

Impact of Employee Turnover on Organisational Effectiveness in Tele Communication Sector of Pakistan

Zeeshan Ahmed¹, Sarwat Sabir², Mishal Khosa³, Imam Ahmad⁴,
Muhammad Amjad Bilal⁵

^{1,2}Ph.D Scholar, (Business Administration) Universiti Utara Malaysia (UUM), Malaysia

³Ph.D Scholar, (Business Administration) Universiti Utara Malaysia (UUM), Malaysia

^{4,5M}.Phil. (Business Administration) National College of Business Administration & Economics, Lahore, Pakistan

Abstract: Employee turnover is a significant factor that is of vital importance to the employees of the organization. The current study traces the reasons of employee turnover in the telecommunication sector of Pakistan. The target population for this research study was the employees of telecom sector of district D.G.Khan and Multan. For this study, survey method was adopted by floating questionnaire which served as a tool for collecting research data. The research results have revealed that employee turnover depending upon factors such as (firm stability, pay level, industry, work situation, training and supervision) have significant impact on organizational effectiveness; these factors are correlated with each other as well. This research study has certain limitations which include resources and time constraints, which limit the current research to only D.G.Khan and Multan offices of the telecommunication sector of Pakistan. By using correlation and regression analysis, the current research study found that there is a significant relationship between employee turnover and organizational effectiveness. To investigate employee turnover in detail, this research article examines the causes of employee turnover, its drawbacks and suggest some strategies on how telecom sector can retain their employees and optimize turnover rate.

Keywords: Employee Turnover, Organizational Effectiveness, Banking sector, Firm stability, Pay level, Industry, Work situation, Training and Supervision

I. Introduction

For all organizations, turnover intention of employees has become one of the major challenges. To develop the understanding of multifaceted phenomena, researchers have formulated different models of employee turnover across the world. This is somewhat due to multiplicity in the samples which are used for the study. Economical, psychological and organizational consequences are symptomatic of the complexity of employee turnover. Organizations all over the world are giving more attention and importance to this issue as they know that high level employee's turnover; slow down the performance of the employee's as well as organization. Besides, it inflates the expenses related to recruitment and new employee training (Chen, Lin, & Lien, 2010). Employee turnover is a persistent aspect of the market. Employee turnover influences both firms and their workers: firms have to incur the expenses on recruiting and training of new employees, while employees may have to learn specific skills relating to new jobs. Incoming employees on the other hand may be more highly skilled and better educated. Therefore, employee turnover may increase organizational performance, an opportunity which has fascinated limited awareness in the existing literature, which concentrate on the impact of employee turnover rather than on the organizations (Sarah, Gaia, & Christopher, 2007).

Employee's turnover issues still exist throughout the world in most of the organizations. In the most developed business nations, the employee's turnover rate is still very high. Furthermore, from a gender point of view, male pay may be more than that of the female, demanding parallel qualification, skills, training and responsibility. The ability or level of performance of tasks accomplished by the employees will be achieved only if organization's employees are satisfied with the internal environment (Muhammad, Muhammad, & Aisha, 2013). Organizational effectiveness is crucial for the success of any economy. In early theories, organizational effectiveness has been recognized with high productivity or with the maximization of the profits or with employee good morale and efficient service. Organizational effectiveness is generally refers to those organizations that have the potential to achieve maximum output. For achieving sustainable and increased business results, an organization needs to implement good strategy and engage their employees. For creating organizational effectiveness, business managers need to focus on engaging and aligning their employees, the structure, people management models and competencies to the organizational strategy. This commitment results in high employee retention, high financial performance and high customers' satisfaction (Muhammad, Naseer, Sheraz, & Mahfooz, 2012).

When talking about Pakistani employees, they are more sensitive about their organizations and jobs (Shumaila & Amir, 2011). Hence, they try to work hard for their respective departments, making strong relationship between them and the organization which result in higher organizational effectiveness (O'Driscoll & Randall, 1999). The telecommunication sector in Pakistan plays a major role in the country's economic growth (Hashim, Munir, & Khan, 2006) which resulted in 54% of direct foreign investment in 2007 (Aiza & Abdus, 2013). An organization's success depends mainly on employee retention, which will help the organizations reduce employee's job turnover and increasing organizational effectiveness (Mohsen, 2007). This sector is determined to develop competitiveness to handle worldwide pressures and customer's demands. The government of Pakistan has proclaimed different structural changes for the financial area to handle and fulfil the future challenges. As stated by (Khattak, Khan, Haw, Arif, & Minhas, 2011), the changes in the Pakistan telecommunication sector is not only limited in the direction of economic and social areas rather it has affected human resources psychological globe. The employee turnover rate has been increased due to these changes. (Khan, Kashif ur, Ijaz ur, Safwan, & Ahmad, 2011) quoted that telecommunication sector of Pakistan is facing different challenges in retaining their employees due to privatization.

