The Contribution of Individual Variables: Job Satisfaction and Job Turnover

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Abstract
Employee turnover is one of the most important operational activities for human resources management of an organization to condemn. Although several studies have been conducted to define the reasons and causes for employee’s turnover in an organization, few of them have discussed the sources of employee turnover based on job satisfaction under the context of individual variables. This paper examines and explains the sources of employee turnover based on the contribution of individual variable which affect job satisfaction level, types of job turnover under various conditions and suggesting the strategies related to individual variables for minimizing employee turnover in an organization. Further the paper will help the future research in understanding of the individual variables based on personal satisfaction and its influence on organizational performances and employees attitude.

Keywords: Job turnover, Job satisfaction, Contribution of individual factors

1. Introduction:
Job turnover is among one of the most important activity on which the human resources management of an organization is always concerned for, the reason for such a consideration given to job turnover is because an organization invest a lot on the employee in the form of training, developing, compensation plans and perspective building in order to achieve the organizational aims and objective. However, result of an increasing job turnover rate increases the cost of the organization which most of the time becomes a reason for their income statement bottom line number to experience a declining trend. Therefore Human resources management in this regards is always keen to struggle towards achieving a downward sloping trend in job turnover rate of an organization.

Although there has been various factors of an individual satisfaction level involved in becoming a reason for an employee experience job turnover or having an intension towards it, wide range of factors have been found to be a reason for employee’s job turnover. It is very much important for an organization’s management to know the factors which can result in employee turnover or turnover intension so that a prior positive step can be taken to minimize the loss. With an increasing competition in the market due to lack of resources or economic recession worldwide, an organization must give importance to the employee values and demands related to their satisfaction level developing tangible product strategies , as these tangible product will help to retain the employees in the same organization, eventually highlighting their presence as intangible asset to the organization. Employees’ turnover is the rotation of workers around the labor market; between firm, jobs and occupations; and between the states of employment and un-employment which is experienced during the un-favoring steps taken by the management in consideration of increasing their income statement bottom line figure and not looking toward the long term investment on employee which are their assets.

Thus management should take competitive steps in order to minimize the horrifying demon for the organization. Researches suggest that there have been four variables held responsible for job turnover at an individual level which includes demographic variable, individual variable, organizational variable and occupational variable, however, this paper will only discuss the individual variables and its factors involved in the employee job turnover activity. Literature review in explaining the job turnover based on individual variables is divided into three groups: definition, effects of job turnover and strategies related to individual variables to minimize job turnover.
2. Literature Review

2.1. Employees Job Turnover Concept:

Employees’ job turnover is a much studied phenomena which is to be done in order to understand the basic ideology of an individual mind which is affiliated to the job turnover intension or job nature attitude, as there are no specific reason why people leave organizations⁹. Employees’ turnover is the rotation of workers around the labor market; between firm, jobs and occupations; and between the states of employment and un-employment., each of which elaborating an individual behavior as a thought of domestic recovery.

Lack of commitment toward achieving the organization goal and job dissatisfaction in the form of various personal factors make an employees to quit⁹. In an organization the turnover being volunteer or in-volunteer is similarly considered as a normal phase of an organizations life where a new employee is hired, trained and groomed for the vacated position, in order to achieve the organization aims and objecting undermining the basic theme of not letting the actual cause of job turnover to highlight⁹.

Unfolding the overall general extract of the definitions stated above, it clearly visible that job turnover is an individual decision which is most likely based on the locus of control and personal behavior. Both of the two stated variable which attribute towards individuals working in an organization are part of personality trait. These personality traits can clearly be visible under the umbrella of organizational based self esteem and organizational based self efficacy of an individual, as both of them play a vital role when ever a job turnover is experienced by an employee in an organization.

2.2. Types of Job Turnover:

Employees Job Turnover dependent on various factors which are directly or indirectly copulated with personality traits of an individual. However the condition under which job turnover takes place can be of various types, each of which depending upon various situation and templates which an employee is marked with, some of which are as

2.2.1. Internal and External Turnover

Job turnover experienced by an individual can be an act of transfer from one department to another keeping the base root same or can be from one organization to another, these job turnover frames are classified as Internal and External job turnover.viii Internal Turnover on a broader term can be elaborated as sense of change in job description or job specifications of an employee which might cause a discrete behavior towards organization. Such a turnover can result in either positive (such as increase in job performance) or negative (such as disruption, stress or decrease in job performance).

However this type of turnover is controlled by Human resources of the organization who makes such turnovers of the employee in order to benefit the basic need of organization or as a part of succession planning. External Turnover on the other hand is a job turnover experienced by an individual with respect to change in the organization. Such a turnover can either result in both positive (increase in the compensation or salary of an employee) or negative (such as decrease in the salary of an employee or lower satisfaction level due to change in nature of job) which is typically based on employees self decision in order to attain a higher satisfaction level related to job.

