



EFFECT OF SALARY, CAREER STAGNATION, AND WORK ENVIRONMENT ON STAFF
TURNOVER INTENTIONS IN NON-GOVERNMENTAL ORGANIZATIONS (NGOS) IN
PESHAWAR, KHYBER PAKHTUNKHWA

Zonia Shah ¹, Sahar Saleem ², Amjad Amin ³

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Affiliations:

¹ MPhil Scholar,
Islamia College University,
Peshawar, Pakistan
Email: zoniashah20@gmail.com

² PhD Scholar,
Department of Economics,
University of Peshawar, Pakistan
Email:
saharsaleemeconomic758@gmail.com

³ Assistant Professor,
Department of Economics,
University of Peshawar, Pakistan
Email: amjadamin@uop.edu.pk

Corresponding Author's Email:

¹ zoniashah20@gmail.com

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Abstract

Background: High employee turnover remains a persistent challenge for non-governmental organizations (NGOs) in Pakistan, undermining organizational stability, increasing operational costs, and disrupting service delivery to vulnerable populations. In Khyber Pakhtunkhwa, where NGOs play a vital role in addressing complex socio-economic challenges, understanding the drivers of employee retention is critical for sector sustainability.

Purpose: This study investigates the impact of salary, career stagnation, and work environment on turnover intentions among NGO employees in Peshawar, Pakistan, providing context-specific evidence to inform retention strategies.

Methodology: Using quantitative, cross-sectional research design, data was collected via a structured questionnaire from 137 employees across three health-sector NGOs in Peshawar. The study employed Human Capital Theory (Becker, 1964) as its theoretical framework. Data was analyzed using Pearson's correlation and multiple regression analysis in SPSS, with model diagnostics confirming the robustness of the regression model.

Findings: The regression model explained 47.9% of the variance in turnover intentions ($R^2 = .479$). All three factors emerged as significant predictors, with salary satisfaction showing the strongest negative effect ($\beta = -0.402, p < .001$), followed by career stagnation ($\beta = 0.231, p < .001$) and work environment ($\beta = -0.220, p < .001$). The results confirm that NGO employees rationally evaluate the returns on their human capital investments when making retention decisions.

Practical Implications: The findings suggest that NGOs must adopt integrated retention strategies that ensure competitive compensation, provide clear career progression pathways, and foster supportive work environments. Neglecting any one of these factors creates vulnerability to talent loss, emphasizing the need for holistic human resource management approaches in the sector.

Keywords: Turnover Intention, Salary, Career Stagnation, Work Environment, NGOs, Peshawar, Khyber Pakhtunkhwa, Human Capital Theory

1. Introduction

The history of NGOs in Pakistan dates back to 1947, when voluntary organizations provided humanitarian relief to refugees after independence. Over time, the sector expanded, particularly during the 1970s and 1980s, with NGOs increasingly engaging local communities in development projects (ADB, 1999). By the 1990s, their numbers grew substantially, supported by programs such as the People's Work Program, though sustainability challenges persisted due to project-based funding (Ejaz et al., 2011; Tufail, 2006; Ulleberg, 2009). Today, Pakistan hosts thousands of NGOs, ranging from traditional welfare groups to contemporary development organizations, working across health, education, environment, and civic issues (Khan et al., 2020).



The non-governmental organization (NGO) sector is a critical actor in Pakistan's development landscape, addressing pivotal issues in health, education, and community welfare. However, the sector's effectiveness is frequently undermined by persistently high staff turnover, which drains institutional knowledge, increases operational costs, and disrupts service delivery to vulnerable populations (Khan & Shahzadi, 2022). While employee retention is a universal organizational challenge, it is particularly acute in NGOs, which often operate under conditions of resource constraints and project-based funding (Ulleberg, 2009).

Existing research identifies several drivers of turnover intentions, including salary dissatisfaction, career stagnation, and an unfavorable work environment (e.g., Handayani & Suhariadi, 2020; Hu et al., 2022). Yet, most studies focus on corporate or broader nonprofit contexts, leaving a significant gap in understanding the dynamics within specific regional NGO ecosystems. In Khyber Pakhtunkhwa (KP), where NGOs play a vital role in addressing complex socio-economic challenges, there is a pressing need for localized evidence on the factors influencing employee retention. Preliminary insights suggest that low pay, limited advancement opportunities, and excessive workloads are primary contributors to staff attrition in the region (Ali & Jan, 2012), but these observations lack empirical validation.

