



NEXUS BETWEEN ORGANIZATIONAL CULTURE AND EMPLOYEES' TURN- OVER: FRESH EVIDENCES FROM SELECTED ORGANIZATIONS OF PAKISTAN

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ABSTRACT

Employee Turnover has been considered as one of the main concerning issues in any organization. Therefore, a lot of examinations have been conducted to identify the factors influencing the Employee Turnover. In the studies done earlier, the Organizational Culture as a determinant of the Employee Turnover has not been much taken into consideration. In this regard, the present study aimed to uncover the relationship between the Organizational Culture and the Employee Turnover. Data from people working in different industries were collected through a structured close-ended questionnaire. The regression model was used to determine the relationship between Organizational Culture and Employee Turnover. The Organizational Culture's Dimensions highlighted by previous studies were used to test the relationship. Furthermore, these factors of the Organizational Culture were separately tested against the Employee Turnover to see the significance of each factor. On this basis, new model has been suggested. Generally, the current examination indicated that the Organizational Culture had a remarkable influence on the Employee Turnover, and there was an inverse relationship between the Organizational Culture and the Employee Turnover.

JEL Code: O15, J63, M14.

Keywords: *Organizational Culture, Employee Turnover, Organization.*

INTRODUCTION

Every organization comes with a vision in the business. It has certain goals and objectives which it wants to achieve. For achieving these goals, organizations set different strategies and policies. One of those strategies is having competent and productive employees. Employees are the assets of any organization as they are the main source for achieving any goals and objectives. For this purpose, organizations spend a lot of money in order to hire the employees who are right and resourceful for the organization. Once the right employees have been hired training is given to them to make them more productive and competent. Additionally, different sorts of monetary benefits, non-monetary benefits and incentives are offered to keep them motivated, satisfied and committed towards the organization. The challenge for any organization is not just to recruit the right employees or to train them, but it is to retain them in the long run (Shankar & Ghosh, 2013).

Employee turnover has gained a lot of importance by the organizations because the turnover of top performing employees has severe effects on the organizational efficiency and success (Griffeth et al., 2000; Lee & Mitchell, 1994; Kwon et al., 2010). Their turnover not only has high replacement costs attached but it also creates a decline in the organizational overall

morale (Caseio, 1995; Hollenbeck & Williams, 1986; Lucas, 1999; Mobley, 1982; Randall, 1987; Staw, 1980; Kwon et al., 2010). Rafique et al., (2018) in their study proposed a research framework to understand the role of innovation in business performance with a focus on inter-organizational learning influence. Additionally, different studies have been conducted to find out the determinants of the employee turnover and retention, and on the basis of these studies, retention strategies have been adopted by the organizations to retain these assets. As per Kim, Tam, Kim, & Rhee (2017), the organizational culture is one of the critical determinants of the employee retention and turnover; it affects the employees' intention to leave an organization. Ranjporazarian, et al., (2017) declared that cultural programming allows a more precise management, organization and design measures and activities in accordance with the objectives and priorities. With the help of this study, the detail analysis was done to identify the relationship between the organizational culture and the employee turnover. This research has uncovered the positive and negative effects of the organizational culture on the employees' turnover.

Research Problem:

A lot of studies have been done to find out the determinants of the employee turnover, because retaining the high performers gives a competitive advantage to the organizations over their competitors (Mobley, 1982). A lot of aspects have been covered by the researchers, and a lot of studies have been conducted to find out the reason why an employee leaves an organization; but very less focus has been given by the scholars to find out the effect of the organizational culture on the employees' turnover. The Organizational Culture is a very important and intangible aspect of an organization, which affects an employee's job directly or indirectly; these effects have been remained unidentified or uncovered by the researchers. Very little or no research has been done by the scholars to find out the relationship between the organizational culture and the employee turnover. By the help of this research "*the relationship between the organizational culture and the employee turnover has been determined*".

