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## ***Employee Retention in the Retail Industry: A Case Study of Lebanon***

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### **Abstract**

Employee retention in the retail industry can be a significant challenge due to factors like high turnover rates, seasonal demands, and often low wages. However, it is crucial for the success of retail businesses to retain their employees, as a stable workforce can lead to better customer service, reduced recruitment and training costs, and improved overall performance. Employee retention is vital for a company's success. If a company loses many employees, it can lose money, clients, and its good reputation. Previous research tells us that a company's people (human capital) are its most valuable asset. In one study, they looked at employees in different businesses. They found that offering better pay helps to keep employees from leaving. In a competitive and diverse market, there are challenges. Employees care a lot about their morale, how the company is organized, and the overall work environment. Also, competition for skilled



employees is tough. One big problem today is that some managers don't realize how important certain positions are. The research also found that when companies reward and appreciate their employees, turnover goes down. On the other hand, when employees don't see a future for themselves at a company, they tend to leave. Job stability, a well-organized workplace, and a good atmosphere are things employees really value. In one specific group of companies (the Phillips group), a bad working environment makes people want to quit their jobs. So, it's clear that how a company treats its employees has a big impact on whether they stay or go. The ability of a corporation to retain its workforce has a significant impact on its productivity and success. According to previous research, human capital should be seen as the most precious asset for any company that is serious about achieving its goals. A descriptive research approach was used for this investigation. The employees in the category of businesses are the focal groups for the study. Better pay plans were shown to reduce employee turnover, according to the study's findings. The research showed that reward and appreciation discouraged job turnover in businesses. It also pointed out that inability of management to have prospects for job advancement promoted employees' turnover firms. Job stability, workplace organization and the working atmosphere is the most critical considerations that workers do recognize. The analysis showed that bad working environment promotes job attrition in Phillips group of firms.

**Keywords:** compensation; job attrition; remuneration; rewards and recognition; turnover; working condition

## **1. Introduction**

In view of the ever-growing rate of workforce attrition, the maintenance of skilled staff became a significant problem for administrators worldwide. The corporate world today has been very dynamic, rendering the biggest differentiating factor among most company's professional workers. Both public and private companies depend on their workers' skills to remain successful in the foreign sector and, in addition, to achieve comparative advantage. Despite the continuing challenges of the corporate climate, maintaining highly regarded workers is one of the main issues of the global industry.

Nowadays as a consequence of the Revolving Door Effect, firms frequently find that they expend tremendous time, energy and resources just for preparing an

individual to become a desirable asset and to abandon the company for a greener pasture.<sup>2</sup> In order to create a profitable organization, managers will explore as many choices as necessary while maintaining workers and maintain their trust and commitment so that they are less involved in quitting in the future.

### **1.1 Problem Statement**

The partnership between the boss and employee has big obstacles that have contributed to intense rivalry to recruit, inspire and maintain qualified workers.

### **1.2 Research Objectives**

The objectives of this study are to;

- investigate the impact of pay on employee retention in Lebanon's retail sector,
- see whether appreciation of employees' efforts has an impact on staff retention in Lebanon's retail businesses,
- find out whether the substance of a job has an impact on employee retention in Lebanon's retail sector, and
- find out the impact of staff development and training on employee retention in Lebanon's retail industry.

### **1.3 Research Questions**

The research aimed to answer the following questions in an endeavor to determine the major variables that influence employee retention at retail enterprises in Lebanon;

- In what ways does compensation affect employee retention in retail organizations in Lebanon?
- To what extent does employee effort recognition affect employee retention in retail organizations in Lebanon?
- What job characteristics affect employee retention in retail organizations in Lebanon?
- To what extent does employee training and development affect employee retention in retail organizations in Lebanon?

## **2. Empirical Literature**

Kim (2015) conducted a study about factors Affecting Employee Turnover: The Case of Lebanese Retail Companies.<sup>6</sup>The retail industry in Lebanon has experienced a drop in output as several reasons are blamed for a strong workforce turnover. The Lebanese retail sector grappled with a persistent challenge of high employee turnover, attributed to various factors. A lack of inspiration pervaded the work environment, leaving employees without the creative spark that often fosters job satisfaction. Additionally, the absence of a strong sense of loyalty among staff members meant that many were quick to explore alternative job opportunities. Inadequate salary packages further fuelled the high turnover rate, as employees sought better financial incentives elsewhere. Moreover, the management's handling of organizational adjustments proved to be another contributing factor, as ineffective management practices created an environment where some employees felt compelled to seek more stable and well-managed work settings. This study would investigate the reasons behind the unemployment rate of workers in the case of the Lebanese Retail Industry.

