‘Role of Voluntary Employee Turnover in Textile Industry of Pakistan’

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ABSTRACT

The role of voluntary employee turnover (VET) in textile industry has significance in this era over the globe. Textile industry is labour intensive with similar to agriculture industry in Pakistan and it has excessive VET as compared to other industries. Pakistan’s textile products are high quality and much exploit in the world. It contributes in economic growth with 8.5% share in GDP. This industry mainly based on domestic labour and major portion of cost includes in the textile garment product is labour cost. Due to increasing voluntary employee turnover the additional expenses beard by textile mill owners such as recruitment cost, overtime cost and training cost etc. now the employer keen to cut cost and increase production efficiency. According to Pfeiffer (2005) “voluntary employee turnover is most studied outcome in organizational research” under discussion study will rotates around core issue of different reasons or factors effecting intensions of employee to leave the job. To address this issue couple of relevant theories and models has been used in literature to ascertain the theoretical knowledge and industry practices to determine the said problem and its rectifications. Organizational equilibrium theory, met expectancy theory, linkage model of turnover, unfolding model of turnover and Embeddedness theory have been studied in this regard and comparative analysis has done on bases of data gathering from the industry. In order to get unbiased response we have collected data from both sources primary and secondary.

For primary data we design a web based questionnaire to get information from textile employees and also we conduct two interviews with HR Executives in selected companies to know about management perspective about VET. Interview was structured in nature. You can find sample questionnaire and interview in appendix also. Number of articles and published material on subject matter has been studies as secondary source. Feedback through questionnaire based on factors influence on VET identify in literature. We used likert scale for measurement of answers in questionnaire. Our conclusion and recommendations with connection to our analysis and we found that biases also exist in labour market on behalf of relationships and same geographic backgrounds.

Key Words: Employee, voluntary employee turnover (VET), employee training & development, textile labour, textile working condition, textile labor turnover, job satisfaction, organizational commitment.
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LIST OF ABBREVIATION

VET: Voluntary Employee Turnover
TIP: Textile Industry of Pakistan
OC: Organizational Commitment
JS: Job Satisfaction
BTH: Blekinge Tekniska Högskola
STL: Samin Textiles Limited
KM: Kohinoor Mills limited
CHAPTER-ONE

INTRODUCTION

In this chapter we are presenting background of the research problem. Then we extract research questions out of it. You will have a look on aims & objectives of this research work also you will find thesis structure at the end of this chapter.

1.1 Background

Today, neither employees nor employers seem to take for granted that a person will stay with the same firm until retirement. Yet, keeping employees for longer periods is an important challenge for firms (Elina Armanto Josip Bogic Maja Cassel 2008). Today's It is widely accepted in the business world that human resources are a valuable asset to companies. Therefore, it is logical to assume that the flow of this valuable asset employee turnover plays a crucial role in firm performance. In fact, both firms and employees are burdened with turnover problems in both good and adverse economic climates. (Mark Harris, Kam-Ki Tang and Yi-Ping Tseng 2002)

Dalton et al, (1982) takes turnover as a dysfunctional aspect of organization. And it is generally agreed upon to be an important management issue (McConnell, 1999). It affects employee performance (Anderson and Buchholz, 2001), and consequently, it should be carefully managed so that the rate is reduced, and keep adverse impact under control (M. Ruhul Amin, Ahmad Zaman and Nafeez A. Amin). By definition Employee means an individual who performs certain tasks and duties for the accomplishment of organizational goals. Now it has been realized by organizations that competition is getting based on "how competent and loyal employees do you have". Organizations are taking their employees as competitive advantages. They believe that technology can buy, process can be copied, system can be made but no organization can bear losing of its loyal and competent employees. Organizations are
paying more and more attentions on how to attract and retain these kinds of employees. Attracting and getting employees with desired skill is not a big issue but the problem is how to retain them, how to reduce voluntary employee turnover level, which seems a big challenge for the organizations. To control employee turnover organizations are providing their employees better compensation plans, future growth opportunities and required training to keep their knowledge and skills up-to-date. Despite of all these efforts employee turnover has been and still is a global phenomenon. According to Pfeiffer (2005), voluntary employee turnover has been one of the most studied outcomes in organizational research. This pervasive interest comes mainly from a recognition that voluntary turnover can be very costly, and that understanding and managing it better can provide considerable benefits. Organizations invest a lot on their employees in terms of induction and training, developing, maintaining and retaining them in their organization. Therefore, managers at all costs must minimize employee’s turnover. Although, there is no standard framework for understanding the employees turnover process as whole, a wide range of factors have been found useful in interpreting employee turnover. (Kevin et al. 2004).

As we already know most of the people in their younger age decide about their career plans for that they join a school to get education or learn technical skill. Those who had strong financial background they prefer to do some sort of business or to invest money in someone else’s business but on the other hand those who belong to middle class family; they want a regular income to meet their day to day expenses they don’t have capacity to take risk so they join a company even in the start of an individual’s career and good profile company may not be select. It has been seen very few enter into a firm with this intention to stay life time. After a period of time employees decide to leave the job. The most common reason is that employees after become expert in their task they feel employer is giving less monetary reward. Sometimes employees have very high career plans when companies don’t upgrade them according to their plans they feel anxiety and become dissatisfied. This is the case with all industries employees in the world. In this era human resource practices are implementing in the organizations. Some companies conduct regular performance appraisal of their employees and dismiss the non performing employees. This is something called involuntary employee turnover. These are the main factors that have
great impact on employees working life. We are in search to determine some other concepts that might be a cause of voluntary employee turnover in an organization. As there are three different levels of management like top management, middle level management and line managers. Although VET exists in all three levels but employees are more often shift the job from below level. For us textile workers VET is more crucial than senior staff turnover. We can differentiate causes of voluntary employee turnover in different industries for instance in call centre industry employees are much happy with monetary rewards because their salaries are much higher than other industries but employees leave the job much often due to less career growth. From the start of twenty first century there was a boom in telecommunication sector in Pakistan. M/s. Mobilink had captured more than fifty percent customers and providing services at higher price when U-fone and Warid came into competition later on than Mobilink face considerable employee turnover during that specific period. These white color employees are offered with better salary packages along with fringe benefits by other telecom companies. Government owned companies offered lesser salary packages with greater job security and many other benefits like medical facility or pension and provident fund etc. so state owned organizations has low voluntary employee turnover on an average. If we see the manufacturing side to understand personnel turnover, we would like to have a look on textile sector because it can hold a junk of people for the long run employment. We have to find out some indirect forces also who enforce an employee to shift the job is necessary.

Therefore, there is need to develop a full understanding of the employee turnover, more especially, the sources- which determines employee turnover, effects and strategies that managers can put in place to minimize turnover. With globalization which is heightening competition, organizations must continue to develop tangible products and provide services which are based on strategies created by employees. These employees are extremely crucial to the organization since their value to the organization is essentially intangible and not easily replicated. (Meaghan et al 2002).

According to Shaw et al. (1998) employee turnover is a much studied phenomenon. By definition employee turnover is the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment. The term “turnover” is defined by Price (1977) as: the ratio of the number of organizational members who have left during the period being considered.
divided by the average number of people in that organization during the period. It means when a person quit from the given job for any reason it is called as 'employee turnover'. Macy and Mirvis (1983) say “A permanent movement beyond the boundary of an organization” is called employee turnover. Frequently, managers refer to turnover as the entire process associated with filling a vacancy: Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover. Woods, (1995) This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regardless of reason.

Two types of employee turnover happen in companies, voluntary and involuntary. Voluntary employee turnover involves employee’s intention to quit the job or decide to give resignation from job. It can be due to better opportunity, job dissatisfaction, supervisor’s bad behavior, less chances of growth etc. And involuntary employee turnover is that when an organization fires employees by itself. It can be like retirement cases, organization needs to cut cost, restructure or downsizing, low performers firing from the job or dismissals, permanent disability or employee death case etc.

In dissertation we will focus on the voluntary employee turnover because of its negative impacts on organizational productivity or achievements and growth. Our focus will remain on the factors which are contributing voluntary employee turnover.

Pakistan textile industry has major contribution 8.5% in country’s GDP. It is in fact, the backbone of the Pakistani economy. It provides employment about 40% of all work forces and contribute large share 66% of foreign exchange earnings from exports. Like other industries textile sector also facing major problem form human resource factor. Employee turnover is giving sleepless nights to human resource managers. In our prior discussion with one HR Manager from textile sector, he told us that voluntary employee turnover in this human resource intensive industry is getting a big problem. According to him some time companies have to face 90% turnover in some sections when workers left in groups. It has been found from initial observation and interviews with personnel manager that mostly worker leave the job in group shape rather than individual. In this industry workers are very close to each other on the basis of caste, geographical areas, relationships etc. so when a manager,
supervisor or foreman leaves the job then more probable risk is that company will suffer from the whole group of individuals or team working under particular manager.

1.2 Research Problem

If organizations announce fair distribution of periodic incentives or rewards by considering the economic situation and spent enough amounts on skill enhancement programs then low level workers in textile sector will show their commitment and more loyalty with organizations. This is the case with majority of labour force because they are most concern about incentives due to high inflation and also they have no proper institute for their skill development. They want to grow on the job after a particular time period but it has been observed that organizations promote their workers on higher rank after long time.