Objectives of the Study:

A lot of studies have been carried out to find out the determinants of the employee turnover; however, the area of the organizational culture has not been still given that much importance. The main objective of this study was to determine the relationship between the organizational culture and the employee turnover. The details of the primary and secondary objectives of this study have been given below:

Primary Objectives:

The followings have been the primary objectives of this study:

1. The basic aim of this study was to uncover the effects of the organizational culture on the employee turnover;
2. This investigation was done to identify the importance of the organizational culture.
3. This study was conducted to ascertain that the intention to leave or stay in an organization has any connections with the organizational culture or not.

Secondary Objectives:

The followings are the secondary objective of this study:

1. One of the secondary objectives of this study was to provide the basis for the future research, as this area has been very less covered by the previous researchers.



2. The other secondary objective was to provide a new aspect for the retention strategies.

LITERATURE REVIEW

Organizational culture is one of the major factors affecting the employee turnover. It is one of the major determinants affecting an employee's intention to stay or leave an organization (Kim et al., 2017).

Employee Turnover and Retention:

The challenge is not only to hire competent employees but to retain them in the long run (Barney, 1996 & 2004; Biswas, 2009). The employee retention and fewer turnovers have been considered as a competitiveness of an organization. The retention of the employees is very important because filling the gap of leaving an employee is very difficult, time-consuming and costly. When a competitive employee quits the organization it affects the performance of the firm both financially and non-financially (Kwon & Rupp, 2013; Kim al., 2017; Hur, 2013).

A lot of attention has been diverted towards the adopting practices that can help an organization to retain the employees. Certain human resource practices and strategies have been adopted and followed to reduce the turnover of the employees like conducting the exit interviews of those employees who have left the organization, the survey on the retained employees has been conducted, and the feedback has been given on job rotation and job enrichment (Steel, 2002). In this global environment, retaining an employee has been getting difficult day by day (Kumar & Arora, 2012). Different benefits and compensation are given to the employees for retaining them and reducing the turnover, where paying them well is not enough to retain employees, it takes much more than that to retain them (Meyer et al., 2003).

Reasons of the Employee Retention and Turnover:

Literature has highlighted several reasons behind an employee to stay or an employee to leave; as per Cardy and Lengnick-Hall, (2011) the employee should be treated as a customer, and the employee equity should be focused. Further, the research also has highlighted that pay and communication gap have been the main reasons for an employee to quit an organization. According to Yearwood and Freeman (2004), the compensation has been one of the biggest reasons for which an employee works or quits an organization. Personal characteristics were also associated with the employees' intention to leave or retain in an organization (Cooper & Ingram, 2004; Drew et al.; 2008). Some of the researches have focused on the other aspects like if an employee is given chance to voice their dissatisfaction; this can also reduce the turnover (Spencer, 1986). Some of them focused on the demographic sides of the employees to leave the organization or stay at the organization.

The organizational related issues have also been one of the reasons which impact the employees' commitment towards the organization. People will leave the organization, if they find poor leadership or poor supervision (Lynch & Tuckey, 2004). The relationship between a subordinate and the supervisor has been one of the biggest reasons of the employees' turnover as was said: "People don't quit jobs, they quit bosses" (Orrick, 2002). Policies and procedures of an organization have also been one of the factors behind the employees' retention. Transparency has also been one of the factors behind the less turnover in an organization; the more transparent and fair an organization is, the less the turnover would be (Cohen-Charash & Spector, 2001).



Withdrawal Intentions and Turnover Intentions:

Scholars have suggested that the actual turnover can be easily identified with the employees' intention to leave the organizations. Withdrawal intention is an indicator of an actual turnover (Mowday et al., 1982). According to Price & Mueller (1981), scholars should focus more on an employees' intention to leave than an actual turnover. Intention to leave is the step that eventually leads an employee towards quitting an organization. As per Moore (2002), the intention to leave an organization alternates the variable of the employee turnover, and both can be used interchangeably. Several meta-analysis research studies concluded that the intention to leave or withdraw is a key predictor of the employee turnover (Griffeth et al., 2000; Shader et al., 2001; Hayes et al., 2006).

