

EFFECT OF SUCCESSION PLANNING ON EMPLOYEE RETENTION (A CASE STUDY OF CUSTOMER SERVICE INDUSTRY IN KARACHI)

Dr. Ammad Zafar

Assistant Professor
Department of Business Administration
Faculty of Management Science
Usman Institute Technology University, Karachi, Pakistan
ammadzafar16@gmail.com

Dr. Abdul Rehman Zaki

Professor and HOD
Department of Business Administration
Faculty of Management Science
Usman Institute Technology University, Karachi, Pakistan
arzaki@uit.edu

Abstract

Employee retention is an important factor that affects the performance of the company. The day when an organization started operation to the present day. It remains a question to the organization. How do retain productive employees? Globally, 56.5% of employees are intending to change their job due to several reasons. In Pakistan, 23% employees working in the customer service industry have intention to leave their current organization. Succession planning can be an effective tool for employee retention. It is the process of preparing employees for the attainment of the future objectives of organization by enhancing their abilities and skills. The study has focused on analyzing the impact of succession planning on employee retention specifically for the customer service industry in Pakistan. A survey of 300 respondents was conducted through a close-ended questionnaire to collect primary data and the secondary data were collected from published articles. The data were analyzed through SPSS. The respondents for the survey were selected for an interview through a multistage sample using mix approach based on Probability and non-probability sampling. The Study performed Cross tab Analysis, a Chi-Square test, an independent t-test, ANOVA, and binary logistics to analyze variables. The result of the study showed that succession planning has a positive significant impact of 2.1 times on employee retention which is independent of gender variation. A one-time increase in the effectiveness of a succession plan can increase employee retention by 2.1 times.

Keywords: Succession Planning, Employee Retention, Future Objectives, Customer Service Industry, Employee Turnover.

Introduction

Customer Service is considered the backbone of any organization. No organization can compete in the market without paying attention to the delivery of service

to customers. It refers to the engagement of the company with customers to fulfill their needs. Every organization establishes a department or organizes a team to address the customer of the product of the company. The staff performing the task of customer service are known as customer service representatives. These staffs perform various activities on behalf of the company. They give product training to the customers, resolve their queries and create a positive feed for the company from customers. In Pakistan providing customer service has become an industry. In Pakistan, various organizations have been established to provide customer service on behalf of the parent organization (Producer of Product or Service). According to the website businesslistpk.com, there are 124 specialized customer service providing companies in Pakistan out of which 80 are located in Karachi, Pakistan. These companies do business at the tertiary level which is influenced by the productivity of the parent organizations. The Customer Service Industry in Karachi is affected by various factors i.e., high turnover, financial crisis, low motivation of staff, and low employee commitment. Similarly, The USA is one of the biggest markets in the world. It has been producing 20% GDP of the world. The customer service industry in the USA has been playing an important role in availability of these products in the international market. Despite high growth in the sector, the Customer Service Industry in the USA has an average annual rate of 45% for employee turnover. This can be reduced by implanting a formal plan that includes technological advancement, team building, career development, a reward system, and performance management (McCabe, 2022). The United States Bureau of Labor Statistics has also stated that the USA call center that is part of the Customer Service Industry has been suffering from a higher turnover rate of staff out of which 55% are responsible for executive work in the organization (Solis, 2021).

Today, the world has become a global economy. The competition among the business has increased with a rapid increase in new entrants in the market. The new entrants are seeking a more efficient workforce which results in a change of mind in the workforce. The workforce has focused on changing their current employer. (Eshiteti, Okaka, Maragia, Odera, & Akerele, 2013). The people in advanced countries like the United States, and Australia, United Kingdom, France, Germany, and Japan are intending to change their present job. Approximately 63% of the US workforce has shown intention to leave their current organization. Similarly, 60% in Australia, 59% in the United Kingdom, 58% in France, 53% in Germany, and 46% in Japan. The employees are open to joining new organizations (Merwe, 2022).

Staff turnover inside the business surroundings is varying day by day. It is getting quite competitive and is increasing in most companies globally. This affects converting the demographics of the people, an upward thrust in global opposition, and the generation that requires the improvement of the expertise pool to take the management duties and pull the agencies in the direction of the subsequent degree. There are a few managers that feel that there may be difficulty with the high attrition rate which seems to be threatening the growth of the organization (Javed & Jaffar, 2019). There are approximately 47% of organizations that are going through shrinking or ultimate up because of the absence of a position manager and as an end result, there may be no one there to inspire the personnel and retain them (Kitonga, Were, & Getuno, 2021). The trouble of employee turnover additionally receives high rate for firms. Apart from the recruitment and selection process,

the fee linked with making new people statistics within the human useful resource department and in making the payroll records and supplying the protection materials even as the worker leaves the task is very excessive that's why it receives high rate for the corporations to undergo the turnover rate (Eshiteti, Okaka, Maragia, Odera, & Akerele, 2013).