This report would establish a case study framework in which retail companies in Lebanon will be interested. This is the best method because many supermarket firms are headquartered in Lebanon and when introduced, most respondents oppose such reforms. The nature of the case study provides a detailed insight into the factors that help the scholar to solve problems in real life relevant to the study's purposes.

All the staff who works in Lebanese retail companies will be included in this study. The target population both engages indirectly and directly in organizational transition. The workplace has a population of 1000. Quantitative and qualitative methodologies are two types of evidence that can be used in analysis.

Quantitative analysis is a technique that utilizes primary data and can be identified by means of a survey or interviews as evidence which can be collected by the researcher himself. The secondary data is characterized by previous analysis and study data, which is already discussed in the literature review of research, in the field of the study of factors which affect employee turnover.

The study included both primary and secondary data, with the former coming from surveys and the latter from previous studies on the management of

improvements and the impact they have on outcomes in various nations. Secondary details were also held from various Lebanese University papers, journals and books. A minimum of 30 questionnaires for data collection have however been produced and circulated online.

The findings suggest that change affects the scale of the enterprise and that this influences the company's total efficiency. The parties agreed that the scale of the organization was perceived to be a significant factor affecting the morale and commitment of workers at work, as the bigger the company's size, the more the employees were encouraged to work in order to achieve greater efficiency.

On the other side, the results show that the greater the company's scale, the stronger the aversion to reform, because workers fear the future and worry that their jobs will be lost. The research findings indicated that organizational success and change management was affected by the so-called leadership component. The administration works at improving and empowering workers in the workforce to accomplish the organization's goals. Good leadership is designed to enhance organizational innovation and reduce conflict.

Finally, the research findings indicated that the management of transition would have a direct effect on organizational efficiency. Because most participants believed that reform gave an enterprise a better chance of handling incidents and developments in the workforce, this could increase in revenue, market share and operational performance improvements. The research findings indicate that technological changes and, in particular, information systems will affect the organization's function.

The system is known to be one of the most valuable tools in the area of communication and coordination between workers and can be calculated by the degree that can limit workplace creativity. Evidence also indicates that the organization's scale has a significant effect on performance.

Lotta in 2012, showed the conditions that cause employees to migrate from their jobs to pursuit better prospects.<sup>10</sup> The results showed that the lack of workplace engagement, commitment and training and development systems were some of the factors that led workers in search of better incentives to leave from work.

The findings also showed that the greater the job commitments, the better the efficiency of workers. Employee participation can be defined by delegating tasks

and obligations to workers. The workplace is the process of engaging employees in daily work. This is an important factor in the workforce, as the larger the presence of the workers on the job the increasing the efficiency and, as a result, a smaller turnover.

Study on variables impacting staff turnover and good retention tactics in corporate organization conducted by Origon, 2011.<sup>13</sup> In the era of globalization, it is considered an important problem for any business organization to contend with employee turnover. State personnel turnover is also a serious issue, particularly in the area of human resource management<sup>14</sup>. In an economic approach, fair wages and other incentives are very complex and burdensome to satisfy common demands and have a healthy working environment. Every business needs to improve profitability and reduce sales, thereby making it profitable. The monitoring of employee turnover is a responsibility to accomplish successful corporate objectives. Nevertheless, high turnover will devastate the business both directly and indirectly. Direct costs cover recruiting, placement, induction, laboratory and preparation expenses for new staff. Indirect costs of education spending, fragmented flexibility, burden on existing employees and the breakdown of social capital are recorded. In addition, excessive employee attrition would jeopardize the achievement of the operational objective. Management has seen employee turnover as a major concern to tackle the problems in the field of cutthroat industries and has introduced several steps to maintain them in organizations. However, the top management has not concentrated on this important issue due to the lower exposure. You may be unable to grasp the circumstances of how the loss of workers impacts the organization's efficiency. Work on employee turnover is thus much more important to help companies recognize their issues, evaluate the details and recommend new approaches. Therefore, the objective of this research is to recognize the diverse causes and factors that influence employee sales in companies. The report also aims at some strong management techniques for keeping workers in the company and growing turnover rates. Based on earlier research, this analysis has been undertaken nationwide and internationally to define a number of factors impacting the industry's competitiveness through employee revenue.