Organizational Culture:

The organizational culture cannot be defined very easily; it is a very complex matter defined in diverse ways by the different research scholars. Organizational culture has its roots connected to the anthropological, sociological, and psychological sides (Fincher, 1986). However, the concept of culture has been connected to the aforesaid field, but there is a distinction between culture at the societal level and the organizational level (Nelson, 2003). At the organizational level, culture can be defined as shared values, norms, beliefs, principles, patterns of relationships and behaviour (Glisson, 2000; Ravasi & Schultz, 2006).

The organizational culture is one of the vital and unique features of any organization. The culture of an organization not only reflects its relationships and interactions with the internal stakeholders but also with the external stakeholders (Louis, 1983). The organizational culture gives it a competitive advantage over its competitors. Firms with strong organizational culture can be more successful than the ones with the weak one (Peters & Waterman, 1982).

The values on which an organization is based, create an image of the organization. The organizational culture has both positive and negative impacts on the attitude and behaviour of the employees (Jaskyte, 2010). The positive attitude of the employees can create a positive impact on the customers, and it is a circular flow, that is, when the employees are satisfied, they get more efficient and productive, and eventually the customers get satisfied (Mihalache & Albu, 2016). On the other hand, the organizational culture has a significant impact on the performance of the individual employees (Biswas, 2009).

The performance of the employees would be affected by the culture of an organization. In a creative and innovative organization culture, the employees get creative. In a competitive organizational culture, the employees also get competitive. The culture of an organization teaches the employees how to behave in a particular organization. The organizational culture makes it clear for the employees that what is expected from them (Kumar, 2016). When the individual performance of all the employees is combined with each other, the whole performance of an organization will be created. The organizational culture affects the performance of an organization in the long run. Hence, the organizational culture is an intangible asset that helps in achieving the financial objectives of a firm (Ahmed & Shafiq, 2014).

National Culture and organizational culture:

The national culture has a direct effect on the culture of an organization. In a study done by Morgan (1980), Japanese firms which were getting more successful in 1980 were compared to American firms to investigate their organizational culture. Both American and Japanese



organizational culture were influenced by their national culture. Japanese firms were getting more successful because their organizational culture was very similar to their national culture. Smith, Fischer, and Sale (2001), in their study, explained that the practices, policies, rules and regulations in an organization would be influenced by the national culture. The organizational culture can not be isolated from the national culture.

Factors and Types of Organizational Culture:

As per Doina, Mirela and Constantin (2008), there have been numerous factors that have significant impacts on the formation of the organizational culture; some of the most important ones are group works, leadership styles followed in the organization, the environment of the organization, the founders and owners of the organizations, and the characteristics and structures of the organizations. All the above-mentioned factors directly or indirectly influence the organizational culture.

Organizational Culture Relation to Employee Turnover:

The relationship between the organizational culture and the employees is very complex. Studies have revealed that one of the foremost reasons behinds the employees' intention to quit or look for any other opportunity is the culture of the organization (Dwivedi et al., 2013). Studies have also shown that the deviation in the employees' retention across the firms has been possibly associated with the organizational cultural values (Kerr & Slocum, 1987). According to Madaus, Zhao and Ruban (2008), the positive organizational culture has a direct impact on the employees' tenure in an organization. As per Deery, Iverson & Walsh (2002), the organizational culture is one of the features that is unavoidable and has a massive impact on the employees' retention and turnover. Studies have shown that the employees are more committed towards the organization because of the organizational culture; there is a significant impact on the employees' attitude and behaviour by the organizational culture which eventually affects the employees' intention to stay or leave (Saeed and Hassan, 2000). As per George (2009), the culture of an organization can create the employees' attachment and detachment towards the organization. The organizational culture is all about the shared values and beliefs, and when the employees do not feel themselves fit for these shared values, they will quit (McShane and Von-Glinow, 2006). These shared values would increase the employees' commitment and trust towards the organization (McShane and Von-Glinow, 2006). An assessment of the organizational culture can easily tell whether the culture of an organization desirable or undesirable; and the undesirable organizational culture leads to the employees' intention to leave and their turnover (Schein, 1990).

Culture has a significant influence on the behaviour of the employees. The supportive and employee orientated culture makes the employees satisfied with their job, get them feel motivated and committed in the organization, and they would more likely to stay than to leave. In the organizational culture, in which the leaders are positive and motivating, the employees feel more connected to the organization and are less willing to leave the organization (Eisenberger & Stinglhamber, 2011).

