



FACTORS INFLUENCING TURNOVER INTENTION AMONG THE EMPLOYEES

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Abstract

In recent years attracting and retaining employees is one of the biggest challenges for service sector, particularly private life insurance sector. This study is attempted to find out the factors which are influencing turnover intention among the employees. The research design chosen is descriptive in nature. Data were collected from 508 employees by using Systematic random sampling method. This study is confined to private life insurance companies in Chennai City, Tamilnadu. Correlation analysis is used to identify the relationship between the study variables. It is found that customer aggressive behavior, organisational commitment, general role stress, work-life-balance and quality of work life are influencing employee turnover intention. This study has provided greater understanding on the relationship between tested variables with turnover intention.

Keywords: *Employee Turnover, Customer Aggressive Behaviour, Organisational Commitment, General Role Stress, Work Life Balance and Quality of Work Life.*

Introduction

In any organisation certain numbers of employees leave their jobs every year due to various reasons. To fill up these vacancies and to meet the need for additional hands, certain number of employees may be appointed. Thus, if one compares the number of employees in the beginning of the year in a concern with that at the end of the year, one may find a discrepancy. Employee turnover is only concerned with this rate of change in the workforce. Certain employees do change their jobs owing to social and economic considerations. Employee turnover is either normal or excessive. It is normal if it is within five percent. Normal employee turnover arises out of certain unavoidable causes and the management need not worry about it.

Attracting and retaining employees remains one of the biggest challenges for service sector, particularly private life insurance sector. This sector nationally experience 10 to 15 percent employee resignations yearly. The cost occurred in losing employees is 10 percent to 20 percent in overall cost incurred by the service industry. Employees play a significant role in the private life insurance industry and in society.

Employee Turnover

Turnover can be defined as the rate of change in the working staff of an organisation during a defined period. Rossano (1985) defined turnover as voluntary termination of participation in employment from an organisation, excluding retirement or pressured voluntary withdrawal, by an individual who received monetary compensation from the organisation.

The changing labour market has brought about an unprecedented labour turnover. Cappelli (2000) stated that strategic poaching of competitor organisation's key employees has become an acceptable practice among employers. Aron (2001) reported that the notion of a permanent employee has become a thing of the past. Lee (2001) argued that the psychological contract between employer and employee has changed fundamentally and long term commitment to an organisation is no longer guaranteed by either party.

Branham (2005) believed that employee turnover is not an event but a process of disengagement that can take days, weeks, months or even years until the actual decision to leave occurs. Further, it is cited that employees begin to disengage and think about leaving when one or more of four fundamental human needs are not being met.

Customer aggressive Behavior

Understanding root cause of customer dissatisfaction or aggression helps to manage negative emotions that may arise any time by customers. Paying less attention to the some of the customer requests may be reasons for showing negative emotions. At this point, it is worth mentioning customer wants that are applicable in service area.

Customers always want their problems to be solved. But sometimes, if service employees cannot solve the customer problems, they can create positive perceptions through addressing the other less customer wants. Customer expects their wants, needs, expectations, feeling and words should be acknowledged and understood. It means service employees should listen to the customer. When customers feel understood and acknowledged it gives good impression to customers which lead to good customer relationships. Customers also want availability of possible choices and options that helps the customers to make the decisions. But when they feel helpless or powerless, they could exhibit frustrated, angry, and aggressive behaviors (Bacal, 2004).



Organisational Commitment

Organisations around the world continue to maximize the productivity of their employees in the face of competitive, legislative and socio economic change. Organisational commitment is a driver of productivity. Those people who are committed are always engaged in their work and can easily relate their goals to those of the organisation.

Commitment to one's organisation will have the greatest impact on the performance, because organisational commitment deals with the relationship between the individual and the employing organisation. Individuals who become committed to their organisations are likely to engage in organisational citizenship behaviour. Awamleh (1996) stated that organisational commitment means wide range of feelings, attitudes, values, practices and the implementation of brilliant ideas in the interest of the organisation to which an employee belongs.

General Role Stress

Udai Pareek (1994) outlined the chief components of role stress. According to him, a role is a position that one occupies in a social system as defined by the functions one performs in response to the expectations of the significant members of the social systems and one's own expectations from that position.

Individuals can experience such role-related stresses as role conflict, role ambiguity and role overload. Stress from role conflict is experienced significantly when two or more in the organisation expect different things to be done by the individual. Stress from role ambiguity arises when an employee does not know what is expected of him/her or how to go about doing the job.

