

An Exploratory Study on Turnover Intention among Private Sector Employees

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Abstract

This study aims to study the organizational commitments, job stress, job satisfaction and turnover intention among the private sector employees in Petaling. A total of 120 respondents in Petaling District were selected conveniently. Organizational Commitments Questionnaire (Mowday, Steers & Porter, 1979), perceived Stress Scale (PSS), Minnesota Satisfaction Questionnaire (MSQ) and Mobley, Horner & Hollingsworth (1978) were used to measure organizational commitments, job stress, job satisfaction, and turnover intention. Majority of the respondents were single (77.5%), followed by married (20%), and divorced 2.5%. Results showed that majority of the respondents experienced moderate level of commitment (70.8%); half of the total respondents (50%) experienced high level of job stress; 67.5% of them experienced moderate level of job satisfaction and 42.5% of them experienced moderate level of turnover intention. The result uncovered that there was a significant negative relationship between organizational commitments and turnover intention in the study ($r = -.367, p \leq .05$); positive relationship between job stress and turnover intention ($r = .96, p \leq .05$) and negative relationship between job satisfaction and turnover intention in the study ($r = -.447, p \leq .01$). Further analysis concluded that demographic background of respondent mediated the relationship between organizational commitments, job stress, job satisfaction and turnover intention. For future research, it is suggested to compare the predictive validity of the model across different jobs and industries. The methodology of study can be improved by increase the sample size to wider population and adopt probability sampling method in order to generalize more reliable results.

Keywords: Organizational commitments, Job stress, Turnover intention

1. Introduction

In the era of globalization, turnover is a persistent problem in organizations and it is common in every type and size of organization and at every organizational level. Staff turnover is a serious issue especially in the field of human resources management. It is very costly for an organization and the cost is due to termination, advertising, recruitment, selection, and hiring (Abbasi & Hollman, 2008). When an employee leaves an organization, the ability of the remaining employees to complete their duties may be affected. Job satisfaction has been identified as an important factor in the working lives for all occupational groups. Employees who are satisfied are more likely to be committed to their organizations and decreased the intention of quit from a job. Besides, job stress experienced by employees is also one of the important factor affect how the committing with organization. Job stress occurs when employees perceive an imbalance between their work demands and their capability and resources to meet these demands.

Based on the Labor Market Information (Labor Department, Ministry of Human Resources Malaysia, March 2008), the number of new job registrants of Malaysia were increased from 9,896 to 15,936 (61.0%); while the number of active job registrants were increased from 85,030 to 137,716 (61.9%) as compared with March 2007 and 2008 respectively. Selangor State was occurred the highest number of new job registrants and active job registrants in Malaysia. The figures showed that the increased number of job seekers reflected that they are looking for a new job which can satisfy them and highly commit with organization while reduce the job stress.

Many researchers try to understand the major determinants of turnover intention and develop some managerial implications to deal with the problem of high turnover rate (Tuzun, 2007). Previous studies indicate that job stress and job satisfaction is significantly correlated with continuous commitment and will affect the decision of employees whether want to continue or quit from a job. For contributing to the further understanding of these related terms, the task of this study is to examine the relationship between job stress and organizational toward turnover intention among private sector employees in Petaling, Malaysia.

2. Methodology

This study will be conducted in Petaling District, Selangor Darul Ehsan. The reason of conducting the study in Selangor State because of the highest number of new job registrants and active job registrants reported in Malaysia on March year 2008. The figure indirectly represented the turnover rate is high in Selangor State. For sampling purposes, Selangor State consists of nine administrative districts (*Daerah Pentadbiran*). This study has employed a multi-stage sampling method for sample selection. In the first stage, only one administrative district was selected randomly out of the nine administrative districts in Selangor State. Therefore, Petaling District was selected. For the second stage of sampling selection, Petaling District consisted of three local municipal councils (*Majlis Perbandaran*) which is MP Petaling Jaya, MP Shah Alam, and MP Subang Jaya. Only one of the local municipal council (MP Subang Jaya) will be selected randomly out of three local municipal councils in Petaling area.

