

Antecedents and consequences of employee turnover: Empirical evidence from Pakistan

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Aims: This study examines interrelationship among major antecedents of employee turnover such as HRM practices, organizational culture, attitudes of boss on employees' intention to quit in Pakistani banking and IT sectors.

Study design: The study employs exploratory research design, in-depth interviews was applied for the data collection.

Place: The study is conducted in the national and multinational companies in Pakistan

Methodology: Data collected through in-depth interviews with thirty top executives to junior managers from government, private and multinational organizations. The study employed 'narrative analysis' method to analyze the data. Narrative analysis looks at self-story and individual experiences of interviewee regarding social phenomenon. This analytical technique helped authors to compare and categorize emerging themes to give meaning to words, context-situation, story and basic actions.

Results: The results suggest that, overall picture of HRM and organizational culture in public sector organization appears to be poor whereas private (local) organizations seem comparatively better improving. On the contrary, respondents in MNCs gave impression of higher agreement on merit-based HRM organizational culture exceptionally good accompanied by friendly and mentoring boss with higher self-esteem.

Conclusion: This study revealed that there exists interrelationship among the factors stated above and also influence employees' intention to stay or quit. This contribution underscores the importance of fairness of HRM functioning and positive attitude of boss helps prevent flight of competitive workforce across the organizations. This study finds out employees in government and private sectors organizations experience low level of self-efficacy and self-esteem due to worsening internal factors such as HRM practices and organizational culture. Whereas, MNCs under the influence of parent company (headquarter) appear to have much better HRM functioning, organizational culture and attitude of boss. As a result, employees display more satisfaction and commitment to organization with low level of intention to quit.

Key words: Human resource management, turnover, organizational culture, attitudes of boss, framework, Pakistan.

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1. Introduction

Human resource management (HRM) is the strategic and coherent approach to the management of an organization's most valued assets e.g., workforce, who individually and collectively add value to organizational objectives. HRM functioning in any organization is widely aimed at employing people, developing their skill and knowledge resources, utilizing, maintaining and compensating them in tune with the job and organizational objectives (Armstrong, 2006). The strategic human resource management (SHRM) with its main focus on proposition that 'effective' HRM functioning improves employee motivation, commitment, and retains high potential workforce (Datta, Guthrie and Wright 2005; Huselid 1995; Khilji and Wang 2007). This ongoing discourse still continues across the board and most of the research on employee turnover concludes that dissatisfaction at workplace is major contributor of employees' quitting. This is yet a major debate as to why people choose to quit, whether people leave job, organization or more specifically a boss (Felps, Mitchell, Hekman, Lee, Holtom, and Harman, 2009; Lee, Gerhart, Weller, and Trevor, 2008). Recently, researchers are considering the alternative ways that the turnover process is enacted and what organizations can do to prevent flight of competitive human capital (Harman, Lee, Mitchell, Terence, Felps, & Owens, 2007). Significant amount of literature to date has examined the effects of employee turnover and its cost to organization. In addition, researchers have investigated causes and consequences of employee turnover and retention (Hale 1998; Lake 2000; Abbasi and Hollman 2000; Backman 2000; Ahlrichs 2000; Tremblay and Pare 2000; Moore and Burk 2002; Ware 2004; and Khilji and Wang 2007, a few examples). Most of the investigations have concentrated on the development of detailed list of predictors and antecedents of employee turnover and tested employee turnover theories in Western cultural work settings by ignoring the developing countries including Pakistan (Price and Mueller, 1981; Sheridan and Abelson, 1983; Steer and Mowday, 1981; Khilji and Wang 2007). However, earlier research missed out to look at interrelationship of HRM practices, organizational culture, and attitude of immediate boss on employees' intentions to quit. This constitutes a serious academic and research gap in the literature which calls for more attention and more robust research contribution in the domain of management research. For that research, Pakistan presents distinctive socio-political, economic, administrative and organizational structure which make it rich context for research. The review of literature on the current state of employee turnover and retention in Pakistan is limited. Deficiencies in the literature necessitate to put in rigorous research contribution to better understand 'ways and means' to manage employee turnover and retention in Pakistan. Consequently, this study attempts to examine the extent HRM, organizational cultural values and the attitude of boss influence employees' decision to quit or stay.

