42.3%) disagree and 51(16.5%) strongly disagree whereas 78(25.6%) neutral.

Table-4.15: Frequency Distribution-Respondents' Response about job fit/person- job -fit

S/n	Items	Distribution	Response categories					Total
			SA	A	N	D	SD	
1	I am the right type of person for this type of work.	Frequency	30	58	26	105	86	305
		Valid %	9.8	19	8.5	34.5	28.2	100
		Cumul. %	9.8	28.8	37.3	71.8	100	-
2	My personality is a good match for this job.	Frequency	16	39	48	129	73	305
		Valid %	5.3	12.8	15.7	42.3	23.9	100
		Cumul. %	5.3	18.1	33.8	76.1	100	-
3	There is a good fit between my current job and my profession.	Frequency	36	61	31	139	38	305
		Valid %	11.8	20	10.2	45.5	12.5	100
		Cumul. %	11.8	31.8	42	87.5	100	-

Source: Computed from survey data, 2017

Item-1 of the above table4.15, also shows 58(19%) and 30(9.8%) of the respondents agree and strongly agree respectively regarding the right type of person for this type of work. In contrast, 105(34.5%) disagree and 86(28.2%) strongly disagree whereas 26(8.5%) neutral.

Item-2 of the table 4.15, displays 39(12.8%) and 16(5.37%) agree and strongly agree respectively about personality is a good match for this job. However, 129(42.3%) disagree and 73(23.9%) strongly disagree whereas 48(15.7%) neutral about the question.

Item-3 of the table4.15, 61(20%) and 36(11.8%) of the respondents agree and strongly agree respectively regarding there is good fit between their current job and their profession. However, 139(45.5%) disagree and 38(12.5%) strongly disagree whereas 31(10.2%) neutral. From the above data, we can conclude that the majority of employees of the organization are not matching their skill with the job. Therefore, this variable has impact on employee turnover intention in ERCA.

Table-4.16: Frequency Distribution-Respondents' Response about turnover intention

S/n	Items	Distribution	Response categories					Total
			SA	A	N	D	SD	
1	As soon as I find a better job, I will leave this organization.	Frequency	129	98	29	43	6	305
		Valid %	42.3	32.1	9.5	14.1	2	100
		Cumul. %	42.3	74.4	83.9	98	100	-
2	I am actively looking for a job outside of this organization	Frequency	99	120	49	26	11	305
		Valid %	32.5	39.3	16.1	8.5	3.6	100
		Cumul. %	32.5	71.8	87.9	86.4	100	-
3	I am seriously thinking of quitting my job.	Frequency	79	72	76	65	13	305
		Valid %	25.9	23.6	24.9	21.3	4.3	100
		Cumul. %	25.9	49.5	74.4	95.7	100	-
4	I often think about quitting	Frequency	75	102	62	55	11	305
		Valid %	24.6	33.5	20.3	18	3.6	100
		Cumul. %	24.6	58.1	78.4	96.4	100	-
5	I think I will still be working at this organization two years from now.	Frequency	49	63	71	71	51	305
		Valid %	16.1	20.7	23.3	23.3	16.6	100
		Cumul. %	16.1	36.8	60.1	83.4	100	-

Source: Computed data survey, 2017

Item-1 of the table 4.16, 98(32.1%) and 129(42.3%) agree and strongly agree respectively about As soon as they find a better job, they will leave the current organization. However, 43(14.1%) disagree and 6(2%) strongly disagree while 29(9.5 %) neutral.

Item-2 of the table 4.16, shows 120(39.3%) and 99(32.5%) agree and strongly agree respectively about actively looking for a job outside of this organization. But 26(8.5%) disagree and 11(3.6%) strongly disagree while 49(16.1%) remain neutral.

Item-3 of the table 4.16, displays 72 (23.6%) and 79(25.9%) agree and strongly agree respectively about the seriously thinking of quitting their job. However 65(21.3%) disagree and 13 (4.3%) strongly disagree whereas 76(24.9%) neutral about the question.

Item-4 of the table 4.16, shows 102(33.5%) and 75(24.6%) of the respondents agree and strongly agree about they are often thinking for quitting. On the other hand, 55(18%) disagree and 11(3.6%) strongly disagree while 62(20.3%) neutral about the issue.

