The Impact of Job Demands on Employees’ Turnover Intentions: A Study on Telecommunication Sector

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Abstract- High employee turnover intentions has always been a major issue for Telecommunication Sector. In particular, turnover intentions of employees in developing countries is very high. The aim of this paper was to examine the relationship between job demands and employees turnover intentions. Data were collected in four Telecommunication companies. A sample of 210 respondents (return rate: 87%) was available for statistical analyses. The findings generally supported past findings, which suggested that the turnover intentions of employees are high if the employees have high job demands.

Index Terms- Job Demands, Quantitative Demands, Attention Demands, Turnover Intentions and Telecommunication Companies.

I. INTRODUCTION

The topic of employee turnover intentions is a problem that organizations have dealt with for a long time. The first topics research regarding turnover focused on were “rates of departure” and “stability of employment”. These studies were conducted in the beginning of the twentieth century and employee turnover has been a widely researched topic ever since (Bakker et al., 2014). The interest in the topic has been increasing over the last decade or so, with over one hundred studies on the topic published in leading journals of management and related fields (Bakker et al., 2004). Turnover intention have been defined as the conscious and deliberate will of an employee to leave an organization, e.g. whether the employee has intentions to leave his job within a certain timeframe (Bothma & Roodt, 2012). There is evidence that employees form intentions to quit before actually deciding to resign, it is most often a process, and the employees most often make an informed and conscious decision to leave their job (Croppanzo & Mitchell, 2005). Employee turnover is commonly defined as the combined number of employees that leave an organization in a certain time period and the turnover rate is the total number of employees that leave the organization to the total number of employees within the organization, often measured over one year (Bakker et al., 2014). There is a reason to make a distinction between whether the turnover is initiated by the organization or the employee. Involuntary turnover is initiated by the organization and often includes low performers and therefore the organization may generate better organizational performance after the dismissal. A high ratio of involuntary turnover can be an indication that the quality of the workforce is problematic (Kim & Stoner, 2008). Turnover that is initiated by the employee, i.e. voluntary turnover, can indicate a great loss of human capital that the organization would prefer to avoid, since these are employees that the organization most often would have liked to retain or at least not dismiss (Kim & Stoner, 2008). In the field of studies that has been conducted on turnover it has been considered more important to look at why people choose to leave the organizations voluntarily (Epitropaki, 2013). Ultimately the goal is not to eliminate turnover completely, since a certain flow of employees is important for an organization. There will always be some involuntary turnover from the layoffs the organization chooses to make, for example to get rid of low performing employees (Epitropaki, 2013).

Scholars have been directing much effort into investigating employees” turnover intentions towards their organisation (Kim & Stoner, 2008). Acknowledging the strategic importance of human capital, organisations adapt the strategic practices of human resource management to recruit, develop and retain this valuable asset. Retaining human capital is very important in the ever-increasing competition to employ the most valuable employees in the marketplace (Carmeli & Schaubroeck, 2015). Managers and researchers consider turnover a problem because of costs associated with it (Kim & Stoner, 2008). Turnover intentions refer to the subjective estimation of an individual regarding the probability that she or he will leave the organisation in the near future (Kim & Stoner, 2008). It is conceived to be a conscious and deliberate desire to leave the organisation within the near future, and considered as the last part of a sequence in the withdrawal cognition process (Mobley, 2013), which also includes thoughts of leaving and intentions to seek out alternatives (Tett & Meyer, 2011), in either a passive or an active job search (Kim & Stoner, 2008). Bakker et al., (2014) noted that turnover intentions are identified as the immediate precursor to turnover behaviour. Identification of the variables contributing to turnover intentions is considered to be effective in reducing actual turnover levels (Bakker et al., 2014).

The relationship between turnover intentions and actual turnover may vary across studies (Bakker et al., 2014). The relationship between turnover intentions and actual turnover may depend on the employee’s motivational basis and other opportunities for
employment (Kim & Stoner, 2008). Bakker et al. (2014) showed that there is consistent evidence that turnover intentions are the “strongest cognitive precursor of actual turnover”. Meta-analyses by Griffeth et al. (2011) and Hom & Griffeth (2012) showed that intentions to quit are a major predictor of actual turnover. Cotton & Tuttle (2011) stated that three primary groups of variables have been identified as influencing turnover intentions. First come the organisational variables, such as job demands, occupational stress and gender discrimination; secondly are individual demographic variables, including gender, marital status and tenure; and lastly are the external variables, such as the availability of alternative employment. The relationship between turnover intentions and organisational variables is of particular importance, with considerable attention being applied to low job satisfaction and high psychological strain (George & Jones, 2012). These studies largely provide support for the two-step sequence model according to which stressful work affects turnover intentions via psychological strain (George & Jones, 2012). In this study, turnover intentions refers to three elements in the withdrawal cognition process: thoughts of quitting, the intention to search for another job elsewhere and the intention to quit (Mobley et al., 2013).

