

Determinants of Turnover Intentions among Supply Chain Supervisors in a Motor Bike Manufacturing Unit

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Abstract

Present study is an attempt to study the determinants of Turnover Intentions among supply chain Supervisors in a Motor Bike Manufacturing Unit. For this purpose turnover intentions scale, job diagnostic survey, job characteristic scale and job involvement scale were used as measures. Sample for this research work was mainly consisted of 124 male supervisors of supply Chain in a motor bike manufacturing unit. Results show that supervisory satisfaction and growth satisfaction are emerged as two determinants of turnover intentions. There is significant negative correlations exist between all the sub-dimensions of job satisfaction and turnover intentions. The results indicate that employer should take care of the factors affecting the employee's job satisfaction because it directly affects the turnover in a company.

Keywords: *Turnover intentions, job characteristics, job involvement, job characteristic*

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Introduction

Employees leave the organizations by both voluntarily and involuntarily way. In this piece of research we are defining the turnover as the voluntary turnover. Employees leave for a number of reasons, some to escape negative work environments, some are more in alignment with their career goals, and some to pursue opportunities that are more financially attractive. In several studies turnover intention has been identified as the immediate ancestor for actual turnover in organizations (Mobley, Horner & Hollingsworth, 1978; Tett & Meyer, 1993).

In several researches turnover intention has been acknowledged as the main predictor of actual turnover (Mobley, 1977; Horn and Griffeth, 1995; Michaels and Spector, 1982; Mobley et al., 1978; Brodie, 1995; Fishbein and Ajzen, 1974). Mobley et al. (1979) in their research found that a person's behavioural

intentions to stay or leave are consistently related to turnover behaviour. Wunder et al. (1982), in their turnover model, measured intent to leave as a substitute for actual turnover. Turnover intention is a complex phenomenon that depends on various factors. Ample of researches on employee turnover shows that age, job satisfaction, tenure, job image, met expectations, organizational commitment are very much related to turnover intentions and the actual turnover (Arnold and Feldman, 1982; Wotruba and Tyagi, 1991; Brodie, 1995). It has been accepted that the modification of variables associated with turnover intentions is considered an effective strategy in reducing actual turnover levels (Maertz & Campion, 1998). The selection and training of new employees are Very costly affairs for any company and enhanced turnover intentions can increase this cost (Dalton, Todor, & Krackhardt 1982; Staw, 1980). The turnover of employees has other cost implications that

mainly include lack of morale, stress on the left behind staff, expenses of the training of new employees, and the loss of social capital (Des & Shaw, 2001). Further the cost of losing a good employee who is performing very well and who have placed a place where there is already lack of manpower, skills and abilities, can affect substantially an organization's performance, efficiency, and service delivery. Turnover can have a negative effect on the whole group where employees works by unsettling group socialization and enhancing interior conflicts, which can lead to further turnover (North, Rasmussen, Hughes, and Finlayson 2005).

It is extensively understood that the amount of turnover negatively influences a organization's effectiveness and hampers performance and output. Whenever a employees starts thinking about withdrawing from any organization, he or she starts withdrawing himself from organization cognitively. It further affects productivity of the organization as high turnover disrupts the process of manufacturing which further leads to inefficiencies and malpractices (Alexander, Bloom, and Nuchols, 1994).

Several time researchers measured interesting implications related to turnover intentions and working life in organizations (Price, 1977). Researchers also found that turnover intentions are a very crucial factor having potential serious impact on organizations and individuals (Porter and Steers, 1973). Due to these reasons several researchers like Mobley (1977), Mobley et al. (1979), Price (1977), Szilagyi (1979), etc have been interested in the study of the determinants of employee turnover. Szilagyi (1979) found that job characteristics, employee relations, and work environment (such as organizational tasks and reward systems) are main factors having significant impact on the turnover behaviors of employees. He further described factors related to turnover

