Employees’ Retention Problem in Pakistani Business Environment: with special reference to Construction Field

Ahsan Lubna¹, Burhan Qazi², Shahabuddin Syed³ and Javaid Faisal³

¹Hamdard University, Karachi, PAKISTAN
²Signature Solutions, Karachi, PAKISTAN
³FUUAST, Karachi, PAKISTAN

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Abstract

Employees’ retention means to question why our employee leaves company or organization. Gaining employee retention is very necessary to motivate them to work more efficiently. This article aimed to study the executive’s opinion on attributes of employee retention; to identify the factors that impact employee engagement level and work life balance; to evaluate the rates of employee retention among different departments; to discover whether the working condition and job satisfaction leads to employee retention; and to explore the influence of the following determinants on employee retention, (such as, Career opportunities, Reward, Supervisor support, Work environment and Work life balance). The study found a positive but weak relationship among job satisfaction and working environment, gender, age group, rewards and recognition, growth and development opportunities, and health and related benefits.

Keywords: Organization, construction, jobs, skills, employees, training and development.

Introduction

An organization is a set up where individual come along and work in unanimity to achieve common goals. Employee is the individual working together to achieve their personal goals and objectives. Employees are the lifeline of an organization. They contribute effectively to its success and profitability. Employees’ seriousness and commitment is crucial for an organization. In today’s world maintain global advantage is vital. A turnover rate of moderate staff is normal and quite healthy in a company / organization. Adding new people ensures diversity and succession. In addition, the new blood stimulates the environment and culture of the company / organization. However, current labor market challenges faced by employers to develop strategies to prevent the good employees leave their companies. Employees’ retention is becoming a popular term for the prevention of the loss of key employees.

Employees’ retention means to question why our employee leaves our company or our company / organization. A higher salary may be a reason for the loss of a good employee. However, the reasons are often much more varied. The expectations of employers for workers born after the 80s are very different. This new generation does not see his job as simply a way to earn a living. It is expected that the work of rewarding challenges and allows them to learn continuously. Work-life balance takes a great place in the priorities and these people are looking for jobs that demonstrate the flexibility and flexibility¹.

Businesses and organizations will have to adjust to these expectations and build organizational cultures that meet these values if they want to recruit and retain talent in their companies. Retention of staff should include an ongoing review of wages and monetary benefits but must also include the implementation of retention strategies and commitment to employee Company / organization. The efforts of employees in the course of their duties are a key indicator of their commitment to the organization. Engaged employees are more productive, happier and are more likely to be loyal to the organization. When organizations to have good HR practices, they ensure that their employees are more satisfied, they feel safe and they develop their full potential and they usually incorporate the organization in a sustainable manner. The ability of an organization to fulfill its mandate and to serve its members depends heavily on the performance of its staff. Unexpected changes in human resources can have dire commercial consequences: projects disturbed exceeding deadlines and budgets, quality problems and loss of corporate memory, to name a few.

Employee Retention: Process put in place to retain an employee within an organization or in a particular position, by offering more attractive than those of competitors or, conversely pecuniary benefits, discouraging from the constraints by ensuring that it a significant loss². Examples of constraints to discourage an employee to leave his employment or position think of the matchless clauses or retention bonus which deferred payment is subject to the employee’s presence at his post until the date stipulated in the contract or agreement. The terms retention and loyalty are often used as synonyms. They have
different meanings in current usage. Retention underlying positive practices is aimed at creating an emotional bond between the employee and the employer and encourages loyalty.

**Job Satisfaction:** Anderson (1984) offer a succinct definition of job satisfaction: ‘Job satisfaction implies to both specific and general work satisfaction. The specific satisfaction covers extrinsic and intrinsic satisfaction, encompassing satisfaction with job security, pay, co-workers and peers, and prospect for personal growth on the Job'.

**Turnover:** This term is most used for describing the unplanned losses of employees who leave voluntarily, and whom were preferred by the employers.

**Motivation:** Motivation implies to internally generate derive for achieving an objective or following a specific course of action in order to achieve certain organizational objectives and requirements of the individual.

**Problems in Employee Retention**

According to Hong, Hao, Kumar, Ramedranand Kadiresan, in order to get rid of the plight of skills shortages in the situation of economic globalization and the establishment of corporate human resource base needed to succeed; organizations must pay attention to employee retention problems. He further said, “Despite the global economic downturn, Global economy remains strong, driven by the continued development of the local job market, however, there is a shortage of skills”. Human resources, therefore, increasingly fierce competition means that companies need to develop staff retention plan, but companies tend to ignore it. Companies should plan to focus on the way to attract; therefore, employers are always very good at formulating strategies to attract new talent.