The organizational culture is a very unique and significant intangible feature of an organization that can, directly or indirectly affect the employees' behaviour and attitude. Most of the decisions made by of the employees highly depend on the organizational culture, because the employees try to follow what is shared and believed by the organization as a



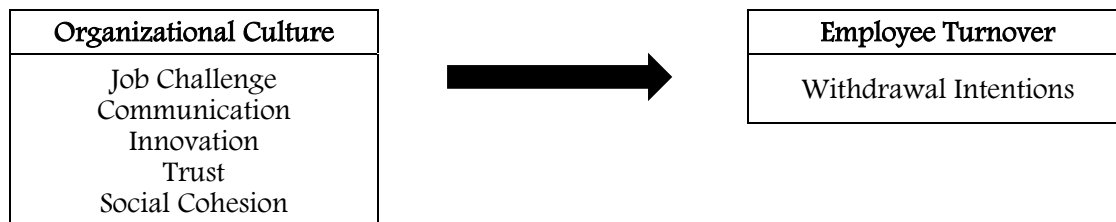
whole, but when an employee finds it self-different either he tries to fit himself as per the culture, or, if he is not able to fit himself, he will eventually quit the organization.

Research Gap:

The organizational culture is relatively a new topic, and not a lot of the studies have been done to find out the relationship between the organizational culture and the employee turnover. An impact or influence of the organizational culture and the employee retention has been checked along with other variables, but no research has been done to define the link between them. As per Kessler (2014), it has been very uncommon to find research studies done to find out the effect of the organizational culture and the employee turnover.

Conceptual Framework and Hypothesis

This study took into account the impact of five factors of the organizational culture based on the dimensions provided by Zeitz, Johannesson, & Ritchie (1997) and Carmeli (2005), in their studies. Based on the studies done by Carmeli (2005) and Mobley, Horner, & Hollingsworth (1978), the employee turnover was measured by the given factors.



The following hypotheses were defined to test the relationship between the organizational culture and the employee turnover:

H-1: The organizational culture dimension has a significant impact on the employees' turnover.

H-2: The organizational culture dimension has no significant impact on the employees' turnover.

H-3: The organizational culture dimension is positively related to the employees' turnover.

H-4: The organizational culture dimension is negatively related to the employees' turnover.

Based on the variables and previous studies, the following regression model was developed for the initial testing.

$$Y = \alpha + \beta X + \varepsilon$$

Y= Employee Turnover

X= Organizational Culture Dimension

METHODS

The philosophical stance of this research was positivist, and the approach of this research was deductive. This was an explanatory research. The cross-sectional research was a mono-method i.e. quantitative in nature, and the numerical analysis was done.

This research was purely based on the primary data, and the data collection was done with the help of a structured and close-ended questionnaire based on five-point Likert scale, which has been developed for the study with the help of the factors and elements provided by Mobley et

al. (1978), Zeitz, et al. (1997), and Carmeli (2005). Hence, the reliability and validity of the scales were already tested. Moreover, the consistency and generalizability of the probe are ensured by matching the results with those of the analogous findings.

The target population consisted of the private sector employees, working on different levels and in different industries such as banking, energy, pharmaceuticals, education, and publishing, etc.

Non-probability convenience sampling method was used for collecting the data. As the size of the population was unknown, the lack of the resources sample size was limited to 300 respondents with the marginal error of $\pm 5\%$.

The major analytic techniques included Pearson Correlation and Regression Analysis.

DISCUSSION AND RESULTS

This section of the study covers the analysis of the data and results of the study. In this study, the initial model was tested based on the organizational culture dimension as a whole, in relation to the turnover of the employees. The hypotheses' results were revealed based on the initial model. Then, the factors of the organizational culture were tested individually against the turnover of the employees to see the impact of an individual factor. Based on the analysis of the two models above, a new model was suggested and tested.