2.2.2. Voluntary and Involuntary Turnover

Job Turnover based on the social or incidental consequences of an employee’s life which at times becomes a reason to have a flexible change on job satisfaction level and job nature attitudes, these turnovers are classified as Voluntary and in voluntary turnover.

Involuntary Turnover is based on factors which are beyond the control of management but becomes a reason for an employee leave the organization. Such a turnover might not always be favoring for employee itself. Examples of involuntary turnover are death of an employee, anarchy in the country, in fulfillment of basic needs of life and health issues. Human resources department doesn’t have any role of controlling such a turnover in an organization.

Voluntary turnover on the other hand is dependent on an employee itself and can be experienced by an employee to attain personal satisfaction related to job. Human resources department can actively participate in the declining of such a turnover in an organization.
2.3. Job Satisfaction defining concept

Whenever job satisfaction of an employee is disturbed or at a minimum level than Employee turnover has a maximum probability to take place. Job satisfaction is an individual’s attitude and behavior towards his own job. Personal job satisfaction is an affective or emotional response toward various facets and outcomes of one’s job, this means that personal satisfaction in relation to job is not a unitary concept, as a person may be satisfied with one aspect of his or her job or dissatisfied with the rest of the others. According to (locke 1976), job satisfaction is a pleasurable emotional state resulting from the appraisal of one’s job, this highlight both the cognition and feeling of an individual in a way that each of the terms which is naturally related to one another can be observed. Whenever an individual is thinking about something, he has feelings for what he is thinking, which may have its own ways of elaborating the idea of selecting the right path for its execution. This phenomenon is however not only linked to the psychological behavior of an individual but is also related to the biological behavior, the two stated terminologies cognition and feeling is not like in every individual and may vary from person to person depending upon their personality traits. The core factors of the personality traits that explains the cognition and feeling of a person in respect to his job are organization based self esteem and self efficacy. On the other hand, negative consequences due to employees turnover which an organization experiences under the domain of individual variables disturbing the job satisfaction level of the employees includes: an increase in ill recruitment, impractical hiring and disturbed training procedures, disruption of communication, low productivity and satisfaction among employees who stay.

3. Contribution of Individual Variables affecting Employee Job turnover

The variable which highlights the qualities of an individual itself during his work life tenure in an organization is termed as Individual Variable. These individual variables are interrelated to the job turnover rate of an organization and have a major influence on job satisfaction level and individuals attitude towards the fulfillment of organizations aims and objectives.

3.1. Work Life Conflict

Work life conflict is defined as the involvement of fits or satisfactory level of an individual for the performance of multiple roles of an individual’s life. However explanation and definition varies because work life conflict is the medium of associating the two ambiguous frames of work life and personal life at an individual level all together and maintaining a balance between them. Work life conflict determines the overall sense of harmony of an individual experiencing a relationship between his personal and work life. Work life conflict is an examining ability of an individual in maintaining the multi faceted demand of an individual’s life. On the other hand, Work life conflict defines the relation of personal satisfaction related to job and personal life satisfaction which can have an impact on individuals job intensions, the same can strive in three forms of hypothesis:

3.1.1. Segmentation Hypothesis:

The segmentation hypothesizes proposes that Personal satisfaction related to job is inversely proportional to a person’s life satisfaction.

3.1.2 Compensation Hypothesis:

The compensation hypothesizes proposes that personal satisfaction related to job is directly proportional to a person’s life satisfaction

3.1.3 Spillover Hypothesis:

The spill over hypothesizes proposes that job satisfaction or dissatisfaction spills over into one’s personal life or vice versa. In other words, each affects one another negatively or positively or vice versa.

In Context of relation between an individual’s job satisfaction with life satisfaction judge and watanabe (1994) explained that each of the three stated hypothesis according to an individual’s behavior and their satisfying needs. A study conducted by them on the sample taken from the U.S workers, they found that 68% were spill over group, 20% fall in segmentation group and 12% in the compensation group. On the other hand a review of the literature and study conducted by Tait, Padgett & Baldwin (1989) concluded that personal satisfaction and life satisfaction is positively correlated to each other (true correlation of 0.44). However it is not necessary that every individual may follow the same model and things might not go the other way round; a research shows that each of the other two i.e. life satisfaction can effect job satisfaction and vice versa.
Conclusion derived from the above stated literature is that low personal job satisfaction may not only have and impact on the effectiveness of organizational activities but also have a spillover mark on the lives of the employees in a weaker or a stronger manner. Thus, it is well evident that the work life conflict is dependent on an individual Personal satisfaction level which is discrete and vary from person to person depending upon their level of demands but the consent remain under the domain of personality trait which causes the activity and achieved satisfaction of work life conflict in to and fro movement.