In Pakistan’s textile sector VET as a problem exists on the grass rout level especially but middle level employees are also frequently leaving the job. In our research we will sort out or identify the reasons which are contributing in high VET. This kind of turnover is harmful for both employee and employer. Industrialists are in tense situation about rise in their production cost. Workforce is not committed and loyal with their job. Textile workers leave the job after short span of time. If we dig into more detail then we found that industrialist make policies for his own benefits and in some cases labor force is neglected. In our dissertation we are going to see in depth worker problems/issues that help us to answer our research questions. Apart from that a large amount of termination cases also occur in this sector.

Using the theoretical framework that has been developed during the decades ago we can clearly understand the employee turnover in Pakistan’s textile sector. Organizational equilibrium theory by March & Simon (1958) explains that employees resign because they think their contribution is higher than reward. Dissatisfaction is main reason to carry out VET. Textile workers has many issues to become dissatisfy from existing job like delay in overtime payments, low quality food available within factories. Bad working conditions in production units, Linkage model by Mobley’s (1977) express a link between job dissatisfaction and voluntary employee turnover. We have discussed all theories and models that are valid for our research topic. These make the topic clear for readers. Job Embeddedness theory has less implication for
our research because it deals with emotions or psychological attachment with organization. Textile workforce migrated from rural areas and less educated. The big motivator for them is monetary reward. If we compare with other sectors like consumer financing in Pakistan employees are satisfy with salary package but high pressure from immediate supervisor make difficult for employees to stay for longer period.

This whole research will move around the factors influence on employee’s intension to change the job in textile sector. From literature it has been found that many factors shape the employee’s mind indirectly. After getting state of the art knowledge on this specific field we will match with ongoing practices in the selected organizations. By analyzing material we will reach on the stage to express some measures to minimize VET that’s what second research question has selected.

1.3 Research Questions

Our whole research will be based on our following observations.

I. What are the particular reasons / issues involved in voluntary employee turnover in textile industry of Pakistan?

II. How we can get control over VET in textile industry of Pakistan?

1.4 Aims and Objectives

- To make this issue (VET) easier to manage for upcoming executives in this field.

- Awareness for employee’s loss of shifting job more often.

- Management can also get assistance to develop long term relationship with good performing workforce.
1.5 Thesis Structure

**Figure 1.1**: Construction of this Thesis

*Source: Made by Ourselves*
CHAPTER-TWO

RESEARCH METHODOLOGY

In this chapter we explain research approach and motivation for choosing this specific topic. A Brief discussion about voluntary employee turnover cost. Also we determine our data gathering techniques from primary and secondary sources. Selection of participants from textile industry and using web based survey. Interview with HR professionals to find gap and understand the real causes of VET.

2.1 Case Study Approach

Robson (2002:178) defines case study as ‘A strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence’. The case study approach is often associated with descriptive or exploratory research, without being restricted to these areas (Ghauri, 1983; Bonoma, 1985; Yin, 1994). In business studies, case study research is particularly useful when the phenomenon under investigation is difficult to study outside its natural setting also when the concepts and variables under study are difficult to quantify. Often this is because there are too many variables to be considered which makes experiment and survey methods inappropriate. (Bonoma, 1985; Yin, 1994) The case study strategy has better ability to provide answers to the question ‘why’ as well as the ‘what’ questions, although ‘what’ and ‘how’ questions have more linked with explanatory and exploratory research.

We choose case study method because of certain reasons. We are going to find out the possible solutions of our research questions. Our questions are interrelated with each other and all focused on same issue. Our research process would be a qualitative research because in qualitative research the detailed examination will get held for the
deep understanding of case. As our research question initiate with how? So in this case an “exploratory case study” would be very beneficial. According to (Yin, 1994) a case study approach is preferred when ‘how’ or ‘why’ questions are to be answered, when the researcher has little control over events and when the focus is on a current phenomenon in a real life context. But at somehow we will analyze turnover data quantitatively and show some graphical outlook. Qualitative research is thus common in social and behavioral sciences and among practitioners who want to understand human behavior and functions. It is quite suitable for studying organizations, groups and individuals (Strauss and Corbin, 1990). Qualitative methods are, therefore more suitable when the objectives of the study demand in-depth insight into a phenomenon.

2.2 Choice of Research Topic

According to Ryan D. Zimmerman, Texas A & M University VET is a problem faced by all organizations. He explained that high employee turnover rate have been coupled with low customer satisfaction (Koys, 2001), productivity (Huselid, 1995), future revenue growth (Baron, Hannan, & Burton, 2001), and profitability (Glebbeek & Bax, 2004). Because of these facts voluntary employee turnover is an important criterion that has been mostly studied by organizational researchers for decades. Previously top management made changes in work environment to control VET. According to (Griffeth, Hom, & Gaertner, 2000; Tett & Meyer, 1993) job satisfaction can be an effective predictor of voluntary employee turnover.

As we are business students and have extensive knowledge of management related issues. We have chosen one function of human resources management named as ‘‘Voluntary Employee Turnover” for our thesis writing. Although we have enough work experience in this specific field and we observed that this organizational issue needs to control for the growth of the business units. As we have selected textile industry so the major buyers for grey fabric are foreign countries and high voluntary employee turnover impact on product quality. They are much keen about quality of products.

This study mainly concerned about voluntary employee turnover in textile sector of Pakistan. Therefore textile sector is the part of the problem area but main research problem exist in voluntary employee turnover. As HR is growing field in this era and
we are interested to adopt this as profession in our careers so that we are interested to
dig into HR related issue for this study. Although due to personal interest we select
this topic on the other hand this increasing employee turnover is an actual problem in
the textile world. To fulfill our task we select textile industry because this industry has
rapidly higher voluntary employee turnover and employers have to cut their labour
cost. This is also possible to choose another industry than it will become difficult to
access the companies and employees also not leave the job more rapidly. Because of
limited time period we though this industry is best suitable to understand this issue.

Therefore, we have selected a grey fabric manufacturing companies to fulfill our case
study in order to have deep understanding of why workers are not willing to stay for
long period of time in textile based company. What are their actual needs related to
job that are not satisfying by employers.

2.3 Employee Turnover Cost

There are several costs attached with VET in an organization. According to Matthew
O’ Connell and Mei-Chuan Kung, we can divide all costs into three main categories.

- **Staffing:** In addition to the cost of recruiting and hiring the person initially,
  the organization must spend a similar amount to hire the replacement.

- **Vacancy:** The period of time where that person is not working in the company
  results in lost productivity and potentially lost business.

- **Training Cost:** New employee is not hundred percent productive from the
  first day so it’s necessary to invest time and other resources for orientation,
  and training & development.

This is very much important to realize the above factors in a company because these
costs are permanently associated with new employees so the better idea is to reduce
employee turnover itself in order to reduce the VET cost. High employee turnover can
also have effect on some other areas such as safety issues in manufacturing industry,
more chances to hire people having insufficient experience. This may have an impact
on quality of work but also rise in accident rate. If we keep these factors into
consideration then we will come to know that voluntary employee turnover cost is
much larger than a simple replacement cost.
2.4 Reducing Employee Turnover through Better Selection

Just improving the employee selection process in an organization is not enough. Employee turnover is a complete process it involves factors such as role ambiguity, workload, stress, leadership behavior or better opportunity etc. At the time of candidate interview we can screen out some potential applicants by asking some questions like previous job history and future career plan.

2.5 Primary Data

In the research work primary data has significance in order to provide answer of the research questions. If researcher face difficulty to address problem through secondary data and sometimes it might be possible that previous studies not available then this primary data gathering approach helps to get information through different ways like experiments, observations and communications.

![Primary Data Sources Diagram]

**Figure 2.1**: Primary Data Sources

We will use data gathering technique observation because we have enough experience about the fact and communication through web based survey, interview with at least two middle level human resource professionals from different textile based organizations and e-mail conversation with them for necessary details etc. A case study often involves data collection through multiple sources such as departmental reports, personal interviews and observation as primary data sources. We are concerned with low level workers in selected companies for questionnaire filling. Also for the structured interview purpose we have to talk with two HR Officers to get their point of view. These two HR Officers represents each selected company. In the textile mills line managers are involved in labour related issues and not directly by the HR Managers. They are involved in managerial staff.

2.6 Secondary Data

According to Ghauri & Gronhaug (2005), in the research work the first step is to find secondary data which is useful not only to find information to solve our research problem. This is also very helpful to better understand and explain the research problem. It connected with the pre-published material. We will gather secondary data from different sources like books, journals, peer reviewed articles, websites, Government publications, statistics from APTMA (All Pakistan Textile Mills Association), etc. the main advantage attached with secondary data is the saving of time and money.

There are two types of secondary data gathering.

2.6.1 Internal Data

Internal data refers to the information gather from the company. This data can be available in the shape of reports, analysis etc.

2.6.2 External Data

The data which is available outside the organization just like the published material on certain issue. Books and other library stuff.
2.7 Information Required

Different theories are discussed in literature review; all are concerned about employee turnover due to different aspects. Employee turnover theories include organizational equilibrium theory, met expectancy theory, linkage model, unfolding model of employee turnover and job embeddedness theory etc. These explain employee intension to leave the job with reference to different views like perceived high contribution and less rewards, expectation from employer is much higher than capability and job dissatisfaction and VET has close relation.

With reference to validate above theoretical knowledge with practice. We need the information or data purely concerned with low level workers. What are their priorities or what they think to achieve in working life. How much monetary incentives offer in the industry. Workers are satisfied with supervisor’s behavior, working conditions, promotional schedule or not. We have to shed light on workers tenure in specific company and information about their previous job history. Supervisors or line managers appreciate and encourage their staff or not. We also need to know about
training programs held in these organizations. At last we have to get workers suggestions that what should management do on betterment of textile workers that could be a cause of minimizing voluntary employee turnover (VET). On the other hand for further validation through management perspective on VET we have to ask about recruitment & selection procedure. How they measure performance of an individual. Are they feeling VET is really a big problem for their business? What are the measures adopted to reduce voluntary employee turnover. The above data is really needed to frame out the research study. so we need to select some specific companies for gathering data.