Past research studies have concluded that employee turnover has a negative impact on the organization's overall performance with the help of empirical and theoretical analysis. It is due to organization's daily routines interruption (Dalton & W, 1979). Several other researchers, on the other side found that organizations get benefits due to innovative thinking and due to fresh blood, which increases employees' motivational level that carry to a new organizational job (Abelson & B, 1984).

1.1 Problem Statement

The telecommunication sector of Pakistan is facing many challenges regarding employee turnover. This leads to reduced employee's performance, which ultimately impacts the organizational effectiveness. This research study identifies the reasons of employee turnover rate and suggests different recommendations or strategies for enhancing organizational effectiveness.

1.2 Objectives of the study

In order to meet the above purpose, this research study addresses the following main objectives:

- To investigate the response of employees' turnover in the telecommunication sector of Pakistan.
- To determine the influence of employee turnover on organizational effectiveness.
- To investigate different factors affecting employee turnover that can be used to lessen employee turnover in the telecom sector.

1.3 Scope of the study

This research study is based on the telecommunication sector of District Dera Ghazi Khan and Multan, Pakistan. All the employees working in the telecommunication sector are included to contribute to this research study. The results of this research will be useful in highlighting the dilemmas associated with employee turnover in the telecommunication sector of Pakistan.

II. Literature Review

2.1 Employee Turnover

Employee turnover is the most important activity of human resource of a firm in which management is eager to censure. The reason for making a purposeful resistance is because of reality that organizations make sufficient investment in their employees in the shape of development, training, workflow, reimbursement planning and building of viewpoint to achieve objectives and goals of the organization. Though, the increasing consequences of employee turnover can cause an effect on the organization's growth, the expense of managing as shown in most cases is reflected on income statement bottom line, showed a downward tendency in effectiveness. As a result, human resource management view is actively determining the descending wave of the firm's turnover rate (Ghulam, Syed, & Zainab, 2012). From managers and academic point of view employees' turnover has received considerable attention in organizations. Its main focus is to understand its causes. The supposition is inherent in this approach that employee turnover is focused by definite, identifiable features of workers, firms, tasks and markets. By developing rules to highlight these characteristics, leaders/managers might lessen the incidence of employee turnover in their relevant organizations. As highlighted by few observers, though, the results of employee turnover have received considerably less concentration from researchers (Staw, 1980). (Osteraker, 1999) explained that organization's success depends on two essential pillars which are retention and employee satisfaction. (Faruk, 2011) publicized that there is a negative relationship between employee turnover and job satisfaction. (Osteraker, 1999) summarized from past research studies that the success of an organization depends on two dimensions, first one is social and second one is mental/physical. These factors are made on the social circle basis, job description, development skills on the

basis of personal relationship and all situations linked with skills needed to do the job. The social factors explain the personal relationship and employee's social network inside and outside the organizations. Employee socialization is the base for this factor. Whereas, the mental factor absorbs employee retention aspect by giving flexible tasks, supportive environment which polishes them to use their skills and knowledge by participating and putting their utmost efforts to get forecasted consequences. The workplace environment and compensation programs are in some way helpful in retaining competent employees (Aiza & Abdus, 2013).