Mehrabani and Mohamad (2011) have discussed factors that are triggering the mindset of staff to change their employer or motivating staff to find jobs in any other organization. They revealed that the following factors can be responsible for staff turnover i.e., sickness, retirement, lack of employment plan, etc.

Garg & Van Weele (2012), discussed that unavailability of a formal plan or succession planning is one of the causes of high staff turnover. Any organization must prepare a plan for the career development of staff to retain them for the achievement of future goals of the organization.

Human Resource Development Council, HRDC (2012), find the shortage of staff, skilled staff, due to various reasons i.e. unavailability of talent management, and retirement plan. The organization needs to create a feeder pool or formal succession planning for highly skilled staff who are working in the key positions of the organization. The sugar manufacturing industry has no capacity to deal with any unfortunate event. The research reveals that most organizations are not capable or well equipped to deal with talent crises (Eshiteti, Okaka, Maragia, Odera, & Akerele, 2013). Even though most corporations have formal succession planning plans programs in the region in step with their regulations, it is not clear how effective these programs are (Gulzar & Durrani, 2014).

The business enterprise different take a look at is no exception to this phenomenon. All that is discovered via the enterprise through statistics and practices is that the company has numerous development programs that consist of Internships, Learner-ships, and Engineers-In-Training (EIT) platforms. However, those interventions do not form a part of a long-term strategic plan that allows you to advantage the organization in the destiny as those trainees are usually launched after the program has been completed. Succession planning plans are consequently, critical to instill balance in an enterprise due to the fact want for succession can confront any commercial enterprise at any time no matter its value or size (Durst & Wilhelm, 2012).

Hall-Ellis (2015) affirms that departures of retiring personnel and co-people leaving the organization can have sizeable results. A reflection on preceding research referring to succession planning plans suggests that, as organizational circumstances adjustments through business growth, promotions and resignations of key staff, proactive succession planning plans will offer assurances that the employer could have a backup pool of skills geared up to fulfill new roles (Mathur & Agarwal, 2011)

Problem Statement

The customer Service industry has become one of the building blocks of Pakistan's economy. It has produced over 1 billion USD exports for Pakistan for the

financial year 2020-21 and projecting it up to 5 billion USD. It has been increasing up to 137% in the last five years. One of the major factors that is affecting the growth of this sector is employee turnover (Rehman, 2021). The study reveals that 57.3% of employee does not want to work further with their current organization due to various reason.

Research Questions

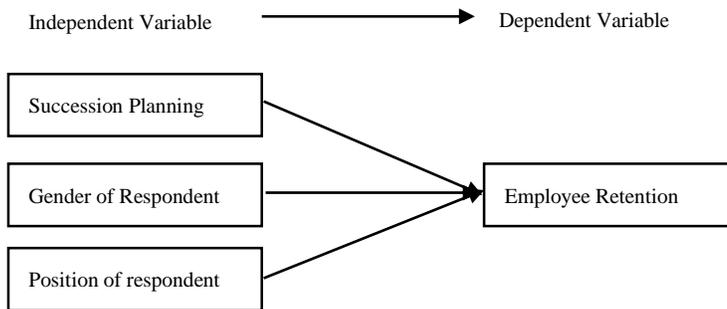
- Q1. How does succession planning effect employee retention?
- Q2. How does variation in gender can affect employee retention in the organization?
- Q3. How does variation in position or job role can affect employee retention in the organization?

Research Objective

The study aims to analysis variation caused by Succession Planning, Gender, and Position of respondent in Employee retention.

Conceptual Framework

The framework of the study explains independent and dependent variables. The study focused on the analysis's independent variable i.e., succession planning, Gender and working position of respondent with dependent variable i.e., Employee retention.



Research Hypotheses

- H₀₁: Employee Retention has no significant association with Succession Planning.
- H₁: Employee Retention has significant association with Succession Planning.
- H₀₂: Employee Retention has no significant association with Position of Respondent.
- H₂: Employee Retention has significant association with Position of Respondent.
- H₀₃: Employee Retention has no significant variation because of gender variation from male to female.

H₃: Employee Retention has significant variation because of gender variation from male to female.

H₀₄: Employee Retention has no significant variation because of variation in the position of respondent.

H₄: Employee Retention has significant variation because of variation in the position of respondent.

H₀₅: Succession Planning has no significant impact on Employee Retention.

H₅: Succession Planning has significant impact on Employee Retention.