According to the Job Demands-Resources model can be predictors of employees turnover intentions (Demerouti et al., 2001). Job resources are defined as those physical, social, or organizational aspects of the job that (a) are functional in achieving work-related goals, (b) reduce job demands and the associated physiological and psychological costs, and (c) stimulate personal growth and development, while job demands are those physical, social, or organizational aspects of the job that require sustained physical and/or psychological effort and are, therefore, associated with physiological and/or psychological costs. According to the J D-R model these two categories of work characteristics evoke two relatively independent psychological processes. First category is health impairment process and based on job demands. High job demands, which require sustained effort, may exhaust employees’ resources and lead to energy depletion and health problems (Jyoti & Rajib, 2016). For example, specific job demands (e.g., quantitative demands, problem solving demands and attention demands) have been repeatedly found to predict turnover intentions among various occupational groups (Jyoti & Rajib, 2016).

Turnover intentions of highly skilled employees can be very expensive and disruptive for firms (Griffeth et al., 2011). Losing highly skilled staff members leads companies to incur substantial costs associated with recruiting and re-skilling, and hidden costs associated with difficulties completing projects and disruptions in team-based work environments (Griffeth et al., 2011). Determining the causes of turnover intentions within the Telecommunication workforce and controlling it through human resource practices and work system design is imperative for organizations.

II. LITERATURE REVIEW

A. JD-R Model

One of the basic assumptions of the JD-R model is that – independent of a particular work context - work environments can be characterized by two dimensions: job demands and job resources. Job demands are physical, psychological, social and organizational characteristics of a job, requiring physical and psychological effort and energy from an employee, which in turn are related to physiological and psychological costs (Bakker et al., 2007). Although job demands are not necessarily negative, they may turn into job stressors, when meeting those demands requires high effort (Bakker et al., 2007). Stress and burnout (i.e. emotional exhaustion) can result in lower quality and performance, and in increased absenteeism and turnover.

Job resources are physical, psychological, social and organizational characteristics of a job, which are instrumental in achieving work goals, reducing job demands, and the associated costs with them, and stimulate learning. Job resources are not only functional in achieving work goals; they also stimulate personal growth and development (Bakker et al., 2007). A second assumption of the JD-R model is that job demands and resources are related to well-being and attitudinal outcomes. The JD-R model postulates that the two sets of working conditions (i.e., demands and resources) may each evoke a different process. High job demands are likely to result in strain reactions (e.g., stress, burnout), which in turn may lead to an increase in absenteeism and turnover intention. The pathway from job demands to absenteeism and turnover via emotional exhaustion is also known as the energetic pathway. On the other hand, resources are likely to foster goal accomplishment, which in turn can lead to positive job attitudes (job satisfaction and organizational commitment) and reduced withdrawal behavior (reduced absenteeism and turnover). This pathway is also known as the motivational pathway (e.g., Bakker et al., 2007).

B. Quantitative Demands

Quantitative demand refers to work that requires hard work and fast, excessive work, time pressure and conflicting demands (Michelle, 2013). A concept associated with quantitative demand is workload (Moodie et al., 2014). Workload may refer to work time
commitments such as the number of hours devoted to paid work and work-related activities (Moodie et al., 2014), but it has also been referred to as time pressure, in which individuals perceive they have too many things to do and not enough time to do them (Luo et al., 2015). There are two main dimensions of quantitative demands at work named as intensity and extensity (Michelle, 2013). Intensity (work pace) is referred to as work pressure, and extensity is the number of working hours (Moodie et al., 2014). The quantitative demands could lead to quantitative overloads, which is defined as the amount of work that exceeds what an individual can accomplish in a given period of time (Moodie et al., 2014). One of the factors associated with the increase in the workload among employees is technology (Michelle, 2013). The proliferation of increasingly advanced gadgets such as mobile phones, pagers, fax machines and the internet have made it possible for employees to be in constant contact with their work and are thus unable to escape from work completely and relax. While at work, these same technological inventions have made it impossible for employees to concentrate on tasks as much as they would want to due to interruptions which are a major cause of stress (Michelle, 2013). Nikbin et al., (2012) found that jobs in the communication technology sector are characterized by a high degree of job demands, such as high workload and high time pressure. Employees working in communication technology sectors are under two main quantitative demands (intensity quantitative demands such as work pace and work fast, and extensity quantitative demands such as number of working hours) (Nikbin et al., 2012). For instance, telecommunication’s employees work under many types of quantitative demands such as lack of time to do their task, working longer hours per day or week, and faster work pace (Nikbin et al., 2012). Reducing workload is significant as Luo et al., (2015) have shown the negative effects of work overload on individuals, their family, and the organization they work in. To the individual employees, work overload is associated with burnout, negative emotions and feelings which may lead to mental disorders such as depression as well as drug abuse which lead to a myriad of physical health problems (Michelle, 2013). The family is also affected by work overload as far as the male or female parent is concerned; an effects that is not so pronounced in the lives of single people (Michelle, 2013). This affects their children if any besides their relations and is one of the reasons that have been given for the high divorce rates in recent decades (Michelle, 2013). The impact of work overload to the organization is the possible loss of employees as many of the employees that experience burnout have been found to eventually leave their jobs as well as less than optimum work that is characterized by errors and which is a point of loss for the organization’s resources (Moodie et al., 2014). Studies have also shown that workloads have negative relationship with employees’ job performance. For instance, Moodie et al., (2014) found that many employees experience burnout situations with work overload perform very low. Similarly, Michelle, (2013) found that high workload caused increasing cases of turnover intentions and low job performance.