This study directly addresses this gap by investigating the impact of salary, career stagnation, and work environment on turnover intentions among employees in NGOs in Peshawar, KP. By examining these relationships, the research provides timely, context-specific insights essential for developing effective retention strategies.

The literature robustly establishes salary, career stagnation, and work environment as critical, interrelated antecedents of turnover intentions across various sectors, largely explained through the economic logic of Human Capital Theory. However, a significant contextual gap remains. The NGO sector, particularly in regions like Khyber Pakhtunkhwa, operates under unique constraints: it is mission-driven, often resource-poor, and employs individuals who may prioritize social impact alongside economic returns. Existing research has not sufficiently tested whether the established relationships and the primacy of Human Capital Theory hold in this distinct context. Therefore, this study aims to bridge this gap by investigating the following integrated question: To what extent do salary, career stagnation, and work environment predict turnover intentions among employees in NGOs in Peshawar, and how does this align with or challenge the predictions of Human Capital Theory? By doing so, it will provide contextualized, evidence-based insights crucial for NGO management and contribute to the theoretical understanding of human capital in mission-oriented organizations.

Globally, non-governmental organizations (NGOs) face significant human resource challenges, with average annual turnover rates ranging from 20% to 45%, substantially higher than the private sector average of 12-15% (Issaya, 2023; Nelms, 2019). In Pakistan, the NGO sector employs an estimated 300,000-400,000 individuals across diverse subsectors, yet suffers from chronic instability due to project-based funding cycles, limited career progression opportunities, and compensation structures that lag behind corporate and public sector benchmarks (Khan & Shahzadi, 2022). This instability has profound implications for organizational effectiveness, as each departing employee represents a loss of institutional knowledge, training investment, and programmatic continuity—particularly critical in health and education sectors where long-term community relationships are essential for success.

This study investigates salary, career stagnation, and work environment as key predictors of turnover intentions in NGOs in Khyber Pakhtunkhwa (KP), Pakistan. Addressing this gap is critical, as high turnover undermines organizational stability and service delivery. Theoretically, the study extends Human Capital Theory to NGOs, testing whether employees remain motivated by social missions and supportive environments alongside financial incentives. Practically, it provides managers with evidence-based insights to design targeted retention strategies, such as fair pay scales, career development programs, and stress reduction policies. Finally, it contributes valuable local knowledge to the limited literature on NGOs in Peshawar, offering guidance for policymakers, donors, and leaders to strengthen workforce stability and enhance sector sustainability.



1.1 Problem Statement

High employee turnover represents one of the most pressing human resource challenges facing NGOs in Peshawar, Pakistan, with preliminary sector reports indicating annual attrition rates exceeding 30% among field staff and program managers (Khan & Shahzadi, 2022). This elevated turnover drains institutional knowledge, increases operational costs, and disrupts service delivery to vulnerable populations, particularly in health and education programs that require sustained community engagement and continuity of care. Unlike corporate organizations that can more readily absorb turnover costs, NGOs operating on limited, project-based budgets face disproportionate impacts, as recruitment, training, and onboarding costs can consume up to 150% of an annual salary for professional staff positions (Bilal, 2020). Furthermore, in the NGO sector, where donor funding cycles are often short-term, the operational disruption caused by staff departure can lead to program delays, donor dissatisfaction, and ultimately, reduced social impact in communities that depend on these services.

1.2 Significance of the Study

Beyond organizational implications, high turnover in NGOs has broader policy and governance significance for the Pakistani development sector. Donor agencies, including international development partners and multilateral organizations, increasingly condition funding on organizational capacity and programmatic stability, making workforce instability a threat to ongoing external support (Khan et al., 2020). Moreover, in the context of Khyber Pakhtunkhwa, where NGOs operate in complex socio-political environments and deliver essential services in areas with limited government capacity, workforce instability can disproportionately affect marginalized populations who depend on NGO interventions for their wellbeing. Understanding the drivers of turnover in this context thus carries implications not only for NGO management but also for governance effectiveness, public health outcomes, and sustainable development in the region.

1.3 Objectives of the Study

This study aims to:

1. Investigate the effect of salary on employee turnover intentions in the non-governmental organization sector of Peshawar.
2. Investigate the effect of job stagnation on employee turnover intentions in the non-governmental organization sector of Peshawar.
3. Investigate the effect of work environment on employee turnover intentions in non-governmental organizations of Peshawar.