2. Review of literature and conceptual framework

An increasing body of research has examined the relationship of HR practices, organizational culture and attitudes of supervisor with satisfaction, commitment, turnover and retention in Western developed countries, US, UK and other countries by ignoring the case of developing countries like Pakistan. This study reviewed available literature on the subject and proposed conceptual framework which presents stages of organisational influences on employee decision to stay or quit the job (see figure 1). This study conceptualizes that the interrelationship of organizational factors such as HRM practices, organizational culture and attitudes of immediate boss or supervisor individually and collectively impact employees' staying or quitting decision making at workplace.

2.2. HRM practices: Mainstream HRM literature reports that HR practices play pivotal role to motivate and retain talented employees at work (Agarwal and Ferrat, 1999; Dessler, 1999; Huselid, 1995; Pfeffer and Veiga, 1999). The groundbreaking research philosophy of Pfeffer (1994, 1998) of "putting people first" challenged the old-fashioned ideology of 'managing people coercively' at workplace. His philosophy earned great deal of support in US and UK and elsewhere. Academics and HR practitioners across the continents from North America through Europe, Africa, Asia and Australia began new discourse on Pfeffer work (Arthur, 1994; MacDuffe, 1995; Delaney and Huselid, 1996; Delaney and Doty, 1996; Huselid and Becker, 1996; Wood, 1995; Conway, 1998). Pfeffer (1994; 1998) argues that particular set of HRM could maximize organizational performance. Additionally, HRM also occupies central place in establishing and maintaining fairness, equitability, shared understanding and ethical standards in organization, this thinking gives birth to organizational culture (Kane-Urrabazo, 2006). The research study of Covey (1991) argues that well-built culture containing four major elements such as trust and trustworthiness, empowerment, consistency and mentorship boost the satisfaction and reduce turnover at workplace. Denison (1996) demonstrated that employees' behaviour at workplace is the manifestation of the organizational culture and it drives their performance and satisfaction. O'Reilly, Chatman, and Caldwell, (1991) study suggests that

person-organization fit is a significant predictor of commitment, job satisfaction and intention to quit, irrespective of employees age, gender, and tenure. Additionally, little research substantiation has been found in literature on the correlation of HR best practices with employee turnover and retention in context of developing countries, mainly Pakistan. As a result, this research gap calls for fresh academic and research contribution in the area under investigation. Consequently, this research embarks on the trajectory of addressing the main issue left behind by Western and indigenous researchers.

Proposition 1: Fair and effective HRM functioning, not based on sifarish (guanxi/connection) and cronyism reinforces well-built culture of trustworthiness, open communication, constructive mentorship with mutual respect between supervisor and subordinate to underpin strong organizational culture to help retain key talent at workplace.

2.3. Organizational culture: Since 1980s, Hofstede's legendary research contributions in organizational psychology demonstrated that national cultures vary across the countries. Hofstede (1998) identified five main cultural dimensions which vary across cultures. He further argued that cultural values reflect work attitudes like satisfaction with boss and at work. Judge and Cable (1997) report that applicant's personality traits profoundly interact with organizational culture and they seem attracted if culture matches their personality. A considerable amount of research has focused on element of organizational culture such respect for others, flexibility, mentoring, trust and trustworthiness, delegation and empowerment, fairness, openness in communication, innovation, and team work as important contributor in retaining competent workforce. Unfortunately, all literature cited above belongs to western nations context and none of the study comprehensively examined case of Pakistan.

Propositions 2: It is proposed that fair HRM practices accompanied with conducive organizational culture of trust and mentorship generate overall satisfaction, organizational commitment and helps to prevent flight of competitive capital from the organization.

2.4. Attitude of boss: The significant number of studies has examined the linkages of positive or negative behaviour of immediate boss with employees' job attitudes such as satisfaction commitment, turnover, and retention (Bacharach and Aiken, 1979; Lam, Hui and Law, 1999). The findings of the research of Fleishman and Harris (1998) reported that if supervisor is with low consideration and high structure leadership style then employees' grievances and turnover intentions will be high. Much recent investigations such as (Avey, West, and Crossley 2008; Cheung, Wu, Chan, and Wong 2009) have reported that there are several ways that boss/supervisor show abusive, destructive or sadistic behaviour at work which directly affects employees' satisfaction and commitment. The supervisor's destructive behaviour identified by the studies include: abusive (Hornstein, 1996; Tepper, 2000), health endangering (Kile, 1990); petty tyrants (Ashforth, 1994); bullies (Namie and Namie, 2000); derailed (Schackleton, 1995); intolerable (Lombardo and McCall, 1984); psychopaths (Furnham and Taylor, 2004); and harassing (Brodsky, 1976). The most recent study of Einarsen, Aasland and Skogstad (2007) report that leader destructive behaviour directed at workplace violates the legitimate interest of organization and it raises overall dissatisfaction in employees. Destructive leadership style strongly relates to employees' stress, dissatisfaction and intention to quit the organization. Tepper, Duffy and Shaw (2001) found that conscientiousness and agreeableness personality traits moderate the relationship between abusive supervision at workplace.