2.8 Organizations Selection

We choose two big textile groups named as Samin Textiles Ltd. and Kohinoor Weaving Division as a case study purpose that is involved in producing grey fabric by using advanced technological Picanol Omni Plus looms. M/s. Samin has capacity of 22 million running meters per annum and total number of workers is 555 in unit - I it has 341 workers strength and in Unit-II has somewhat 214, and M/s. Kohinoor Weaving has 800 workforces and have capacity to produce 30 million grey fabrics per annum. It has 240 looms including Tsudakoma and Picanol Omni Plus. A regular voluntary employee turnover has been occurred, although compatible salary packages are offered and work environment also good enough. There are some reasons found through initial search that there is only annual increment system is offered, no bonus or special reward is offered for good performers. Kohinoor has transport facility but other studied organization has not, this also cause for workers dissatisfaction.

We will also gather relevant and trust worthy data for this study from selected Textile Mills. Now the question arises why we chose these two organizations specifically? Because these are well known and quite famous groups in textile sector of Pakistan, we prefer to conduct our research based on well organized companies rather than smaller textile production units. Both companies have quality standards ISO 9000 and ISO 14001 certified also they have Social Accountability Standard SA-8000 implemented in their textile Mills. Workers are more advanced and use to handle new technological production machines. We can also include some companies in same industry but due to distance and lack of data access we cannot able to finish this study within limited span of time. Secondly workers are our main respondents and they are
rotated already in many companies so through them we can understand the practices in other companies. We are quite sure to get required information except anything goes wrong suddenly. Our selected companies seem better to represent whole sector.

2.9 Interviewee Selection

Our problem area is one of the human resource functions named as voluntary employee turnover (VET) therefore, we have to meet with human resource concerned persons. In the selected companies human resource executives are assigned to look after all workers related issues and these executives directly report to HR managers. To conduct interviews with human resource executives we have certain criteria like he or she must be Business graduate with major in Human Resource Management. With this academic background he/she should have at least two years of work experience in Human Resource department in textile based organization. Employee job description should directly be linked with workers issues like recruitment & selection, orientation, trainings, problem handling, worker relations, in house food quality inspection etc. We found executives and they are agree to support us regarding information. They decided to keep their names as secret because of certain issues that might be cause on their personal career.

2.10 Qualitative Data: Interview

We will validate our results obtain from questionnaire with conducting interviews with HR Executives. One to one structure interview will take almost 60 minutes to get necessary explanation about his / her company practices. These interviews are more intended to get suggestions on how to control this high VET. We also study some measures from literature that can be adopted to reduce VET. After reviewing all relevant material now we are able to answer the second research question. Our recommendations are primarily based on interviews. These structured interview questions you can find in appendix also.

2.11 Quantitative Data: Web Based Survey

We will use the primary data gathering technique ‘questionnaire’. Because we have respondents large in number and due to distance we will use web based survey so that it seems quite suitable to get detailed information about the fact within short span of
time. According to Ghauri & Gronhaug (2005) “Questionnaire is best tool for getting opinion, attitude and descriptions as well as for getting cause and effect relationships. We develop this questionnaire only to get opinion from textile workers and not from the management representatives. This web based questionnaire has been sent to HR Executive in Kohinoor Weaving Mills and he has fulfilled from workers. Selected sample size is 50 from both companies. To answer the first research question we find causes of VET from the questionnaire that filled up by selected sample of workers. We also find major determinants of VET from literature and make comparison with questionnaire results. In conclusion we will show which factor is most applicable in our study.

2.12 Questionnaire Formation

By keeping in consideration to research questions, we made the web based questionnaire because this is the only way to extract the desired information from respondents in order to provide answers of our main research questions. We added almost 16 major questions that will exclusively address the factors; those can contribute in the employee turnover intention to leave the job. We will add some likert scale questions by giving options from 1 (extremely disagree) to 5 (extremely agree) also add open ended question for getting individual opinion upon the matter. After getting the response we will come to know what majority of employees or textile workers want in order to continue job with full loyalty and commitment.

After having arguments from both parties (management and employees) we will analyze and furthermore conclude our discussion with suggestions for upcoming HR professionals that how to deal with employees or staff to facilitate minimizing voluntary employee turnover (VET).

2.13 Personal Experience

We as group have some sort of working experience in HR department in one of the selected companies in Pakistan more specifically; one group member has worked as HR & QA Executive in M/s. Samin Textiles Ltd. for two years. He was responsible to make sure HR functions in practice like recruitment & selection, orientation, trainings and performance appraisal etc. and other member has experience as Management Trainee Officer in M/s. Kohinoor Mills Ltd. he was also responsible to look after food
quality in workers canteen and salary & overtime payments. None of us belong to textile owner family. Our experience will help us to conduct this study because we practically noticed high VET in companies. Most of the employees have domestic problems to resign. State of the art knowledge and own experience will give us more ideal thinking to understand and control employee turnover on the work place.
CHAPTER-THREE

LITERATURE REVIEW

In this chapter we will show the state of the art knowledge that has been done on the ‘voluntary employee turnover’ (VET). Determinants of VET have explained that can have an impact to intent to leave the job. We show theories and models on this subject matter. Chinese labour market consider as benchmark, it has relatively low employee turnover. A case of M/s. Samin Textiles Ltd. & Kohinoor Weaving Mills and their organizational policies that had affect on employees intent to leave the company. History at STL of VET also presented at the end of this chapter.

3.1 Employee

Employee is a valuable asset for any type of organizations. We can define as ‘an individual who performs certain tasks and duties for the accomplishment of organizational goals and against his services he must get some monetary reward in the shape of pre defined monthly salary’. Employees in the manufacturing sector have great importance in the sense of having technical skills. Most of the middle managers have got proper technical education related to textile field. Now they have to lead different group of people in order to get high quality production. By employee we mean a person have sufficient knowledge about garment production process.

3.2 Employee Turnover (ET)

Employee turnover is widely considerable issue for the organizations. It means when a person quit from the given job for any reason. It is called as ’employee turnover’. According to Macy and Mirvis (1983) "A permanent movement beyond the boundary of an organization" (p. 142). It is a continuous process of hiring new candidates and
firing or existing staff leave the job on their own intention, Up to some extent a regular employee turnover is helpful for organizational growth but it seems to be a problem when employees start leaving the job more frequently in a company. Sometimes employee turnover can be very costly for an organization when a key employee leaves the job for certain reason. There are two types of employee turnover happen in a company like voluntary or involuntary employee turnover. Voluntary employee turnover involve employee’s intention to quite the job or decide to give resignation from job. It can be due to better opportunity, job dissatisfaction, supervisor’s bad behavior, less chances of growth etc. and involuntary employee turnover is that when an organization fire employees by itself. It can be like retirement cases, organization needs to cut cost, restructure or downsizing, low performers firing from the job or dismissals, permanent disability or employee death case etc. This particular issue of employee turnover is much attracted to the organizations and researchers or theorists because it is significant (Price 1977), potentially costly (Mobley 1982) and comparatively clear cut (Porter and Steers 1973). When an employee leaves the organization, this may have a variety of effects that not only impact on organization but also on employee itself and society also. Although enough literature on employee turnover is available but still there is not universally agreed framework for why employees leave (Lee and Mitchell 1994). Employee turnover is not calculated in a very complicated way to show discrimination between voluntary or involuntary turnover. Most of the time organizations relatively simple formula of turnover such as the equation below (Marchington and Wilkinson 1996, 97)

\[
\text{Leavers in Year} \times 100 \quad \text{X} \quad \text{Average Number of Staff in Post during Year}
\]

This equation does not differentiate between people who left because of dissatisfaction, due to illness or retirement case etc. in this current era mostly people decide to leave the job because they already have better offer from another employer. Better opportunity creates willingness to leave the job. According to March and Simon ‘‘under nearly all conditions the most accurate single predictor of labor
turnover is the state of the economy. When jobs are plentiful, voluntary movement is high; when jobs are scarce, voluntary turnover is small” (1958, p. 100)

Employee turnover is giving sleepless nights to human resource managers in textile sector of Pakistan. Textile sector is selected to study this particular phenomenon due to some reasons first is that textile provide employment almost 40% of all workforce and contribute large share 66% in exports earnings. Labor turnover is an inevitable phenomenon in the labor market. Voluntary and involuntary turnover of employees involve cost of separation, recruitment, training and job search for both the firm and the employee (Cascio, 1991). Most turnover models predicting job change decisions concentrate on employees leaving an organization and rarely take into account the employee’s destination choice (see Mobley, 1982; Bluedorn, 1982; Price and Mueller, 1986). Every company much conscious about its cost of running business likewise Pakistan’s textile industrialists also want to cut their cost of production. Amount of overtime goes up in case of voluntary employee turnover. On the other hand involuntary leaves are not affected to the company because management arranges an appropriate replacement before terminate or retire an employee.