(Harkins, 1998) narrates employee's job turnover as the access to enter new employees into the organizations and the departure of current employees of the organizations. Departure term of existing employees used by the researchers interchangeably with controlled exit or separation. (Mobley, Griffeth, Hand, & Meglino, 1979) explained the turnover rate as to replace resigned employees with hiring new recruitments. By explaining these, employees, turnover occurs when a substitute is hired successfully. Another definition provided by (Mondy, 2010) who explain that employee turnover means controlled ending of a partnership with the organization by the employees of that organization. In business circles, employee turnover is widely used term (Henry, May 2007). Even though several research studies have been organized on turnover topic, most researchers focus on the roots of employee turnover, but few studies have been conducted in the examination of sources of employee turnover, guiding various strategies and effects which are helpful for managers in different organizations to make sure that there is continuity of employees in the organizations to improve organizational effectiveness. (Abdul & Kaleem, 2014) initiates what he calls it as a simple solution to the employee's job turnover dilemma that is to pay employees more benefits than the compensation. Only money is not the solution for it, unluckily employee's job turnover has many sole and combined reasons depending on a number of problems compact with work and non work related issues dealing. Employees who are working in the organization blame work and therefore become frustrated with their jobs, as it was part of inter task divergence which was caused by collective responsibilities of family, work, personal and community (Hom & Kinicki, 2001). Turnover objective is an employee psychological eagerness to resign from the job and leave the organization. The turnover rate is that at which an organization loses or gain their employees. Simply stated employee's job turnover is "how long an employee stays connected to one organization". Readiness of employee's leave the job and quit the organization is described as turnover intention. The theme behind intentional turnover is habitually described with a relation among employee's economic, social and psychological procedure (Udechukwu & B, 2007). Lynn Coleman (1989) as cited in (Abdul & Kaleem, 2014) suggested ideas of correcting and preventing employee's job turnover. On the basis of his research, he gave some recommendations to conduct exit interviews in the institutions and derive other solutions for employees leaving the organization. Interviews and surveys are the best sources to find people information. The effect of employee turnover results extra work load on the remaining employees, on their work performance and an organization's effectiveness. (Mathis & Jackson, 2007) said that those employees who are in the organization have to put extra efforts and have to work extra hours to balance the work of those who left the organization. Increased workload of employees leads to decrease employee morale and increases stress level, which in turn increases employee absenteeism.

2.2 Causes of employee's Turnover

Employee turnover basically occurs due to unhappiness of an individual employee from job environment. Being unhappy is not merely the reason in a job, why individuals leave one job for another job. If the employees possess the skills that are in demand, they may be awarded higher pay, better facilities or job growth prospective. So it is very important to recognize and know the difference between those employees who leave the job because they are not satisfied with their job and those employees who leave their job for other reasons, (Ibrahim, Usman, & Bagudu, 2013). Some of the important factors that contribute to employee turnover are;

2.2.1 Firm Stability

A Sign of firm's stability or instability is one factor among many other factors responsible for the strength of employee turnover by level of employee satisfaction. The dependability signature highlights there is a sign that workers can stay with the firm for a long time period. On the other hand, if the firm is inconsistent or unstable in attaining its goals and objectives, then the same process can be disgusting as well (Zuber, 2001). Organizations that are experiencing a high level of ineffectiveness or instability can have high levels of employee's turnover rate (Alexander, J, & Nuchols, 1994).

2.2.2 Pay level

Pay has a true alliance between employers and employees that help the organizations to apprehend and view decisions which assist in achieving the preset plans and objectives. Though, the idea of paying the employees is divided into two sections, one is external equity and second one is internal equity. External equity

means those employees who are waging similar depending on their position, though the organizations may be different. It can help the organizations retain and magnetize its employees. Internal equity refers to the employees that are paid a similar position to work at a same pay scale. Some employees feel injustice without internal equity in the organization's environment, which leads to a greater employee's turnover rate in the organization (Pritchard, 1969).

2.2.3 Industry

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

2.2.4 Work situation

Employment status is the most conventional issue which is recognized to be the main issue for the employee's turnover. According to the faith of some consultants, the most essential influence on employee satisfaction associated with the work is the character of the work itself, which is the inherent characteristic of work as it is the most critical aspect of the financial executing individual life (Judge & Watanabe, 1994). Employee self satisfaction associated to the job characteristics highlights some important factors as job challenge, scope of work, the diversity of work and job retention are other ground aspects which finally varies from person to person depending upon their environment and approaches (Houghton, Boston, MA, Y, & Ferris, 1987).

2.2.5 Training and Supervision

Employees always need direction and guidance. Those who are newly recruited need extra guidance in learning different jobs. Likewise, absence of training programs may cause employees to fall behind their performance level and realize that their skills are missing (Ibrahim, Usman, & Bagudu, 2013). (Chiang, Back, & D, 2005) said that training of employees is associated with employee decisions to remain in the organization. He additionally researched and concluded that employee turnover has a direct relationship with job satisfaction; he further said that job satisfaction has a direct relationship with training provided to organize employees. This shows that job satisfaction has a significant relationship with an employee turnover rate. On the other hand, the quality of training programs provided to the organization's employees shows an indirect relationship with an employee's plan to remain or give up the organization. He recommended that training of employees' is the main root for the success of an organization. The employee's turnover rate could be reduced by training the employees' and to keep talented people with them. Pakistan's telecommunication sector is facing the problems of employee retention as rate of employee turnover is rising alarmingly. Now a day's retention of employees in telecommunication sector is becoming very difficult. No organization can be successful in any sector until and unless the strategies are adopted by the management to reduce the turnover rate efficiently and effectively (Aiza & Abdus, 2013).

