

***IMPACT OF BUNDLE OF HR PRACTICES ON EMPLOYEE RETENTION
WITH MEDIATING ROLE OF PERCEIVED ORGANIZATIONAL
SUPPORT IN TELECOM SECTOR OF PAKISTAN***



By:

Hajrah Asif

01-220191-011

MBA (3.5 years)

Supervisor:

Dr. Syed Haider Ali Shah

DEPARTMENT OF BUSINESS STUDIES

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Names of Student: HAJRAH ASIF 01-220191-011

Class: MBA (3.5 YEARS)-EVENING

Approved by:

Dr. Syed Haider Ali Shah
Supervisor

Noor ul Haya
Internal Examiner

Muhammad Amin
External Examiner

Dr. Syed Haider Ali Shah
Research Coordinator

Dr. Khalil Ullah Mohammad

Head of Department
Business Studies

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Abstract

The objective is to examine the effects of intrinsic motivation, compensation and reward on employee retention with mediating role of POS in telecom sector of Twin cities, Pakistan. The quantitative approach has been applied for data collection and 264 sample responses have been gathered as well. The PLS-SEM technique has been used for conducting data analysis. Moreover, the results have showed that intrinsic motivation has a positive effect on employee retention. The compensation and reward has a positive effect on employee performance. The POS has a positive impact on employee retention . Furthermore, managers need to realize how much important and crucial is well-being of workers' organizational commitment, according to our results. So many human resource-based intervention strategies, like maintaining contact with employees, making them realize that how important they are for the organization, and organization is much concerned about their well-being. Also, further research should look at comparing other factors of HR practices in order to investigate how to retain the employees in efficient manner.

Keywords: *Intrinsic Motivation, Compensation and reward, Perceived Organizational support, Employee Retention, Telecom Sector..*

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IMPACT OF BUNDLE OF HR PRACTICES ON EMPLOYEE RETENTION WITH MEDIATING ROLE OF PERCIEVED ORGANIZATIONAL SUPPORT IN TELECOM SECTOR OF PAKISTAN

CHAPTER 1: INTRODUCTION

1.1 Background:

The telecommunication business has evolved into a vital aspect of today's fast-paced, technologically advanced society and it plays a very important developmental role in economy of a country. Posts and telegraph department was established in 1947 in Pakistan. The Telecommunications Ordinance 1994 created Pakistan Telecommunication Authority (PTA), Pakistan's first independent telecommunication regulatory body, and the Pakistan Telecommunication Company Ltd (PTCL), a state-owned monopoly sourced by Telecommunication Laws in Pakistan (Bilal Sarwari, Pakistan Law Website, 24 October 2009). In 1998 mobile and internet subsidiaries established. Because of lack of competition the call rates of local telephone were very high and international call rates were overhead. During the era of 1990s, the telephone call rate to United States was \$5 per minute which was PKR 300 at that time and was not affordable for the majority of population. Other than that, there was poor customer service, taking very long time for problem solving issues. In spite of this, people had to stick with the PTCL because there was no other option for them. This led the government to take a step to open a market

for telecommunication (Bloomberg Businessweek,31 January 2005). In 2003 a Deregulation Policy for the Telecommunication was established which authorized and uplift the foreign companies to invest in the telecommunication. In 2006, a wholly owned subsidiary of Emirates Telecommunication named as Etisalat International Pakistan purchased 26 percent stakes of PTCL and presume management control. In 2008, Joseph Wilson stated that Pakistan was at the third fastest telecommunication industry in the world. The telecom industry of Pakistan was escalating with domestic and foreign investments into fixed line as well as in mobile networks. For the support of the network fiber system was constructed. Prof. Atta-ur-Rehman was Federal Minister of Science and Technology, he took two steps which boosted the growth in mobile telephony. First one was “Calling Party Pays” in which the charges of the phone call are to be paid by the calling party, no charges for the receiving party. Secondly, Ufone was launched as a government owned mobile phone company with competitive call rates that led to strong market competition. This extended the mobile telephony from 0.3 Million mobile phones in 2001, to 160 Million mobile phones by 2018. In the survey of Joseph Wilson, he found that mobile sector of Pakistan was most effective among others, followed by broadband, whereas the fixed line sector static. The framework improved the parameters such as anti-competitive practices, interconnection, universal service obligation and tariffs in fixed and mobile sector. The telecommunication sector is observing a very huge year to year growth in Pakistan. Around 90 percent of Pakistanis have access to a cellphone. Pakistan has the highest mobile penetration rate in South Asian Region. The number of subscriber fixed line was reported at 207.8 Million unit in Dec,2020. Tele industry in Pakistan has come a long way and it continues its journey from state-owned monopoly to liberalization. It has its own competitive structure in multiple level e.g. regulations, privatization, social development, policy and regulation. Telecommunication does not only modernize and develop but it also improves efficiency of this sector which ultimately expand economic transactions. The Economic Survey said that the telecommunication industry has contributed 8.2% to GDP by 2020. Foreign direct investments were attracted by \$1.55 Billion during its first eleven months, as Pakistan has a growing telecom industry and by this investment it remained at the top in 2006 for foreign direct investments. After this teledensity of Pakistan declined by 31 percent during 2008-2009 (Aasif Inam, 2007). Majorly foreign direct investments in came from cellular companies like Mobilink, Paktel, Warid, Telenor and PakCom. PakCom and Paktel were Malaysian based companies and entered in Pakistan in 1990, then Mobilink in 1994 which is Egypt based company

then Telenor which is Norway based and it came in Pakistan in 2005 (Inam, A. and Authority, P.T., 2006). Currently in March, 2022 Syed Amin Ul Haque has said that Foreign Direct Investment remained \$6.1 billion in telecommunication industry from 2018 to 2020. Shah, M. et al revealed that as the market of telecommunication is emerging, the services they provide are becoming more similar and equivalent to each other, which is leading to more competitive environment and for gaining new customers and retaining the existing ones is becoming more problematic (Shah, M. A. R., Husnain, M., & Zubairshah, A. 2018). Aguenza & Som in their study stated that in today's knowledge intensive and highly competitive tenure retention of employees is affecting numerous, it is now a global challenge for organizations to retain its competitive employees in the organization (Aguenza & Som, 2018). In this aggressive competitive situation organizations need to consider other factors in order to retain and maintain the new and existing employees who are their assets of their organizations. Consequently, to prevail the competitive edge in the market, mobile operators has to necessitate the factors related to employee satisfaction and loyalty. In contemplation of dependent on complete relying on bookish study managers need to understand the ground realities of the market (Aamri, 2010). Every employee in the organization is different from each other and in today's intense environment every organization tends to introduce a diverse culture, language and so.

1.2 Problem Statement:

Employee retention is one of the biggest challenges for managers and organizations in today's competitive world (Forest S. Decker). It involves taking steps and actions to motivate employees to stay in the organization for a longer period of time. Employees are always in search of new opportunities and better work place. On the other hand, organizations keep on implementing new tactics to retain their best employees due to rigorous competition in the market. To retain competent employees in the organization, few factors are identified those are intrinsic motivation and compensation reward. Toracco (2002) stated in his study that today knowledge has been recognized but most of the organizations are incompetent to retain their important employees. Most firms don't have the procedures in place to help them retain and exploit their knowledge. Organizations cannot afford to take a passive approach to knowledge management in the hopes that people will acquire and use information, and that knowledge sources will be identified and accessed throughout the business. Instead, firms trying to maintain a competitive advantage have

rushed to design systems that take use of the value of knowledge (Robinson & Stern, 1997; Stewart, 1997). People have skills, experience, and knowledge, and hence have economic worth to businesses, according to the notion of human capital and knowledge management. Because they increase production, these skills, knowledge, and experience are considered capital (Snell and Dean, 1992). According to Fitz-enz (1997), every ten management and professional personnel that leave the firm costs the company around \$1 million. The overall cost of an exempt employee turnover, including direct and indirect costs, is a minimum of one year's pay and benefits, and a maximum of two years' pay and benefits. An organization's economic effect is enormous when one of its key workers leaves, especially considering the information that is lost as a result of the employee's leaving. The process of developing, capturing, and using information to improve organizational performance is known as knowledge management (Bassi,1997). Retaining staff is one of the main focus of the organization. The purpose of the study will be to help determine how employees can be retained by looking at specific factors namely internal motivation and compensation reward. To retain competent employees in the organization, few factors are identified those are intrinsic motivation and compensation reward. Perceived organizational support refers to employee's perception concerning scope to which employer's values and their contributions are being considered by the organization (Eisenberger, Huntington, Hutchison, & Sowa, 1986). POS is associated with many job attitudes and behaviors. Specially POS is connected with employee retention if the employee is satisfied with the organizational behavior and its commitments, employee will be more productive towards organizational goal. in return the employee will gain rewards which will motivate them to work for the organization (Casper, W. J., & Buffardi, L. C 2004).

1.3 Research Objectives:

The study contains the following core objectives,

- To examine how organizations can retain its employees and which factors affect retention of an employee.
- To determine the relationship between intrinsic motivation and employee retention.
- To examine how compensation and reward help in retaining the employees.
- To determine the mediating effect of perceived organizational support on employee retention.

- To determine the mediating effect of perceived organizational support on intrinsic motivation and employee retention.
- To determine the mediating role of perceived organizational support on compensation reward and employee retention.

1.4 Research Questions:

The following aims are set out in this study;

- How an organization can retain its employees?
- What is the impact of intrinsic motivation on employee retention?
- How employees can be retained by looking at specific factors namely intrinsic motivation and compensation reward?
- What is the role of perceived organizational support in retaining employees?
- How perceived organizational support plays a mediating role between intrinsic motivation and employee retention?
- How perceived organizational support works as a mediator between compensation reward and employee retention.

1.5 Research Gap:

Different variables are studied earlier but the linkage between intrinsic motivation, compensation & reward on employee retention with the mediating role of perceived organizational support has not been studied before. There is a lack of knowledge and study on Perceived Organizational Support which is important factor in order to understand retaining competent employees in any organization. SmartPLS software is used in order to get better results. Population is of Twin Cities of Pakistan as per time constraint.

Regardless of the importance of the subject, extrinsic job motivation has been the main focus of motivation researchers. In contrast to extrinsic motivation, intrinsic motivation research tends to be more theoretical and has less empirical support. To encourage employees, managers in the past have focused on external things like money, corporate policy, and working conditions. This is the only motivator throughout all generations. Qualitative approaches are the greatest way to investigate human behavior and behavior changes (Kirk& Miller 1986). Quantitative approaches

have an extremely tough time capturing complex human behavior (Creswell, 2007). The fundamental premise of qualitative approaches is founded on an interpretive paradigm that emphasizes people's subjective experiences (Morgan, 1980). The primary goals of qualitative research include the exploration of complicated phenomena, their authenticity, the researcher's subjectivity, contextualization, and the reduction of illusion (Fryer,1991). Instead of using the set hypothesis, a conceptual framework is derived from the data (Silverman,2000). Inductive and participatory methods are frequently used to popularize qualitative research (Patton, 1980). Effective application of qualitative methodologies can improve understanding of human attitude, behaviors, value systems, concerns, motives, culture, or life styles, and goals (Bogdan, 1975). The fundamental goals of qualitative research are to investigate problems, comprehend phenomena, and provide answers (Creswell, 2007). The goal of qualitative research is to better understand how and why individuals feel and act (Frankfort-Nahmias, 1992). Because its major goal is a thorough knowledge of the issue, the case study technique is ideally suited for the research of employee motivation and retention. (1978; Mitroff & Kilman). Effective case study technique application enables direct involvement and first-hand learning about the various elements influencing employee engagement and retention.

