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The influences of job satisfaction and organizational commitment on turnover intention

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Abstract

This study aims to investigate and find out the influences of job satisfaction and organizational commitment on employee turnover intention in a production industry. There are a total of 85 questionnaires collected from 100 questionnaires that had been distributed at the chosen organization. Demographic characteristics were discussed briefly according to the frequency level and percentage. In addition, both descriptive and inferential statistics were applied to analyze the data obtained. As for inferential statistics, Pearson Correlation Coefficient was used to measure the degree between independent variables with dependent variable in this research. The research findings showed that for the independent variable of job satisfaction with the factors on satisfaction with pay and supervisory support had a low, and negative significant relationship on employees' turnover intention. However, organizational commitment had no significant relationship towards turnover intention among the employees within the organization.

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Keywords: Job satisfaction, satisfaction with pay, supervisory support, organizational commitment, turnover intention

1. Introduction

In today's working environment, employee turnover issues have increased tremendously. Such matter may directly affect the human resource practices of recruitment and selection, training, and maintaining the workforce. Besides, if a high number of employees leave the organization, workload and overtime for existing employees are heavily increased, and thus, may reduce their productivity level due to low employee morale. In addition, not only it brings negative consequences towards the employees, a high rate of job turnover in an organization may impact its overall performance. Therefore, in order to obtain a high productivity and performance, it is crucial for organizations to gain employees' support and contribution. Various study and research had been done on turnover issues. Job satisfaction, for an instance, could help to increase employee commitment and motivation. A research conducted by Hay [1], found that the majority of the employees chose career opportunities, learning and development as the foremost reason to stay in an organization, to which, lead towards job satisfaction. Another research by Ali [2] mentioned that problems might arise if the employees' dissatisfactions are not taken into consideration. Employees who are dissatisfied would eventually leave the organization, and at the same time, the organization loss the knowledge that the employees had brought in. If the organization decides to recruit new

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employees to replace those who leave, and their feelings of dissatisfaction are not met too, this could affect the daily operation of the organization, and the vicious cycle of turnover rate will happen again.

In this study, to ensure that the employees in an organization are retained, the researchers focused on several factors that could influence the turnover intention among the employees, which include job satisfaction (satisfaction with pay, supervisory support), and organizational commitment.

2. Research Objectives, Conceptual Framework and Hypotheses

In this study, there are approximately three (3) research objectives and hypotheses used as a guideline for the researcher to work on. The objectives were on identifying the relationship between job satisfaction and organizational commitment towards employees' turnover intention. Below is the specific objectives used as reference in this study.

The specific objectives of this study are to determine:

1. The relationship between satisfaction with pay and employees' turnover intention.
2. The relationship between supervisory support and employees' turnover intention.
3. The relationship between organizational commitment and employees' turnover intention.

Figure 1 shows the relationship between job satisfaction (with factors such as satisfaction with pay and supervisory support), and organizational commitment with employees' turnover intention. This conceptual framework was developed based on

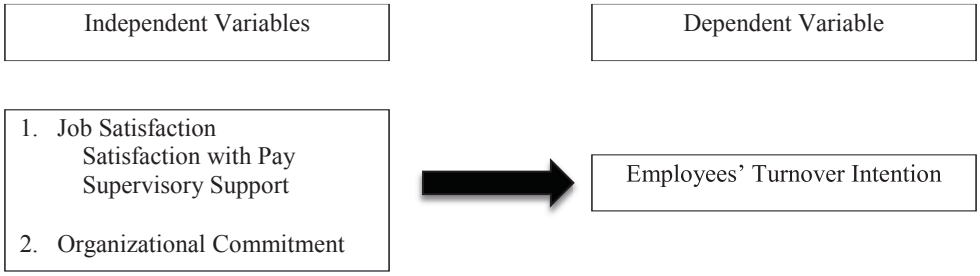

Fig. 1. Conceptual Framework

As for the research hypotheses, they are specific statement of prediction that the researchers expected in this study. Thus, the researchers used alternate hypotheses to identify if there is a significant relationship between the independent variables with the dependent variable mentioned earlier. The following hypotheses are formulated:

H_a1 There is a significant relationship between satisfaction with pay and employees' turnover intention.