Management can encourage additional programs to consider why workers leave and recognize the challenges they attract and retain. The main determinant of

recruitment intentions is job satisfaction. So, it is probable that business organizations will continue to exist in a thriving community if the sound techniques above are implemented by keeping workers as a vital resource into account. Most experts believe that workers are the lasting force of any company, so that companies will take action in order to implement the incentive cycle for the workforce and thereby improve the overall morale of employees by quality products and excellent facilities. The goal of employee turnover must also be accomplished. Around 15% of workers are expected to leave and these will possibly lead to real losses if mitigation measures are not enforced. Recovering, preparing and placing new workers are less costly. Any company must therefore have the necessary measures to fill vacancies with workers and must establish effective management plans to prevent future employees from quitting. Consequently, through identifying the causes and informing them about the report, this essay intends to give an outline of what the company needs to define and expect and what the different streets for future consideration are to resolve important issues surrounding employee turnover.

Pillay (2009) conducted a study about turnover intention influencing factors of employees. To support their living people, job and organizations should partake in various types of activities<sup>15</sup>. But for different reasons, the time spent by individuals in these issues is indeterminable. Individuals are trying to adjust or leave their job and company as happy as possible. The precondition for leaving is the intention to leave, which can be alluded to as the intention to change back. The desire to serve with employers applies to an employee's probability of quitting his/her current job. Growing company has always articulated a major concern about its purpose of turnover, regardless of location, scale or design. Across all sectors of the economy, sales, turnover, according Suhaidah (2019) is a key human resources problem impacting productivity, efficiency of goods and services and profitability.<sup>19</sup> Researchers including Pohlen have claimed that turnover has proved to be one of the world's most expensive and potentially insoluble threats to human resources.<sup>17</sup>

Mangel (2008) has described attrition as requiring the company to pay substantial costs in terms of recruiting and procurement, hiring and integration, new staff preparation and, in particular, lack of staff expertise at work.<sup>11</sup> Employee turnover implies loss of money for companies in the acquisition and recruitment of



workers. Therefore, the high turnover rate in a company reduces the morale of existing workers; raises the workload and makes it difficult to schedule the job.

The dismissal of qualified workers who are regarded as human capital is therefore an important matter which has a negative impact on operational productivity, efficiency and overall performance. While turnover is an expense to a company, Kodz has found out that it is impossible to avoid a certain degree of turnover and it could in fact help the organization, because new people add new concepts to organizations that contribute to the operational activities.<sup>7</sup> The top management of companies also needs a low attrition rate to ensure the businesses remain safe and innovative. If unemployment is too small, there is no new blood and innovations and an organization will easily turn into an outdated entity which cannot deal with change because workers are the organizations most valuable assets. The organizations therefore need to be worried with them. In relation to their workers, companies just recognize the purpose of employees to make sales and the reasons that contribute to them. This can be done by study and review.

Various studies were discussed within order to give a hint to authors, academics and organizations who affect workers' termination intentions. The emphasis in this design paper was actually on ten aspects prevalent in all categories of organizations (job satisfaction, demanding employment, organization, corporate commitment, wages, social justice, recruitment opportunities, demographic variables, leadership styles and company climate). But also perceived support of an organization, perceived help by the employer, function flexibility, employee benefits and training and development are considerations which should be addressed.

This paper indicated the association between the variables found and the plan to allow turnover. For prospective studies, the theoretical interaction can be checked and methodological researched. Work in various types of organizations, such as companies, educational institutions, restaurants, micro and medium businesses, various types of institutions and the like has also been revamped. So, the other organization does not function on an aspect that impacts a change goal of one organization. Therefore, the impact of these influences in different types of organizations may be investigated by potential researchers.