Item-5 of the table 4.16, also shows 63(20.7%) and 49(16.1%) agree and strongly agree respectively about they will still be working at this organization two years from now. But 71(23.3%) disagree and 51(16.6%) strongly disagree while 71(23.3%) of respondents remain neutral.

Based on the respondents' responses, one can conclude that employees are looking for better job opportunity from outside and decide to leave the organizations if they get better opportunity.

4.3 Inferential Analysis

Inferential analysis is used to provide the general conclusion of the research. And inferential analysis also is an explanation of the relationship between independent variable and dependent variable. In this research, there will have five hypotheses would be tested by using Pearson Correlation Coefficient and Multiple Regression Analysis.

4.3.1. Pearson correlation test

Correlation between reward systems, employee boss Relationship, Working environment, person-job-fit and Turnover Intention explained below.

There is negative relationship between reward system and turnover intention. Therefore there is strong and negative relationship between reward and turnover intention($r=-.913$, $p=.000$), Thus the result supports for hypothesis states that reward system is negatively related to turnover intention for employees at ERCA. The correlation of $p=0.000$, $p<0.01$ also indicates that reward system has significant relationship with turnover intention at significant level of 0.01(Table 4.17).

There is significantly negative relationship between employee boss relationship and turnover intention. Therefore there is strong and negative relationship between employee boss relationship and turnover intention($r=-.971$, $p=.000$), Thus the result supports the hypothesis,

that states employee boss relationship is negatively related to turnover intention for employees at ERCA. The correlation of $p=0.000$, $p<0.01$ also indicates employee boss relationship has strong negative relationship with turnover intention at significant level of 0.01(table 4.17).

Their relationship between working environment and turnover intention is negative. Since there is strong and negative relationship between working environment and turnover intention($r=-.936$ $p=.000$), Thus the result supports for hypothesis states that working environment is negatively related to turnover intention for employees at ERCA. The correlation of $p=0.000$, $p<0.01$ also indicates that working environment has significant relationship with turnover intention at significant level of 0.01(Table 4.17).

The relationship between job fit (person–job-fit) and turnover significantly negative. Therefore there is strong and negative relationship between job fit(person–job-fit) and turnover intention($r= -.917$, $p=.000$) , Thus the result supports for hypothesis states that job fit(person –job-fit) is negatively related to turnover intention for employees at ERCA. The correlation of $p=0.000$, $p<0.00$ also indicates that job fit (person–job-fit) has significant relationship with turnover intention at significant level of 0.001(Table 4.17).

Table 4.17 Correlations

		RS	WE	JF	EBR	TOI
R S	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	305				
WE	Pearson Correlation	.856**	1			
	Sig. (2-tailed)	.000				
	N	305	305			
JF	Pearson Correlation	.982**	.832**	1		
	Sig. (2-tailed)	.000	.000			
	N	305	305	305		
EBR	Pearson Correlation	.932**	.918**	.935**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	305	305	305	305	
TOI	Pearson Correlation	-.913**	-.936**	-.917**	-.971**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	305	305	305	305	305

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output from questioner

4.3.2 Multiple Regression analysis

To minimize the influence of potential violations of statistical assumptions, regression assumption are tested (normality, linearity, homoscedasticity, and independence of residuals) by examining the normal probability plot (P-P) of the regression standardized residual and the scatter plot of the standardized residuals for all dependent variables and it indicated that there was no serious violation of the normality assumption for the model.

4.3.2.1 Analysis & Interpretation for Level of Contribution on turnover intention

The multiple linear regression of turn over intention against its variables for the sample size of 305 employees revealed that, the correlation between the observed value of turn over intention and the optimal linear combination of the independent variables is 0.979, as indicated by multiple R. Besides, given R^2 value of 0.959 and the adjusted R^2 value of 0.959, it may be realized that 95.9% of the variation in turn over intentions can be explained by the independent variables. The remaining 4.1% of the variance is explained other by variables not included in the study .The standardized coefficients of B column, gives us the coefficients of the independent variables in the regression equation including all the predictor variables as indicated below:

The predicted Turn over intention Score = -0.261 + -0.236(Reward system) + -0.552(Employee boss relation) + -0.34(Working Environment) + -0.35(Job person fit).

