

# The Impact of Retention Policies on Employees Satisfaction in UFONE

## – Karachi

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ARTICLE DETAILS	ABSTRACT
<p><b>History</b>  <i>Received: July 2019</i>  <i>Available online: December 2019</i></p> <hr/> <p><b>Keywords</b>  <i>Organization</i>  <i>Human Resource</i>  <i>Employee Retention</i>  <i>Employees Satisfaction</i></p>	<p><b>Purpose:</b>            The purpose of conducting this research is to know whether retention policies enhances or declines the committed employee satisfaction in UFONE – Karachi. It is important to realize that preferences of employees may vary from person to person and from situation to situation.</p> <p><b>Methodology:</b>            This study is quantitative as well as qualitative in nature and a close-ended questionnaire is used as a research tool to gather data and SPSS is used for data analysis. Employee satisfaction is dependent whereas retention policies and procedures are independent variables in this study. Subjects were randomly selected to know the effect of retention policies on employee. This research focuses on the impact of retention policies on job satisfaction and the scope of research was UFONE Company - Karachi. 342 out of 400 employees accepted the importance of retention policies and said that it is important for employee's satisfaction.</p> <p><b>Findings:</b>            Majority of the employees are satisfied with the retention policies, however dissatisfied employees were also there who were unhappy with the retention policies of the UFONE.</p> <p><b>Conclusion:</b>            There is a need in UFONE to revisit their employee retention policies and adopt quantifiable measure to improve and benefit their employees.</p>

## 1. Introduction

In today's competitive world of business, Employee retention has become an important aspect to be considered. It will be paramount for whatever business association should actualize all the employee retention policies and strategies to deal with employee turnover viably and effectively. It must be noted that a high rate of turnover demonstrates that an organization may be losing a secondary rate of employees concerning illustration contrasted with the amount for employees who have been hired now. It will be also an evidence of not completing proper recruitment and not providing a healthy environment to the employees which helps them to stay longer in the organization. However, a large amount for turnover may be undesirable to an organization because it may affect the other employee's motivation level which directly impacts the performance of the employees as well as the organization growth and productivity.

Employee retention refers to the ability of an organization to retain its employees. Employee retention can be represented by a simple statistic (for example, a retention rate of 80% usually indicates that an organization kept 80% of its employees in a given period).

Smith (2001) suggests that there may be several factors involved in why employees leave their job. It could be voluntary, where the employee chooses to leave. It could also be for reasons that may include better career opportunities, increased compensation and broadening of current tasks and responsibilities and boredom with current task. Involuntary turnover occurs when employees are asked to leave for reasons including poor performance or inappropriate behavior. Company benefits, employee attitude and job performance are all factors which play an important role in employee retention. When a company replaces a worker the company incurs direct and indirect expenses. These expenses include the cost of advertising, headhunting fees, human resources fee and new hiring cost.

The purpose of this study is to know whether the retention policies really impacts their employees' satisfaction in a positive or negative way. Specifically the objectives are as follows:

- To know whether retention policies and procedures are enough to satisfy the employees at UFONE.
- To find out the relationship between the retention policies and procedures and the satisfaction among the employee at UFONE.
- To discover the impact of retention policies and procedures on employee satisfaction.

### 1.1 Profile of UFONE

Pakistan Telecommunication Company Limited (PTCL) that began its operations in January 2001 under the brand name 'UFONE'. Because of PTCL's privatization, UFONE turned into a piece of the Emirates Telecommunication Corporation Group (Etisalat) in 2006.

Since its beginning, UFONE has concentrated on the general population of Pakistan, engaging them with the most pertinent correspondence modes and administrations that empower them to complete significantly something significant; at a value that suits them the most. Alongside the claim of most reduced call rates, clear stable and best system, UFONE offers its clients streamlined duties with no concealed charges. With a solid and

interestingly amusing correspondence heading that has now turned into Ufone's mark over all promoting media, Ufone gives its clients many motivations to grin.

This client center and best offering has enabled Ufone to construct a supporter base of more than 24 million in fewer than 10 years. Ufone has arranged scope in 10,000 areas and over all major roadways of Pakistan. Ufone right now hooks for International Roaming to more than 288 live administrators in more than 160 nations. Ufone also offers Pakistan's quickest developing 3G system and BlackBerry Roaming scope accessible with more than 200 Live Operators crosswise over 122 nations. Ufone has turned into an engaged and serious pioneer in VAS, always presenting creative administrations, which have been the first of their kind in the Pakistani cell industry.

In Pakistani telecom industry, Ufone is eminent for a forceful and funny advertising approach that separates it from its rivals. Truth be told, Ufone is one of only a handful couple of brands in Pakistan that have effectively actualized a solid incorporated advertising approach focused on humor and made an interpretation of it. The organization developed notoriety for imaginative usage of telecom advances in its initial days and has, after some time, developed an arrangement of significant worth including administration that have outgrown correspondence; rather, taking into account a wide range of client needs from instruction to diversion.

