

FACTORS INFLUENCING EMPLOYEE TURNOVER IN THE BPO COMPANIES IN QUEZON CITY: A PROPOSED POLICY DEVELOPMENT

ABSTRACT

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The Business Process Outsourcing (BPO) industry is a significant economic contributor in the Philippines, yet it continues to face challenges associated with high employee turnover rates. This study aims to identify the primary causes of employee turnover in BPO companies in Quezon City. It examines various influencing factors, including demographic characteristics (age, sex, years of experience), job satisfaction, working environment, career growth opportunities, compensation and benefits, and employee engagement. The objective is to provide data-driven recommendations that will inform policy development to reduce turnover and enhance workforce stability. This study utilizes a descriptive-correlational research design and includes 200 participants from various BPO companies in Quezon City. Convenience sampling was used to select respondents, and data were collected through a self-constructed survey questionnaire. Statistical tools such as weighted mean, Pearson r correlation, and ranking procedures were employed to analyze the gathered data. The findings revealed that job satisfaction (weighted mean = 4.12) and work environment (weighted mean = 4.08) were the most influential factors contributing to employee turnover. Career development opportunities (weighted mean = 3.95) and compensation and benefits (weighted mean = 3.89) were also identified as contributing factors to a moderate extent. A strong positive correlation ($r = 0.56$) was found between employee engagement and these variables. Budget limitations were reported as a major barrier to effectively addressing turnover-related issues. The study emphasizes the importance of improving job satisfaction, work environment, and opportunities for career development to reduce employee turnover in BPO companies. While demographic variables such as age and sex showed minimal impact, years of experience significantly influenced perceptions of job satisfaction and career advancement. To enhance employee retention, human resource policies should focus on competitive compensation packages, structured professional development programs, a supportive and healthy work environment, and initiatives promoting work-life balance. Furthermore, engagement strategies such as reward systems and clear career pathways should be incorporated. Implementing these recommendations can help BPO companies achieve greater workforce stability and improve overall service delivery.

RECOMMENDED CITATION

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