Quota sampling was employed in this study by controlling the sex (2 cells) and ethnicity (2 cells) factor. A total of 120 respondents were selected based on ratio 50:50 which represented category of Malay: Non Malay and equally divided into sex category (male and female). Therefore, a total of 60 Malays and 60 Non Malays would be selected as respondents in this study. At the same time, the sample comprised of equally 30 Malays male and female and 30 Non Malays male and female. The respondents must be a private sector employee who is working in within the area of Majlis Perbandaran Subang Jaya (MPSJ). The researchers have identified few private companies and the respondents will be selected conveniently but not exceed the quota number. Snowball or chain sampling will be used where referrals will be obtained from the employee listed in one of the private wealth advisory company in Petaling Jaya.

The data a collection of this study was started in November, 2009). The duration of distribute and collect the questionnaires were taking two weeks time. The data was collected in this study consists of primary and secondary data. A total of 120 respondents from different personal background will put into the sample. The respondent will be given explanation in answering the questionnaire to avoid inaccurate of answer for this survey. If the selected respondents fail to respond or submit the questionnaire, other respondent will be picked up to be substituted.

2.1 Measurement

The organizational commitments were the independent variable in this study and it measured by Organizational Commitments Questionnaire (Mowday, Steers & Porter, 1979). Responses to the 15 items were captured on 7-point Likert scale (1= strongly disagree to 7 = strongly agree). Several items were negatively phrased and had to be reverse-coded for analysis (Item 3, 7, 9 11 & 12). Results were then summed and divided by 15 to obtain the total Employee's Organizational Commitments score. Higher mean scores are indicative of greater organizational commitments. The internal consistency reliability (Cronbach's alpha) for this scale in this study is 0.81.

The perceived Stress Scale (PSS) is use to measure the stress level of respondents. PSS consisting of 14 items which included seven positive items and seven negative items, the negatively phrased items have to be reverse-coded for analysis. These self-report instrument has an establish reliability and validity ($r=0.85$) respectively. Responses ranged by 5-point Likert scaling which 1 = "Never" to 5 = "very often". The measurement of this subscale was the mean response to 14 items that asked respondents how often in the last one month the have experienced the situations. The items 4, 5, 6, 7, 9, 10, and 13 are positive items and it should be calculated aversely. The minimum score is 14 while the maximum score is 70. The higher score indicated the higher perceived stress.

The Minnesota Satisfaction Questionnaire (MSQ) is a popular measurement for the conceptualize job satisfaction. This measurement consist two subscales; intrinsic and extrinsic job satisfaction. Reliability for internal consistency ranges from 0.84- 0.91 for intrinsic subscale, 0.77- 0.82 for extrinsic subscale, and 0.87- 0.92 for general subscale respectively. Intrinsic job satisfaction is more strongly related to job involvement than extrinsic job satisfaction. Moreover, intrinsic job satisfaction has a more emotional basis than extrinsic job satisfaction. The survey items consisted from total 20 items which included 12 items for intrinsic job satisfaction, six items for extrinsic job satisfaction and two items for general satisfaction. Response ranged by 5-point Likert Scaling from 1= "Not Satisfied" to 5= "Extremely Satisfied". Minimum score is 20 and the maximum score is 100. Higher score indicated higher job satisfaction. Subscale of intrinsic Job satisfaction items are 1, 2, 3, 4, 7, 8, 9, 10, 11, 15, 16, and 20. Subscale of extrinsic job satisfaction items are 5, 6, 12, 13, 14, and 19. And subscale of general satisfaction items are 17 and 18.

