



**THE IMPACT OF JOB SATISFACTION ON EMPLOYEE
TURNOVER INTENTION
'A CASE OF BUNNA INTERNATIONAL BANK S.C'**

**A project Submitted in Partial fulfillment of the
requirements for the Degree of Master in Human Resource
Management**

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Declaration

I, Zerihun Ayalew declare that “**The Impact of Job Satisfaction on Employee Turnover Intention**” a case of Bunna International Bank S.C is my own work, that has not been submitted for any degree or any other examination in any other university, and that all the sources I have used or quoted have been indicated and acknowledged as complete reference. It is submitted for the degree of Masters of Art in Human Resource Management to Addis Ababa University School of Commerce Graduate Program.

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ACRONYMS

ANOVA	Analysis of Variance
BIB	Bunna International Bank S.C
HR	Human Resources
JS	Job Satisfaction
JSS	Job Satisfaction Survey
MOAQ	Michigan Organizational Assessment Questionnaire
PAEO	Perceived Available Employment Opportunity
QWL	Quality of Work Life
SPSS	Statistical Package for the Social Science
TI	Turnover Intention

ABSTRACT

This study, which was conducted at Bunna International Bank S.C, had two-fold objectives. Firstly, to investigate the direct relationship between job satisfaction and employee turnover intention. The second part of the objective examined the relationship between perceived available employment opportunity and turnover intention. Besides, the study attempts to determine the differences in the turnover intention based on demographic variables (age and tenure). The study also hypothesized that there are significant differences in the turnover intention of the clerical employees in Bunna International Bank S.C at different age and length of service; and there is a dominant factor influencing turnover intention among skilled personnel in the organisation. A survey instrument was used to obtain data from a research sample containing 103 clerical employees and additionally secondary data was retrieved from formal sources. Using SPSS version 20, ANOVA, correlation and regression tests were performed to arrive at the findings. The research yielded evidence for a significant negative cause-effect relationship between job satisfaction and employee turnover intention, indicating that on average, employees who are dissatisfied reported having intentions to leave the organization. Working condition demonstrates the strongest relationship. However, the result shows neither age groups nor length of service groups have significant difference with turnover intention. A significantly moderating positive relationship between perceived available employment opportunity and employee turnover intention was identified, since the survey results show interestingly, that employees who are satisfied and have high perceptions of available job alternatives will still have higher intentions to quit their job in comparison with satisfied employees who have low perceptions of available job alternatives. Based on the findings a number of management recommendations and directions for future research are provided.

Key words: *turnover intentions; job satisfaction; perceived available employment opportunity*

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Employee turnover has become a worldwide issue that has puzzled organizations, researchers and practitioners for years. Currently, employee turnover permeates most of the organizations in both developed and developing nations (Tariq et al, 2013). The CIPD (2011) survey report on employee turnover rate in the UK indicated that the nationwide turnover rate in 2006 was 18.1 per cent. According to the report, employees' turnover varies from sector to sector. In the average the turnover for the public sector was 13.3 percent while it was 22.6 percent for the private sector. The report however, did not explain why such a large variation occurred between the public and the private sectors.

Employee turnover can be conceptualized in terms of different categories which include: demographic (e.g. gender, age, educational level), occupational (e.g. skill level, experience, tenure, status), organizational related factors (e.g. firm size, industry, job content, working environments, style of leadership, type of organizational structure, pay scale, reward, advancement opportunity, job security and job involvement). (Mobley et al, 1979).

Various studies have made a clear distinction between actual turnover and the concept of turnover intention, which relates to behavioral attitudes. According to Ajzen (1991), intentions are a statement about a specific behavior or interest. Mobley (1977) defined turnover intention as the intention to leave the job on a voluntary basis. Various studies have investigated this construct and have used similar terms such as intention to leave, intention to quit and withdrawal intention. In a more elaborate definition of this construct, turnover intention can be understood as the intention to voluntarily change employers or to depart the entire labor market.

Turnover intentions are the best predictors of actual turnover based on past studies. Horn et al. (1992) argued in their study that intention to quit and actual turnover had a significant positive relationship. It was argued by Gregory et al. (2007) that behavioral intention to quit is theoretically seen as an important antecedent to actual turnover. Mobley (1977) described turnover intention as the final cognitive step in the decision making process of leaving or staying.

Job satisfaction has been a widely studied variable in determining turnover intention. It is certainly a highly important variable in organizational studies (Kinicki, Schreisheim, McKee-Ryan & Carson, 2002). In fact, most of the studies have been fragmented in identifying an effective mix of practices that could improve the commitment, satisfaction and intention to stay in the organization (Chew & Chan, 2008). Job satisfaction is a factor that in the long run will be able to encourage employees to work (Mudor & Tooksoon, 2011). This is the reason why Mudor and Tooksoon stresses that high attention is to be given to employees' job satisfaction as firms will encounter with cost of recruitment as employees leave the organization and these organizations need to replace them to get the job done.

Job satisfaction can be used to predict turnover. (Spector, 1997). Hom and Kiniki (2001) also agreed on the notion that job satisfaction can be used to understand turnover process. According to Milkovich and Boudreau (1997), a study of Singapore accounts found that job satisfaction is the main predictor of turnover intention.

Newstorm and Davis (1984) had recognised that high turnover at any organizational levels constitutes a waste of human resources. Abelson and Baysinger (1984); and Dalton and Todor (1982) in Newstorm and Davis (1984) agreed with this view and said that turnover is not a good phenomenon for organization because valuable human resources are lost. In today's changing world of work, reasonable levels of employee-initiated turnover facilitated organizational flexibility and employee independence, and they can lessen the need for management layoff.

Thus, Berry (1997) initiated that the organization must go straight to the employees when they think about job satisfaction. This is because they are involve in every single task in the organization and therefore, they could give the necessary feedback to the employers regarding their satisfaction to the job they have been performed.

Moreover, Seta, Paulus and Baron (2000) pointed out that by knowing the factors contributing to the employees' satisfaction, the organization can plan properly and take an appropriate step to increase positive behavior among employees. However, no one would seriously challenge the idea that mismanaging organizational change can result in people choosing to leave (Jackofsky *et al*, 1986).

This investigation is important as an early preparation for the organization to deal with this change because of work opportunities are low and turnover intention of employees will also increase. As compared to when the economy is blooming where job opportunities are great and immensely sought by job hunters.

Muchinsky and Morrow (1980); Muchinsky (1993) in their study believe that under good economic conditions with plentiful of jobs, dissatisfaction could cause the turnover if other opportunities are available in the market. On the other hand, conditions of high unemployment will decrease the feelings of dissatisfaction among employees. The opinion is also agreed by Rosse (1991) in Jones, Steffy and Bray (1991) that the organization should not feel overly satisfied with the good attitudes shown by their employees during the hard economic times. Similarly, Carrell, Kuzmits and Elbert (1992) also found that the turnover closely follows economic swings.

Inter-linkage

In Mobley's 1977 article, he theorized that lack of job satisfaction led to thinking about quitting, which led to job search, which could then lead to an intention to quit, or vice versa, which could eventually result in actual turnover. Lambert, Hogan & Barton (2001) found that job satisfaction significantly impacted turnover intentions and perceived availability of jobs also had a relation with turnover intentions.

All these aforementioned findings make reference to the linkage of the variables. This linkage informed the conceptual model, which is derived from the notion that employees in Bunna International Bank S.C currently experience low job satisfaction, focus on external job alternatives and subsequently develop an intention to leave their employer.

Altogether, it can be assumed that the competitive existence of an organization significantly relies on effectively managing staff turnover and ensuring that good performers and key personnel are motivated to stay and have no intentions to quit.

Therefore, research in job satisfaction and turnover intention can help the organization to identify main factors that can contribute to the turnover intention and rate of turnover. Based on finding of study an organization can make remedy action in order to create favorable working conditions that can enhance the rate of retention.

1.2 STATEMENT OF THE PROBLEM

High employee turnover ultimately could negatively affect the performance of any organization. Cotton and Tuttle (1986). This also holds true for Bunna International Bank S.C (**BIB**). The Human Resource Directorate and the executives of the Bank have been tried to tackle the problem but they did not be successful.

Currently the problem of employees' turnover becomes the severe problem of the main concern of the BIB. During the past four years, 205 employees, which is about 30% of the current number of employees have left the bank. To curve increasing rate of employees' turnover, employees' needs should be properly addressed.

Seta, Paulus and Baron (2000) pointed out by knowing the factors contributing to the employees' satisfactions; the organization can plan properly and take appropriate step to increase positive behavior among employees. Proper trainings in their work settings, growth opportunities at work; job security and good compensation benefits for example might improve employees' level of satisfaction in the organization.

The study tries to identify problems arising like pay& benefits, promotion, and working conditions which lead to dissatisfaction among ‘Clerical staff’ in Bunna International Bank and possible high turnover. Therefore, to reduce the turnover intention of employees, the organization must find the factors that caused the turnover intention and affect the job satisfaction of workers.

1.3 RESEARCH QUESTIONS

The specific research questions addressed are:

1. Do employee’s job satisfaction factors can be the main factor for turnover intention?
2. Does the prevailing external employment opportunity in labor market can affect employee turnover intention?
3. Do demographic factors (age and tenure groups) have relationship with turnover intention?
4. Which of the job satisfaction factors and the demographic factors influence turnover intention?

1.4 OBJECTIVES OF THE STUDY

1.4.1 General objective:

The general objective of this study is **to investigate the relationship of job satisfaction (IV) and perceived Available Employment opportunity (MV) to turnover intention (DV) among the clerical staff.**

1.4.2. Specific objective:

- (a). To identify the relationship of pay& benefit, promotion and working conditions to the turnover intention among the clerical staff.
- (b). To identify the difference in the demography factors (age and tenure groups) to the turnover intention among the skilled clerical staff.
- (c). To identify the dominant factor of turnover intention of the clerical staff.
- (d). To identify the relationship between perceived available employment opportunity and turnover intention.

1.5 SIGNIFICANCE OF THE STUDY

The significance of this study is found in the contribution to the existing body of knowledge on job satisfaction, perceived available employment opportunities and turnover intentions.

The turnover rate at Bunna International Bank S.C for the past four years is very high. However, it is better for the Bank to predict the turnover intention among clerical staff by investigating the factors of job satisfaction that will lead to turnover intention.

Furthermore, this research can also help Bunna International Bank S.C to save their budgets for human resource functions. Pigors and Myers (1981) said that turnover is costly for an organization. Organization needs to allocate high budget for new hires included in the expenses during employment procedures, such as recruiting and selection, and training period. At the same time, the cost of training consists of the job training and also cost of time taken to reach peak of productivity.

The valuable information generated from this study also gives a clearer picture to the organization regarding workers' concern of turnover. It can help the organization to generate some useful ideas during the human resource planning as an effort to increase the workers' satisfaction and decrease the workers' intention to leave.

1.6 SCOPE OF THE STUDY

Even though the Bank currently has 78 branches, the scope of the study will be limited only in the head office and 31 city branches which are located in Addis Ababa due to time and other constraints. This study will also be limited to the Bank's employees belonging to the category of "Clerical" staffs.

Furthermore, only three factors of job satisfaction and one other predictor that influence the turnover intention of the workers are being investigated, namely, pay& benefit, promotion, working conditions and perceived available employment opportunity. Besides these factors, there might be other factors such as organizational culture, organizational commitment,

supervisors and Co-workers that can influence the turnover intention, which are not being considered in this study.

There are only two variables from the demographic factors tested with turnover intention like age and length of service. There are also other demographic factors such as educational level and marital status that may not be measured in this study.

1.7 LIMITATION OF THE STUDY

The findings of this study may not be representative of what takes place in other sectors of the industry and as such this limits the generalisability of the findings. This study also relies on self-report and therefore, would be limited by the truthfulness of the participants. There is no way to ensure the honesty of the participants which can potentially exert an influence on the results.

1.8 DEFINITIONS OF TERMS

The research will use some conceptual and operational words that related to the research objectives to define some of the terms in this study. The definitions are as follow:-

Turnover intention:- Turnover Intention is one's behavioral intention to quit. According to Tett and Meyer (1993) in Rumery (1994), the turnover intention refers to the 'conscious and deliberate willfulness of the workers to leave the organization'. Vandenberg and Nelson (1999) defined intention to quit as the 'individual own estimated probability (subjective) that they are permanently leaving their organisation at some point in the near future.

Employee retention (versus employee turnover) refers to the continued employment of employees. Optimally, high-quality, productive employees are retained.

Job Satisfaction:- According to Newstrom and Davis (1984) 'job satisfaction is a set of favorable and unfavorable attitudes with which, employees view their work. It expresses the amount of agreement between the employee expectations from the job and rewards that the job actually provides.

Pay:- Pay is viewed as part of the sanction system used in the organisation to motivate compliance with its rules and regulations (Mueller and Price, 1990). Lum, Kervin, Clark, Reid and Sirola (1998) explained for the individual employee, pay is viewed as an important reward and outcome.

Employee Benefits: An employee benefit is “any type of plan sponsored or initiated unilaterally or jointly by employers and employees in providing benefits that stem from the employment relationship that are not underwritten or paid directly by government” (Yohalem, 1977, p.19).

Promotion:- Promotion is defined as 'the movement of a person to higher level position in the company' (Mondey & Noe, 1990). Conceptually, promotion is also defined as 'there assignment of an employee to a higher level job within an organization' (Carrell *et al.*, 1992).

The work itself:- Oxford Advance Learner's Dictionary (1995) defined the work as 'what is done by somebody'. The work itself also refers to the working environment of the workers and their perception about the job that they are responsible for.

Tenure (Length of Service):- Length of service refers to the 'period of the time lapsed since the most recent date of hire. Therefore, if an employee has a break in the period of service, only the break will be captured (Workforce profile, 1996). The length of service of the workers can be divided into four groups, which are 'below one year', '1 - 2 years', '3 - 4 years' and '5 years and above'.

Age:- Age can be defined as 'the length of time that a person has lived' (Oxford Advance Learner's Dictionary, 1995). The age of workers can be divided into four groups, which are 'below 30 years old', '31 - 45 years old', '46 - 60 years old' and '61 years old and above'.

1.9 ORGANIZATION OF THE RESEARCH REPORT

The study consists of five chapters in which each will be discussed in depth later. Chapter one is apprehensive in terms of preparing the whole research by concerning the various important

aspects such as problem statement, an illustration of the general and specific objectives of the study. Background of the company being studied is also briefly discussed. Chapter two consists of review of related literatures and empirical researches related to the problem being investigated and theoretical framework of the study. Chapter three includes the methodology and procedure applied for the study in detail. Analysis and presentation of the findings emerging from the study are presented in Chapter four. The fifth chapter contains a summary of the study and findings, discussions, conclusions and recommendations for further research.

CHAPTER 2: LITERATURE REVIEW

2.1 INTRODUCTION

This chapter discusses about turnover and turnover intention from several perspectives. It includes the definition of employee turnover, turnover intention, sources of employee turnover; effects of employee turnover; the models of employee turnover intention; and variables related to employee turnover intention. Apart from that, this chapter also stated out other variables related to employee turnover intention. Several perspectives on job satisfaction have also been reviewed that are from dimension of job satisfaction to theoretical view of job satisfaction.

2.2 DEFINITION OF EMPLOYEE TURNOVER

Employee turnover occurs when employees leave their jobs and must be replaced. The world web dictionary defines employee turnover “as the ratio of the number of workers that had to be replaced in a given time period to the average number of workers” (www.wordnet-princeton.edu). The Chartered Institute of Personnel and Development (2007:1) defines employee turnover as the “ratio comparison of the number of employees an organisation must replace in a given time period to the average number of total employees”. In their own definition, Abassi and Hollman (2000: 305) define turnover as the “rotation of employees around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment”. Turnover, according to Iverson and Pullman (2000: 980) can be classified as voluntary (to include withdrawals out of will) or involuntary (to include layoffs and dismissals).

Employees’ turnover is a much studied phenomenon Shaw et al. (1998). But there is no standard reason why people leave organisation. Employee turnover is the rotation of workers around the labour market; between firms, jobs and occupations; and between the states of employment and unemployment Abassi et al. (2000). The term “turnover” is defined by Price (1977) as: the ratio of the number of organizational members who have left during the period being considered

divided by the average number of people in that organization during the period. Frequently, managers refer to turnover as the entire process associated with filling a vacancy: Each time a position is vacated, either voluntarily or involuntarily, a new employee must be hired and trained. This replacement cycle is known as turnover (Woods, 1995). This term is also often utilized in efforts to measure relationships of employees in an organization as they leave, regardless of reason. “Unfolding model” of voluntary turnover represents a divergence from traditional thinking (Hom and Griffeth, 1995) by focusing more on the decisional aspect of employee turnover, in other words, showing instances of voluntary turnover as decisions to quit.

2.2.1 Types of Turnover

There are two types of turnover. Turnover can be categorized as voluntary turnover and involuntary turnover. When employees decides to leave the organization their own choice, is called voluntary turnover, while, when an organization removes an employee is called involuntary turnover (Price & Mueller, 1981). Historically, it has been investigated that involuntary turnover is generally good for the organizational interest (Mc Shane & Williams, 1993); but voluntary turnover is considered very detrimental for organization.

2.2.2 Measuring Turnover:

The Chartered Institute of Personnel and Development (CIPD) in the United Kingdom developed a simple and most common way of measuring employee turnover. The method, according to the CIPD (2007: 1) is to measure the number of leavers in a period as a percentage of the number employed during the same period, usually on a quarterly or annual basis. This is sometimes called the separation rate (SR). This is expressed as follows:

$$\frac{\text{Number of leavers}}{\text{Average number working}} \times 100 = \text{Separation rate}$$

The CIPD (2007:1) further states that, unless there are special circumstances such as a sudden large increases in the size of the workforce, the average number working is usually taken to be

the number working at the start of the period added to the number working at the end, the total is then divided by two.