Literature Review

Succession Planning

Collins (2009) as referred to by way of Adewale, Abolaji, and Kolade (2011) perspectives succession planning as an exercise in which succession planning is certainly one of such techniques getting used to address the problems of human useful resource hole (Taylor, 2012). Succession Planning is the effort to devise the right number and excellent managers and key-professional personnel to cover retirement, demise, severe illness or advertising, and any new positions which may be created in future corporation plans (Sambrook, 2005). According to Hills (2009), it's far an ingenious group of workers' management approach which could pressure retention of skills in the course of the organization and make certain that the organization has the capabilities it desires in the region to respond to the swiftly shifting sands that make up cutting-edge enterprise environment. As such, succession planning and employee retention shape part of human useful resource-making plans and feature a right-away impact on reducing staff turnover.

Hewitt Associates (2004) identified preserving key skills or talents and succession planning as the two maximum vital groups of workers' planning problems (Hewitt Associates, 2004).

Mehrabani and Mohamad (2011) suggest that the key to the future success of an employer is decided by the way it assesses and is familiar with the value of the human beings it has and what assets it will need in the future. The aforementioned authors in addition country that the one human useful resource device which can help to decide the contemporary and destiny wishes of the company is succession planning.

Collins (2009) as referred to by way of Adewale, Abolaji and Kolade (2011) perspectives succession planning as an exercise that can offer seamless leadership transition for the duration of the employer.

Rothwell (2011) as cited in Garg and Weele (2012) helps the authors by mentioning that "succession making plans is a deliberate and systematic attempt with the aid of a corporation to make certain leadership continuity in key positions, retention and

improvement of highbrow and understanding capital for the future, and encouragement of individual development.

According to King (2005), as noted in Garg and Weele (2012), succession-making plans is without a doubt a practice that warrants uninterrupted powerful functioning of a business enterprise by using instituting a procedure that assists in developing and changing key personnel contributors over the years.

Mathur (2011) is in agreement with those writers declaring that a succession Planning plans system is supposed to make sure that skilled and proficient employees are organized to take over every key role in the occasion of a sudden lack of performance created with the aid of retirements, death, serious illnesses or promotions. The aforementioned author further explains succession-planning plans as a few shapes of internal recruitment where notably successful employees have their capabilities, skills, and information advanced to put together to fill in extra difficult and thrilling roles.

Turnover is very highly valued by the company in phrases of monetary bearings, its implications on worker morale, and customer delight (Eshiteti, Okaka, Maragia, Odera, & Akerele, 2013).

Tunje (2014), discussed that staff retention as the capability of an employer to maintain its employees from leaving the organization even as a decreasing group of worker turnover.

Schroeder, Goldstein, and Rungtusanatham (2013) nation that employee retention and occasional worker turnover help in using manufacturing efficiency and purchaser. cost.

Chitsaz-Isfahani and Boustani (2014) stated that employee retention is normally taken into consideration to intending the potential to preserve a solid human useful resource. Worker retention as all that power exerted through the company to relieve the chances of a man or woman to remain longer in the organization. It can offer seamless leadership transition for the duration of the employer.

Rothwell (2011) as cited in Garg and Weele (2012) helps the authors by mentioning that “succession making plans is a deliberate and systematic attempt with the aid of a corporation to make certain leadership continuity in key positions, retention and improvement of highbrow and understanding capital for the future, and encouragement of individual development.

According to King (2005), as noted in Garg and Weele (2012), succession planning plans is without a doubt a practice that warrants uninterrupted powerful functioning of a business enterprise by using instituting a procedure that assists in developing and changing key personnel contributors over the years.

Mathur (2011) is in agreement with those writers declaring that a succession Planning plans system is supposed to make sure that skilled and proficient employees are organized to take over every key role in the occasion of a sudden lack of performance

created with the aid of retirements, death, serious illnesses or promotions. The aforementioned author further explains succession-making plans as a few shapes of internal recruitment where notably successful employees have their capabilities, skills, and information advanced to put together to fill in extra difficult and thrilling roles.

Employee Retention

Turnover is very highly valued to the company in phrases of monetary bearings, its implications on worker morale, and customer delight (Eshiteti, Okaka, Maragia, Odera, & Akerele, 2013).

Tunje (2014), discussed that staff retention as the capability of an employer to maintain its employees from leaving the organization even as a decreasing group of worker turnover.

Schroeder, Goldstein, and Rungtusanatham (2013) nation that employee retention and occasional worker turnover help in using manufacturing efficiency and purchaser cost.

Chitsaz-Isfahani and Boustani (2014) stated that employee retention is normally taken into consideration to intending the potential to preserve a solid human useful resource. Worker retention is all that power exerted through the company to relieve the chances of a man or woman remaining longer in the organization.

Effect of succession Planning on Employee Retention

Imna & Hassan (2015) Affirm that one of the primary essential problems groups face these days, specifically in the sugar production industry, is to maintain their workforce.

Das and Baruah (2013) factors out that the weathering existence-lengthy achievement of an organization relaxation upon retaining of staff at the important positions.