3.3 Voluntary Employee Turnover (VET)

Voluntary Employee Turnover means when an employee leaves the company with his own intension. It might be due to better job opportunity, existing job dissatisfaction, bad working conditions or negative behavior of supervisor etc. High level of voluntary turnover seems to be negative for the organizational growth. According to (Hom and Griffeth, 1995) “explanation of voluntary employee turnover has important implication for organizational manpower planning. It is widely believed that a high amount of VET adversely influences organizational effectiveness; that is the degree to which organizations achieve their goals”

Voluntary employee turnover has been one of the most studied outcomes in organizational research. This pervasive interest comes mainly from a recognition that voluntary turnover can be very costly, and that understanding and managing it better can provide considerable benefits (e.g., Pfeffer, 2005). Thus better understanding turnover causes and how to control them will likely remain a primary concern into the future. Many researchers did already work on the topic of voluntary employee
ROLE OF VOLUNTARY EMPLOYEE TURNOVER IN TEXTILE INDUSTRY OF PAKISTAN

turnover. These researchers include the following Mobley (1977), Steers and Mowday

3.4 Determinants of Voluntary Employee Turnover (VET)

3.4.1 Job Satisfaction (JS)

Job satisfaction is more about happiness on the work place. It creates interest in the
job. We can be define job satisfaction as ‘’ A pleasurable or positive emotional state
resulting from the appraisal of one’s job or job experiences. Spector (1996, p. 214)
It’s a widely accepted phenomenon that job satisfaction has negative relation with
voluntary employee turnover in an organization. Job satisfaction generates a negative
impact on both turnover intent (Byrd et al., 2000; Jurik & Winn, 1087; Mitchell et al.,
2000) and turnover itself (Dennis, 1998; Jurik & Winn, 1987; Robinson et al., 1997;
Wright, 1993). Job satisfaction is most important variable to understand employee’s
intent to leave the organization. Job satisfaction is more likely generate faster then
organizational commitment. A dissatisfy employee has more intention to leave the
job. Employees can be dissatisfy through different factors like bad work environment,
supervisor’s negative behavior, less growth chances or less monetary rewards etc.

3.4.2 Organizational Commitment (OC)

Organizational commitment plays an important role in restricting an individual’s mind
toward resignation. Committed employees always have better attendance record and
stay for long period of time in an organization as compared with non-committed
employees (Kline & Peters 1991; Mowday et al. 1982; Somers 1995). Other factors
are in fact attached with organizational commitment that helps employee’s intent to
leave the job. Construction of OC is resulting from its relationship with work related
behaviors like absenteeism, voluntary employee turnover (VET), job satisfaction, job
involvement, performance and supervisor behavior (Eby et al. 1991; Finegan 2000).
In order to develop the organizational commitment between employees we need to
establish an appropriate organizational culture in which everybody should informed
must build on commitment instead of control over VET (voluntary employee
turnover) and higher productivity. Such high commitment management practices are
portrayed by the use of information distribution, problem solving, reduces status
difference, job flexibility, team working, and train & develops employees as valuable resource rather than treating them like a disposable factor of production (Wood and de Menezes 1998: 486). Human Resource department must be involved in training and development function to get more loyal and committed employees. It is not possible to identify training & development cost for each employee but we can see the effect in terms of employee commitment, low VET, high productivity. According to (Chang and Wang 1995; Greenhalgh and Mavrotas 1996; royalty 1996; Tsui et al. 1997) “it is difficult to evaluate the return on investment in training because the effects cannot be easily isolated and the duration of the benefits stream depends upon retention of human capital but there is evidence of an inverse relationship between labour turnover and extent of HRD” there are three components of OC such as 1) Affective, 2) Continuance, 3) Normative. Meyer and Allen (1991)

**Affective:** Affective commitment explains employee emotional attachment and identification with and involvement in the organization. In this type of commitment employees really want to stay with existing employer.

**Continuance:** Continuance commitment refers to employee awareness regarding cost attached with leaving the organization. People don’t willing to resignation because they need to stay due to certain reasons.

**Normative:** This commitment shows a feeling of obligation to continue working in the same organization. People stay in this case because they feel that they have to stay.

Above all affective commitment has mostly studied and thorough researched topic due to consistent relationship with organizational outcomes like performance, attendance and employee retention (Meyer and Allen 1997)

**3.4.3 Work Environment / Supervisor Behavior**

Working conditions play very crucial role to increase job satisfaction and organizational commitment in the workforce community. The work environment includes factors or features that have all work conditions and situations for employees (Dawson, 1986). In the textile sector working conditions are averagely good enough but in some units old machinery has used that is a main cause of dust or fluff in the production halls. According to prior experience many well skilled workers decide to
shift other company just because of non-healthy work environment. On the workplace another big issue faced by low level workers such as role ambiguity and stressful behavior of supervisor or senior manager. Sometimes supervisor behave in very bad manner with his subordinates. These kind of unethical activities are normal in textile sector because in this industry middle level employees are technically strong but not have enough education so somehow they treat workers in rough way.

3.4.4 Less Career Growth

Textile industry in Pakistan has less potential for low class workers to grow and make career for long run. There are certain reasons involved in this particular factor for instance ninety percent workers are uneducated, lack of proper skills, less personal relations in the industry, a large amount of textile workforce belong to rural area and even some of them don’t have enough sense to grow or develop their self. This is a true fact that all the textile workers belong to poor families and have responsible for bread & butter for whole family. In this situation workers never argued to promote on higher designation and by this employer get benefit. Those workers who have little more understanding about job that group of people keep always alternate option in their minds in case of not promoted. Although in textile industry workers are promoted on monthly basis as a good human resource management practices but only few employees are treated in this case. Some of them are post pond to next month or some are rejected etc. Less career growth has purely negative impact on voluntary employee turnover (VET). If employees are neither properly rewarded nor promoted then why they perform work for the benefit of industrialist? There are some biases also exists in this sector regarding career growth of employees. Organizational culture is typically called “SATHE CULTURE” in textile mills of Pakistan. In this culture middle level managers are get promoted or rise salary package by conversation with mill owner on the other hand skilled worker is neglected.

3.4.5 Monetary Reward

Monetary reward has been defined in such a way like cash or equivalent that an employee receives against his services from the employer. Here equivalent reward includes fringe benefits, medical facilities and provident fund etc. Monetary rewards have negative effect on VET. This reward helps to raise job satisfaction (JS) or organizational commitment (OC) and likewise suite for minimizing the intent to leave
the job. In this inflationary economic situation textile workers are eager to augment in salary package and other performance based incentives should also be given to them. Textile mill owners have decided in their reward policy to give salary increment on annual basis by considering the inflationary factor in the economy but it’s not implementing exactly as decided due to financial constraints. Middle level managers treated as separate case with more incentives or new vehicles etc. ultimate effect is always bear by low level workers and gets last annual increment 7.5% of gross salary, only those who had employed at least one year ago.

3.4.6 Better Employment Opportunity

Better opportunity for the labour force reflects the employment available in another organization but in the same industry. It is clear that a skilled worker of textile sector cannot join agriculture sector because it requires some other skills that majority of workers don’t have. So their area of getting opportunity is only the same sector. It might be possible that this opportunity is better because of improved designation, salary increment, better working condition or good behavior of Manager etc. normally it has been seen the new entrants have more intension to leave the job after short period of time in comparison with five or seven years old employees. Many new employees fail to adjust in the organizational culture. In this regard human resource professionals should strict recruitment & selection process to avoid hiring the non-serious staff. According to (Dreher 1982; Jackofsky 1984; Schwab 1991) “Perception of alternative opportunities and the ease of movement have been found to vary with an organization’s financial rewards”. Low unemployment rate has positive link with voluntary employee turnover (VET) and tight labour market provides more alternative employment opportunities (Hom and Griffith 1995).

3.4.7 Ease of Movement

Ease of movement is the main determinant affecting the actual voluntary employee turnover (VET). It is really difficult to see its individual effect on turnover separate from organizational commitment and job satisfaction (Trevor, 2001). We can minimize workers ease of movement from the existing job by using three ways like Financial Incentives; through this we can get involve employees in the profit or loss sharing. This method is increasing used as a mean of getting employee commitment. Second way to change employee willingness to join other organization is Family-
Friendly policies can be work as tool for reducing VET (Abbott et al. 1998) since the voluntary employee turnover appears as result of contradiction with working hours and time spend with family. Friendly policies have impact to reduce employee mobility. With reference to US studies child care provisions and employer working hour schedule in linked with maternity both have greater impact on voluntary employee turnover (VET) especially in female workforce (Maume 1991; Glass and Riley 1998). The last factor influence on employee movement is training or skill enhancement. Studies shows that employees are more loyal and committed to whom organization spend its time & efforts for trained them as compared with already trained employees Flamholtz and Lacey (1981)

3.4.8 Employee Age Factor

From the study this concept comes out that workers age also contribute towards the decision to stay or leave the job. It is crystal clear; age has positive relation with organizational commitment (OC) and job satisfaction. A mature person has more confidence and patience on the work place than a younger one. According to Wright and Hamilton (1978), with increase in age a person has greater level of prestige and confidence. Just like the same age has direct relation with OC, if a worker is getting older then he supposes to be more committed with the organization. According to Weiner (1982, p. 419), ‘’the positive relation between age and organizational commitment shows the personal growth or development of an employee as an identification with an organization’’. In relation with voluntary employee turnover (VET), age factor in employee’s community has negatively linked. Older employee has more probability to stay longer than a younger employee. Aged workers are more likely to have financial and familiar compulsions that dictate to continue employment (Huczynski & Fitzpatrick, 1989). Young workers are free from these responsibilities so they are always ready to take risk.