intentions which can be controlled and which are uncontrollable. While leadership styles and work environment are considered as controllable factors and availability of labor, and opportunities available to employees in other organizations were considered as uncontrollable factors. Arnold and Feldman (1982) found age, tenure, overall job satisfaction, organizational commitment, perceived security in work and intention to search for an alternative position were significantly influenced turnover. March and Simon, (1958) says that Perceiving support from the organization for an employee should perceive greater inducements and Mathieu and Zajac, (1990) indicates those could potentially increase his/her instances of positive mood at work, which could then cause positive emotional associations with the organization itself, thereby increasing affective commitment and decreasing turnover intention. Several researches have indicated that job satisfaction and job characteristics are related and have some impact on employees' intention to leave organization. Mobley et al. (1979) also indicted employee withdrawing intention significantly correlated with "job content factors," "promotion opportunities," "centrality of work value," and "peer group interaction". Khatri et al. (2001) examine three sets of determinants of turnover intention first is demographic factor, second controllable factor and third uncontrollable factor. pay, nature of work, supervision, organizational commitment, distributive justice, and procedure justice factors were included in the controllable factor. The uncontrollable are perceived alternative, employment opportunity and job-hopping. Sager and Johnston (1989) suggested that job satisfaction and job characteristics with demographic variables (Cotton and Tuttle, 1986; Morrow, 1983 and Gregersen and Black, 1982) exert a significant effect on employee turnover intention.

According to Odon et al., (1990) Job satisfaction is the extent to which an employee feels about his or her job while on the other side, Demir (2002) refers job satisfaction to employees' feel of contentment and discontentment for a job. Cranny et al. (1992) stated that job satisfaction is a contribution of cognitive and affective reactions to the differential perceptions of what an employee wants to receive compared with what he or she actually receives. In several organizational studies, job satisfaction has been considered as an important concept related to employees perception regarding their job. It is considered as one of the most used variables in the field of Organizational psychology. In many researches the concept of turnover intentions is studied as a psychological response, and rely on the belief that turnover is an individual choice behavior. In their research Porter and Steers (1973) stated that job satisfaction usually accounts for less than 16 percent of the variance in turnover. Locke (1976) defined job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". Mobley's (1977) in their turnover model showed the process of how job dissatisfaction leads to thoughts of quitting is well explained. Further Mobley (1977) found that job and working conditions affect job satisfaction which further leads to the thought of quitting, job search evaluation of alternatives, comparison of alternatives with the present job, intention to quit or stay, and finally to turnover or retention behaviour. Researches have also shown that people who are relatively satisfied with their jobs, will stay in them longer, and they show lower turnover, and be less absent (Jewell and Segall, 1990; Locke, 1976).

Job characteristics are generally defined as attributes or factors important to work, for example work conditions, work diversity, salary, welfare, interpersonal relationships, etc.

(Mclean, 1991). Preferences related to seeking employment can help a person in establishing his goals and decision making. Job related preferences helps a person a lot in finding ideal work conditions and affect an employee's attitudes a lot. If the job characteristics satisfy the preferences of the qualified people, organizations are better able to recruit productive employees and reduce turnover. Several concepts related to the job characteristics have been highlighted by researcher s working in the organizational area however, they share a common subject that highlight the nature of work and their implication on job outcomes (Samad, 2004).

Despite of several empirical studies among researchers working in organizational sector in India, earlier observed findings are still less encouraging and have been questionable. This is especially true in terms of the nature of the affairs and contributions of job related satisfaction and job distinctiveness on turnover intentions (Sager and Johnston, 1989). The majority of the studies of the behavioral outcomes of job characteristics (Sager at al., 1998) and job satisfaction (Roznowski and Hulin, 1992) have focused on employees in certain industries. Present research is an effort to study the determinant of turnover intentions in employees' from several important factors like job involvement, job satisfaction and job characteristics.

Method

Objectives of the study:

1. To study the correlation of turnover intentions with job involvement, job satisfaction and job characteristics scales.
2. To predict specific determinants of turnover intentions.
3. To find out the significance of difference between the employees of low and high turnover intentions and

compare these groups on the variables of job involvement, job satisfaction and job characteristics scale.

Hypotheses:

1. The sub-dimensions of job satisfaction will be emerged as determinants of turnover intentions.
2. Turnover intentions will be significantly negatively correlated with job involvement, job satisfaction and job characteristics scales.
3. There will be significant differences on the sub-dimensions of job satisfaction and job characteristics between the group with low turnover intentions and high turnover intentions.

