

The Critical Elements Determining Employee Retention In The Bpo Sector Of Bangladesh

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Abstract: Employee retention has become one of the biggest challenges that organizations and HR professionals face in the contemporary business environment. The platform for such investigation is significant to the business process outsourcing industry. A revolution initiated through consistent improvements in the infrastructure of communications and technologies had enabled firms to recruit large band of talented individuals across borders seeking cost arbitrage. The rise in global demand for ICT-ITeS exports/the business process outsourcing (BPO) sector has only recently been recognized, as a key driver for Bangladesh's growth in the future. The industry provides opportunity to younger population coming from middle-class background. Therefore, author investigates 4 BPO firms (ServicEngine BPO, Legato Service Ltd., Virgo Call Center Services Limited and Dhaka Calls Limited) to pursue this specific research. The companies claim that their retention policies are robust and working well to counter the turnover issue, and therefore give a proper insight into the factors enabling retention. This study intends on inspecting the topic from various viewpoints as turnover and retention is treated as opposite side of the same coin. Moreover, non-monetary factors are given preference over monetary ones due to the limitations that the industry entails. Numerous literatures had been scrutinized to identifying the factors that are involved in provoking employees' intention to leave a firm and then identify the critical retention factors that could help reverse such effect.

Index Terms: BPO, Business Process Outsourcing, Employee Retention, Employee Satisfaction, Extrinsic Factors, Intrinsic Factors

1 INTRODUCTION

Managers and researchers attempted to solve, interpret and counter the problem of turnover for the past 40 years [21] cites in page 207, [33] page 86. In the recent decades, societies and companies have recognized that efficiently managing its human resource is the most crucial factor in surviving today's competitive and fast-moving business settings, where successful retention of employees is considered an imperative element in contemporary business management practices [22] cited in page 208. Evidences available suggests that job-hopping is a more prevalent in the business process outsourcing (BPO) industry and hence a more critical problem compared to workers parting from the other industries [30] page 117. The existence of the business process outsourcing industry is largely attributed by its comparative advantages such as, low costs and evidently endless supply of skilled human resources. Hence, paying higher wages to employees for achieving better retention in this sector, seems self-defeating [31] cited in page 111. This study focuses on the segment of the labor market that the BPO industry draws, where the average young workforce from middle-class background aging within the range of 18-25 [35] page 117. Most of the reports today state 30-40% of average employee turnover in the industry and arguing that the margin can go up as high as up to 90%, with one of the firms claiming to have replaced 14,340 employees within a year [2], [25]. The increase in salary rate of 10-15% per annum and shortage of people within the sector, training and recruitment costs (which are mandatory in the business process outsourcing industry) have also raised concerns cited in [2] page 1980.

It requires a great deal of time and resources to replace and new employees to be trained appropriately and to be ready for work, involving approximately 14-15 weeks for the employee to be trained correctly [2] page 1980, [31] page 117, [34] page 19. Furthermore, the "recruitment conversion rate" (actually hired as a percentage of the total interviewed) are as low as 4% cited in [2] page 1980.

In order to address these issues, this study establishes the following research question:

- (1) What are the critical factors which contribute in employee retention? To address the research questions, the study will be guided by the following research objectives:
- (1) To critically scrutinize the determining variables within in the BPO sector of Bangladesh.
- (2) To identify key strategic insight based on the findings to facilitate retention in the given industry.

The primary aim of this particular research is to provide further empirical evidence to the existing literature in order to provide firms with confirmative and contemporary solutions that could improve employee retention. Hence, a conceptual model has been developed, where hypothesis tested provides the fundamentals for firms to address problems surrounding the ambiguous and diverse human nature.