As Pearce, in 2009 said, some variables will remain as predictors and others as moderators or mediators, and this relationship should therefore be rigorously tested by means of the related studies.<sup>14</sup> Four prospective researchers will therefore take precautionary steps to select one which is more accurate and more dependable owing to the plethora of analysis instruments available to assess workplace attrition and predictors.

Alozian (2019) conducted a study about factors affecting employees' turnover intention in construction companies in Klang.<sup>1</sup> The 2017 Workforce Vitality Index (ADP) states that high turnover issues impact contractors and contractor firms, but not stated by them.

Earlier researchers, such as Kodz, (2002), Lotta, (2012) and Origon, (2011), identified the key factors for employee turnover in construction firms.<sup>7,10,13</sup> Although earlier studies have focused on factors affecting employee turnover, the factors affecting employee recruitment of construction companies in Malaysia have not been studied. Through this study, the factors affecting the purpose of staff to turnover will be established and the connection between the factors and the intention of staff to turnover at building companies in Klang, Selangor will be calculated. In terms of the plan to churn workers in construction companies in Klang (Selangor), considerations such as workplace ties, interpersonal involvement, social fairness, organizational credibility, connectivity and corporate politics play a significant role.

Knowing the factors that drive the attrition of employees will enable personnel managers in the organization seek better ways to minimize their turnover and therefore increase productivity in Klang, Selangor. It is therefore extremely important for construction companies in Klang, Selangor to figure out which variables would affect the turnover of their employees.

In this report, all of the data and information will be collected through articles and journals that were circulated using the primary method for collecting secondary data and survey formats. A questionnaire from the target respondents via email and walk in was the key data collection strategies used in this study. Framework for the questionnaire was designed to ensure that the data could be effectively gathered from respondents, such common near questions, duration of questions and the number of questions. This questionnaire was structured in three parts,

namely Section A: Demographic, Section B: Factors affecting the intention to turnover of employees, and Section C: Intention to turnover of employees. The test used factual queries, emotional questions and a scale of Five Point Likert. The measurement ranges used for the variables in this study were standard, since a metric scale of 5 scales, such as clear inconsistencies, conflict, neutrality, approval and solid acceptance in the questionnaire was a popular parameter.

This research focuses on the factors that affect employee turnover in Klang, Selangor. The purpose of this analysis is to determine the variables that may affect the retirement intentions of workers in building companies by defining the factors and evaluating the connection between those factors and the intentions of the employees. The findings of this research allow the department of human resources in construction companies to concentrate on the relevant and useful variables to lower the turnover rate of the workers in construction companies.

The analytical findings of this analysis indicated that organizational policy had the highest mean over other variables from this research, which demonstrated that the desire to create purchases for workers of building firms was primarily determined by organizational policy. Moreover, the findings of the Pearson Association study indicate that all six variables (colleague ties, business involvement, social fairness, organizational credibility, connectivity, and corporate policy) are very much related to the purpose of employee turnover. Thus, the six variables which influence employee intention to attrition have been identified.

Laser (2008) conducted a study about turnover intentions of employees. To order to keep up with plans, processes and compliance standards, improvement and professional procedure, HR is creating trained specialists.<sup>8</sup> Representative attrition may be understood whether the worker exits or intentionally calls the association. The voluntary transition was seen as an interdisciplinary and multidimensional framework. Different work has been carried out over the years and distinctive approaches to explain workplace productivity have been suggested. In the templates, various elements were quoted to justify the stoppage of officials.

Expert staff sauté from work to work and carry the know-how and technologies of their clients with them. In addition to wages, benefits and incentives, their incomes are rising. This research measures the most important attrition aspect and commitment to attrition.

The thesis is seen as a descriptive analysis. The population of the group that performs the research is 100. The part of the community is the association's first and center-line members. A simple abnormal examination shall be used to pick the inspection devices. The collection of information is the aggregation of important information using a structured sample. The gathered knowledge was evaluated by using a tangible device available in the sociological empirical kit (SPSS). Unassailable standard checks, recurrence and ANOVA are the instruments used to analyze the details.