Sample

Sample for this research work was mainly consisted of 124 supervisors of supply Chain in a motor bike manufacturing unit between the age range of 25 to 38 and with the mean age of 29.93 years, with the present job's experience of 1 to 6 years with mean experience of 3.56 years and with total job's experience of 3 to 12 years with mean of 6.04 years total job's experience. All 124 participants were male employees.

Measures

Job Satisfaction: Job satisfaction was measured using five facet items from the Job Diagnostic Survey (JDS; Hackman & Oldham, 1975). The JDS include a 14-item scale to measure five specific satisfactions; pay, job security, social, supervisory, and growth satisfaction. The format for the facet items is a seven-point scale ranging from (1) "extremely dissatisfied" to (7) "extremely satisfied." Coefficient alpha from 6,930 employees working on 876 jobs in 56 organizations has reported highs ranging from .64 to .87.

Turnover Intentions: The turnover intentions scale was developed as a part of the Michigan Organization Assessment Questionnaire (Cammann, Fichman, Jenkins, and Klesh, 1979).

In a project authors have reported an internal consistency for the scale of 0.83, and supported construct validity with correlations of -0.58 with overall job satisfaction. There are only 4 items in the scale.

Job Characteristics: Job characteristic scale developed by Naaz and Akhtar (1993) was used to measure the job characteristics. It is a likerts type 5 point self rating scale. It consists of 28 items pertaining to four core job dimensions, i.e., Autonomy; Task identity; Feedback and skill variety but here we are treating it as a single entity scale. Validity of the scale was gauged by computing item total score correlation which range between .27 to .78. Product moment correlation coefficient computed between the four job characteristics ranged between .18 to .81. The values were found statistically significant at .05 level.(Naaz and Akhtar) 1993.

Job involvement scale: The job involvement of the subjects was assessed with the help of Indian adaptation of Lodahl and Kejner's (1965) scale. This adaptation was undertaken by Akhtar and Bacha (1984). Its reliability coefficient (Split Half) has been reported to be .76. It is a 20 itemed 5 point rating scale.

Results

In order to obtain the results, inter-correlations among all the different variables i.e. turnover intentions, job satisfaction, job involvement and job characteristic were computed through Pearson's product moment method of correlation. t-test was applied on two groups of employees which were divided on the basis of their score on the test of turnover intentions. After that stepwise multiple regression analysis was computed to determine the factors contributing most to turnover intentions.

Co relational Analysis of turnover intentions with job satisfaction, job involvement and job characteristic

Table No. 2 illustrates how turnover intentions are negatively and significantly related with Pay related satisfaction (-.34**) Job security (-.26**) Social satisfaction (-.33**) Supervisory satisfaction (-.48**) Growth satisfaction (-.41**), Autonomy (-.27**), Feedback (-.26**). The variable of turnover intentions is significantly not correlated with Job involvement, Task identity and skill variety

Regression analysis

After computing the inter-correlations, stepwise multiple regression was computed mainly to examine the unique contribution of different factors of organizational life in the development of turnover intentions. Table 3 shows that among organizational factors, only supervisory satisfaction and growth satisfaction shows 27% variance jointly and supervisory satisfaction shows 23% variance and growth satisfaction shows 04% variance separately.

Significance of difference

To find out the significance of difference between two groups of persons showing high turnover intentions and low turnover intentions t-test was applied between the two groups mentioned in table 4. In these two groups significant differences were found only on three variables and they were turnover intentions, pay related satisfaction and supervisory satisfaction. This group was divided on the basis of scores on the test of turnover intentions so, obviously there is significant difference exists. Besides that on the variables of pay related satisfaction and supervisory satisfaction group 1 (showing no turnover intentions) scored more than group 2 (showing high turnover intentions).

Discussion

The present endeavor was undertaken in order to determine the role of organizational factors in determining the turnover intentions. There are several factors present at the job settings which can enhance or reduce the

feelings of turnover intentions. These three sub-variables are a part of job satisfaction scale, and it can be stated that job satisfaction affects the turnover intentions very much.