2.3 SOURCES OF EMPLOYEE TURNOVER

2.3.1 Job related factors

Most researchers (Bluedorn, 1982; Kalliath and Beck, 2001; Kramer et al., 1995; Peters et al., 1981; Saks, 1996) have attempted to answer the question of what determines people's intention to quit by investigating possible antecedents of employees' intentions to quit. To date, there has been little consistency in findings, which is partly due to the diversity of employed included by the researchers and the lack of consistency in their findings.

Therefore, there are several reasons why people quit from one organisation to another or why people leave organisation. The experience of job related stress (job stress), the range factors that lead to job related stress (stressors), lack of commitment in the organisation; and job dissatisfaction make employees to quit.(Firth et al. 2004). This clearly indicates that these are individual decisions which make one to quit. There are other factors like personal agency refers to concepts such as a sense of powerlessness, locus of control and personal control.

Locus of control refers to the extent to which people believe that the external factors such as chance and powerful others are in control of the events which influence their lives Firth et al. (2004). Manu et al. (2004) argue that employees quit from organization due economic reasons. Using economic model they showed that people quit from organization due to economic reasons and these can be used to predict the labour turnover in the market. Good local labour market conditions improve organizational stability Schervish (1983). Large organizations can provide employees with better chances for advancement and higher wages and hence ensure organizational attachment (Idson and Feaster 1990). Trevor (2001) argues that local unemployment rates interact with job satisfaction to predict turnover in the market.

Role stressors also lead to employees' turnover. Role ambiguity refers to the difference between what people expect of us on the job and what we feel we should do. This causes uncertainty about what our role should be. It can be a result of misunderstanding what is expected, how to meet the expectations, or the employee thinking the job should be different

Kahn et al. Muchinsky, 1990. Insufficient information on how to perform the job adequately, unclear expectations of peers and supervisors, ambiguity of performance evaluation methods, extensive job pressures, and lack of consensus on job functions or duties may cause employees to feel less involved and less satisfied with their jobs and careers, less committed to their organizations, and eventually display a propensity to leave the organisation (Tor et al., 1997). If roles of employees are not clearly spelled out by management/ supervisors, this would accelerate the degree of employees quitting their jobs due to lack of role clarity.

2.3.2 Organizational factors

Organisational instability has been shown to have a high degree of high turnover. Indications are that employees are more likely to stay when there is a predictable work environment and vice versa (Zuber, 2001). In organizations where there was a high level of inefficiency, there was also a high level of staff turnover (Alexander et al., 1994). Therefore, in situations where organizations are not stable, employees tend to quit and look for stable organisations because with stable organisations they would be able to predict their career advancement.

The imposition of a quantitative approach to managing the employees led to dissatisfaction of staff and hence it leads to labour turnover. Therefore management should not use quantitative approach in managing its employees.

Adopting a cost oriented approach to employment costs increases labour turnover Simon et al. (2007). All these approaches should be avoided if managers want to minimize employee turnover and increase organisational competitiveness in this environment of globalization.

Employees have a strong need to be informed. Organisation with strong communication systems enjoyed lower turnover of staff (Labov, 1997). Employees feel comfortable to stay longer, in positions where they are involved in some level of the decision-making process. That is employees should fully understand about issues that affect their working atmosphere (Magner et al. (1996). But in the absence of openness' in sharing information, employee empowerment the chances of continuity of employees are minimal. Costly et al. (1987) points out that a high labour turnover may mean poor personnel policies, poor recruitment policies, poor supervisory practices, poor grievance procedures, or lack of motivation. All these factors contribute to high employee turnover in the sense that there is no proper management practices and policies on personnel matters hence employees are not recruited scientifically, promotions

of employees are not based on spelled out policies, no grievance procedures in place and thus employees decides to quit.

Griffeth et al. (2000) noted that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance and turnover. They concluded that when high performers are insufficiently rewarded, they quit. If jobs provide adequate financial incentives the more likely employees remain with organization and vice versa. There are also other factors which make employees to quit from organisations and these are poor hiring practices, managerial style, lack of recognition, lack of competitive compensation system in the organisation and toxic workplace environment Abassi et al. (2000).

2.4 EFFECTS OF EMPLOYEE TURNOVER

Employee turnover is expensive from the view of the organisation. Voluntary quits which represents an exodus of human capital investment from organisations (Fair, 1992) and the subsequent replacement process entails manifold costs to the organisations. These replacement costs include for example, search of the external labour market for a possible substitute, selection between competing substitutes, induction of the chosen substitute, and formal and informal training of the substitute until he or she attains performance levels equivalent to the individual who quit (John, 2000). Addition to these replacement costs, output would be affected to some extend or output would be maintained at the cost of overtime payment.

The reason so much attention has been paid to the issue of turnover is because turnover has some significant effects on organisations (DeMicco and Giridharan, 1987; Dyke and Strick, 1990; Cantrell and Saranakhsh, 1991; Denvir and McMahon, 1992). Many researchers argue that high turnover rates might have negative effects on the profitability of organisations if not managed properly (Hogan, 1992; Wasmuth and Davis, 1993; Barrows, 1990).

Turnover has many hidden or invisible costs (Philips 1990) and these invisible costs are result of incoming employees, co-workers closely associated with incoming employees, co-workers closely associated with departing employees and position being filled while vacant. Moreover,

turnover affects on customer service and satisfaction Kemal et al. (2002) which ultimately affects the profitability of the organisation.

Catherine (2002) argue that turnover include other costs, such as lost productivity, lost sales, and management's time. This clearly demonstrates that turnover affects the profitability of the organization and if it's not managed properly it would have the negative effect on the profit.

Research estimates indicate that hiring and training a replacement worker for a lost employee costs approximately 50 percent of the worker's annual salary (Johnson et al., 2000) but the costs do not stop there. Each time an employee leaves the firm, we presume that productivity drops due to the learning curve involved in understanding the job and the organization. Furthermore, the loss of intellectual capital adds to this cost, since not only do organizations lose the human capital and relational capital of the departing employee, but also competitors are potentially gaining these assets Meaghan et al. (2002). Therefore, if employee turnover is not managed properly it would affect the organization adversely in terms of personnel costs and in the long run it would affect its liquidity position. However, voluntary turnover incurs significant cost, both in terms of direct costs (replacement, recruitment and selection, temporary staff, management time), and also (and perhaps more significantly) in terms of indirect costs (morale, pressure on remaining staff, costs of learning, product/service quality, organisational memory) and the loss of social capital Dess et al. (2001).

2.5 TURNOVER INTENTION

Turnover intention is one's behavioral intention to quit. According to Bigliardi, Petroni and Ivo Dormio (2005) intention to leave refers to individuals perceived likelihood that they will be staying or leaving the employer organization. Employees with high withdrawal intentions from the organisation subjectively assess that they will be leaving the organisation in the near future (Mowday, *et al.*,1982). Intention to depart from an occupation is a much more difficult decision than to leave the job (Blau, 2000).

Meanwhile Sousa-Poza (2007) defined 'intent to leave' as the reflection of the (subjective) probability that an individual will change his or her job within a certain time period and is an immediate precursor to actual turnover. Johnsrud and Rosser (1999) and several studies found

that researchers always used intention as a proxy for actual turnover because of difficulties to study it (Bluedorn, 1982; Lee & Mowday, 1987; Steers & Mowday, 1981). The validity of studying intentions in the workplace can be also be drawn from Sager's (1991) longitudinal study of sales people in which intention to quit has found to discriminate effectively between leavers and stayers. Researchers such as Ajzen and Fishbein (1990); Igabaria and Greenhouse (1992) cited from Firth, Mellor, Moore and Loquet (2004); believed that intentions are the most immediate determinants of actual behavior. The study found that, the more individual implemented behavior to quit the more likely he/she will leave the organization. Gregory (2007) supported the idea that behavioral intention to quit has been found to be strong predictor of personal turnover across industries and theoretically is believed to be an important antecedent to turnover.

According to Steers and Mowday (1981), individuals' turnover decision, generally, have been characterized as rational choices individual make regarding their current job and organization. Tett and Meyer (1993) cited from Park and Kim (2009) in their study on nurses in Korea two public hospitals stated intent to turnover constitutes the final cognitive step in the decision making process in which a nurse actively considers quitting and searching for alternative employment.

Park and Kim (2009) added, a worker's intentions to leave an organization include mere thoughts of quitting the organization (thinking and quitting), and statements by the worker that he/she actually wants to leave the organization (intent to leave). Nevertheless, behavioural intention to quit has found to be strong predictor of personnel turnover across industries and theoretically is believed to be important antecedent to turnover (Gregory *et. al.* 2007).

Turnover intention is the final stage before the actual turnover takes place. Arnold and Feldman (1982) supported the idea that turnover intention is the final cognitive variable immediately preceding and having direct casual impact on turnover.

Bigliardi, Petroni and Ivo Dormio (2005), indicated that turnover is motivated by the dissatisfaction of the individual with some aspect of the work environment (including the job, co-workers or organization), or the organization with some aspect of the individual, such as poor performance or attendance. Hence, an employee with high withdrawal intention to leave

the organization might finally leave his / her occupation. Carmeli (2005) also pointed out that; previous researchers also acknowledged that withdrawal intention is identified as a strong predictor of an employee's actual turnover (Mobley, 1982; Mobley *et. al.*, 1978). Withdrawal decisions may also lead to actual turnover (range between $r=0.58$ according to Mobley *et. al.* 1978, and $r=0.35$ according to Griffeth *et. al.*, 2000; and thus, actual turnover has a significant impact on the organization (Mobley, 1982; Price, 1989).

Other researchers (Kalliath & Beck, 2001; Saks, 1996; Kramer *et al.*, 1995 & Peter *et al.*, 1992) have attempted to answer the question of what determines people's intention to quit by investigating possible antecedents of employee's intention to quit. To date, there has been little consistency in findings partly due to the diversity of employed included by the researchers and the lack of consistency in their findings.

2.6 THE MODEL OF EMPLOYEE TURNOVER INTENTION

Muchinsky (1993) in his book saying that 'Mobey (1997) had proposed a model of employee turnover based on several hypothesizes linked between satisfactions and quitting. The several links includes thinking out quitting, looking for another job, intending to quit or stay and actually deciding to quit or stay'. Mobley's model premises and assumptions stated that dissatisfaction would lead people to thoughts of quitting. If people found that the cost for quitting is high, then they will do less thinking about quitting or show a more passive behavior. On the other hand, if the quitting cost is not high, and the jobs are available, this situation will lead to turnover intention and turnover. Mobley's, model shows a major step of thinking job dissatisfaction to turnover (Muchinsky, 1993). According to Muchinsky (1993), this model was also tested again by Mobley, Horner and Hollingsworth in 1978. The respondents were the employees of some hospitals and the results achieved are used as useful evidence in the model to predict turnover. The overall job satisfaction was found to be -0.49 correlated with intention to stay or leave and -0.29 correlate with actual turnover.

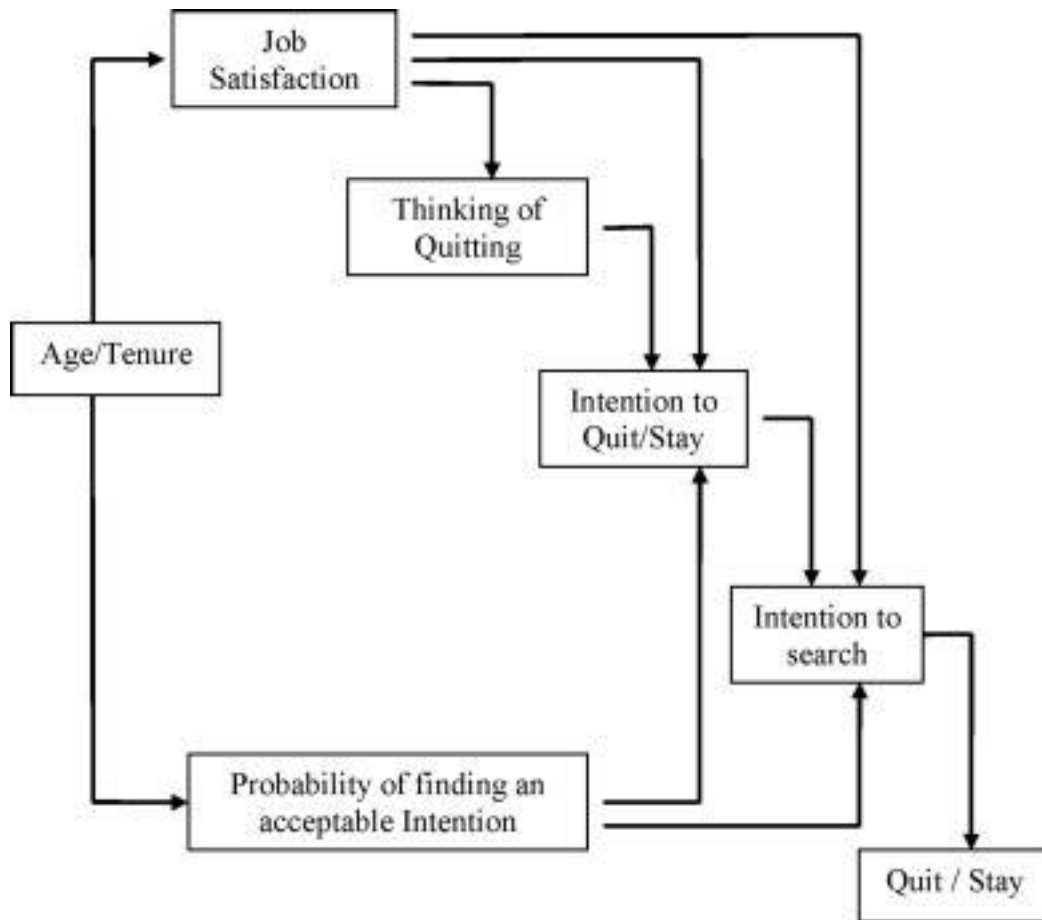


Figure 2.1 Representation of the Intermediate Linkage in the Employee Turnover Process
 Source: Adapted from Muchinsky, P.M (1993). *Psychology Applied to Work (4th ed.)*
 California: Brooks/Cole Publishing Company (p.310).

2.7 VARIABLES RELATED TO TURNOVER INTENTION

Although there is also standard framework in understanding the turnover process as a whole, a wide range of factors have been found useful when it comes to interpreting employee turnover and these have been used to model turnover in a range of different organisational and occupational settings. Besides actual turnover, other variables have also been associated to employee's desires or intention to leave the organization. Tan, Vicky Tiong and Ngoh (2007) in their study at Singaporean companies had identified variables that related to turnover intention which are divided into three broad categories such as demographic factors (employee's age, gender, marital status and number of children); organisational factors (an employee's length of service, salary drawn and number of staff); attitudinal factors (job satisfaction, work-related

stress and level of commitment in the organisation). Bluedorn (1982) highlighted demographic characteristics such as race, age, education and pay that affect job expectations and environmental opportunities, which ultimately influence turnover and job satisfaction. Whereas, Banister and Gritters (1986) found that employee's intention to search for alternative job together with his or her organizational tenure are the two related factors to his or their intention to search for alternative jobs will be more likely to leave the organization. Meanwhile, Arnold and Feildman (1982) had discovered several factors like organization tenure, job satisfaction, organization commitment, net expectations, conflicting standards and job security are precise availability of alternative.

Research also shows that gender and age are another variable that may determine turnover decisions among employees. Female employees have reportedly shown high turnover rates than their male counterparts. Gender biases and stereotypes are common in the workplace (Chang & McBride-Chang, 1997; Falk & Lyson, 1988) for example male professionals'; skilled workers are disproportionately received higher pay than women. The motion is supported by Anderson and Tomaskovic- Devey, 1995; they claimed that pay inequity is a common problem for women and men frequently receive greater returns to human capital. However, Pfeffer and Ross (1990) argued that distinct gender based-wage discrimination exists across a variety of industries. Despite women's negative work experiences, some research indicates that women are actually more satisfied with their job than men. This high job satisfaction may be caused by a variety of positive workplace experiences. Ma and McMillan (1999) concluded that female teachers were more satisfied with their jobs than their male colleagues, and this satisfaction was a function of their perceived teaching competence. Moreover, women's lower expectations of justice and equity in the workplace and the low value women place on organizational rewards have caused satisfaction in their work.

Besides, Mobley (1997) specified that negative evaluations of an employee's present job increases job dissatisfaction and that negative feelings increased quit intentions. Employee turnover demands management attention because when high performing employees' leave, it puts pressure on the organization scarce source.

According to Valentine (2001), much turnover research has focused on identifying individual characteristics that cause job separation, which include tenure, education, job satisfaction and organizational commitment. Meyer (1993) defines career commitment as the degree of commitment to one's profession or occupation while Ellemmer, *et al.* (1998) define it as individuals' motivation to work towards personal advancement in their profession.

Organizational commitment may determine the level of employee loyalty to the mission and vision of an organization. The level of employee commitment may determine who leaves and who stays in an organisation. Employees who are highly committed show a small turnover rate and vice versa. Research such as those of Harris and Cameron (2005); Griffeth, *et al.* (2000); Mueller and Price (2005) suggest that variables such as job satisfaction and organisational commitment are mediating factors for the actual action of quitting.\

An employee who is less satisfied with his or her job would be more likely to quit. Taylor and Weiss (1972), Porter, *et al.* (1974) and others found that job satisfaction predicted turnover. An employee who is more stressed is more likely to want to quit his or her job. Taylor and Weiss (1972) also found that stress and exhaustion on the job can induce turnover in employees. Commitment as a variable was found by Chang, Du and Huang (2006) to be inversely related to turnover. The intention to quit, however, has been found by Mobley (1977) as well as Steel and Ovalle (1984), to be a useful indicator for actual turnover and serves as a criterion variable. Previous studies also showed that intention to leave has a relationship with the affective responses to work such as satisfaction and organization commitment. Mobley (1977), Steers and Mowday (1981) added that the insights into these decisions are gained by understanding an individual's job satisfaction and commitment. This evidence is supported by Rosin and Korabik (1995), where they identified that organization commitment, job satisfaction and position characteristic are important predictors of turnover intention (Johnsurd & Rosser, 1999).