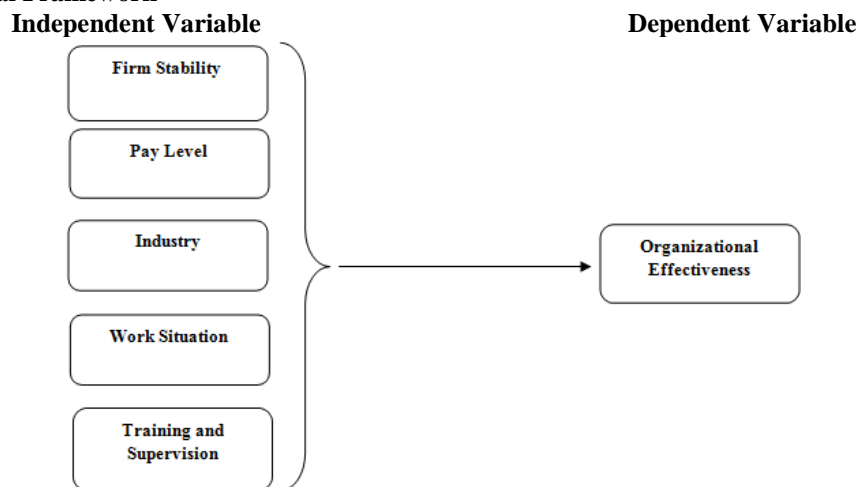
2.3 Organizational Effectiveness

Organizational effectiveness is mostly an expression used by the researchers. Also, it is the most extensively researched problems since organizational theory was developed early. Organizational effectiveness was extracted from organizational behaviour theory which was established in 1950s. Regardless of some harmony, still there is a significant lack of consensus on the operationalization and the definition of the concept. Fulfilling organization's objectives without incapacitating resources of an organization is the definition of organizational effectiveness. Among management researchers point of view, organizational effectiveness is regarded as explaining the goals, describing resources and shapen if the organizational goals met (Muhammad, Naseer, Sheraz, & Mahfooz, 2012). (Yankey & McClellan, 2007) explained that organization's effectiveness is the degree to which the stated objectives and goals of an organization are met and in the process how well it performed. (Muhammad, Ghafoor, & Naseer, 2011) stated that the organization's effectiveness is the theme of how useful an organization is in attaining the outcomes, the organization wishes to produce. (Muhammad, Ghafoor, & Naseer, 2011) also narrated that The effectiveness of an organization is a theoretical concept and it is impossible to determine. Instead of assessing organizational effectiveness, the organizations establish proxy measures and further used as a tool to represent organizational effectiveness. Such things may be included as management efficiency, the employee's performance, employee's core competencies, number of employee's served and population segments with respect to types and sizes served (Muhammad, Naseer, Sheraz, & Mahfooz, 2012). (Herman & Renz, 1998) explained that organizational effectiveness theory can be abridged as

the expansion of substitutes to or alterations of what is called goal model of efficiency and effectiveness and elucidation of the theoretical dimensions on the organizational effectiveness. (Herman & Renz, 1998) also explained that the supposition of organizational effectiveness shows multifaceted history. It can be concluded as the expansion of alternatives to or alterations of what is called goal model theory of effectiveness. (Katou, 2008) considered the organizational effectiveness by researching that how HRM supports in increasing the efficiency and effectiveness of the organization. Research study results narrated that HRM policy that engages job analysis, talent management, job description, job design, rewards, incentives, compensation, training programs help to enhance the effectiveness of the organization. A Study conducted by (Tzu & C, 2007) explains that there exists a positive relation between bonuses, reward systems, other financial benefits and organizational effectiveness. High rate of employee turnover decreases the organization's incentives for providing employee training programs and hence reduces productivity. Job matching theory on the other hand, states that employee turnover can be helpful for employees and employers to stay away from being locked in matches of sub optimal permanently, which as a result increases productivity (Muhammad, Muhammad, & Aisha, 2013).

Employee's job turnover rate varies from organizations to organizations. Sometimes an employee's turnover advantages organizations positively. This happens only when a poor employee is replaced by a skilled employee and when an older employee is replaced by a talented and younger one. Employee turnover can be costly as it demands different costs to take account; as recruitment, administrative costs, covering cost in such a period there is a opportunity of job, new employee training cost etc (Ibrahim, Usman, & Bagudu, 2013). Employee's job turnover is an interesting topic for many academics and researchers because it has a negative impact as turnover (Fahad, Salman, Zain, & Muhammad, 2013). Those organizations which conduct proper training programs for their employees, having a higher success ratio and employee turnover ratio are less. Employees are quite satisfied with their jobs show greater dedication and less support to leave the job (O Reilly & Chatmen, 1986). Employee's job turnover increases because of employees in offices were chiefly at fault, committing errors because they were unable to follow the procedures and they were incompetently handled the circumstances; putting the organization employees in, by poor planning such a pressure is created and at the end increase in employee turnover and decreases organizational effectiveness (Muhammad, Muhammad, & Aisha, 2013).