C. Attention Demands

Attention demands concern the degree to which constant monitoring of work is required (Dieter & Elsy, 2016). Previous researches have helped to refine the job demands construct by proposing and clarifying possible sub-constructs. For instance, Dieter & Elsy, (2016) distinguished between monitoring demands, problem-solving demands, and production responsibilities. Dieter & Elsy, (2016) also included mental demands of work, such as attention demands and problem-solving demands. “The identification of these two demands is important because it helps clarify how work design can actually impact the information-processing requirements of work” (Michelle, 2013). Moodie et al., (2014) expanded on the distinction between psychological demands (e.g., precision requirements) and physical demands (e.g., muscular exertion), at least as these are experienced by manufacturing employees. Luo et al., (2015) discussed the distinction between workload demands, emotional demands, conflict between competing demands, and, possibly, role ambiguity demands, particularly applied to workers in human services organisations.

D. Hypotheses Development

The hypothetical model of the study is elaborated in the theoretical framework diagram which is shown in Figure 1. The Figure shows the hypothetical JD-R model of the relationships between job demands-resources, personal resources, affective organizational commitment, work engagement, turnover intentions and job performance of the employees of telecommunication technology sector.
Carmeli & Schaubroeck (2015) stated that three primary groups of variables have been identified as influencing turnover intentions. First come the organisational variables, such as job resources, job demands, occupational stress and gender discrimination; secondly are individual demographic variables, including gender, marital status and tenure; and lastly are the external variables, such as the availability of alternative employment. The relationship between turnover intentions and organisational variables is of particular importance, with considerable attention being applied to low job and personal resources and high job demands (Carmeli & Weisberg, 2012). Therefore, the following hypothesis is offered to be tested:

H1: Quantitative demands will be positively related to turnover intentions.
H2: Attention demands will be positively related to turnover intentions.

III. METHODOLOGY

A. Participants and procedure

The study sample consisted of Telecommunication employees from four different companies, who held a variety of jobs, which helped increase the potential generalizability of the findings. Overall, 210 surveys were distributed, accompanied by a letter that emphasized and assured the anonymity and confidentiality of the data. The employees were asked to return their completed questionnaires in pre-stamped envelopes. The response rate for the questionnaire was relatively high: 87% percent (N=183). Of the 123 employees, 73 percent were male, with an average age of 39 years old. The majority of the participants worked full time, and organizational tenure was 8 years. About 62 percent of the participants held a university degree.

B. Measures

For all constructs a five-point scale was used to measure respondents’ levels of agreement with each statement (1= strongly disagree, 5= strongly agree). This was done to keep the questionnaire simple so that employees with low or high educational levels would be able to respond to the items, and a comparison of the mean scores of the different dimensions would be possible. Two measuring instruments were used in this study, namely the turnover intentions Scale (Mobley et al., 1978), the Job Demands Scale (Rothmann, Strydom & Mostert, 2006) and a demographic questionnaire.

C. Statistical Analysis

Structural Equation Modelling (SEM) is an advance statistical analysis method used to understand and analyze complex relationships between constructs in various disciplines, including social sciences. Furthermore, it has been used to evaluate more complex and
sophisticated multivariate data, while multivariate analysis facilitates statistical investigation that simultaneously analyze multiple variables (Hair et al., 2014). SmartPLS (version 3.0.M3) is suitable software and chosen to analyze and test this research data.