Turnover is motivated by the dissatisfaction of the individual with some aspect of work environment (including job, co-workers or organisation), or the organization with some aspect of the individual, such as poor performance or attendance (Bigliardi, Petroni & Ivo Dormino, 2005). The lost of employees in the organisation is regard as a negative index of organisational effectiveness (Staw, 1980). In addition, Carmeli (2005) study on social workers from health

institutions found that organizational culture that provide challenging job, diminishes employee's absenteeism and withdrawal intentions from the occupations, job and organization.

As we entered the new millennium, both organisations and the labour market change at an alarming pace. As far as the external environment is concerned, most people will not leave their current position without possibility of finding other employment in due course. They are more inclined to leave their present work if they perceive that there is ample opportunity for acceptable alternative employment. For example, research has found that engineers have diverse career aspirations that, in turn, may impact on job commitment and satisfaction (Allen & Katz, 1986, 1992; Goldberg & Shenav, 1984; Igbaria *et al.*, 1999).

In addition, engineers have a strong need for growth and personal development compared to professionals in other occupations. According to Allen and Katz (1995); Gordon and Bal (2001) they possess a high need for learning and have a strong aspiration to be challenged. Moreover, the engineers tend to be treated as professionals thus, caused considerable tensions and strains in engineer management relationship.

Psychological contract refer to employees' subjective interpretations and declarations of their deal with the organization (Rousseau, 1996; Zool, Turnley & Feildman, 1998). Many studies conceptualise turnover to be psychological response and rest on the belief that turnover is an individual choice of behavior (Lum, Kervin, Clerk, Reid & Sirola, 1996). Withdrawal cognitions lead to search behaviours that involve the evaluation of labour market opportunities. Hom *et al.*, 1992 cited from Valentine (2001) stated that one the opportunities are assessed, quitting follows when available jobs are more desirable than existing employment.

From an employee perspective, keeping an external labour market strategy is frequently used as a means for achieving market-level salaries (Brett & Stroh, 1997). The labour market and the availability of alternative opportunities have as well contributed to the high turnover among certain professions for example health professionals; has given nurses and other healthcare providers' strong bargaining power in the market.

Alternative employment opportunities are mainly contributed by the external's environment where the availability of alternative employment in the open market. Since it appears openly in the market, the access to the availability and other benefits are easily to be obtained by the candidates or future employee. Therefore, it intentionally encourages the employees of organization to switch their career with other organization (Price 2001). Further, there is a positive relationship between alternative employment opportunities and employee turnover intention based on the previous literatures (Khatri et al., 2001; Hulin et al, 1985).

Commonly, earning or salary is the major concern for employee to consider in any of employment decision. They will focus on the best-offered salary to select the organization for them to work. Therefore, it is a main strategy that practiced by organization to attract skill and talented employee to join their organization. However, in other case, employees are also looking for organization that can offer work-life balance in the working environment for them to make any decision of employment (Frank Van, 1995).

2.8 DEFINITION OF JOB SATISFACTION

The term job satisfaction figures prominently in any discussions on management of human resources. Job satisfaction refers to a person's feeling of satisfaction on the job, which acts as a motivation to work. It is not the self- satisfaction, happiness or self- contentment but the satisfaction on the job. (Rao, P. Subba, 2000).

Job satisfaction is an individual's feeling regarding his or her work. It can be influenced by a multitude of factors. (Murphy, 2004). The term relates to the total relationship between an individual and the employer for which he is paid. Satisfaction does mean the simple feeling state accompanying the attainment of any goal; the end state is feeling accompanying the attainment by an impulse of its objective. The term Job satisfaction was brought to limelight by Hoppock. (Mirza, S. Saiyadain, 1996). Hoppock describes job satisfaction as, "any combination of psychological, physiological and environmental circumstances that cause and person truthfully to say I am satisfied with my job." Job satisfaction has many dimensions. Commonly noted facets are satisfaction with the work itself, wages, and recognition, rapport

with supervisors and coworkers, and chance for advancement. Each dimension contributes to an individual's overall feeling of satisfaction with the job itself, but different people define the "job" differently. There are three important dimensions to job- satisfaction:

- 1) Job- satisfaction refers to one's feeling towards one's job. It can only be inferred but not seen.
- 2) Job satisfaction is often determined by how well outcomes meet or exceed expectations. Satisfaction in one's job means increased commitment in the fulfillment of formal requirements. There is greater willingness to invest personal energy and time in job performance.
- 3) The terms job-satisfaction and job attitudes are typically used interchangeably. Both refer to effective orientations on the part of individuals towards their work roles, which they are presently occupying.

Though the terms job-satisfaction and attitudes are used interchangeably, there are differences between the two. Attitude refers to predisposition to respond. Job-satisfaction, on the other hand, relates to performance factors. Attitudes reflect one's feelings towards individuals, organizations, and objects. But satisfaction refers to one's attitude to a job. Job satisfaction is, therefore, a specific subset of attitudes. (Hammer W. Clay and Dennis W. Organ, 1978). Attitudes endure generally. But job satisfaction is dynamic; it can decline even more quickly than it developed. Managers, therefore, cannot establish the conditions leading to high satisfaction now and then neglect it, for employee needs may change suddenly. Managers need to pay attention to job satisfaction constantly. (K. Aswalhappa,1996). Now the researcher quotes a few definitions of job- satisfaction:

- 1) According to E.A. Locke: Job satisfaction is as a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience. (E.A. Locke, 1976).
- 2) As defined by Feldman and Arnold Job satisfaction as the amount of overall positive affect (or feelings) that individuals have towards their jobs. (D.C. Feldman and H.J. Arnold, 1983).

3) Kreitner and Kinicki described, Job satisfaction is an affective or emotional response toward various facets of one's job. This definition means job satisfaction is not a unitary concept. Robert Kreitner and Angelo Kinicki, (1995).

4) Davis and Newstrom explained Job satisfaction is a set of favorable or unfavorable feelings with which employees view their work." (Keith Davis and J.W. Newstrom, 1989).

5) Andrew stated that job satisfaction is the amount of pleasure or contentment associated with a job. (Andrew J. Du Brin, 1988).

As stated by Schultz and Shultz, job satisfaction is influenced by many work related factors and it depends on the workers' sense of fulfillment that they get from their daily work. This is supported by Carrell, Kuzmits and Elbert (1992) that the work itself, co-workers, supervision and opportunities to grow mostly influence the job satisfaction of the workers. The recent research done by Seta *et al.* (2000) also found that the nature of the works, the reward systems, relation with co-workers and supervision would contribute to the job satisfaction.

According to McCormick and Ilgen (1985), there are many previous researchers the support the relationship between job satisfaction and turnover. One of it is from Spencer and Steers (1981) in which they found that there is a strong negative relationship between job satisfaction and turnover of the hospital employees who were relatively low performers. Mowday, Porter and Steers (1982) also found that job satisfaction is consistently and negatively related to turnover. Jackofsky and Peter (1983) in McCormick and Ilgen (1985) have another opinion on the relationship between job satisfaction and turnover intention. They argued that the employee would leave the job cause by dissatisfaction based on belief that that there are other opportunities available at the job market. Data from a simple retail employees' in several south western cities confirmed this prediction. From the previous literature, Schermerhorn, Hunt and Osborn (2000) stated that job satisfaction can affect turnover or decision by worker to terminate their employment. They also agreed that dissatisfied workers are more likely than satisfied workers to quit from their job. The first is to join and remain in an organization and the other is to work hard in achieving high performance. Moreover, Rumery (1994) said that several past

literature such as done by Lucas, Atwood and Hagaman (1993) shown that factors such as age and job satisfaction are good predictors of the intention of turnover intention of the workers. Studies have also shown that intention to turnover can be used to predict future turnover.

Muchinsky and Tuttle (1979) summarized out of 39 studies of the relationship between job satisfaction and turnover, 35 of it indicate that the relationship is negatively related; the average magnitude is about -0.40. However, he still believes that the relationship between satisfaction and turnover is also limited by economic condition (Muchinsky, 1993). The same opinion is also reported by Lawler (1994) through his observation. Furthermore, the outcome of research by Moynihan *et. al.* (1998) found that the intention to leave is negatively correlated with job satisfaction (-0.70). The evidence from United States' school suggests that schools with higher overage satisfaction among teachers also have higher retention rates (Malkovich & Boudreau, 1997). According to Moynihan, Boswell and Boudreau (1998) several studies (Hulin, 1991; Mobley, 1977; Porter & Steers, 1973) found that negative work attitudes play an important role in model of turnover. Meanwhile, job dissatisfaction will cause the turnover cognition and the intention of employee to escape from the job environment. Moreover, result of path analysis based on Meta-analysis by Tett and Meyer (1993) found that the intention to leave is predicted more strongly by job satisfaction rather than organization commitment.

2.9 THEORIES OF JOB SATISFACTION

The concept of job satisfaction underwent several changes and in course of time several theories were advanced. There are vital differences among experts about the concept of job satisfaction. In this section the researcher will examine some widely used theories in contemporary job satisfaction research.

2.9.1 - Fulfillment theory:

The proponents of this theory measure satisfaction in terms of rewards a person receives or the extent to which his needs are satisfied. Further they thought that there is a direct/ positive relationship between job satisfaction and the actual satisfaction of the expected needs. The main difficulty in this approach is that job satisfaction as observed by Willing, is not only a function of what a person receives but also what he feels he should receive as there would be considerable difference in the actual and expectations of persons. Thus, job satisfaction cannot

be regarded as merely a function of how much a person receives from his job. Another important factor/ variable that should be included to predict job satisfaction accurately is the strength of the individuals' desire of his level of aspirations in a particular area. This led to the development of the discrepancy- theory of job satisfaction.

2.9.2- Discrepancy theory

The proponents of this theory argue that satisfaction is the function of what a person actually receives from his job situation and what he thinks he should receive or what he expects to receive. When the actual satisfaction derived is less than expected satisfaction, it results in dissatisfaction. Job satisfaction and dissatisfaction are functions of the perceived relationships between what one wants from one's job and what one perceives it is offering. This approach does not make it clear whether or not over satisfaction is a part of dissatisfaction and if so, how does it differ from dissatisfaction. This led to the development of equity theory of job satisfaction.

2.9.3- Equity Theory

Equity theory is primarily a motivation theory, but it has some important things to say about the causes of satisfaction /dissatisfaction. The proponents of this theory are of the view that a person's satisfaction is determined by his perceived equity, which in turn is determined by his input- output balance compared to his comparison of others input-output balance is the perceived ratio of what a person receives from his job relative to what he contributes to the job. This theory is of the view that both under and over rewards lead to dissatisfaction. While the under-reward causes feelings of unfair treatment, over-reward leads to feelings of guilt and discomfort. (Edward E. Lawler III, 1973).

2.9.4- Herzberg's Motivation/ Hygiene Theory (Two factors theory)

This theory was developed by Herzberg, Mausner, Peterson and Capwell who identified certain factors as satisfiers and dissatisfies. Factors such as achievement, recognition, responsibility etc, are satisfiers, the presence of which causes satisfaction but their absence does not result in dissatisfaction. On the other hand, factors such as supervision, salary,

working conditions etc are dissatisfiers, the absence of which causes dissatisfaction. Their presence however, does not result in job satisfaction. The studies designed to test their theory failed to give any support to this theory, as it seems that a person can get both satisfaction and dissatisfaction at the same time, which is not valid. (Daftuar, Chittranjan N, 1982). Fredrick Herzberg's motivation/hygiene theory assumes that one group of factors, motivators, accounts for high level of motivation. Another group of factors, hygiene or maintenance factors can cause discontent with work. Figure 4.1 compares Herzberg's motivators and hygiene factors with Maslow's needs of hierarchy. The implications of Herzberg's research for management and HR practices is that although managers must carefully consider hygiene factors in order to avoid employee dissatisfaction, even if all these maintenance needs are advanced, people may not be motivated to work harder. Only motivators cause employees to exert more effort and thereby attain more productivity, and this theory suggests that managers should utilize the motivators as tools to enhance employee performance.

2.9.5- Maslow's Hierarchy of Needs Theory

One theory of human motivation that has received a great deal of exposure in the past was developed by Abraham Maslow. Until the more basic needs are adequately fulfilled, a person will not strive to meet higher needs. In this theory Maslow classified human needs into five categories that ascend in a definite order as follows:

- 1) Physiological needs
- 2) Safety and security needs
- 3) Belonging and love needs
- 4) Esteem needs and
- 5) Self- actualization needs.

As assumption often made by those using Maslow's hierarchy is that workers in modern, technologically advanced societies basically have satisfied their physiological, safety and belonging needs. Therefore they will be motivated by the needs for self-esteem, esteem of others, and then self-actualization. Consequently, conditions to satisfy these needs should be present at work; the job itself should be meaningful and motivating.

2.9.6- Process Theories of Motivation

Process theories suggest that a variety of factors may prove to be motivating. Depending on the needs of the individual, the situation the individual is in, and the rewards the individual expects for the work done. Theorists who hold to this view do not attempt to fit people into the single category, but rather accept human differences. One process theory by Lyman Porter and E.E Lawler focuses on the value a person puts on a goal as well as the person's perception of workplace equity, or fairness, as factors that influence his or her job behavior. In a work situation, perception is a way an individual views the job. If expectations are not met, people may feel that they have been unfairly treated and consequently become dissatisfied. Using the Porter and Lawler model, suppose that a salesclerk is motivated to expend efforts on her job, from this job he/she expects to receive two types of rewards: intrinsic (internal) and extrinsic (external). For this sales- clerk intrinsic rewards could include a feeling of accomplishment, a feeling of recognition, or other motivators. Extrinsic rewards might be such items as pay, benefits, good working conditions, and other hygiene factors. The salesclerk compares his/her performance with what he/she expected and evaluates it in light of both types of rewards he/she receives. He/she then reaches some level of job satisfaction or dissatisfaction. Once this level is reached, it is difficult to determine what he/she will do. If he/she is dissatisfied, he/she might put forth less effort in the future, he/she might work harder to get the rewards he/she wants, or he/she might just accept his/her dissatisfaction. If he/she is highly satisfied, it does not always mean he/she will work harder. He/she may even slack off a bit, saying, "I got what I wanted." The essence of a Porter and Lawler view of a motivation is perception.

2.9.7- Expectancy Theory

Expectance theory concentrates, as the name implies, on the expectations which employees bring with them to work situation and the context and manner in which these expectations are satisfied. The underlying hypothesis is that "appropriate levels of effort, and hence productivity, will only be extended if employees' expectations are fulfilled". It does not assume a static range of expectations common to all employees but rather points to the possibility of different sets of expectations. Rewards are seen as fulfilling or not fulfilling expectations. Expectancy theory challenges management to demonstrate to employees that extra effort will reap a commensurate reward. The link between effort and reward needs to

encompass both the pay packet and a variety of other extrinsic or intrinsic rewards. Reward schemes must therefore create a positive link between the size of the pay packet and the effort expended for employees primarily motivated by money. For others links must be created between effort and rewards which include job satisfaction and praise and other forms of recognition. (Cowling, Alan and Chloe Mailer, 1998).

2.9.8- Variance Theory

Variance theory is based on a simple idea: if you want x from your work then you are satisfied to the extent that it provides you with x. The major problem for variance theorists is defining what it is that people want from their jobs. One way of solving this is to borrow concepts from motivation theory so that variance in what is wanted and what is available from a job occurs: for example, in the extent to which self-actualizing needs can be fulfilled. This means that by borrowing from motivation theory some researchers can specify in advance the variations in job satisfaction that employees could meaningfully report in their jobs. Another approach assumes the relevant variances depend on the nature of the work and thus differ from occupation to occupation. This provides a more flexible framework with which to analyze problems of low job satisfaction within occupations. Either approach, specifying in advance the relevant facets of job satisfaction or identifying them through investigation, enables researchers to establish whether there are significant individual differences present in reported levels of job satisfaction or whether there is a high degree of consensus among staff about what aspects of work lead to high levels of satisfaction and dissatisfaction. By identifying what aspects of a job give rise to high and low levels of satisfaction, managers are better placed when considering what changes can be made to improve job satisfaction.

2.9.9- Job Characteristics

If variance theory suggests the cause of job satisfaction is subjective, the job characteristics model suggests the opposite: the cause of job satisfaction is to be found in the objective characteristics of a job. Job design studies explored a new field when behavioral scientists focused on identifying various job dimensions that would improve simultaneously the efficiency of organization and job satisfaction of employees. Hackman and Oldham first outlined this view in 1975; their model has inspired thousands of research papers and its key

concepts still provide the foundations of much job satisfaction and job characteristics research. The *job characteristics model* proposes that three psychological states of a jobholder result in improved work performance, internal motivation, and lower absenteeism and turnover. The motivated, satisfied, and productive employee is one who (1) experiences meaningfulness of work performed (2) experiences responsibility for work outcomes, and (3) has knowledge of the results of the work performed. Achieving these three psychological states serves as reinforcement to the employee and as a source of internal motivation to continue doing the job well. According to Hackman and Oldham five core dimensions of job characteristics are as follows: (Fincham Robin and Peter S. Rhodes, 1999).