From the regression analysis we understand employee boss relationship is the predictor variable that contributes to the variation of the turnover intention which is the first as the Beta value of standardized coefficients is -.552. It is the highest contribution compare to reward system, job- person-fit and work environment. This concluded that employee boss relationship is the major factor influencing employee turnover intention in Ethiopian revenue and customs authority.

Job – fit is the predictor variable that contributes the second highest to the variation of the turnover intention. This is because Beta value of standardized coefficients for this predictor

variable is -.350 as compare to other predictor variables work environment and reward system (Table 4.18).

Work environment is the predictor variable that contributes the third highest to the variation of the dependent variable, turnover intention. The Beta value of standardized coefficient for this predictor variable is -.34 as compare to other predictor variables employee boss relationship (Table4.18).

Reward system is last predictor variable that contributes the lowest to the variation of the dependent variable, turnover intention. This is because Beta value of standardized coefficient for this predictor variable is the smallest, -.236 as compare to other predictor variables. This is means that reward system makes the least contribution to turnover intention in Ethiopian revenue and customs authority (Table 4.18).

Table 4.18 Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics F Change	Change Statistics Sig.	Durbin-Watson
1	.979 ^a	.959	.959	.230	.959	1766.00	.000	.112

a. Predictors: (Constant), JF, WE, EBR, RS

b. Dependent Variable: Turn over intention

Table 4.19 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	374.614	4	93.65	1766.00	.000 ^b
	Residual	15.909	300	.053		
	Total	390.524	304			

a. Dependent Variable: Turn over intention

b. Predictors: (Constant), Job fit, work environment, employee boss relation, reward system

Table 4.20 Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients t	Sig.
	B	Std. Error		
(Constant)	-.261	.089		.004
EBR	-.575	.049	-.552	.000
WE	-.309	.029	-.340	.000
RS	-.277	.077	-.236	.000
JF	-.327	.064	-.350	.000

a. Dependent Variable: Turn over intention

4.4 Analysis of the interview

The following result shows interview made with HRM administrator of ERCA, Addis Ababa customs and Akaki kality sub city small tax payers branch Offices on the issues of related to the reward (financial and non-financial) is adequate/ comparable with other organization, is ERCA recognize employee contribution to the success of the organization, working conditions is the causes of employee turnover intention, is there exists smooth relationship between management and employees, is mismatch between employees' professional skills, knowledge, and abilities and those required by the job the causes of turnover intention and is financial and non-financial rewards causes of turnover intention.

According to the view of the HRM administrator, the organization does not have any reward system to retain professional employees so professional employees leave the organization to other competitive organizations provided suitable reward in terms of financial and non-financial benefits.

Concerning to employee recognition mechanism of ERCA, the organization do not recognizes those employees who contributed to the success the organization like appreciation and by giving thank you certificate for the success of the organization, regarding the working condition the organizations job by itself involves high risk. There is also an articles in its Human resource policy that give the director general to dismiss any employees if suspects by corruption and also employees working in hot weather like low lands of border towns among the main reason of ERCA employees to leave their job. Also there is poor

relationship b/n the management and employees .the major problems is the managers are always full of risk i.e. they don't have confidence as the management system is highly centralized .the participation of employees in decision making is poor .due to these factors the majority of the employees do not feel ownership committed to work under risk and work as a team and group.

Concerning to job fit there is a mismatch b/n the employee qualification and job position in addition the management adopts the job rotation system. I.e. employees are transferred from one position to another which may not fit the qualification with the position due to this reason employees decide to terminate their job and joined other organization that matching the qualification with the position.

CHAPTER-FIVE: SUMMARY OF FINDINGS AND RECOMMENDATION

5.1.Introduction

In this section findings of the research were listed and conclusions were also made based on the findings and relevant recommendations have been given.