The results of the present study shows that among organizational factors, supervisory satisfactions, growth satisfaction and pay related satisfaction are three important factors which can affect the feelings of turnover intentions. Both supervisory satisfactions, growth satisfaction are the sub-dimensions of the job satisfaction scale. In the same manner there is significant differences found between the two groups divided by their score on the turnover intention's measure, on the three of the sub-dimensions of job satisfaction (Pay related satisfaction and Supervisory satisfaction).

The relationship between job satisfaction and turnover has been consistently found in many turnover studies. At the individual level, job satisfaction is the most frequently examined psychological variable in the satisfaction and turnover relationship (Mobley, Griffeth, Hand, & Meglino, 1979). Job dissatisfaction has been repeatedly identified as the single most important reason why employees leave their jobs. Price and Mueller (1981) reported that job dissatisfaction has an indirect effect on turnover through its direct effect on formation of intent to leave. Cotton and Tuttle (1986) also found that overall job satisfaction, satisfaction with the work itself, pay satisfaction, and satisfaction with supervision were negatively associated with turnover.

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Table No. 1 (Mean and Standard Deviations of the sample) (N=124)

		Mean	Standard Deviation
Turnover Intentions		5.76	3.24
Sub dimensions of Job satisfaction	Pay related satisfaction	7.39	2.06
	Job security	7.61	1.84
	Social satisfaction	12.70	1.68
	Supervisory satisfaction	13.07	2.09
	Growth satisfaction	16.12	2.42
Job involvement		74.16	8.91
Sub dimensions of Job Characteristic Inventory	Autonomy	22.48	3.61
	Task identity	20.89	3.73
	Feedback	32.53	4.08
	Skill variety	16.82	2.59

Table No. 2 (Intercorrelation Matrix)

	Turnover	Pay Related satisfaction	Job security	Social satisfaction	Supervisory satisfaction	Growth satisfaction	Job involvement	Autonomy	Task identity	Feedback	Skill variety
Turnover	1.00	-.34**	-.26**	-.33**	-.48**	-.41**	-.01	-.27**	-.08	-.26**	.01
Pay Related satisfaction		1.00	.49**	.40**	.31**	.49**	-.21*	.19*	.23**	.010	.01
Job security			1.00	.33**	.48**	.33**	-.18*	.13	.18*	.16	.20*
Social satisfaction				1.00	.50**	.48**	-.03	.26**	.28**	.31**	-.05
Supervisory satisfaction					1.00	.49**	-.02	.28**	.31**	.44**	.25**
Growth satisfaction						1.00	-.18*	.41**	.27**	.33**	.06
Job involvement							1.00	-.13	-.06	.04	-.04
Autonomy								1.00	.42**	.35**	-.06
Task identity									1.00	.40**	.25**
Feedback										1.00	.26**
Skill variety											1.00

Table No. 3 (Stepwise Multiple Regression Analysis) (Turnover intentions as dependent variable)

Variables	R2	R2 Changed	(B) Unstandardized	SE	t-Value
Constant			18.12	1.74	10.40**
Supervisory satisfaction	.23	.22	-.57	.12	-4.53**
Growth satisfaction	.27	.04	-.31	.11	-2.80**

Table No. 4 Comparisons of employees scoring high on turnover intentions and no turnover intentions

		Employee with low turnover intentions (N=56) turnover intention score=0		Employee with high turnover intentions (N=40) turnover intention score from 8 to 13		t-value
		Mean	Standard Deviation	Mean	Standard Deviation	
Turnover Intentions		0.00	0.00	10.47	1.60	-35.33**
Sub dimensions of Job satisfaction	Pay related satisfaction	8.44	1.71	6.58	2.17	4.72*
	Job security	8.33	1.80	7.25	1.43	3.17
	Social satisfaction	13.56	1.34	12.00	1.59	5.24
	Supervisory satisfaction	13.95	1.23	11.93	2.39	5.45**
	Growth satisfaction	17.35	2.24	14.75	2.24	5.63
Job involvement		72.74	9.28	73.78	8.17	-.57
Sub dimensions of Job Characteristic Inventory	Autonomy	24.21	3.57	21.57	3.28	3.69
	Task identity	21.53	3.41	20.87	3.39	.94
	Feedback	33.87	3.87	31.23	4.02	3.23
	Skill variety	16.59	1.99	16.77	2.45	-.39