Ufone has arranged scope enveloping 10,000 areas and over all major thruways of Pakistan. It at present provides food for International Roaming to more than 288 live administrators in more than 160 nations. Ufone likewise offers Pakistan's biggest GPRS and BlackBerry Roaming scope accessible with more than 200 Live Operators crosswise over 122 nations.

**Table.1. Ufone Profile**

Company	Code	Ownership	Services	Technology	Total subscribers (in millions)
<a href="#">Ufone</a>	033x	Pakistan Telecom Mobile Limited ( <a href="#">PTCL</a> & <a href="#">Etisalat</a> )	Mobile broadband ( <a href="#">HSPA+</a> ), Postpaid & Prepaid, Mobile Banking (U-Paisa)	900/1800 MHz <a href="#">GSM 2G /GPRS 2.5G /EDGE 2.75G</a> Band 1 (2100 MHz) / Band 8 (900 MHz) <a href="#">HSPA+ 3.75G</a>	18.8

**Source: Ufone Company**

## 2. Literature Review

### 2.1. Employee Retention

Employee retention involves taking measures to encourage employees to remain in the organization for the maximum period of time (Griffeth&Hom 2001). Now a days, organizations (o) are facing a lot of problems in employee retention. Hiring knowledgeable people for the job is essential for an employer. But retention of talented employees is even more important than hiring.

Scott Span (2013) says that representative maintenance is complex to the accomplishment of an association. Without a concentration and a comprehension of

individuals, practices, and what engagement and prizes procedures work for best for your way of life, lessening turnover can be much more troublesome.

## **2.2. Employee Retention Strategies**

This isn't to say that benefits need to be increased, but that the package should meet the needs of those employees most likely to leave the company.

Steve Miranda said, "Employees don't quit jobs. Find a way to recognize those skill and challenge employees to gain even more skills. Top on the list of best practices is regular meetings with employees about performance and expectations. Overly rigid work rules can drive good workers away. Focus more on job skills and you'll get a better fit, which is more likely to lead to long employment tenure".

According to Ally Edwards (2015) Representatives are without a doubt the establishment of each association. They manage the usefulness of the association by performing everyday operations and keeping up customer connections. It is almost incomprehensible for an association to be effective without persevering and devoted representatives. It does not shock anyone that association's center a lot of time on enlisting the best representatives. Associations put extraordinary exertion into making these workers bearing in mind the end goal of an exceptional yield on venture. However, the end result for an association once a representative clears out? To give point of view on the significance of representative maintenance, we have aggregated a rundown of five way that organizations can use to retain their top talent employees.

## **2.3. Offer Better Compensation**

The one steady truth over each kind of specialist, paying little respect to age, sexual orientation, ethnicity, or the topography, is that pay is lord for both enlisting and maintenance. In the event that you don't pay workers decently, they will leave and will not alter their opinion.

## **2.4. Promote Career Mobility**

Organizations are putting forth more profession versatility openings, which bolster workers who need to move crosswise over various offices or even change their occupation. Mobility helps increment engagement, profitability, and cooperation. This outcome bodes well, since representatives need new difficulties and openings with a specific end goal to remain occupied with their work, develop their aptitudes, and progress in their vocations.

Scott Span (2013), Worker advancement is additionally key. It's essential to give instructing, instructive openings, and preparing programs. By helping people design their coveted way inside in an association, defining solid objectives, and offering help to enable them to accomplish those objectives, engagement and maintain increments.

## **2.5. Company Profile**

Every employee wants to belong to a prosper organization and an organization with high growth and remarkable image and reputation in the industry. Money related insecurity of organization refers to an absence of offers, cutbacks or decreased work hours, compensation solidifies, enlisting solidifies, fruitful contenders featured in the news, terrible press, worker turnover, mergers and obtaining organizations, all prompt a representative's sentiment precariousness and an absence of trust. It may happen due to wrong decisions or no giving values to peers suggestions and negative behaviour of higher management.

If an organization faces the high turnover or some negative image or low reputation with instability in the market that may directly lead the employees to find a job somewhere else and to leave the organization as soon as possible.

## **2.6. Salary**

Tee Chee Wee (2012) shared his view that Pay is a kind of direct instalment that representatives get in return to the equivalent estimation of their commitment. Instalment can be in different modes, for example, compensation or wages, rewards, different allowances and different types of compensation. Pay typically included cash. As Payne and Brinkman stated, "cash isn't all that matters, however it is the primary thing". Along these lines, cash goes about as the apparatus to hold youthful gifts and increment their activity fulfilment in association. The efficiency will increment when representative's fulfilment is high and they will contribute everything to the association.