1.4 Research Questions

1. What is the impact of salary on staff turnover intentions in the NGO sector of Peshawar?
2. How does career stagnation affect staff turnover intentions in the NGO sector of Peshawar?
3. What is the effect of work environment on staff turnover intentions in NGOs of Peshawar?

1.5 Research Hypotheses

1. Employees experiencing limited career growth opportunities are more likely to have turnover intentions.
2. Employees experiencing excessive workloads or poor work-life balance are more likely to have turnover intentions.

1.6 Theoretical Contribution

This study makes several theoretical contributions to the literature on employee retention in nonprofit organizations. First, it extends Human Capital Theory (Becker, 1964) beyond its traditional corporate applications to examine whether the rational calculus of human capital investment operates similarly in mission-driven organizations where employees may be motivated by social impact alongside economic returns. Second, it addresses a gap in the nonprofit management literature, which has disproportionately focused on retention in Western contexts, by providing empirical evidence from a developing country NGO sector with distinct operational constraints and cultural dynamics. Third, by examining salary, career stagnation, and work environment simultaneously, the study tests whether these factors act as substitutes or



complement in shaping employee retention decisions, contributing to a more nuanced understanding of nonprofit human resource dynamics.

2. Literature Review

The Pakistani NGO sector has undergone significant evolution through distinct historical phases. Following independence in 1947, voluntary organizations emerged primarily as relief-focused entities, supported by government and international agencies (Tufail, 2006). The 1970s marked an expansion period, with NGOs increasingly engaging in rural development and community mobilization, partly in response to state capacity constraints and the growing influence of international development agendas (Ulleberg, 2009). By the 1980s and 1990s, the sector experienced substantial proliferation, supported by donors such as the World Bank, USAID, and the European Union, who viewed NGOs as effective vehicles for delivering development assistance directly to communities (Ejaz et al., 2011; Khan et al., 2020). This period saw the formalization of NGO registration under the Societies Registration Act (1860), the Trust Act (1882), and the Companies Ordinance (1984), creating a legal framework that continues to govern civil society operations today (ADB, 1999).

Currently, Pakistan's NGO sector comprises an estimated 50,000-60,000 registered organizations, ranging from small local welfare societies to large national and international NGOs with extensive operational budgets (Khan et al., 2020). Despite this growth, the sector faces persistent challenges, including project-based funding instability (80% of funding tied to short-term projects), weak governance structures, and significant human resource constraints (Ulleberg, 2009). These operational realities, combined with often flat organizational hierarchies and limited career progression opportunities, create an environment conducive to high employee turnover.

2.1 Theoretical Framework: Human Capital Theory

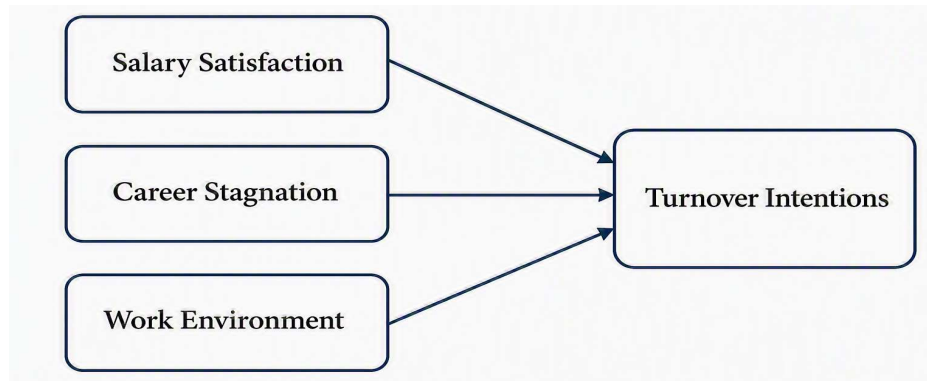
This study is grounded in Human Capital Theory (Becker, 1964), which posits that individuals invest in their skills to maximize lifetime economic returns. Employees are theorized to seek employment that offers adequate compensation (salary), opportunities to enhance their capital (career growth), and a work environment that does not deplete their resources. When these returns are perceived as inadequate—manifested through low pay, career stagnation, or a poor work environment—employees are more likely to intend to leave. This framework guides the analysis of the hypothesized relationships in the unique, mission-driven context of NGOs.

