Investigating the factors affecting employee’s turnover intentions in the Educational Sector

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1. Introduction

To be able to keep pace and remain competitive in the expanding dynamic global economy employee retention has become of great importance to business and academic communities (Benko & Weisberg, 2007; Becker, 2007; The Future of Work 2020, 2007).

Hom and Griffeth (1991) has defined turnover intention as the relative strength of an individual’s intent toward voluntary permanent withdrawal from an organization. From a practical perspective, actual turnover cause a huge impact on the organizations when an employee leaves voluntarily and the organization’s valuation of such employee remains positive. This is why it’s important to understand the employee’s intention to leave in order to prevent it from happening and reduces its impact on the organization. Previous studies have proven that there is turnover intention is a good surrogate indicator of actual turnover (Radzi, Ramley, Salehuddin & Jalis, 2009; Price, 2001; Griffeth, Hom & Gernter 2000; Ajzen 1991). The general aim of this research is to identify the effect of Organizational commitment, (LMX) and Organizational Culture on turnover intention of employees. Several studies have linked of organizational commitment as one of the most critical determinants of turnover intention (Basak, Ekmekci, Bayram, & Bas, 2013; Stumpf & Hartman, 1984; Tett & Meyer, 1993). As a consequence, if an organization faces a situation in which it needs to decrease employees’ intention to quit it needs to mange and understand the factors affecting employee commitment.

The leader-member exchange theory of leadership focuses on the two-way relationship (dyadic relationships) between supervisors and subordinates. LMX has been defined as the ability of a leader in groups to maintain his position through a series of exchange agreements and dealings with their member. LMX has shown to influence employees’ organizational commitment as an employee’s relationship with their leader will have a huge impact on whether they are committed to the organization or not and therefore have an effect on turnover intention.

Organizational culture has been difficult to define in a few words, but it is has been described as the shared thoughts, feelings and behaviors of a group (Christensen, 1999; Schein, 1990; Schein, 1996; Sheridan, 1992; Sims, 2002). Research in several of settings suggests that organizational culture has a meaningful influence on Organizational Culture and, in turn, employee turnover intention.

2. Research Problem

There is no consensus about specific factors that measure organizational commitment and ways reduce turnover intentions in the academic sector and even more specifically relating them to the LMX theory and the organizational culture. Moreover, reviewing the literature indicated that most of previous research was held in developed countries; however, the research was not able to find enough researches which discuss this topic in details in developing countries. Therefore, it was essential to accomplish research regarding this topic to close the above mentioned gap.

3. Research Aim

The aim of this research aims to investigate the relationship between organizational learning culture, leader-member exchange quality, organizational commitment on turnover intention as a case study in the AAST. The academic implication of this research is to provide with a base for measuring employee turnover intentions in the academic sector. As for the practical implications of this research,
it is to provide managers with a better understanding of how to reduce their employee turnover intentions.

4. Research Hypothesis

H₁ There will be a positive association between organizational learning culture and organizational commitment among employees in the education sector.
H₂ There will be a positive association between leader-member exchange quality and organizational commitment among employees in the education sector.
H₃ There will be a negative association between organizational commitment and turnover intentions among employees in the banking sector.

5. Research Questions

Q₁. What is employee turnover?
Q₂. What are the predictors of employee turnover?
Q₃. What is the relationship between the predictors and employee turnover?
Q₄. What is the implication of organizational commitment on employee turnover in the education sector and specifically in the Academy for Science, Technology and Maritime Transport?

6. Research Methodology

This research is following positivism method, since all the factors and criteria of research are known and the research aim is to test the hypothesis. Positivism is a school of thought employing deductive laws and quantitative methods to get at the truth. The world functions by laws of cause and effect that one can separate if one uses a scientific approach to research (Sekaran and Bougie, 2013). Also positivists believe that the goal of research is to increase knowledge about emotions; feeling and thoughts, beyond just describing phenomena (Sekaran, Bougie, 2013). In this research all factors are present and known, and the theory will be only tested using quantitative methods. Following this, a deductive approach will be used. Following positivism will lead to using Deductive reasoning which starts with having a general theory and then applying this theory to a specific case. Deductive reasoning works forward theories that they can test by means of a fixed, predetermined research design and objective measures (Burns and Bush 2013). This applies to this study, as in this research, organizational commitment and its influence of employee turnover will be firstly discussed in general, and then the predictors affecting organizational commitment will be tested and applied in Egypt specifically in the education sector. Furthermore, quantitative research will be followed to gather the data for this research to support the positivism view.