Work-Life-Balance

Work-life-balance is defined as "the extent to which individuals are equally engaged in and equally satisfied with work and family roles" (Clark, 2000; Kirchmeyer, 2000). Work-family balance referred to the degree to which an individual is able to simultaneously balance the temporal demands of both paid work and family responsibilities, whereas work-family conflict represented incompatibilities between work and family responsibilities because of limited resources like time and energy (Gropel, 2005).

Quality of Work Life (QWL)

The terms quality of work life refers to the extent to which the members of an organisation find the work environment conducive. It is concerned with improving labour-management co-operation to solve many organisational problems, achieving the desired level of performance and securing greater employee satisfaction.

Quality of work life as a process by which an organisation responds to employee needs by developing mechanisms to allow them to share fully in making the decisions that design their lives at work (Robbins, 1989).

Role of HRD Practices to Reduce Employee Turnover

The major HRD outcomes (Krishnaveni, 2008) include decreased employee turnover and absenteeism and researchers felt that employee retention is the one of the primary benefits derived out of the HRD efforts. The solution for the human resource problems (Natwar, 2005) like attrition lies in the industry taking some important steps, both in terms of building a productive and positive work culture, where employees are actively encouraged to perform to their best capabilities, as well as making the necessary changes in compensation practices. Managers and team leaders, on their part, need to spend time with their team members, to discuss objectives, provide feedback, ask team members about their difficulties as well as to talk about what's happening in the organisations.

Statement of the Problem

Employee's responses to their employment are substantially attitudinal and may or may not have behavioural demonstration in the work setting. As with many attitudes, work attitudes may have multiple origins and variations in intensity and durability and the task of understanding how and why employees respond to their job and organisations thus is increasing complex. Understanding customer aggressive behavior, organisational commitment, general role stress, work-life-balance, quality of work life in relation to turnover intention may give clear picture of what variables causes turnover intention. Several factors directly affect employee's decision to quit or stay with an organisation. One determinant of decisions to quit the organisation is the employment situation outside of the current organisation. Another determinant is the perceived job security, prominent factor influencing employee's decision to remain with the organisation. In considering the connection between customer aggressive behavior, organisational commitment, general role stress, work-life-balance, quality of work life are related to turnover intentions, since the research in this area is required.

Objective of the Study

- To analyze the factors influencing turnover intention among the employees.



Methodology

The purpose of this research is to analyze the influence of turnover intention among the employees in private life insurance companies, Chennai, Tamilnadu, India. Descriptive research as a methodology is particularly suited to explore questions regarding turnover intention of employees. Thus, no experimental design is necessary. This descriptive research design has been allowed for exploration of relationship between the study variables. Data were collected from 508 employees by using Systematic random sampling method. In this study turnover intention is treated as a dependant variable. Customer aggressive behavior, organisational commitment, general role stress, work-life-balance and quality of work life are the variables considered as independent variables. Correlation analysis helped the researcher to identify the relationship between the study variables.

Instrument Description

The turnover intention questionnaire was developed by the researcher and it is categorized as anonymity, growth & advancement opportunities, personal betterment and social security.

The customer aggressive behaviour questionnaire was developed by the researcher which contains five statements such as putting pressure, customers not response in a good manner, unable to convenience the customers, customer verbal abuse and changing attitude of customers.

Organisational Commitment was developed by Hunt et al., (1985) which is categorized as higher pay, more freedom, more job status and a friendly environment.

General Role Stress Scale developed by Udai pareek (2002) and the dimensions of general role stress are self role distance, inter role distance, role boundedness, and personal inadequacy.

Work-life-balance scale was developed by Fisher (2001) and it has three dimensions namely work interference with personal life, personal life interference with work and work/life enhancement.

Quality of work life tool is developed by George Manning and Kent Custis (1980) to assess the quality of work life of the employees and it is classified into four categories namely work itself, work group, management practices and reward system.