Gulzar and Durrani (2014) assert that companies need to put money into human capital, however, this call for correct planning. Further stipulate that appropriate expertise management guidelines and practices that show off dedication to employee development produce greater devoted staff members within the employer and decrease body of worker's turnover.

Tunje (2014) states that for succession planning to be applied on the way to preserve personnel, cognizance wishes to be laid on career management and skills management The aforementioned creator emphasized that the prevailing succession planning practices should always result in worker retention and consequently, aware decisions need to be made whilst promoting gifted employees. The consequences of the studies done with the aid of Eshiteti et al. (2013) imply that succession planning programmes allow worker improvement opportunities and job pride which in turn has a brilliant influence on personnel retention.

The lack of a “fill-in scheme” in most enterprises in Ghana especially and Africa at massive has spawned technical hitches filling in vacancies in such establishments (Mensah, Bawole, & Wedchayanon, 2016). This leads to profound displeasure amongst employees and the result is decreased performance and retention rate amongst high performers. As a result, studies on employee retention has obtained a few attentions (Jiang & Klein, 2002) specially within the context of succession planning.

Hassan and Siddiqui (2019), investigated the impact of powerful succession planning practices on worker retention: exploring the mediating roles the use of 300 respondents who are serving in the middle and bottom stage of management within the personal businesses in Pakistan. Their findings discovered that effective succession planning practices had a meaningful and favorable reference to worker retention.

The Aberdeen Group (2005) also did a survey searching at retention and succession planning in the company place of job. They determined that a clear correlation exists between government retention and businesses with formalized retention and succession practices. More specially, the survey discovered that a robust majority of organizations that reported 1% to 5% average turnover rates had formal retention (89%) and succession application respectively (84%) (Tetteh & Asumeng, 2022). The query however is; may want to the identical locating be hooked up in the case of non-control employees? Another observe via Eshiteti, Okaka, Maragi and Akerele (2013) to set up the consequences of succession planning practices on team of workers’ retention in the sugar agencies of Western Province, Kenya found out that extra employees had high task pleasure because of the perceived presence of a succession planning process, which gives them hope of being subsequent in line of management. This according to them had a high-quality impact at the retention of workforce within the sugar company.

Research Methodology

The study was based on qualitative and quantitative research approaches. The qualitative data for the study was collected from the secondary source i.e., published literature, etc., and quantitative data was collected through a survey. A survey of 300 respondents was conducted by using a close-ended questionnaire. The questionnaire was consisting of questions about Employee Retention and Succession Planning. The study used five pints Likert scale to quantify the questions. The close-ended questionnaire was converted into an electronic copy by using a google survey and distributed to respondents working in customer service companies located in Karachi city after the successful completion of a pilot study. Karachi is the financial hub of Pakistan. Karachi generates major portions of its revenue from Pakistan. According to the website businesslist.pk. Pakistan has 124 customer service companies out of which 80 companies are located in Karachi (Businesslistpk, 2022). The used mix approach of sampling including probability and non-probability sampling in multistage to draw the sample. In the first stage, the study selected 30 companies working in Karachi through random sampling. 30 random number was generated through software for the selection of companies. In the second stage, quota sampling was used to select 10 employees including 50% male and 50% female for the interview. Quota sampling allows the research to select respondents based on quotas created for particular traits (QuestionPro, 2022). The study analyzed the data through

statistical tools i.e., Cross tab Analysis, Chi-Square test, independent t-test, ANOVA, and binary logistics via SPSS. The data were dichotomous values 1,0 to fulfill the assumptions of statistical tools.

Analysis and Discussion

Cross Tabulation and Chi-Square Test

The crosstab analysis shows the relationship between multiple variables by using a contingency table. The value can be extracted in multiple ways i.e., Observed number, Row percent, Column Percent, and total Percent (Human of data, 2022). The study used crosstab analysis based on Row percentages to understand the numerical relationship between variables. The Chi-Square test identifies the significance of association between the variables (Statisticshowto, 2022). The study used the Chi-Square test to test the significance of the association between the variables.

Crosstab Analysis for Employee Retention and Succession Planning

Table 1 showed an analysis between Employee Retention and Succession Planning. 68.4% of respondents agreed that their organization has a proper succession plan to retain employees. The studies of Raj (2020) also explain that succession planning practices enable career growth and growth opportunities for employees that affect their intention to leave the organization. It increases employee satisfaction with their job.

		Succession Planning		Total
		No	Yes	
Employee Retention	No	18.0%	82.0%	100%
	Yes	31.4%	68.6%	100%
Total		25.7%	74.3%	100%

Chi-Square Analysis for Employee Retention and Succession Planning

Table 2 showed the result of the Chi-Square test analysis for the variables i.e., Employee Retention and Succession Planning. The P-Value for the test is less than 0.05 which interprets a significant association between employee retention and succession planning. So, we reject the null hypothesis “ H_{01} : Employee Retention has no significant association with Succession Planning”.