1.6 Scope of the study:

This research signifies the importance of intrinsic motivation that how employees are self-motivated and working hard to achieve the goals. This study also focuses on impact of compensation and reward on employee retention that how compensation and reward motivate an employee to stick to that particular organization and work for them. As employee retention is more important for any organization and holding them is becoming more crucial because of competitors in the market. Adding it up with how perceived organizational support plays mediating role in an employee's motivation and retention. Now-a-days retaining a competent employee who is considered as the assets of the organization is decisive. This study is focused on recent years. More effective data could be delivered and by assisting businesses and executives in understanding the importance of remuneration for employee retention, which can negatively impact business performance and lower staff retention..

1.7 Limitation of the study:

The data collected for the study is in the vicinity of Islamabad and Rawalpindi. Research scale is small. For further research, the data can also be collected from other cities of Pakistan for reliability. Employee retention is very vast term that more variables can also be studied. Telecom industry is chosen and results may vary if the variables are implemented in any other industry. The method for collecting data was quantitative, through questionnaires. Due to time constraint, more variable can be studied in order to examine the variables that affect employee retention. Multi-stage sampling strategy is used while collecting data. Other sampling strategies can also be used. Analysis of data has been done through Smart PLS software. Other technique can be used to carry out analysis. The major limitation the study envisaged regarded the possibility of some employees being reluctant to provide information for fear of victimization in case they were critical of the reward program. However, the study strived to fully explain the intention of the study and assured confidentiality.

CHAPTER 2: LITERATURE REVIEW

2.1 Employee Retention:

March & Simon (1958) put forward a theory of Organizational Equilibrium, that individuals are more likely to stay with a company if the incentives offered (pay, working environment, and growth prospects) are comparable to or higher than the contributions (such as time, energy, and effort) made by the employee. Individual preferences and comfort are also important in this situation. Bigley et al., (1996) concluded that employees who are unhappy in their occupations are more likely to miss work. Employee retention cannot be determined by a single factor, but there are broad range of aspects that are to be overseen for retaining an employee in any organization. Management needs to heedful to the aspects such as intrinsic motivation, compensation and reward, job security, training and development and the list goes on (Fitz-enz, 1990). Employee motivation and ability, as measured by attendance, are critical to an organization's production (Rhodes & Steers, 1990). Constructive feedback from supervisors and contingent rewards, according to MacDuffie (1995), are the most important components in characterizing high levels of individual performance, which will enhance the organization's competency level. Osteraker (1999) recognized that employee retention and their satisfaction are the core factors for successful outcomes for the organization. Employee retention and satisfaction are critical variables in an organization's success. The retention factor may be broken down into three categories: social, mental, and physical. The mental factor for retention consists of work components, employees are always looking for easy and flexible tasks which they can use as their efforts to be seen and turn that into helping them retaining the valuable resources. The social aspect consists of interactions that employees have with other people it could be internal or external. The third aspect is physical one and it includes working conditions and payroll (Osteraker, 1999). The goal of career planning as part of an employee development programme isn't only to make employees feel like their employer care about them; it's also to assist individuals manage their lives and deal with the reality that there isn't a clear path to promotion. Employers can no longer guarantee job security but, they may assist workers in keeping the skills they need to be competitive in the labour market (Moses, 1999). Individual commitment to an organization, as well as the company's need to create an atmosphere in which one would be willing to stay, will become increasingly crucial in the years ahead (Harris, 2000). Harris (2000) further stated that Organizations must either build an

intellectual capital environment in which information is transmitted across the organization, or continue to lose essential individual expertise accumulated over the course of service. Organizations must either create an intellectual capital ecosystem in which knowledge is shared throughout the organization, or they will continue to lose critical human skills earned through time. Griffeth et al., (2000) states that the list of retention criteria and literature review are not intended to be all-inclusive of all theories or variables that might affect employee retention and turnover. Cole (2000) analyzed that People are more likely to stay at firms where they have a sense of pride and can work to their full capacity. The work atmosphere, incentives, growth and development, and work-life balance are all reasons to stay. As a result of the lack of trained labour, economic development, and employee turnover, the most pressing issue facing company leaders is staff retention. "The capacity to maintain those personnel you desire for longer than your competition" is how retention is defined (Johnson, 2000). Zineldin (2002) viewed retention as a responsibility to continue to do business or trade with a certain entity on an ongoing basis. Logan (2002) discussed in his study that employees are becoming increasingly dissatisfied with their employers and concerned about their job security as a result of an increasing number of mergers and acquisitions. As a result, people make deliberate professional choices to ensure and satisfy their desire for security. Employers must try to keep their employees from leaving or going to work for competitors or other firms. Organizations must apply a wide range of human resource management criteria to affect employee commitment and retention, as correctly recognized by Parker and Wright (2001). Walker (2001) discovered seven aspects that can be used in retaining an employee, (1) appreciation of the work, (2) facilities for challenging tasks, (3) promotions and giving them a chance to learn, (4) good and pleasing environment within the organization, (5) friendly relation among colleagues, (6) balance between personal and professional life, (7) good communication. Employee appreciation, flexibility, and training are the top goals for employees who want to keep their jobs longer (Cunningham, 2002). Raudenbush and Bryk (2002) analyzed that because the "influences" of retention might occur at numerous levels, the examination of retention should be done at various levels. Acton and Golden (2003) states that talent management is critical for every organization's success. As a result, in order to keep an employee, the company must take certain actions; otherwise, employee turnover, which is caused by stress, an undesirable working environment, poor job satisfaction, and a lack of perks, would become an issue. Workers' expectations have never been higher than they are now. It is in every way, not only in terms of pay

and benefits, but also in terms of work experience and the cultural milieu in which it occurs. Providing a productive, flexible, and dynamic work environment may help you recruit and keep great personnel. It is critical to recognize the various demands and expectations in order to design a successful retention plan for today's work market. If retention techniques aren't effectively integrated into company operations, all of the effort put in since recruiting will be for nothing (Earle, 2003). Employee retention is crucial for more than just lowering turnover costs or the expense of recruiting and training new employees. However, it is more vital to keep people than it is to keep talented individuals from being poached. There are several elements that demonstrate the importance of staff retention. Workers may be more motivated if their social needs are addressed while they are at work, rather than merely for the money (Elton Mayo, 2003). In 2004, Kehr split up the retention into three factors, power, affiliation and achievement. Power is represented by dominance and social control. Affiliation refers to established and deepened social bonds, while accomplishment refers to personal performance that exceeds defined norms. Employee retention refers to an organization's attempts to maintain productive and desired personnel in order to meet its business objectives (Frank, Finnegan, & Taylor, 2004). Retention is seen as an all-encompassing component of a company's human resource plans. It starts with finding the appropriate employees and continues with putting in place initiatives to keep them engaged and dedicated to the company (Freyermuth, 2004). As according to researchers, a company's ability to consistently adjust to ongoing organisational change is enhanced by employee retention that properly address the needs of every individual. (Gale Group, 2006). Trends shaping current retention methods, according to research, go beyond the standard wage and benefits package (Gale Group, 2006). Most researchers examined these factors independently, such as working environment, training and development, and remuneration, to see how they affect employee turnover, how employees may be maintained through training and development, and how compensation affects employee retention (Deckop et al., 2006; Bhattacharyya et al., 2008). Hytter (2007) showed in her study that factors like loyalty, commitment, trust, attachment and identification with the organization have a positive influence on employee retention She went on to say that workplace elements including pay, leadership style, career possibilities, skill training and development, physical working conditions, and the balance of work and personal life have an indirect impact. Pritchard (2007) was of the belief that one of the most significant retention programmes adopted in an endeavor to retain their staff is training and development. According to

Ready et al., (2008) Employers and supervisors must give employees with chances such as demanding tasks and a certain amount of autonomy and flexibility in their professions in order to retain talented personnel. The importance of focusing on the elements that influence retention, which leads to organizational growth and success (Agrela, et al., 2008). When it comes to employee retention, personal characteristics like education, seniority, self-perceived leadership qualities, and learning mindset, as well as organizational elements like praise and stimulation, and job pressure, are all important (Eva Kyndt, Filip Dochy et al., 2009). Boomer Authority (2009) Individual work happiness, loyalty, and commitment are improved when retention factors take into account the needs and wants of employees of all ages. While lower-paying jobs have a greater overall rate of employee turnover, they tend to cost employers less per replacement employee than better-paying jobs. On the other hand, pay the price more frequently. As a result, most businesses prioritize staff retention initiatives, regardless of salary levels (Beam, 2009). Sandhya and kumar (2011), any industry should be concerned about employee retention since high turnover costs make it difficult to achieve organizational objectives. Not only does it reduce overhead cost and the expense of hiring and training new personnel, but it also helps keep talented staff from being recruited. Irshad & Afridi in their study elaborated that from the perspective of human resource management, The most significant aspects influencing employee retention are determined by a variety of factors and their ability to manage and control staff retention. One of which is to confirm that the employee's "core belief matches with the task," or that their abilities, expertise, and abilities align with the anticipated job requirements. The key problem is "compensation," which is essential for attracting and retaining qualified workers. Particularly those workers who succeed at their occupations or possess considerable skill. These abilities are essential to organizations since they normally invest a significant amount in the onboarding process of their employees. The term "rewards," which refers to everything that businesses give to their company in return for their anticipated work productivity, is the third component. The fourth dimension is "training and career development," which means that in regarding the employees' potential future earnings, the company must hold training sessions for them. "Career advancement potential" is the fifth factor, and it relates to any conscious effort to create a balance between employee and business expectations. The sixth element is "supervisor support," which highlights a good employee-supervisor connection and is crucial for recruitment and retention. If the link is bad, employee retention is less likely in an organization. The amount toward which people seem to want to work and remain in firms that

offer a pleasant work environment where everyone feels appreciated and potential of enhancing productivity makes up the seventh component, "work environment.". The very last factor is "organisational justice," which describes how the business treats its people ethically. Since hiring bright individuals with ability is crucial for the company, employee engagement is ultimately the main objective for all businesses. The research demonstrates that substituting an old existing employee one could spend up to half more than the prior employee's yearly compensation, therefore retaining seems to be more important than recruiting because the company will have to invest additional time educating the new hire (Alshurideh 2014, 2019; Irshad & Afridi 2007). In 2013 Marescaux et al., concluded that It has been demonstrated that cooperatives, advisory engagement, worker board positions, and autocratic leadership all increase employee retention. In order to maintain an organization's competence, employee retention is necessary. When an employee departs the company, a knowledge void is created. Furthermore, if the turnover of brilliant individuals is substantial, the company will suffer a considerable loss, such as a drop in organizational performance. The reason for this is that replacing cognitive capital through hiring and training is expensive. In order to protect human capital, companies must investigate why people depart and devise employee retention strategies (Chen, M, 2014). Akhter, Amir et al., (2015) says in their study that employee engagement techniques might be an efficient way to retain employees in developing nations like Pakistan, when financial remuneration is low. Study conducted by Brandt, Bielitz, & Georgi, (2016) it was stated that When a person leaves his position in service sector the company loses client loyalty, organizational cost, expertise (cost incurred in training and development) and daily workflow is disrupted, which may be bad for the company in the long run. Organizations with effective direct and indirect employee engagement methods have higher positive attitude results that are commitment, job and pay satisfaction, retention. Employees who play a significant role in the development of policies and decisions inside their firm may find it difficult to leave (Ojasalo & Tahtinen, 2016). Nasir & Mahmood (2018) states that employees must be maintained by businesses because of their skills, knowledge, and expertise; but, when employees believe they are not being treated fairly based on their expertise, knowledge, and abilities, they have begun to transfer employers.