In Table 1, the value of Pearson Correlation was $r = -0.611$. Pearson Correlation of the organizational culture dimension and the turnover showed a negative result which meant that there was a negative association between the organizational culture dimension and the turnover. The significance value which was also known as p-value was equal to .000 which indicated that correlation was significant for the organizational culture dimension and the turnover.

Table 2 shows that the Adjusted R square value was .366 that was 36.6%, which meant 37% variation in the employee turnover can be explained by the organizational culture dimension.

Table 3 reveals that the analysis of the variance, and ANOVA table highlights that the model was significant since the p-value was equal to .000 which was less than 0.05. This showed that the regression model was significant. It could be stated on the basis of ANOVA table that the regression model significantly predicted the turnover of the employees.

Table 4 shows the coefficient relation that the p-value < 0.05 that was .000, which meant that there was a significant impact of the organizational culture dimension on the turnover of the employees, and the coefficient (-1.103) was negative which meant that there was a negative impact of the organizational culture dimension on the turnover of the employees. Hence, the organizational culture dimension had a significant and inverse relationship with the turnover of the employees.

H₁: The organizational culture dimension has a significant impact on the employees' turnover.

The significance value that was p-value was less than 0.05 which showed that there was a significant impact of the organizational culture dimension on the turnover of the employees. Hence it could be stated that the hypothesis one was accepted because of p-value < 0.05 .

H₂: The organizational culture dimension has no significant impact on the employees' turnover.



As p -value < 0.05 which showed that there was a significant impact of the organizational culture dimension on the turnover of the employees, which meant that H_2 was rejected, and there was a significant impact of the organizational culture dimension on the turnover.

H₃: The organizational culture dimension is positively related to the employees' turnover.

On the basis of p -value < 0.05 , H_3 was rejected as there was no positive relationship between the organizational culture dimension and the turnover of the employees.

H₄: The organizational culture dimension was negatively related to the employees' turnover.

On the basis of p -value < 0.05 , H_4 was accepted as the organizational culture dimension was negatively related to the turnover of the employees, and there was an inverse relationship between the organizational culture dimension and the turnover of the employees.

In Table 4, the regression equation was determined. The unstandardized coefficients (-1.103) indicated the variation in the turnover, that is, the employees' turnover was the outcome of the variation as an independent variable, i.e. the organizational culture was 6.617 which was constant.

$$TO = 6.617 + (-1.103) * OC + \epsilon$$

In the next step after testing the organizational culture as a whole, was examining the individual dimensions which included the job challenge, communication, trust, innovation, and the social cohesion. These dimensions were treated as independent variables to see which factors had a more significant impact on the employee turnover.

The correlation analysis in Table 5 revealed that the dimension of the organizational culture was not highly correlated with the others. The dimensions were correlated with the dependent variables but not highly.

Table 6 shows that Adjusted R Square was .422, this showed 42% variation in turnover was represented by the organizational culture factors separately (Job Challenge, Communication, Trust, Innovation Social Cohesion).

The ANOVA Table 7 given below reflects that the model was significant since the p -value was equal to .000 which was less than 0.05. This showed that the regression model was significant. It could be stated on the basis of ANOVA table that the regression model significantly predicted the turnover of the employees.

Table 8 shows that the p -value for Trust and Social Cohesion was less than 0.05 that was .000 which meant these two variables were statistically significant. The p -Value for Job Challenge, Communication and Innovation was greater than 0.05 which meant these three variables were statistically insignificant. Then, the Social Cohesion and Trust were used as a factor of the organizational culture, and the rest of the insignificant elements were removed on the new model.

Table 9 which was the regression model's summary for the new model showed that the Adjusted R square value for the new model was .422 that was 42%, which meant that Adjusted R square has been increased in the new model by 6%. This meant that the new model was more significant. The ANOVA (Table 10) for the new model was significant. The coefficient for the new model (Table 11) showed that after the removal of the two factors, there was a minor change in the coefficient value, and the new value was 1.085.

The regression equation for new model was: $TO = 6.490 + (-1.085) * \text{NewOC} + \epsilon$.



Based on the above analysis, a new model was suggested which included Trust and Innovation as the dimensions of the organizational culture. As square has increased for the new model, the organizational culture could be better explained in relation to the turnover.