According to Miceli and Lane (1991) as cited in [3], pay satisfaction is defined as the amount of overall positive effect or the individual's feelings towards pay. In this study, the operational definition for satisfaction with pay means that an individual's perception with the overall pay received from the employer based on the demand and expectation given to the employee. Gustafson [4] concluded in her study that compensation and opportunities for better pay largely contribute to employees' turnover intention in organizations. An important theory used as reference in this study is the equity theory developed by Adam [5]. He explained that individuals who value fair treatment, will lead towards maintaining the relationships between members within an organization. And so, if the employees feel that inequality exists in pay treatment, a range of negative behaviors pursued such as absenteeism, and the desirability to move out from the organization. Thus, the researchers came up with the first hypothesis for

this study, and that is to look at whether the pay received by the employees could lead towards their turnover intention in the organization.

H_a2 There is a significant relationship between supervisory support and employees' turnover intention.

The researchers in this study defined supervisory support as the physical and psychological encouragement given by the employer or supervisor who value the contribution of employees and thus, help to promote their development. The researchers believe that this could affect the employee's performance and effectiveness. From previous study done by Tan [6], he stated that the supervisors are mainly involved in performance evaluation and feedback. Hence, the supervisors' favorable or unfavorable treatment reflects an organization's view and decisions on employees. Referring to a research conducted by Gentry et al. [7], employees who are given a voice, open communication, recognition, support by their respective supervisors, and cared for their well-being, they tend to remain in the organization for a long period of time. Therefore, in this study, the researchers presented the second hypothesis, which is to look at the relationship between supervisory support and employees' turnover intention.

H_a3 There is a significant relationship between organizational commitment and employees' turnover intention.

Mowday, Porter, and Steers [8] defined organizational commitment as a strong belief in and acceptance of the organization's goals and values; a willingness to exert considerable effort on behalf of the organization; and a strong desire to maintain membership in the organization. In this study, it means that if the employees' values are aligned with the organization's goals, hence, this would lead to their willingness to remain in the organization. Pertaining to a research by Qi [9], affective commitment has significant negative influence on turnover intention, which is similar to a research done by Law [10], indicated that affective commitment is the most prominent component of commitment in predicting turnover of the employees. Therefore, the final hypothesis used for this study is to look at the relationship between organizational commitment and employees' turnover intention.

3. Research Methodology

In this research, a survey questionnaire was designed according to the objective of the study, and it was used to gather accurate and less bias data. The questionnaire involved comprised of five (5) sections whereby it contained the demographic characteristics of the respondents on the first section, with the other four (4) sections on factors of job satisfaction, organizational commitment, and employees' turnover intention. The last four (4) sections were measured using a five-level Likert scale developed by Rensis Likert in year 1932, ranging from (1) "strongly disagree" to (5) "strongly agree".

A total of 100 questionnaires were distributed among the management and non-management employees, and only 85 of them were successfully collected from the studied organization. In analyzing the available data, descriptive and inferential statistics were used by utilizing the Statistical Package for Social Science (SPSS) version 16.0.

As mentioned earlier, descriptive statistics were used to analyze the respondents' demographic data such as gender, age, educational level, income, and years of service working in the organization. The data was presented via frequency and percentage. On the other hand, inferential statistics were used to determine the relationship between the independent and dependent variables. The research hypotheses were analyzed by using Pearson's Correlation Coefficient, and the signs of the correlation coefficient indicate the strength of the relationship or the degree of association between the two variables. The independent variables for this study include job satisfaction, which consisted of satisfaction with pay and supervisory support, as well as organizational commitment. On the contrary, the dependent variable was the employees' turnover intention.

In designing the question items, the researchers adapted and modified the questions from previous researchers to suit the current research. Table 1 shows the complete sources used to create a complete questionnaire for this study, and the reliability for each of the variables used. The reliability of the research instruments used had Alpha Coefficient values of more than 0.70. This means that each of the variables exceeded the minimum standard of reliability and hence, can be relied on.