2.2 Intrinsic Motivation:

Intrinsically driven activities are related to the fundamental demand for self-reliance and competence in humans. People participate in a range of activities to achieve this goal because they need to feel like causal actors, knowledgeable, and effective (White, 1959 and deCharms 1968). Humans constantly respond to their environment and change to fit it. Intrinsic motivation is the driving force behind these constant interactions with the environment. Researchers have very often focused on extrinsic factors because of its easy accessibility and simple understanding. Selecting variables to measure intrinsic motivation has always been debatable. The degree of work motivation toward successfully completing a goal differs from person to person within the same organisation since it is created from inside each individual as well as depending on external environmental circumstances (Pinder, 1998). Csikszentmihalyi (1997) "Optimal experience" or "flow" have been used to describe the greatest levels of intrinsic motivation. The doer and the task are typically linked in discussions of intrinsic motivation. The drive to complete a task is said to originate from the person. Engagement in the activity itself and frequently the difficulty it brings are sources of pleasure. Task completion results in a feeling of contentment. Deci & Ryan (2000) stated that intrinsic motivation refers to actions taken "for their own sake" or out of a sense of intrinsic pleasure or delight. Thomas (2000) further emphasized how studies on extrinsic motivators dominate management academics' and theorists' views, but that such reasons fall short of fully justifying the aim. Due to the demands of the modern world, these elements required to be supplemented with intrinsic factors. Intrinsic motivation often declines in firms that utilise money as an extrinsic motivator, but intrinsic motivation typically rises in organisations that employ verbal praise and helpful criticism. Job security, work importance, feedback, task diversity, autonomy, and authority were all shown to be strongly and favourably connected to higher employee retention (Mak & Sockel, 20001). On the other side, employee collaboration is tied to extrinsic incentive, such as recognition, progress, and relationships with coworkers (Lin, 2007). If the other group members are not motivated, a driven employee may not perform as effectively. Human conduct is based on the response that he receives from society for each action, and he follows this pattern throughout his life Latham (2004). Anne & Barry (2005) noted that psychologists have attempted to offer a scientific explanation for why people act in particular ways under different working settings. They contend that the element that energizes and generates enthusiasm to respond or carry out an action is motivation. Sunderji (2004) proposes that the labor

itself, success, and reward for success are the three greatest intrinsic motivators. Leaders are therefore required to exert control over a person's employment structure and content, supervision procedures, sense of accomplishment, acknowledgement of those achievements, and connections with employees. Samuel (2008) put forward the study that behavior toward the achievement of desired goals, sustains the effort expended in achieving these goals, and arouses or induces individuals to act. Motivation is an energy that serves certain purposes. People are more likely to be motivated to stick with a company if they feel that their best interests are closely related to those of the organization they work for. In order to achieve this relationship, managers are responsible for creating plans that will favor the interests of the organization above those of the employees in order to keep them. Several recent studies depicted that as intrinsic motivation states, no phenomena in human nature adequately explains the imminent and propensity of good conduct; it moves a person from inside and provides energy for completing the specific tasks. All of these elements, the concept of intrinsic drive, the quest for mastery, care, flexibility, and inquiry are crucial for society's advancement. Since all employees, regardless of wage level, need to be satisfied by their job or by their work environment, all of these behaviors and requirements do not require monetary rewards. Another viewpoint was that even when they get better pay, employees may occasionally refuse to complete a specific task or piece of labor if their intrinsic motivation is poor. In terms of participation in the task and relationships with the members, intrinsic motivation was connected to the activity flow during the task (Frey, 1997; Depedri et al., 2010). Organizations may boost their reputation by being socially responsible, which will encourage more millennials to get involved in this important and difficult task (Ng, Schweitzer & Lyons, 2010). Snr Asiamah (2010) in the study identifies a few common motivating variables that contribute to work happiness and staff retention in firms, which lowers labor turnover. Bainbridge (2010) states that intrinsic motivation refers to inspiration that comes from within an individual rather than from outside factors like compensation. Oyedele (2010) promotes the idea that uninspired workers are likely to work less diligently, stay away from the company as little as possible, leave the company if given the chance, and produce less-than-excellent work. On the other hand, those who are viewed as driven in their job are more likely to be resolute, inspired, and fulfilling, generating work of exceptional quality to which they fully dedicate themselves. Although such situations are expected to increase employee motivation, it is possible that they may also increase employee participation, which will eventually lessen people's purpose to quit an organization (Lyons et al., 2010). Weyland

(2011) says in the study that for millennials, personal growth is crucial. They anticipate their employer making a substantial contribution in this area. As a result, millennial employees are concerned about corporate social responsibility policies since they reflect the morals and values of the company. Furthermore, an organization's social contribution to society may be determined by how environmentally friendly it is by using this criterion. Weyland (2011) further elaborated as Millennials are worried about challenging job because they need stimulation and like a challenge. Young adults nowadays want to take on challenges and change the world. Millennials will always be drawn to novel experiences. The "career for life" mentality, which was once true for baby boomers but is no longer true in the workplace for millennials. When millennials feel uninspired and bored, they will leave the company (Weylan, 2011). Aguenza (2012) says in his study that however, businesses utilize monetary incentives, job requirements, training, career development, recognition, employee management, and work-life balance as techniques to enhance employee retention. According to the Maslow hierarchy of requirements, higher level demands were correlated with either psychological health or lack thereof, as well as with money or monetary incentives (Becchetti et al., 2012). Mgedezi, S. (2012) asserts that motivation originates from the comfort a person finds in their job or from the happiness they feel after finishing or even just beginning a task. For instance, a someone who is intrinsically driven would work to find a solution to a problem because the challenge of doing so gives them a feeling of fulfilment. Although a someone may not seek qualities if they lack intrinsic motivation. It argues reasonably that such incidental benefits are insufficient to keep a person motivated. In a similar vein, non-financial incentive has little bearing on employee retention, thus management must provide more enticing benefits said Terera & Ngirande (2014) in their study. Employee satisfaction reduces the likelihood of turnover. Contrarily, it is also asserted that monetary rewards are more crucial for inspiring and keeping employees than non-monetary ones (Yousaf, Latif, Aslam & Saddique, 2014). Employees value hard and developmentally oriented job tasks. A regular, uninteresting work will undermine employee motivation and retention. Therefore, a constant sense of advancement and enough difficulties are crucial components to prevent demotivation and turnover (Susanna & Riitta, 2014). They continued by saying that Gen Y appreciate flexibility in working hours, work methods and other work arrangement. If they are able to decide their own schedule and organize their own work, they are willing to sacrifice some of their free time to complete the task. And this work autonomy seemsto be crucial to motivate them to stay in the workplace (Susanna & Riitta, 2014). Haider et

al., (2015) concluded that in addition to the value of financial incentives like pay, bonuses, insurance, etc., non-financial incentives boost and raise employee morale. Employee retention is predicated on work happiness, according to research on the value of non-financial benefits for employee satisfaction (Haider, Fatima, Asad, & Ahmad, 2016). Play, exploration, and curiosity-sparked activities are good examples of behaviors that are intrinsically driven since they don't depend on rewards or pressure from others; instead, they provide their own satisfactions and delights. The bulk of human learning over the lifespan is probably due to intrinsic drive, as opposed to externally forced learning and teaching; although "fun," such natural propensities toward engaged engagement and mastery are nevertheless serious organismic business (Deci & Ryan, 2017). Sense of purpose was the second crucial factor when considering a profession, according to the World Economic Forum's Global Shapers Survey (Clarke, 2017). Another intrinsic motive for workers is freedom of choice. Giving workers the power to decide on matters within their areas of competence can greatly increase their motivation. When making a decision, the Gen Y values having the freedom to choose. However, the decision-making power should be delegated in accordance with their domain of knowledge and not beyond their scope of competence (Nabi et al., 2017). Hee & Rhung, L. X. (2019) stated in their study that sense of purpose, difficult labor, freedom of choice, potential for professional growth, and acknowledgment are a few examples of intrinsic motivation. One of the most important aspects for young workers, sense of purpose affects employee retention. The young people's concern for others and their environment is evident from this, they want to advance both personally and professionally and learn new things, these all demonstrated how socially concerned young people are.

2.3 Compensation and Reward:

Compensation and reward is an essential attribute of Human Resource Management. The term "reward" was defined by Agarwal (1998) as "something that the organization delivers to the workers in response to the job and performance and something that the people desire." The compensation package that a company provides to its workers has a significant impact on the level of commitment and retention of those workers. Flynn (1998) recognized that programmes for rewards and recognition play an equally important role in raising employee morale and maintaining a positive work environment. In order for employees to establish a relationship between their incentives and performance, which would increase job satisfaction, the basic purpose

of rewards and recognition in every business is to determine the system to pay the employees and to convey that system to them. Harris and Brannick (1999) noted that the importance of remuneration in retaining workers for a longer period of time. Parker & Wright (2001) reported that the underlying premise is that compensation shapes attitudes, which in turn affects employee behavior. As a result, salaries have an impact on employee recruitment and retention. Employees are more likely to remain at a company if they feel that their skills, talents, and efforts are valued (Davies, 2001). One of the frequently mentioned reasons of retention is the availability of a profitable compensation package (Parker & Wright, 2001). Among the most important factors in luring and maintaining talent in organization is compensation (Willis, 2001). Walker (2001) stated in the study that loyalty is increased by acknowledgment from superiors, colleagues, team members, and clients. A study was done in the USA in 2002 by Watson Wyatt (a multinational consulting firm) according to the poll, workers place a high value on acknowledgment and like to hear that their efforts have been noticed and valued. In a previous study, Allen, Shore, and Griffeth (2003) found that in order to recruit and keep great employees, employers must set themselves apart from the competition through their remuneration approach. Therefore, a company's pay plan needs to be able to draw in the appropriate talent, keep the right people on board, and ensure employee equity. According to Mercer (2003) research, employees will stay in a company if they are rewarded fairly, and they may leave if they are not. If the pay package is to be employed as a retention strategy, internal equity and external equity should be observed in terms of remuneration (Gomez-Mejia, Balkin, and Cardy, 2004). Lawlwe (2003) stated that making pay contingent on performance boosts employee motivation because people become more results-driven. When workers are aware that their compensation is based on their contribution to the company's performance, they will work harder to produce outcomes. Gardner (2004) added that the more encouragement employees receive, the higher their level of commitment to the firm. Silbert (2005) presented the idea that rewards are crucial because they leave a lasting impact on workers, which in turn gives them the feeling that they are valued in the company. The employee benefits from compensation in that it boosts their confidence. DeCenzo & Robbins (2006) explored that the results of insufficient and inadequate benefits include a low level of job satisfaction and a higher absence rate. Kuvaas (2006) says in the study that in order to retain highly valued employees and encourage better productivity and efficiency, businesses are starting to provide greater recognition to individual compensation and performance. Arnolds et al., (2007) concluded in their analysis,