## **2.7. Benefits**

Tee Chee Wee (2012) additionally said that advantages are characterized as the backhanded instalment which workers get by implication from employers. It is as lawful necessity or volunteered benefits. For example, benefits incorporate therapeutic leave, retirement design, yearly leave, extra security, debilitated help, rewards, acknowledgment, travel occasion and etc. Agreeing pay and advantages are emphatically and essentially identified with work fulfilment and contrarily with the turnover expectation. Actually, a great deal of associations in Asia still concentrate on offering great compensation pay and advantages as their prime maintenance methodology to decrease the turnover of superior workers and youthful talents.

## **2.8. Work Environment**

Micheal.Poh says a positive workplace influences representatives to like coming to work, and this gives the inspiration to support them for the duration of the day. A positive work environment may create through open and two way communication where employees are free to talk about problems and issues as well as any kind of suggestions employees want to give.

When employee received recognition on their contribution and employees feels value in the organization. At the point when representatives satisfy their different needs and objectives throughout everyday life, for example, those of family, companions, otherworldly interests, self-development, and so forth, they would then be able to feel surer about themselves and play out their best at work.

## **2.9. Employee Satisfaction**

Employee satisfaction is the phrase used to portray whether employees are cheerful, content, and satisfying their wants and needs at work. Many measures indicate that employee satisfaction is a factor in representative inspiration, worker objective accomplishment, and positive representative confidence in the work environment.

Locke (1976), who characterizes work fulfilment as "a pleasurable or positive enthusiastic state coming about because of the examination of one's activity or occupation encounters"

Spector (1997)[1] records 14 basic aspects: Appreciation, Communication, Co-workers, Fringe benefits, Job conditions, Nature of the work, Organization, Personal development, Policies and strategies, Promotion openings, Recognition, Security, and Supervision.

Occupation fulfilment can be comprehended as far as its associations with other key elements, for example, general prosperity, worry at work, control at work, home-work interface, and working conditions.

### **3. Methodology**

#### **3.1. Research Method**

This study is exploratory and qualitative in nature and we have used few techniques e.g. a questionnaire and an interview session and MS Excel to analyze the data. A questionnaire consisted of 15 questions was designed and we kept a record of it. The next step was tabulation, analysis, interpretation and graphical representation, which we did with the help of MS Excel. Correlation and regression analysis was also done with the help of MS Excel.

#### **3.3. Sample Size**

Sampling is the process of selecting a number of individuals for a study in such a way that the individuals represent the larger group from which they were selected. The purpose of sampling is to gain information about the population. In this case study, our sample size was 400.

#### **3.3. Sampling Techniques**

In this study, convenience and random sampling is applied. Convenience sampling is any group of individuals that is conveniently available to be studied. Whereas random sampling is the process of selecting a sample in such a way that all individuals in defined population have an equal and independent chance of being selected for the sample.

#### **3.4. Ethical Consideration**

An informed permission became required from each participant. They were knowledgeable that participation is voluntary and that confidentially could be maintained.

#### **3.5. Data Collection Method**

We used the following methods to collect the data for our research:

- Primary data was collected through questionnaires.
- Secondary data was collected through research journals, books, experts, publish reports and internet.
- We have also conducted face to face interview from the HR personnel in UFONE.

#### **3.6. Questionnaire Design**

We have designed a set of close ended questions for our study purpose to collect data. The questionnaire was based on the independent and dependent variables. The language of the questions was simple so that everyone could understand it without difficulty. There were total 15 questions in the questionnaire in which 3 questions were designed on demographic basis (age, gender and work experience) and the rest 12 questions were job related.

## 4. Results & Discussions

**Table.2. Responses from the Respondents**

<b>1. Age of the employees</b>									
18 - 25 yrs.		25 – 34 yrs.		35 – 40 yrs.		Above 40 yrs.			
37		170		145		48			
<b>2. Gender of the employees</b>									
Male					Female				
225					175				
<b>3. Employees participate from Departments</b>									
Accounts	MKT	R&D	Finance	Purchase	Production	HR	Supply Chain	Sales	Admin
31	47	46	62	59	46	42	35	14	18
<b>4. Working experience</b>									
Less than 6 Months	6 months to 1 year	1 - 2 yrs.	3 – 5 yrs.	6 – 10 yrs.	Above 10 yrs.				
26	69	112	116	67	10				
<b>5. Overall level of Job Satisfaction in organization</b>									
Very Satisfied		Satisfied		Neutral		Dissatisfied		Very Dissatisfied	
92		154		120		34		0	
<b>6. Times Employees Got Promotion</b>									
Over 4 times		4	3	2	1	None			
6		55	128	122	73	16			
<b>7. Elements for better employment opportunity</b>									
Company Profile		Salary		Benefits		Work Environment		Career Growth	
40		64		116		104		76	
<b>8. Factor influence to leave the job</b>									
Low Salary		Low Career Growth		Low Incentives Benefits		Bad Work Environment			
56		119		165		60			
<b>9. Existence of Policy to retain the employees</b>									
Yes					No				
357					43				