The research showed that the organizational culture is one of the major causes of the employee turnover, and it is one of the major reasons because of which an employee quits the job. This result was supported by Mowday et al., (1982); Dwivedi, Kaushik, & Luxmi (2013); Arokiasamy (2013); Al Mamun & Hasan, (2017); Lund (2003), Hwang, Lee, Park, Chang, & Kim (2014) Ghosh, Satyawadi, Prasad Joshi, & Shadman, (2013).

The study showed that organizational culture dimension was negatively related to the turnover of the employees, which meant that there was an inverse relationship between the organizational culture dimension and the employee turnover. Social Cohesion and Trust had a significant impact on the turnover, and these were more significant variables that explain the organizational culture dimension (Carmeli, 2005).

Table 1: Correlation

| | | Organizational Culture |
|-----------|---------------------|------------------------|
| Turn Over | Pearson Correlation | -.611 |
| | Sig. (2-tailed) | .000 |
| | N | 284 |

Table 2: Regression Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1 | .611(a) | .374 | .366 | 1.070 |

Table 3: ANOVA

| Model | | F | Sig. |
|-------|------------|--------|---------|
| 1 | Regression | 48.923 | .000(a) |
| | Residual | | |
| | Total | | |

Table 4: Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.617 | .578 | | 11.452 | .000 |
| | OC | -1.103 | .158 | -.611 | -6.995 | .000 |

Table 5: Correlations Dimensions

| | | Com | Ino | Tru | SC | TO |
|-----|---------------------|------|------|------|------|-------|
| JC | Pearson Correlation | .344 | .641 | .324 | .141 | -.302 |
| | Sig. (2-tailed) | .001 | .000 | .003 | .200 | .005 |
| | N | 284 | 284 | 284 | 284 | 284 |
| Com | Pearson Correlation | | .674 | .581 | .358 | -.491 |
| | Sig. (2-tailed) | | .000 | .000 | .001 | .000 |
| | N | | 284 | 284 | 284 | 284 |
| Ino | Pearson Correlation | | | .625 | .403 | -.522 |
| | Sig. (2-tailed) | | | .000 | .000 | .000 |
| | N | | | 284 | 284 | 284 |
| Tru | Pearson Correlation | | | | .427 | -.616 |

| | | | | | | |
|----|---------------------|--|--|--|------|-------|
| | Sig. (2-tailed) | | | | .000 | .000 |
| | N | | | | 284 | 284 |
| SC | Pearson Correlation | | | | | -.468 |
| | Sig. (2-tailed) | | | | | .000 |
| | N | | | | | 284 |

Note: JC represents Job Challenge, Com represents Communication, Ino represents Innovation, Tru represents Trust, SC represents Social Cohesion and TO represents Turnover.

Table 6: Regression Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1 | .676(a) | .457 | .422 | 1.022 |

a Predictors: (Constant), SC JC, Com, Tru, Ino

Note: JC represents Job Challenge, Com represents Communication, Ino represents Innovation, Tru represents Trust, SC represents Social Cohesion and TO represents Turnover.

Table 7: ANOVA for Dimension

| Model | | F | Sig. |
|-------|------------|--------|---------|
| 1 | Regression | 13.116 | .000(a) |
| | Residual | | |
| | Total | | |

a Predictors: (Constant), SC JC, Com, Tru, Ino

b Dependent Variable: TO

Note: JC represents Job Challenge, Com represents Communication, Ino represents Innovation, Tru represents Trust, SC represents Social Cohesion and TO represents Turnover.

Table 8: Coefficients for Dimension

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.897 | .674 | | 10.233 | .000 |
| | JC | -.089 | .179 | -.055 | -.498 | .620 |
| | Com | -.145 | .149 | -.115 | -.971 | .335 |
| | Ino | -.100 | .198 | -.077 | -.504 | .615 |
| | Tru | -.540 | .159 | -.388 | -3.396 | .001 |
| | SC | -.322 | .138 | -.222 | -2.333 | .022 |

a Dependent Variable: TO

Note: JC represents Job Challenge, Com represents Communication, Ino represents Innovation, Tru represents Trust, SC represents Social Cohesion and TO represents Turnover.