Employee's turnover intention will be assessing by three-item measure. This measure was based on Mobley, Horner& Hollingsworth theory (1978). The items were: (1) I think a lot about leaving the organization, (2) I am actively searching for an alternative to the organization, and (3) As soon as it is possible, I will leave the organization. Response ranged by 5-point Likert Scaling from 1= "Strongly disagree" to 5= "Strongly agree". Minimum score is 3 and the maximum score is 15. Higher score indicated higher intention to quit from a job. The internal consistency coefficients for intention to quit from the organization were 0.90.

3. Findings and Discussion

3.1 Profile of the Respondents

This section presents a general profile of the private sector employee's demographic characteristic. Total 120 respondents were obtained to represent the data analysis. All the respondents have carried out in Petaling district. As presented in Table 1, the age of the respondents ranged from 20 years old to 52 years old ($M = 27.83$, $SD = 8.47$). The totals of 89 respondents (74.1%) were aged below 30 years old, and from 31 years old to 40 years old were 16 respondents (13.3%). The 15 respondents (12.5%) remained were aged above 40 years old. Quota sampling was employed in this study by controlling the sex (2 cells) and ethnicity (2 cells) factor. Therefore, the percentage of gender and ethnicity were selected with ratio 50:50. A total of 60 Malays and 60 Non Malays would be selected as respondents in this study. At the same time, the sample comprised of equally 30 Malays male and female and 30 Non Malays male and female mean 50% of male and 50% of female selected out of the sample. Data on the marital status showed that majorities of the respondents were single which occupied 93 respondents (77.5%) of the total respondents. Totals of 24 respondents (20%) were married and 3 respondents (2.5%) were divorced. In the detail, the years of education among respondents were ranged from 7 years to 17 years ($M = 14.46$, $SD = 2.92$). The totals of 61 respondents (50.8%) were presumably the first degree or bachelor holder level. 43 respondents (35.8%) were presumably as Diploma holder. And the less of respondents were categorized as primary to secondary level of education.

The paid salary among respondents were ranged from RM1360 to RM6530 ($M = RM2643.67$, $SD = 1328.97$). The totals of 53 respondents (44.2%) were earned the salary below RM2000 and 49 respondents (40.8%) were earned the salary between RM2000 to RM4000. And lastly 18 respondents (15%) were earned more than RM4000 for their monthly paid salary in the recent company. The research findings were reported that the length of services of respondents in their current company was ranged between half of the year to six years ($M = 2.24$ years, $SD = 2$). Total of 61 respondents (50.8%) have join in their current company which below than 2 years. The results also showed that 37 respondents (30.8%) were never changing their job before. While 69 respondents (57.5%) ever changed 1 to 3 jobs before, and 14 respondents (11.7%) were changing more than 4 jobs before. Table 4.1 summarized the description of demographic background among Private Sector Employees in Petaling.

3.2 Organizational Commitments

The Organizational Commitments Questionnaire (OCQ) consists of 15 items were captured on seven point ordinal scale (1= strongly disagree to 7 = strongly agree). The minimum score is 15 points while the maximum score is 105 points. Higher mean scores are indicative of greater organizational commitments. From the table 4.2, the majorities of respondents experienced moderate level of commitment with own organization which occupied 85 respondents (70.8%). 12 respondents (10%) have low level of commitment while 23 respondents (19.2%) have high level of commitment ($M = 64.98$, $SD = 17.52$).

3.3 Job Stress

The perceived Stress Scale (PSS) was used to measure the stress level of respondents. PSS consisting of 14 items and responses ranged by five point ordinal scaling which 1 = "Never" to 5 = "very often". The minimum score is

14 while the maximum score is 70. Higher score indicated the higher perceived stress and Table 4.3 showed that half of the total respondents (50%) experienced high level of job stress. At the same time, 58 respondents (48.3%) have moderate level of job stress ($\underline{M} = 52.94$, $\underline{SD} = 10.03$). Only 2 respondents (1.7%) considered as low level of job stress.