**10. Benefits Offer To Retain the Resigning Employee to Retain in Organization**

Improved Remuneration	Promotion or Title advancement	Retention Bonus	No Lure Back Policy
92	154	120	34

**11. Recognition for a job well-done**

Increment	Appreciated by manager	Acknowledgement certificate	Promotion
69	120	109	72

**12. Importance of Retention Policies for employee's satisfaction**

Extremely Agree	Agree	Neutral	Disagree	Extremely Disagree
200	143	95	0	0

**13. Recognized for a job well-done**

Increment	Promotion	Acknowledgment certificate	Appreciated by manager
125	160	87	28

**14. Overall Satisfaction level with the retention policies**

Extremely Agree	Agree	Neutral	Disagree	Extremely Disagree
46	115	149	62	28

**15. Major Reasons of Resigns in the Organization**

Employee Expectation of Job	Bad Work Environment	Lack Of career Growth	Lack Of Proper Compensation
78	136	122	64

**Source: Author's own elaboration**

**4.1. Discussion on findings**

After conducting the research and critically analyzing the findings we are now in position to give some recommendations to UFONE Company. The following were key issues outlined by majority of the respondents:

- It is found that 89% of employees know that UFONE Company makes some retention efforts but the rest of 11% doesn't agree on this. This question basically shows the awareness of the retention policies among the employees which is important factor for the employees of UFONE.
- Majority of the employees i.e. 38.5% of employees are somewhat satisfied and there are 22.9% of employees who are over all very satisfied with the organization but still there is some ratio of 8.6% who are dissatisfied because they are not satisfied with the reward management and retention policies and here the organization needs to pay attention in order to retain their talent employees.



- The promotion rate here in UFONE is very good there are about 32.1% employees who got promotion for 3 times and also 30.6% of employees who got promotion for 2 times which is very good for the company to keep satisfy their employees and provide them good career growth.
- The element which is consider by majority of employees i.e. 29.1% to be very important for better opportunity is Benefits and on 2<sup>nd</sup> number 25.8% the Work environment by the organization. Here Company needs to focus on the Benefits they are offering to their employees and make necessary changes to them in order to satisfy their talented employees.
- The most important factor for which the employees can leave UFONE is Low Incentives and benefits. This is very important and very curial for the UFONE Company to balance this situation and work on the incentives and benefits more to sustain its valuable employees because of this reason the employees can choose better opportunity and can increase the employee's turnover rate of UFONE.
- This research focuses on the impact of retention (r) polices on job satisfaction and the scope of research was UFONE Company - Karachi. 342 out of 400 employees accepted the importance of Retention polices and said that it is important for employee's satisfaction. Results show that the importance of retention policy for employees satisfaction the majority of the employees i.e. 50% employees are extremely agree on this importance whereas 35.7% employees shows agree on this statement which shows that retention policies are becoming a great challenge for the organization now a day to keep their talent employees.
- The Employees in UFONE are majority somewhat satisfied with the retention polices and also employees are dissatisfied with the retention polices of the UFONE so there is a need in UFONE to pay attention to their retention policies and make proper benefits plans and also works on reward management.
- The major reason of attrition in UFONE Company is the lack of proper compensation which is already identified .Here This is very important and very curial for the UFONE Company to balance this situation and work on the incentives and benefits more to sustain its valuable employees because of this reason the employees can choose better opportunity and can increase the employee's turnover rate of UFONE.

## 5. Conclusion & Recommendations

Employee retention is an important issue that has always been taken into consideration from academicians, researchers and training HR managers. Encouraged personnel come out with new methods of performing organizational obligations that improves the competitiveness of organizations.

Empirical evidence and the result of this study shows that UFONE needs to revisit their employee retention policies and adopt new quantifiable measure to improve and benefit their employees.

Successful organizations realize through having an effective employee retention plan with the help of them preserve their leadership and growth inside the market, expanded taxes for the government main to expand revenue. Suitable organizations make worker retention a core element of their expertise management approach and organizational development manner very nice. Those that fail to make employee retention a priority are susceptible to losing their top talents human beings to competition.

UFONE needs to focus on the Benefits they are offering to their employees and make necessary changes to them in order to satisfy their talented employees. This is very important and very curial for the UFONE Company to balance this situation and work on the incentives and benefits more to sustain its valuable employees because of this reason the employees can choose better opportunity and can increase the employee's turnover rate of UFONE.

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