5.2.Summary of Findings

Based on the data, analysis and interpretation made in the previous chapter the major findings are summarized as follows:

- ✓ The majority of the respondents were dissatisfied with the extent of the amount of reward paid by the organization and mismatch between persons' skill and organizations' job result in employees' job dissatisfaction; the other reason of employee turnover intention.
- ✓ The majority of the respondents were dissatisfied about the current rewards and recognition programs offered by the organization.
- ✓ The Pearson correlation coefficient indicates that there is significantly negative relationship between turnover intention and reward system. The value of -0.913 indicate that reward system is negatively correlated to turnover intention and also it supports for hypotheses reward system is negatively related to turnover intention.
- ✓ It is consistent with the hypothesis working environment is negatively related to turnover intention and also there is significantly negative relationship between turnover intention and working environment. The value of -0.936 indicate working environment is negatively correlated to turnover intention. Thus, it supports the hypothesis working environment is negatively related to turnover intention.

- ✓ The Pearson correlation coefficient also tell us the relationship between job person fit and turn over intentions are highly negative significant at $r = -0.917$ at 1% significance level. Hence it supports the hypothesis of job-person-fit is negatively related to turnover intention.
- ✓ Finally, the Pearson correlation coefficient result indicates that there is a strong negative relationship between the turnover intention and employee boss relationship ($r=0.971$). Thus, we accept the hypothesis employee boss relationship is negative and significantly related to turnover intention ($p=0.000p<0.001$). This indicates that there is a problem of employee boss relationship in Ethiopian Revenue and customs authority.

Summary of hypothesis

- ✓ Our conceptual framework shows the relationships between reward system, employee boss relationship, working environment, person-job-fit and turnover intention. To test this relationship correlation analysis is performed based on the analysis the following summery is made.

Table-5.1: Summary of Hypothesis Testing

S/n	Hypothesis	Result
1	H1 ₁ : There is a significant negative relationship between reward system and turnover intention.	accepted
2	H1 ₂ : There is a significant negative relation between employee boss R/ship and turnover intention.	accepted
3	H1 ₃ : There is a significant negative relationship between working environment and turnover intention.	accepted
4	H1 ₄ : There is a significant negative relation between job fit and turnover intention.	accepted
5	H1 ₅ : All independent variables (WE, JPF, RS & EBR) have significant impact on the dependent variable(turnover intension)	accepted

Source: Correlation Analysis Result

5.3. Conclusion

The main objective of this study is to assess the determinants of employee turnover intention in Ethiopian Revenue and Customs Authority.

The research study will be focusing mainly on whether the determinants factors have direct effect on the turnover intention among employees of ERCA. There are four independent variables being used in this research which are, reward system, employee boss relationship, working condition, and job-person-fit. There were either positive or negative relationship between independent variables and dependent variable (turnover intention) based on the literature that we reviewed.

From the result of SPSS, there was high turnover intention in ERCA among the employees the result showed that the respondent intention to leave is high. Moreover, high rate of turnover is very costly to an organization. Besides that, the result also showed that the independent variables which are employee boss relationship, person -job-fit, working condition, and reward system are the main reason which caused employees to have the intention to leave. Therefore, reward system is less important compared to other independent variables for turn over intention.

The study also concluded that employees were pushed to exit door due to relatively less payment, lack of promotion, less fringe benefits, lack of motivation and encouragement for good work, lack of recognition for work done, bad work environment.

5.4 Recommendations

On the basis of the analysis and findings derived and conclusions drawn with regard to the antecedents of employee turnover intention, the following recommendations are made with the hope that implementation would reduce the problem identified

- ❖ Since employee boss relation is one of the major factor in ERCA for turn over intention; the organization should seek mechanism to exist smooth relationship between employee and immediate supervisor (boss) and also by evaluating the administration manual the organization need to revised with time because some rules are may be effective for certain period and may not for another period like firing of employee if a branch office manager suspects an employee with corruption without any evidence; such kind of regulations may affect the employees freedom at work place.
- ❖ P-J fit can be seen as an important tool for managing human resource processes as they play an important role in selecting, socializing and training of workforce that can become the source of competitive advantage for the organization. So, the ERCA should focus on selecting such employees whose personality and values are in congruence with their jobs. The selection of right type of person for right type of job will improve productivity of the organization and will reduce turnover intention.
- ❖ Recognize good performance: by recognizing people for doing good work lets them know they are appreciated. Tangible and intangible rewards are a great way to show management appreciation for good performers. This improves morale if done well. And make sure employees receive sincere appreciation by management on a continuing basis. We can recognize once good work by thank the person by name, by sending a hand written notes, publicize their success, elect them to the wall of fame, reward success as well as effort, give them a free day off.
- ❖ Employees were highly attracted and joined other organizations as a result of searching for high salary, safe working environment, career advancement, more freedom and autonomy & more financial and non-financial benefits, as the result ERCA should improve these variables to reduce employee turnover and to achieve the objective of the organization by retain skilled man power.
- ❖ Finally The HRM Directorate should develop employee retention mechanism especially for the skilled manpower; since they are the back bone of the organization.