- 1) **Skill Variety:** The degree to which a job entails a variety of different activities, which demand the use of number of different skills and talents by the jobholder.
- 2) **Task Identity:** The degree of which the job requires completion of a whole and identifiable piece of work that is doing a job from beginning to end with a visible outcome.
- 3) **Task Significance:** The degree to which the job has a substantial impact on the lives or work of other people, whether in the immediate organization or in the external environment.
- 4) **Autonomy:** The degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work and in determining the procedures to be used in carrying it out. (Bohlander George, Scott Shell and Arthur Sherman, 2002). Autonomy deals with the amount of freedom that employee can exercise in their job. (Stein, Barry A.,1983).
- 5) **Task Feedback:** The degree to which carrying out the work activities required by the job results in the individual being given direct and clear information about the effectiveness of his or her performance. It is important to realize that each of five job characteristics affects employee performance differently. Therefore employees will experience the greatest motivation when all five characteristics are present, since the job characteristics combine to produce the three psychological states. (Bohlander George, Scott Shell and Arthur Sherman, 2002).

Further, when these critical psychological states are experienced, work motivation and job satisfaction will be high. Furthermore, behavioral outcomes, such as the quality of work and attendance, may also be improved. Thus, the theory encompasses not only job characteristics and job satisfaction, but also work design principles, psychological studies and motivation. The attraction of such an ambitious model has been amplified by its clear specification of concepts and relationships between them and readily available measuring instrument. Particularly well established are the relationships between job characteristics and job satisfaction. (Robin Fincham and Peter S. Rhodes, 1999).

2.10 FACTORS OF JOB SATISFACTION

After explaining the theories of job satisfaction surveys the researcher now wants to turn his attention to another important point of his study namely factors of job satisfaction. Most research on job satisfaction has focused on the effects of job enrichment and job design, or the quality of work life. As a human resource manager is concerned about balancing job satisfaction with performance, he needs to know how to foster an organizational climate that contains these elements.

2.10.1- Job enrichment

An “enriched” job is one in which an employee has **opportunities for achievement, recognition, advancement, responsibility, and growth**. Enriched jobs are those in which employees can be involved in the production of goods or services from beginning to end. They are not a series of limited, specialized activities, repeated over and over. Rather, enriched jobs are those in which the workers have the opportunity to see processes or tasks through from start to finish. Enriched jobs contain five core work dimensions: *task identity, task significance, skill variety, autonomy, and feedback*. The presence of these components within the job will then lead to critical psychological states of meaningfulness of work, responsibility for work outcomes, and knowledge of work outcomes. The presence of these psychological states leads ultimately, to motivation, high quality performance, low absenteeism and turnover and high job satisfaction. An employee who can point to a product and brag, “I made that” or “my efforts produced that” is expecting task identity. If employees also consider the fruit of their labors to

be important, then task significance is part of their job. A task is significant when employees believe that what they have done makes a real difference to someone or to society. Autonomy is experienced by those who are encouraged to the work without close supervision; skill variety means they do a lot of different things on the regular basis; and feedback presupposes regular and accurate information on how work is perceived by those for whom it is done. An example of an enriched job is that of a small city municipal employee who has responsibility for the general operations of government. The municipal employee's job requires the traditional duties of a manager; *planning; organizing, staffing, directing, coordinating, reporting, and budgeting* (POSDCORB). Job enrichment among managerial and professional employees is often inherent in the nature of their work. Those who perform support functions and operate the organization's technology are those for whom job enrichment is difficult, though not always impossible.

Hospital employees are examples of those for whom routinized, specialized job requirements are being changed. Today, in many medical facilities, a patient is assigned a "Nurse Coordinator" who is involved from the beginning to end of treatment and is thus able to derive satisfaction from seeing a patient improve as a result of his or her ministrations. Responsibility for a maternity patient used to move from labor room staff to delivery room to recovery room to maternity ward, with no one knowing what happened after she left their case. In a situation in which employee jobs are enriched, the pregnant woman comes to a birthing area where the same staffs provide continuity of service and see the results of their labors. This atmosphere enriches both the lives of the employees and the situation of the woman.

2.10.2- Quality of work life

Another way to increase job satisfaction among employees is to provide a high quality of work-life (QWL) environment, in which employees may be productive because their work situations is one in which they find satisfaction. A QWL environment may contain either routinized jobs or enriched jobs. Elements of QWL that can influence directly are *total life space, good managerial relations, fair and adequate compensation, and safe and healthy work environment*. The researcher considered above and explains them one by one as follows:

2.10.2.1- Total Life Space:

The idea of “total life space” is a new concept for human resource managers, growing in importance as the number of employees grow. Employees want to be able to balance the demands of work and home. To do this, they want their managers to expect a reasonable amount of work, but not so much that the job interferes with personal life.

2.10.2.2- Good Managerial Relations:

The second most important factor in fostering job satisfaction is “good managerial relations”. Those who act to maintain good relations with their employees exhibit the following behaviors: help with job related problems, awareness of employee difficulties, good communication, and regular feed-back about the performance so that employees always know where they stand. Employees want to have input into decisions that affect them and to feel important. They want to be informed and involved. When a job brings recognition and respect, employees experience satisfaction with it. This is an easy condition to create with feedback.

2.10.2.3- Fair and Adequate Compensation:

Adequate compensation is another important influence on employee job satisfaction. Employees do expect fair and adequate compensation- a day’s pay for a day’s work. The component of compensation that influences satisfaction appears to be “equity” rather than amount however. Satisfaction with wages is more dependent on relative than on absolute pay, on comparison with others, and on perceptions of fairness. While within organizations there is a correlation between job satisfaction and pay, it is very small. Employees are consistently more satisfied because of equity than they are because of high wages. Employees at work have a clear idea of what they ought to be paid in comparison with others, and in relation to their skill, and experience, and so forth. They want their performance, seniority, age, and education to be recognized and rewarded.

2.10.2.4- Work Environment:

Employee job satisfaction is also influenced by the quality of the working environment both its physical attributes and the degree to which it provides meaningful work. While a comfortable physical environment is correlated with job satisfaction, the relationship is not merely as strong

as the relationship between satisfaction and managerial behavior. Employees want certain conditions in their work they want to believe that what they do will ultimately make a difference to someone in some way. They want to participate in decision making, opportunities to grow and develop, and same opportunities for their coworkers regardless of race, sex, or age.(Willa M. Bruce and J. Walton Blackburn, 1992).

The Role of Managers: The evidence that “good management” plays a part in affecting employee job satisfaction puts a responsibility on both the managers and the supervisors in the organization.(Willa M. Bruce and J. Walton Blackburn, (1992). Management needs information on employee job satisfaction in order to make sound decision, both in preventing and solving employee problems .A typical method used is a job satisfaction surveys, also known as a morale, opinion, attitude, or quality-of-work-life survey. A job satisfaction survey is procedure by which employees report their feelings towards their jobs and work environment. Individual responses are then combined and analyzed.(Newstorm John W. and Keith Davis,1999)

2.11 THEORETICAL FRAMEWORK AND HYPOTHESES

The purpose of this study is to investigate the relationship between job satisfaction and turnover intention among the “Clerical” staffs at Bunna International Bank. Figure 2.4 shows theoretical framework that has been developed from this study. The independent variable is job satisfaction which consists of three components which are pay&benefit, promotion, and working conditions. The other independent variables include: the demographic factor which consists of age and length of service (tenure); and Perceived Alternative Employment Opportunity (PAEO). The dependent variable is turnover intention.

2.11.1 Relationship between Job Satisfaction and Turnover Intention

Past researches have stated that job satisfaction is related to individual reactions of work environment (Abdel-Halim, 1984; Choo, 1986; Rasch & Harrell, 1990). It had been found that that there is a relationship between job satisfaction and turnover intention. Similarly, Schoeder, Harrel and Stahl (1984) pointed out that previous literature review in job satisfaction and

turnover shows that an individual who experiences relatively low job satisfaction has an intention to change their job.

The belief that satisfied employees are more productive than dissatisfied employees has been a basic belief among managers for years, though only now has research begun to support this theory after decades of questions about job satisfaction-performance relationship (Judge, Thoresen, Bono & Patton, 2001). However, organizations also have a responsibility to provide employees with jobs that are challenging and intrinsically rewarding (Robbins & Judge, 2007). According to McCormick and Ilgen (1985), there are many previous researchers that support the relationship between job satisfaction and turnover. One of it is from Spencer and Steers (1981) in which they found that there is a strong negative relationship between job satisfaction and turnover of the hospital employees who are relatively low performers. Mowday, Porter and Steers (1982) also found that job satisfaction is consistently and negatively related to turnover. Jackofsky and Peter (1983) in McCormick and Ilgen (1985) have another opinion on the relationship between job satisfaction and turnover intention. They argued that the employee would leave the job cause by dissatisfaction based on belief that there are another opportunities available at the job market. Data from a simple retail employees' in south western cities confirmed this prediction. Schermerhorn, Hunt and Osborn (2000) stated that job satisfaction can affect turnover decision by workers to terminate their employment. They also agreed that dissatisfied workers are more likely than satisfied workers to quit from their job.

The first is to join and remain in an organization and the other is to work hard in achieving high performance. Moreover, Rumery (1994) said that several past literature such as done by Lucas, Atwood and Haganan (1993) shown that factors such as age and job satisfaction are good predictors of the turnover intention of the workers. Studies have also shown that intention to turnover can be used to predict future turnover.

Muchinsky and Tuttle (1979) summarized out of 39 studies of the relationship between job satisfaction and turnover, 35 of it indicate that the relationship is negatively related, the average magnitude is about -40. However, he still believes that the relationship between satisfaction and

turnover is also limited by economic condition (Muchinsky, 1993). Lawler (1994) also share his opinion through his observation.

According to Moynihan, Boswell and Boudreau (1998) several studies (Hulin, 1991; Mobley, 1977; Porters & Steers, 1973) found that negative work attitudes play an important role in model of turnover. Meanwhile, job satisfaction will cause the turnover cognition and the intention of employee to escape from work environment. Moreover, two-meta analysis found that job satisfaction and turnover are negatively related (Tett & Meyer 1993; Griffeth & Hom, 1995). Spector and Jex (1991) in Valentine (2001) found that job satisfaction and turnover intentions were negatively related among a sample of state civil service employees. Furthermore, the outcome of research by Moynihan *et. al* (1998) found that the intention to leave is negatively correlated with job satisfaction (-0.70). The evidence from United State's School suggests that school with higher coverage satisfaction among teachers also have higher retention rates (Malkovich & Boudreau, 1997).

Based on the literature discussed above, there are strong negative relationship between job satisfaction and turnover intention. Therefore, the hypotheses can be concluded as follows:-

H1: There is a significant negative relationship between job satisfaction and turnover intention

2.11.2 Relationship between Demographic Factors and Turnover Intention

Employee may be satisfied with some aspect of their jobs, while being dissatisfied with others. According to Poling (1990), the best predictor of job satisfaction is when the employees' personal values match those of the organisation. Employees' motivation towards work is extremely high when they first start their work. The morale subsequently 'decreases during the next few years and remains relatively low level until workers are in their late twenties or early thirties' (Scott, Swortzel & Tylor, 2005). However, the longer an employee stays in the organisation his / her level of job satisfaction increases and continue to raise through the reminders of the workers' career. Reuters, 2007 reported on American labour indicates that 80 percent of people questioned between 1972 and 2006 said they were content with their work and only 4 percent were not satisfied. The study also show that workers over 65 years old were

the most satisfied while people under 29 were the least happy in their work. Thus, this shows that job satisfaction increases with age and reduce intention to quit.

Moreover, as the people grow older they move up the career ladder and get into better position. The report also shows that the older people also sort through different alternative careers and find something that matches their talents and ability better. They are goal oriented and strive hard to move forward. VandeWalle (2001) suggested that good orientation has important implications for the enhancement of employee and organizational performance. Besides, performance oriented people strive to demonstrate, and hereby gain favourable judgements of their competence (Dweck & Leggett, 1988).

However, Kegan (in Wagner & Rush, 2000) suggested different interpersonal orientation for younger and older adults. Moral obligation is said to shape the older adult behaviour. By contrast, younger adult tend to relate themselves with others in more transactional manner (Kanungo & Conger, 1993). Older worker also tend to have lower needs of achievement and higher need for affiliation than younger workers (Wagner & Rush, 2000). According to Kanungo and Conger (1993), younger individuals may be influenced by norm of reciprocity, which is the expectation for a fair exchange in return for assistance. If the employee perceived that they have been fairly supported by the organisation (e.g fairness in distribution of reward), employee will reciprocate – thus exhibiting a high level of organisational commitment. On the other hand, for older employees their commitment is the result of social responsibilities, that is helping others without regard of personal benefit (Kanungo & Conger, 1993) and social exchange relationships (Blau, 1964).

A longer tenure is normally associated with a positive feeling toward the employer, a high degree with employee identification and ownership with the organisation, which in turn cause them to render meaningful contributions to the organisation by reducing turnover intention and absenteeism (Turnipseed & Murkison, 2000). This have been supported by studies like Alotaibi, 2001; Hochwarter, James, Johnson & Ferris, 2004; Morrison, 1994; Heidi, 2001). As tenure increases within the organisation, so does the employee's potential for both formal benefits such as promotion and informal benefits such as status as compared to less tenured employees (Hellman, 1997). The high tenure employees typically receive more money, have

more close friends, investments, are better informed and have more power-all of which reduce their turnover (Price, 1995).

There is considerable evidence of an inverse relationship between tenure and actual turnover (Bannister & Griffeth, 1986; Batt & Valcour, 2003; Bidir, 2002; Cotton & Turtle, 1986; Somers, 1986) and turnover intention (Flaherty & Pappas, 2002; Schulz *et al*, 1987; Weisberg & Kirschenbaum, 1991),

Based on the literature discussed above, there are significant relationship between demographic factors (age and length of service) and turnover intention. Therefore, the hypotheses can be concluded as follows:-

H2: There is a significant difference between demographic factors (age and length of service) and turnover intention

2.11.3 Dominant Factors Influencing Turnover Intention

The interest in employee turnover is generally caused by negative financial and operational implications of separation (Gomez-Meija & Balkin, 1992; Griffeth and Hom, 1995; Hom, 1992) as turnover can decrease customer service levels, lower company profits and cause training expatriation losses (Hom *et. al.*, 1988; Reichheld, 1993). Employee turnover is precipitated by withdrawal from work which is generally related to low participation in work-related activities and increased absenteeism rates (Hom & Griffeth, 1995). Withdrawal cognitions lead to search behaviours that involve the evaluation of labour market opportunities. From an employee perspective, keeping an external labour market strategy is frequently used as a means for achieving market-level salaries (Brett & Stroh, 1997 in Valentine, 2001).

Much turnover research has focused on identifying individual characteristics that cause job separation, which include age, tenure, education, job satisfaction and organisational commitment. Mobley (1977) specified that negative evaluations of employee's present job increases job dissatisfaction, and that these negative feelings increase quit intentions. Price and Mueller (1981) stated that various factors such as pay, promotion opportunity and general training increase job satisfaction and subsequent intentions to stay. Bluedorn (1992) highlighted demographic characteristics such as race, age, education and pay that affect job expectations and environmental opportunities, which ultimately influence turnover and job satisfaction. Home and Griffeth (1995) also had identified several antecedents of job satisfaction such as job

scope, compensation, and negative affectivity that indirectly affect withdrawal cognition and job search.

Based on the literature discussed above, there is significant influence between job satisfaction factors and demographic factors (age and length of service) and turnover intention. Therefore, the hypotheses can be concluded as follows:-

H3: There is significant influence between job satisfaction factors and demographic factors with turnover intention

2.11.4 Perceived Alternative Employment Opportunities (PAEO) and Turnover Intentions

Another possible predictor of turnover intentions is perception of alternative job opportunities among the employees. PAEO refers to an individual's perception of the availability of alternative jobs in the organization's environment (Price & Mueller, 1986), and it is the function of labour market conditions. Employees perceive more alternative job opportunities when the job market is tight and less alternative job opportunities when there is unemployment. It should be noted, however, that PAEO is not the same thing as actual labour market conditions. If organizations fail to provide substantial growth opportunities, the employees actively start searching for an alternative job and their search is based upon the perceived opportunities in external market (Negrin & Tzafrir, 2004). Findings of Ing-San Hwang & Jyh-Huei Kuo (2006) revealed a significant positive correlation between perceived alternative job opportunities and turnover intention in the public sector organizations. The same has been proved by Lambert, Hogan & Barton (2001) in a study that focused on impact of job satisfaction on turnover intent. It was revealed that job satisfaction had the largest impact on turnover intentions and perceived availability of alternate jobs had positive correlation with turnover intentions of the employees. Thatcher, Stepnia & Boyle (2003) have conducted a research on turnover of information technology workers and found a strong positive correlation between perceived alternative job opportunities and turnover intention. Past research suggests that both PAEO and labour market conditions are positively associated with turnover (Hulin et al., 1985). Although labour shortage is considered one of the most important factors contributing to employee turnover, none of the studies have yet examined the effect of PAEO and job stress on turnover intention.

Alternative employment opportunities are mainly contributed by the external's environment where the availability of alternative employment in the open market. Since it appears openly in the market, the access to the availability and other benefits are easily to be obtained by the candidates or future employee. Therefore, it intentionally encourages the employees of organization to switch their career with other organization (Price 2001). Further, there is a positive relationship between alternative employment opportunities and employee turnover intention based on the previous literatures (Khatri et al., 2001; Hulin et al, 1985).

Commonly, earning or salary is the major concern for employee to consider in any of employment decision. They will focus on the best-offered salary to select the organization for them to work. Therefore, it is a main strategy that practiced by organization to attract skill and talented employee to join their organization. However, in other case, employees are also looking for organization that can offer work-life balance in the working environment for them to make any decision of employment (Frank Van, 1995). Study by Belinda (2011) has verified that there is a significant relation between the alternative employment opportunities with turnover intention. Therefore, the researcher develops the following hypothesis.