**Women Held Senior Positions:** Career development should allow women among senior management positions. Due to lack of promotion and career development plans and opportunities most of the women resign. Through the establishment of the Steering Group, and actively guide to help women to discuss and exchange professional ideals, planning career direction, career development and play to get a new job, is an effective way to help women among executives. Another common practice is to train men and women managers simultaneously, so that they learn how to train female employees become executives. Studies also recommend that one should make sure that the ratio of the proportion of female executives and female employees are basically the same, because the young professional women often regarded as role models of women executives.

**Performance Management:** Performance management is critical for employee retention. Generally, a sound evaluation system is vital because of its ease of operation and for the managers of all ages. In fact, performance management operation is very simple. Regular performance feedback can effectively guarantee the personnel employed.

**Training and Development:** Although the formal curriculum allows employees to get training and development, training and development, but it does not necessarily mean formal courses. One on one tutoring and assume additional responsibilities are equally effective. Investment in employee skills training will enable employees to do their best, which is undoubtedly a win-win business to the firms and employees.

**Mentoring:** Studies suggest that training does not have to be in the classroom. In employee retention programs, mentoring is an effective way to staff training and development tools. Core values can be passed to the retention and to staff.

**Participation and Communication:** Employee participation refers to understand, communicate with employees and the establishment of friendly relations. Through employee opinion surveys can be online forums or regular performance evaluation, etc., to consult employees on career development and performance feedback. Communicate openly with employees for career goals, one can get a more clear and accurate understanding of the employees.

**Employee Resigns:** Although organization work has been doing a good place, but there are still some employees may resign. Impact of former employees of the employer brand as much as employees will become a good employee turnover seems very challenging, but the former employees of the enterprise is still highly valued, though it is valuable to make. In fact, the exit interview can play a positive impact. It is worth noting that ‘one size fits all. Employee retention plan is not applicable to all employees, for example, some employers insist that pay is employee retention and employee satisfaction umbrella. Duties grassroots managers that work side by side with employees, establish good relations within the staff and make employees feel that they are valuable to the enterprise development blueprint part.

**Management:** Researchers suggest that firms should focus on quality management. Line managers on employee retention are critical. Firm should remember that employees join the company, but it is because people leave. Management Language forefront, how they motivate and inspire the ability of the whole team? Management level is high or low? Firms should have ability set realistic goals and ability to provide effective performance feedback.

**Salary:** Authors suggest that annual salary guide can help firms locate the remuneration standards and prevailing market standards to ensure its consistency.

**Career Development:** To provide professional development opportunities for all employees career development programs hold primary importance. When asked about the reasons to quit,
the primary reason for job-seekers are often given the lack of career development opportunities, followed by a desire for new challenges, which are usually two reasons to quit ahead of the salary issue. Employers should ensure that employees understand the opportunities for promotion. They should not be discouraged. Moreover, companies have their own mode of operation, but it does not necessarily mean career advancement. In addition to promotion outside, the firms should give employees the opportunity to manage the extra work duties. Give them counseling or training other staff, manage projects, or the opportunity to host meeting.

Flexible Work: Many employees requested flexible working methods, such as those families with children or elderly people in need of care staff. Flexible working allows employees to feel the same value of their own. Job function is a factor that must be considered, some jobs will naturally preclude certain selected function. For example, customer-facing positions are not suitable for telecommuting. But perhaps one can take jobs or set-sharing system of flexible working hours, such as allowing employees to work two hours late?

Maternity Leave: A lot of people talk about this phenomenon. Recently, the statutory maternity leave has been extended to 98 days. Companies should ensure that female employees maternity leave during their stay in touch and help them successfully reinstated after maternity leave.

Awards and Recognition: Fair and equitable incentives once established reward and recognition systems can be an effective employee retention program in a ring.

Foundation of Employee Retention

Era of knowledge economy, the core of talent has become an important factor affecting the speed and even the rise and fall of corporate development. The loss of a core of talent means that at least two months of the recruitment period, the adaptation period of three months, six months of integration period. In addition, there are equivalent of four months’ salary recruitment fee, resulting in more than 40% failure rate. Human resource should be aware of retaining key personnel. It means cost savings, but also implies efficient security by creating value. In addition, the key social factors cannot be ignored. In the recent years, GDP growth has brought new development opportunities. Enterprises need to fully realize the importance of excellent staff retention and try from now on, to take appropriate measures to gradually enhance the soft power, creating a pleasant working platform and development staff.

Concerned About the Leadership Line Managers

A survey of Harvard business review demonstrates excellence in business practice. The study found that 84% of employees believe their superiors effectively guide their work. When the figure 23% was higher than other employers, their employee turnover was lower than 8% of other employers. Accordingly, the direct superior in retaining and motivating employees, played an extremely important role.

The study also found that when managers or supervisors leave the firm than other employees also resign more commonly. In the evaluation of their own organization, the psyche of employees who best represents the organization is its direct supervisor.

In other words, in order to attract employees towards the enterprise is the company itself, which includes other factors, such as, salaries, brand image, prospects and other enterprise level. While employees determined to leave the company, mainly because of bad or unpleasant relation to the manager or supervisor. In employee retention plays first-line supervisors a vital role. If he makes employees feel worthless, he will eventually lead to the probability of employees leaving the enterprise greatly enhanced.

Seen in employee retention, the line manager’s role is extremely important. However, to improve the level of line managers leadership also is undoubtedly a long way to go to work. Prerequisite for improving is “discovery problem”, then how can enterprises effectively find line managers leadership problem?

Practice shows that department satisfaction, employee engagement, organizational climate status quo, line managers and staff for a 360-degree assessment, can be a good reflection of the manager’s leadership, including training subordinates, decision-making ability, charisma and style of management. Resource managers have two-way platform for employees.

Employee Recruitment and Retention Rules

When professionals, leadership are inquired to the most challenging task, the answer tends to focus on two key points: first, how to hire the right person, second, how to retain them. In addition, the report that they retain more employees, in future they will encounter fewer problems. Later, enterprises attain benefits from the results of a “stable snowball”. According to a study the integrity of the recruitment and retention of employees is the notion that these two behaviors are not two separate processes, but a unified activity. Under the light of this study twelve rules are discussed below:

Money Cannot Be a Reason: To identify those who are willing to join company is not just to have more money. If wages are the primary factor in a company, then the salary is to make him leave the firm as the easiest temptation. When the employer and employee agree to the values, goals and beliefs it will evolve into a successful employment relationship. In addition, people working for a new decision is rarely only because of the money. However, from the surface, it often seems to be the case, but it is important to identify the core of the problem. For those who
may become a new member of the team they think over what matters in their career. The firms should go through a thorough professional judgment in order to find the real drivers of their employees to join the cause. If the final result is a question of money, then do not take action.

**Employment Costs:** The firms need to consider the financial cost of employing new staff and other recruitment costs. Moreover, total cost of a new employee needs to be calculated. The firms also consider the reputation of the firm. Once a firm calculates total cost in financial terms, and this will show the importance of well-designed recruitment procedures, and so they do not get some extra attention to detail before more attention. From this point of view up to observe the recruitment and induction process and will help the organization think more creatively.

**Ownership:** Typically there are several rounds of interviews at a job. Potential candidates get a different perspective from each interviewer. They often need to deal with multi-time interview, multi-location and the challenges of complex agenda for employees, and the resulting problem is: It seems that no one can control the entire process of recruitment, not determined who is responsible for this new recruitment. This is likely to cause the firm to lose a good candidate, and everyone feels bad for the recruitment process. Electronic product Development Company’s sales department needs people. HR, therefore, needs to start after receiving a detailed recruitment. The two sides discussed during the interview appeared in the recruitment process of dispute resolution.

Human resources considered in character candidates do not meet the requirements of the company’s culture. Employing department insisted that the candidate is the talent they want. Human Resources should understand the business and the actual situation of the project. So hiring decision by the employing department, human resources department should be based on the needs of the organization while employing the recruitment. HR thinks they are entitled to exercise their supervisory duties. Delays in responding to the candidate cause them to choose another opportunity. In this case, it can be solve, according to the company’s recruitment system and decision-making power. The employment sector indeed, HR does have oversight powers in the corporate recruitment process. They should establish a good clear system of the recruitment process and way to determine ownership.

**A Clear Standard Salary:** Enterprises need to establish the pay standard, and then adhere to this standard. Do not make any exceptions to maintain good internal equity. Any special treatment will destroy all the management system and the balance of the entire team. In other words, enterprises need to have a wage structure. The wage structure should be flexible enough so as to attract the right people, and this framework will pay organization different levels. So if enterprises want to join really high-quality candidates it will be clearly understood that there is no exception. Lucent, the world’s leading communications companies with advanced management remuneration is known in the industry.

The number of salaries can be improved. This architecture also attracts a lot of good candidates to join them. Lucent practices in pay administration gave a lot of useful lessons: pay to maintain the competitiveness of enterprises is an important means, but it must clearly understand the market pay levels, and to consider the cost of corporate human endurance; salary is important, but if does not provide sufficient space for development to employees, still cause loss of talent, so companies must have a compensation design aspects clear salary standards.