that paid holidays are the best incentive for blue-collar or manual workers, whereas retirement plans are the most prized benefits for front-line staff. The most significant incentives that encourage motivation ancillary perks, such as bonuses and retirement benefits, are available to frontline and blue-collar workers. Gratuities, home loans, paid holidays, medical and educational resources, etc. Thus, incentives are a source of inspiration for all levels of employees as well as a source of job satisfaction. Offering a competitive remuneration plan is one method firms may keep their workers, market-related compensation and benefits is essential for an organization's retention strategy since it encourages workers to commit to the business (Lockwood and Walton, 2008). Ali & Ahmed (2009) stated the notion that each person serving in any organization expects that his employer would give him a healthy working environment, a fair compensation to meet his requirements, and will treat him equally without any prejudices. Employees have the right to request increased power, authority, and the duties and obligations they carry out on company property. They also emphasized that there is an immediate improvement in organizational performance if employee performance is improved since there is a clear correlation between the two (Beer et al., 1984, cited in Ali & Ahmed, 2009). Klivers & Tippet (2009) discovered in their research that intrinsic rewards, such as opportunities for progress, growth, and accomplishment, as well as difficult tasks and responsibilities, are offered to workers in Not for Profit organizations. Such motivated personnel are a sign of prosperity for any business. Warsi et al. (2009) discovered via their research that while Pakistan continues to grow, the labor market there is likewise getting more competitive. Employers expect highly engaged workers in this cutthroat environment. Employee loyalty is influenced by how happy they are with their salaries, positions, and coworkers. According to Rizwan's (2010) research, the performance level of any firm and employee commitment are two factors that modern organizations attempt to incorporate. Rewards are the most important contingent elements that the management of the firm uses to maintain the employees' feeling of value and self-worth. The two elements that are thought to be the foundation of performance assessment systems are incentives and performance evaluation. Rewards are therefore a crucial component of both a performance evaluation programme and compensation management. Rasheed et al., (2010) emphasized that the motivation of an employee is significantly strengthened by the concrete and intangible benefits offered to him in response to his great performance, in addition to effective mentoring and coaching methods for employee learning assistance. Human resource managers constantly collaborate to create and enhance comprehensive

pay plans for employees in this respect. According to Hayat et al., (2010) Pays and Benefits are the most significant element influencing an employee's work happiness, according to Hayat et al. (2010). Other elements that affect job satisfaction include a fair advancement system within the organization, excellent working environment, competent management, and strong connections among coworkers. According to a conventional wisdom, happy employees provide high profits for a business since they are content with their jobs. Offering various reward programmes, incentives, and other forms of recognition is one approach to show employees that the company values both their efforts and their contributions, which in turn encourages them to work harder. It also has stress-relieving properties. Many of the employee's concerns will be allayed when the company offers him a variety of insurance options (Khan, R. I., Aslam, H. D., & Lodhi, I., 2011). Their study further revealed that any organization's foundation is made up of the people that work there. Money supplied to them in the form of pay should fundamentally be enough in order to keep them content, satisfied, and to maintain them in the company. Effective management compares its remuneration packages to those of similar positions in the same sector or to a predetermined benchmark (Khan, R. I., Aslam, H. D., & Lodhi, I., 2011). Nazim-ud-Din (2013) defined compensation as all returns that workers receive as a result of their job are referred to as employee compensation. Terera, S. R., & Ngirande, H. (2014) reviewed rewards as they give a social standing and a position of authority inside an organization in addition to meeting financial and material requirements. Bustamam et al., (2014) and Greene (2014) concluded that Employee compensation can have a positive effect on employee behavior and efficiency and is an effective instrument in the senior management toolkit for fostering organizational success.. Compensation management is the basis for people's engagement in enhancing employees' performance and influences whether employees are hired and retained to meet an organization's goals (Bustamam et al. 2014; Shaw 2014; Terera and Ngirande 2014; Xavier 2014).

Octavious (2015) came up with the study that compensation administration demands accuracy and precision since, if not properly and objectively handled, it might hinder an organization's operations. Non-cash forms of compensation are also available in addition to monetary ones. In many major companies, benefits like pension schemes, life and health insurance, retirement plans, and allowances like company cars or subsidized transit make up a sizeable portion of income. The primary goals of implementing a rewards system in a company are to recruit and retain talented and competent workers as well as to manage the expenses involved with ongoing hiring (Bergman

and Scrpello, 2002; Asinoff, 2006). Job satisfaction and work satisfaction are impacted by compensation given as rewards for exceptional results. The four motivational drives are the need to gain (the reward system), bond with others, understand, and protect (Nohria, 2008). Through a continual sequence of psychological, sociological, economic, and political exchanges, comprehensive incentives not only aids in retention but also inspires personnel (Gross & Friedman, 2004). It was hypothesized that compensation systems based on employee behavior would improve both individual and corporate performance. The remuneration system serves as the foundation for this exchange connection between the employee and the business, and employee conduct is related to this relationship (Milkovich & Newman, 2008). Ibrahim II & Boerhaneoddin (2010) recommended that the company take into account performance-based pay and benefits when developing its compensation plan since these benefits have an effect on organizational performance and work satisfaction, two crucial organizational elements. Kwenin, D. O., Muathe, S., & Nzulwa, R. (2013) and Akhtar, Sachu & Ali (2012) argued that employees' decisions to stay or leave a job are influenced by human resource policies that encourage performance evaluation mechanisms, performance-based compensation mechanisms, and career advancement and promotion chances. Memon et al., (2010) and Ibrar et al.,(2015) concluded that employees always seek for prospects for professional advancement, and in this situation, human resource policy functions encourage employees to remain in their existing positions. Pratheepkanth (2011) stated that rewards result in job satisfaction and motivation and fulfillment of job which boost the performance. Rewards could be intrinsic as well as extrinsic (Ryan and Deci, 2000; Giancda, 2014). Extrinsic incentives are material benefits that an employee receives for doing work that is unrelated to their job or task (Munir et al., 2016). External rewards include income or other financial compensation, incentives, bonuses, promotions, job stability, etc. Intangible or psychological benefits such as gratitude, overcoming obstacles, a supportive work environment, and job rotation after achieving a goal are examples of intrinsic rewards (Safiullah, 2014). Individual rewards and recognition motivate the employees (Trivedi, 2015). The win-win idea of coordinating and optimising the interests of both business and person is consistently underlined by the whole rewards system, which is a good interactive method of return on investment. Although each firm has a unique approach for rewarding employees, overall incentives go beyond salaries and benefits (Zingheim & Schuster 2001). Ndungu, D. N. (2017) Every business needs a

comprehensive reward and recognition system that covers four key areas. They are pay, perks, admiration, and recognition.

2.4 Perceived Organizational Support:

Employees' opinions of how much their company values their efforts and shows concern for their welfare are known as perceived organizational support. Numerous studies have been conducted on it since it first appeared in the literature (Eisenberger et al., 1986). Employees that are emotionally invested in the company perform better, are less likely to be absent from work, are less inclined to quit their job (Mathieu et al., 1990). Cladwell et al., (1990) stated that due to employers' desire in increasing employee retention, researchers began concentrating on the causative elements. Prior to the growth of interest in causes, academics tended to pay more attention to the effects of commitment. Shore & Tetrick (1991) stated that employees may feel morally obligated to engage to the organization because financial assistance is more intimately associated to the ethical aspect of loyalty. Shore et al., (1995) further examined that earlier researches imply that when employees' efforts are recognized, their needs for self-respect, acceptance, and a feeling of belongingness are satisfied. Meyer & Allen (1991) found that fulfilling employees' demands for self-worth, affiliation, and acceptability makes individuals feel pleased to be a part of the organization. As a result, they put out more effort because they feel that their job is respected, acknowledged, and acknowledged but that it will continue for the foreseeable future. Koys (1991) noted that it has been shown that there is a high correlation between the emotional component of commitment and employees' perceptions of how fair the effective human resource management policies are. They will become more committed to your company if they think the policies are in place to uphold fairness and equality for the workers. Allen (1992) reported that honest and transparent senior management engagement with employees had the same impact. His research reveals that organizational support is impacted by significant decisions concerning the workplace that were the product of objective, fair, and accurate information. Corresponding to this, while every individual is allowed to contribute and discuss openly, organizational support and dedication rise. It has been discovered that effective communication regarding the organization's procedures and rules has a favorable effect on employees' efficiency. Eisenberger et al., (1997) says that due to inadequate of perceived organizational support, employees who feel their efforts are not acknowledged and recognized lose interest in their jobs, absence increases, and a few even

quit their jobs. Eisenberger et al., (2002) commented that employees who take part in decision-making are more likely to make more contributions and aid in accomplishing corporate goals since doing so will strengthen their dedication and perception of organizational support. Employees, on the other hand, are often more focused on the organization's commitment to them. Being respected by the company may result in advantages like acceptance and respect, income and promotions, and access to knowledge and other types of assistance needed to perform one's job more effectively. Employees and employers can compromise these various inclinations thanks to the reciprocity norm (Rhoades, L., & Eisenberg, R., 2002). Cheung (2000) a research in Taiwan was conducted to determine how cultural variations affect the connection between organizational dedication and support. They discovered a significant relationship between organizational commitment and cooperation, especially when it comes to the emotional side of commitment. He said that this demonstrated the universality of the reciprocity-based relationship between the two. Wayne et al., (2000) reported that organizational justice, fair treatment, and transparency are some of the elements that greatly influence how employees perceive their organization's support. According to personnel, distributive justice is the fairness and equity of the reward they get for their contributions to the business. Whether or if these rewards correspond to their stated efforts. The view of employees concerning the justice of the mechanism used to determine these compensations is referred to as perceived fairness (Yoon, 2002). According to various researches, motivated workers are valued at work, various institutional policies and programmes have a significant impact on the attitudes and conduct of workers on the job, which eventually results in beneficial organizational outcomes (Devi & Premarathne, 2006; Masdia, 2009). Research also proved that employees are more committed and dedicated towards their organization due to the support they are given by the organization in the form of skills, training, and tuition subsidies. Many types of research provide causes that could lead to higher organizational commitment (Currie & Dollery, 2006). Employees believe that their efforts are taken into account by the company in achieving its objectives. Employees always take part in activities that maintain their relationship with and respect for their employer (Waseem, 2010). Employees place a high value on organizational assistance, and they see it as a crucial element in boosting both their commitment to the firm and work happiness (Colakoglu et al., 2010). An employee's perception of how much their employer cares about their wellbeing and takes into account organizational initiatives is known as perceived organizational support. Whenever there is a sign that the organization will

recognize and reward all contributions, they put forth more effort (Yih & Hatik, 2011). Neves & Eisenberger (2012) observed that high effects of perceived organizational support can result from middle and top management's transmission of the goals and initiatives to subordinates. There may be a mismatch between the actual tactics and how employees perceive them if goals and strategies are not adequately conveyed. Krishnan & Sheela (2012) proposed that if the perceived organizational support theory between the link of the organization and the employees was not satisfied, there may be implications that the employees might engage through one of the negative actions, i.e. turnover, willful retreat, absenteeism, not devoted in work, negative psychological condition, and so forth. Iqbal & Hashmi (2015) employee retention is influenced favorably by perceived organizational support. Employee turnover is decreased because motivated staff seem to be more dedicated to the organization and stay with it (Ajmal, Bashir, Abrar, & Khan, 2015). Nevertheless, studies on its predictors have found that positive treatment from organizational members, contextual cues for the effectiveness of the employee-organization connection, HR policies, and working circumstances are crucial factors in its development (Kurtessis et al., 2017). Shah, M., & Asad, M. (2018) stated that for the employees, perceived organizational support is essential. Perceived organizational support measures how strongly employees believe that their company is worth their commitment and that they are extremely dedicated to it. Stinglhamber et al., (2020) The majority of perceived organizational support research have used an approach where it is evaluated how individuals perceive their company to be more or less supportive of them based on their own work experiences. Thus, the majority of perceived organizational support research studies have concentrated on workers' unique interactions with the company and its representatives. In fact, the social environment, an essential source of data in the construction of employees' perceived organizational support, has been overlooked by researchers. The expressed attitudes and behaviors of coworkers have an impact on employees' attitudes and views about their jobs based on social information processing. According to this point of view, Stinglhamber et al., (2020) contend in this study that employees' perceived organizational support is also a socially constructed idea, meaning that it is influenced by knowledge that employees learn from their immediate coworkers. The social environment would convey clues through coworkers' perceived organizational support, which the focused employee would use to construct his or her own opinions about how highly the organization values him or her (Stinglhamber, F., Ohana, M., Caesens, G., & Meyer, M., 2020). Relationship between Perceived Organizational Support and Employee

Retention According to Godfrey (2010), those employees will be more committed and will decide to be part of organization for long period of time that think that their organization appreciates their efforts for organization and cares about their comfort and welfare. Perceived organizational support is negatively associated with turnover intentions. Same findings are also explained by Allen, et al. (2003), which showed that high scores on perceived organizational support was associated with low scores on turnover intentions and actual turnover.