3.2. Compensation

Compensation refers to all forms of tangible and non tangible benefits that an organization provides to his employee for rendering their services as a part of employee relationship strategy. Compensation can be divided into two components, direct financial benefits and indirect financial benefits.

Direct financial benefits as a part of employee’s compensation includes salary, wages, incentives, commission and bonuses where as indirect financial benefits is usually non-cash in nature and include holidays, medical facilities, life insurance, medical leave, sick leave, casual leave, vision care, retirement plan, child care assistance, employee’s assistance program, education assistance program, etc.

Compensation on a hidden mode may also include benefit plan or contribution plan in itself. At this point it is important to know the difference between the defined benefits plan and contribution plan. A benefit plan is some time referred to as retirement plan which uses a pre-determined formula to calculate the future benefit at the time of retirement of employee. Contribution plan on the other hand is a type of retirement plan in which the employer contributes its own amount using the gratuity and provident fund to calculate the future benefit of an employee.

Thus compensation with respect to an employee perspective is a notable element of job satisfaction which concludes set of occurrences concerning tangible and intangible benefits paid by the employer for rendering their services and its disruption will subsequently become an opposite bondage to work in accordance to achieve the aim and objective of the organization.

3.3. Job security

With the increasing pressure of globalization and competition in the market, Organization are emphasizing on lowering the overhead expenses so that the bottom line result of income statement can be positive and higher than before. In order to achieve the marked increasing profit many organizations are restructuring, merging and downsizing to cut their cost and utilize their human resources on the maximum level so that the organizational aims and objectives can be achieved with a lower cost.

However, downsizing itself generates or inclines toward job insecurity in an organization which at times becomes a serious reason for employee to have an intension towards job turnover. Intension to quit, feeling of job insecurity and decline in organization commitment are some of the major outcomes emerging from organizations restructuring and downsizing of employees.

On the other hand the job turnover itself is among a biggest threat to the organization as there are plenty of employees on which an organization dependence exist and ineffective strategy adopted in restructuring and downsizing may lead to a volunteer turnover of high performing employees whose commitment, motivation and loyalty towards the organization becomes a success steps for the organization.

3.4. Opportunity

Lack of opportunities in an organization for growth and advancement has an impact of increased job turnover rate in an organization with respect to having a direct correlation with job satisfaction level of an individual. This problem is usually experienced when employers at the time of recruitment hides the basic job needs and specification which has be performed by an employee, the job which is not explained precisely usually makes up the false hopes of an employee towards growth, advancement in their position and other fringe benefits.

On the other hand, Human psychological nature generally has an attitude and likeness towards the appreciation and praising of their work which is considered as a part of opportunity in the organization. It is therefore important that even the seasoned employees should appreciated at least once about the work that they are performing. If the same is not done, the human psychological perspective representing the positive and blossoming job opportunity may strive hard to exist among the employees of the organization.
3.5. Work Environment

Basic working condition like relationship with colleagues, clean workroom, proper lighting, furniture, and office equipments are some of the major constituents of work environment which is one of the major reason due to which an organization experiences a employees turnover. Personal satisfaction level of every individual is different and takes time to change or cope up the mentor of the working environment.

However, if the working environment is actually freezing the panes of personal satisfaction level of an individual, then this might directly affect the employee to have a job turnover intension. People change their job and jumps from company to company due to working environment from which they are not satisfied. Working environment constituents if given proper attention by the management of an organization can lead the willingness of employees to work in the same organization which will also have a positive impact on job turn over rate of an organization.

The attributes and attitude of the employees dependent on the organization working environment which plays a vital role as the unwillingness of employees to look inward will accelerate the job turnover rate of the organizationxxx in one way or another.

4. Measuring employee’s turnover rate in an organization

Mathematically the term turnover is the ratio of the number of organization member who has left during the period considered divided by the average number of people in that organization during the periodxxxiii.

5. Relationship between Individual Variables, Job satisfaction and Job turnover

Job satisfaction is an individuals feeling and attitude of contentment and discontentment for a jobxxviii. According to Moorman there are three practical point of views that explains the job satisfactionxxxix (1) It is a valuable product of the society (2) It is an indicator at an early stage for an organization (3) It is a predictor of organizational behavior. According to Cranny study, job dissatisfaction can result in psychological frustration and low productivityxxx of an employee. This point of view is very much similar to that of Moorman point of view. Personal satisfaction in the arena of an individual’s job plays a vital role in attracting, retaining and significantly denoting the employee’s ability to work in an organizationxxxii, this means that employees with higher satisfaction towards their job would have healthy physical and psychological record which will have a positive impact on the employee’s attitude resulting in higher productivity and effectiveness in their job performances and long time stay in organization. However one of the most important factor bridging relationship between personal satisfaction and job turnover is based on employee’s individual factors which is always referred to as the basic helm of individuals self concern toward the job and a way to achieve positive resulting outcomes of an organizations objective.