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	6.934a	1	0.008
Likelihood Ratio	7.123	1	0.008
Linear-by-Linear Association	6.911	1	0.009
N of Valid Cases	300		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 16.21.

Crosstab Analysis for Employee Retention and Position of Respondent

Table 3 showed an analysis between Employee Retention and Succession Planning. 56.3% operative, 48.6% Middle, and 100% top-level respondents agreed that they are continuing their job. They believe that their organization has a plan for the job.

		Employee Retention		Total
		No	Yes	
Position of Respondent	Operative	43.7%	56.3%	100.0%
	Middle	51.4%	48.6%	100.0%
	Top	0.00	100.0%	100.0%
Total		42.7%	57.3%	100.0%

Chi-Square Analysis for Employee Retention and Position of Respondent

Table 4 showed the result of the Chi-Square test analysis for the variables i.e., Employee Retention and Position of Respondent. The P-Value for the test is less than 0.05 which interprets a significant association between employee retention and succession planning. So, we reject the null hypothesis "H₀₂: Employee Retention has no significant association with Position of respondent". The studies of Flowers & Hughes (2022), reveal that most employees leave the organization due to dissatisfaction with their job. They found a perfect correlation between job dissatisfaction and employee turnover.

Table 4: Chi-Square Tests Employee Retention vs Position of Respondent			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	33.808a	2	0.000
Likelihood Ratio	47.740	2	0.000
Linear-by-Linear Association	10.175	1	0.001
N of Valid Cases	300		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 16.21.

Independent Samples Test

An Independent sample t-test is a statistical tool used to investigate the comparison of the mean of two independent groups (Statisticssolutions, 2022). The study used the independent samples test to analyze the comparison of the mean from the male population and with mean from the female population.

Group Statistics

Table 5 showed group statistics for gender variation. The mean for the male respondents is 0.493 and the mean value for female respondents is 0.499. The mean value for both genders is very close. The study interprets no significant difference in mean between the variables.

Table 5: Group Statistics for Gender wise variation in the response to questions					
	Gender of Respondent	N	Mean	Std. Deviation	Std. Error Mean
Employee Retention	Male	150	0.593	0.493	0.040
	Female	150	0.553	0.499	0.040

Independent t- test

Table 6 showed that there is no significant difference between the mean difference between Male and Female respondents. The P-Value of the test for equal variance assumed is great than 0.05. So, Accept the null hypothesis “Employee Retention has no significant variation because of gender variation from male to female”. The male respondent and the female respondent have no variation of opinion about employee retention in their organization.

Table 6: Independent Samples Test for effect of Variation in Gender on Employee Retention										
		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Employee Retention	Equal variances assumed	1.828	0.177	0.699	298	0.485	0.040	0.057	-0.072	0.153
	Equal variances not assumed			0.699	297.957	0.485	0.040	0.057	-0.072	0.153

Analysis of Variance Analysis

The study used ANOVA test to compare the mean of more than two groups. The ANOVA is a statistical technique that allows the research to analyze the comparison of more than two groups (Qualtrics, 2022). Table 7 showed that the variance analysis has significant variation because of variation in the position of the respondent. The Study interprets that employee retention varies as per the working position of the respondent. The P-Value for the test is less than 0.05. So, we reject the null hypothesis "Employee Retention has no significant variation because of variation in the position of respondent".

Table 7: Analysis of Variance Analysis for Employee Retention and Position of respondents					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	8.270	2	4.135	18.860	0.000
Within Groups	65.117	297	0.219		
Total	73.387	299			

Logistic Regression Analysis

Logistic regression is a technique that allows the researcher to analyze the impact of a variable. The regression assumes that the population is normally distributed, and data is in dichotomous form (Swaminathan, 2022). Table 8 showed the model summary for Logistic Regression Analysis. The model depicted that the independent variable succession planning caused only a 2.3% variation in the dependent variable which is employee retention.

Table 8: Model Summary for Logistic Regression analysis			
Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	402.288a	0.023	0.032

a. Estimation terminated at iteration number 3 because parameter estimates changed by less than 0.001.

Table 9 showed a significant impact of succession planning on employee retention. The P-Value for the test is less than 0.05. So, we reject the null hypothesis “H₀₅: Succession Planning has no significant impact on Employee Retention”. The Study interprets that a one-time increase in the effectiveness of a succession plan can increase employee retention by 2.1 times.

Table 9: Variables in the Equation for Logistic Regression Analysis						
Variable	B	S.E.	Wald	df	Sig.	Exp(B)
Succession Planning	0.737	0.283	6.786	1	0.009	2.100
Constant	0.117	0.134	0.757	1	0.384	1.124
a. Variable(s) entered on step 1: Succession Planning.						