2 LITERATURE REVIEW

The current research questions the assumption that retention and turnover are analogous and describes the development of a new construct, namely, employee "motivation to stay" cited [9] p 9. Some of the identified causes for turnover intention include hostile working conditions, tedious nature of work, bad supervision, limited opportunity for career development, immense workload, stress, etc. [21] cites in page 207. Researchers have also pointed out that recruitment and retention problems are not always about pay [24] cited in page 383, [29],[36] ; specially, when the very existence of the BPO industry hinges on cost effective solutions. Fundamentally, the recruitment and retention of qualified staff is about matching job characteristics with peoples' motivation and satisfaction [14], [17], [20],[24] page 38, [35]. It is argued that, key talent can be retained by using effective recruitment

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practices to hire the right people, running an effective orientation process, integrating new employees quickly, meeting staff expectations, appointing exceptional managers, promoting staff development, having a clear policy on pay and promoting a good work-life balance [1], [28]. Researchers constructed motivational framework to address retention and recruitment process, where derivatives from the theory Maslow's hierarchy of needs is echoed down towards Herzberg's dual separate entities categorized into two separate sets; the 'hygiene' factors reflecting the extrinsic context and the 'motivators' referring to the intrinsic [24] page 384.

2.1 EXTRINSIC FACTORS

The first group is "hygiene factors" which are associated with the extrinsic context and environment of the job, such as working conditions and pay. However, from an extrinsic perspective, factors such as physiological/work conditions, job security/safety, & quality management are considered as some of the variables which attribute to successful employee retention [24] cited in page 384.

2.1.1 Good Leadership

There are numerous literatures that state that an employee's commitment to his/her firm and the essence of being part of the firm, are based upon the relationship built and interaction with the firm's management and its attitude towards the [12] p, 81-82). In this industry, an individual is often promoted to a supervisor (managing 10-15 workers/agents) within the span of 6 months due to the high turnover rate present in the sector and rapid growth of in the industry [31] page 115. This renders sufficient supervision due to the lack of experience, training and managerial expertise of the newly promoted supervisor, and hence the employees working under them are dissatisfied. HR professionals often refer this to as the "managerial bandwidth" or "Lousy Boss Syndrome" cited in [2] page 1980. Moreover, in contrary to the previous generation seeking bureaucratic leadership and job security from their management, the younger generation seek organizations based on a constructive management, corporate socially responsible company, mutual respect and being treated as partners, honest and participative leaders and open-minded managers cited in [3] page 97, [40].

2.1.2 Good Working Condition

The most fundamental pre-requisite that a company offer their employees to perform better is setting of their work environment. The working conditions, environment and work design in the BPO industry limit employees to socialize with friends and even family cited in [2] page 1980. In contrary, the younger generation of employees expects the working conditions to be physically comfortable and socially enhancing environment; boundaryless and open with break out spaces; technology for dissemination of knowledge and entertainment; social media; fun atmosphere. Work place environment is the place where they, learn, collaborate and socialize cited in [3] p, 97, [40], 9 Rai, 2012; 'Boredom' could be avoided by managers and supervisors if they wish to alter the working environment overtime [21] cites in page 207. It is argued that the rate of turnover is lower in BPO firms where the working environment promotes correct and sympathetic supervision, diversity in work, decent team coordination and flexibility in the regulations and policies placed [21] cites in page 207. Flexible

working practices are now often the key to help firms compete in getting the best workers [5], [19] cited in page 73, [37]. A good working environment creating opportunities for learning reinforce high organizational commitment and ultimately bring stability among the employees, leading to retention [1], [4].

2.1.3 Work-life Balance

'Multiple personality disorder' can arise as the employees in this industry tend use a "pseudo name" to speak or interact with a foreign customer [2] cited in page 1980, [12] cited in page 80, [26], [30]. Hence, these workers are also prone to insecurity and vulnerability due to their double and imbalanced lifestyle [12] cited in p, 80. Hausknecht et al. [18] in page 276 and Ramesh [32] acknowledged that work-life initiatives typically "involve alternative work hours and/or compressed scheduling and are often established with the goal of reducing tensions between competing work and non-work demands." Findings from a number of studies demonstrate that work-life balance is directly associated with employee retention and turnover intentions [1]. Work-life balance is increasingly important for engagement and affects retention.

2.2 INTRINSIC FACTORS

The implication is that, in order to recruit and retain qualified managerial staff, it is more important for the BPO industry to motivate and satisfy their "intrinsic needs" than improving the "extrinsic environment" [24] page 384. It is noted that employee retention is not just about money, as other retention tactics such as personal outreach by leaders and managers, equity grants, promotions and lateral moves to new roles are equally as important [1], [10].