3.4.9 Employment Tenure

Employment tenure is time period that a person spent on the job in an organization. It has negative relation with voluntary employee turnover (VET). When an employee getting older in a company and promoted on senior designation then he/she has less willingness to quit or leave the job. According to Becker’s (1960) long period of employment increases organizational commitment (OC) that reflect maximum
investment had made in the company. Employees who had great relationship with colleagues and emotional attachment with company, they have too much to lose while leaving the organization. This type of cases is very rare in textile industry of Pakistan. It is theorized that workers who spent longer time, normally they get a supervisory position where they feel comfort or satisfaction so that turnover rate automatically remain in acceptable level.
3.5 *Theoretical Framework about VET*

Employee turnover is most studied phenomenon in the past and several theories have been written and available to explain why employees voluntarily decide to leave the current job or organization. These include the Theory of Organizational Equilibrium (March and Simon 1958), the Met Expectation Model (Porter and Steers 1973), the Linkage Model (Mobley 1977; Mobley et al. 1978), The Unfolding Model of Turnover (Lee and Mitchell 1994; Lee et al. 1999; Lee et al. 1996), and The Job Embeddedness Theory of turnover (Mitchell and Lee 2001).

### 3.5.1 Organizational Equilibrium Theory (OET)

In the study of voluntary employee turnover the organizational equilibrium theory by (March and Simon 1958) has great influence. March and Simon stated that “Turnover occurs when individuals perceive that their contributions to an organization exceed the inducements they received from that organization” this incentive effects on two things like intent to leave and employee’s ease of movement it is more related to individual level factors. Theories linked with satisfaction and alternatives have ‘served as the origin for much of the literature on voluntary employee turnover (VET)” (Hulin et al. 1985). According to this theory an employee has been faced two sided reactions “pull” and “push” that impact on his turnover decision like higher salary, better opportunity, organizational goodwill etc these things attack on employee as “pull” to away from the organization. But on the other hand some psychological forces always “push” employee towards new employment (Josefek and Kauffman 2003).

### 3.5.2 Met Expectation Theory

This theory is suggested by Porter and Steers (1973) they have stated that “the discrepancy between what a person encounters on the job in the way of positive or negative experiences and what he expected to encounter” (p. 154). An employee’s expectations may include rewards, advancement and relations with colleagues and supervisors. Basic theme of this theory is that when an employer fail to fulfill an employee’s expectations that will lead towards voluntary employee turnover.
3.5.3 **Linkage Model**

Linkage model by Mobley’s (1977) explains a series of interrelated links between job satisfaction and voluntary employee turnover (VET). In this model one major factor is considered by job dissatisfaction which leads a series of withdrawal intentions like thoughts of quitting, job search intention and fringe benefits comparison, this behavior ultimately is the cause for high voluntary employee turnover (VET).

![Linkage Model of Turnover adapted from Mobley (1977) (Hom and Griffeth 1995, p. 57)](image)

**Figure 3.1**: Linkage Model of Turnover adapted from Mobley (1977) (Hom and Griffeth 1995, p. 57)
3.5.4 Unfolding Model of Turnover

During the recent research on employee turnover Lee and Mitchell (1994) has presented unfolding model of employee turnover which specifically focused on four psychological paths that an employee choose when he leave the job. Process of turnover starts from a shock that employee’s premeditated judgment about their jobs. This shock then directly linked with employee’s system of belief and images. Ultimate result of this shock employee has to quit the job without considering emotional attachment with the organization or job alternatives. Alternatively, employee considers other cognitive planning for instance comparison of job satisfaction and job alternatives.

3.5.5 Job Embeddedness Theory

Same as the unfolding model where determines how and why employee make decisions to leave the organization Mitchell and Lee (2001). Job Embeddedness theory of turnover says that people stay at the job because they had some attachments with the organizations and this thing prevents them to leave the job (Mitchell et al. 2001). Employees averted when they have strong relations with other staff and activities. Also employees are strongly fit with jobs. Even though employee decided to quit then he has to sacrifice a lot. Embeddedness theory is differently explaining the voluntary employee turnover (VET) than traditional theories because it deals with non-work factors that effect on employees’ ease of movement.
3.6 Textile Value Chain

![Textile Value Chain Diagram]

*Figure 3.2: Textile Value Chain
Source: Board of Investment Govt. of Pakistan*
3.7 Pakistan Textile Sector

Textile industry of Pakistan has great impact on the economy through contribution in exports, labor force employment and foreign exchange earnings etc. its share is 8.5 percent in GDP and create 38% employment opportunity of total manufacturing labor force. Pakistan’s total exports reached around 8.6 billion USD in the year 2004-05 with almost 65% exports from textile sector. A variety of products has been offered from cotton yarn to knitwear. Pakistan’s textile export to US is 25 percent of total export and 20 percent to EU. Other importers include China, UAE and Saudi Arabia. Pakistan is one of the major exporters in the world.

Figure 3.3: Pakistan Textile Exports
Source: Board of Investment Govt. of Pakistan
We select Pakistan’s textile industry to understand voluntary labour turnover. As the extensive unskilled labour available in the region therefore voluntarily replacement to another job is quite serious issue in research studies. Textile industry has major contribution in the economic growth so its labour force has more worth than other sectors. 95% labour come from rural areas and belong to lower middle class families. Education system in rural areas not so good and they do not have professional skill enhancement institutions. They move for employment towards Punjab province. It has more opportunities to get employment also workers can learn on job through in house training sessions. In this regard Supervisor plays vital to trained low level workers. And workers are more attached with their supervisor.

It has been seen that in the textile manufactured factories do not have direct relation with labour force. Supervisor is the main body who control workers and an administration representative also keep in touch to facilitate workers in order to get more production and minimize the affect of voluntary employee turnover (VET). Up to some extent supervisor or line manager involve biasness in their decisions regarding employees like recommend for overtime work, approve leaves and other small issues at factory level. Technical staff works in groups on the basis of caste,
relationships or geographic area etc when they get better opportunity in the same industry they leave the organization as a whole and sometimes management needs to appoint hundreds of people to fulfill the empty section. There are many giant groups such as Kohinoor.
3.8 Textile Sector of China

During our research on textile workforce we also include Chinese textile labour situation to make this issue clearer to readers. We choose this country to investigate the similarities in causes of VET and the measures that China adopted to reduce them. Although, this part of research is not our primary focused but we include to understand the problem area in same type of economy. We have some other alternative countries like India, Bangladesh, Malaysia and Thailand etc. some of them are quite well in textile exports. There are certain reasons to select China textile sector for benchmark purpose such as availability of relevant information within limited time span, secondly china is being the largest growing economy so we are more interested in its practices in textile sector. After reviewing data using secondary source we come to know VET is much higher than Pakistan like 26%. Both countries need some remedies in this specific issue.

Chinese textile industry has great significance in exports since the introduction of economic reforms in the 1970s representing registered operating revenue of USD 96 billion and profit of USD 3.8 billion between January and November 2007 up 23.54% and 42.7% from respectively. According to CNTAC (China National Textile and Apparel Council) personnel companies in Human of Guangdong Province a major textile trade centre of China are now actually easier to find labors, which indicate the rising level of textile unemployment. On the other hand, the international market is becoming more and more competitive, China, Vietnam and India are all fighting for supply orders. According to a report by Hewitt and Associates, China has one of the highest employee turnover rates in Asia. It was discovered that within the clothing manufacturing industry, VET rate depends on employee position in textile sector. Employees have more typical manufacturing positions had a turnover rate of 26.5 percent and the turnover rate for higher-skilled positions such as men’s and women’s tailoring was much lower at 13% and 14% respectively (Taplin, Winterton & Winterton, 2003).

The labour intensive textile industry is a truly sensitive industry. There are more than 20 million textile workers in China, with about 13 million are rural migrant workers. If 2/3 of the companies fail, the remaining 1/3 can only absorb half a million of them.
Ms. Xu Wenying, vice-president of CNTAC, suggested that "the government should also pay attention to this problem when they are tackling trade surplus and inflation issues. It will endanger the social stability if there are suddenly tens of thousands of people losing their jobs."

In china textile sector has two further divisions first one is Government owned enterprises and other one is private ownership. Govt. owned textile Mills offer better employment benefits and normally workers feel comfortable to stay with them for long period of time. They offer permanent job opportunities for workers. But if we look on private sector it hires workers totally on contract basis. They have procedure like a worker will be on probation in first three months after joining company after that he/she has to make a contract with employer for 1 to 3 years with mutual consent of both parties. According to 1993 figures there were 2.7 million contract base workers employed that were 38% of total textile workforce. In 1995 contracted workers had grown up to 9.9 million that shows 80% of total textile workers. National textile factories arranged three months training session at the start of the time of joining but private sector didn’t consider employees training at the beginning.

Before the economic reforms the salary system for textile workers was based on hours. An employee’s wage was depending on his employment period and his absenteeism record except from workers productivity or performance. Now most of the Chinese textile based employer implement piece rate wage system. In 1997 a textile worker salary of Govt. owned company in shanghai was about 800-950 RMB. This wage is higher than 1996 by 15%.

50% of the Chinese textile factories have more than 500 employees at one production plant and almost 20% textile mills have 200 to 300 workers and the remaining 30% factories employed less than 200 workforce.