Discussion

The customer service industry in Pakistan is one the greatest contributor to the GDP of the country. The high turnover is causing lower performance of the sector. The study has identified a significant association between effective succession planning and employee retention. The human resource advisor Houston texas (2021) has revealed that succession planning creates opportunities for employees that have a positive impact on the achievement of the future goal of the organization. Succession planning affects an organization in many ways. It helps in identifying and fulfilling key positions of the organization. Increase the abilities and skills of employees and prepare them for the prospective position as per the future needs of the organization. It helps in the monitoring and evolution of employees to improve their productivity as a whole. Taylor & McGraw, (2004), has identified succession planning as the tool for employee development and shaping their skills and abilities to meet the need of the organization. Moreover, Kuzu & Ozilhan (2014) discussed it as an essential component of management planning to retain key employees. Voslobana (2012) referred to succession planning as the agent of innovation that provides a framework for bringing new ideas in the organization. Succession Planning is the key factor in organizational growth. The growth of an organization can't achieve without effective succession planning (Zafar & Akhtar, 2020). Succession planning provides the framework for the development of future leaders of the organization (Zafar & Akhtar, 2020). It also improves the practices of Human Resource Management (Zafar, Memon, & Khan, 2018). The study reveals that succession planning is an effective tool for employee retention and practices that reduce employee intention to leave the organization. It provides clear dimensions to employees about their future development. The effectiveness of succession planning has a direct impact on employee intention to be a part of the organization in the future. The increase in the effectiveness of planning can play an important role in reducing employee turnover. Employee retention is the process of retaining or restricting employees about to leave the organization. It reduces the turnover of key staff (Kurdi, Alshurideh, & others, 2020). Employee turnover can have various types i.e. involuntary turnover, voluntary turnover, avoidable turnover,

and unavoidable turnover. The organization has always main concern over the turnover of employees irrespective of the type. However, Unavoidable turnover is one that creates serious concern for the organization. It is not in the control of the organization (Thomas, 2022).

According to Deri, Ragavan, Chireh, Zaazie, & Niber (2022), worker retention is all about impartiality and performance. In this regard, increasing the satisfaction levels of personnel is the best way to sphere employees Additionally; Manelkar, Iyer, & Gupta (2022), says employee retention desires a clear definition of the lifestyle of the company and its effective implementation. Davidescu, Apostu, Paul, & Casuneanu (2020), puts an emphasis on choice and merchandising strategies which he says ought to constantly meet the capacities of people and the needs of work. He provides that management has to conduct mindset and opinion surveys on potential personnel at threat who're typically the important thing skills of the agency. Employee retention practices need to be planned nicely and also properly designed so one can increase workers' stay in businesses aside from their pay (Subramaniam, Suan, & Johari, 2019). In exertions markets that are difficult, skills may be hard to replace. Consequently, companies go through whilst talent is lost. The reason for that is that high turnover increases the recruitment rate, and training fees. Loss of expertise and organizational expertise.

The most important predictors of retention contain intrinsic success and the organization situations in preference to that specialize in economic rewards as referred to via the preceding scholars. Moreover, the lack of proficient growth and improvement regularly influences the turnover rate as opposed to developing stability between existence and work. The past studies based on the concept of employee retention have explained that personnel can be giving valuable focus to their jobs and extra toward searching at doing correct upload in enhancing the satisfaction stage of clients inside the administrative center (Panda & Sahoo, 2021). Linking to this, it's been delivered via other scholars that a commercial enterprise is wanted to encourage its employees in terms of retaining them. This may be completed by way of diverse techniques (Batool, Usmani, & Rizvi, 2022). It has also been studied by Rombaut & Guerry (2020), that personnel in regards to giving importance to career improvement, capabilities attainment, and effective overall performance management are searching ahead for their career progression from their organization. The study determined that education and development observed with performance management and repayment could be very critical for maintaining the personnel. However, it can be observed that multiple research has defined the importance of better participation of the people and the manner it could decorate in preserving them. While summing it up, it is able to be stated that the previous studies have defined the concept of retention as a steady relationship between the workers and the place of business.

Conclusion

The Study has concluded that the customer service industry in Karachi, Pakistan has suffered from a high rate of employee turnover that can be reduced by the implementation of formal succession planning. Employee retention in the customer service industry has associated effectiveness of the succession plan and position or role of

an employee given in the organization but is independent of variation in the gender of the employee. The one time in an increase in effectiveness in the implementation of a succession plan can increase employee retention by 2.1 times. As employee retention is independent of gender variation that reveals that the effectiveness of succession has the same implication for male and female staff working in the organization. The study also concluded that the position or role of an employee given, play important role in the retention of staff. The staff working in higher or top positions are most likely to work for a longer period in the organization.