2.2 Conceptual Framework

The conceptual framework (Figure 1) illustrates the proposed direct relationships where the three independent variables predict the dependent variable.

Figure 1

Conceptual Framework



Note. Adapted from the theoretical framework based on Human Capital Theory (Becker, 1964).



2.3 Salary and Turnover Intentions

Salary satisfaction has been consistently identified as a critical determinant of employee retention across various sectors. Research demonstrates that perceived pay inequity, inadequate compensation relative to workload, and lack of competitive salaries are significant predictors of turnover intentions (Heneman & Judge, 2000; Milkovich & Newman, 2008). In the NGO context, where funding constraints often limit compensation packages, salary dissatisfaction becomes particularly pronounced. Employees who perceive their salary as unfair compared to their responsibilities and contributions are more likely to consider leaving their organizations (Singh & Loncar, 2010; Hayati et al., 2015). Studies in developing economies have similarly found that salary is a primary driver of employee retention decisions (Okpara, 2004; Nguyen et al., 2003).

2.4 Career Stagnation and Turnover Intentions

Career stagnation, often referred to as career plateauing, occurs when employees perceive limited opportunities for advancement or professional growth within an organization (Milliman, 1992; Greenhaus & Callanan, 1994). Career plateauing can be hierarchical, where upward mobility is blocked, or job-content-related, where tasks become repetitive and unchallenging (Choudhary et al., 2013). Research has established a strong positive relationship between career stagnation and turnover intentions, as employees seek organizations that offer pathways for skill enhancement and career progression (Hu et al., 2022; Rotondo & Perrewé, 2000). Obianuju et al. (2021) found that career plateauing significantly increases employee turnover intentions in civil service contexts, a finding likely transferable to NGO settings where flat organizational structures are common.

2.5 Work Environment and Turnover Intentions

The work environment encompasses multiple dimensions, including workload, work-life balance, managerial support, and organizational culture (Karasek, 1985). A supportive work environment characterized by manageable workloads, positive supervisor-subordinate relationships, and work-life balance has been shown to reduce turnover intentions (Yang et al., 2015; Muhammad et al., 2021). Conversely, excessive workloads, job stress, and lack of organizational support contribute to burnout and increase the likelihood of employees leaving (Handayani & Suhariadi, 2020; Kim, 2015). In NGO settings, where employees often face demanding workloads due to resource constraints, the work environment plays a crucial role in retention decisions (Alias et al., 2018; Issaya, 2023).

2.6 Synthesis and Research Gap

While the individual relationships between salary, career stagnation, work environment, and turnover intentions are well-documented in corporate and general nonprofit contexts, limited research has examined these factors collectively within the specific NGO sector of Khyber Pakhtunkhwa, Pakistan. The unique characteristics of NGOs in this region, including project-based funding, flat organizational structures, and mission-driven workforces, may moderate the strength and nature of these relationships. This study addresses this gap by investigating all three predictors simultaneously in the Peshawar NGO context, providing localized evidence to inform retention strategies and extending theoretical understanding of human capital dynamics in mission-oriented organizations.

3. Research Methodology

3.1 Research Design

This study employed a quantitative, cross-sectional research design to examine the effects of salary, career stagnation, and work environment on turnover intentions among employees in non-governmental organizations (NGOs) in Peshawar, Pakistan. Data were collected via a structured questionnaire using validated scales and analyzed using statistical techniques in SPSS.

3.2 Population and Sampling

The target population was employees of health-sector NGOs operating in urban areas of Peshawar, Khyber Pakhtunkhwa.

Sampling Technique: A two-stage sampling method was used. First, three prominent health-sector NGOs were purposively selected for accessibility and relevance. Second, a stratified random sampling



technique was employed within each NGO. Strata were defined by job level (field staff, program managers, senior leadership) to ensure representation across hierarchies. Respondents were randomly selected from staff lists provided by the HR departments of the participating NGOs.

Sample Size: A target of 100-150 respondents was set, deemed sufficient for the planned statistical analyses (Bilal, 2020). The final sample consisted of $N = 137$ fully completed and usable questionnaires.