2.4 Conceptual Framework



This proposed model serves as a base for this research study. The main theme of this research is to unearth the relationship between Employee turnover, which is the main independent variable and its sub variables are firm stability, pay level, industry, work situation, training and supervision. Organizational effectiveness is the dependent variable. By using this conceptual framework different possible hypotheses have been developed to check the important relationships between employee turnover, firm stability, pay level, industry, work situation, training and supervision and organizational effectiveness.

2.5 Hypothesis Development

The above conceptual framework presents six different hypotheses that have been developed to examine the impact of the employee's job turnover, firm stability, pay level, industry, work situation, training and supervision and organizational effectiveness in the telecom sector of Pakistan.

H1: There is an impact between the employee's turnover and organizational effectiveness.

H2: There is an impact between firm stability and organizational effectiveness.

- H3: There is an impact between pay level and organizational effectiveness.
 H4: There is an impact between industry and organizational effectiveness.
 H5: There is an impact between work situation and organizational effectiveness.
 H6: There is an impact between training and supervision and organizational effectiveness.

III. Methodology

3.1 Research Instrument

Data collected for this research study was through primary and secondary sources. The Primary source of information was through structured questionnaires. The structured Questionnaire instrument technique was used to conduct this research. Structured questionnaires were distributed in the telecom sector; hence the targeted population areas were the telecommunication companies (Ptcl, Telenor, Warid, Mobilink, Uphone and Zong) in Dera Ghazi Khan and Multan. Secondary source of information was through the internet and articles from different journals.

3.2 Sample and data collection

Convenient sampling method was used for this research study. 250 respondents were selected as a sample size for the study from 25 telecom centers of above mentioned service organizations situated in District D.G.Khan and Multan in Pakistan. A Response rate of the questionnaire was 88% as 220 out of 250 questionnaires were received back. The questionnaires were designed for a nominal and Likert scale and regression and correlation techniques were used to analyze the results.

IV. Findings

Table 1

4.1 Reliability Test

Variable	No. Of Items	Cronbach's Alpha
Employee Turnover	5	0.760
Firm Stability	5	0.826
Pay Level	5	0.815
Industry	5	0.789
Work Situation	5	0.747
Training and Supervision	5	0.781
Organisational Effectiveness	5	0.787

Most of the management science researchers use Cronbach's α as a reliability testing tool. The above table gives Cronbach's Alpha value for each variable. As every value of Cronbach's Alpha is 0.7 and higher, it means that these variables have relatively high internal consistency and good reliability.

4.2 Analysis of the Data

Table 2

4.2.1 Demographic Statistics

Demographics	Description	Percentage	Cumulative Percentage
Gender	Male	76.8	76.8
	Female	23.2	100.0
Age	Below 25 years	14.5	14.5
	26-30 years	40.9	55.5
	31-35 years	26.4	81.8
	Above 35 years	18.2	100.0
Education	Bachelor	22.7	22.7
	Master	63.2	85.9
	MPhil	4.5	90.5
	Other	9.5	100.0
Experience	Up to 3 years	40.0	40.0
	4-6 years	27.3	67.3
	7-9 years	17.7	85.0
	10-12 years	8.6	93.6
	Above 12 years	6.4	100.0
Marital Status	Single	40.0	40.0
	Married	60.0	100.0

The above table 2 shows that among the respondents, there were 77% male and 23% female, of which 40% were single and 60% were married. Looking at their ages, 15% of the respondents were under 25 years, 41% were between 26-30 years, 26% were 31-35 years and 18% were above 35 years old. Regarding their academic background 23% of the respondents were bachelors, 63% were mastered, 5% were Mphil and 9% had other qualification. Moreover, 40% of the respondents were with work experience of up to 3 years, 27% were in 4-6 years, 18% were in 7-9 years, 9% were in 10-12 years and 6% were with above 12 years of work experience in the telecom sector of Pakistan.