H4: *There is a significant positive relationship between perceived available employment opportunity and turnover intention*

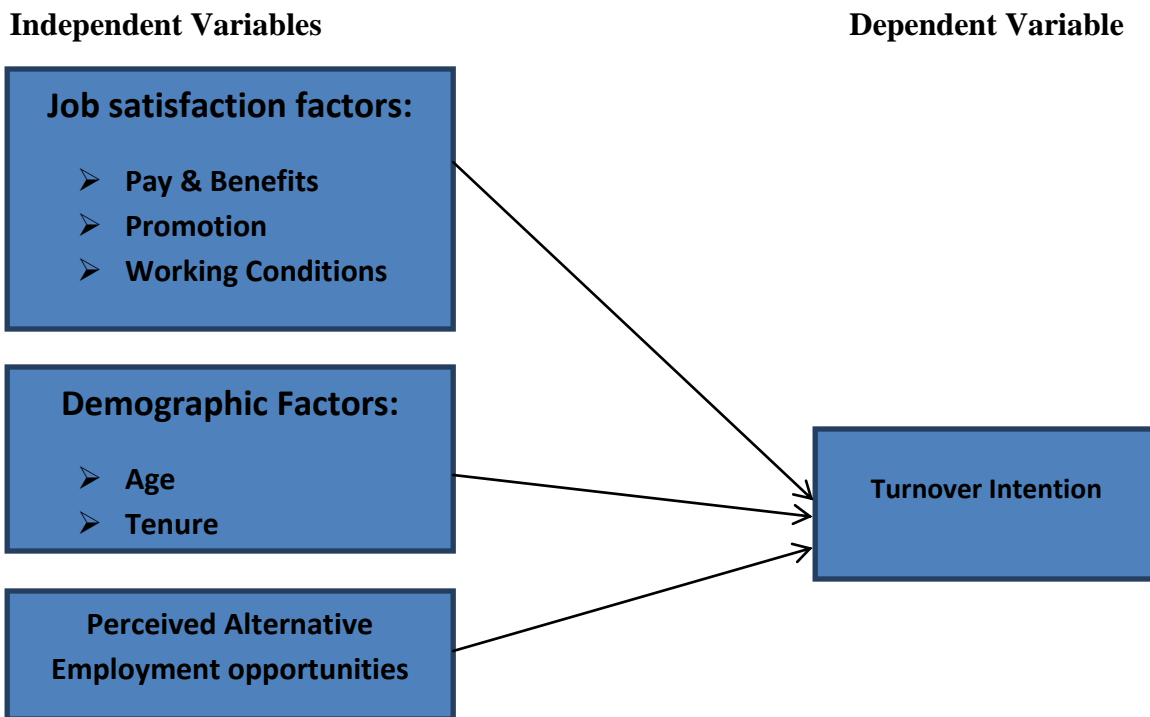


Figure 2.2 Theoretical Framework

CHAPTER 3: RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION

This chapter presents the design and methodology, which was used to conduct this research. The two-fold aim of this research is to investigate the Job satisfaction (JS)-Turnover Intention (TI) and; Perceived Available Employment Opportunity (PAEO) - Turnover Intention (TI) relationship.

The research was designed to obtain primary data from clerical employees in Bunna International Bank and secondary data from relevant existing documentation. The analysis of the obtained information was used to answer the research questions. Information regarding the research design, the research approach, the population, sample and the measuring instruments follows beneath.

3.2 RESEARCH DESIGN

3.2.1 Type of Study

The research is focusing on relationship between Turnover Intention and job satisfaction. The study used a descriptive survey design. The purpose of using descriptive surveys was to collect detailed and factual information that describe an existing phenomenon. Data was collected based on the concepts defined in the research model and hypotheses tested. This study is a descriptive survey because it adopted the use of questionnaire aimed at finding the impact of Job satisfaction on Turnover Intention.

This study is a quantitative in nature by using survey method to examine the relationship between independent and dependent variables. The findings and conclusion of the study will depend on the fully utilization of statistical data collected and analyzed using SPSS version 20.

Based on the identified theoretical framework in chapter two, this research will adopt a deductive research approach. This approach comprises of the scientific testing of the proposed theory and formulated hypothesis. The use of quantitative data for these purposes is important

to the deductive approach. This quantitative method will finally determine the characteristics, strength and direction of the hypothesized relationships.

3.2.2 Sources of data

Primary data and secondary data were used in this study.

3.2.2.1 Primary Data

According to Sekaran (2006), data that gathered for research from the actual site of occurrence of events are called primary data. For the purpose of this study, questionnaire used as the research instrument and distributed to the staff of Bunna International Bank (BIB).

3.2.2.2 Secondary Data

Secondary data refer to the data that gathered through existing sources by someone than the researcher conducting the current study such as company record, publication, industry analysis offered by the media, web publications and so on (Sekaran, 2006). The advantage **of** using this type of data is the fact that the data is accurate and ready to be used. Besides that, it is less time consuming and cheap to obtain the secondary data as it is already prepared by other experts.

At times, secondary data can also give an insight to the researcher on the subject matters from difference perspective. For this study, researcher gathered the secondary data from organization's website, annual reports, and articles which are relevant and able to support the literature review. The secondary data consists of both internal and external data sources. External Sources: Journals, articles, books while internal sources such as organisation website, brochure and etc.

3.2.3 Unit of Analysis

This study focuses on identifying the relationship between turnover intention and job satisfaction among “clerical” staff in Bunna International Bank S.C. Thus, the unit of analysis is at individual level among employees in BIB.

3.3 RESEARCH LOCATION, POPULATION AND SAMPLE

This research was conducted at Head office and 30 branches of the Bank found in Addis Ababa only. The Bank has also 45 outlying branches located in different regions of Ethiopia.

Bunna International Bank S.C (BIB) currently employs 680 employees who are working in the head office and its 75 branches. The employees are mainly categorized as "Clerical" and "Non Clerical" employees. This categorization is based on the job characteristics and the hierarchical level. "Clerical" staff comprise of top management, management, executive staff, administrative and professionals. They have a moderate to very high educational level. These employees mostly function on tactical and management levels. From the total of 680 employees, 449 employees are currently working in Addis Ababa. Among these employees, 375 of them are "Clerical" staffs and the remaining 74 are "Non Clerical" Staffs. The 375 "Clerical" employees of the Addis Ababa region are adopted as the research population in this study. The study focused on this employee category because they are assumed to be more critical to the operational sustainability in addition to the strategic direction of the Bank. Especially their level of education, leadership roles and professionalism increases their value and makes them hard to find in the labor market. Another reason for the choice is the current increase of voluntary turnover in the "Clerical" worker category. The last three years a number of critical "Clerical" employees voluntarily quit their job. Based on the below table the "Clerical" category consists of 375 employees, which is about 83% of the total staff in Addis Ababa.

The sample size is very important in order to be representative of the population which ultimately enables to draw generalizable conclusions from selected sample members. According to Field (2009) a random sampling method will give every "Clerical" employee an equal chance to be selected in the sample; thus ensuring a proper representation of the research population. Moreover, in this study all the "Clerical" employees were selected and solicited for data. This was done after receiving approval from the HR Directorate of the Bank.

Table 3.1: Employee Categories and Amount

Category	Number of staff
"Clerical"	375
"Non Clerical"	74

Source: Author generated table.

In order to calculate the necessary minimum sample size, enabling valid assessments of the population, the following formula was used:

$$n = \frac{t^2 \times p(1-p)}{m^2}$$

Based on this calculation the required minimum sample was 138 respondents. The following paragraphs will give insight in the data collection instruments that were used to gather data from the respondents. Where your population is less than 10 000, a smaller sample size can be used without affecting the accuracy. This is called the **adjusted minimum sample size**. (deVaus, D.A. (2002). It is calculated using the following formula:

$$\frac{1}{n} = \frac{1}{N} + \frac{1}{n}$$

Based on this calculation the required **adjusted minimum sample size** was 101 respondents. The following paragraphs will give insight in the data collection instruments that were used to gather data from the respondents.

3.4 DATA COLLECTION INSTRUMENTS

This study uses both primary and secondary data using respectively self-administered questionnaires and relevant company documentation. The survey method used to obtain primary data was chosen due to its appropriateness and practicality in terms of being a well-accepted diagnostic tool for employee information. As mentioned before, this study focuses on the three research variables, namely: turnover intention, job satisfaction and perceived available job alternatives. All these variables have been measured in different turnover research with a relatively wide variety of items. Examples are widely available and show relatively good reliability and validity in terms of the Cronbach's Alpha. Cronbach's Alpha was designed by Lee

Cronbach and is a coefficient used to interpret the reliability and validity of the items one uses to measure research variables.

In organizational behavioral research people's opinions and statements reflecting attitude and behavior are important to draw conclusions. Attitudes and behavior are often measured with Likert type scales. Maniram (2007) cited from Zikmund (2003) that the Likert scale is a "measure of attitudes designed to allow respondents to indicate how strongly they agree or disagree with carefully constructed statements that range from very positive to very negative toward an attitudinal object".

This study utilized a structured self-administered five point Likert scale that is developed based on existing instruments used in past turnover literature. The questionnaire was divided in four sections:

- Personal demographic data
- Job satisfaction
- Turnover intention
- Perceived available employment opportunities

The first section of the survey was designed to obtain general demographical information from the sample. This section contained five items regarding gender, age, tenure, education level and job position level.

The second section was designed to measure the employees' degree of job satisfaction with their current employment. This section contains twenty four items. During the years, job satisfaction has been measured by different scales from which the most notable and most relevant are the:

Job Descriptive Index (Smith, Kendall & Hulin, 1969 as cited by Aziri, 2011)

This questionnaire has been used significantly and measures job satisfaction in five facets: work in present job, pay, opportunities for promotion, people on your present job and supervisor.

Minnesota Satisfaction Questionnaire (Weiss et al., 1967 as cited from Aziri, 2011)

This questionnaire exists in long form (100 items) and in short form (20 items). It is divided into three subscale categories: intrinsic job satisfaction, extrinsic job satisfaction and general job satisfaction. This five point Likert questionnaire is very elaborate and thus measures 20 different facets of job satisfaction.

Job Satisfaction Survey (Spector, 1985)

This survey contains 36 items, which measure nine facets of job satisfaction. Some of these facets are: nature of work, operating conditions, pay, promotion, fringe benefits, supervision and others.

Job in General Scale (Ironson, et al., 1989 as cited from Maniram 2011)

This scale is an improvement on the Job Diagnostic Survey and is focused on a variety of facets and doesn't measure general work satisfaction.

The items in this thesis are adapted from the Job Satisfaction Survey (JSS). Twenty four items regarding the selected job satisfaction facets were adapted from the JSS.

This scale is modified as five point Likert scale as shown in Table 4. In order to answer an item, employees were requested to select a choice which best matched their opinion, thus confirming their level of agreement with the statement. Each choice is given a score from one (1=total disagreement) to five (5=total agreement). The originally reported Cronbach's alpha was 0.89

Table 3.2: Job satisfaction Five point Likert Scale

Strongly Disagree	1	Agree	
Disagree	2	Strongly Agree	
Neutral	3		

The choice to extract items from the JSS is based on the fact that the JSS provides good items which are relevant to the selected job satisfaction facets in this study. Furthermore, the JSS shows a Cronbach's Alpha of 0.89; which indicates good reliability and validity. Lastly, the five point Likert scale limits the respondent's bias in terms of the phenomenon of central tendency in the answer ratings while still providing enough answering options.

The third section of the survey contains items to measure employees' intent to leave the organization. The vast amount of turnover literature provides various reliable scales to measure intentions to leave the organization.

Examples of some relevant and widely used scales are:

- The three item scale from the Michigan Organizational Assessment Questionnaire (Cammann et al., 1979). An example from one of the items is: "I will probably look for a new job in the next year".
- The Staying or Leaving Index (Bluedorn, 1982 as cited from Griffeth et al., 2005). This index requests respondents to determine their likelihood of still being in the organization for a specified period of time. An example of an item used by Bluedorn was formulated as follows: "How do you rate your chances of still working for [company name] six months from now?" This seven point scale provided the answer range from one (excellent) to seven (terrible).
- The three item scale designed by Horn and Griffeth (1991) as cited from Griffeth et al., 2005. This is a five point Likert scale. An example of an item is: "I intend to quit my present job".
- The four item scale used by Kim et al. (1996). An example of an item is "I plan to leave the organization as soon as possible".

Many other scales were developed by various researchers. Noteworthy is that in the items the following wording and formulations were frequently included: probability; likeliness; thinking; intending; planning; looking and searching. Most of these actions are part of Mobley's turnover model, wherein the sequence of these actions has ignited a discussion, which is still ongoing.

The turnover intention scale in this thesis contains three items. These three items were adapted from the Michigan Organizational Assessment Questionnaire (MOAQ). The choice of the turnover scale used in this study is not based on a specific preference but mostly on the reported reliability values (0.87) and based on the approach to be in line with some of the aforementioned formulations of the items of previous researchers. Horn & Griffeth (1991) argue that MOAQ turnover intention subscale represents distinct withdrawal cognitions: intentions to quit; search intentions and thoughts of quitting. Answer options were based on a six point Likert scale and ranged from one (total disagreement) to six (total agreement). Similar to the job satisfaction scale, a higher score represents a higher intention to leave.

The last section of the survey measures the perception of available employment opportunities. This section contains three items. Review of related literature resulted in a moderate amount of reliable instruments to measure PAEO. It must be noted that according to Griffeth & Horn (1988) theoretical and methodological improvement of the external opportunity concept is needed, because it brings about slightly different conceptualizations and put emphasis on

different facets, which can probably lead to inconsistent findings. They argue further that although different formulations of items were used in scales measuring the external opportunity concept, significant findings have still been produced which provided insight in the effects and workings of external opportunities. Some examples of scales are:

- Six item Perceived Alternative Employment Opportunities Likert type scale collaborate developed by Mowdey et al. (1984) and others (as cited by Griffeth et al., 2005). An example of an item is: "The chance of finding another job that is acceptable is high".
- Fourteen item Likert type scale developed by Griffeth et al. (2005) and known as the Employment Opportunity Index. An example of an item is: 'I can think of a number of organizations that would probably offer me a job if I was looking'.

This thesis uses the Perceived Alternative External Opportunities scale, mainly due to the fact that the other options were too lengthy in terms of items. In addition, the scale promised good reliability as the original scale reported a 0.76 Cronbach's Alpha.

3.5 DATA COLLECTION METHOD

In this study, data was collected using a structured questionnaire which consisted of 30 items. The questions are written in English. The permission from Human Resource Directorate was set before distributing the questionnaires. After permission had been granted, the researcher will brief the employees as to what the study is about in order to get the needed attention, support and co-operation of the staff. The questionnaires were hand-delivered to all the respondents by the researcher. The researcher then guided the respondents to complete the instrument without interfering with the choice of responses. The assistance just involved the explanation of instructions or terminologies so as to get the most valid data for inclusion in the analysis. Respondents were given one day to complete the instrument. To ensure an effective return rate, follow up telephone calls as well as personal visits were made to encourage the respondents to complete the questionnaires.

3.6 DATA ANALYSIS TECHNIQUES

From the questionnaires, a few procedures can be done such as checking the data for accuracy. Besides that the questions were being coded to enable for analysis using Statistical Packages for the Social Science (SPSS) version 20.

This is followed by the examination and presentation of demographic profile of respondents using Descriptive Statistics. According to Zikmund (2000), descriptive analysis refers to the transformation of the raw data into a form that will make them easy to understand and interpret.

Secondly, the Cronbach Alpha testing will be used as it is the most well accepted reliability test tools applied by social researcher (Sekaran, 2006). In Cronbach's Alpha reliability analysis, the closer Cronbach's Alpha to 1.0, the higher the internal consistency reliability.

Cronbach measures;

1. Reliability less than 0.6 considered poor.
2. Reliability in the range 0.7 is considered to be acceptable.
3. Reliability more than 0.8 are considered to be good

Thirdly, in order to determine whether there are significant relationships among the independent variables and dependent variable, Pearson Correlation Coefficient analysis will be carry out. The scale model suggested by Davies (1971) used to describe the relationship between the independent variables and the dependent variable, are as shown below:

1. 0.7 and above – very strong relationship,
2. 0.50 to 0.69 – strong relationship,
3. 0.30 to 0.49 – moderate relationship,
4. 0.10 to 0.29 – low relationships and
5. 0.01 to 0.09 – very low relationship.

Finally, Multiple Regression Analysis is conducted to examine which among the three dimensions in independent variables is the most important in explaining the relationship between turnover intention and job satisfaction among employees.

3.7 ETHICS AND CONFIDENTIALITY

While the current study utilized data from primary and secondary sources, the agency collecting data did take several ethical concerns into consideration involving the current study as suggested by Babbie (1973). Ethical concerns included the following: voluntary participation, no harm intended to participants, anonymity and confidentiality of participants ensured, and conveyance of purpose and sponsors of the study. The findings of this study would be reported in aggregated form, thus no individual respondent can be identified. Each participating individual was assigned a unique code number to distinguish it from other individual for analysis purposes.

CHAPTER 4: RESULTS AND ANALYSIS

4.1 INTRODUCTION

This chapter presents the results and findings of the research. The chapter mainly includes data results from the statistical tests conducted on the gathered primary data. It also contains information regarding the survey response rate in addition to the quality of the data set. The chapter includes test results on the control and research variables and other descriptive statistics. In addition, it includes the inferential statistics, which presents statistical results on the total conceptual model.