Quantitative research involves the administration of a set of structured questions with predetermined response options to a larger number of respondents (Burns & Bush 2014). Since the aim of the research is to clarify the impact of organizational commitment on employee turnover, therefore, correlational approach will be used in this research. It involves measuring the relationship between two variables and proves there is a cause-and-effect relationship between both (Sekaran and Bougie, 2013). Construct validity testifies to how well the results obtained from the use of the measure fit the theories around which the test is designed (Sekaran and Bougie, 2013). This validity can be obtained by identifying the unit of analysis that refers to the level of aggregation of the data collected during subsequent data analysis stage (Sekaran and Bougie, 2013). In this study unit of analysis will be individual analysis; those individuals will be the employees working in the education sector in Egypt specifically Alexandria and Cairo due to the availability of data, they must have more than two years’ work experience in order to have established a sense of commitment to the organization. Moreover, those employees must have been working in the same organization for over a year to be able to relate and measure their relationship with their direct leader. This research source of data is relying on both primary data and secondary data.

Primary data refers to the information obtained first hand by the researcher on the variables of interest for specific purpose of the study (Sekaran and Bougie, 2013). In this research this will be case
as the researcher must get first-hand information from individuals through distributing questionnaires. On the other hand this study will also rely on using secondary data which refers to information gathered from sources that already exist (Sekaran and Bougie, 2013). The researcher here will also have to rely on existing information to be able to formulate and build his theory from the previous literature therefore; the researcher will extract data from books, journals, periodicals and annual company reports. The data collection method and the tool used in this study will be the questionnaires which are a pre formulated written set of questions to which respondents record their answers within closely defined alternatives (Sekaran and Bougie, 2013). This study is relying on questionnaires as it is using two main types of scales nominal scale which is the one that allows the researcher to assign subjects to certain categories or groups (Sekaran and Bougie, 2013). In this study we will use nominal scale mainly for the demographic questions. Moreover, Likert scale will also be used which is a scale designed to examine how strongly respondents agree with a statement on a five-point scale with following anchors (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree) (Sekaran and Bougie, 2013). Likert scale will mainly be used to measure the independent variables LMX using Scandura and Graen (1984) developed a seven-item scale regarding LMX quality, the second independent organizational learning culture will be measured using the Watkins and Marsick (1997) scale. To measure the moderating variable organizational commitment the scale used will be Meyer et al. (1993) and finally to measure the turnover intention of employees, a three-item scale was used as developed by Mobley et al. (1978 ) will be used. The sample used in this study is the stratified random sample which is the process of stratification followed by random selection of subjects from each stratum (Sekaran and Bougie, 2013). The stratified random sample has been chosen because the sample data will be divided into different strata’s from within the organization such as different departments and also classification of employees with different levels of experience will be needed. Therefore stratification random sample will be more suitable for the study to be able to carefully asses and analyse the chosen employees. Furthermore, The Statistical Package for the Social Sciences (SPSS) will be the software used for analysis in this study. The instruments of analysis this study will rely on is the descriptive statistics which is the calculations of the maximum, minimum, means, standards deviation and variances that are required for multi-item and interval scaled independent and dependant variable (Sekaran and Bougie, 2013).. Likewise, frequencies will also be used mainly for all the demographic questions that were measured using the nominal scale. Simply frequencies refer to the number of times various subcategories of a certain phenomenon occur. (Sekaran and Bougie, 2013). Moreover this research also will use the reliability analysis that is defined by testing for both consistency and stability; this simply indicates how well the items measuring a concept hang together as a set (Sekaran and Bougie, 2013). Accordingly, reliability analysis is used in this study to show the goodness of the measure or scale used meaning the items used for emotional intelligence are consistent and stable or they require some items to be deleted to yield better reliability results, same goes for the items measuring the leadership effectiveness the Cronbach’s alpha coefficient is computed to indicate whether the items are positively correlated or not. Additionally, regression analysis will be used to test whether emotional intelligence (independent variable) that is hypothesised to affect leadership effectiveness (dependant variable). The regression analysis then is used to show whether the hypothesis was supported or not. Finally, this study will also depend on correlation analysis through relying on Pearson correlation matrix that is used to indicate the strength and direction of the relationship the independent and dependent variables. Therefore, Pearson correlation will be able to support the direction of the relationship between the two variables that have been hypothesized at the beginning of the study