Analysis and Interpretation

Table 1 Relationship between customer aggressive behaviour and turnover intention

Customer aggressive behaviour	Turnover Intention							
	Anonymity		Growth and advancement opportunities		Personal betterment		Social Security	
	r-value	p-value	r-value	p-value	r-value	p-value	r-value	p-value
Putting pressure	0.869	0.001*	0.841	0.001*	0.742	0.001*	0.665	0.001*
Customers not response in a good manner	0.899	0.001*	0.870	0.001*	0.775	0.001*	0.682	0.001*
Unable to convenience the customers	0.900	0.001*	0.858	0.001*	0.741	0.001*	0.696	0.001*
Customer verbal abuse	0.848	0.001*	0.818	0.001*	0.811	0.001*	0.738	0.001*
Changing attitude of customers	0.865	0.001*	0.833	0.001*	0.808	0.001*	0.755	0.001*

Source: Primary data Computed; *significant at one percent level

H₀: There is no significant relationship between customer aggressive behaviour and turnover intention

In order to examine the above stated hypothesis, pearson correlation is executed. From the test value, it is observed that putting pressure, customers not response in a good manner, unable to convenience the customers, customer verbal abuse and changing attitude of customers are having positive relationship with anonymity, growth and advancement opportunities, personal betterment and social security. Therefore, above hypothesis is rejected.

The correlation value for customer aggressive behaviour and anonymity is ranged from 0.848 to 0.900. It is inferred that the unable to convenience the customer is more related with anonymity followed by putting pressure, customers not response in a good manner, customer verbal abuse, changing attitude of customers. The correlation between customer aggressive behaviour and growth and advancement opportunities is ranged from the 0.818 to 0.870. It is inferred that the customers not response in a good manner is more relates with growth and advancement opportunities. The correlation value between customer aggressive behaviour and personal betterment is ranged between 0.741 to 0.811. It is showed that customer verbal abuse is



highly related with personal betterment. The correlation between customer aggressive behaviour and social security is ranged from 0.665 and 0.755. It is indicated that changing attitude of customer is highly related with social security.

Table 2: Relationship between organisational commitment and turnover intention

Organisational Commitment	Turnover Intention							
	Anonymity		Growth and advancement opportunities		Personal betterment		Social Security	
	r-value	p-value	r-value	p-value	r-value	p-value	r-value	p-value
Higher pay	0.875	0.001*	0.849	0.001*	0.774	0.001*	0.685	0.001*
More freedom	0.876	0.001*	0.857	0.001*	0.776	0.001*	0.718	0.001*
More job status	0.820	0.001*	0.790	0.001*	0.744	0.001*	0.640	0.001*
Friendly work environment	0.896	0.001*	0.862	0.001*	0.803	0.001*	0.699	0.001*

Source: Primary data Computed; *significant at one percent level

H₀: There is no significant relationship between organisational commitment and turnover intention

In order to examine the above stated hypothesis, Pearson correlation is executed. From the test value, it is observed that higher pay, more freedom, more job status, friendly work environment are having positive relationship with anonymity, growth and advancement opportunities, personal betterment and social security. Therefore, above hypothesis is rejected.

The correlation value for organisational commitment and anonymity is ranged from 0.820 to 0.896. It is inferred that the friendly work environment is more related with anonymity followed by higher pay, more freedom and more job status. The correlation between organisational commitment and growth and advancement opportunities is ranged from the 0.862 to 0.790. It is inferred that the friendly work environment is more relates with growth and advancement opportunities. The correlation value between organisational commitment and personal betterment is ranged between 0.803 to 0.744. It is showed that friendly work environment is highly related with personal betterment. The correlation between organisational commitment and social security is ranged from 0.718 and 0.640. It is indicated that organisational commitment is related with turnover intention.

Table 3: Relationship between general role stress and turnover intention

General role stress	Turnover Intention							
	Anonymity		Growth and advancement opportunities		Personal betterment		Social Security	
	r-value	p-value	r-value	p-value	r-value	p-value	r-value	p-value
Self-role distance	0.912	0.001*	0.870	0.001*	0.783	0.001*	0.737	0.001*
Inter-role distance	0.920	0.001*	0.871	0.001*	0.798	0.001*	0.730	0.001*
Role boundedness	0.891	0.001*	0.827	0.001*	0.804	0.001*	0.716	0.001*
Personal inadequacy	0.889	0.001*	0.834	0.001*	0.789	0.001*	0.720	0.001*

Source: Primary data Computed; *significant at one percent level

H₀: There is no significant relationship between general role stress and turnover intention.

In order to examine the above stated hypothesis, Pearson correlation is executed. From the test value, it is observed that self-role distance, inter-role distance, role boundedness and personal inadequacy are having positive relationship with anonymity, growth and advancement opportunities, personal betterment and social security. Therefore, above hypothesis is rejected. Anonymity and growth and advancement opportunities is highly correlated with inter role distance. Personal betterment is highly correlated with role boundedness. Social security is highly correlated with self role distance. It is found that general role stress is having relationship with turnover intention.