3.3 Data Collection Instrument

A self-administered questionnaire was used, comprising four main sections measured on a five-point Likert scale (1 = Strongly Disagree to 5 = Strongly Agree), unless otherwise specified. All scales were adapted to the NGO context.

- **Salary Satisfaction:** Measured using an adapted scale from Singh and Loncar (2010), assessing perceptions of pay fairness, adequacy, and competitiveness (e.g., "My salary is fair compared to my responsibilities").
- **Career Stagnation:** Assessed using an adapted version of the Subjective Career Plateaus Scale (Milliman, 1992), measuring perceptions of limited hierarchical advancement and job content growth (e.g., "My opportunities for advancement in this organization are limited").
- **Work Environment:** Measured using dimensions of the Job Content Questionnaire (Karasek, 1985) and other established scales, focusing on workload, work-life balance, and managerial support (e.g., "My workload is excessive and stressful").
- **Turnover Intentions:** Measured using a shortened version of the scale by Mobley et al. (1978) (e.g., "I often think about quitting my job"). Items were coded so that higher scores indicate stronger intentions to leave.
- A final section collected **demographic data** (age, gender, education, job tenure).

3.4 Data Analysis

Data were analyzed using the following analytical techniques:

Descriptive Statistics: Frequencies, means, and standard deviations were calculated for all study and demographic variables.

Reliability Analysis: The internal consistency of multi-item scales (Career Stagnation, Work Environment, Turnover Intentions) was assessed using Cronbach's alpha, with a threshold of $\alpha > 0.7$ considered acceptable.

Pearson's Correlation Analysis: Used to examine the bivariate relationships between the main study variables (salary, career stagnation, work environment, and turnover intentions).

Multiple Regression Analysis: Conducted to test the study's hypotheses and determine the unique predictive power of each independent variable on turnover intentions. The model was specified as:

$$\text{Turnover Intentions} = \beta_0 + \beta_1(\text{Salary}) + \beta_2(\text{Career Stagnation}) + \beta_3(\text{Work Environment}) + \varepsilon$$

Model Diagnostics: Variance Inflation Factors (VIF) were checked to ensure no multicollinearity ($\text{VIF} < 5$). The Ramsey Regression Equation Specification Error Test (RESET) was conducted to check for model specification errors (Ramsey, 1969; Hair et al., 2019).

4. Results

4.1 Demographic Profile of Respondents

The demographic characteristics of the 137 respondents are summarized below.

Table 1

Descriptive Statistics for Study Variables

Variable	Mean	SD	Actual Range	Theoretical Range
Salary Satisfaction	2.87	0.94	1.50-4.80	1.00-5.00
Career Stagnation	3.42	0.87	1.40-4.80	1.00-5.00
Work Environment	2.95	0.92	1.20-4.90	1.00-5.00
Turnover Intentions	3.58	1.02	1.00-5.00	1.00-5.00

Note. Higher scores indicate higher dissatisfaction (salary, career stagnation, work environment) and higher turnover intentions.



Education: The sample was highly educated, with 94.2% holding a postgraduate degree. The majority held a Master's degree (56.2%), followed by MPhil (29.2%) and PhD (8.8%).

Role in NGO: The sample was dominated by Program/Project Management staff (41.6%), followed by Administrative/HR (21.2%), and Information Technology staff (18.2%). Field staff constituted 12.4% of the sample.

4.2 Reliability of Measures

The internal consistency of the multi-item scales (Career Stagnation, Work Environment, and Turnover Intentions) was assessed using Cronbach's Alpha. As shown in Table 1, the composite scale demonstrated excellent reliability ($\alpha = .847$), well above the recommended threshold of 0.70.

Table 2

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.847	.862	19

4.3 Correlation Analysis

Pearson correlation analysis was conducted to examine the bivariate relationships between the study variables. The results, presented in Table 2, reveal significant positive correlations between all three predictor variables and turnover intentions. Salary satisfaction showed the strongest correlation ($r^* = .557$, $p^* < .01$), followed by career stagnation ($r^* = .506$, $p^* < .01$) and work environment ($r^* = .487$, $p^* < .01$). The predictors were also significantly intercorrelated.

Table 3

Results of Correlation Analysis

Variables	Salary	Career Stagnation	Working Environment	Turnover Intentions
Salary	1	—	—	—
Career Stagnation	.712**	1	—	—
Working Environment	.619**	.668**	1	—
Turnover Intentions	.557**	.506**	.487**	1

Note. Correlation is significant at the 0.01 level (2-tailed).