3.4 Job Satisfaction

The Minnesota Satisfaction Questionnaire (MSQ) was used as instrument to measure the job satisfaction level among employees. This measurement consist two subscales; intrinsic and extrinsic job satisfaction. The survey items consisted from total 20 items which included 12 items for intrinsic job satisfaction, six items for extrinsic job satisfaction and two items for general satisfaction. Response ranged by 5-point Likert Scaling from 1= "Not Satisfied" to 5= "Extremely Satisfied". Minimum score is 20 and the maximum score is 100. Higher score indicated higher job satisfaction. Table 4.4 revealed that total of 81 respondents (67.5%) experienced moderate level of job satisfaction ($\underline{M} = 62.09$, $\underline{SD} = 15.24$). At the same time, 27 respondents (22.5%) have high level of job stress and 12 respondents (10%) considered as low level of job satisfaction.

3.5 Turnover Intention

Employee's turnover intention was assessed by the instrument created by Mobley, Horner and Hollingsworth in year 1978 which consisted of three-items. Response ranged by five point ordinal scaling from 1= "Strongly disagree" to 5= "Strongly agree". Minimum score was three and the maximum score was 15. Higher score indicated higher intention to quit from a job. The internal consistency coefficients for intention to quit from the organization were 0.90. As we looked to table 4.5, the totals of 51 respondents (42.5%) experienced moderate level of turnover intention ($\underline{M} = 9.49$, $\underline{SD} = 3.59$). Meanwhile, 37 respondents (30.8%) of them scored low level of turnover intention and 32 respondents (26.7%) scored high level of turnover intention.

3.6 Relationships between Demographic Background, Organizational Commitments, Job Stress, Job Satisfaction and Turnover Intention

In order to examine the relationship between organizational commitments, job stress, job satisfaction and turnover intention among private sectors employees in Petaling, the Pearson Moment Correlation was adopted to determine the level of relationship between independent variables (organizational commitments, job stress & job satisfaction) and dependent variable (turnover intention). Individual who are well treated are more likely to become affectively committed to the organization, display more organizational citizenship behaviours and lower turnover intention (Sun, Aryee, and Law, 2007). Research done by Hannan, Norman, and Redfern (2001) concluded that factors such as training/education, supervision and group cohesiveness, all tapped by the measure of organizational quality environment, were direct predictors of staff commitment. There is research support that job stress influences intention to leave although the linkage appears to be indirect. As stress increases, job satisfaction and organizational commitment decrease. Low job satisfaction and low organizational commitment increase the propensity to leave (Sager, Griffeth and Hom). Griffeth, Hom and Gaertner (2000) in their study found that work satisfaction might display the highest relationship to turnover among all kinds of satisfaction facets. In term of correlation coefficient square, 20% variance of turnover intention was explained by lower job satisfaction, followed by lower organizational commitment (13%), and higher job stress (0.9%).

4. Conclusion and Implications

The present study intended to study the relationship between organizational commitments, job stress, job satisfaction and turnover intention among private sector employees in Petaling, Selangor. This study also aimed to examine the relationship between demographic backgrounds of respondent and independence and dependence variables. Data were collected through the questionnaires that will be distributed and answered by respondents. In details, a total of 120 respondents from different personal background will put into the sample. In this study, majority of respondents experienced moderate level of commitment with own organization which occupied 70.8% of total respondents. A total of 12 respondents (10%) have low level of commitment while 23 respondents (19.2%) have high level of commitment ($\underline{M} = 64.98$, $\underline{SD} = 17.52$). Half of the respondents (50%) in this study experienced high level of job stress. At the same time, 58 respondents (48.3%) have moderate level of job stress ($\underline{M} = 52.94$, $\underline{SD} = 10.03$). Only two respondents (1.7%) considered as low level of job stress. The responses ranged within 22 to 70. The study revealed that a total of 81 respondents (67.5%) experienced moderate level of job satisfaction ($\underline{M} = 62.09$, $\underline{SD} = 15.24$). In contrast, 27 respondents (22.5%) have high level of job stress and 12 respondents (10%) considered as low level of job satisfaction. The responses ranged within 20 to 81. The finding reported that a totals of 51 respondents (42.5%) experienced moderate level of turnover intention ($\underline{M} = 9.49$, $\underline{SD} = 3.59$). Meanwhile, 37 respondents (30.8%) of them scored low level of turnover intention and 32 respondents (26.7%) scored high level of turnover intention. The responses ranged from three to 15.