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APPENDIX



ADDIS ABABA SCIENCE & TECHNOLOGY UNIVERSITY
COLLEGE OF NATURAL AND SOCIAL SCIENCE
DEPARTMENT OF MANAGEMENT

Dear respondents,

The purpose of this research is to Assess the Determinants of Employees' Turnover Intentions: the case of Ethiopian Revenues and Customs Authority (ERCA) Addis Ababa selected branches for the requirement of completion of Masters of Business Administration (MBA) degree. The outcome of the study will be used in order to suggest possible solutions for problems identified while conducting the study.

Statement of Confidentiality:

The responses you provide will be strictly confidential. No reference will be made to any individual(s) in the report of the study. Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in filling the questionnaire honestly and responsibly.

General Instructions

- No need of writing your name.
- Encircle the letter of your choice and put the [√] mark in the box provided
- Please respond as accurately as possible and at your earliest possible time.

Part I: Demographic characteristics of respondents

Please make a √ mark on your selected answer

1. Sex: a) Male b) Female
2. Age: a) Less than 21 b) 21-30 c) 31-40 d) 41-50 e) More than 50
3. Marital Status: a) Single b) Married c) Separated d) Divorced Widowed
4. Educational Level: a) Diploma or certificate First Degree C. Second degree Ph.D
5. How long have you worked for ERCA? 1-3 years B. 4-6 years 7-9 years 10 years & above

Part-II: General Questions for employees

6. To what extent are you satisfied with the amount of reward you are paid by ERCA?

Verysatisfied Satisfied Neither satisfied nor dissatisfied Dissatisfied Very dissatisfied

7. How did the work skill you personally possess match the skill you needed to accomplish your job in your organization?

Much higher A bit higher About the same A bit lower Much lower

8. How would you rate your overall satisfaction with the current rewards and recognition programs offered by the organization?

Verysatisfied Satisfied Neither satisfied nor dissatisfied Dissatisfied Very dissatisfied

9. How do you rate the work environment in which you are working?

Excellent Very good Good Fair Bad

10. How do you rate your relationship with the immediate boss?

Excellent Very good Good Fair Bad

11. What is the degree of satisfaction you have with the recognition/reward you got from ERCA?

Very satisfied Satisfied Neither satisfied nor dissatisfied Dissatisfied Very dissatisfied

Part-III: Items related to the causes of Employee Turnover intention for employees

12. The following statement relates to the causes of employee turnover intention in your organization. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

A- Reward system

No	Items	strongly agree	Agree	Neutral	Disagree	strongly disagree
1	My pay is adequate for normal payment					
2	I am satisfied with my pay					
3	My pay is more sufficient for my living expenses					
4	I am paid according to my working experience					
5	Pay increase depends on my performance					
6	Pay is paid equal to the work done					
7	My pay is very secure					
8	I Feel appreciate when I achieve or complete a task					
9	My boss always thanks me for the job well done					
10	I receive adequate recognition and rewards for a job well done.					

B. Employee relationship with supervisor

No	Items	strongly agree	Agree	Neutral	Disagree	strongly disagree
1	I feel that management of the organization shows a genuine interest in fixing the issues/problems in my role					
2	my supervisor keep me well informed on work issues					
3	My supervisor available to me when I have questions or need help					
4	My supervisor treats me fairly and respectfully					

C. Working environment

No.	Items	strongly agree	Agree	Neutral	Disagree	strongly disagree
1	I am working under the unclean environment					
2	I am working under instable environment					
3	I am working under inappropriate environment					
4	My working environment is initiating me to leave the organization.					