4.2 DATA SET AND RESPONSE RATE

Based on the minimal sample requirement, 101 respondents were needed to conduct a valid survey.

Table 4.1: Survey Response Rate

Solicited	150	100%
No response	43	29%
Response	147	71%
Invalid	4	3%
Qualified Response	103	69%

Source: Author generated table

The researcher decided to solicit 150 "Clerical" employees. No response was received from 43 employees, thus the amount of responsive employees was 107. From the 107 received surveys four were invalid based on the fact that less than 15% of the relevant items were completed; thus missing critical information. Finally, a 69% effective response rate was achieved.

The completed surveys provide measured data of the four variables from the conceptual model including the control variables. It is important to assess the internal reliability of these measurement instruments in terms of the Cronbach's Alpha. Below table provides insight in the reliability test results. The reliability is provided per variable.

The JS variable has an overall 0.769 alpha; thus shows acceptable reliability. The TI has a 0.792 alpha and therefore shows good reliability. Finally, the PAEO variable shows a 0.726 alpha and therefore has an acceptable reliability. It can be concluded that the items are well correlated with each other and show good reliability and consistency.

Table: 4.2: Cronbach's Alpha Results.

Variables	Item	Thesis Cronbach's Alpha
Job Satisfaction (JS)	1-24	0.769
Employees turnover intention (TI)	25,26,27	0.792
Perceived available Employment Opportunity (PAEO)	28,29,30	0.726

Source: Author generated table.

Finally, we can conclude that in general, the scales of the survey utilized for this research show acceptable to good reliability according to the rule of thumb alpha value range mentioned in chapter 3.

4.3 CHARACTERISTICS OF THE RESPONDENTS

As part of the descriptive statistics, a frequency distribution analysis was performed on the control variables. These variables relate to the nominal data or demographical characteristics obtained from the research sample. There are 103 respondents in the sample. Frequency distributions are obtained for all demographic characteristics.

Table 4.3 Respondents' Demographic Profile

	Frequency	Percentage
Gender		
Male	79	76.7
Female	24	23.3
Age		
18- 30	22	21.4
31- 45	71	68.9
46-60	10	9.7
Educational Level		
Higher degrees	25	24.3
Bachelor	78	25.7
Marital Status		
Married	71	68.9
Single	32	31.1
Tenure		
< 1 year	22	21.4
1year & < 3 years	36	35.0
3 years & < 5 years	24	23.3
5 years and above	21	20.3

Source: Author generated table.

The result of age distributions in Table 4.3 above suggest that the greatest numbers of the respondents are in their 31 - 45 (68.9%) age group followed by respondents aged 18 - 30 (21.4%). The lowest reading 9.7 % represents age group between 46 - 60.

Out of 103 respondents, about 79 or 76.7% of the 'Clerical' staffs working at Bunna International Bank are male, the rest are female which represent 24 or 23.3%.

The education level of respondents is as suggested in Table 4.3 above. The highest level of education of respondents shows that 78 or 75.7% of the respondents have first degree; meanwhile 25 or 24.3% of the respondents have received their Master's degree.

The majority of the respondents are married which represent 68.9%; that is about 71 employees out of 103 respondents. Meanwhile, 32 or 31.1% respondents are single.

The result of tenure distribution of 103 respondents in this study shows that 21 or 20.3% respondents already working for more than 5 years in the bank, 24 or 23.3% of the respondents have been working for 3 - 5 years; meanwhile, 36 or 35.0% of the respondents are working less than three years that is 1 - 3 years. About 22 or 21.4% of the respondents are new employees who have been working for less than one year in the BIB.

4.4 DESCRIPTIVE STATISTICS ON THE RESEARCH VARIABLES

Below table provides descriptive statistic results of the JS, TI and PAEO variable. For the JS variable, the facets are also included.

Table 4.4: Descriptive Statistics for the Research Variables

	JS	TI	PAEO	Pay & Benefit	Promotion	Working Conditions
N	103	103	103	103	103	103
Mean	3.18	3.19	4.07	3.03	3.11	3.45
Std. Deviation	.39	.89	.69	.44	.71	.49

Source: Author generated figure

Table-4.4 above reflected the average (mean) responses of total sample size of 103. The mean value of job satisfaction was calculated as (mean=3.18.). It is evident that the average "clerical" employee reports to be slightly dissatisfied but possibility of deviation exist between 2.8 and 3.6, e.g. from disagree to agree. Turnover Intention data (mean value of 3.19) indicates that most clerical employees of the bank are neutral about having turnover intention but possibility of deviation exist between 2.3 and 4.1 which means between disagree and agree. Thus, the average "clerical" employee reports slight agreement in having intentions to leave BIB.

Mean value of 4.07 for PAEO shows that most clerical employees of the bank have agreed in perceiving available employment opportunities but possibility of deviation exist between 3.38 and 4.76 which means between neutral and agree. Pay & Benefit data (mean value of 3.03) indicates that most clerical employees of the bank are neutral about having turnover intention but possibility of deviation exist between 2.69 and 3.47 which means between disagree and neutral. Promotion in BIB has been rated neutral by employees as the mean value of 3.11 indicated in this research. It explains that the Promotion will have no effect on employees' job satisfaction but still the possibility of deviation is there and the results could fall between the range of 2.4 to 3.82 which means from disagree to neutral. Mean value of 3.45 for working condition shows that the employees in service sector are neutral about working condition and consider the no effect of working condition on job satisfaction. But there is a possibility of deviation in results ranging from 3.0 to 4.0 e.g. which means from disagree to agree.

4.5 MAIN MODEL OF INFERENTIAL TESTS

The main model is comprised of the JS, PAEO and the TI variable. This main model relates to the first and fourth hypothesis of the study. Firstly, the degree of association between these three variables is tested and secondly the impact of JS and PAEO on TI is examined.

The other model relates to the second hypothesis of the study. In this model, the differences of turnover intention based on age group and length of service group is tested.

The last model relates to the third hypothesis of the study. In this model dominant factor among the three factors in job satisfaction and demographic factors that have closer relation with turnover intention is tested. The parametric tests used in this case are:

- The Pearson Correlation test for correlations between the research variables and the control variables.
- One-way ANOVA:- to determine the differences of turnover intention based on age group and length of service group.
- The Linear Regression:- to identify dominant factor among the three factors in job satisfaction and demographic factors that have closer relation with turnover intention.

4.5.1 Pearson Correlation Test

a, Relationship between JS, PAEO , TI and Control variables

Table 4.5 represents the correlation coefficients of the research variables including the control variables. Thus, these correlations include the effect of some control variables. This means that the control variables could have associations with the research variables, which has effect on the strength of the relations between the research variables.

Based on these correlations the researcher concludes age is weakly and negatively related to TI. Furthermore, gender, tenure and education did not yield any significant evidence of being related to TI.

Related to the correlations between the research variables (JS, PAEO and TI) the researcher found the following:

- JS is strongly and negatively related to TI (R= -.665, P<.01)
- PAEO is moderately and positively related to TI (R= .298, P<.01)

Table 4.5: Correlation coefficients of all variables

	JS	PAEO	TI	Gender	Age	Tenure	Education
JS	1						
PAEO	-.193	1					
TI	-.665**	.298**	1				
Gender	.037	-.037	.056	1			
Age	.126	-.063	-.216*	-.135	1		
Tenure	.088	-.198	-.122	.271**	.088	1	
Education	-.038	-.116	-.077	-.205*	.121	.029	1

*. Correlation is significant at the 0.05 level (2-tailed).

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

Source: Author generated figure

b, Relationship between Pay & Benefits, Promotion, Working conditions and Turnover Intention

Variables	Pearson (<i>r</i>)	Level of Significance (<i>p</i>)
<i>Pay & Benefit</i>	-0.335**	0.001
<i>Promotion</i>	-0.378**	0.000
<i>Working Conditions</i>	-0.717**	0.000

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

Source: Author generated figure

Table 4.6 Relationship between Pay & Benefit, Promotion, Working conditions and Turnover Intention

The result shows that the turnover intention is significantly and negatively correlated to pay & benefit, promotion and working conditions. Therefore, the results support the hypothesis that satisfaction with pay & benefit is negatively related to turnover intention among the ‘Clerical’ employees in BIB ($r = -0.335, p < 0.01$).

The correlation analysis above shows that promotion is a significant predictor of turnover intention ($r = -0.378, p < 0.01$). Thus providing supports for hypothesis that satisfaction with promotion is significantly and negatively related to turnover intention of ‘Clerical’ employees at BIB. The correlation of $p = 0.378, p < 0.01$ also indicates that promotion has low relationship with turnover intention.

In Table 4.6, the correlation analysis for working conditions ($r = -0.717, p < 0.01$) supports the hypothesis that satisfaction with the working conditions is significantly and negatively related to turnover intention of ‘Clerical’ employees at BIB. Thus, support the hypothesis that satisfaction with working condition has strong influence in determining turnover intention among ‘Clerical’ employees at BIB. The strength indicates very strong negative relationship between working condition and turnover intention.

4.5.2 The Difference in Turnover Intention by Demographic Variables

(a) Difference in Turnover Intention based on Age

Table 4.7 Result of One-way ANOVA for Difference in Turnover Intention by Age

<i>Turnover Intention</i>					
	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Between Groups</i>	4.110	2	2.055	2.664	.075
<i>Within Groups</i>	77.150	100	.772		
<i>Total</i>	81.260	102			

Source: Author generated figure

The researcher had performed ANOVA with four groups corresponding to turnover intention. The result of One-way ANOVA as shown in Table 4.7 ($F=2.664$, $p=0.075$) illustrates that there is no significance difference between the turnover intention among different age group of the ‘Clerical’ employees at BIB. Thus, the hypothesis that there is a significant difference in the turnover intention of the ‘Clerical’ employees at BIB at four different age groups cannot be accepted.

(b) Difference in Turnover Intention based on Tenure

Table 4.8 Result of One-way ANOVA for Difference in Turnover by Tenure

<i>Turnover Intention</i>					
	<i>Sum of Squares</i>	<i>Df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
<i>Between Groups</i>	1.473	3	.491	.609	.0611
<i>Within Groups</i>	79.787	99	.806		
<i>Total</i>	81.260	102			

Source: Author generated figure

The result of One-way ANOVA as shown in Table 4.8 ($F=.609$, $p=0.611$) demonstrates that there is no significant relationship between turnover intention among different length of service of the ‘Clerical’ employees at BIB. Thus, the hypothesis that there is a significant difference in the turnover intention of the ‘Clerical’ employees at BIB from the four different length of service (tenure) cannot be accepted.

4.5.3 Dominant Factor that Influence the Turnover Intention

Table 4.9 Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.767(a)	.588	.562	.59086

a Predictors: (Constant), promotion, age, tenure, pay & benefit, perceived available employment opportunity, working conditions b Dependent Variable: Turnover Intention

Source: Author generated figure

The model summary as shown in Table 4.9 above explains the value of R Square which represents 0.767 or 76.7% of six variance for job satisfaction factors, namely pay& benefit, promotion, working condition, perceived available employment opportunity, age and tenure (length of service).

Table 4.10 ANOVA(a)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	47.745	6	7.957	22.793	.000(b)
	Residual	33.515	96	.349		
	Total	2116.667	102			

a. Dependent Variable: Turnover Intention

b. Predictors: (Constant), Promotion, Age, Tenure, Pay and Benefit, Perceived Available Employment Opportunity, Working Condition

Source: Author generated figure

The result shows in Table 4.10 indicates that the predictors (Promotion, Age, Tenure, Pay and Benefit, Perceived Available Employment Opportunity and Working Conditions) are significantly and negatively related to turnover intention. The model in this study reaches statistical significance of 0.05 ($p < 0.05$).

Table 4.11 summarized the overall Beta value for each variable in the job satisfaction factors.

Coefficients(a)					
		<u>Unstandardized Coefficients</u>		<u>Standardized Coefficient</u>	
l	B	Std. Error	Beta	T	S
(Constant)	7.486	.708		10.573	.0
Age	-.174	.109	-.107	-1.598	.1
Tenure	-.090	.059	-.105	-1.513	.1
PAEO	-.256	.092	.117	1.651	.1
WC	-1.197	.139	-.668	-8.587	.0
Pay&benefit	.112	.157	-.055	.711	.4
Promotion	-.186	.093	-.148	-2.005	.0

a Dependent Variable: Turnover Intention

Source: Author generated figure

There are six significant factors in the coefficient test. As can be seen from the results, the Beta value for pay& benefit is (Beta=0.055, <0.05, promotion (Beta=-0.148, p<0.05), working condition (Beta=-0.668, <0.05), perceived available employment opportunity (Beta= 0.117, <0.05), age (Beta=-0.107, <0.05) and tenure (Beta=-0.105, <0.05). However, above all working condition shows the highest significant result compare to other job satisfaction factors (Beta=0.000, <0.05). Thus, working condition factors prove to be a dominant factor influencing the turnover intention of the ‘Clerical’ employees at Bunna International Bank S.C. The result can support the hypothesis that there is a dominant factor of turnover intention of the clerical staffs at BIB.

4.6 SUMMARY OF HYPOTHESIS TESTING

This chapter has analyzed each of the hypothesis which already been discussed in Chapter 2. The results of hypothesis testing are as summarized in Table 4.12.

Table 4.12 Summary of Hypothesis Testing

Hypothesis	Result
<i>H1 There is a significant negative relationship between job satisfaction and turnover intention</i>	Supported
<i>H2 There is a significant difference between demographic factors (age and length of service) and turnover intention.</i>	Not Supported
<i>H3 There is significant influence between Job Satisfaction factors and Demographic factors with turnover intention</i>	Supported
<i>H4 There is a significant positive relationship between perceived available employment opportunity and turnover intention</i>	Supported

4.7 SUMMARY

This chapter explained the respondents' characteristics and the degree of turnover intention in Bunna International Bank S.C. The data was computed and analyzed using SPSS version 20. The findings of the study were analyzed by Pearson Correlation Coefficient, Multiple Regression and One-way ANOVA.

The main findings can be summarized as follows:-

There is a significant strong negative relationship between job satisfaction and employees' turnover intention ($R = -.665, P < 01$).

There is no significance difference in the turnover intention of the 'Clerical' Staffs based on age and tenure (length of service) groups.

Working Condition is a dominant factor in influencing turnover intention of the 'Clerical' staffs.

There is also significant moderate positive relationship between perceived available employment opportunity and employees' turnover intention ($R = .298, P < .01$)

Based on these correlations the researcher concludes age is weakly and negatively related to TI. Furthermore, gender, tenure and education did not yield any significant evidence of being related to TI.

Other relevant findings related to the dependent variable and the control variables are:

Employees' turnover intention is weakly and negatively related to age ($R = -.216, P < .05$).

Gender, tenure and education did not yield any significant evidence of being related to TI.

Perceived available employment opportunity is weakly and negatively related to tenure ($R = -.196, P < .05$)

Secondary findings are that the 'Clerical' employees of BIB indicate:

The mean value of job satisfaction was calculated as (mean = 3.18) resulting into a neutral response regarding job satisfaction; thus the average "clerical" employee reports to be slightly dissatisfied.

Turnover Intention data (mean value of 3.19) indicates that most clerical employees of the bank are neutral about having turnover intention; thus the average "clerical" employee reports slight agreement in having intentions to leave BIB.

(Mean value of 4.07) for PAEO shows that most clerical employees of the bank have agreed in perceiving available employment opportunities; thus they have perceived available employment opportunity

Pay & Benefit data (mean value of 3.03) indicates that most clerical employees of the bank are neutral about pay & benefit; thus, no effect of pay & benefit on job satisfaction.

Promotion in BIB has been rated neutral by employees as (the mean value of 3.11) indicated in this research; thus, promotion will have no effect on employees' job satisfaction.

(Mean value of 3.45) for working condition shows that the clerical employees in the bank are neutral about working condition and thus, no effect of working condition on job satisfaction.

CHAPTER 5: DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

This chapter elaborates and concludes on the findings of this study in the impact of job satisfaction and perceived available employment opportunity on turnover intentions. The study began with formulation of the research questions based on the presumed problem statement. After a literature review, a conceptual model was identified and set as the basis of the study. Bunna International Bank S.C was chosen as the research context. More than 100 managerial and professional executives were solicited for their responses through questionnaire survey. The received data was processed and analyzed with the use of SPSS version 20. The results and findings were used to test the formulated hypotheses and to answer the posed research questions. Paragraph 5.2 will discuss the data results and findings obtained from the gathered data as provided in chapter 4. Based on the results the research findings will be concluded by answering the research questions in paragraph 5.3. The remaining paragraphs will focus on the significance of the research, the practical implications, and recommendations for the organization and finally some proposals for future research.

5.2 DISCUSSION

The ultimate goal of this study is to examine the impact of job satisfaction and perceived available employment opportunity on turnover intention among the clerical employees of Bunna International Bank S.C. The study also aimed to identify the difference in turnover intention based on age and length of service groups and to find out any of the independent factors influence turnover intention among Clerical employees at Bunna International Bank S.C. The results during hypothesis testing support the general objective of this study; that is job satisfaction has a relationship with turnover intention. The study also identifies that all factors in job satisfaction and perceived available employment opportunity have influence on turnover intention. The findings also demonstrate that working condition is the dominant factor which determines the turnover intention to quit among Clerical employees in BIB.

5.2.1 Relationship between Job Satisfaction and Turnover Intention

Job satisfaction was measured as a summation of the facets: pay&benefit, promotion and working condition. Based on the descriptive statistics on job satisfaction, the "clerical" employees of BIB reported a mean of 3.18 on the 5-point Likert scale. It is evident that the average "clerical" employee reports to be slightly dissatisfied. More specifically the "clerical" employees report to be slightly dissatisfied with their pay&benefit and their promotion opportunities. Conversely, they report to be slightly satisfied with their working condition. Employees' turnover intentions were measured as a single variable. Based on the descriptive statistics, the "clerical" employees of BIB reported a mean of 3.19 on the 5-point Likert scale. Thus, the average "clerical" employee reports slight agreement in having intentions to leave BIB.