The current research uncovered that there was a significant relationship between organizational commitments and turnover intention in the study ($r = -.367$, $p < .01$). This finding was found similar to previous researchers as it showed that individual who display more organizational commitments will has lower turnover intention. However, the results also posited there was a significant relationship between job stress and turnover intention in the study ($r = .096$, $p < .05$). As stress increases, job satisfaction and organizational commitment decrease. Low job satisfaction and low organizational commitments increase the propensity to leave. The study revealed that there was a significant relationship between job satisfaction and turnover intention in the study ($r = -.447$, $p < .01$). High or low level of the work satisfaction will determine the response and behaviour towards the work, partners and supervisors which finally can be media to meet the organizational commitments.

The study had come out with few contributions. Firstly, the research findings indicated that demographic background mediated the relationship between organizational commitments, job stress, job satisfaction and turnover intention among the private employees in Petaling-Malaysia and be more specific, turnover intention will reduce due to increase of age, length of services and employment history. With the increasing of experiences and knowledge, employees will gain more job satisfaction and job performance. Hence they will become more commit with organization. Secondly, this study found that salary is able to predict the condition of independence and dependence variables in an organization. The raise of salary can improve employee's organizational commitment and job satisfaction to produce desire outcome. Hence, human resource department should rewards performance incentive and allowances to employees.

Research findings also showed that younger employees were obviously having higher turnover intention rate then older employees and less job stress than the older employees. The economic contribution of Malaysia older employee is an important issue to be studied, as Malaysia census data recorded about 320,000 older workers, or about 3.7 per cent of the total workforce population in year 2000 (Chan, 2010). Policymaker should solve this appearance via provide training and practical, incentive, and motivation in order to increase their organizational commitments and job satisfaction. In order to reduce their job stress, organization should organize counseling & motivation, incentives such as annual trip to them. In addition, more empowerment given can increase their job satisfaction.

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Table 1. The profile of the respondents

Variable	n (%)	M	SD	Min	Max
Gender					
Male	60 (50.0)				
Female	60 (50.0)				
Ethnicity					
Malay	60 (50.0)				
Non-Malay	60 (50.0)				
Marital Status					
Single	93 (77.5)				
Married	24 (20.0)				
Divorced	3 (2.5)				
Age Category					
≤ 20 years old	22 (18.3)				
21 years old to 30 years old	67 (55.8)				
31 years old to 40 years old	16 (13.3)	27.83	8.47	20	52
≥ 41 years old	15 (12.5)				
Years of Education					
≤ 10 years	16 (13.4)	14.46	2.92	7	17
11 – 14 years	43 (35.8)				
≥ 15 years	61 (50.8)				
Length of Services					
< 2 years	61 (50.8)				
From 2 to 4 years	32 (26.7)	2.24	2	0.5	6
> 4 years	27 (22.5)				
Salary					
≤ RM1999	53 (44.2)				
From RM2000 to RM3999	49 (40.8)	2643.67	1328.97	1360	6530
≥ RM4000	18 (15.0)				
Number of Job Changed					
Never	37 (30.8)				
1 to 3	69 (57.5)	1.48	1.51	0	6
≥ 4	14 (11.7)				

Table 2. Relationships between Demographic Background, Organizational Commitments, Job Stress, Job