5	At work, I have the necessary equipment and tools to facilitate my job.					
6	At work, my organization provides an independent and healthy work environment.					

d. Job fit (person job- fit)

No.	Items	strongly agree	Agree	Neutral	Disagree	strongly disagree
1	I am the right type of person for this type of work.					
2	My personality is a good match for this job.					
3	There is a good fit between my current job and my profession.					

Part-IV: Intention of turnover questions for employees

13. The following statement relates to your intention of turnover. Please indicate your level of agreement/disagreement by ticking [√] in the box for your exact feeling based on the scale below.

No	Items	strongly agree	Agree	Neutral	Disagree	strongly disagree
1	As soon as I find a better job, I will leave this organization.					
2	I am actively looking for a job outside of this organization					
3	I am seriously thinking of quitting my job.					
4	I often think about quitting					
5	I think I will still be working at this organization two years from now.					

Source: Mobley (1981).

Thank you in advance for your honest cooperation

Annex - B

ADDIS ABABA SCIENCE & TECHNOLOGY UNIVERSITY

COLLEGE OF NATURAL AND SOCIAL SCIENCE

DEPARTMENT OF MANAGEMENT

Interview question with the HRM Team leader of ERCA, Addis Ababa customs and Akaki – Kaility Small Tax Payers Branch Office HRM Coordinator

Purpose

The purpose of this research is to assess the determinants of employees' turnover intentions: the case of Ethiopian revenues and customs authority (ERCA) Addis Ababa selected branches for the requirement of completion of Masters of Business Administration (MBA) degree. The outcome of the study will be used in order to suggest possible solutions for problems identified while conducting the study.

Statement of Confidentiality:

The responses you provide will be strictly confidential. No reference will be made to any individual(s) in the report of the study. Therefore, your genuine, frank and timely responses are quite vital to determine the success of this study. So, I kindly request your contribution in conducting the interviewee questionnaire honestly and responsibly.

Interview Questions

1. Do you expect that the reward (financial and non-financial) is adequate/ comparable with other organization? If not, how do you evaluate it?
2. How does ERCA recognize employee contribution to the success of the organization?
3. Do employees working conditions causes of turnover intention in ERCA?
4. Do you think that there exists smooth relationship between management and employees?
If not, what would be the reason/s?
5. Do you think that mismatch between employees' professional skills, knowledge, and abilities and those required by the job the causes of turnover intention in ERCA?
6. Do you think that financial and non -financial rewards causes turnover intention in ERCA?

Thank you in advance for your honest cooperation!

Annex –C

Table 4.17 Correlations

		RS	WE	JF	EBR	TOI
RS	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	305				
WE	Pearson Correlation	.856**	1			
	Sig. (2-tailed)	.000				
	N	305	305			
JF	Pearson Correlation	.982**	.832**	1		
	Sig. (2-tailed)	.000	.000			
	N	305	305	305		
EBR	Pearson Correlation	.932**	.918**	.935**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	305	305	305	305	
TOI	Pearson Correlation	-.913**	-.936**	-.917**	-.971**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	305	305	305	305	305

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output from questioner

Annex –D

Table 4.18 Model Summary^b

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate	R Square Change	Change Statistics F Change	Sig. F Change	Durbin-Watson
1	.979 ^a	.959	.959	.230	.959	1766.00	.000	.112

a. Predictors: (Constant), Job fit, work Environment, Employee boss relation, Reward system

b. Dependent Variable: Turn over intention

Source: SPSS Output from questioner

Table 4.19 ANOVA^a

Model		Sum of Squares	df	Mean Square F	Sig.
1	Regression	374.614	4	93.654	1766.005
	Residual	15.909	300	.053	
	Total	390.524	304		

a. Dependent Variable: Turn over intention

b. Predictors: (Constant), Job fit, work environment, employee boss relation, reward system

Source: SPSS Output from questioner

Table 4.20 Coefficients^a

Model	Unstandardized Coefficients B	Standardized Coefficients Beta	Standard Error Std. Error	t	Sig.
	(Constant)				
	-261		.089	-2.925	.004
	EBR				
	-.575		.049	-11.789	.000
1	WE				
	-.309		.029	-10.773	.000
	RS				
	-.277		.077	-3.592	.000
	JF				
	-.327		.064	-5.132	.000

a. Dependent Variable: Turn over intention

Source:SPSS-Output-from-questioner