Textile sector of china contributes major portion in the economic growth like offering 80% new jobs to the skilled and unskilled workers. It also exerts participate in foreign exports and revenue generation through tax. Private textile enterprises face difficulties to get finance from bank because of certain high criteria and dominance of Government owned companies. Gu (2008) states that voluntary employee turnover of textile sector in the world is around 15% and Chinese privately owned textile sector
has more than 50% VET. This private sector of textile manufacturing depend more than 60% of migrant workforce (Liu, 2003)

“High employee turnover creates many hurdles in development of private sector. It’s the cause of increasing recruitment and training cost also it can be the reason of customer dissatisfaction” (Liu, 2007). It has also been observed that there is a discrimination factor exists in china between the workforce belong to private & state owned factory. Workers are more dissatisfied when they feel differentiations between them. Privately employed workers are excluded from local public welfare system by Hukou system. Workers children don’t allowed seeking education in good schools. These get admission in private schools where tuition fee is much higher. Ultimately employees feel uncomfortable with their limited salary package and they decide to leave the job.

“It should be noted, private enterprises rely heavily on migrant workers. In certain industries, such as textile and machinery industry, migrant workers make up to more than 60 percent workforce in concentrated manufacturing regions” (Liu, 2003).

“Chinese textile private enterprises have been particularly compromised. It ever achieved position by low value and low priced product in the international and domestic market. Currently facing tax rebate cut, together with Chinese currency revaluation; many of them are on the edge of bankruptcy. A need to develop value added product has been identified as the second revolution (the first one was its legitimacy in 1978), but firms are struggling against lack of innovation” (Liu, 2007).

According to Ven Wand & Peter G Moffat “employees are discriminated by Hukou system. The Hukou system segregates job seekers into regular Hukou holders with public welfare rights and “float” Hukou holders (migrant workers), who have no entitlements whatsoever. Their children are facing problem to get access for good educational institutes in their migrant areas. Therefore they admit their children in low quality local schools where they are suppose to charge much higher price. However, the government sector and rural community enterprises are granted with Hukou quota and their labour force can cross the Hukou barrier to become regular resident holders and can get all public benefits”. According to Ven Wand & Peter G Moffat determinants VET for workers in this organization. Specifically, with rising time period the probability of job separation for local worker force falls much faster than
that for migrant (floating Hukou) workers. Textile employers biased with local workers by offering firm-specific benefits, such as pension rights and medical care, which have the effect of decelerating the separation process for this group of workers. Migrant workers, who are typically deprived of such benefits, exhibit a significantly more rapid separation process. Migrant workers, especially those that are highly skilled respond more sensitively to changes in conditions in the external labour market.

Mr. James Byman said talent is an increasing dilemma for Asia and China in particular. The competition for talent means VET rates are raising along with wages. From 2001 to 2005, the voluntary employee turnover rate in China rose from under 9 percent to approximately 14 percent. For the rest of Asia, the rate of employee turnover is significantly lower. Singapore's turnover rate is roughly 2.7 percent. Hong Kong and Taiwan are higher than Singapore, but still lower than China. According to the Trade and Development Report, 2002 published by UNCTAD, the textile industry in China is characterized by obsolete machines, low-quality products and low labour productivity. In 1999, this industry accounted for about 6 per cent of China's industrial output and 14 per cent of the country's industrial workforce. While it is true that wages in China are low compared to most of the countries that are its potential competitors which by itself does not necessarily give China a competitive edge. In recent study it has been shown those employees are getting more and more concern to their wages. According Watson Wyatt Worldwide survey conducted in 2005, 46% of respondents said they left their job because of having good compensation package outside. For 29% better benefit and just only 26% said good career opportunity is important. To answer the question “why employees stay” 30% said good career opportunities and 29% rate good compensation packages. Higher labour productivity leading to lower unit labour costs more than compensates the wage disadvantage in many of these countries like South Korea, Chile, Mexico, Turkey, the Philippines, Bolivia and Indonesia. China's Revealed Comparative Advantage (RCA) in textiles has been falling, and in 1997-98 it was only 60 per cent of what it was in 1992-93.
3.9 Organizational Internal Policy

Now we are presenting some organizational internal policies that have an impact on voluntary employee turnover (VET). Our under discussion companies have following attributes in their practices. We will see their policies and analyze whether rules & regulations are in favor of staff or giving more benefit to employer. Companies understand the logic of theories and models about VET. Monthly promotion system has been carried out. More internal trainings and awareness sessions are conducted by HR departments. Facilitate by providing medical treatments, different kinds of leaves available for workers. Management tries to fulfill their expectations but there is something missing so that VET exists.

3.9.1 Employee Recruitment Policy

The overall requirements of the job and relevant qualifications and experience of individual will be determining factors in the selection of employees. The policy is to find a suitable person from within the organization to fulfill an empty vacancy. Whenever possible if we don’t have relevant personnel for specific post then we arrange qualified and competent person from outside within the respective discipline. New employee will be inducted only on the bases of personnel requisition against a specific function within the approved manpower budget.

3.9.1.1 Categories for Employment

- Managers and Above
- Supervisors / Officers / Middle Management
- Workers / Non management staff / Peons etc

3.9.1.2 Minimum Age / Qualification

- Age: 18 years
- Qualification: at least 8 years complete education
3.9.1.3 Source of Application

Management has sanctioned strength of personnel required to carry out various activities at Mills. This pre decided strength cannot be increased without written permission of CEO. When a new vacancy arises then concerned departmental head will send a requisition to Manager Human Resource giving details of job description and eligibility requirements to fulfill the vacancy. Manager Human Resource will get the requisition approved from CEO.

HR department will responsible to update employment application file. Also they will arrange human resource through personal relations, advertisement in press or contacting with universities and professional institutes for middle level hiring etc.

3.9.1.4 Appointing Authority

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Categories</th>
<th>Selection Committee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>GM &amp; Above</td>
<td>Managing Director,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Director, HR Manager</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing Director</td>
</tr>
<tr>
<td>2</td>
<td>Head of Department</td>
<td>Director, GM (Mills), HR Manager</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Managing Director</td>
</tr>
<tr>
<td>3</td>
<td>Middle Management</td>
<td>Director, GM (Mills), HR Manager, HOD</td>
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<tr>
<td></td>
<td></td>
<td>Director</td>
</tr>
<tr>
<td>4</td>
<td>Workers / Non Management Staff</td>
<td>GM (Mills), HR Manager, HOD</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Director</td>
</tr>
</tbody>
</table>

**Figure 3.5:** Employee Selection Authority

**Source:** Company Internal Policy
3.9.2 Employee Leave Policy

This company has been granted different kinds of leaves to facilitate its employee / workers to get involved in their social lives. To adhere to the principle that grant of leave shall not be claimed by employees as a matter of right and will be subject to discretion of the sanctioning authority. While exercising this discretion the predominant factor for consideration would only be the exigencies of service.

3.9.2.1 Types of Leaves

Following are some kinds of leaves available in textile based units.

- **Casual Leave**
  Every employee is eligible for maximum 10 days casual leaves in each calendar year.

- **Sick Leave**
  Every employee is eligible for 8 full day’s sick leave or 16 half days in each calendar year.

- **Earned leave**
  Every employee is eligible for 15 days earned leaves.

- **Maternity Leave**
  Female married employees who have been employed for more than one year. They can get maternity leave of 12 weeks, 6 weeks each before and after delivery also provide a Registered Medical Practitioner (RMP) certificate.

- **Leave Without Pay**
  There is no provision of leave without pay in law. However in special cases without pay leaves can be granted with the permission of higher authority.
From the departmental reports and personal work experience in this company we come to know that it is facing a continuous high employee turnover. Average employee turnover for this industry is about 7% to 8%, but this company facing much higher than that. This is due to many reasons we will take a look in the data collection chapter when we will ask the employee about their intentions to leave the job. Many times group employee turnover occurs when GM (Mills) or head of department change the job. This issue is very common in all textile based factories. Labour unions are not here in factories but workers more or less just behind the supervisors. Following is history of voluntarily employee turnover happen in our case of company.

Figure 3.6: Voluntary Employee Turnover Comparison
Source: Company Departmental Report
CHAPTER-FOUR

DATA COLLECTION

In this chapter we collected required data from different sources for analysis purpose and ultimate aim is to answer our research question. We used ‘Questionnaire’ as primary data gathering technique then validate result obtain from questionnaire with structured interview of HR professionals. Description about data collection criteria is also mention and hurdles faced during this process are as follow.

4.1 Questionnaire

Questionnaire is an important and attractive data gathering technique especially for a large amount of respondents. It is much easier and cost efficient way to reach participants. ‘’the design and structure of the questionnaire should be adopt according to the education level or cultural backgrounds of the respondents. Questionnaire format and use of different scales also helps to get accurate information required’’ (Malhotra, 1996; Schwartz and Sudman, 1996; Craig and Dauglas, 2000). If a questionnaire is self directed like web based questionnaire then we can capture thousands of participants in our statistical analysis. It is used to get personal opinions of the people and also we have to take it into secret custody. One drawback occur while using questionnaire, participants provide some biased information that leads to wrong decision. As in our research study we need individual’s personal response about voluntary employee turnover phenomena in an organization. So we are using this technique as primary data source. Through this technique we will get depth information that cause ultimate VET and employees also feel confident to express their views.
4.2 Interview

An Interview is "a formal face to face meeting especially one engaged for the assessment of the qualifications of an applicant for the sake of employment or admission" we can also say that a conversation conducted by an individual for the purpose of gathering facts and statements from another individual. (The American Heritage dictionary, Second College Edition) Interviewing technique is the best way to get more deep information as you require. We will have enough surety and conformity of information asked from someone. Our research based interview objective is to validate our findings obtained through questionnaire. We had telephonic discussion with human resource person who is dealing with labour force in textile industry.