Fig. 1 Conceptual framework



Personality psychologists have strong opinion that employees' personality traits have direct link with personal and work-related factors. Smith and Canger, (2004) reported that supervisor traits of agreeableness, emotional stability and extroversion with low level of conscientiousness were found significantly related with subordinate ratings of satisfaction, commitment, and turnover intentions. Jenkins (1993) reported that personality traits help in prediction of employees' satisfaction, commitment, turnover and retention. Jerusalem and Schwarzer, (1992); Rosenberg (1965) and Judge, Locke, and Durham (1997) research work focused on broad dispositional traits including self-esteem, self-efficacy, locus of control and emotional stability to measure job satisfaction at workplace. In more recent investigation researchers suggest that four dispositional traits (e.g., agreeableness, emotional stability, extroversion and conscientiousness) are best predictors of overall satisfaction and performance at workplace (Allen, Weeks and Moffitt, 2005 and Vinson, Connelly and Ones, 2007). The review of literature above cites no single research study done in context of Pakistan. Hence this study intends to address this research gap.

Proposition 3: Disrespectful, sadistic and abusive attitude of immediate boss/supervisor is negatively related to the satisfaction, commitment and induces employees to depart.

After careful review of literature on the subject, it is observed that largely all studies have been conducted in the culture of Western countries' work settings. Western research scholars ignored implications of their findings in cross-cultural work settings especially developing country such as Pakistan. Moreover, literature cited above also fails to report any integrated interrelationship of HR practices, culture, attitudes of boss/supervisor and employees' personality dimensions. The exploratory phase of this study intends to employ in-depth interview method for data collection to dig into deep the social phenomenon.

3. Research methodology

3.1. Sample and data collection tool

In order to have both point of views of policy-makers and those employees who intend to quit the job. A conscious effort was made to include senior executives, middle level management and first line management within banking and information technology and communications firms. Interview checklist and schedule was prepared beforehand. Data collected through in-depth interviews with thirty top executives to junior managers from government, private and multinational organizations. Respondents were asked to share their experiences regarding interrelationship among HRM, organizational behaviour and attitude of boss on employees' intention to quit or stay in their own organizations. Additionally, respondents were also quizzed over their feelings about self-efficacy and self-esteem at workplace. For self-efficacy, questions from (Jerusalem, & Schwarzer 1992) inventory and for self-esteem questions from (Rosenberg 1965) scale were asked.

3.2. Procedure and data analysis

In order to minimise any negative impact on the participants the ethical protocols were followed and all necessary documents were signed by the researchers. All the participants gave their informed consent freely without any intimidation, coercion and their confidentiality was guaranteed and respected. Before embarking upon data collection exercise, all respondents were sent emails and/or phone calls were made to seek their consent. The main objectives of data collection were explained to respondents and then appointment was fixed for the conduct of face to face in-depth interview. All interviews were conducted face to face and taped with prior consent of respondents. The length of interviews ranges between 50 to 90 minutes on average at the discretion of respondents. The longest interview with general manager HRM in a government corporation continued for 120 minutes and the shortest interview with Sr. HR business partner in a MNC lasted for 25 minutes. All interviews were transcribed, coded, analysed and main emerging themes were separated for further analysis. Table 1 depicts demographic information of sample interviewees such as age group, gender, experience and levels of management positions in the organization. Data analysis process involved coding, categorising and comparing themes to interpret the meaning of social phenomenon (Strauss & Corbin 1990 and Miles & Huberman 1994). Present study employed 'narrative analysis' method to analyze the data. Narrative analysis looks at self-story and individual experiences of interviewee regarding social phenomenon. This analytical technique helped authors to compare and categorize emerging themes to give meaning to words, context-situation, story and basic actions (Reisman, 1993). Narrative analysis also helped to establish linkages of gap in literature with research question and draw out conclusions.