Table 1. Reliability and Sources used for Questionnaire

Section	No of Items	Sources	Alpha Coefficient Value
A. Demographic Characteristics	5	-	-
Gender			
Age			
Educational Level			
Tenure of Service			
Level of Income			
B. Job Satisfaction		Job Descriptive Index (JDI) (Smith, 2001)	
Satisfaction with Pay	6		0.804
Supervisory Support	6		0.773
C. Organizational Commitment	6	Allen and Meyer (1990); Porter, et. al. (1974)	0.760
D. Employees' Turnover Intention	6	Michigan Organizational Assessment Questionnaire (Cammann, et. al., 1979)	0.793

4. Research Findings

Table 2 shows the descriptive statistics of the respondents' demographic characteristics stated on Section A of the questionnaire. From the total number of the 85 respondents, 37 (43.5%) respondents are male and 48 (56.5%) are female. It indicates that most of the respondents are female. As for the frequency and percentage of the respondents' age, most of the respondents fall in the age category of 21 to 25 years old that is 23 (28.2%) respondents. On the other hand, more than half of the total number of respondents possessed SPM certificate, and that is 53 (62.4%) respondents. In contrast, a mere 4 (4.7%) respondents hold a Masters degree in the particular organization. In addition, Table 2 shows the length of service of all the respondents. With a total of 27 (31.8%) respondents, most of them had served the organization for more than 6 years. However, for those who had worked in the organization for less than a year, they carry the second highest number of respondents that is 23 (27.1%) altogether. Finally, the respondents' level of income was also included on Table 2, and it shows that the majority of the respondents, 34 (40.0%) in total, received their monthly salary of less than RM 1000.00.

As for the hypothesis testing, Table 3 shows the result of the Pearson Correlation analysis used to identify the relationship between the independent variables of job satisfaction (satisfaction with pay, and supervisory support), and organizational commitment, with the dependent variable of employees' turnover intention.

H_a1 There is a significant relationship between satisfaction with pay and employees' turnover intention.

Based on the result analysis on Table 3, satisfaction with pay is negatively correlated with the employees' turnover intention at $r=-0.234^*$, $p<0.05$. The negative relationship means that as the employee's pay is high, the respondent's turnover intention is low. Besides, the strength of the relationship is considered as low, where the r value is 0.234 and thus, falls within the range of low relationship category (r=0.21-0.40) according to Evan [11]. Therefore, it can be concluded that the first hypothesis (H_a1) which states that there is a significant relationship between satisfaction with pay and employee's turnover intention is accepted. The result shows that satisfaction with pay act as a crucial antecedent or factor in affecting the employee's turnover intention.

Table 2. Respondents' Demographic Characteristics

Demographic Characteristics	Frequency (*f*)	Percentage (%)
Gender		
Male	37	43.5
Female	**48**	**56.5**
Age		
Less than 20 years old	6	7.1
21 to 25 years old	**23**	**28.2**
26 to 30 years old	15	25.9
31 to 35 years old	11	15.3
36 to 40 years old	8	10.6
41 to 45 years old	3	3.5
46 to 50 years old	1	2.4
More than 50 years old	3	7.1
Educational Level		
SPM	**53**	**62.4**
STPM	10	11.8
Bachelor Degree	7	8.2
Masters Degree	4	4.7
Others	11	12.9
Tenure of Service		
Less than a year	23	27.1
1 to 3 years	18	21.2
4 to 6 years	17	20.0
More than 6 years	**27**	**31.8**
Level of Income (MYR)		
Less than 1 000	**34**	**40.0**
1 000 to 1 500	17	20.0
1 500 – 2 000	12	14.1
2 000 – 2 500	14	16.5
More than 2 500	8	9.4

Table 3. Correlation between Independent Variables with Turnover Intention

Variable	Mean	Standard Deviation	Pearson, r	Level of Significant, p
Job Satisfaction				
Satisfaction with Pay	3.0000	0.74001	-0.234*	0.031
Supervisory Support	3.3176	0.77478	-0.247*	0.023
Organizational Commitment	3.5167	0.73374	0.0007	0.947

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

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

The finding was supported by the study of Price [12] who specified the intervening variables of job satisfaction, and intent to stay between pay and turnover. His is certain that money, and its equivalent that the employees receive for their services to the employer, has influenced on employee turnover. In another study on the relationship of human resource management practices on marketing executive in Sri Lanka, Abeysekera [13] found that the satisfaction with pay had the strongest significant effect on employee turnover intention (r=-0.389, p<0.05). The result of this hypothesis testing is also consistent with a study done by Ryan [14], which looked at the effect of pay satisfaction and work-family conflict on occupational turnover intention among college coaches. The research stated that if the pay satisfaction is low, the coaches feel that their input exceeds what they received and thus, lead to a decrease in job satisfaction. In turn, the occupational turnover intention among the college coaches is also increased (r=-0.14, p<0.01).