2.5 Relationship among Variables:

People are constantly making and adapting to the environment around them. The reason for this continuous connection with nature is referred to as internal stimulation. Based on work of White (1959) and deCharms (1968), Deci (1975) he suggested that internal motivation was involved in the basic human need for competence and self-determination. People need to feel like causal agents, they need to feel competent and successful, and they participate in various activities to achieve that. Herzberg found that employees tend to describe satisfying experiences in terms of what was historic in the work itself. These items were called “facilitators” and included such as accomplishment, recognition, personal responsibility, responsibility, development, and growth.

Inner motivation takes a hedonic view by highlighting fun and entertainment as drivers of effort, while freedom motivation takes a eudemonic view by highlighting meaning and purpose as drivers of effort. (Kahn, 1990; McGregor & Little, 1998; Ryan & Deci, 2001; Waterman, 1993).

The inner incentive involves individuals who do the job because they find it fascinating and find immediate fulfilment in the job itself. Researchers have long recognized that this desire to make an effort can come from various sources. (Herzberg, 1966; Porter & Lawler, 1968; Staw, 1977). Academics and workers believed at the beginning of the 20th century that foreign controls, incentives, penalties, and rewards were needed to promote perseverance, efficiency, and productivity. (Heath, 1999; Steers, Mowday, & Shapiro, 2004). The advent of human relations opened the way for a new motivational perspective. Scholars began to suggest that work could be naturally interesting and enjoyable, instead of thinking that employees do not like work, (Herzberg, 1966; McGregor, 1960). This idea is created and represented by ideas of self-determination and inner inspiration (Deci, 1975; Deci & Ryan, 1985). An inner motivation refers to the desire to use the task itself to make an effort based on passion and enjoyment. (Amabile, Hill, Hennessey, & Tighe, 1994; Gagne´ & Deci, 2005; Ryan & Deci, 2000). Internal motivation is often compared to external motivation, such as rewards or recognition, the desire to use an effort to obtain the external

results of the job itself. (Amabile, 1993; Brief & Aldag, 1977). Cognitive evaluation theory by (Deci, 1975; Deci & Ryan, 1980) was proposed and the theory confirms that there are two psychological processes by which rewards or other aspects of the situation can affect a person's inner motivation. The first process is called transformation in the visual environment of danger (deCharms, 1968; Heider, 1958). When people are internally motivated to do the job, the visible area of risk is internal, and they feel self-determined. When they are overly motivated, the visible area of reason is outside, and they feel they are not deciding for themselves. When people are rewarded or denied work, the visible area of reason is often out of character; when they do work in the absence of rewards and obstacles, the visible area of reason is often more internal. This suggests that the decline in internal motivation seen in terms of financial experience, avoidance of penalties, prizes, surveillance and end times is due to a change in the apparent location of evil from within and outside and that the increase seen in subsequent choices is due to a change in the apparent cause. The second process that can be affected by an internal motivation is a change in visual ability. As people's perceptions and feelings of competence are developed, their inner motivation will be increased; if their ideas and feelings of competence diminish, their inner interest will diminish. Often, the experience of success leaves people feeling and feeling more competent, and the experience of failure leaves them feeling very inferior. This dynamic skill process describes an increase in internal motivation following a positive response and a decrease following a negative response.

Individuals are motivated to join and keep working toward organizational advancement through intrinsic benefits. Each person has unique wants and preferences for incentives, therefore one size does not fit all. (Gillet, N., Huart, I., Colombat, P., & Fouquereau, E., 2013). Low motivation at work will result in weak performance, lack of job satisfaction, and an increase in absenteeism and staff turnover. The success of the direct selling firms would be greatly impacted by the excessive work unhappiness. Even with a high employee turnover rate, significant job discontent is typically linked to greater levels of complaints and workplace grievances. It helps to have a suitable workplace atmosphere if you want your staff to perform well. Employees will choose working in a setting that is comfortable for them. Another factor in employment turnover is retirement of seasoned workers (Enotes, 2010). Turnover intention can also be influenced by the workplace environment (Buzzle, 2010). The business may experience severe productivity loss and high turnover expenses. Additionally, workplace stress might lead to attrition (Softworks, 2008).

Employees who are under stress at work may lose motivation and commitment, which might lead to lower-quality work and decreased production. To reduce staff turnover and job discontent, employers can use a variety of motivational and retention strategies. Among the most crucial motivational strategies used by all businesses is ownership. According to Madura (2007), empowerment entails providing staff members additional responsibility and decision-making capacity to do their assigned jobs. Employees may be organically motivated to give original and unique suggestions for marketing the company's goods or services. Additionally, employment flexibility is a powerful motivation for staff members. Many businesses now discover that allowing for more flexibility in job design and compensation has enhanced employee loyalty, efficiency, and enthusiasm. Pay for performance, often known as merit pay, is one of the most well-liked financial incentives, according to Kinicki and Williams (2008). Davies, Taylor, & Savery (2001) It expressed the idea that all organizations provide compensation for senior staff, but very few organizations use it effectively. They stated that "salary and benefit policies are not being used strategically, in an organization to improve morals, reduce profits, and achieve goals within an institution". Gardner et al., (2004) They believed that remuneration was considered an incentive and a process of retention. Milkovich and Newman (2004) It made it clear that payment is ultimately considered one of the most important and important among all kinds of rewards. Moncraz, Zhao and Kay (2009) While compensation is not one of the main factors influencing non-managerial profits, it has been concluded that compensation can serve as a key factor in reducing administrative benefits and increasing commitment.

Agarwal (1998) In response to work and performance, reward is defined as something that an organization gives employees and something that employees want. According to Walker (2001), Recognition from management, team members, peers and clients improves confidence. In the study, it was found that recognition is important for staff and they want to hear that known and informed people follow their work. Silbert (2005) conveyed the idea that remuneration is important because it has a lasting impression on employees, which gives employees the impression that they are valued in the organization.

Payouts are contingent upon results or performance. Depending on their overall job performance, various paid employees may receive varying salary rises and other perks (like promotions) (Pfeffer, 2006). One of the financial incentives that may be utilized to inspire the workforce is rewards or bonus pay. Bonus payments are offered to employees who have met certain

performance goals. Employee work satisfaction and intrinsic and extrinsic job qualities tend to be closely connected. (Glick 1992, Glisson and Durick 1988, Hackman and Oldham 1975, Gerhart 1987, Lawler 1970). Vallerand (1997) stated that at any stage, individual and contextual differences can influence motivation. First, according to Gagné and Deci (2005), a healthy work environment should increase self-determined motivation on a contextual level (i.e., work motivation). Gagné et al. (2010) investigated the importance of perceived organisational support, or the extent to which workers think their company appreciates their work and is concerned about their well-being (Eisenberger and Stinglhamber, 2011). One of the topics in organizational study that has received the greatest attention is the causes of voluntary employee turnover. Voluntary turnover may be very costly and destructive for companies, which is why there is still interest in this subject (Gamble and Huang, 2008). Organizations must create efficient staff retention strategies in order to lower the costs of turnover. A rising amount of research has started to acknowledge the significance of relational inducements, such as work-related support from the organization, supervisor, and other workers in turnover decisions. This literature is founded on the social exchange theory and the norm of reciprocity (Maertz et al., 2007).

According to empirical research, which has been done mostly in Western environments, there is a strong positive correlation between perceived work-related support and organizational outcomes like organizational commitment, turnover intentions, and behavior (Rhoades et al., 2001; Eisenberger et al., 2002; Rhoades and Eisenberger; 2002; Bozionelos, 2008). The impact of work-related support on decisions to leave an employer has been the subject of extensive research in the West (Eisenberger et al., 1990; Shore and Tetrick, 1991; Shore and Wayne, 1993; Jones et al., 1995; Hutchison and Garstka, 1996; Settoon et al., 1996; Rhoades et al., 2001; Rhoades and Eisenburger, 2002; Maertz et al., 2007) hence, limited research has been done in Pakistan. Giving an employee organizational assistance is likely to boost their positive sentiments toward the company, improving the relationship between the employer and employee. This, in turn, raises their sense of duty to give back to the company through the reciprocity rule (Eisenberger et al., 1990; Maertz et al., 2007). Consequently, perceived organizational support should be positively related to affective organizational commitment and negatively related to employee retention. According to Farh et al. (2007), there are significant connections between perceived organizational support and a range of organizational outcomes, such as work performance and emotional organizational commitment. These studies offer preliminary evidence that the social exchange

theory and the reciprocity standard can be applied. According to Akintoye (2000), money continues to be the most effective motivating tool. Although there is a school of thought that maintains that salary is not a significant factor in determining job happiness, from an economic standpoint, income does extrinsically encourage the workforce. Performance - based pay schemes, however, may increase productivity at companies but decrease employee happiness (Schwab, 1974). According to Shore and Shore (1995), perceived organizational support should be favorably correlated with human resources procedures that demonstrate employee contributions. Numerous incentives and working circumstances, including recognition, salary, promotions, job stability, autonomy, role stresses, and training, have been investigated in connection to perceived organizational support.

H1: Compensation and reward has a significant impact on employee retention.

H2: Perceived organizational support plays a mediating role between compensation reward and employee retention.

H3: Intrinsic motivation has a significant impact on employee retention.

H4: Perceived organizational support mediates the relationship between intrinsic motivation and employee retention.

H5: Perceived organizational support has a significant impact on Employee Retention.

2.6 Theory:

Micro Theory:

In 1959, Frederick Herzberg presented **Two Factor Theory** in which he says that there are various factors that lead to satisfaction of the employees like motivational factors (Herzberg, 1959). **Self-determination theory** is a conceptual theory that promotes personality and personality in social contexts that divide motivation towards independence and control. The work that leads to imagination begins with an examination of the results of rewards that go beyond the inner motive. Humans can either be proactive and involved or passive and isolated, in great portion depending on the social context in which they are born and grow. As a result, studies influenced by the **Self-determination Theory** have concentrated on the social-contextual factors that promote or obstruct the growth of positive self-motivation and psychological well-being. Particularly, elements that support or inhibit intrinsic motivation, self-regulation, and satisfaction have been looked at. (Ryan, R. M., & Deci, 2000)

Expectancy Theory predicts employee's motivation is directly proportional to expected rewards that he will obtain in achievement of specific task. (Vroom, 1994; Bohlander & Snell, 2004). When employees realize that they can earn valuable rewards in the organization, they tend to put more effort into the work. The theory of anticipation involves three dimensions, namely, working life expectancy, instrumental and valence, the level of all that must rise if the expected behavior is observed in the workplace. (Bohlander & Snell, 2004).