The first goal was to understand the impact of sales expectations on various elements that are quickly reducing. The analysis showed that selling impacts on the reduction of materials, such as QWL, career growth, working hours, individual / family reasons, the relation to indoor employees, social welfare, working conditions and compensation. This model overview table explicitly reveals the R-square esteem, while  $R\text{-square} = 0.365$  implies that the element taken into consideration has an impact in transforming the target. The analysis of the eight factors indicates that pay and working conditions are the most significant contributors to the turnover goals. The intriguing aspect here is that young people who are pursuing professional development are the lion's share of delegates and that weakness is in many ways strong in this community.

Research shows that the main point for attrition is working conditions, pay, health, collaboration between workers and professional development. Mainly male representatives, where they look at educational advancement and wages as a primary factor, are considered.

This research attempts to talk about a section of the factors that could be the cause for a delegate quitting the association. This research helps the organization or administration to focus on these areas, and the inventive / imaginative practice aims at having the delegates feel obedient, fantastic and interesting at work. It would certainly minimize the loss rates and allow management to decrease expenses in its entry-level procedure.

### **3. Conceptual Framework**

Finding and Keeping the Best: The Need for Smart Hiring

In today's business world, it's more important than ever to pick the right people for a job. Employee turnover, which is how fast a company hires and loses workers or how long people stay in a job, is a big deal. Choosing high-quality workers can make a big difference in how well a company does. So, businesses need to be smart about who they bring in and make sure to keep them happy and motivated to stick around.

In order to have a thorough understanding of the internal causes of turnover, research shows that it is critical to include both quantitative and qualitative information (IDS, 2004). In order to identify the fundamental reasons of employee turnover, qualitative research is necessary.

Organizations should think about how employee turnover affects their productivity, according to the Chartered Staff and Growth Institute in the United Kingdom. Depending on the company's size, an understanding of attrition rates in various positions, locations, and other personnel categories may help develop a comprehensive retention strategy.

A company should determine if it should implement individual retention measures, for example at particular places or classes of employees, or control regional standards in order to guarantee sufficient manpower through recognizing the complexity of the turnover problem. Several variables are important to every company's workforce turnover, and both the employer and staff will affect these variables<sup>15</sup>.

Wages play a significant role in attracting and retaining talent, while organizational incentives can further sweeten the deal and boost employee satisfaction. The productivity of staff is not just a measure of individual performance but also reflects the overall efficiency of the team. Professional efficiency, on the other hand, speaks to the skills and competence of the workforce, influencing the overall success of a business. Firms are particularly concerned in their staff turnover levels because it is a very expensive way of doing business.<sup>7</sup>

Operational instability, demoralizations, adverse external perception, staffing expenses, business development costs and reduced social interaction are possibly harmful effects of workplace attrition.<sup>18</sup> The most common reason for the high turnover of employees is because employees usually look for good paid jobs.

Those who are desperate for a job can take the first person to do it while searching for a better job. In addition, because of unsatisfactory performance reviews workers continue to quit an organization. High wages are a common explanation for an employee's inability to succeed.<sup>15</sup>

This term often includes unfair or under-standard pay systems. If two or more employees do the same tasks and have the same responsibilities but are paid differently, the lower-paid employees may decide to leave. The same is true for workers, who are more inclined to join your company if you pay less for the same task than other businesses.<sup>19</sup> Alozian (2019) states that money matters, and for many people, salary is a major factor influencing their decision to stay or leave a job. Job satisfaction often goes hand in hand with financial compensation. If the salary doesn't align with expectations or industry standards, it can indeed become a significant driver of employee turnover. People want to feel valued for their work, and fair compensation is a key part of that equation.

Although some encouragement has been granted for this view, the value of this view has been vastly over-reached; it is commonly regarded because individuals frequently use salary as a reason to quit. That is primarily because few staff members tend to discuss more specific motives to quit and fear not being granted a decent name at a later date.<sup>2</sup>

### **3.1 Working Conditions**

There are certain workers who can end up leaving their current employer due to the lack of a positive work environment. In a report, the public sector employees believe that job stability, the structure of the workforce and the work climate have become most important considerations, while the private sector employees are the most significant ones.<sup>16</sup>

The job environment in a company would be understood to have a part to play in deciding whether to remain or quit. These are the shortcomings which can be investigated. In order to stay with an organization, decent working practices may serve as a motivation for employees.