Table 1 Demographic detail of sample interviewees

Demographic Variables	Specifications	Public		Private		MNCs		Total	
		n	(%)	n	(%)	n	(%)	n	(%)
Age	25 to 35 years	4		5		0		9	
	36 to 45 years	4		0		4		18	
	46 to 60 years ¹	3		5		5		13	
Gender	Male	6		5		7		18	
	Female	3		4		5		12	
Experience	Up to 10 years	2		4		3		9	
	11 to 20 years	2		2		2		6	
	21 to 30 years	6		5		4		15	
Position in the organization ²	TLM	4		2		4		10	
	MLM	2		5		3		10	
	FLM	3		2		5		10	

4. Results

During interview each respondent was asked to rate their level of agreement with fairness of HRM practices, satisfaction with organizational culture and attitude of boss. They were given five scale choices 1 for strongly disagree and 5 for strongly agree. Respondents were also asked to what extent your agreement or disagreement contributes to your intention to staying or quitting current job and organization. Table 2 demonstrates respondents' percent of agreement across government/public, private (local) and multinational organizations regarding current state of HRM, culture, attitude of boss and also self-efficacy and self-esteem in Pakistan. Overall picture of HRM and organizational culture in public sector organization appears to be poor whereas private (local) organizations seem comparatively better improving. On the contrary, respondents in MNCs gave impression of higher agreement on merit-based HRM organizational culture exceptionally good accompanied by friendly and mentoring boss with higher self-esteem.

Table 2 Respondents' percentage of agreement on current state of HRM, organizational culture across organizational settings

Variables	Sub-variables	Public	Private	MNCs
		Agree (%)	Agree (%)	Agree (%)
HRM practices				
	Merit-based	20	70	80
	Sifarish (connection)	80	40	20
Organizational culture				
	Respect (mutual)	10	40	70
	Empowerment	30	60	70
	Trust & trustworthiness	20	40	70
	Openness in communication	10	40	50
Attitude of boss				
	Supervision-coercive style	80	70	40
	Supervision-friendly style	20	30	60
	Mentoring	20	40	80
	Harassment	60	40	40
	Sadistic	70	50	50
Self-efficacy/ self-esteem				
	Self-efficacy	40	60	70

4.1. Government/public sector organizations: Eighty percent respondents in government organizations agree against 20 percent participants who agree that HRM practices are sifarish (connection-based) over merit-based which cause immense pressure for quitting government organizations. Participants rating over organizational culture variables seem also poor in government organizations. Only ten percent agree that mutual respects exist whereas 90 percent disagree. Agreement of interviewees' empowerment accounts for 30 percent against 70 percent who disagree. Trust and trustworthiness receives similar rating, only 20 percent respondents agree and 80 percent people disagree over the existence of trust and trustworthiness in government organizations. Openness of communication appears to have much worse and only ten percent respondents agree against 90 percent disagree that communication is open in government organizations. Interviewees were also quizzed on the attitude of boss such as managing and supervision style. Eighty percent respondents agreed that they had coercive style of supervising by justifying that people are producing efficient results when they are forced in government organizations. Very disappointing percentage of participants agreed over the existence of mentoring by supervisor (boss), on the contrary 80 percent disagreed. Participants were also asked whether harassment and sadistic attitudes exist at workplace, surprisingly, 60 and 70 percentage interviewees agreed respectively. Before concluding the in-depth interview with each respondent, interviewers asked about current feelings of self-efficacy and self-esteem working in current circumstances in organization and how do they cope with different stressful situations. Respondents were also quizzed as to which situation they lose personal competence and confidence. Do they receive any mentoring or help by seniors, colleagues or boss in such situations? Participants in government organizations seemed disappointed and only 40 percent agreed that they receive any help 40 percent responded that co-workers and seniors make fun of that situation.

4.3. Private sector organizations: Participants in private sector organizations were asked about the fairness in HRM practices. Seventy percent respondents agreed that merit-based decisions regarding recruitment, selection, promotion and compensation are made, against this evidence 30 percent witnessed the existence of sifarish-based decisions exist. On the factors of organizational culture the level agreement for 40 percent for mutual respect, 60 percent for empowerment, 40 percent trust and trustworthiness and 40 percent for openness in communication respectively. These percentage are not encouraging, however, the percentages are encouraging than government sector organizations. Respondents' self-efficacy and self-esteem working in current circumstances in organization seemed fairly good at 60 and 70 percent respectively agreed that they receive mentoring and help in times of troubles.