2.2.1 Career Growth Opportunities

Surveys indicate that even though some workers at the lower level agree that this line of work creates opportunity for them to learn and grow, whereas most of the mid-level employees are concerned with "career stagnation" which they claimed to have faced in the BPO sector cited in [2] page 1980. Therefore, it is derived that entrants in this job market is initially drawn by good salary and preliminary growth however, not in the attempt to reach the mid-level management [12] p, 81. The young workers' primary objective is to earn good amount money for a few years, and therefore, it is assumed that they perceive this industry as a "transitory point", only to later pursue high-level professional or government jobs in the future [31] page 118. Moreover, some younger employees also tend to pursue higher education cited in [2] page 1980. A survey of 60 call centers shown that only 1% of the total populace where promoted beyond the call center division to the upper management cited in [2] page 1980, [6]. It is found that employees "who quit for what they perceive as upwardly mobile career moves and those who enjoy in-house promotions both demonstrate a greater degree of positive learning goal orientation than their colleagues who remain stationary in long-term positions with the same firm cited in [1] page 15 and Lin and Chang [23] in page 331. However, a different view suggesting that the retention of key staff goes beyond the provision of formal, educational training and development opportunities, to providing skilled, high-potential employees with the prospect of achieving experience-based career leverage opportunities not only to swiftly develop their careers, but also to improve their individual marketability [1], [15].

2.2.2 Responsibility

The BPO industry entails highly monotonous, and standardized nature of the work which leaves no scope for job discretion [6], [12] cited in page 80, [38]. Limited lunch and restrooms breaks, strict targets higher level of monitoring coined the BPO professionals as 'cyber coolies' or "techno coolies" cited in [2] page 1980, [12] cited in page 80, [32]. Therefore, many of the employees tend to reject the job after few weeks of the training period, as they later perceive the profession as either inappropriate, unsettling or unfitting [21] cites in page 207. The working style of the current generation of workers have significant variations compared to the previous generations as they expect to play meaningful roles through work dynamism, independency and autonomy cited in [3] p, 97. Current literature highlights that employees prefer doing the job around the clock if they are given a responsibility cited in [3] page 97, [40].

2.2.3 Recognition

Employees stay where they feel appreciated. Encouragement of individual's recognition through the implantation of appropriate organizational recognition vehicles is an imperative factor. Simple recognition of jobs well done in the quarterly newsletter, pictures on the bulletin board, dinner gift certificates, and other small rewards provide a high return on investment. In addition to the retention of the employees, they also boost productivity, engagement, profit margins, customer retention, ROE, and ROA. Recognition from bosses, team members, coworkers and customer enhance loyalty. It was found in the survey that employee recognition is important for workers and they want to listen that their work is being followed, recognized and appreciated mentioned in [11] page 11, [39].

3 REARCH MODEL AND HYPOTHESIS

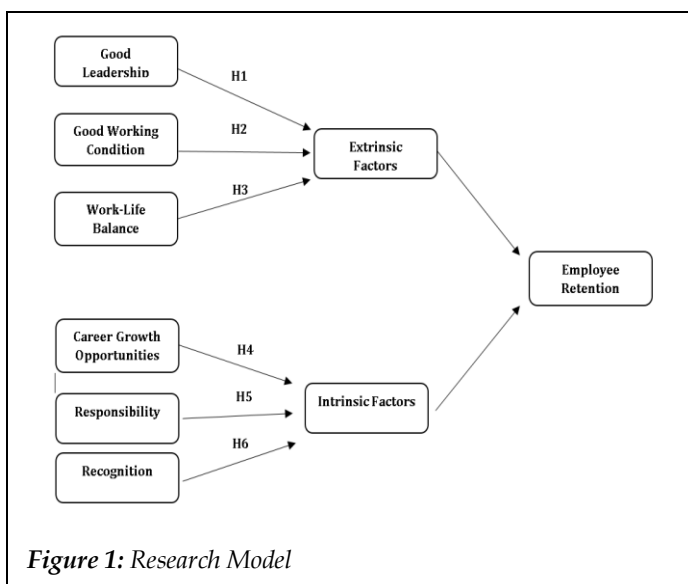


Figure 1: Research Model

Hypothesis 1: There is a strong positive correlation between Good Leadership and Employee Retention.

Hypothesis 2: There is a strong positive correlation between Good Working Condition and Employee Retention.