Therefore, the results of business benefits cannot be overlooked in employee satisfaction. Specific employee benefits are regulated by laws in Kenya so that they are allowed to resign, work time, employment compensation, termination of jobs and others. It is evident that the jobs of the public and private sectors must be

consistent at a minimum level with the Employment Act (2007), including continuous improvement of working conditions.

However, the terms of employment will be reasonable if the company intends to maintain its beloved workers. Employers must also show dedication and duty and ensure that all workers are equally compensated irrespective of the professional industry. The essential provisions of the Job Act should be used to guarantee the preservation and enhancement of certain working standards. But it must be acknowledged that certain companies provide more favourable incentives than minimum rates and workers should thus still have the choice of switching from one company to another.

The BCEA is one instrument utilized for attracting and maintaining workers in different fields of employment if correctly implemented, however, as mentioned earlier, the problems enshrined in the BCEA are part of the secret to inspiring all workers. Employees like to consider the correct working climate. For all businesses as needed under the Occupational Health and Safety Act (2007), appropriate facilities and suitable equipment are also a requirement by statute.<sup>8</sup> If essential services are unavailable in the office, such as sufficient ventilation, furnishings, clean toilets and other health and safety standards, workers do not have to deal with the discomfort for a long period.<sup>12</sup>

Recent developments in global and national legislation arising from workers' recognition of their human rights contributed to the need for such facilities. Secondly, appropriate personal protection equipment is needed for employees. This applies to shielding the wearer's bodies against injury from traumatic impact, electromagnetic threats, fire, toxic agents and contamination for workplace protection and for health purposes.

This relates to protective apparel, boots, socks, hats, goggles, briefs or other garments or equipment. The use of personal safety equipment is designed to reduce risk exposure for employees. Measures must be taken in the proper sequence in order to request and wear personal security equipment.<sup>5</sup> The work routine connected with various occupations differs, certain employment can be carried out during regular working hours and working days while other positions include employment evenings, weekends while long hours. It is important to understand working periods in the light of the work environment. As Belete,

(2018) discusses the concept of the balancing of work life, there should be a compromise between the work of a person and their lives.

The definition of work life equilibrium as established by the Job Foundation (2003b) seeks to strike a satisfactory balance between jobs and non-work and possible tasks. The most practical way to achieve effective balance of working life is to work flexibly. That involves jobs at home, part time job, shorter work weeks, annualized hours and redistribution of employment, which generates an atmosphere that needs structural adjustment in certain organizations, backed by senior level encouragement from workers who want to function flexibly which pose issues in their daily lives.<sup>11</sup>

Flexible job arrangements have proved to be more flexible in terms of family life and account for workplace pressures.<sup>13</sup> Organizations would also be willing to allow their workers reasonable hours of operate. Research suggests that when adults and children become more traditional in dividing workloads into their families, that is, the tasks are delegated by gender rather than interests or abilities.<sup>13</sup>

When work interferes with family and relations, the rate of absenteeism and turnover of the individual is higher than when the individual is able to balance family life. A significant component of working environments is external collaborative interactions with bosses and superiors. There will be a philosophy to promote good approaches about work to inspire engagement to enthusiasm in their job, to be motivated to carry out and to continue operating with an organization. Lotta, (2012) says employees who are happy, supported, developed and satisfied at work will offer the best possible service to clients.<sup>10</sup>

Talent management of relations should be implemented to build effective relationships with individual employees, to treat each employee fairly, to recognize their value, to give them voice and opportunities for growth. Emphasize that the company has to be able to listen and to respond to every suggestion the employees bring to management at any point as its core principle.

### **3.2 Remuneration**

In exchange for employee contributions to the organization, compensation is provided. A successful pay structure can lead to success and employee satisfaction.<sup>14</sup> Employee compensation for both employers and staff has been an



issue of interest for many years. The definition of a working arrangement means that employers are charged the remuneration and this remuneration is usually monetary. The common variables for use in organizational analysis were job, job quality and benefits perceptions (Kodz, 2002).