H_a2 There is a significant relationship between supervisory support and employees' turnover intention.

Furthermore, based on Table 3, the result of Pearson Correlation analysis on the relationship between supervisory support and employee's turnover intention shows that the independent variable has negative relationship with the dependent variable (*r=-0.247, p<0.05).* It indicated that when there is a high support given from the employee's supervisor, the turnover intention will decreased accordingly. Moreover, the *r* value is 0.247, which fall under low relationship category (r=0.21-0.40*).* This means that the supervisory support has a low negative relationship with employee's turnover intention. Hence, the third hypothesis (H_a2) which stated there is a significant relationship between supervisory support and employee's turnover intention is accepted. This result indicates that supervisory support act as an antecedent or factor in affecting the employee's turnover intention.

According to Hay [1], who had surveyed a total of 330 employees working at several companies in 50 countries, reported that majority of the employees leave their job because they feel unhappy with their supervisors. This result shows that supervisory support is the second highest factor, which contributes to a high turnover among the employees. In addition, a study done by Stinglhamber and Vandenberghe [15] supported the findings on this study, which found that affective commitment towards the supervisors mediate the effect of perceived supervisor support on voluntary turnover. Hence, it can be seen that employees who received supervisor support via valuing their contributions towards the organization, this will increase the organizational support and in turn, decreased the number of turnover intention among the employees.

H_a3 There is a significant relationship between organizational commitment and employees' turnover intention.

As shown in Table 3, the findings show that the result of Pearson Correlation analysis on the relationship between organizational commitment and employee's turnover intention has no significant relationship (*r=0.007, p<0.947).* It indicated that the fourth hypothesis (H_a3) is rejected and thus, contradict with the past research findings.

As opposed to this study, there are many other past researches which show significant relationship between organizational commitment and employees' turnover intention. Blau and Boal [16] studied a group of insurance workers and had identified that employees who had a higher level of commitment, will have lower absenteeism and turnover rate. Apart from that, Eisenberger et al. [17] argued that employees who feel that they are being appreciated by their managers, they not only have a higher level of commitment, they are also more conscious of their responsibilities, have better involvement in the organization, and are more innovative. Hence, such appreciation showed by managers has lower turnover intention.

5. Research Limitations

This study focused on one selected organization which is located in the area of Kuching, Sarawak. The sample for this study may limit the ability to generalize this research to represent the whole population of the publication industry. Hence, the sample only focused on one selected background of company. However, this study's result is suitable and able to measure the effect of job satisfaction, and organizational commitment on employee's turnover intention exactly for the similar background company population.

In addition, the sources of literature for this study are more reliable on the western content. Thus, this helped to explain the differences of results on the research findings if they were to compare with this study. Moreover, most of the items used in this study, such as the research instrument, were adapted and modified from the western journal, as the western researchers developed the items according to their cultural context. These items may lead to some contradiction in measuring the society in the eastern context. For this reason, restrict the findings of this study to generate perfect results to represent Malaysia's content population.

6. Recommendations

As this research studied the population of the publication industry, future research should study on similar research framework at different population group such as the banking, telecommunication, hospitality or even the manufacturing industry. Although it could be a challenge, involving more than one industry as the studied population improves the findings of the result as comparison can be made and thus, the researcher may as well get to identify which industry that has the highest level of turnover intention among the employees. Besides that, for future research, it is also advisable for the future researchers to conduct interviews to gather more in-depth information on the factors that contribute to employee's turnover intention. Other factors such as leadership style, or group dynamics for instance, should be taken into consideration to see whether these factors have potential influence on employee's turnover intention.

On the other hand, human resource practitioners are encouraged to develop a more effective planning to retain the employees in their organizations. By understanding the employees' perceptions of nature of work, it could help to reduce the turnover rates in the organization. In a nutshell, these findings could assist the human resource practitioners to develop relevant programs which could increase the employees' job satisfaction, and lead towards the retention of these employees. Thus, human resource practitioners should be aware of the factors that could lead to the employees' intention to leave the organization.

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