4.3 Correlation analysis of Employee turnover and organizational effectiveness

Table 3

Correlations							
	Employee Turnover	Firm Stability	Pay Level	Industry	Work Situation	Training and Supervision	Organizational Effectiveness
Employee Turnover	1	.662**	.432**	.594**	.541**	.465**	.720**
		.000	.000	.000	.000	.000	.000
Firm Stability	.662**	1	.526**	.680**	.496**	.464**	.956**
	.000		.000	.000	.000	.000	.000
Pay Level	.432**	.526**	1	.523**	.306**	.297**	.477**
	.000	.000		.000	.000	.000	.000
Industry	.594**	.680**	.523**	1	.438**	.407**	.638**
	.000	.000	.000		.000	.000	.000
Work Situation	.541**	.496**	.306**	.438**	1	.462**	.547**
	.000	.000	.000	.000		.000	.000
Training and Supervision	.465**	.464**	.297**	.407**	.462**	1	.521**
	.000	.000	.000	.000	.000		.000
Organizational Effectiveness	.720**	.956**	.477**	.638**	.547**	.521**	1
	.000	.000	.000	.000	.000	.000	
	N						

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

The relationship among all the variables was found by using Pearson’s Correlation Coefficient. The correlation value $r = 0.662$ shows that there is a moderate relationship between employee turnover and firm stability, and the p-value shows that the relationship is significant. For employee turnover and pay level $r = 0.432$, which shows that these two variables are moderately correlated with one another, also the p-value shows the relationship is significant. Coming to the relationship of employee turnover with industry, the $r = 0.594$ shows a moderate relationship between the two variables, also p-value shows that the relationship is significant. Regarding employee turnover and work situation, the $r = 0.541$ shows a moderate relationship between the two variables, and the p-value shows that the relationship is significant. The value of $r = 0.465$ for employee turnover and training and supervision shows a moderate relationship, and the p-value shows a significant relationship between them. The $r = 0.720$ for employee turnover and organizational effectiveness shows that these two variables are strongly correlated to one another; the p-value shows that the relationship is significant.

4.4 Regression analysis of Employee turnover and organizational effectiveness

Table 4

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.968 ^a	.937	.935	.870

a. Predictors: (Constant), Training and Supervision, Pay Level, Work Situation, Industry, Employee Turnover, Firm Stability

ANOVA

Model		Sum Squares	Df	Mean Square	F	Sig.
1	Regression	2382.707	6	397.118	524.263	.000 ^b
	Residual	161.343	213	.757		
	Total	2544.050	219			

a. Dependent Variable: Organizational Effectiveness

b. Predictors: (Constant), Training and Supervision, Pay Level, Work Situation, Industry, Employee Turnover, Firm Stability

The Linear Regression Model was used to determine the relationship between dependent and explanatory variables. The value of adjusted “R²” is 0.935 which shows that there is 93.5% variance in organizational effectiveness can be explained by the predictors training and supervision, pay level, work situation, industry, employee turnover and firm stability. The 6.5% variation in organizational effectiveness is due to some other factors.

The ANOVA table gives a p-value=.000 which shows that the fitted regression model is appropriate.

Coefficients ^a		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
Model		B	Std. Error	Beta		
	(Constant)	.329	.482		.682	.496
	Employee Turnover	.152	.027	.144	5.692	.000
	Firm Stability	.842	.026	.876	31.971	.000
	Pay Level	.039	.019	.045	2.124	.035
	Industry	.068	.025	.068	2.687	.008
	Work Situation	.061	.027	.048	2.226	.027
	Training and Supervision	.067	.021	.066	3.174	.002

a. Dependent Variable: Organizational Effectiveness

The explanatory variable employee turnover has ($\beta=0.152, p=.000$) which means that each single unit change in employee turnover brought 0.152 unit change in organizational effectiveness while keeping other variables constant. The second explanatory variable firm stability has ($\beta=0.842, p=.000$) which means that for every unit change in firm stability there was 0.842 unit change in organizational effectiveness while keeping other variables constant. Coming to third independent variable pay level, we have ($\beta=0.039, p=.035$) which shows that there was 0.039 unit change in organizational effectiveness due to single unit change in pay level while keeping other variables constant. Regarding industry with ($\beta=0.068, p=.008$) we conclude that there was 0.068 unit change in organizational effectiveness because of a single unit change in the industry while keeping other variables constant. The independent variable work situation ($\beta=0.061, p=.027$) caused 0.061 unit change in organizational effectiveness by a single unit change while keeping other variables constant. According to the above table there was 0.067 unit change in organizational effectiveness due to single unit change in the explanatory variable training and supervision ($\beta=0.067, p=.002$) while keeping other variables constant .