Recommendations

The organization belonging to the customer service industry needs to do the below task to improve employee retention.

- Need to prepare a proper succession plan for the career development of staff.
- Need to prepare a proper succession plan for the achievement of future objectives of the organization.
- Need to do further technological advancement
- Increase the effectiveness of planning.
- Perform team building Activities.

References

- Batool, E., Usmani, S., & Rizvi, S. A. (2022). Succession Planning Practices and Employee Retention: Mediating Role of Career Attitudes. *City University Research Journal*, 12(2), 208-220.
- Businesslistpk. (2022, June 25). *Customer service Karachi*. Retrieved from <https://www.businesslist.pk>: <https://www.businesslist.pk/companies/customer-service/city:karachi>
- Chitsaz-Isfahani, A., & Boustani, H. R. (2014). Effects of talent management on employees retention: The mediate effect of organizational trust. *International Journal of Academic Research in Economics and Management Sciences*, 3(5), 114.
- Das, B. L., & Baruah, M. (2013). Employee retention: A review of literature. *Journal of business and management*, 14(2), 8-16.
- Davidescu, A. A., Apostu, S.-A., Paul, A., & Casuneanu, I. (2020). Work flexibility, job satisfaction, and job performance among Romanian employees: Implications for sustainable human resource management. *Sustainability*, 12(15), 6086.
- Deri, M. N., Ragavan, N. A., Chireh, T. D., Zaazie, P., & Niber, A. (2022). Relationship between job satisfaction and turnover intention of hotel employees. *Research Journal in Advanced Social Sciences*, 3(2), 32-49.

- Durst, S., & Wilhelm, S. (2012). Knowledge management and succession planning in SMEs. *Journal of Knowledge Management*, 639.
- Eshiteti, S. N., Okaka, O., Maragia, S. N., Odera, O., & Akerele, E. K. (2013). Effects of succession planning programs on staff retention. *Mediterranean Journal of Social Sciences*, 4(6), 157.
- Flowers, V. S., & Hughes, C. L. (2022). *Why Employees Stay*. Retrieved from <https://hbr.org>: <https://hbr.org/1973/07/why-employees-stay>
- Garg, A. K., & Van Weele, E. (2012). Succession planning and its impact on the performance of small micro medium enterprises within the manufacturing sector in Johannesburg. *International Journal of Business and Management*, 7(9), 96.
- Gulzar, S. S., & Durrani, A. (2014). Impact of succession planning on employee engagement in telecommunication sector in Rawalpindi, Pakistan. *European Journal of Business and Management*, 6(37), 274-281.
- Hall-Ellis, S. D. (2015). Succession planning and staff development--a winning combination. *The Bottom Line*.
- Hewitt Associates. (2004). What makes a best? In *Insights and Findings from Hewitt's Global Best Employer's Study* (pp. 1-58). Hewitt Associates.
- Human of data. (2022, June 25). Retrieved from <https://humansofdata.atlan.com>: <https://humansofdata.atlan.com/2016/01/cross-tabulation-how-why/#:~:text=Cross%20tabulation%20is%20a%20method,one%20variable%20grouping%20to%20another>.
- Imna, M., & Hassan, Z. (2015). Influence of human resource management practices on employee retention in Maldives retail industry. *International Journal of Accounting, Business and Management*, 1(1), 2018.
- Javed, B., & Jaffar, M. (2019). *Impact of Succession Planning on Employee Retention*. Jonkoping University.
- Kitonga, F. V., Were, S., & Getuno, P. M. (2021). Influence of Legal Framework on Recruitment and Selection in Service State Corporations in Kenya. *Journal of Human Resource & Leadership*, 5(3), 114-129.
- Kurdi, B., Alshurideh, M., & others. (2020). Employee retention and organizational performance: Evidence from banking industry. *Management Science Letters*, 10(16), 3981-3990.
- Kuzu, O. H., & Ozilhan, D. (2014). The effect of employee relationships and knowledge sharing on employees' performance: An empirical research on service industry. *Procedia-Social and Behavioral Sciences*, 109(1), 1370-1374.