4.4. Multinational companies: Percentages of agreement and disagreement of respondents in multinational companies are surprisingly different than government and private companies. Eighty percent participants agreed that HRM practices are merit-based against only 20 disagreed. The percentages for organizational culture seemed fairly stable, mutual respect, empowerment and trust and trustworthiness rated at 70 percent and openness in communication was rated at 50 percent which is astonishingly different than the ratings of respondents of government and private sector organizations. For attitude boss, the respondents' agreement level is also encouraging in MNCs. Respondents were asked to rate on the style of supervision, 60 percent people agreed that their boss has friendly style against 40 percent who disagreed. The availability of mentoring at workplace was rated highly by the respondents at 80 percent. However, respondents showed 40 and 50 percent agreement on existence of harassment and sadistic attitude of boss. Respondents' self-efficacy and self-esteem working in current circumstances in organization seemed fairly good at 70 and 80 percent respectively agreed that they receive mentoring and help in times of troubles therefore their level of self-efficacy and self-esteem never blow apart.

5. Discussion

5.1. HRM practices

Core informants from top-level management to junior level management across government, private (local) and multinational organizations were probed at length regarding the fairness and effectiveness of human resources management system in their respective organization. HRM department in public sector enterprises (PSEs) seemed

subservient of provincial or federal government. In words of one senior executive in PSEs, “government organizations mostly do not have independent HRM department rather central/provincial government centralizes all powers of recruitment, selection, training, transfer and promotion to retirement and compensation. We act in accordance to the instructions of government where I cannot see my role more than an agency to implement what is instructed by high ups”. HRM functioning is under the hierarchical control of civil-military and landed elite, this finding is consistent to the findings of Islam (2005) and Ismail (1999). This study reveals that almost 80 percent of respondents in government organizations agreed that connection or *sifarish*, sycophancy and cronyism play significant role in HRM decisions whereas only 20 percent witnessed merit-based decisions. This finding validates findings of Islam 2005; Khilji 2002; 2003; Khilji and Wang 2007. Contrary to the government organizations, private (local) organizations, realizing the modern trends and goodwill of independent HRM decision making, they have begun adopting it. Sixty five percent of respondents in private (local) organizations agreed that they follow merit-based HRM decision making. Nevertheless there seemed limitations attached to independent functioning of HRM in private sector organizations. Whereas, MNCs with the influence of parent company (headquarters) have well-established HRM system and reap the benefits of its greater contribution in decision making. Eighty percent respondents in MNCs agreed for having merit-based HRM decision making. This finding is in line with (Khilji and Wang 2006) findings. In government sector organizations seniority-based remuneration is practised; less attention is paid to training and development, career development is given less importance, organizational justice and affirmative action policies seem alien concepts in most of government organizations. Whereas as, MNCs to large extent and private organizations to considerable level have merit based recruitment, promotions. MNCs invest in training and development with focus on employees’ career growth which attracts potential manpower. New HRM practices like MBO, open-performance appraisals, and need-led trainings programs are key elements of HRM in multinationals. Yet, *sifarish*, connection and sycophancy are prevalent as societal norm in MNCs, however, to large extent merit, organizational justices and affirmative action policies are ensured. Majority of respondents agreed that there exists relationship of fairness of HRM practices with employee satisfaction and commitment which influences employees’ decision to stay. Respondents in PSEs rated high intention to quit, respondents in private seemed to have moderate intention to quit and MNCs participants showed low agreement to leave job as a result of fairness of HRM practices. Majority of respondents’ agreement supports our proposition number one.

5.2. Organizational culture

Interviewees were quizzed at length about main element of organizational culture such as respect for others, flexibility, mentoring, trust and trustworthiness, delegation and empowerment, fairness, openness in communication, and team work. Interviewers also assured to probe comprehensively the impact of organizational culture on employees’ perception and intention to quit or stay in the organization. Current evidence suggests that very small percent of respondents from government and private (local) organizations agree to witness the existence of environment of mutual respect, trust and mentoring and openness in communication which illustrates poor picture in both public and private sectors. Study further reveals that respect and higher compensation are based on seniority and authority not on merit in government and private sector organizations which cause employee dissatisfaction and boosts employees’ intention to quit. Dissimilar to the public and private sector organization, the organizational culture appeared much better in MNCs. Over 70 percent respondents in MNCs agreed that they are happy with current state of mutual respect, empowerment, trust and openness in communication. Majority of participants’ response is consistent to our proposition. There appeared strong agreement of participants regarding impact of organizational culture on employees’ satisfaction and commitment to organization and virtually influences decision to stay or leave job, this indicates support our second proposition.