V. Conclusion

After an extensive research study conducted results have been drawn in order to locate the causes of employee turnover in the telecommunication sector of Pakistan. The current research study found that there is a significant relationship between the employee’s turnover (firm stability, pay level, industry, work situation, training and supervision) and organizational effectiveness. Hence, organizations need to concentrate on the employee’s needs and improve working conditions in order to enhance organizational effectiveness. From this research study, responses gathered has proved that hypotheses regarding employee’s job turnover (firm stability, pay level, industry, work situation, training and supervision) were true; hence these independent variables are directly associated to increase organizational effectiveness. If employees of the telecommunication sector voluntarily quits, it will be a great loss to the organization. It is more expensive to recruit, train, and “bring up to speed” new substitutes. Therefore, it is important to comprehend the factors of the employee’s turnover before they make a decision to quit the organization which can affect organizational effectiveness.

1.1 Limitations of the study

This research study was cross sectional and its results were limited to the phase in which research data was collected. Future researchers can examine the same correlation analysis by carrying out the longitudinal research study. This research study was conducted only in District D.G.Khan and Multan regions, future research can be conducted in other cities. This research study takes into consideration only those forecasters of employee turnover, which are in the range of the study. Further research can be conducted on the other factors of employee turnover that the present study has not taken into consideration.

References

- [1]. Abdul, G. A., & Kaleem, U. A. (2014). “employees turnover rate in oil refineries- a case study of pak arab refinery ltd (parco)”. European Centre for Research Training and Development UK , 2 (3), 73- 86.
- [2]. Abelson, M. A., & B, D. B. (1984). Optimal and dysfunctional turnover. Toward an organizational level model. Academy of Management Review , 9, 331-41.
- [3]. Aiza, H. R., & Abdus, S. A. (2013). impact of talent management and employee turnover intention on organizational efficiency- a case of telecommunication sector of pakistan. Sci.Int(Lahore) , 25 (3), 655-660.
- [4]. Alexander, J. B., J, & Nuchols, B. (1994). Nursing turnover and hospital efficiency: an organization level analysis. Industrial Relations , 33 (4), 505-520.