Table 4: Relationship between work-life-balance and turnover intention

Work-life-balance	Turnover Intention							
	Anonymity		Growth and advancement opportunities		Personal betterment		Social Security	
	r-value	p-value	r-value	p-value	r-value	p-value	r-value	p-value
Work interference with personal life	0.887	0.001*	0.856	0.001*	0.775	0.001*	0.713	0.001*
Personal life interference with work	0.886	0.001*	0.868	0.001*	0.770	0.001*	0.730	0.001*
Work/Personal life enhancement	-0.813	0.001*	-0.770	0.001*	-0.705	0.001*	-0.663	0.001*

Source: Primary data Computed; *significant at one percent level

H₀: There is no significant relationship between work-life-balance and turnover intention.

In order to examine the above stated hypothesis, Pearson correlation is executed. From the test value, it is observed that work interference with personal life, personal life interference with work and work/personal life enhancement are having positive relationship with anonymity, growth and advancement opportunities, personal betterment and social security. Therefore, above hypothesis is rejected. From the correlation value it is inferred that anonymity is having higher level relationship with work interference with personal life. Growth and advancement opportunities, personal betterment and social security are having higher level relationship with personal life interference with work. However, work/personal life enhancement is negative relationship with anonymity, growth and advancement opportunities, personal betterment and social security. It is found that work/personal life enhancement is the reason for intention to leave the job.

Table 5: Relationship between quality of work life and turnover intention

Quality of work life	Turnover Intention							
	Anonymity		Growth and advancement opportunities		Personal betterment		Social Security	
	r-value	p-value	r-value	p-value	r-value	p-value	r-value	p-value
Work itself	0.194	0.001*	0.232	0.001*	0.287	0.001*	0.289	0.001*
Work group	0.298	0.001*	0.345	0.001*	0.408	0.001*	0.454	0.001*
Management practice	0.203	0.001*	0.225	0.001*	0.306	0.001*	0.361	0.001*
Rewards	0.360	0.001*	0.394	0.001*	0.427	0.001*	0.419	0.001*

Source: Primary data Computed; *significant at one percent level

H₀: There is no significant relationship between quality of work life and turnover intention.

In order to examine the above stated hypothesis, Pearson correlation is executed. From the test value, it is observed that work itself, work group, management practice and rewards are positively related with anonymity, growth and advancement opportunities, personal betterment and social security. Therefore, above hypothesis is rejected. It is found that rewards is highly related with turnover intention.

Managerial Implications

In the insurance sector, customer aggressive behaviour is also reason for turnover intention. Hence taking care of human factor with mutual respect, mentoring and employee empowerment could enhance the employee morale, commitment and satisfaction which virtually link employees' decision to stay in the organisation. The private life insurance companies should provide exclusive training regarding handling of customers and their verbal abuse.

The dimensions of organisational commitment i.e higher pay, more freedom, job status are having impact on turnover intention. Hence, the organisation could pursue a commitment strategy to obtain a committed workforce through application of suitable human resource policies.



Role stress is influenced the employee towards their intention to leave the organisation. Hence, the management set up an open channel of communication feasible to their daily routine to help employees ventilate. The management should provide counseling to their employees and provide good recreation facilities which will help to work without stress.

Private life insurance companies should come forward to make their life is important and give weightage on personal factors. The management should treat that their employees are the main sources for selling their insurance policies. Hence, private sector insurance companies should give more importance towards their employees' work-family balance which is highly related with turnover intention.

Quality of work life is having relationship with turnover intention. So the private life insurance companies should focus on increasing employees' quality of work life from factors such as allowances, rewards, working condition, promotion, benefits, training programmes and so on.

Conclusion

This research is aimed to analyse the influence of customer aggressive behaviour, organisational commitment, general role stress, work-life-balance and quality of work life on turnover intention in private life insurance sector. In order to answer the research objectives, a sample of 508 private life insurance employees are approached. It is found that customer aggressive behaviour, organisational commitment, general role stress, work-life-balance and quality of work life are induced the employees intention to leave the organisation. It shows that individuals leave an organisation, if they are not satisfied with the above variables. This study has provided greater understanding on the relationship between tested variables with turnover intention and this study would help the practitioners, managers and policy makers of the private life insurance sector to formulate appropriate strategies.

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