Above stated variables such as work life conflict, job security, compensation plan, working environment and opportunities in an organization for an employee is directly related to job satisfaction of an individual which when disrupted or having distrust does have an impact on job turnover rate of an organization. Differences in the job satisfaction have a similar degree of resemblance to the difference in the temperament (attitude) of every other individual linked with their individual variablexxxii. However, it is to be noted that Human resources management is always there struggling to extract the maximum outcome from an employee with a special concern to the cost reduction and effectiveness towards the employee positive job satisfaction level.

Achieving such a level of individual variables are very much helpful to human resources management of an organization, not only to minimize the job turnover rate in the organization but also helpful to understand the various causes of employees intension (attitude) toward its job turnover activity.

6. Individual factor Strategies for reducing job turnover

Various individual factors of personal satisfaction level does have an impact on employee turnover rate as stated in the literature review, however proper remedial or steps taken by the human resources management in this regards can cause the employees turnover to experience a declination. Human resources management should actively take part in finding out the reason from the employees for leaving their jobs, for this organization may start taking exit
survey forms and interviews which can help the organization to know the actual picture of problem and deriving their perfect solutions.

On the other hand these surveys give the manager a better understanding for adopting ways which can enhance the job satisfaction level of employees and create a positive attitude towards their jobs. Open door policies highlighting the opportunities in an organization are another example of gathering information from the employees about their personal satisfaction related to organization trends and presented opportunities, employee’s thoughts and their idea in this regards can help an organization to attain a healthy work life for employees and an organization to achieve its aims and objectives.

Uniform standard work timing for every employee should be introduced in the management policy and the human resources management should look after its strict compliance as its breaching will result in incompetence and low satisfaction level in the employee which is not even favorable for the organization itself, on the other hand compliance of working hours would eventually let the work life conflict to decrease among the employees. A better quality of employees should be hired with the execution of proper and decent system of recruitment in the organization, this will result in the mutual benefit of an organization, job turnover would be less and the employees will stay for a longer period as an enhanced part of job security. Thus such productivity of an employee increases job satisfaction.

Candidates that are to be hired must not be on the basis of personal liking but should match the actual criteria of job offered because it is much more a job opportunity for every individual rather than a personal factor. Hiring of candidates should efficiently be expedited, this will present the working environment more reliable and friendly in nature for the employees to adopt.

A proper and a decent human resources plan designed in the mutual benefit of the organization can positively affect the bottom line figures of the income statement and job turnover rate of the organization. Program operated efficiently and effectively can reduce the turnover and capital losses of an organization. Organization on the other hand should keep the salary and the compensation level of the employee similar and should not disclose the same to others; this would eventually decrease the animosity and dissatisfaction among the employees and can solve the problem of job turnover which is solely based on the compensation and salary packages.

Organization must pay employee more than their competitors do; this will hold the employees and will be effective in decreasing the job turnover rate of the organization.

Individual factor of personal satisfaction stated above if given proper attention can significantly help the human resources management to decrease the job turnover rate and create a sense of loyalty in the employee which will be beneficial for the organization to achieve its aims and objectives easily, responsibly and efficiently.

7. Conclusion:

Above stated strategies of individual variables implemented perfectly and thoroughly in the policies and procedures of the human resources management of the organization, will generate a dynamic environment of treating their employee with a satisfied level of significant attention in the organization. Employees are the mainstream of the organization and play an important role in helping the organization to achieve its aim and objective, as well as competing in the local or global market with increased profit and subsequent floating quality products in the market, these strategies will help to achieve the returns and positive outcomes for employees as well as for organization itself.

Management should be keenly interested in adopting the ways that would enhance the motivational factor of employees related to work and at the same time build up a strong and an efficient policy of recruitment for filling the gap up with a perfect candidate selection. This efficient mode will help the organization to have proper and decent employees in their work force whereas the same would be beneficial to the manager for helping them to achieve their work more precise and efficient manner. Employee’s job security should be given a considerable thought by the management and unequal distribution of work and ambiguity in the work environment should be avoided. Employees must be treated as the most important asset of the organization by the management and due care should be given to them in ways of proper working environment and compensation plans. The organization should adequately pay the employees based on their ability and handwork, in addition to the other financial benefits such as bonuses, leave without pay, consolidated salaries and other benefits. Hence it is concluded that individual variables does have their contribution in affecting the job satisfaction level of an employee which subsequently have an impact on job turnover grounds.
References


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