7. Research Limitations
External validity refers to the extent of generalizability of the results of a causal study to other settings, people or events. Therefore, the limitations of this research can be summarized as follows; (1) .
(2) the questionnaires are only distributed in Alexandria and Cairo, Egypt, (3) the employee turnover intention is only tested in the education industry.

7. Literature review

7.1. Definition of Employee Turnover Intention

Turnover intention has been defined as an individual’s behavioral intention to leave the organization (Mobley et al., 1979). The relationship between turnover and organizational performance has previously been examined, mainly focusing in the personnel costs related with the selection, recruitment, training, and development of new employees to replace the employees who voluntarily quit the organization (Hancock et al., 2013; Holtom et al., 2008). In reality, the economic costs of turnover represent between 150 and 250 percent of the employee’s annual salary (Mello, 2011). Furthermore, employee turnover has been linked to ineffective leadership (Abbasi and Hollman, 2000; Mossholder et al., 2005). Given the costs, organizations should aim to manage turnover intention strategically. Since an employee’s intentions to remain in a job is directly influenced by their relationship with their supervisor (Allen et al., 2009; Cowden et al., 2011). In a later study, Allen et al. (2010) argued that despite extensive research and organizational interest in turnover, there remains a gap between science and practice in this area. They have provided guidelines for evidence-based retention management strategies focused on shared understanding of turnover, knowledge of cause-and-effect relationships and the ability to adapt this knowledge.

The literature has confirmed that turnover intention is the last cognitive step employees make in voluntarily turnover (Steel and Ovalle, 1984; Mathieu and Zajac, 1990; Tett and Meyer, 1993), which is the only antecedent of actual turnover (Miller et al., 1979). Therefore, managers try to enhance employees’ commitment and satisfaction to retain knowledgeable workers (Lee and Bruvold, 2003; Koch and Steers, 1978; Lee et al., 1999).

7.2. Predictors of Employee Turnover Intention

LMX

The leader-member exchange theory begin with Graen and his colleagues focusing on the social exchange relations between leader and member (Dansereau et al., 1973; Graen, 1976; Dansereau et al., 1975). Their main focus is the relationship between supervisor and subordinate (Graen and Uhl-Bien, 1995). Leader-member quality determines the exchanged social, mental and psychic support between the supervisor and his/her subordinate (Liden et al., 1997). As subordinates usually interact with their supervisors on a daily basis to obtain experience, confidence, encouragement and consent to accomplish work-group stated outcomes (Sparrowe and Liden, 1997).

Organizational learning Culture

In order to have increase employee’s commitment towards their organization the effect of organizational learning culture (OLC) cannot be ignored. Learning organization was defined by Senge (1990) as “a place where people continuously expand their capacity to create the results they truly desire, where collective aspiration is set free, where new and expansive patterns of thinking are nurtured, and where people are constantly learning to see the whole together”. OLC organizations are adaptive, flexible and improve organizational performance through tapping individual learning (Rijal, 2010). Watkins and Marsick’s (1997) developed a seven-dimensional organizational learning culture was which provides another solid theoretical base and adds more rigor.