4.3 Observation / Personal Experience

As we have work experience in this particular sector. We observed that majority of people who directly related to production or manufacturing side is uneducated and belongs to poor family. They don’t have clear goals of their lives. We discussed earlier determinants of voluntary employee turnover those are practical and genuine in nature. We also share our observations in the literature with practical exposure. This is very much clear that the determinants we have already discussed in literature. These factors we found through secondary sources have practical significance in our study.
4.4 Criteria to Get Required Information

According to following criteria we developed questionnaire and received employee’s opinions about the subject matter. We used different factors that can have direct or indirect impact on voluntary employee turnover in textile sector of Pakistan. We searched out important factors that support our study then developed questions relevant to each factor. Questionnaire is developed on web and sent to a company representative via e-mail. We tried to make questionnaire easy to understand for readers and used likert scale method only.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Question Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participant’s Basic Information</td>
<td>1,2,3</td>
</tr>
<tr>
<td>Job Satisfaction (JS)</td>
<td>5,6</td>
</tr>
<tr>
<td>Organizational Commitment (OC)</td>
<td>11</td>
</tr>
<tr>
<td>Work Environment / Supervisor’s Behavior</td>
<td>12,13, 14</td>
</tr>
<tr>
<td>Less Career Growth</td>
<td>7,10,12</td>
</tr>
<tr>
<td>Monetary Reward</td>
<td>12,15</td>
</tr>
<tr>
<td>Better Employment Opportunity</td>
<td>09</td>
</tr>
<tr>
<td>Ease of Movement</td>
<td>11</td>
</tr>
<tr>
<td>Employment Tenure</td>
<td>04</td>
</tr>
</tbody>
</table>

4.5 Selection of Participants for Questionnaire

We selected 50 employees as random sample from different departments in Textile based units to fulfill the questionnaire. Multicultural teams are performing different tasks in their respective fields. One of the company representatives has facilitated us to collect employee’s responses. As we used web based questionnaire form that we sent him a link of website on which we have developed questionnaire via e-mail and he arranged meetings with selected employees to complete the survey successfully.
4.6 Interviewing Procedure

We have to get management perspective regarding VET as phenomena then we will be able to conclude our discussion with mature recommendations for future work. Therefore, we decided to approach at least three human resource officers who are currently dealing with large number of labour force and have had the experience of voluntary employee turnover and its effects on management. The best suitable primary technique we used telephonic interview. Every respondent took almost 45 minutes to answer our questions. Interviews have conducted in control environment. All interviews have performed by authors of this Master's Thesis. Prior to the interviews all have been informed with goals and objectives of this research work. Due to secrecy or policy matter they restrict us to show their names and other personal detail. While discussing ongoing employee related matters we got practical exposure along with their viewpoint to minimize voluntary employee turnover (VET).

4.7 Obstacles in Data Gathering

Due to distance and limited time of 10 weeks available for this thesis writing, it seems quite difficult to access primary source of data gathering from Pakistan’s textile manufacturing units because they feel hesitation to participate in any type of survey. Also they are much busy during working hours. We select participants from different departments with consultation of departmental heads. Although Without supervisor’s consent it is a serious problem to fulfill questionnaire from them, but we did our best level efforts to get completed our survey from participants in relax way, keeping in mind reliability of data. One of our members did personal meetings with 50 participants and asks their responses.
CHAPTER-FIVE

DATA ANALYSIS

In this chapter we have done analysis on the basis of collected data through questionnaire. We also analyzed the management perspective. We talked with some human resource executives and they shared some valuable experience with us.

Now we have collected data from different sources in order to answer our research questions. In primary technique we used questionnaire and telephonic interview along with that our observation & personal experience played critical role to go in more detail about this particular phenomenon (VET) in textile industry of Pakistan. Right here we analyze information in such a way that anybody can easily understand the final results got from this study.

As we have selected randomly fifty employees working in different departments and belong to multi cultures. From the whole sample 4 employees never mention their age group on questionnaire so by the remaining 46 respondents we can say that 48% workers have age group between 18 to 24 years and 39% are lying in 25 to 34 years. Although its restricted to hire under 18 years of age but according to our survey 2 workers are doing job also. All this is shown from below figure 5.1

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percentage Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-17</td>
<td>4.3 2</td>
</tr>
<tr>
<td>18-24</td>
<td>47.8 22</td>
</tr>
<tr>
<td>25-34</td>
<td>39.1 18</td>
</tr>
<tr>
<td>35-44</td>
<td>5.5 3</td>
</tr>
<tr>
<td>Over 45</td>
<td>2.2 1</td>
</tr>
</tbody>
</table>

Figure: 5.1
From the following graph it shows working period in Samin Textiles Ltd. Majority of workforce is working since 1 to 3 years but about 15% employees just join this organization within three months. You can also see the low ratio of employees having more than three year’s relation. It gives signal for regular employee turnover.

![Figure 5.2](image)

From below result we can see the pressure on workers while working from their supervisors or senior officials. Low level workers feel mentally disturbed during work. 46% workers inform negative with this aspect. Only 2% employees extremely agree to feel freedom at work place.

![Figure 5.3](image)
Following graph shows the promotional trend within organization based on skills, experience or seniority etc. due to regular employee turnover it seems difficult for management to promote stuff but some old workers get promoted one or two times in their working period. Majority of labor don’t get promotion because most of them newly hire and some are old but they don’t have enough skill.

How many times you got promotion in this Company?

<table>
<thead>
<tr>
<th>Times</th>
<th>Percentage Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
<td>66.0 33</td>
</tr>
<tr>
<td>1</td>
<td>20.0 10</td>
</tr>
<tr>
<td>2</td>
<td>8.0 4</td>
</tr>
<tr>
<td>3</td>
<td>6.0 3</td>
</tr>
<tr>
<td>4</td>
<td>0.0 0</td>
</tr>
<tr>
<td>Over 4 Times</td>
<td>0.0 0</td>
</tr>
</tbody>
</table>

Total responses: 50

Figure: 5.4

From this survey we can conclude that workers at textile sector can be more committed or attached with organization by paying more monetary benefits, as people showed their interest in the research. Secondly employees are interested in supervisor’s behavior while changing the job so if existing employers offer the same things they can reduce major voluntary employee turnover as well.

Which element is more important for better employment opportunity?

<table>
<thead>
<tr>
<th>Element</th>
<th>Percentage Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Profile</td>
<td>5.7 4</td>
</tr>
<tr>
<td>Monetary Benefits</td>
<td>39.1 10</td>
</tr>
<tr>
<td>Supervisor</td>
<td>30.4 14</td>
</tr>
<tr>
<td>Working Condition</td>
<td>13.0 6</td>
</tr>
<tr>
<td>Medical Facility</td>
<td>2.2 1</td>
</tr>
<tr>
<td>Internal Environment</td>
<td>6.5 3</td>
</tr>
<tr>
<td>Other</td>
<td>0.0 0</td>
</tr>
</tbody>
</table>

Total responses: 44

Figure: 5.5
Following response shed light on the previous job history, from this information we can make judgment about his intentions to stay or to leave the job within specific time frame. Many of respondents just left previous job within 12 months period and hopefully they will have same trend in future also. It’s hard to satisfy this stuff but their immediate supervisors can control them easily than management.

<table>
<thead>
<tr>
<th>After how long you left the previous job?</th>
<th>Percentage Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before 3 Months</td>
<td>17.4</td>
</tr>
<tr>
<td>3-6 Month</td>
<td>21.7</td>
</tr>
<tr>
<td>7-12 Month</td>
<td>21.7</td>
</tr>
<tr>
<td>1-1.5 Years</td>
<td>10.0</td>
</tr>
<tr>
<td>2-3 Years</td>
<td>15.3</td>
</tr>
<tr>
<td>4-6 Years</td>
<td>1.0</td>
</tr>
<tr>
<td>Over 6 Years</td>
<td>0.0</td>
</tr>
<tr>
<td>If it was my first job</td>
<td>13.0</td>
</tr>
<tr>
<td>Total responses:</td>
<td>46</td>
</tr>
</tbody>
</table>

Figure: 5.6

Basically we found supervisor play an important role in order to minimize voluntary employee turnover because he has more attachment with them due to personal relations, belong to same geographic area etc. 38% employees expressed that they chose next employment due to negative behavior of supervisor or immediate boss. Minimum salary Rs. 6000 has decided by Government of Pakistan for unskilled worker in manufacturing units but skilled workers salary vary between one factory to another with little change.

<table>
<thead>
<tr>
<th>Which of the following factors most influence your decision to leave the job?</th>
<th>Percentage Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Salary</td>
<td>28.0</td>
</tr>
<tr>
<td>Supervisor negative behavior</td>
<td>38.0</td>
</tr>
<tr>
<td>Bad work Condition</td>
<td>12.0</td>
</tr>
<tr>
<td>Low Career Growth</td>
<td>8.0</td>
</tr>
<tr>
<td>Domestic Problem</td>
<td>10.0</td>
</tr>
<tr>
<td>Other</td>
<td>4.0</td>
</tr>
<tr>
<td>Total responses:</td>
<td>50</td>
</tr>
</tbody>
</table>

Figure: 5.7
Line managers never explained clearly what their mission is for a specific time period. Many of the respondents are seems confused to perform well. It shows that team leader don’t arrange meetings about work efficiency or employee development. After get exhausted worker decide to join other organization.

![Figure: 5.8](image)

To understand satisfaction level within workforce about their job, we ask this question and get negative response like 39% workers from our sample are dissatisfied with job. Mainly dissatisfaction comes from negative behavior of supervisor. Only 13% are satisfied in our survey that is quite low ratio.