4.4 Regression Analysis and Hypothesis Testing

A multiple linear regression analysis was performed to test the study's hypotheses and assess the combined effect of salary, career stagnation, and work environment on turnover intentions, while controlling for age. The results are presented in Table 3.

Table 4

Results of Regression Analysis for Employee Turnover

Predictors	β	Std. Error	t	Sig.
Salary	-0.402	.057	-7.032	.000
Career Stagnation	0.231	.047	4.876	.000
Working Environment	-0.220	.045	-4.560	.000
Age	0.338	.078	4.310	.000
$R^2 = 0.479$	$F = 30.298$			

Note. Dependent Variable = Turnover Intention (reverse-coded, higher scores = higher intention to leave).

Table 5

Model Comparison

Model	R^2	ΔR^2	F	ΔF	Sig. ΔF
Model 1 (Salary only)	.311	-	61.42	-	.000
Model 2 (Salary + Career Stagnation)	.423	.112	49.87	28.65	.000
Model 3 (Salary + Career Stagnation + Work Environment)	.479	.056	30.30	20.78	.000



Hypothesis 1: Proposed that higher salary satisfaction is associated with lower turnover intentions. This was strongly supported. Salary satisfaction was the most powerful predictor in the model ($\beta = -.402$, $*p < .001$), indicating a significant negative relationship.

Hypothesis 2: Proposed that career stagnation is associated with higher turnover intentions. This was supported. Career stagnation showed a significant positive relationship with turnover intentions ($\beta = .231$, $*p < .001$).

Hypothesis 3: Proposed that a better work environment is associated with lower turnover intentions. This was supported. The work environment was a significant negative predictor ($\beta = -.220$, $*p < .001$).

The overall model was statistically significant ($*p < .001$) and explained 47.9% of the variance in turnover intentions ($R^2 = .479$). Age was included as a control variable and was also a significant predictor.

4.5 Model Diagnostics

A series of diagnostic tests confirmed the robustness of the regression model. Ramsey's RESET test indicated no specification error ($F = 1.423$, $*p = .243$). The Breusch-Pagan test confirmed homoscedasticity ($\chi^2 = 2.187$, $*p = .335$), and the Shapiro-Wilk test confirmed normality of residuals ($W = 0.986$, $*p = .157$). All Variance Inflation Factor (VIF) values were below 2.16, well under the threshold of 5, indicating no multicollinearity concerns.

5. Discussion

This study examined the influence of salary, career stagnation, and work environment on turnover intentions among NGO employees in Peshawar, Pakistan. Grounded in Human Capital Theory (Becker, 1964), the findings confirm that employees' decisions to stay or leave are a rational evaluation of the returns on their invested skills and effort.

The regression model ($R^2 = .479$) identified salary satisfaction as the strongest predictor of reduced turnover intentions ($\beta = -.402$, $*p < .001$), affirming the fundamental economic premise of the theory. This finding aligns with previous research establishing salary as a primary driver of employee retention (Hayati et al., 2015; Singh & Loncar, 2010; Jusuf, 2025). For NGO employees in Peshawar, financial compensation appears to be the most critical factor in retention decisions, suggesting that despite the mission-driven nature of the sector, economic considerations remain paramount.

Career stagnation also had a significant positive effect ($\beta = 0.231$, $*p < .001$), indicating that a lack of growth opportunities motivates employees to seek returns on their human capital elsewhere. This finding is consistent with the work of Hu et al. (2022) and Obianuju et al. (2021), who found that career plateauing significantly increases turnover intentions. In the NGO context, where flat organizational structures are common and promotion opportunities may be limited, career stagnation represents a substantial retention risk.

While significant, the work environment had a comparatively smaller effect ($\beta = -.220$, $*p < .001$), suggesting that poor conditions act as a non-financial cost that erodes the overall value of employment. This finding aligns with research by Handayani and Suhariadi (2020) and Muhammad et al. (2021), who found that workload and job stress contribute to turnover intentions. However, the relatively lower effect size compared to salary indicates that financial concerns may take precedence over environmental factors in the Peshawar NGO context.

The significant correlation between salary and career stagnation ($*r = .712$) suggests that these two factors are closely intertwined in NGO employees' perceptions. Employees who perceive inadequate compensation may also perceive limited career advancement opportunities, potentially reflecting the broader resource constraints and flat structures characteristic of NGOs. This finding highlights the need for integrated retention strategies that address both financial and developmental aspects of employment.