Such a culture in an organization:
(1) promotes dialogue sharing;
(2) offers chances to learn on a continual basis;
(3) encourages learning in teams;
promotes shared learning;
uses leaders who promote learning at individual and team level;
creates a connection between environment and organization; and
empowers individuals to openly share common values and vision.

Organizational Commitment
Allen and Meyer (1996), stated that how an employee feels about an organization can be referred to as “organizational commitment”. The mental connection that an employee has with his/her present organization is referred to as commitment, and is related to their behavioral and actions within the organization, and the coincidence of individual and organizational goals (Mowday et al., 1982). The importance of organizational commitment has been crucial in retaining a knowledge based workforce (Mathieu and Zajac, 1990).

To be able to maintain knowledgeable workers, organizations have focused on enhancing employee commitment through rewards, recognition, better remuneration, and a better work environment (Smith, 2005). One element that has proven to enhance a better work environment and increase employee commitment is a learning culture (Jo and Joo, 2011). An organization that promotes a learning culture is defined as “an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights” (Garvin, 1993, p. 80). Levering (1996) has also found that organizations with a learning culture attract knowledgeable individuals, support innovation, and reduce workers’ intention to leave the organization. There are three dimensions to organizational commitment as found as by Meyer and Allen (1991):
(1) Affective commitment;
(2) Continuance commitment; and
(3) Normative commitment

8.3 The relationship between the independent variable and Organizational Commitment

8.3a Organizational Learning Culture and Organizational Commitment
Although researchers have identified an association between OLC and organizational commitment, the literature suggests that studies need to expand beyond the manufacturing sector. Mathieu and Zajac (1990) suggested that to enhance organizational commitment, organizational characteristics are of great importance. A significant correlation was found by Lim (2003) between subconstructs of organizational learning and affective commitment. While studying the manufacturing sector, Joo and Lim (2009) also found a positive relationship between perceived organizational learning culture and organizational commitment, but the same research area still needs to be explored in the service sector (Joo, 2010). So, the limited literature regarding organizational learning culture revealed that employees’ perceptions about continuous learning, dialogue sharing, empowerment and strategic leadership enhance their emotional attachment to their organization.

8.3b Leader-Member Exchange and Organizational Commitment
Until now, there has been little study of the relation between LMX and organizational commitment, with the exception of only a few researchers (Joo, 2010). The literature supports the notion that support is one of those factors that enhances organizational commitment. A study by Eisenberger et al. (1986) has proven that organizational commitment is enhanced on the employee’s perception of support. Allen and Meyer (1990) also conducted a study on new hires and found that in supportive organizations, employees tend to be more commitment towards their organization. Mottaz (1988) found out that supervisor’s support is also linked with organizational commitment. Furthermore, researchers are of the view that a similarity in individual and organizational goals also enhance commitment (Vancouver and Schmitt, 2006; Vancouver et al., 1994). Joo (2010) conducted a study on Korean employees working in the manufacturing sector and found a strong association between supervisor supports and organizational commitment. Joo (2010) further added that a similar type of study should be conducted in other sectors.
8.4 The relationship between the Organizational Commitment and Employee Turnover Intention

The literature on management has explored turnover intentions in relation to attitude, personality, job satisfaction, governmental policies, intelligence, unemployment and organizational commitment (Sturman et al., 2006). Several studies have supported the relationship between job satisfaction, turnover and organizational commitment (Hollenbeck and Williams, 1986; Bluedorn, 1982). In addition, the consequences regarding organizational commitment have also been studied. For instance, Meyer and Allen (1997) are of the view that organizational commitment is related to the employee’s intentions to leave. Furthermore, many studies have been conducted in the past that confirm the relationship between organizational commitment

8.5 The implication of Employee Turnover in developing countries, specifically Egypt

Previous research in this area focused on the topic in developed countries, such as USA, Australia and China. However, minimum attention was given to developing countries, and among all to Egypt. This is why this research aims to cover this part and fill that gap by investigating compulsive buying behavior of consumers in developing countries, taking Egypt as the main scope.

References:


