

The cause and correlates of employee turnover



After review the literatures and theories in previous chapter, the theoretical framework and conceptual framework was formulated and is presented in this chapter. The theoretical framework shows theories being as a basic reference. The framework shows, clarifies, and summarise big ideas and relationship of variables in this research. The conceptual framework shows the specific map of idea of this research. In the conceptual framework, personal characteristics, work-related attitudes and perceived alternative job opportunities were treated as independent variables and turnover was treated as dependent variable. Then, guiding to this study were the hypotheses tested; this shows statements which researcher wanted to prove in this research. Finally, the operational definitions of independent and dependent variables were explained.

3. 1 Theoretical Framework

The cause and correlates of employee turnover had been studied from many different perspectives. The economist may focus on the relationship between average wage and turnover rates by type of industry (Armaknecht and Early, 1992). The sociologist may compare specific variables, such as occupational group, work group size, or communication pattern (Price, 1992). The human resource planner may look at employee turnover rates by occupational category and the length of service (Johnson, 1982; walker 1995). The industrial- organisational psychologist may study individual determinants of employee turnover, such as job dissatisfaction (kratina, 1990; Huulin, 1993); commitment (Matthai, 1989; Mowday, Hornor, and Hollingsworth, 1993).

Researchers have investigated the relationship between job satisfaction and various outcome variables including employee turnover extensively. The outcomes had indicated significant variables have resulted.

To deal with this, there has been growing appeal for job satisfaction researchers to apply attitude theory to the study of job satisfaction (Huff, 2000). Attitude research recently has indicated that some attitudes act as stable predispositions; the attitudes are less stable and thus have less influence on thoughts and actions. The attitude strength literature strongly suggests that attitude strength acts as a moderator of relationships between attitudes and behavioral outcomes (Huff, 2000)

In a study that assessed the level of attitude strength associates with job satisfaction and tested the relationship between attitude strength and job satisfaction and tested the relationship between attitude strength and job satisfaction in the prediction of outcome variables, researchers hypothesised job satisfaction would be significantly related to outcomes when a high level of attitude strength existed (Huff, 2000). The results confirmed the finding at job satisfaction was consistently found to have a significantly stronger relationship with employee job involvement and intention to quit.

Recent researchers investigating job satisfaction and employee turnover have realize the complex, integrative nature of the two variables (Moore, 1998). With this recognition, researches have investigated have investigated main effects and moderating effects of various aspects of the job on job satisfaction and job turnover (Moore, 1998; Bartlett, 1999)

In an effort to explain the variance that has been found in workplace outcomes such as job satisfaction in relation to organisational predictors, researchers combined aspects of two sub-disciplines of psychology, including environmental psychology and organisation psychology. Using the person-Environment-Fit theory, the fit between employees' perceived environmental control and job autonomy were hypothesised to explain a significant variance in job satisfaction, environmental satisfaction, job competence, environment competence, absenteeism, intent to turnover and job stress(jones, 1999)

There are several studies demonstrating a causal relationship between job dissatisfaction and employee turnover(Mobley, Griffeth, Hand, and Meglino, 1994); Bluedorn, 1996; Crampton and Wagner, 1999; Spector, 2000). As previously stated that causality runs from job satisfaction to employee turnover, and not the opposite, is supported by the longitudinal designs usually applied to such studies in which job satisfactions is measured at one point in time, and the employee turnover occurs much later.

Models of turnover place job satisfaction in the center of a complex process that involve factors both inside and outside of the employing organisation. Figure 3. 1 is a simplified model that shows the integrative nature of the two variables.

Figure 3. 1 Model of Employee turnover as a function of Job Satisfaction and unemployment rate

Organisation Availability of

factors alternatives

Job Intent Search Turnover

satisfaction to quit behavior

Person

factors

(Source: Paul E. Spector (2000). Job Satisfaction: Application, Assessment, Causes, and Consequences)

According to this model, characteristics of the individual combine with characteristics of the job environment to determine the level of job satisfaction. If the job satisfaction level is sufficiently low, the person will develop a behavioral intention to quit the job. That intention may lead to job search activities, which if successful, will lead to turnover. Alternative employment opportunities are important because a person is not likely to quit without another job offer (Ibrahim, 1998; Spectore, 2000)

3. 2 Conceptual Framework

Figure 3. 2 Model of Conceptual Framework

Independent Variable

As shown in figure 3. 2 the conceptual framework consisted of two parts; independent and dependent variable. Three main independent variables that were considered as factors affecting turnover are demographic characteristics, satisfaction of organisational factor s and perceived

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alternative job opportunities, and turnover was treated as dependent variable.

Table. Operational table of variables

Variable

Definition

Operational Components

Level of measurement

Personal characteristic

Age

Education

Tenure

The length of time a person has lived

The knowledge or skill level which has obtained by learning process through formal instruction

The length of time a person has worked in an organisation

Duration of life specific to one person

Highest education level obtained

Number of years worked in an organisation

Worked-related attitude

Satisfaction with work-itself

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Satisfaction with pay

Satisfaction with promotion

Satisfaction with co-workers

Satisfaction with supervisor

Organisational commitment

Satisfaction of employee with the nature of work

Satisfaction of employee with money and its equivalence which employee get for their service to employer

Satisfaction of employee with the chance for advance in the organisation

Satisfaction of employee with social harmony and respect, and feeling of friendship among co-workers

Satisfaction of employee with their interaction with supervisor

Identification of employee with a particular organisation and the desire to maintain membership

Felling a sense of pride in doing job and a job is meaningful and enjoyable

Equitable of pay, opportunity for salary increases, and fairness of fringe benefits when compare with other organisations

Good opportunities for promotion on job, fairness of promotion opportunities for anyone, and fairness of opportunities for growth when compare with other organizations

Friendship with co-workers, feeling not to work harder because of co-workers' competence, feeling working with co-workers is enjoyable, cooperative and work well together

Ability of supervisor to perform his/her job, fairness of treatment from supervisor, behavioral and technical support from supervisor

Feeling good with an organisation and

Willingness to contribute more than expected efforts to achieve organisational goal

Perceived alternative job opportunities

Employee perceives the exist availability of alternative jobs in the environment

Perceived opportunities for another job

Intention to leave the job

Intention or predisposition to leave the organisation of employee

Probability of leaving an organisation

3. 4 Operationalisation of Independent and Dependent Variables

A concept must be operational in order to be measured before the measurement process can be initiated. An operational definition gives

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meaning to a concept and specifics what the researcher must do to measure the concept (Zikmund, 1997). This section presents the operational definitions for all independent variables as well as dependent variable

3. 4. 1 Operational Definition of Independent and Dependent variables

From the conceptual framework diagram, an overall conceptual framework shows that there are three groups of independent variable, which affect employee turnover in The Nation Group, Thailand. The factors would have effects on Job satisfaction factors and employee turnover, which are dependent variable. Moreover, perceived alternative job opportunities would be treated as independent variable and have effects on employee turnover, which is dependent variable.

These sets of independent factors consisted of demographic and satisfaction of organisational factors. Demographic factors included age, gender, education income and position. Satisfaction of organisational factors included salary and benefit, career advancement, promotion and recognition, nature of supervision, co-worker, others' opinion, working condition, seniority, responsibility, policy, job security, organisational commitment and work itself. Moreover, the specific aspects of job related factor theoretically affect the overall job satisfaction and the specific aspect of organisational factors affect employee turnover.

Table 3. 4 Operationalisation Table of Variables

These set of independent factors will have an affect on Job Performance, if employees' are satisfied with the factor, it would not lead to employee

turnover, or else if employees are dissatisfied, it would lead to the intention of quitting the job, that mean it will perceive alternative job opportunities and finally lead to employee Turnover, which is a dependent variable.

3. 5 Expected Outcome

For demographic profile, Mobley(1979), Muchinsky and Tuttle (1979), Porter and Steers (1973), and Proce (1977) state that younger employees have a higher probability of leaving and are likely to terminate voluntarily than older employees. Arnold and Feldman (1982) and Brief and Aldag (1980) found that education is positively related to employee turnover. Hellman (1997) supported that employees with higher tenure are less likely to leave than employees who are relatively uncommitted. Therefore, the researcher expected that employees would have a greater tendency to leave their job if they are dissatisfied with organisational factors.

Lambert (2001), found that perceived alternative job opportunities had a significant positive effect on turnover intent. Similar to Guney(1997), they found that employee turnover was directly increased by greater job opportunities. Thus, the researcher expected that there would be relationship between job satisfaction and perceived alternative job opportunities and further to employee turnover. Employees would be likely to express turnover intention if they perceived that there are other job opportunities in the environment.