**Overall Treatment:** In the treatment of overall perceived value is very important. Not only established a number of other cash-based incentives such as overseas travel, extra holidays, praise mechanism (for work of outstanding staff), prizes / vouchers, team building evening activities. These initiatives will encourage employees, but also in employees formed a clear sign of commitment and investment. They will also provide training and contributions to promote a pleasant working environment.

**Time and Attention:** When new members join, managers should take the time to communicate with them, and pay attention to them. Managers have a great time for new members’ significance. When recruits new members, they found themselves to get people’s attention, often perform better. Generally, when a candidate soon left the entry of new jobs, they are often the reasons outlined here does not induce a process of adaptation, or feel like they are in the way of excess, there is no one to guide them. Managers take the time to understand the significance of the new employees, which is the success of a company to hire new members and the development of a better long-term investment. Such candidates began to make their first real beginning of a five-year career. In the first five years of his career candidates in particular.

**Smart Salary Package:** A good deal of money should not be the sole reason for employment, but also cannot be a reason to eliminate an outstanding talent enthusiasm. If the general pay $25,000 monthly salary on the market, so if firm pays $26,000 monthly salary to the person they want to recruit also makes sense. Simply, if firm finds someone to join their motives well, then they should keep them satisfied on salary. There is a public opinion survey organization in the UK in the past two decades of research data found that in all job classifications, the employees’ wages and benefits will be considered as the most important or second most important ones. Wages can greatly affect employee behavior. This effect is not to say that pay more, but pay enough.

**Discussion**

Employees play an increasing role in organizational effectiveness, and effective management of knowledge workers rose to the formation of core competitiveness of enterprises. Employees are vital to development. Modern management
expert Peter Drucker in 1959 in his book “Tomorrow's milestone” first proposed the concept of “knowledge workers”. He believes that knowledge workers are those who use symbols and concepts to grasp and use of knowledge and information on people who work.

The study found that from the perspective of the development process of corporate governance, competition among enterprises has been a gradual transition from the competition of natural resources, capital and technical resources to the competitive human resources up. Enterprises pursue the highest goal in order to improve the effectiveness of the organization, which requires two aspects to achieve: through the exchange with employees to create value; through the exchange with customers to realize the value. The only other resource through which organizations transfer value is the human resources in order to create value. The value of employees, therefore, cannot be ignored. Under the light of above significance the research aimed to study the key factors related to the employee retention in the construction industry of Pakistan.

The study found that employees’ satisfaction plays a central role in the employee retention process. Employees pay more attention to the career choice process in order to achieve a high level of personal goals in the path of organizations own path of development and to the future potential development.

There is a lot of arbitrariness and subjectivity, which monitors the performance of its surface employees. In accordance with the functions of the traditional division of the organization, the task is precisely to be broken down into separate specialized work. This simple division of labor and knowledge workers operating characteristics is very inconsistent. The study found that the idea of a successful change impacts the organization play a vital role.

Employee’s high liquidity and strong will, professionalism, knowledge, sufficient experience and high innovative ability, and other factors result in increased demand in the labor market. Therefore, they are often most negotiated skills. The study found that the employee loyalty to their profession is crucial in order to achieve success and rewards. When employees are more conducive to self-realization and self-improvement they are very easily transferred to other voluntary termination firm. When workers loss their current personal values it is huge loss to the enterprise. These personal values take the future enterprise to create values for the organization.

Knowledge workers are highly autonomous. The study found that professional loyalty is more significant than the corporate loyalty. In addition, trying to increase the mandatory barriers to prevent employee turnover is short-sighted and unwise. Companies should depart from the long-term to the development of institutionalized employee retention plan in order to procure professional knowledge workers loyalty and loyalty to the current corporate sync. As long as the control is good inflows and outflows of employees to maintain healthy functioning of the enterprise, it is possible for enterprises to gain competitive advantage.

The study revealed that a good practice is to improve the embedding of the employees. The research as supported that a good working environment embedded in companies help in retain talented employees. According to Maslow's hierarchy of needs theory, everyone has a bottom five levels of needs. When the low-level needs are met, a high level of need will become the dominant needs.

If the employers want to receive an effective incentive effect, they must understand what the person is currently in the hierarchy of needs, and focus on meeting the needs of this level. The study shows that employees need lie in the fourth and fifth levels of need i.e. to respect and self-actualize. The study suggests that employees of construction industry in Pakistan focus on the first four motivational factors are: personal growth, job autonomy, business achievements and money / wealth. Visible, these employees need to focus on high-level, so in order to keep the core staff, companies should establish high-level incentives.