Employees have a broad view of how much their employer values their efforts and is concerned about their well-being, according to **Organizational Support Theory** (OST; Eisenberger, Huntington, Hutchison, & Sowa, 1986; Eisenberger & Stinglhamber, 2011; Shore & Shore, 1995). (perceived organizational support, or POS). The potential benefit of looking at the relationship between employees and organizations from their perspective, the clarity of the POS construct, and the strong correlations between POS and affective organizational commitment, job satisfaction, and other attitudinal outcomes have all contributed to the interest in OST. According to Rhoades and Eisenberger's meta-analytic review from 2002, POS is linked to job performance, affective organizational commitment, fairness, and supervisor support as its main hypothesized lineage (as well as other impact on project like job satisfaction and satisfaction with one's job). With more research, a more recent meta-analysis (Riggle et al., 2009) supported the analysis of the subjective outcome study.

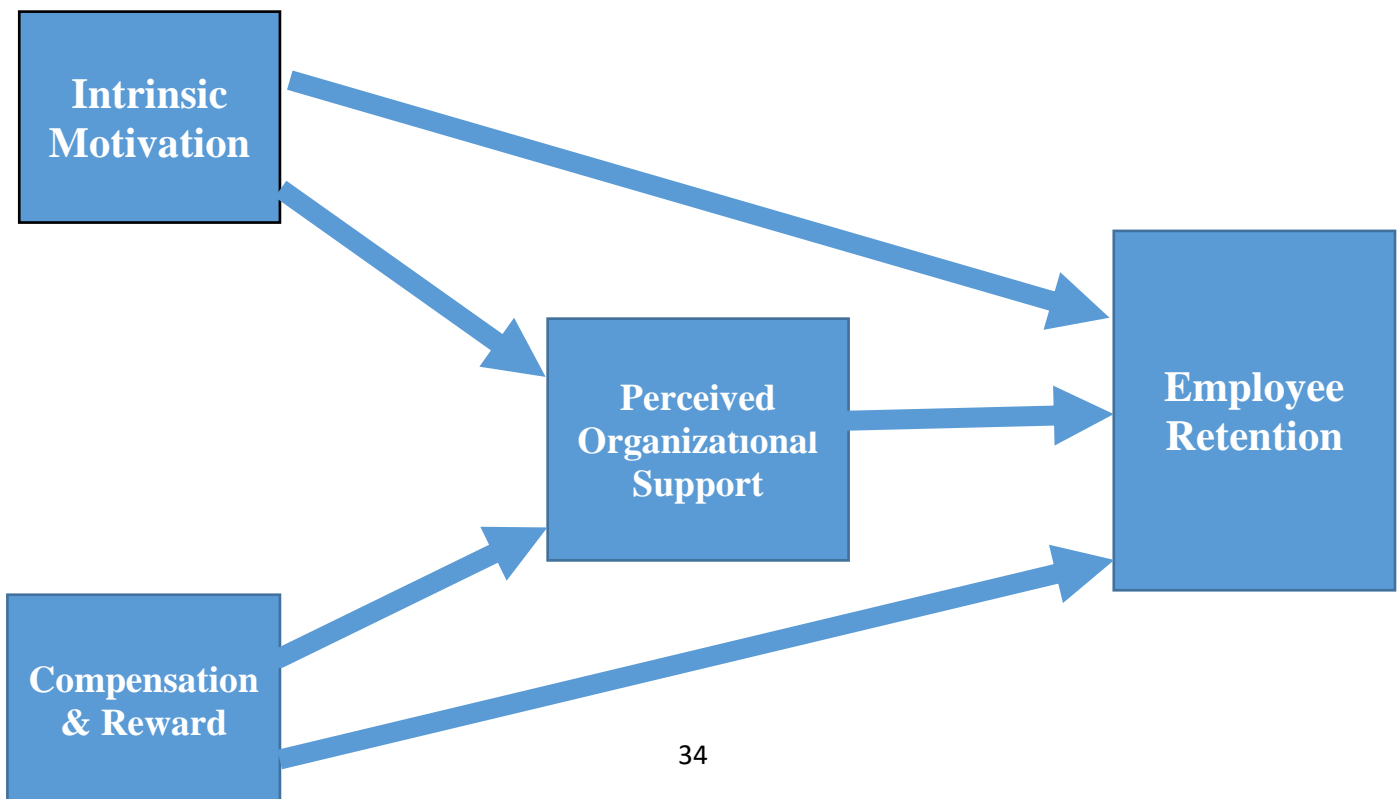
As per **Organizational Support Theory**, employment is considered as the employee exchanging effort and commitment for material advantages and access to resources from the employer (Cropanzano, 2005). The goal of Perceived Organizational Support is to foster the reciprocity norm, which results in a sense of duty to meet organizational goals and the assumption that improved performance on its behalf would be recognized and rewarded. Employees with high Perceived Organizational Support should put more effort into their jobs as a consequence, improving both their in-role performance and their extracurricular activities that benefit the company. Employees who have an emotional employee effectiveness to the firm adopt positive behavior that are consistent with their perceptions of organizational support in order to achieve coherence in their dealings with the business. Consequently, this has been discovered that emotional organizational commitment is strongly correlated with perceived responsibility arising

from Perceived Organizational Support (Eisenberger, Aemeli, Rexwinkel, Lynch, & Rhoades, 2001).

Macro Theory:

We must acknowledge that social exchange theory is not really a theory in order to establish goals for our criticism of it. It serves as a framework within which many theories can communicate with one another, whether in conflict or cooperation. Blau's (1964) definition of the exchange frame of reference's scope criterion is the most straightforward. According to this argument, social trade is only possible through activities that depend on receiving favorable responses from others. Implied is a two-sided, reciprocally dependent, and mutually beneficial process involving exchanges or transactions. So basically, social exchange theory can be applied in any kind of study. It goes without saying that the fundamental ideas of microeconomics and behavioral psychology may be applicable to the study of social trade (Thomas, 1961). Exchange has been used to analyze social stratification, the division of labor, interorganizational relationships, urban community structure, and decision-making at the macro sociological level (Emerson, 1972).

2.7 Theoretical framework:



CHAPTER 3: METHODOLOGY

3.1 Introduction:

The objective of this research is to analyze the impact of intrinsic motivation and compensation & reward on employee retention with mediating role of perceived organizational support in telecom industry in Pakistan.

The study is descriptive in nature and only secondary data has been used in it. The secondary data consist of the books and various research journals. Survey method is used, online questionnaire was used as a tool for collecting data from the respondents; therefore, this is a quantitative study. The respondents' replies are measured using a five-point Likert scale. The population of this research consists of telecom industry personnel. A sample size of 368 telecom workers is used in this study. This chapter contains the detailed methodology and processes to obtain the data and to analyze it.

3.2 Research Design:

Research Methodology is defined as “how one will go about studying a phenomenon” (Aziz et al., 2019). There are two types of research approaches, quantitative and qualitative and sometimes researchers combine these two. Qualitative study is based on unstructured questions and researcher’s interpretations. Contrarily, in a quantitative research, data that is collected is numerical in structure, statistical analysis is performed, and hypothesis testing is done to identify links between variables. The realist perspective, which is the foundation of qualitative research, views reality as an unchangeable-phenomena.

As this research aimed to measure “Employee Retention” and the researcher had to find out the relationships between variable, which in this case are, Intrinsic Motivation, Compensation and Reward with mediating effect of Perceived Organizational Support. This research used the approach of quantitative study. This approach will provide standardized data about all the variable and their impact on employee retention. The numeric data was used to quantify the results and

generalize them from the sample to the population of interest. Quantitative study has its own benefits to measure the impact of selected variables.

3.3 Population and Sample:

To avoid additional time and cost constraints we study samples. In this study, the researcher has specifically targeted middle managers. In the research, the telecom industry has been chosen as the source of the sample. The sample size is the portion of population selected for the survey as respondents. The recommended sample size according to Morgan Table is 368. The sample size is determined according to the nature of study. The questionnaire was distributed electronically among more than 300 middle managers in telecom sector across Islamabad and Rawalpindi. The population size from which the sample will be drawn is 364, in accordance with the proportional sampling approach.

3.4 Sample Technique:

There are two sampling approaches, one is “probability sampling” and other one is “non-probability sampling”. In Probability sampling, random sampling is used, and every member of the targeted population has a chance to be included in the sample. In non-probability sampling, the sample is non-random and is based on the expertise of researchers or convenience sampling. Through online research founded that total 9155 middle management staff is available in Zong, Ufone, Telenor and Mobilink. As Multistage sampling technique is used, Multistage sampling is defined as a method of sampling that distributes the population into clusters or groups so as to conduct research.

The primary data was collected through an online questionnaire made on “Google Forms” as it is convenient way of making a questionnaire and sharing with others. The secondary data for research was collected mainly from the journals and research articles, some data was also collected from websites, books, YouTube videos and other internet sources.

3.5 Measurement of Variables:

The primary data for research was collected through an online questionnaire which consisted of two sections: “Section A” and “Section B”. Section A” contained the demographic details of respondents. the researchers did not ask for any personal details like name, email, or contact-number. The responses were kept confidential. The demographic variables included Gender, Age, Qualification and Company Name. “Section B” consist of 4 sub-sections and all the items in “Section A and B” were based on “5-point Likert Scale” where “1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree”.

3.5.1 Intrinsic Motivation:

In Second Section, first sub-section was consisted of 5 items which measured impact of intrinsic motivation on employee retention.

Variable	Code	Item Statement	Reference
Intrinsic Motivation	IN1	My job is so interesting that it is a motivation in itself.	Ajmal, A., Bashir, M., Abrar, M., Khan, M. M., & Saqib, S. (2015)
	IN2	The work I do is so important to me.	
	IN3	I have a lot of control over what happens in my Organization.	
	IN4	I have considerable opportunity for freedom in how to do my job.	
	IN5	I prefer to work on projects where I can perform better with my co-workers.	

3.5.2 Compensation and Reward:

Second sub-section consisted of 5 items which measured impact of compensation and reward on employee's performance and its retention.

Variable	Code	Item Statement	Reference
Compensation and reward	CR1	Employee Rewards always lead to job satisfaction.	Williams et al., (2008).
	CR2	My present pay motivates me to work harder.	
	CR3	My organization has compensation and reward practices that are effectively being applied.	
	CR4	Employees are rewarded in accordance with their value to the organization.	
	CR5	Employees are rewarded based on the skills and knowledge they possess at your work place.	

3.5.3 Employee Retention:

Third sub-section consisted of 5 items which were supposed to measure employee retention.

Variable	Code	Item Statement	Reference
Employee Retention	ER1	Compensation and reward may lead to employee retention.	Ajmal, A., Bashir, M., Abrar, M., Khan, M. M., & Saqib, S. (2015)
	ER2	This is the best company for me to work for.	
	ER3	I plan to make this company my own career.	

	ER4	I feel a lot of loyalty to this company.	
	ER5	I am proud to be a part of this organization.	

3.5.4 Perceived Organizational Support:

Fourth sub-section consisted of 4 items which measured the mediating effect of perceived organizational support on employee retention.