- Manelkar, K. A., Iyer, R., & Gupta, K. (2022). Leader-member Exchange \& Employee Retention: Investigating the Mediating Role of Work-life Balance. *Indian Journal of Industrial Relations*, 57(3), 498-510.
- Mathur, A., & Agarwal, P. (2011). A Study on Impact of Employee Retention in Private Sector Sugar Mill. *International Journal of Emerging Research in Management & Technology*, 43-45.
- McCabe, H. (2022, February 22). *How to Reduce Employee Turnover in Customer Service*. Retrieved from <https://stellacconnect.com:https://stellacconnect.com/blog/reduce-employee-turnover-customer-service/>
- Mehrabani, S. E., & Mohamad, N. A. (2011). entifying the important factors influencing the implementation of succession planning. *International Conference of Information and Finance*, 21(1), 37-41.
- Mensah, J. K., Bawole, J. N., & Wedchayanon, N. (2016). Unlocking the “black box” in the talent management employee performance relationship: evidence from Ghana. *Management Research Review*.
- Merwe, M. v. (2022). *Employee Retention Statistics And Insights* . Retrieved from <https://peoplemanagingpeople.com:https://peoplemanagingpeople.com/articles/employee-retention-statistics/#:~:text=Gallup's%20State%20of%20the%20Global,teams%20with%20high%20engagement%20levels.>
- Panda, A., & Sahoo, C. K. (2021). Work-life balance, retention of professionals and psychological empowerment: an empirical validation. *European Journal of Management Studies*, 103-123.
- Qualtrics. (2022, June 25). *What is ANOVA*. Retrieved from <https://www.qualtrics.com:https://www.qualtrics.com/experience-management/research/anova/>
- QuestionPro. (2022, June 25). *Quota sampling: Definition, types, examples, steps, and more*. Retrieved from <https://www.questionpro.com:https://www.questionpro.com/blog/quota-sampling/#:~:text=For%20example%2C%20a%20cigarette%20company,the%20population%20of%20the%20city.>
- Raj, A. B. (2020). Impact of employee value proposition on employees’ intention to stay: Moderating role of psychological contract and social identity. *South Asian Journal of Business Studies*, 10(2), 203-226.
- Rehman, A. (2021, march 12). *PSEB Projects Pakistan’s IT Exports to Cross \$5 Billion*. Retrieved from <https://propakistani.pk:https://propakistani.pk/2021/03/12/pseb-projects-pakistans-it-exports-to-cross-5-billion/>

- Rombaut, E., & Guerry, M.-A. (2020). The effectiveness of employee retention through an uplift modeling approach. *International Journal of Manpower*, 41(8), 1199-1220.
- Sambrook, S. (2005). Exploring succession planning in small, growing firms. *Journal of small business and enterprise development*.
- Solis, B. (2021, August 2). *Here's What Happens When You Focus on Employees to Better Serve Your Customers*. Retrieved from <https://hbr.org/sponsored:https://hbr.org/sponsored/2021/08/heres-what-happens-when-you-focus-on-employees-to-better-serve-your-customers>
- Statisticsshowto. (2022, June 25). *Chi-Square Statistic: How to Calculate It / Distribution*. Retrieved from <https://www.statisticsshowto.com:https://www.statisticsshowto.com/probability-and-statistics/chi-square/#chisquareqtest>
- Statisticssolutions. (2022, June 25). *Independent Sample T-Test*. Retrieved from <https://www.statisticssolutions.com:https://www.statisticssolutions.com/independent-sample-t-test/>
- Subramaniam, C., Suan, C. L., & Johari, J. (2019). Employee retention in the manufacturing sector: is there a simple solution? *Second International Conference on the Future of ASEAN (ICoFA)*. 1, pp. 103-110. Springer.
- Swaminathan, S. (2022, June 25). *Logistic Regression — Detailed Overview*. Retrieved from <https://towardsdatascience.com:https://towardsdatascience.com/logistic-regression-detailed-overview-46c4da4303bc>
- Taylor, R., & McGraw, P. A. (2004). Succession management practices in Australian organizations. *International journal of Manpower*, 25(8), 741-758.
- Taylor, S. M. (2012). *Setting suns and rising stars: succession planning in New Zealand's deaf education leadership workforce: a national study*. Unitec.
- Tetteh, J., & Asumeng, M. A. (2022). Succession Planning, Employee Retention and Career Development Programmes in Selected Organisations in Ghana. *African Journal of Management Research*, 151-169.
- Thomas, L. (2022). *How to calculate employee turnover*. Retrieved from <https://friday.app:https://friday.app/p/calculate-employee-turnover>
- Tunje, G. S. (2014). *Relationship between succession planning practices and employee retention in large media houses in Kenya*. Nairobi: University of Nairobi.
- Vosloban, R. I. (2012). The Influence of the Employee's Performance on the company's growth-a managerial perspective. *Procedia economics and finance*, 3(1), 660-665.

- Zafar, A., & Akhtar, G. K. (2020). Effect of Succession Planning on Organizational Growth. *Journal of Social Sciences and humanities*, 59(1), 21-33.
- Zafar, A., & Akhtar, G. K. (2020). Effect of Succession Planning on Leadership Elevation. *Pakistan Journal of Applied Social Sciences*, 11(2), 21-36.
- Zafar, A., Memon, A., & Khan, M. N. (2018). Implication of HR components on Employee Performance: A comparative analysis of Public & Private Sector employees. *Pakistan Administrative Review*, 2(2), 223-232.