

**TO STUDY THE IMPACT OF JOB
SATISFACTION AND EMPLOYEE
COMMITMENT ON EMPLOYEE TURNOVER IN
PHARMACEUTICAL INDUSTRY**

By

**KHAWAJA MUHAMMAD OSAMA
28521**

A thesis presented to the Department of Management Sciences,
Bahria University Karachi Campus, in Partial Fulfillment of the
Requirements of the MBA degree



FALL, 2017

Bahria University Karachi Campus



MBA thesis
2nd Half –semester Progress Report & Thesis Approval
Statement

| | |
|------------------|---|
| Name of student | Khawaja Muhammad Osama |
| Registration no. | 28521 |
| Thesis title | To study the impact of job satisfaction and employee commitment on employee turnover in Pharmaceutical Industry |

Supervisor – Student Meeting Record

| No. | Date | Place of meeting | Topic of discussion | Signature of student |
|-----|----------|------------------|--|----------------------|
| 5 | 21-03-17 | Faculty Cubicle | Literature Review | |
| 6 | 24-03-17 | Faculty Cubicle | Discussion on Data Analysis | |
| 7 | 03-04-17 | Faculty Cubicle | Checking of Data Analysis and Finalizing of thesis | |

APPROVAL FOR EXAMINATION

Candidate's Name: Khawaja Muhammad Osama Registration No. 28521

Thesis Title: The role of content marketing on brand awareness

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at 1% that is within the permissible limit set by HEC for MBA thesis. I have also found the thesis is a format recognized by the Department of Management Sciences.

Supervisor's signature: Date: 14/5/17

Name: Naveed Siddiqui

HoD's Signature: Date: _____

Table of Contents

| | |
|--------------------------------------|-------|
| Dedication | ii |
| Declaration | iii |
| Copyright | iv |
| Table of Contents | v |
| List of Abbreviations | ix |
| List of Tables | x |
| List of Figures | xi |
| Abstract | xii |
| | |
| Chapter One: Introduction..... | 1 |
| 1.1 Problem Background..... | 1-3 |
| 1.2 Problem Statement..... | 4 |
| 1.3 Research Objective | 5 |
| 1.4 Research Questions | 5 |
| 1.5 Scope of Study..... | 5-6 |
| 1.6 Limitations | 7 |
| | |
| Chapter Two: Literature Review | 7 |
| 2.1 Theoretical Background..... | 8-16 |
| 2.2 Empirical Studies | 17-27 |
| | |
| Chapter Three: Methodology..... | 26 |
| 3.1 Research Approach..... | 28 |
| 3.2 Research Purpose | 28 |
| 3.3 Research Design..... | 29 |
| 3.4 Data Source..... | 29 |
| 3.5 Target Population..... | 29 |
| 3.6 Sample Size..... | 29 |
| 3.7 Data Collection Tool..... | 29 |
| 3.8 Sampling Technique..... | 30 |
| 3.9 Statistical Technique..... | 30 |

| | | |
|---|-----------------------------|-------|
| 3.10 | Model Hypothesis..... | 30 |
| 3.11 | Variable Description..... | 30 |
| 3.11.1 | Employee Turnover..... | 30 |
| 3.11.2 | Job Satisfaction..... | 30 |
| 3.11.3 | Employee Commitment..... | 30 |
| 3.11.4 | Affective Commitment..... | 31 |
| 3.11.5 | Normative Commitment..... | 31 |
| Chapter Four: Data Analysis..... | | 32 |
| 4.1 | Summary of Statistics..... | 32 |
| 4.1.1 | Descriptive statistic..... | 32 |
| 4.2 | Reliability..... | 33 |
| 4.2.1 | Reliability Statistics..... | 33 |
| 4.3 | KMO and Barlett's Test..... | 34 |
| 4.4 | Regression Analysis..... | 34 |
| 4.4.1 | Regression Coefficient..... | 34-38 |
| Chapter Five: Critical Debate | | 39 |
| 5.1 | Critical Debate | 39-40 |
| Chapter Six: Conclusion & Recommendations | | 41 |
| 6.1 | Conclusion | 41-42 |
| 6.2 | Recommendations..... | 42-44 |
| Bibliography..... | | 45-48 |
| Appendices..... | | 49 |
| Research Questionnaire..... | | 49-50 |

Abstract

Purpose- Major Aim of this study was to evaluate the impact of job satisfaction and employee commitment on employee turnover in Pharmaceutical Industry of Pakistan. The Pharmaceutical Industry is constantly growing in Pakistan, but at the same time entry of new different companies in the market led to very tough competition which in turn affect the job satisfaction and employee commitment of pharmaceutical industry and as a result increase in the employee turnover prompted researcher to conduct this study.

Methodology/sample- The study involved use of questionnaires filled by 350 respondents. The respondent individuals belonged to different age groups, social classes, different working departments of pharmaceutical industry, and areas of residence. To analyze the data, some tests like reliability test, Factor Analysis, and Regression Analysis tests were applied.

Findings- The result of the study clearly shows that mainly two factors commitment of an employee to an organization and job satisfaction play major role in reducing employee turnover and Pharmaceutical Industry can easily retain their employees by providing different opportunities and can increase commitment and job satisfaction.

Practical Implications- The outcomes of the research might help the management of Pharmaceutical companies to understand the impact of job satisfaction and employee commitment on employee turnover in pharmaceutical industry of Pakistan and to understand the overall market scenario of pharmaceutical industry of Pakistan.

Keywords: Job satisfaction, Employee commitment, Employee turnover, Affective commitment, Normative commitment.