5.3. Attitude of boss or supervisor

Participants in this data collection exercise were asked question regarding attitude of boss such as nature of supervision, team spirit, mentoring, friendly and familial versus harassing, bullying and abusive behaviour at work and its impact on employee perception. Empirical evidence in table 2 demonstrates that there is strong presence of elitism in senior management across government, private and MNCs. Respondents in government and private sector organizations strongly point out the existence of unfriendly and coercive management style whereas MNCs seem slightly better. This finding is coherent with the finding of (Khilji 2003). Existence of mentoring in government and private organizations seemed at low level as 20 and 40 percent respondents agree respectively. On the contrary, 80 percent respondents in MNCs agree that they have strong presence of mentoring support from their boss and senior colleagues. Majority of respondents in government and private sector organizations agreed they experience

harassing and sadistic attitudes of boss appear whereas respondents in MNCs also witnessed presence of such attitudes at workplace. In view of one respondent: “boss considers his office as fiefdom and subordinates as subjects”. In words of one senior executive in government organization said “management is truly asset for organization and employees are the liability on the organization”. Study reveals that junior level management in government sector organizations appeared powerless, obedient and unable to say ‘no’ to boss which raises younger employees’ intention to quit. However, empirical evidence of MNCs suggests better supervisor-subordinate relations, friendly supervision with strong mentoring present. MNCs put main focus on attaining organizational goals in teamwork and also take due care of employees’ career development. As a result, employees’ turnover ratio in MNCs is lower than government and private organizations. Participants in in-depth interviews were quizzed about the impact of fairness of HRM practices, organizational culture and attitude of boss on their behaviour at work. Interviewees were also probed as to how individual or collective impact of malfunctioning of HRM, culture and attitude of boss on their personality and how do they react to positive and negative scenarios. Majority of participants in private and MNCs interviewed responded that they quitted previous job not because of money but because of absence of fairness of HRM system and bad behaviour or boss. Participants in MNCs seemed more meritorious, believing in external locus of control and open to experience. On the contrary, participants in government organizations seemed unaware of self-efficacy, with low self-esteem and maintain strong belief in internal locus of control with high agreeableness. All participants were asked: what if they face unfairness in HRM practices e.g., recruitment, selection, promotions, transfers and compensation plus abusive and sadistic behaviour of boss? In response to this question all participants in MNCs appeared to have high difference with respondents of private and government organizations. All participants of MNCs would leave job, boss and organization in response to negative attitude of boss and unfair HRM functioning, whereas participants in government sector organizations responded that such situation will be ‘will of God’ and participants in private sector organizations appeared with mixed response saying that depends on gravity of ‘circumstances’. Decision to leave or to stay in organization will be linked to the ‘opportunities’ available in the market. Precisely, almost all interviewees agreed that attitude of boss is directly proportional to employees’ satisfaction and commitment and has direct linkage with employees’ quitting or staying decision thus proposition number three is also supported.

6. Limitations of the study

This is an exploratory phase of research which bears a number of limitations in terms of qualitative data, analysis and conclusions drawn. Data collected through in-depth interviews from government, private and multinational organizations, population included from senior executives to junior managers. Limitations of this study require academic community to contribute a rigorous quantitative research on large scale at cross-section and cross-industry to examine employees’ turnover phenomenon in Pakistan. This research, however, attempted to further continue fresh dialogue of Khilji and Wang (2007) in academic and professional settings regarding importance of management practice in Pakistan. In particular, Pakistan-focused research will allow researchers to extend and revise existing knowledge through the consideration of new contextual variables. Fine-tuning existing theories will allow researchers to develop new theories and constructs which will be generalizable at national level.

7. Conclusions

This exploratory phase of research attempted to dig into deep the very causes and consequences of employee turnover and retention in Pakistani banking and IT sector of government, private (local) and MNCs. This academic exercise examined interrelationship among organizational factors which are internal and controllable such as HRM functioning, organizational culture and attitude of boss. This study revealed that there exists interrelationship among the factors stated above and also influence employees’ intention to stay or quit. This contribution underscores the importance of fairness of HRM functioning and positive attitude of boss helps prevent flight of competitive workforce across the organizations. This study finds out employees in government and private sectors organizations experience low level of self-efficacy and self-esteem due to worsening internal factors such as HRM practices and organizational culture. Whereas, MNCs under the influence of parent company (headquarter) appear to have much better HRM functioning, organizational culture and attitude of boss. As a result, employees display more satisfaction and commitment to organization with low level of intention to quit.

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