There are various means to improve the attractiveness of organizational identification and employee work. First, according to psychologist Frederick Herzberg's view, the best way to motivate workers is through job enrichment. Offer them challenging opportunities to enable employees to get a sense of accomplishment in their work. Industry can also take other similar methods, such as job rotation, job enlargement. Secondly, through the design process, helping employees transition from regular duties to perform fully authorized to assume the role of overcoming the problem of monitoring the work process.

The study recommends that firms should take these measures in order to enhance the organizational identity of the knowledge worker: the establishment of a sound system of staff training, continuing to enhance the competitiveness of professional staff, strengthening the long-term commitment to employees; through upstream and downstream of the two-way communication, improve employee morale, establishment of employee assistance programs, create satisfying employee relations; prevention and treatment combined with a full range of concerns facing staff, training staff's sense of identity and belongingness.

The higher cost of conversion includes: direct costs, current salary, allowances, stock options, career development; indirect costs, job search costs. The move could affect the work of the family, etc.: psychological costs, the current relationship between colleagues to re-adapt to the new environment and so on. Companies can appropriately raise the switching costs of employees, when employees get more job losses caused by the resignation. In other words, treat knowledge workers,
Enterprises with particular emphasis on the treatment of external competitiveness.

As mentioned in literature review, a turnover rate of moderate staff is normal and quite healthy in a company / organization. Adding new people ensures diversity and succession. In addition, the new blood stimulates the environment and culture of the company / organization. However, current labor market of construction industry of Pakistan has been facing challenges to develop strategies to prevent the good employees leaving their companies. Staff retention is becoming a popular term for the prevention of the loss of key employees.

Staff retention means to question why our employees leave company / organization. The study found that a higher salary may be a reason for the loss of good employees. However, the reasons are often much more varied. The expectations of employers for workers born after the 80s are very different. This new generation does not see his job as simply a way to earn a living. It is expected that the work of rewarding challenges and allows them to learn continuously. Work-life balance takes a great place in the priorities and these people are looking for jobs that demonstrate the flexibility.

Businesses and organizations need to adjust to these expectations and build organizational cultures that meet these values if they want to recruit and retain talent in their companies. Retention of staff should include an ongoing review of wages and monetary benefits but must also include the implementation of retention strategies and commitment to Employees Company / organization.

Conclusion

The study concludes that the mobility of labor, abundance of job offers and the characteristics are the key challenges to the retention capacity of an organization. This is why employers must act now and implement strategies to retain employees. In order to contribute to employee retention, employers must rely on non-financial benefits that can help to improve the conditions of the employees in Pakistan. The advantages of employee retention are many, namely: the career paths and opportunities for advancement; recognition of the achievements made by the employees, or the factors that facilitate the accomplishment of work (environment, time, unpaid leave, extended vacation, etc.).

For young people, the values of the organization, the work environment and team dynamics are important factors in retention. Indeed, the feeling of belonging, the dynamism of the organization and support values in the work contribute to the well-being of employees within a workplace. However, emphasize, these factors are part of the employment sector of the social economy and community action. The mission of the building area is to develop projects of community Housing. It focuses on the development of social activities to increase the sense of belonging to the organization. The study concluded that friendly atmosphere and adherence to the project are the two key factors of retention.

Therefore, focus on employee retention can be achieved by implementing certain strategies. As demonstrated by the testimony of the managers of social economy enterprises encountered, these strategies can be personalized according to the characteristics and values of organizations. Moreover, the adoption of these practices related to retention shares a common goal which is to demonstrate to employees that they are important in achieving the mission and the objectives of the organization for which they work. Consequently, they will be even more loyal.

The team building activities are an affordable and effective way to improve the working environment means to increase motivation and stimulate teamwork. Through lectures, session’s drums, painting workshops or construction inspired television or the latest in culinary activities status, employees realize that they are agents of change, and by their efforts, they can help to improve the atmosphere and commitment to the company. They also understand that their organizations care about their happiness at work, which is very positive for staff retention. Team building can infuse employees notions of problem solving, communication, creativity, stress management, strategy, productivity, change management in order to convey messages and concepts to assimilate are infinite.

Team building can easily integrate with the established corporate activities through entertaining events, seminars, meetings, etc. employers should make one stone by promoting the retention of the staff as part of their normal activities. In a nutshell, there is no secret to keep employees in company except providing the first effort and seeking for solutions. The team building activities will always be a better solution to the retention of staff especially in Pakistani business environment.

References