Table 9: Regression Model Summary for New Model

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|---------|----------|-------------------|----------------------------|
| 1 | .655(a) | .429 | .422 | 1.022 |

a Predictors: (Constant), New OC

Note: NewOC represents New Organizational Culture Dimension.

Table 10: ANOVA for New Model

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|---------|
| 1 | Regression | 64.288 | 1 | 64.288 | 61.508 | .000(a) |
| | Residual | 85.707 | 282 | 1.045 | | |
| | Total | 149.995 | 283 | | | |

a Predictors: (Constant), New OC



b Dependent Variable: TO

Note: NewOC represents New Organizational Culture Dimension and TO represents Turnover of employees.

Table 11: Coefficients for New Model

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 6.490 | .501 | | 12.952 | .000 |
| | New OC | -1.085 | .138 | -.655 | -7.843 | .000 |

a Dependent Variable: TO

Note: NewOC represents Organizational Culture Dimension and TO represents Turnover of employees.

CONCLUSION

The employee turnover has been one of the major issues faced by any organization. There have been certain factors that affect the employee turnover, and the organizational culture is one of them. The organizational culture is one of the major determinants of the employee turnover. It has been one of the major factors which can increase or decrease the employees' turnover and retention. The aim of the study was to empirically check the relationship between the organizational culture and the employee turnover.

For conducting this quantitative research, the primary data was collected from 284 respondents in Karachi, Pakistan, with the help of a close-ended and structured questionnaire which was designed on the basis of the previous studies. The data was analyzed with the help of the regression to determine the significance of the relationship between the organizational culture and the employee retention.

The data analysis showed the significant impact of the organizational culture on the employees' retention. It was also proved that there was an inverse relationship between the variables. After the initial analysis, the dimensions/factors of the organizational culture including Job Challenge, Communication, Trust, Innovation and Social Cohesion were tested separately to see the impact of an individual factor. The results showed that Job Challenge, Communication, and Innovation were insignificant; whereas, Trust and Social Cohesion had a significant impact on the employee's turnover. Based on the results, the new model was suggested and tested which included only Trust and Social Cohesion as the factors of the organizational culture. R square for the new model was improved which meant it reflected the better variation of the organizational culture on the employee turnover.

Hence, from the results, it could be concluded that the organizational culture had a significant and negative impact on the employee turnover. The employee turnover can be significantly decreased, and the employee retention can be increased if an organization focuses on its culture. Trust and Social Cohesion are the major factors of the organizational culture dimension.

Due to the limitations, the only internal factors affecting the organization culture were studied, in the future, the external factors can be added to the study to make it more robust.

As this study was generalized, no specific industry or sector was focused; in the future, this study can be conducted on a specific industry or sector to find the effects of the organizational culture on the employee turnover which can be related to that industry or sector only. The



same study can be conducted in different industries or sectors, and the variations can be analyzed.

This study was conducted in Karachi, Pakistan; in the future, this study can be carried out in different parts of the country. The same study can be conducted in different countries to see the variations of the effects, and the comparison of result can be done.

The study can be conducted by local and multinational companies operating in Pakistan to see how the organizational culture has different effects on the turnover in the local and multinational companies.

The limited factors of the organizational culture and the employee turnover were included in the study; however, in the future, more factors can be added to the organizational culture and the employee turnover to increase the significance of the study.

In the future, studies can be done on the perception of the directors and chief executive officers (CEOs) regarding the organizational culture and the employee turnover as they are the policymakers of the organization. This can represent what they think as an employer and this can give the other sides of the picture. And, the comparison between the employees and employers' perspectives can be done.

This study has provided the basis for the design strategies to reduce the turnover of the employees, as the study indicated that the organizational culture had a significant and inverse impact on the turnover of the employees. Policies can be designed and implemented on the basis of the study to retain the employees. As per the results of the study, Social Cohesion and Trust have been the most important factors for retaining employees. The focus should be given to these factors, so that the turnover rate of an organization can be reduced, and the employees can be retained.



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