Based on the correlation test it became evident that the average respondent who reported levels of disagreement with being satisfied also reported levels of agreement with having turnover intentions to leave BIB. Thus in the case of Bunna International Bank S.C, the correlation test results prove the existence of a significant strong negative relation between JS and TI.

This significant negative cause-effect relationship is supported by similar findings mentioned in the theoretical framework. Noteworthy is one of the most traditional turnover theories, which was developed by Mobley (1977). He theorized that job satisfaction, or lack thereof, led to thinking about quitting, which led to job search, which could then lead to an intention to quit, or vice versa, which could eventually result in actual turnover.

The measurement of job satisfaction and turnover intentions is a snapshot and can change. In BIB's case, the existing feeling of slight job dissatisfaction is associated with slight intentions to quit. The current "clerical" employees at BIB mostly have good educational backgrounds, attractive skill-sets and have relatively high expectations towards attractive pay levels, promotional opportunities and attractive jobs. If the high expectations are not met, job dissatisfaction in its various facets could be the effect to turnover intentions and actual turnover could be the final result.

The correlation tests in chapter 4 confirm that the three job satisfaction facets: pay& benefit, promotion and working condition have high correlation coefficients with TI.

Moreover, there was a strong negative relationship between TI and these three facets meaning that these facets are associated the most with intending to leave the organization based on job satisfaction

Noteworthy is also the fact that from these three facets of which the respondents have high expectations, pay& benefit and promotion were the facets on which the "clerical" employees reported dissatisfaction.

Based on the earlier theories like Maslow's (1954) hierarchy of needs theory and Herzberg's (1959) theory, pay, promotion and working condition are very influential facets when it comes to JS (Maniram, 2007).

The JS facet- working condition has yielded a reported score indicating satisfaction. Especially working condition seems to be satisfying for the "clerical" employees. The current operational mode has probably maintained or increased the appeal and attractiveness of their work in terms of new challenges and learning opportunities. Therefore staying in line with Maslow's (1954) hierarchy of needs theory, a sense of fulfillment, self-actualization and achievement are needs, which are probably to some extent, being satisfied by their work they do.

Finally, it can be concluded that the findings regarding the negative relationship between JS and TI concurs with the findings of similar traditional turnover studies conducted by Mobley (1977), Lee and Mitchell (1999) and Lambert, Hogan & Barton (2001).

5.2.2 Relationship between Demographic factors and Turnover Intention

William and Hazer, 1986 in Samad, 2006 stated that empirical studies indicate that demographic variables are relevant to turnover intentions. Age, income and tenure are identified as negatively related to turnover intentions (Cotton and Turtle, 1986; Morrow, 1983; Gregersen & Black, 1982).

There were no age and length of service group differences detected in this study. The intention to turnover does not differ significantly by age groups or length of service groups. Thus, the second hypothesis stated that there is a significant difference in the turnover intention at four different age groups and there is a significance difference in turnover at four different length of service group cannot be accepted. A research done by Parasuraman (1989), and Rosin and Korobik (1995) in Rumery (1997) also show a non-significant relationship between age and turnover. Moreover, Hellriegel and White (1973) in Mobley *et al.* (1979) found no difference between age groups and turnover among the certified public accountants.

In contrast, the research done by Mobley, Horner and Hollingsworth (1978) on hospital employees found a negative relationship (-0.22) between age and turnover (Mobley *et al.*, 1979). This findings also supported by George (1989) and Lucas *et al.* (1993) in Rumery (1997) which shows that age is negatively related to the intention to turnover. The result indicated that older workers have lower intention to leave. Salmon, Crews and Scanlon *et al.* (1999) found that that the younger nurses are more likely to resign. Furthermore, Neri (2000) in her article stated that there is a difference in turnover intention based on age groups. The older workers show lower rate of turnover intention and higher level of job satisfaction than younger workers. Cotton and Tuttle (1986) in Fisher *et al.* (1993) said that the longer the workers stay at an organization, the lower the turnover intention. This is supported by Gregson (1990) and George (1989) in Rumery (1987) who found a significant difference in intention to leave from the different length of service level of accounts and sales persons. As they gain more experience, their intent of leaving decreased. Sharpnak and Funsten (1999) in their research stated that turnover and length of service have a negative relationship at -0.502.

In relation to this research, the finding is consistent with that of Mobley (1979) that found no difference between age groups and turnover among the certified public accountant.

5.2.3 Dominant Factors Influencing Turnover Intention

In chapter 4, working condition proved to be a dominant factor influencing the turnover intention of the 'Clerical' employees at Bunna International Bank S.C. The result can support the hypothesis that there is a dominant factor of turnover intention of the clerical staffs at BIB. This finding was also supported by Robbins (2001) that working conditions will influence job

satisfaction, as employees are concerned with a comfortable physical work environment. In turn this will render a more positive level of job satisfaction. The worker would rather desire working conditions, which will result in greater physical comfort and convenience. The absence of such working conditions, amongst other things, can impact poorly on the workers mental and physical well-being, (Baron and Greenberg, 2003).

Arnold and Feldman (1996), promotes that factors such as temperature, lighting, ventilation, hygiene, noise, working hours, and resources form all part of working conditions. Bankers may feel that poor working conditions will only provoke negative performance; since their jobs are mentally and physically demanding.

Moreover, the employee may use poor working conditions as an excuse to get back at management because they may feel that management does not appreciate or acknowledge their efforts or work done, Arnold and Feldman (1996).

5.2.4 The Relationship between Perceived Available Employment Opportunity and Turnover Intention

"Clerical" employees' reported data show a positive relationship between PAEO and TI. The strength of this relationship is moderate; but this relationship is in line with findings of Mobley (1977). Based on his theory the concept of alternatives is part of the various sequential steps before having intentions to quit. As mentioned earlier, most "clerical" employees of the bank reported having perceptions of available employment opportunities. As most "clerical" employees reported slight agreement in having turnover intentions, the researcher can only conclude that these employees have a specific labor market strategy. This is in line with the search theory (Morrell et al., 2001) and concurs with the assertion of Negrin et al. (2004) whereby it is concluded that searching for and having external opportunities, increases the employees' bargaining power when trying to achieve market conformity in terms of wages and rewards. As dissatisfaction with pay& benefit and promotion was reported by the respondents, "clerical" employees strategically start contemplating available employment opportunities.

Levels of perceptions about available employment opportunities do have effect on how "clerical" employees' job satisfaction levels relate to their turnover intention. This finding complies with findings of earlier similar studies from Price (1977); Hulin (1985) and Wheeler (2007).

In relation to the research context of this study, the researcher notes that the current local labor market in the banking industry is growing as result of the potential expansion in the banking sector. The development in private banking sector can have influenced perceptions of available job alternatives. However, as already mentioned, perception does not mean having factual information of the labor market.

While keeping focus on the PAEO variable during interpretation we can conclude that the TI of "Clerical" employees is always higher when high levels of PAEO are reported than when low levels of PAEO are reported. This observation does not change dramatically whether the job satisfaction is high or low. This is also explained by the earlier mentioned significant relationship between PAEO and TI and a weak, but still significant relationship between PAEO and JS.

Overall, this means that even if "Clerical" employees' JS is high, their TI will be higher when they report high PAEO in comparison to when they report low PAEO. This means that an employee who is overall satisfied with pay& benefit, promotion and working condition and with high perceptions of available employment opportunities will still have higher intentions to quit his job in comparison with a satisfied employee with low perceptions of available employment opportunities. On the other hand, it also means that "Clerical" employees reporting low JS will also report lower TI when they do not perceive available employment opportunities in comparison with when they did perceive employment opportunities. Thus, unsatisfied "Clerical" employees will show lesser intent to leave the organization if they do not perceive that there are available employment opportunities.

5.3 LIMITATION OF THE RESEARCH

This study is restricted by the factors such as the respondents did not involve all staffs at BIB and only involves only a sample from the population. Job satisfaction and turnover intention of the overall staffs at the organisation did not measure properly.

In this study, only three factors of job satisfaction (namely, pay& Benefit, promotion and working condition); and perceived available employment opportunity that influence the turnover intention of the workers are being investigated. Besides these factors, there might be other factors such as organisational commitment, relation with supervision and relation with coworkers that can influence the turnover intention, which are not being considered in this study.

5.4 CONCLUSIONS

The main purpose of this study was to examine employee voluntary turnover intentions. This was done in relation to job satisfaction and perceived available employment opportunity. Turnover intentions are not explicit, but mere statements, indicators and predictors of actual turnover behavior.

The perceived problem that initiated the idea of this study was the notion of a constant threat that Bunna International Bank S.C could lose valuable employees due to low job satisfaction, better perceived external opportunities and consequently voluntary turnover. The bank could thus face consequences like: difficulties to retain remaining key employees; low employee motivation; significant turnover cost; loss of critical human capital (intangible critical knowledge); decreased productivity; operational disruptions and finally decreased organizational effectiveness.

The formulated objective of this study was two-fold, firstly to investigate the direct relationship between job satisfaction and employees' turnover intent and secondly to examine the relationship between perceived available employment opportunity and turnover intention. Based on the results and findings presented in chapter 4, it is evident that this two-fold

objective has been achieved completely. Meanwhile, no significance difference found between demographic variables to turnover intention.

In regard to the first part of the objective it can be concluded that the investigation has yielded significant evidence that is in line with the theoretical assumptions on which the study is based. The posed research question related to the first part of the objective was: *“Does employee’s job satisfaction can be the main factor to turnover intention?”* The evidence shows that there exists a strong negative relationship between job satisfaction and employees' turnover intention. Based on the evidence, job satisfaction including its facets pay& benefit, promotion and working condition all have a significant negative relationship with turnover intentions. The answer to the first research question is proven by the acceptance of the first hypothesis (H1): *“There is a significant negative relationship between job satisfaction and turnover intention”*.

In regard to the second part of the objective of this study it can be concluded that the examination of the relationship between perceived available employment opportunity and turnover intention resulted in strong evidence which is in line with and contributory to the theory underpinning this study. The related research question was: *“Does the prevailing external employment opportunity in labor market can affect employee turnover intention?”* The evidence presents a significant moderating positive relationship between job satisfaction and turnover intentions. This is proven by the acceptance of the fourth hypothesis (H4): *“There is a significant positive relationship between perceived available employment opportunity and turnover intention”*. Further investigation also yielded evidence that the effect strengthens the positive relationship between perceived available employment opportunity and turnover intentions. This means that if perceived available employment opportunity increase then employee turnover intentions also increase. Hence, the existence of a positive relationship between perceived available employment opportunity and employee turnover intentions.

This research endorses the existence of relationship between job satisfaction and turnover intention. Statistical results demonstrate that the independent variables like pay & benefits, promotion, working conditions, and perceived available employment opportunity influence the turnover intention; hence the statement upheld in hypotheses is supported by evidences furnished in study. Study also reveals that role of working environment is the predominant

factor that effect the turnover intention. So if this aspect is focused and addressed in the Bank's organizational setup it may improve the satisfaction level of employee that in turn lead to reduce turnover intention. All other variables influence the turnover intention however their impact is marginal. Briefly it is concluded that the finding of study not only have identified the factors that affect the employee turnover intention but also discovered that working conditions significantly impact turnover intention.

5.5 SIGNIFICANCE, IMPLICATIONS AND RECOMMENDATIONS

5.5.1 Significance, Practical and Theoretical Implications

The significance of this study is found in the contribution to the existing body of knowledge on job satisfaction, perceived available job alternatives and turnover intentions.

The results of this study have implications for the theoretical assumptions and practical perspectives of dealing with turnover intentions. The results of this research show that all factors of job satisfaction are significantly and negatively related to the turnover intention of the Clerical staffs of the Bank. The management should have closer look at these three factors as an initiative action to reduce the turnover intention of the clerical staffs and to prevent high turnover in the organisation.

The result of working condition as the dominant factors of turnover intention gives a guideline to the Bank to continuously maintain the present working environment. The organisation can also conduct further research to specify the components in the working condition that can contribute to job satisfaction of the employees.

Although the pay & benefit factor has low relationship with the turnover intention of the employee at Bunna International Bank, organisation should not deny the importance of this factor. The reason to force organisation to emphasis on this factor is supported by the research done by Newman and Hodgetts (1998) among the hospitality associates found that good wages are the top work factors that influence the motivation of the employees.

Further understanding is increased especially as the study contextually relates to a banking industry and especially, to Bunna International Bank S.C. It can be noted that the theoretical assertions about the negative relationship between job satisfaction and turnover intent are validated and hold true in this research context. Furthermore, the concept of external opportunities plays a very significant role in this research context.

In this case, the research attempts to support the Bunna International Bank's management to get a better picture of the status of their valued "clerical" employees concerning turnover intentions. The valuable results generated from this study can be used to enhance theoretical understanding and to guide management policies.

5.5.2 Recommendations

Based on the observed data and the studied literature, the researcher provides some recommendations for management practices in below sections. The issue of turnover and turnover intentions seems to be topical among the professional high performance employees and HR managers. Management should first of all, constantly be aware of employee turnover intentions. Knowledge of the potential tangible and intangible turnover costs should lead to prioritization of this issue on the managers "to-do" list. Periodical measurement of intentions should be done informally through interactions on the work floor and formally through surveys. Implementation of monitoring systems tracking turnover within specific demographic groups would be even better. In addition, effective exit interviews should be conducted to understand the factors that led to actual turnover. This information should then be linked back to data achieved from the monitoring systems. Thus, the organization should research the link between turnover and turnover intentions. Furthermore, the turnover intention data should be used to identify and target valuable high-risk employees who have high intentions of leaving. These employees' job satisfaction should then be assessed and enhanced if possible.

Based on this study and on similar literature, job satisfaction is a very good predictor of turnover intentions. Thus, management focus on job satisfaction should be high. Job satisfaction facets that yielded scores representing satisfaction were pay & benefit, promotion and working condition. Management practice should at least focus on consolidating and monitoring these ratings (Firth et al., 2004). The human relations and interactions should be

enhanced by effective communication strategies, which foster awareness and trust. This could increase team cohesion, commitment and loyalty. Lack of information, at the same time as sudden organizational changes, such as task renewals, restructuring, new leadership and new teams, could damage the human relations and cause dissatisfaction with work environment.

Pay&benefit and promotion were facets for which "clerical" employees reported dissatisfaction. Satisfaction with pay and promotion can be enhanced through smart organizational restructuring, by creation of special teams of high performers and by assigning them to special projects which require job enrichment, leadership and increased responsibility. Assignment to these projects should be compensated by performance rewards. In the end if these employees have performed well, they would have experienced the feel of more pay and promotion whilst the organizations would have benefited from the employees' optimized contributions.

The issue of perceived available employment opportunity looks like a matter that is less within the control of management. It is important that management understands the reality of the labor market and the related perceptions of the employees. The understanding that a satisfied employee with perceptions of available job alternatives can still have higher turnover intentions than a satisfied employee without perceptions confronts management with the harsh reality of this phenomenon. The notion is that a satisfied valuable employee with high perceptions can still leave after management interventions have led to higher satisfaction. Employees with high educational levels perceive higher marketability and thus higher perceptions of available job alternatives. Pragmatic management practices, although not yet conclusively validated, report that education on the job in terms of specialized training can subtly tie an employee to his job. This type of training could make the employee so specific and fit for only his current job and thus not for the external market.

Steel et al. (2002) argue that organizations should hug their best performers and be aware of the attractive alternatives appealing to their valued employees. A two-fold strategy, which focuses on career development on one end, and removal of career obstructions on the other end, should have some effect. The understanding is that if the current employment prospects

are relatively close to the external perceived available employment opportunity in terms of attractiveness, than the employee will probably stay. Their research shows that there is higher probability that if confronted with a choice, the employee prefers the familiar stable status quo (and related prospects) over a future job alternative (with attractive opportunities). This, due to an inherent resistance to change.

Other measures of reducing turnover intention besides through increase of job satisfaction can be done by specifically focusing on employee retention. Attracting and retaining valuable and high performance talent should be a strong focus especially for human resources management. This implicates that the struggle to reduce unwanted employee voluntary turnover or turnover intention should start at the process of attracting the right employees. Based on Wheeler (2007) a good person-organization fit (P-O fit) should be achieved. Meaning that the characteristic of the prospective employee should not diverge much from the characteristics of the organization; thus enabling a good match. Assessing the P-O fit should be part of an effective recruitment and selection process.

Finally, effective focused retention strategies should be formulated based on a formal retention policy, which is reliant on organization and industry turnover data. Steel et al. (2002) have argued that based on their research there are only some retention practices which have shown consistent effect on retention these are: realistic job previews; survey feedback and job enrichment. Accordingly effectively presenting the job to prospective candidates will not create false expectations and P-O mismatch. Providing the employees with constructive feedback after soliciting them for information is also important and elevating the employee's job results in fewer intentions to leave. Furthermore, James and Kowske (2009) argue that especially during times of economic downturn, management should devote extra time to engage employees. Last but not least, Schultz and Grimm (2008) advocate for a collaborative "out of the box" approach whereby all relevant industry stakeholders jointly identify general resolutions and organizational specific solutions.

Altogether, it can be assumed that during the economic downturn, the competitive existence of an organization significantly relies on efficiently managing staff turnover intentions and ensuring that good performers and key personnel are satisfied and have no intentions to quit.

Thus, the key driving force behind all the different forms of job withdrawal is job satisfaction (Noe, Hollenbeck, Gerhart & Wright, 2003).

5.6 FUTURE DIRECTIONS

Direction of future research on the topic of turnover intention should go to the research context, the research sample, conceptual model expansion and the research approach.