![Figure: 5.9](image)
As VET issue created by supervisory level staff in textile sector, they even not encourage their junior staff that becomes the cause of high VET. All 50 respondents answer this question and 42% accept that supervisor is not encouraging them in normal routine but 22% said that sometimes they got appreciation but not always.

### My immediate boss encourages / appreciates my work.

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
<th>Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not at All</td>
<td>22.0</td>
<td>11</td>
</tr>
<tr>
<td>Usually Not</td>
<td>42.0</td>
<td>21</td>
</tr>
<tr>
<td>Neutral</td>
<td>14.0</td>
<td>7</td>
</tr>
<tr>
<td>Sometimes Yes</td>
<td>22.0</td>
<td>11</td>
</tr>
<tr>
<td>Always</td>
<td>0.0</td>
<td>0</td>
</tr>
</tbody>
</table>

Total responses: 50

By interview with management representatives we come to know about periodic involuntary employee turnover also occurred in the shape of downsizing. Limited strength for workers has pre decided. Human resource department is engaged in continuous workers development but still a lot of remain to upgrade them. Some old skilled workers make their groups within work place in future they can be cause for sudden VET. Companies spending a smaller portion for workers health and distribute health care products in production halls but workers don’t like to use them on regular basis. Majority of textile manufacturer have certified with quality standards like ISO 9001 and 14001 also they have Social Accountability Standard SA-8000 for workers welfare and betterment. Hr Executive agrees with us about the matter of internal food quality because management hire contractor normally and lack of strict control over them workers suffer with bad quality food. Management trying to improve it, According to management perspective most of the workers have their domestic problems more often so that they are unable to stay in long run. Salaries are compatible within the industry but few mill owners offer bonuses or incentives on regular basis. Workers expect it from all employers when they feel their expectations are not fulfill, they look for new job.
CHAPTER-SIX

CONCLUSION

To answer our research questions we conduct this whole study from theoretical and industrial practices perspective. The acceptable VET rate for factory owners is about 8% to 10% according to experts from this profession but we observed our mentioned companies had more than 15% in some circumstances that impacts negative on company’s worth. Most of the factors we found from literature are applicable in real industry and some other we found during the investigation like employee turnover in group shape. That’s the most adverse form of VET in Pakistan’s textile industry. In order to reply our first research question we have find out many causes & factors that have direct or indirect effect on employee’s decision to shift the job. The main factors include job satisfaction and organizational commitment, bad work conditions, less career growth, less monetary reward, better employment opportunity, ease of movement and employee age factor etc. Apart from these attributes, supervisor’s negative behavior is the most common cause found during research. Workers are badly pressurized from supervisor’s side and according to their feedback 46% respondents don’t feel freedom during work. After getting the survey results we come to know that in Pakistan textile workforce are more concerned with supervisor’s negative behavior and less monetary rewards. These are the two factors mainly applicable in Pakistani textile labour community to take decision for shifting job. Although monthly promotion system implemented in mentioned organizations but 66% of respondents never got even single time promotion. In this manufacturing sector of Pakistan we never found any worker development program therefore workers don’t have any career path and move around same industry on regular bases that’s much harmful for employee and employers also. Our findings determined that average employee stay at one factory is between 5 months to 8 months. There is gap exists in between workers and their immediate managers, 42% employees had no idea about what they are expected to do ultimately by this situation employees become dissatisfied and decide to go outside the company. In Pakistan workers are expected more from the newly joined textile units such as better food quality, timely payments
of overtime, traveling facility and continuous getting bonuses or incentives etc. some
drawbacks exists in the textile units like some are not offering any incentive
throughout the whole year, bad food quality and negative behavior of supervisor etc.
so when employees feel that their expectations are not fulfilled by organization they
suddenly leave the job and this is purely implication of Met Expectation Theory by

Textile sector of china can be divided in two kinds public and privately owned
companies; both are facing problem with regard to VET but causes are different.
Major problems are being faced by privately own companies. It is about 80% workers
hired on contract bases for 1 to 3 years in this sector, it is very difficult to get basic
facilities like schooling and medication for children and families while working in
private sector. In china workers in private sector are discriminated by Hukou system
(public welfare rights). If workforce included in this system they can avail facilities
mentioned above. This is the reason that sometime VET in this sector becomes 50%.
Textile workers always try to join state own mills. As 60% labour migrated from rural
areas, they are in tense situation to get basic facilities that Pakistani workers are
enjoying with. According to our study Organizational Equilibrium Theory (OET) is
most suitable or applicable in the scenario of China. Workers perceived contribution
is more than their reward or facilities especially offered in private sector. During
employment they think that organization is paying less in shape of salary or facilities
than their efforts for the organization.
RECOMMENDATIONS

After get through the whole literature and actual practice in the textile industry we reach on this point to suggest some rectifications for reducing VET in textile sector of Pakistan.

• Relatives should be strictly prohibited to hire in same company that can be cause for group VET.

• Proper training on the topic of ‘attitude and behavior’ required for supervisory level staff to avoid their negative behavior with subordinates.

• Re-hiring policy for workers should be design in such a way that workers feel vague to join again the existing company.

• Organizations should improve their hiring criteria not only for workers but also for line management staff. Especially referral system for recruitment purpose makes troubles. Referred employee becomes more loyal to the employee who referred him rather than to the organization.

• Performance based reward system should be implemented such as best worker of the month etc. these kind of activities help employers to motivate their low level staff. These kinds of intrinsic reward also increase employee commitment and attachment with company.

• Money always plays an important role for this level of workers. Extrinsic reward system should be executed on regular basis.
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<https://editorialexpress.com/cgibin/conference/download.cgi?db_name=res_phd_2009&paper_id=4>


**APPENDIX**

*Sample Survey Questionnaire*

Hello, we are doing research on factors that affect voluntary employee turnover as partial requirement of our MSc Business Administration program at Blekinge Institute of Technology, Sweden. We are interested in your views on VET. Please spend five minutes to fill the following questionnaire.

1. **Gender:**
   - A) Male
   - B) Female

2. **What is your age group?**
   - A) 10-17
   - B) 18-24
   - C) 25-34
   - D) 35-44
   - E) Over 45

3. **Select your department from the options below**
   - Warping & Sizing
   - Weaving
   - Folding
   - Godown
   - AC & Compressor
   - Power House
   - Other

4. **From how long you have been working for this company?**
   - Less than 3 months
   - 3 months to 1 year
   - 1 year to 3 years
   - 3 years to 6 years
   - 6 years to 10 years
   - Above 10 years
5. I am satisfied with my job?

A) Extremely Disagree   B) Disagree   C) Neutral   D) Agree
E) Extremely Agree

6. I feel freedom while working?

A) Extremely Disagree   B) Disagree   C) Neutral   D) Agree
E) Extremely Agree

7. How many times you got promotion in this Company?

None   1   2   3   4   over 4 times

8. Salary package / monetary incentives are sufficient in my company?

A) Extremely Disagree   B) Disagree   C) Neutral   D) Agree
E) Extremely Agree

9. Which element is more important for better employment opportunity?

A) Company Profile   B) Monetary Benefits   C) Supervisor   D) Working Condition
E) Medical Facility   F) Internal Environment   G) Other

10. After how long you left the previous job?

A) Before 3 Months   B) 3-6 Month   C) 7-12 Month   D) 1-1.5 Years
E) 2-3 Years   F) 4-6 Years   G) Over 6 Years   E) It’s my first job

11. I have decided to stay with current employer?

A) Less than 1 Year   B) 2-3 Years   C) 3-5 Years   D) More Than 5 Years
E) Don’t Have Plan
12. Which of the following factors most influence your decision to leave the job?

A) Low Salary          B) Supervisor’s Negative Behavior          C) Bad Work Condition
D) Low Career Growth          E) domestic Problem          F) Other

13. Your immediate boss encourages / appreciates your work.

A) Not At All          B) Usually Not          C) Neutral          D) Sometimes Yes
E) Always

14. In comparison to reward or facilities, my work load is....

A) Extremely Less          B) Less          C) Equal          D) More
E) Extremely More

15. Overall, I am happy with organizational culture and work environment?

A) Extremely Disagree          B) Disagree          C) Neutral          D) Agree
E) Extremely Agree

16. Indicate any suggestion for enhancement of employee morale within the organization?

____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
____________________________________________________________________
Sample Interview

Section One:

- Introduction of the interviewer and interviewee.
- Briefing about company and interviewee position in the company.
- Overview of employee turnover in the company (Voluntary & Involuntary)

Section Two:

- Are you satisfied with recruitment and selection process in this company?
- How do you identify employee training needs?
- Have you implemented any skill enhancement program for employees?
- How you measure efficiency or performance of individual worker?
- Which measures you are adopting to minimize VET?
- How you make work environment healthy for workers?
- Did you get any labour standards certification?
- How you maintain salary slabs at different levels of workers?
- What strategies you adopt to remove conflict between workers & supervisor?
- How is the quality of food available within the organization?
Section Three:

- What is the main reason for VET?
  - a) Low salary
  - b) Worker’s domestic problems
  - c) Lack of skill
  - d) Lack of organizational commitment
  - e) Biases keep by supervisor

- VET effects the organizational growth?
  - o Extremely Disagree
  - o Disagree
  - o Neutral
  - o Agree
  - o Extremely Agree

- Investment on employees through trainings is the best way to capture employee commitment & reduce VET?
  - a) Extremely Disagree
  - b) Disagree
  - c) Neutral
  - d) Agree
  - e) Extremely Agree

- Company’s given salary package and other benefits are good enough?
  - a) Extremely Disagree
  - b) Disagree
  - c) Neutral
  - d) Agree
  - e) Extremely Agree