They are connected to significant results, such as absenteeism, intention to turnover, perceived attractiveness to workforce organizations, behavior in relation to organizational citizens and job performances.<sup>12</sup> They are significant. Business in all types of battle for jobs globally.<sup>12</sup>

As a result, they must balance the need to recruit and retain people with the requisite knowledge, competence and abilities to carry out their job with the need to keep the company afloat financially.<sup>5</sup>

It has been shown that employee benefits and pay packages may play a strategic role in improving the performance and profitability of enterprises around the globe.<sup>5</sup> Additionally, employers consider salary as a way to recruit and retain the best workers, while also promoting good conduct and performance.<sup>4</sup> The managers seek to compensate for foreign labor costs, the competitive worth of the work, and the "added benefit" employees to the enterprise in the light of expenditure restrictions.

In a sector, businesses are exposed to comparable market costs which need equally trained workers to deliver services. Companies typically test their incentive expenses by analyzing the pay pattern of other companies in their sector to maintain profitable places in the consumer industries. Employers should also seek to maintain the compensation deals fair.<sup>11</sup> Oregon, (2011) have found that numerous small companies with their compensation and benefits packages have succeeded so many that they have significantly more vacancies than major companies.<sup>13</sup> In 2003, MetLife reported work satisfaction with small employers higher than with large employers, but noticed that there were no variations in income satisfaction depending on the size of the business.

It was also observed that 25% of workers and 27% of employers thought that workplace rewards are an essential incentive to enter an association while 42% identified the advantages of their company as an important reason for sticking with it. Pires, (2006) found that fringes have a higher impact than the direct cost of the benefits would show, on the reduction of turnover.<sup>16</sup>

The aim is to offer "appropriate" benefits of the employer's insurance policies.<sup>19</sup> However, the word "equal" implies the willingness of the pay program to meet competing market needs through management of salary costs and to attract, encourage and grow a professional workforce in order to reward.<sup>12</sup>

As the economic costs of workers differ across sectors and regions, "fair" wages and benefits may have relative requirements. Studies by (Kim, 2015) have shown that wage satisfaction is a key element that undermines academic commitment to and, consequently, the decision of academics to leave their institutions and careers. Adequate and fair pay is one of the key reasons why employees choose to stay in an organization. Yet salary is greater than cents and dollars. It honours the workers for their efforts and their importance. In certain situations, the desire for compensation is higher than wages for workers.

Employees are also available to create further opportunities for businesses.<sup>7</sup> Benefits may reassure workers that an organization is welcoming and equal, and there is some proof that stable advantages are a key element in securing successful retention, especially when they want to remain with the company or join the organization in the first place.<sup>4</sup> The typical advantage solution has several components according to Kodz, (2002).<sup>7</sup> Like medical, educational, weekends, vacation leave, flex hours, accommodation, exercise centers, benefits should be in line with employee needs; some employees might want pension plans, whilst others want more money.

Flexible organizations, which can choose from a variety of options and advantage plans, address the need for benefits. Besides wages and benefits, workers want to be recognized for a well-realized job. Markova, (2011) says that the incentives and appreciation react to this need by validating the success of workers and motivating them to progress continually.<sup>12</sup> The entire company will achieve success with an incentive scheme. The incentives are significant because the scheme of recompenses is trustworthy.

### **3.3 Critique of the Existing Literature**

The turnover of workers inside an organization, although the organization is required and gains a certain degree of turnover, may result in unnecessary high turnover affecting the organization.<sup>9</sup> The organization's operations are not necessarily working properly. Loiseau, (2011) suggests that when a person exits an

organization, the consequences on the corporation as well as on the particular employee and community as a whole are numerous.<sup>9</sup>

These effects may be positive or negative, and the degree to which companies and workers in companies may affect such effects can improve their perception of employee turnover. According to Chowdhury, (2017), the organization's minimal workforce attrition gains from growing the task of slashing and thereby encouraging fresh workers to be hired from beyond the company and avoiding fresh innovations and creativity from the new employees from breeding inside the company.<sup>3</sup>

The required rate of turnover in the business, sector, working standards and remuneration shall be calculated by the scale of the employee's power. Belete, (2018) states that treating turnover as a business performance metric is a smart approach. It's not just about the number of employees coming and going; it's a reflection of the health and efficiency of the organization. High turnover can impact productivity, morale, and even the company's reputation. Being aware of turnover rates and actively addressing the factors contributing to it shows a proactive stance in maintaining a stable and effective workforce. It's like keeping your finger on the pulse of your business's overall health. Therefore, workforce reduction can have the benefit in terms of encouraging the maintenance of beloved personnel or of capitalizing on the possibility of staff transition, incompetent employees can be substituted with more productive employees.