In regard to the research context, it is important for more turnover research to be conducted in the banking industry. In addition, it would be interesting if turnover intentions would be measured in related banks. This would enable comparative turnover studies. Concerning the sample it would be good for future studies to include the total employee amount, thus including "clerical" and "non-clerical" employees. This would also enable comparative studies between these two groups in terms of turnover intention, job satisfaction and perceived available employment opportunity.

Expanding the conceptual model by including other job satisfaction facets should be considered. As mentioned before there are various job satisfaction facets used in previous studies. Other popular variables, which can be included, are commitment; engagement; performance; achievement, recognition and social relations. The variables could be either used as independent, moderating or mediating variables.

Lastly, it is recommended to conduct a study on turnover intentions using a qualitative approach, whereby the factors affecting turnover intentions are identified inductively. Subsequently, the results, a conceptual model of turnover intentions, would be quantitatively tested. In addition to this study, an explorative study on the tangible and intangible cost of turnover in the banking industries would increase awareness and importance of the topic of turnover.

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ANNEXES

ANNEX A: QUESTIONNAIRE

ADDIS ABABA UNIVERSITY
SCHOOL OF COMMERCE GRADUATE PROGRAM
MASTERS IN HUMAN RESOURCE MANAGEMENT
Questionnaire for Employees of Bunna International Bank S.C.

Dear Respondent!

First of all, I would like to express my gratitude for your willingness to commit your valuable time by responding this questionnaire.

This questionnaire is designed to request information for purely academic purposes. This is to enable the researcher, **Zerihun Ayalew**, a final year student of Addis Ababa University School of Commerce to complete his thesis on the topic; **The Impact of Job Satisfaction on Employee Turnover Intention**; the case of Bunna International Bank S.C., in pursuance of Master of Human Resource Management Degree.

The researcher realizes how valuable your time is. The enclosed survey should take only ten to fifteen minutes to complete. Please make responses directly on the questionnaire. Your response will be a great help for my study. Please feel free to express your honest opinions. The researcher assures you that every response will be kept confidential.

If you have any questions concerning the study, please do not hesitate to write or contact me on the under mentioned address:

Once again thank you so much for your cooperation.

Tele No.: 0911 - 72 63 00

Email Address: zerihun05@yahoo.com

N.B:

1. You don't need to write your name.
2. The researcher has scheduled to get the filled questionnaire back within three days.
3. All information given would be treated with utmost confidentiality.
4. 'BIB' represents Bunna International Bank S.C.

SECTION A: BASIC DEMOGRAPHIC DATA (PLEASE PUT “✓” INSIDE THE BOX)

1. Age

18 – 30 31 – 45 46 – 60 >60

2. Gender

Male Female

3. Educational background

High School Complete Diploma

First Degree Master’s Degree

Other please specify, _____

4. Marital status

Single Married Separated Widowed Divorced

5. Please indicate your current position in BIB

Non-Clerical Clerical Managerial

6. How long have you been working with Bunna International Bank?

<1 year 1-2years 3-4 years ≥5 Years

SECTION B: JOB SATISFACTION (JS) Please Tick “✓” on one of your answer and there is no right or wrong answers.

No	Questions / descriptions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
	Pay and Benefits					
1	I feel I am being paid a fair amount for the work I do.					
2	Raises are too few and far between,					
3	I feel unappreciated by the organization when I think about what they pay me.					
4	I feel satisfied with my chances for salary increases.					
5	I am not satisfied with the benefit I receive					
6	I am satisfied with long term benefit & insurance policies of the company.					
7	The benefits we receive are as good as most other organizations offer.					
8	The benefit package we have is equitable.					
9	There are few rewards for those who work here.					
10	There are benefits we do not have which we should have.					
	Promotion					
11	There is really too little chance for promotion on my job.					
12	Those who do well on the job stand a fair chance of being promoted.					
13	People get ahead as fast here as they do in other places.					
14	I am satisfied with my chances for promotion.					
	Working Conditions					
15	I sometimes feel my job is meaningless,					
16	I like doing the things I do at work.					
17	I feel a sense of pride in doing my job.					
18	My job is enjoyable.					
19	Many of our rules and procedures make doing a good job difficult.					
20	Communications seem good within this organization.					
21	The goals of this organization are not clear to me.					
22	I have too much to do at work.					
23	I often feel that I do not know what is going on with the organization.					
24	Work assignments are not fully explained.					

SECTION C: TURNOVER INTENTION (TI)

No	Questions or descriptions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
25	I often think of leaving this organization.					
26	It is very possible that I will look for a new job next year					
27	Recently, I often think of changing my current job					

SECTION D: PERCEIVED AVAILABLE EMPLOYMENT OPPORTUNITY (PAEO)

No	Questions / descriptions	Strongly agree	Agree	Neutral	Disagree	Strongly Disagree
28	If I quit my current job, the chances that I would be able to find another job which is better than my present one is high					
29	There is no doubt in my mind that I can find a job that is at least as good as the one I now have					
30	I feel that the market availability for my job is very high					

THANK YOU!!!

ANNEX B: RELIABILITY TEST RESULT

i, Reliability test result on JS

Reliability Statistics

Cronbach's Alpha	N of Items
.769	24

ii, Reliability test result on TI

Reliability Statistics

Cronbach's Alpha	N of Items
.792	3

iii, Reliability test result on PAEO

Reliability Statistics

Cronbach's Alpha	N of Items
.726	3

ANNEX C: DESCRIPTIVE STATISTICS ON THE RESEARCH VARIABLES

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error
Job Satisfaction	103	2.21	3.79	3.1824	.38671	-.573	.238
Turnover Intention	103	1.00	5.00	3.1877	.89256	.037	.238
Perceived Available Employment Opportunity	103	2.33	5.00	4.0744	.69221	-.559	.238
Pay and Benefit	103	2.00	3.90	3.0320	.44086	-.272	.238
Promotion	103	1.67	4.33	3.1068	.70821	.070	.238
Working Condition	103	2.30	4.30	3.4485	.49821	-.628	.238
Valid N (listwise)	103						

ANNEX D: CORRELATION COEFFICIENTS OF ALL VARIABLES

		Correlations						
		Age	Gender	Education	Tenure	Job Satisfaction	Turnover Intention	Perceived Available Employment Opportunity
Age	Pearson Correlation	1	-.135	.121	.088	.126	-.216*	-.063
	Sig. (2-tailed)		.174	.223	.377	.203	.029	.527
	N	103	103	103	103	103	103	103
Gender	Pearson Correlation	-.135	1	-.205*	-.271**	.037	.056	-.037
	Sig. (2-tailed)	.174		.038	.006	.710	.575	.708
	N	103	103	103	103	103	103	103
Education	Pearson Correlation	.121	-.205*	1	.029	-.038	-.077	-.116
	Sig. (2-tailed)	.223	.038		.773	.704	.439	.243
	N	103	103	103	103	103	103	103
Tenure	Pearson Correlation	.088	-.271**	.029	1	.088	-.122	-.198*
	Sig. (2-tailed)	.377	.006	.773		.375	.220	.045
	N	103	103	103	103	103	103	103
Job Satisfaction	Pearson Correlation	.126	.037	-.038	.088	1	-.665**	-.193
	Sig. (2-tailed)	.203	.710	.704	.375		.000	.051
	N	103	103	103	103	103	103	103
Turnover Intention	Pearson Correlation	-.216*	.056	-.077	-.122	-.665**	1	.298**
	Sig. (2-tailed)	.029	.575	.439	.220	.000		.002
	N	103	103	103	103	103	103	103
Perceived Available Employment Opportunity	Pearson Correlation	-.063	-.037	-.116	-.198*	-.193	.298**	1
	Sig. (2-tailed)	.527	.708	.243	.045	.051	.002	
	N	103	103	103	103	103	103	103

*. Correlation is significant at the 0.05 level (2-tailed).

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

ANNEX E: CORRELATION RELATIONSHIP BETWEEN JS FACETS AND TI

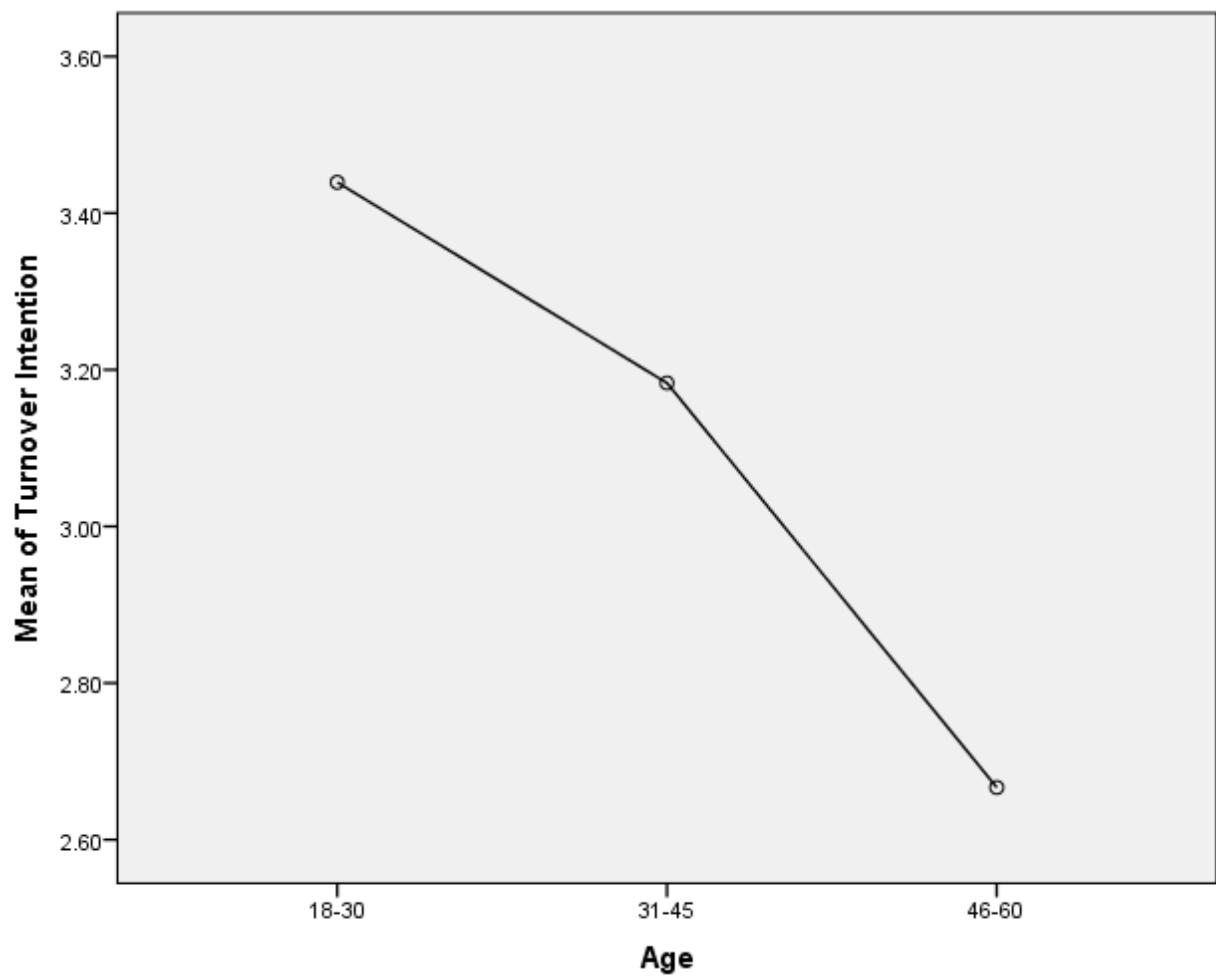
		Correlations			
		Pay and Benefit	Promotion	Working Condition	Turnover Intention
Pay and Benefit	Pearson Correlation	1	.304**	.466**	-.335**
	Sig. (2-tailed)		.002	.000	.001
	N	103	103	103	103
Promotion	Pearson Correlation	.304**	1	.296**	-.378**
	Sig. (2-tailed)	.002		.002	.000
	N	103	103	103	103
Working Condition	Pearson Correlation	.466**	.296**	1	-.717**
	Sig. (2-tailed)	.000	.002		.000
	N	103	103	103	103
Turnover Intention	Pearson Correlation	-.335**	-.378**	-.717**	1
	Sig. (2-tailed)	.001	.000	.000	
	N	103	103	103	103

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

ANNEX F: RESULT OF ONE-WAY ANOVA FOR DIFFERENCE IN TURNOVER INTENTION BY AGE

ANOVA

Turnover Intention					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	4.110	2	2.055	2.664	.075
Within Groups	77.150	100	.772		
Total	81.260	102			

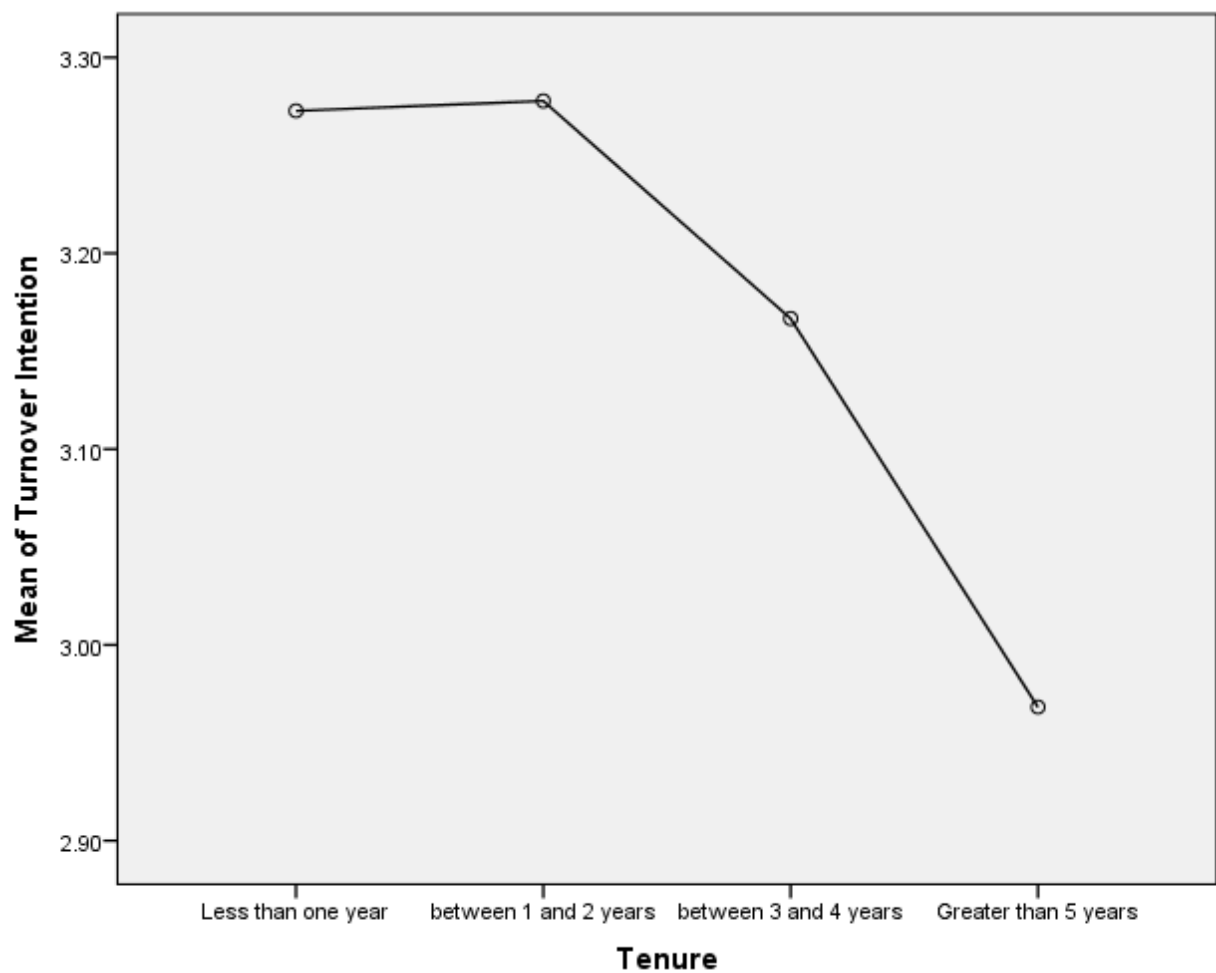


ANNEX G: RESULT OF ONE-WAY ANOVA FOR DIFFERENCE IN TURNOVER INTENTION BY TENURE

ANOVA

Turnover Intention

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	1.473	3	.491	.609	.611
Within Groups	79.787	99	.806		
Total	81.260	102			



ANNEX H: DOMINANT FACTOR THAT INFLUENCE TURNOVER INTENTION

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.767 ^a	.588	.562	.59086

- a. Predictors: (Constant), Promotion, Age, Tenure, Pay and Benefit, Perceived Available Employment Opportunity, Working Condition

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	47.745	6	7.957	22.793	.000 ^b
	Residual	33.515	96	.349		
	Total	81.260	102			

- a. Dependent Variable: Turnover Intention
 b. Predictors: (Constant), Promotion, Age, Tenure, Pay and Benefit, Perceived Available Employment Opportunity, Working Condition

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	7.486	.708		10.573	.000
	Age	-.174	.109	-.107	-1.598	.113
	Tenure	-.090	.059	-.105	-1.513	.134
	Perceived Available Employment Opportunity	.151	.092	.117	1.651	.102
	Working Condition	-1.197	.139	-.668	-8.587	.000
	Pay and Benefit	.112	.157	.055	.711	.479
	Promotion	-.186	.093	-.148	-2.005	.048

- a. Dependent Variable: Turnover Intention