Variable	Code	Item Statement	Reference
Perceived Organizational Support	POS1	My organization shows concern for me.	Eisenberger et al., 2002
	POS2	My organization really cares about me.	
	POS3	My organization takes pride in my accomplishments at work.	
	POS4	My organization is willing to help me if I need special favor.	

3.6 Data Analysis Technique:

3.6.1 Cronbach's Alpha

As this research uses questionnaire with multiple items as discussed above, for the purpose of collecting primary data, it was important to check the reliability of questions. The best measure of checking the reliability of items used for variables is Cronbach's Alpha. The interpretation of Cronbach's Alpha is given in Figure.

Cronbach's alpha	Internal consistency
$\alpha \geq 0.9$	Excellent
$0.9 > \alpha \geq 0.8$	Good
$0.8 > \alpha \geq 0.7$	Acceptable
$0.7 > \alpha \geq 0.6$	Questionable
$0.6 > \alpha \geq 0.5$	Poor
$0.5 > \alpha$	Unacceptable

3.6.2 PLS-SEM

There are two types of approaches with SEM, one is “covariance-based structural equation approach (CB-SEM)” and other one is “variance-based structural equation approach (PLS-SEM)”. In this research the data was analyzed by using “Partial least square structural equation modelling (PLS-SEM)” approach. The intricacy of the model to be tested, prediction and explanation of variation among the target variables, and the exploratory character of the model. PLS-SEM is a two-step technique for data analysis, first step is measurement model, which is used to check validity and reliability of the data. The second step is structural model, which is used for testing of hypothesis and to check if the model is fit or not.

3.6.3 Tools for Data Analysis

The descriptive data was analyzed through “Statistical Package for the Social Sciences (SPSS) version 25” and “Partial Least Square Structural Equation Modelling (PLS-SEM)” was done with “SmartPLS software version 4”.

CHAPTER 4: FINDINGS AND DATA ANALYSIS

This chapter provides detailed analysis of the data which was collected during the survey. This chapter is about measurement model, reliability and validity of the data which is the followed by structural model. This chapter also include assessment of collinearity, hypothesis testing, and it also measures the effect size of independent variables on dependent variable.

4.1 Demographic Details:

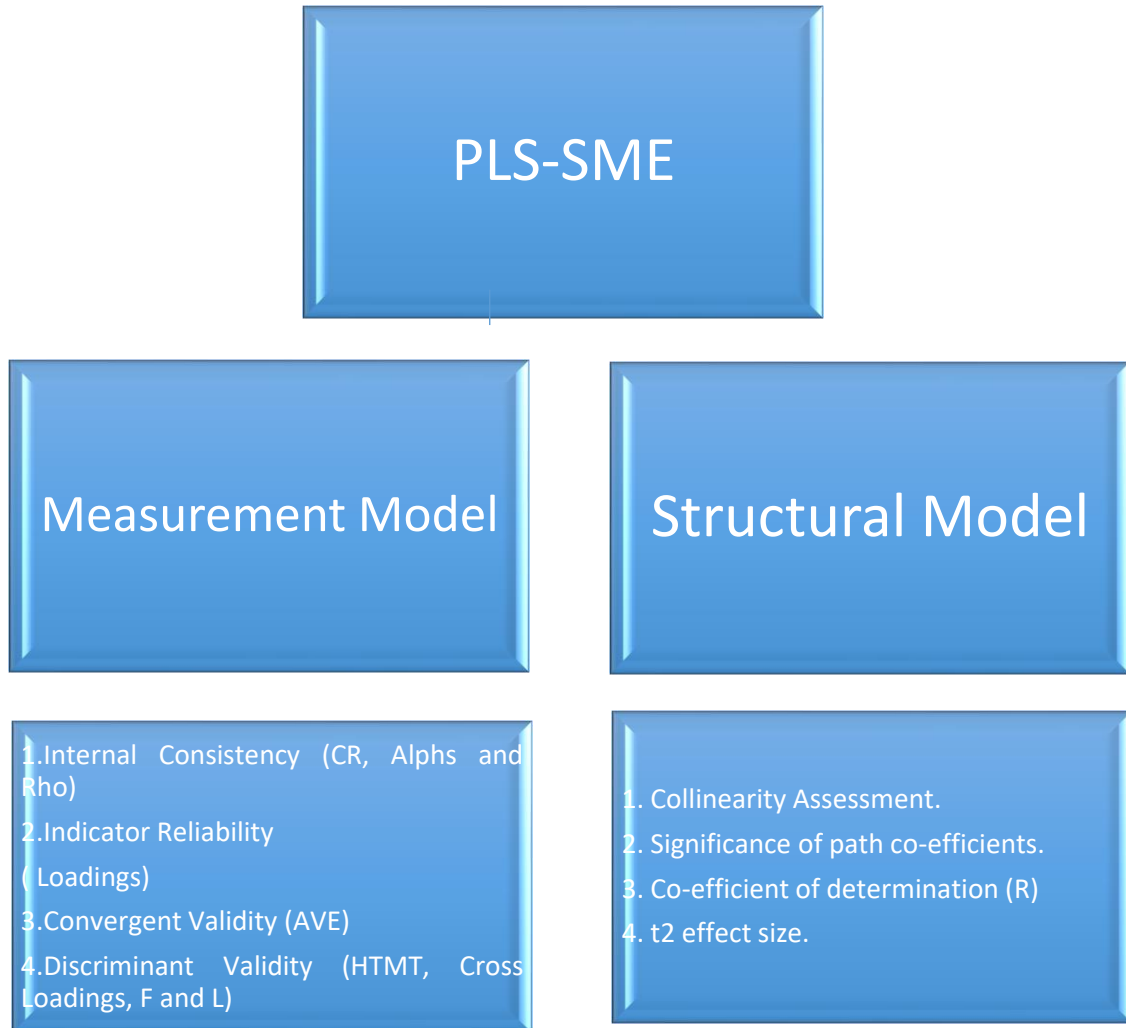
The first section consists of demographic details. Respondents age, gender, qualification and company name was obtained.

Demographics		
		Percentage
AGE	Less than 25	9.4%
	26-30	84.7%
	31-40	3.5%
	41-50	2.4%
GENDER	Male	72.9%
	Female	27.1%
	Prefer not to say	-
QUALIFICATION	Undergraduate	63.5%
	Graduate	27.1%
	M/Phill	7.1%
	PHD	2.4%

COMPANY NAME	Ufone	36%
	Zong	30.6%
	Mobilink	18.8%
	Telenor	14.1%

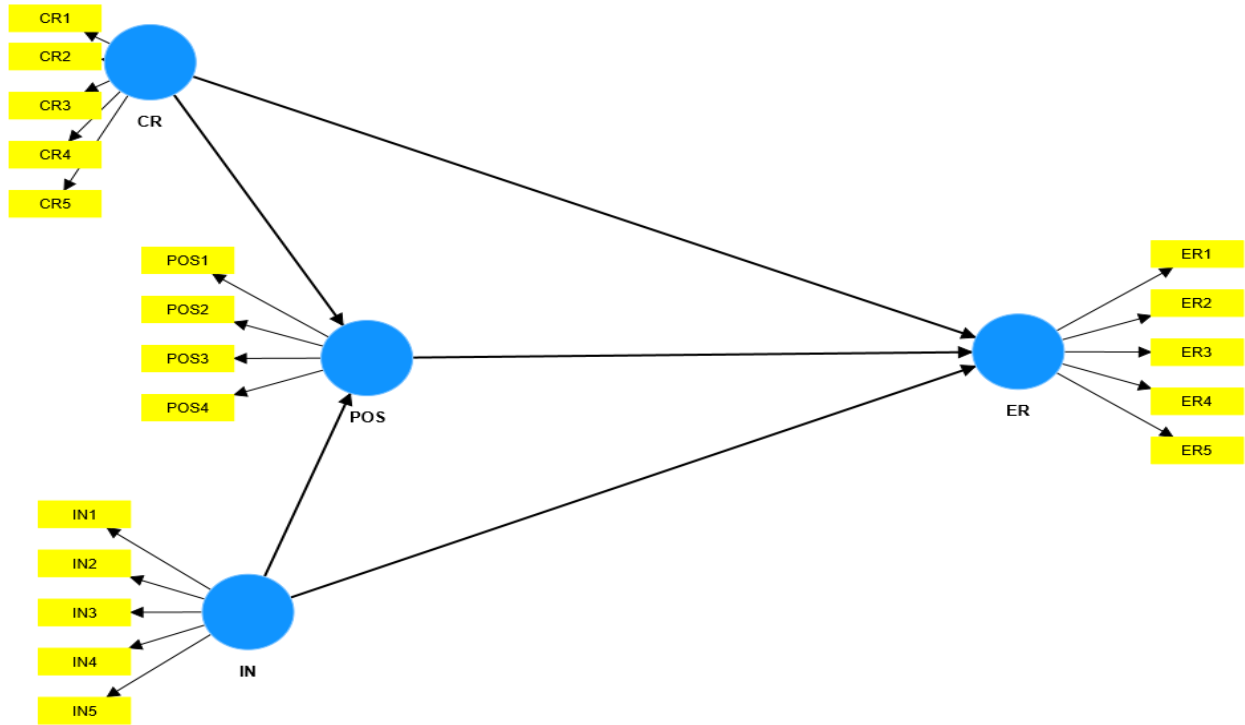
4.2 PLS-SEM Approach:

As discussed earlier in Chapter 3, PLS-SEM effectively explains the complex relationships of different variables. PLS also handles a data set which has “abnormal data distributions” (Vinzi et al., 2010). Heterogeneity in the path modeling can also be measured with the help of PLS. the software used to carry out PLS-SEM is mentioned in Chap 3. The two-stage process of SEM is carried out below and figure below shows the two-step process in detail:



4.3 Measurement Model:

The measurement model examines the measurement characteristics of latent constructs by demonstrating how they have been assessed through observable variables. In this study we used 4 variables; intrinsic motivation, compensation & reward, employee retention and perceived organizational support and these variables were measured through 19 items. To measure the reliability and validity of the items we used SmartPLS.



4.3.1 Internal Consistency and Convergent Validity:

Outer loadings:

After building the model in SmartPLS software, the researcher ran the PLS algorithm. This process is known as “measurement model (outer model) evaluation”. The outer loadings over 0.708 are encouraged, indicating that the items account for more than 50% of the variation in a construct and that item dependability is acceptable. The values above 0.60 are also acceptable according to (Byrne, 2016).

Item Code	Factor Loadings
Intrinsic Motivation	
IN1	0.821
IN2	0.892
IN3	0.880
IN4	0.838
IN5	0.763
Compensation & Reward	

CR1	0.703
CR2	0.929
CR3	0.885
CR4	0.876
CR5	0.827
Employee Retention	
ER1	0.859
ER2	0.707
ER3	0.895
ER4	0.877
ER5	0.885
Perceived organizational support	
POS1	0.788
POS2	0.888
POS3	0.726
POS4	0.812

The results show that majority off the values are above 0.700 which is acceptable, the values below are not acceptable.

Convergent Validity:

The convergent validity is seen by using the Cronbach's alpha, roh A, Composite Reliability (CR) and Average Variance Extracted (AVE). The convergent validity of our study is shown in the table below:

Variable	α	ρ_A	CR	AVE
Intrinsic Motivation	0.825	0.883	0.897	0.591
Compensation & Reward	0.854	0.819	0.847	0.643
Employee Retention	0.787	0.862	0.873	0.520
Perceived Organizational Support	0.736	0.772	0.834	0.567

The result of above Table shows that CR, Cronbach’s alpha and roh A for all above variables is meeting the criteria of 0.7 above of internal consistency reliability. AVE should be greater than 0.5. The above table shows that the values of convergent validity are in acceptable level of internal consistency and convergent validity.