Hypothesis 3: There is a strong positive correlation between

Work-Life Balance and Employee Retention.

Hypothesis 4: There is a strong positive correlation between Career Growth Opportunities and Employee Retention.

Hypothesis 5: There is a strong positive correlation between Responsibility and Employee Retention.

Hypothesis 6: There is a strong positive correlation between Recognition and Employee Retention.

4 RESEARCH METHODOLOGY

This research primarily focuses retention strategies that BPO firms may wish to pursue for adapting successful retention policies. A survey has been conducted in order to measure and support/contradict claims that were made previously. The author had chosen four leading BPO firms in Bangladesh (ServicEngine BPO, Legato Service Limited, Virgo Call Center Services Limited and Dhaka Calls Limited) as a subject for investigation. The companies were approached and briefed about the research criteria and compliance on March, 2017. The total of three hundred (300) workers were approached out of which one hundred and ninety (190) responded. The respondents comprised particularly of 'frontline executives/service agents' as they were the focus group for pertaining this research. All of the questions posed were related to the intrinsic and extrinsic factors determining their motivation to stay in the organization. Each of the questions prepared entailed seven-point Likert scale where, 1= Strongly Disagree, and 5= Strongly Agree. The responses were ensured by the corresponding researcher with great rigor. For the measurement of the construct the author had conducted Spearman's correlation and regression analysis via SPSS. The hypothesis are tested separately where, H0 signifying no correlation between the independent and the dependent variable chosen and where, H1, H2, H3, H4, H5, and H6 predicting strong positive or positive correlation between the variables.

5 HYPOTHESES TESTING AND ANALYSIS

H1 predicts there is a strong positive relationship between Good Leadership and Employee Retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.859 ^a	0.737	0.736	0.76842

a. Predictors: (Constant), Good Leadership

Using the model summary we can perceive that the strength of the regression multiple R = 0.859 or 85.9 % signifies a strong correlation coefficient. The R square (0.737) expresses that 73.7 % of the variation is attributed by the tested variable, while the rest 26.3% may be caused by other associated factors.

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	487.122	1	487.122	836.2	.000 ^b
	Residual	173.598	298	0.583		
	Total	660.72	299			

a. Dependent Variable: Employee Retention
 a. Dependent Variable: Employee Retention

The p value demonstrated above (Sig=0.000), confirms that the regression model as valid and is highly significant at 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.089	.140		-.637	.524
	Good Leadership	.972	.034	.859	28.917	.000

a. Dependent Variable: Employee Retention

Again, the p values demonstrated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Good Leadership = 28.917) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.972) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Good Leadership and Employee Retention.

Correlations

			Employee Retention	Good Leadership
Spearman's rho	Employee Retention	Correlation Coefficient	1.000	.785**
		Sig. (2-tailed)	.	.000
		N	100	100
	Good Leadership	Correlation Coefficient	.785**	1.000
		Sig. (2-tailed)	.000	.
		N	100	100

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

Using Spearman's correlation demonstrated above we can observe that the analysis holds true. Therefore, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H1).

H2 predicts there is a strong positive relationship between Good Working Condition and Employee Retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.871 ^a	.759	.758	.73054

a. Predictors: (Constant), Good Working Condition

The model summary above demonstrates the strength of the regression multiple R = 0.871 or 87.1 % indicating a strong correlation coefficient. The R square (0.759) conveys that 75.9 % of the variation is attributed by the tested variable, while the rest 24.1% may be caused by other associated factors.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	501.680	1	501.680	940.018	.000 ^b
	Residual	159.040	298	.534		
	Total	660.720	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Good Working Condition

The p value demonstrated above (Sig= 0.000), confirms that the regression model is highly significant at 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.045	.128		.352	.725
	Good Working Condition	.976	.032	.871	30.660	.000

a. Dependent Variable: Employee Retention

Here, the p values demonstrated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Good Working Condition = 30.660) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.976) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Good Working Condition and Employee Retention.

Correlations

			Employee Retention	Good Working Condition
Spearman's rho	Employee Retention	Correlation Coefficient	1.000	.858**
		Sig. (2-tailed)	.	.000
		N	300	300
	Good Working Condition	Correlation Coefficient	.858**	1.000
		Sig. (2-tailed)	.000	.
		N	300	300

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

The table demonstrated above we can observe that the regression analysis holds true in the correlation test. Hence, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H2).