- [5]. Chen, M. F., Lin, C. P., & Lien, G. Y. (2010). Modeling job stress as a mediating role in predicting turnover intention . *The Service Industries Journal* , 1743-9507.
- [6]. Chiang, C. F., Back, K. J., & D. D. (2005). The Impact of Employee Training on Job Satisfaction and Intention to Stay in the Hotel Industry. *Journal of Human Resources in Hospitality & Tourism* , 4 (2), 99-118.
- [7]. Dalton, D., & W, T. (1979). Turnover turned over: An expanded and positive perspective. *Academy of Management Review* , 4 (2), 225-235.
- [8]. Fahad, M., Salman, C., Zain, I., & Muhammad, R. (2013). Does Psychological Empowerment Bring About Employee Commitment? Evidence from Telecommunication Sector of Pakistan. *Journal of Business Studies Quarterly* , 5 (1).
- [9]. Faruk, S. (2011). Affective Commitment as a Mediator of the Relationship between psychological climate and turnover intention. *World Applied sciences Journal* , 14 (4), 523-530.
- [10]. Ghulam, M. K., Syed, A. A., & Zainab, F. Z. (2012). The Contribution of Organizational Variables and its impact on Job Turnover and Job satisfaction of Employee's. *interdisciplinary journal of contemporary research in business* , 3 (10).
- [11]. Harkins, P. J. (1998). Why Employees Stay--or Go. *Work force* , 77 (10), 74-78.
- [12]. Hashim, Munir, & Khan. (2006). Foreign Direct Investment in Telecommunication Sector of Pakistan: An Empirical Analysis. *Journal of Managerial Sciences* , 3 (1), 111-123.
- [13]. Henry, O. (May 2007). Department of Management, University of Botswana. Botswana.
- [14]. Herman, R. D., & Renz, D. O. (1998). "Nonprofit Organizational Effectiveness: Contrasts Between Especially Effective and Less Effective Organizations", *Nonprofit Management & Leadership*. 9 (1).
- [15]. Hom, P. W., & Kinicki, A. J. (2001). Toward a greater understanding of how dissatisfaction drives employee turnover. *Academy of Management Journal* , 44 (5), 975-987.
- [16]. Houghton, M., Boston, MA, F., Y, & Ferris, G. R. (1987). The validity of the job characteristics model: A review and Meta analysis. *Personnel psychology* , 40 (2), 287-322.
- [17]. Ibrahim, A. M., Usman, B. U., & Bagudu, M. W. (2013). Employee Turnover and Its Effects on Organizational Productivity of State Owned Institutions in Niger State: (An Impediment to Achieving Vision 20:2020 in Niger State). *Journal of Business and Organizational Development* , 5 (2).
- [18]. Judge, T. A., & Watanabe, S. (1994). Individual differences in the nature of the relationship between job and life satisfaction. *Journal of Occupational and Organizational Psychology* , 67, 101-107.
- [19]. Katou, A. A. (2008). Measuring the impact of HRM on organisational performance. *Journal of Industrial Engineering and Management* , 1 (2), 119-142.
- [20]. Khan, M. A., Kashif ur, R., Ijaz ur, R., Safwan, N., & Ahmad, A. (2011). Modeling link between internal service quality in human resources management and employees retention: A case of Pakistani privatized and public sector banks. *African Journal of Business Management* , 5 (3), 949-959.
- [21]. Khattak, J., Khan, M., Haw, A., Arif, M., & Minhas, A. (2011). Occupational stress and burnout in Pakistan's banking sector. *African Journal of Biotechnology* , 5 (3), 810-817.
- [22]. Mathis, R. B., & Jackson, J. H. (2007). *Human Resource Management* (10th ed.). Singapore: Thomson Asia Pty Ltd.
- [23]. Mobley, W. H., Griffeth, R. W., Hand, H. H., & Meglino, B. M. (1979). Review and conceptual analysis of the employee turnover process. *Psychological Bulletin* , 86, 493-522.
- [24]. Mohsen, N. (2007). Leadership from the Quran Relationship between Taqwa, Trust and Business Leadership Effectiveness. University of Malaysia .
- [25]. Mondy, R. W. (2010). *Human resources management* (11th ed.). Upper Saddle River: NJ: Prentice Hall.
- [26]. Muhammad, E. M., Ghafoor, M. M., & Naseer, S. (2011). Organizational Effectiveness: A Case Study of Telecommunication and Banking Sector of Pakistan. *Far East Journal of Psychology and Business* , 2 (1).
- [27]. Muhammad, N. T., Muhammad, R., & Aisha, R. (2013). the impact of employee turnover on the efficiency of the organization. *interdisciplinary journal of contemporary research in business* , 4 (9).
- [28]. Muhammad, T. K., Naseer, A. K., Sheraz, A., & Mahfooz, A. (2012). Connotation of Organizational Effectiveness and Factors Affecting It. *International Journal of Business and Behavioral Sciences* , 2 (9).
- [29]. O'Reilly, C., & Chatmen, J. (1986). Organizational commitment and psychological attachment: The effects of compliance, identification and internalization on pro social behavior. *Journal of Applied Psychology* , 71, 429-499.
- [30]. O'Driscoll, M. P., & Randall, D. M. (1999). Perceived organizational support, satisfaction with rewards, and employee job involvement and organizational commitment. *Applied Psychology: An International Review* , 48 (2), 197-209.
- [31]. Osteraker, M. C. (1999). Measuring motivation in a learning organization. *Journal of Work Place Learning* .
- [32]. Pritchard, R. D. (1969). Equity theory: A review and critique. *Organizational Behavior and Human performance* , 4, 176-211.
- [33]. Sarah, B., Gaia, G., & Christopher, M. (2007). Labour Turnover and Firm Performance.
- [34]. Shumaila, L., & Amir, G. (2011). the impact of organizational and supervisory support on survivors' organizational commitment after downsizing in telecom sector of pakistan. *International Journal of Economics and Management Sciences* , 1 (5), 55-61.
- [35]. Staw, B. (1980). The consequences of turnover. *J. Occupational Behav* , 1 (4), 253-273.
- [36]. Taplin, I. M., Winterton, J., & Winterton, R. (2003). Understanding labour turnover in a labour intensive industry: Evidence from the British clothing industry. *Journal of Management Studies* , 40 (4), 1021-1046.
- [37]. Tzu, S. H., & C, H. S. (2007). The effects of bonus systems on firm performance in Taiwan's high-tech sector. *Journal of Comparative Economics* , 35, 235-249.
- [38]. Udechukwu, I. K., & B, G. M. (2007). Determining the probability that an employee will stay or leave the organization: A mathematical and theoretical model for organizations. *Human Resource Development Review* , 6 (2), 164-184.
- [39]. Yankey, J. A., & McClellan, A. (2007). "The nonprofit board's role in planning and evaluation. Book Seven of the BoardSource Governance Series. Quoted in "Nonprofit Organizational Effectiveness". Kronkosky Charitable Foundation.
- [40]. Zuber, A. (2001). A career in food service cons: high turnover. *Nations Restaurant News* , 35 (21), 147-148.