Age emerged as a significant control variable ($\beta = 0.338$, $*p < .001$), with older employees showing higher turnover intentions. This finding may reflect the cumulative effect of prolonged career stagnation and the lack of advancement opportunities over time, particularly in organizations with limited hierarchical structures.

In essence, turnover intentions in this sector represent a calculated response to the totality of returns—financial, developmental, and psychological—on an employee's human capital investment. The study



confirms that Human Capital Theory provides a robust framework for understanding employee retention in NGOs, demonstrating that the principles of investment and return are just as relevant for non-profit employees as they are for corporate ones. The findings suggest that NGOs must be understood not merely as charitable entities but as competitive players in a talent market where the laws of human capital are fully operational.

6. Conclusion

This study examined the influence of salary, career stagnation, and work environment on turnover intentions among NGO employees in Peshawar, Pakistan. The findings confirm that all three factors are significant predictors of turnover intentions, with salary satisfaction emerging as the strongest predictor, followed by career stagnation and work environment quality. Grounded in Human Capital Theory (Becker, 1964), the study demonstrates that NGO employees rationally evaluate the returns on their human capital investments, considering both financial and non-financial factors in their retention decisions.

The study makes several contributions. Theoretically, it extends Human Capital Theory to the mission-driven NGO context, confirming that economic logic remains relevant even in organizations where social impact is a primary motivator. Practically, it provides NGO managers with evidence-based insights for developing integrated retention strategies that address salary, career growth, and work environment simultaneously. The findings also contribute valuable, localized knowledge to the limited literature on NGOs in Khyber Pakhtunkhwa, offering guidance for policymakers, donors, and organizational leaders seeking to strengthen workforce stability and enhance sector sustainability.

6.1 Practical Implications

For NGO managers in Pakistan, the conclusion is clear: a holistic approach to retention is essential. A competitive salary is the foundational element, but it must be reinforced by clear career pathways and a supportive, sustainable work environment. Neglecting any one of these pillars creates vulnerability. Talent retention strategies must therefore be integrated, addressing financial, professional, and personal needs simultaneously to ensure that employees feel valued, growth-oriented, and able to thrive in their roles.

Specific recommendations include:

1. **Competitive Compensation:** NGOs should conduct regular salary benchmarking to ensure pay scales are competitive with similar organizations and adequately reflect employee responsibilities.
2. **Career Development:** Organizations should establish clear career progression pathways, provide professional development opportunities, and implement mentorship programs to mitigate career stagnation.
3. **Work Environment:** NGOs should address excessive workloads, promote work-life balance, and foster supportive supervisor-subordinate relationships to reduce stress and improve job satisfaction.

6.2 Limitations and Future Research

This study is subject to several limitations. First, cross-sectional design limits the ability to establish causal relationships. Future research should employ longitudinal designs to examine the temporal dynamics of the relationships identified. Second, the study focused on health-sector NGOs in urban Peshawar, limiting generalizability to other NGO subsectors and rural areas. Third, reliance on self-reported measures may introduce common method bias, though diagnostic tests indicated no significant issues. Fourth, the purposive selection of three NGOs may introduce selection bias.

Future research should examine these relationships across diverse NGO contexts, including different subsectors (e.g., education, environment, humanitarian aid) and geographical areas (rural vs. urban). Additionally, research exploring the role of organizational culture, leadership styles, and employee motivation in moderating these relationships would provide valuable insights. Finally, qualitative research exploring employees lived experiences of salary dissatisfaction, career stagnation, and work environment challenges would complement the quantitative findings presented here.

Author Contributions

All authors participated in ideation, development, and writing the manuscript. All authors read and approved the final manuscript.

Conflict of Interest Statement



The authors declare that there is no conflict of interest regarding the publication of this article.

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Informed Consent

Informed consent was obtained from all participants prior to data collection. Participants were informed about the purpose of the study, the voluntary nature of their participation, and their right to withdraw at any time without any consequences. The confidentiality and anonymity of respondents were guaranteed throughout the research process.

Data Availability

The datasets generated and analysed during the current study are available from the corresponding author upon reasonable request. The authors are committed to transparency and will provide detailed methodological information and analysis protocols upon request.

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