Discriminant Validity:

This measure shows that to what extent the variables are different from each other. SmartPLS shows discriminant validity in three different criteria. When the square root of the construct’s AVE exceeds the inter-item correlation, a measurement model has discriminating validity. It demonstrates that a construct’s related items have greater variation than other things. First criteria is “Fornell and Lacker” and second is “Cross Loading” but they are not considered reliable. The third criteria “Hetrotrait-Monotrait ratio (HTMT)” is considered reliable for discriminant validity. “HTMT is the mean of all correlations of the indicators measuring different constructs, relative to the geometric mean of the average correlations of the indicators measuring the same construct”. The values of this measure should be below 0.90 which means the variables are different from each other.

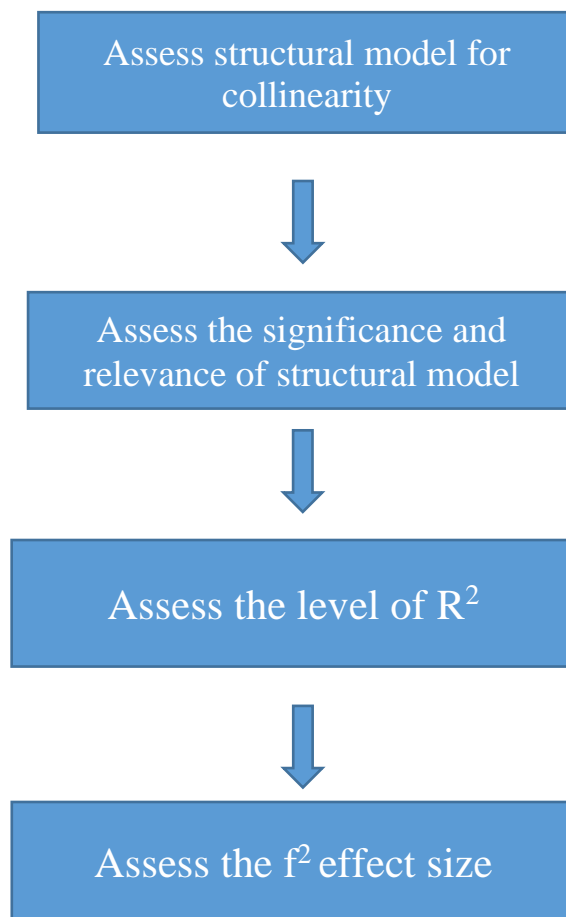
Discriminant Validity with Hetrotrait-Monotrait Ratio (HTMT):

	IN	CR	ER	POS
Intrinsic Motivation (IN)		0.777	0.782	0.841
Compensation & Reward (CR)				
Employee Retention (ER)		0.647		
Perceived Organizational Support (POS)	0.841	0.152	0.685	

For this study, all the values of HTMT were below 0.90 (shows that model is satisfactory) generated by SmartPLS and these values are shown in the table above.

4.4 Assessment of Structural Model:

When the outer model is valid it leads to the evaluation of inner path model. The statistical significance of the path loadings and path co-efficient between each construct is determined in second step. For the assessment of Structural model researchers use Bootstrap technique to find the relationships of variables. For assessing the structural model 4 criteria were used and they are; collinearity assessment, path coefficient (Beta) that indicates strength of relationship between variables, R-Square (R^2) known as regression score and effect size of f-square (f^2) was also assessed. The graphical representation is shown in figure below:



4.5 Assessment of Collinearity:

In PLS-SEM the analysis is based on Ordinary Least Square (OLS) regression of every independent variable. To assess collinearity among variables is important to remove biased estimates if any. In SmartPLS we generate Variance Inflation Factor (VIF) to check the if there is multicollinearity. The values higher than 3.3 shown high collinearity. In our model all the values are quiet below the threshold and there is no issue of collinearity found among the variables.

	Perception
CR1	1.341
CR2	1.831
CR3	1.022
CR4	1.148
CR5	2.181
IN1	2.011
IN2	2.562
IN3	1.391
IN4	1.963
IN5	1.797
ER1	2.433
ER2	1.552
ER3	1.638
ER4	1.887
ER5	1.533
POS1	1.548
POS2	2.274
POS3	1.458
POS4	1.576

4.6 Path Co-efficient (β) and t-values:

The hypothesis testing is done through bootstrapping technique, and we measured path coefficients, t-value and p-values of the model. The minimum sample for bootstrapping is considered 1000 (Hair et al., 2017). These values are calculated from running bootstrap of 5000 samples in SmartPLS. The values of the model are given in the table below:

	Hypothesis		β	<i>t-value</i>	<i>p</i>	Decision
H₁	CR	→ ER	0.130	6.945	0.000	Supported
H₂	CR	→ POS	0.345	5.586	0.000	Supported
H₃	IN	→ ER	0.221	4.255	0.000	Supported
H₄	IN	→ POS	0.335	5.759	0.000	Supported
H₅	POS	→ ER	0.055	6.043	0.000	Supported

The depicted in the table above, intrinsic motivation, compensation reward, employee retention and perceived organizational support all have t-values higher than 1.96. So, H₁, H₂, H₃, H₄, H₅ are all accepted.

CHAPTER 5: DISCUSSION AND CONCLUSION

5.1 Discussions:

The research has several significant consequences. Firstly, the correlation between compensation reward and employee retention, compensation reward and perceived organizational support, intrinsic motivation and employee retention, intrinsic motivation and perceived organizational support, perceived organizational support and employee retention are statistically relevant. Secondly, it is found that if successfully applied, intrinsic motivation, compensation reward and perceived organizational support may contribute to improved retention of workers and promote the retention of the institutions' best assets. The findings show that the important positive relationship between compensation reward and employee retention is accepted, so the H1 hypothesis is accepted. The findings also show that perceived organizational support mediates the positive relationship between compensation reward and employee retention, therefore the hypothesis H2 is accepted. The third hypothesis H3 states that intrinsic motivation has a significant impact on employee retention, therefore the third hypothesis H3 is accepted. Fourth hypothesis that perceived organizational support mediates the relationship between intrinsic motivation and employee retention, therefore H4 is accepted. The fifth hypothesis says that perceived organizational support has a significant impact on employee retention and hence H5 is also accepted. An effective leadership may boost motivation by demonstrating a genuine interest in their followers, promoting intellectual stimulation, offering possibilities for growth, articulating high expectations, and praising excellent performance (Wang and Howell, 2010). The results of this study showed that workers who felt a lack of support from their supervisors lowered their level of loyalty to the company. This result follows on from previous work (Baranik et al., 2010). As for the current study, perceived organizational support may serve as a filter to increase the organisation's positive or negative opinions.

5.2 Limitations of The study:

Firstly, Due to limited resources, time constraint, the study was conducted in only twin cities of Pakistan. These findings may not be generalized to the whole country. Secondly, It is possible that respondents may responded in hurry and did not provide their honest opinions. Lastly, the sample

size may not be enough to generalize the whole population of Pakistan and results may vary when larger sample is considered.

5.3 Future Recommendations:

Specific suggestions for the development and execution of employee incentive programmes can be derived from these considerations. These suggestions focus more on how the steps should be carried out than on the actions themselves. There is no need to repeat the guidance that can be found in the literature regarding the precise procedures required to develop a recognition or incentive programme. Instead, we will outline the usually advised actions and then go over suggestions for how to carry them out in light of the implications of the recognition-reward difference. Therefore, it is proposed that future researchers in the same field include the organisational culture's moderating role in the same connection.

5.4 Implications:

The study's findings have given the organization's top managers a concrete dimension to work with when developing new tactics and strategies by increasing awareness about employee retention. The most important factor is social influence which impact the perception of these variables that how organizations can retain their employees by just satisfying their employees by giving them financial and non-financial rewards and making them realize and aware of how important those employees are to the organization and motivating them to achieve their working goals. When the organization is going to look after their employees, they will be more satisfied with their job and will be self-motivated to achieve their organizational goal. When these organizational goals will meet ultimately, they will increase the profit. Employees will remain loyal to the organization which in return will decrease the turn-over rate, this will help the organization to retain its competent employees. The organizational cost of recruitment and selection of new employees and training them will be saved.

5.5 Practical Implications:

The study's findings will assist Pakistani Telecom Sector in creating plans for intrinsic motivation and incentive plan to improve staff retention. The report also extends recommendations to HR

professionals to prioritize intrinsic motivation as it helps to retain talent. In the present study, changes in the rate of employee retention are also brought on by organizational culture, so businesses can make the most of this by rewarding their staff members, which is one of the powerful strategies for boosting employee motivation and retention. Costs go up as a result of employees' propensity to leave companies. Such tactics also harm the reputations of organizations. Therefore, it is crucial to do study in areas that aid firms in keeping their core personnel. Understanding the causal chain between things that maintain employees and raise turnover rates is important. The company needs to match employee requirements with its retention strategies. By organically motivating employees, management will be in a better position to address the difficulties facing the workforce and promote retention. Increased productivity is a result of improved employee and employer relations, which also improves the firm's reputation and performance. Organizations should engage in cultural development by giving employees the chance to pursue training opportunities that increase their feeling of agency and job security.

5.6 Theoretical implications:

The results have significant implications for the middle managers who operate in the telecom sector of Pakistan of a similar type. In view of the above-mentioned literature analysis, the criticality of employee retention can be conveniently measured, contributing to the achievement of priorities and organisational objectives. Intrinsic motivation, compensation and reward have a major effect on employee retention practices and business performance (Eliyana et al., 2019). The mobility of allies continues to be one of the most misunderstood elements of this leading model for so many change leadership ties to date. Given Burns' assertion that "it is vital to verify and not infer the significance of the real shift among believers," this lack is unexpected. (Burns, 1978). Perceived organizational support tends to raise feelings as it reacts to the mental stimulation and social mental needs of the person. Therefore the individual is closely linked to the organisation, when his emotional needs are fulfilled, and he identifies it with the organisation (Eisenberger, 2002). With the above discussion and statistical evidences, it can be concluded with confidence that intrinsic motivation, compensation and reward would play a significant role on employee retention with mediating role of perceived organizational support.

5.7 Conclusion of the Study:

In order to encourage employees, managers of telecom sector should place more emphasis on intrinsic motivating elements than external ones. Organizational policies should create a culture that empowers workers, provides them a sense of job stability, and increases their dedication. Additionally, a positive work atmosphere increases employees' devotion to the company. All of these strategies will aid the business in keeping its core personnel. All organizations may benefit from this study, and it also enables academics to look at other industries including the healthcare and hospitality sectors. The present study will contribute to improved performance and a comprehensive understanding of the telecom sector.

This study's major goal was to determine the impact of intrinsic motivation and compensation reward on employee retention with mediating role of perceived organizational support. After gathering and examining the primary data, it was shown that both intrinsic motivation and compensation reward are crucial for retaining employees and both have a sizable beneficial impact. Employees that are motivated have more favourable opinions of their employers and stick around longer. Incentives, both intrinsic and extrinsic, are essential for retaining and motivating employees. When workers are happy in their positions, they are very devoted to the company and loyal to it. The perception that employees have of the organization's support affects employee retention.

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