Demographic s Variables	Organizational Commitment			Job Stress			Job Satisfaction			Turnover Intention		
	(r)	(t)	(F)	(r)	(t)	(F)	(r)	(t)	(F)	(r)	(t)	(F)
Age	.455*			.188*			.397*					
Gender		.618			1.16			1.38				1.66*
Ethnicity		.067			.444			.507				1.25*
Marital Status			8.19**			.911			6.03*			17.9*
Years of Education	.046			.170*			-.031					.126
Length of Services	.404**			.153			.478*					-.800*
Salary	.425**			-.156**			.223*					-.501**
Employment History	.341			.099			.192*					-.343*

Table 3. Relationship between Organizational Commitment, Job Stress, Job Satisfaction, and Turnover Intention

Variable	Turnover Intention		
	Correlation (r)	R ²	Sig. (2-tailed)
Organizational Commitment	-.367**	.130	.006
Job Stress	.096*	.009	.045
Job Satisfaction	-.447**	.200	.004

Remark: *p ≤ .05, **p ≤ .01

Table 4. Organizational Commitments Questionnaire (By Mowday, Steers & Porter, 1979)

No.	Items
1	I am willing to put in a great deal of effort beyond that normally expected in order to help this organization to be successful
2	I talk up this organization to my friends as a great organization to work for
3	I feel very little loyalty to this organization
4	I would accept almost any type of job assignment in order to keep working for this organization
5	I find that my values and the organization's values are very similar
6	I am proud to tell others that I am part of this organization
7	I could just as well be working for a different organization as long as the type of work was similar
8	This organization really inspires the very best in me in the way of job performance
9	It would take very little change in my present circumstances to cause me to leave this organization
10	I am extremely glad that I chose this organization to work for over others I was considering at the time I joined
11	There's not too much to be gained by sticking with this organization indefinitely
12	Often, I find it difficult to agree with this organization's policies on important matters relating to its employees
13	I really care about the fate of this organization
14	For me, this is the best of all possible organizations for which to work
15	Deciding to work for this organization was a definite mistake on my part

Table 5. Perceived Stress Scale (PSS; By Cohen, Kamarck, & Mermelstein, 1983)

No.	Items
1	In the last month, how often have you been upset because of something that happened unexpectedly
2	In the last month, how often have you felt that you were unable to control the important things in your job
3	In the last month, how often have you felt nervous and "stressed"
4	In the last month, how often have you dealt successfully with irritating life hassles
5	In the last month, how often have you felt that you were effectively coping with important changes that were occurring in your life
6	In the last month, how often have you felt confident about your ability to handle your personal problems
7	In the last month, how often have you felt that things were going your way
8	In the last month, how often have you found that you could not cope with all the things that you had to do
9	In the last month, how often have you been able to control irritations in your life
10	In the last month, how often have you felt that you were on top of things
11	In the last month, how often have you been angered because of things that were outside of your control
12	In the last month, how often have you found yourself thinking about things that you have to accomplish
13	In the last month, how often have you been able to control the way you spend your time
14	In the last month, how often have you felt difficulties were piling up so high that you could not overcome them

Table 6. Minnesota Satisfaction Questionnaire (MSQ; By Weiss, Dawis, England, & Lofquist, 1967)

No.	Items
1	Being able to keep busy all the time
2	The chance to work alone on the job
3	The chance to do different things from time to time
4	The chance to be “somebody” in the community
5	The way my boss handles his/her workers
6	The competence of my supervisor in making decisions
7	Being able to do things that don’t go against my conscience
8	The way my job provides for steady employment
9	The chance to do things for other people
10	The chance to tell people what to do
11	The chance to do something that makes use of my abilities
12	The way company policies are put into practice
13	My pay and the amount of work I do
14	The chances for advancement on this job
15	The freedom to use my own judgment
16	The chance to try my own methods of doing the job
17	The working conditions
18	The way my co-workers get along with each other
19	The praise I get for doing a good job
20	The feeling of accomplishment I get from the job

Table 7. Turnover Intention (By Mobley, Horner, & Hollingsworth, 1978)

No.	Items
1	I often think about quitting my present job
2	I will probably look for a new job in the next year
3	As soon as possible, I will leave the organization