H3 predicts there is a strong positive relationship between Work-Life Balance and Employee Retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868 ^a	.753	.752	.74046

a. Predictors: (Constant), Work-life Balance

Using the model summary we can detect the strength of the

regression multiple R = 0.868 or 86.8 % signifying a strong correlation coefficient. The R square (0.753) conveys that 75.3 % of the variation is attributed by the tested variable, while the rest 24.7% may be caused by other related elements.

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	497.333	1	497.333	907.079	.000 ^b
	Residual	163.387	298	.548		
	Total	660.720	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Work-life Balance

The p value demonstrated above (Sig=0.000), confirms that the regression model is valid at significant 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.054	.130		.418	.676
	Work-life Balance	.977	.032	.868	30.118	.000

a. Dependent Variable: Employee Retention

Again, the p values validated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Work-Life Balance = 30.118) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.977) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Work-Life Balance and Employee Retention.

Correlations

		Employee Retention	Work-life Balance	
Spearman's rho	Employee Retention	Correlation Coefficient	1.000	
		Sig. (2-tailed)	.000	
		N	300	
	Work-life Balance	Correlation Coefficient	.847**	1.000
		Sig. (2-tailed)	.000	
		N	300	300

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

Using Spearman's correlation demonstrated above, we can observe that the analysis reflects a similar result to that shown in the regression, showing a strong positive correlation. Therefore, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H3).

H4 predicts there is a strong positive relationship between Career Growth Opportunities and Employee Retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.734 ^a	.539	.537	1.01102

a. Predictors: (Constant), Career Growth Opportunities

The strength of the regression multiple R = 0.734 or 73.4 % signifies a strong correlation coefficient. The R square (0.539) conveys that 53.9 % of the variation is attributed by the tested variable, while the rest 46.1% may be caused by other associated factors.

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	Regression	356.115	1	356.115	348.394	.000 ^b
	Residual	304.605	298	1.022		
	Total	660.720	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Career Growth Opportunities

The p value demonstrated above (Sig- 0.000), confirms that the regression model is significant at 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.726	.173		4.205	.000
	Career Growth Opportunities	.800	.043	.734	18.665	.000

a. Dependent Variable: Employee Retention

Again, the p values demonstrated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Career Growth Opportunities = 18.665) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.800) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Career Growth Opportunities and Employee Retention.

Correlations

		Employee Retention	Career Growth Opportunities	
Spearman's rho	Employee Retention	Correlation Coefficient	1.000	
		Sig. (2-tailed)	.000	
		N	300	
	Career Growth Opportunities	Correlation Coefficient	.681**	1.000
		Sig. (2-tailed)	.000	
		N	300	300

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

Using Spearman's correlation demonstrated above we can observe that the analysis holds true. Therefore, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H4).

H5 predicts there is a strong positive relationship between Responsibility and Employee Retention.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.870 ^a	.757	.756	.73409

a. Predictors: (Constant), Responsibility

By means of the model summary we can see the strength of the regression multiple R = 0.870 or 87.0 % denoting a strong correlation coefficient. The R square (0.757) conveys that 75.7% of the variation is attributed by the tested variable, while the rest 24.3 % may be caused by other associated factors.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	500.129	1	500.129	928.064	.000 ^b
	Residual	160.591	298	.539		
	Total	660.720	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Responsibility

The p value revealed above (Sig- 0.000), confirms that the regression model as valid which is highly significant at 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.066	.133		-.496	.620
	Responsibility	.973	.032	.870	30.464	.000

a. Dependent Variable: Employee Retention

Again, the p values demonstrated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Responsibility = 30.464) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.973) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Responsibility and Employee Retention.

Correlations

		Employee Retention	Responsibility
Spearman's rho	Employee Retention	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000
		N	300
	Responsibility	Correlation Coefficient	.793**

		Sig. (2-tailed)	.000	.
		N	300	300

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

The Spearman's correlation demonstrated shows that the regression analysis conducted holds true. Therefore, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H5).