Each organization's effectiveness depends on its human capital, technology and material form. Engineering and resources cannot function in turn, they have to have a human contact and hand to create an organization. Many organizations in both the private and public sectors have been concerned with how to improve the 'added value,' as the present state of the economy is characterized as a consequence of acceleration of knowledge, liberalization, globalization and vigorous competition from both within and outside the world. Employees should be empowered to stay with their organization, and efficiency should be improved to what is agreed at a reasonable level for minimal capital.

## 4. Results

### 4.1 Regression Analysis

#### Model Summary

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.367 <sup>a</sup>	.135	.096	.538

a. Predictors: (Constant),

#### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.824	0.312		2.645	0.010
1 Training & Development	5.921	2.851	2.095	2.076	0.043
1 Change Management	5.751	2.863	0.269	2.008	0.049
1 Motivation	6.316	2.284	0.076	2.765	0.019

a. Dependent Variable: Performance

Using a margin of error of 5%, regression analysis was used to examine the connection between the research variables. Assuming the margin error was less than 5%, the null hypothesis was ruled out and the alternative hypothesis was accepted, resulting in the following set of findings:

- Significant relationship between training & development and performance (0.043)

- Significant relationship between change management and performance (0.049)
- Significant relationship between motivation and performance (0.019)

Thus, the following regression can be validated as follows:

$$Y = A + BX_1 + BX_2 + BX_3$$

Where Y= dependent variable, B= Coefficient, X= independent variable and A = constant

Thus,

Performance = 0.010 + 0.043 T&D + 0.049 Change Management + 0.019 Motivation.

This means the following:

- For every one-unit increase in T&D, performance is impacted by 0.043
- For every one-unit increase in change management, performance is increased by 0.049
- For every one-unit increase in motivation, performance is increased by 0.019

## **5. Discussion**

Keeping employees in the retail industry can be hard because many leave for different reasons like low pay and busy seasons. But, for retail businesses to do well, they need to keep their workers. When employees stay, it's good for customers, saves money on hiring and training, and makes the business perform better overall. Research tells us that paying employees better helps them stay. In a competitive market, employees also care about how happy they are at work and if they see a future there. Companies that appreciate their employees and make them feel valued have fewer people leaving. On the flip side, if employees feel like there's no future for them at a company, they leave. Having a stable job, a well-organized workplace, and a good atmosphere are things employees really want. The research even looked at a specific group of companies and found that a bad working environment makes people want to quit. So, how a company treats its employees really matters for whether they stay or go. This study used a research approach to look at employees in different businesses, and it found that paying

better and showing appreciation can help businesses keep their valuable employees.

## **6. Conclusion**

Employee turnover can be reduced by providing employees with opportunities for professional and personal development, such as difficult tasks and increasing responsibility. Employees will be happier, healthier, and less inclined to quit if necessary benefits are provided.

### **6.1 Recommendations**

- To reduce employee turnover, offer opportunities for professional and personal growth, such as challenging tasks and increased responsibilities. This can make employees more likely to stay with the company.
- Ensure that employee remuneration and benefits are competitive with current economic conditions. Pay workers a fair market rate for their labour and provide competitive benefits to retain valuable talent.
- Acknowledge and reward exceptional work, tying compensation to performance to lower staff attrition. Recognizing above-average efforts motivates employees and reduces turnover.
- Foster a positive work environment by encouraging acts of kindness and expressions of thanks among employees. This builds a sense of investment in the company, reducing employee churn.
- Prioritize work-life balance by allowing flexible work schedules. This not only makes employees happier and healthier but also decreases the likelihood of them leaving the company.
- Create a safe working environment and provide flexibility in work schedules to reduce stress among employees. This can contribute to a more positive and stable workforce.

### **6.2 Recommendations for Further Studies**

It was the goal of the research to find out what variables impact pharmaceutical company employee turnover. According to the findings, more research into the impact of staff turnover on an organization's success is warranted.

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