H6 predicts there is a strong positive relationship between Recognition and Employee Retention

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.871 ^a	.759	.758	.73054

a. Predictors: (Constant), Recognition

The model summary above demonstrates the regression multiple R = 0.871 or 87.1 % indicating a strong correlation coefficient. The R square (0.759) expresses that 75.9 % of the variation is attributed by the tested variable, while the rest 24.1 % may be caused by other related factors.

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	501.680	1	501.680	940.018	.000 ^b
	Residual	159.040	298	.534		
	Total	660.720	299			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Recognition

The p value demonstrated above (Sig- 0.000), confirms that the regression model as valid which is highly significant at 1% level.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.045	.128		.352	.725
	Recognition	.976	.032	.871	30.660	.000

a. Dependent Variable: Employee Retention

Again, the p values demonstrated above (Sig = 0.000), confirms that the significance is at 1% level. In addition, using t-stat (Recognition = 30.660) also satisfies $t > (-/+)$ 2, and hence significant. The coefficient (B= 0.976) demonstrates that there is a strong positive correlation between the variables, which means that there is a strong positive relationship between Recognition and Employee Retention.

Correlations

		Employee Retention	Recognition
Spearman's rho	Employee Retention	Correlation Coefficient	1.000
		Sig. (2-tailed)	.000

		<i>N</i>	300	300
<i>Recognition</i>		<i>Correlation Coefficient</i>	.858**	1.000
		<i>Sig. (2-tailed)</i>	.000	.
		<i>N</i>	300	300

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

Using Spearman's correlation demonstrated above we can observe that the analysis holds true. Therefore, the author rejects the null hypothesis (H0) and accept the alternative hypothesis (H6).

6 CONCLUSION

The results from the analysis signifies that the manager's ability to lead, play a crucial role in increasing the employees' motivation to stay. It is conclusive that a firm creating a physically comfortable and socially enhancing fun atmosphere, increase an employee's commitment to stay, where employees specifically highlighting their experience of being able to socialize, learn and collaborate better. In addition, the analysis validates that a company's implementation for appropriate scheduling and working hours increase employee retention. The employees also confirm that the opportunity for them to learn and grow enhancing their career is one of the most imperative elements contributing to their intent to stay with the organization. Providing employees with more responsibility and recognition empowers them and thus, to be considered as a key determinant of retention. Drawing from the intrinsic context, there seems to be a significant increase in employee motivation and intention to stay, self-esteem, job involvement and productive behavior among workers when they are valued and given opportunity to grow. From an extrinsic perspective, statistical analysis conducted also demonstrates that factors such a good leadership hinging on the level of quality management, good working conditions/environment & providing for greater work-life balance are considered as some of the variables which attribute to successful employee retention. Even though, there is no single strategy or retention plan which may satisfy each and every employee in an organization, as we have different personalities entailing different demands and expectations from the organization, the firms in this booming industry may consider these deliberated enablers as a mean to limit turnover and improve retention.

7 LIMITATIONS

Financing and timeframe were the most primary constraints that the author faced when conducting this research. Hence, a cross-sectional design was adapted rather than the preferred longitudinal design which would have entailed more resources and data to be collected over a longer time period. The author had also used the unreliable non-probability-convenient sampling technique rather than the reliable random probability technique. Therefore, there is a possibility that the sample selected may not reflect the entire population. The author had researched the critical factors impacting employee retention using primary data obtained from only 4 specific firms, with a good retention strategy in place. Therefore, researching a significant number of firms or a wider sampling frame may have had provided a more convincing result with greater unbiased variances involved in the measurement construct.

8 IMPLICATION FOR FURTHER RESEARCH

A few scholars indicated that in order to commendably manage retention, it is imperative to consider organizational or employer branding. It is argued that in addition to competitive advantages gained, motivating, attracting and retaining the talent pool are also experienced by a respectable organizational or an employer brand. Further studies could emphasize more on, discovering alternatives to retain retirement-age workers for expertise and knowledge, utilization of clear positioning methods to address retention and job satisfaction, conduct survey to draw and keep the best workers, alteration of management system to retain talented performers, build-up of potential workers for filling future top-level positions, and implement strategies such as employer branding or talent management for distinguishing the organization cited in [1] page 14, [4], [7], [8], [13], [16], [27].

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