IV. FINDINGS

The results show that there was significant relationship between the job demands and the employees’ turnover intentions. Reliability refers to the “extent to which a variable or set of variables are consistent in what it is intended to measure” (Hair et al., 2014). In other words, reliability refers to the degree the latent variable reflects its true value with free errors. To further investigate the reliability of the proposed constructs, Cronbach’s Alpha and composite reliability measures were analysed and can be extracted from (PLS-SEM). The measurements with Cronbach’s Alpha and composite reliability above 0.70 are considered reliable and acceptable (Hair et al., 2014). Compared to Cronbach’s Alpha, Composite reliability is regarded as a more rigorous assessment of reliability (Hair et al., 2014). The reliability level of the proposed constructs in this paper are documented in Table I. The results show that both Composite Reliability and Cronbach’s Alpha values are above 0.90, consequently, the model realized an acceptable level of reliability.

Table I: Construct Reliability and Validity

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach's Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>AD</td>
<td>0.953</td>
<td>0.959</td>
</tr>
<tr>
<td>QD</td>
<td>0.979</td>
<td>0.994</td>
</tr>
<tr>
<td>TOI</td>
<td>0.974</td>
<td>0.996</td>
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</tbody>
</table>

Similarly, the structural model is an important instrument for assessing the significance level of the path coefficients between the variables. The analysis of the path coefficients was shown in Figure 2. The model presents the relationship between two variables of job demands and the employees’ turnover intentions; the results display a positive significant path coefficient of 0.171 and 0.235 for quantitative demands and attention demands with employees’ turnover over intentions respectively and with an R² value of .097. Moreover, this model shows that only outer weight of item 1 (QD1) of quantitative demand is small .412 but significant, while on the other items of the variables are strong and significant. Also, the assessment of structural model using (PLS-SEM) requires the execution of bootstrapping, hence, the results including the T test are documented in Table II. The T statistics indicated that both the path coefficients of quantitative and attentions demands with turnover intentions are significant of 2.520 and 3.378 respectively.

Table II: Bootstrapping Results

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Independent Variable</th>
<th>Path Coefficient</th>
<th>T statistics</th>
<th>R²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover Intentions (TOI)</td>
<td>Quantitative Demands (QD)</td>
<td>0.171</td>
<td>2.520</td>
<td>0.097</td>
</tr>
<tr>
<td></td>
<td>Attention Demands (AD)</td>
<td>0.235</td>
<td>3.378</td>
<td></td>
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</tbody>
</table>
V. DISCUSSION

Turnover has been a problem for organizations since the 1960s. Since then, several studies have been conducted to shed light on the problem. In this study, it was adapted the Job-Demands-Resources (JD-R) Model to examine the general relationships between particularly two job demands such as quantitative and attention demands and turnover intention. Both $H1$ and $H2$ predicted a positive association between quantitative and attention demands with Turnover intentions. Consistent with theses hypotheses, the three latent variables were positively and significantly associated. The direct effect of the demands on Turnover intentions was highly significant. It was tested the basic assumptions of the model in a sample of Telecommunication Technology workers. In general, the results support the assumptions of the JD-R model.

In line with calls for empirical studies in the fields of HRM and talent management to pay specific attention to high potential employees, this study examines the antecedents of Turnover intentions among the group. Applying the social exchange perspective, we investigated whether the job demands variables results in increased levels of Turnover intentions. The model was tested on a data set comprising 183 high potential employees from 4 Telecommunication companies. Our findings suggest that the greater the extent to which high potential employees experience high job demands, the more they are disengaged from work at their companies and expose high level of turnover intentions. This is in line with the social exchange perspective, according to which inducements such as negative and unbeneficial actions directed at employees by the organization create conditions for employees to reciprocate in negative ways. Based on this notion, we can confirm that when Telecommunication companies induces high level of job demands activities at high potential employees, they tend to return this organizational investment in the form of increased Turnover intentions. This finding is also in line with the positive relationships revealed in a meta-analysis of the association between high job demands and employee attitudes (Shaw et al., 2009).

Our results also indicate that the association between job demands and employee attitudes such as Turnover intentions is more complex than typically assumed. In line with the social exchange perspective, our findings demonstrate that it is through the fulfilment of psychological contract that high potential employees become more disengaged with their Telecommunication in response to high job demands activities. This finding leads to the conclusion that high job demands shape the employees’ interpretations of the terms of their psychological contract, and signal the kinds of attitude such as high turnover intentions that are appropriate to the input of the organization.
VI. CONCLUSIONS

The aim of the study was to analyse the relationship between job demands such as quantitative and attention demands with turnover intentions. The adopted measures of this study have shown remarkable level of reliability as shown in Table I. Two hypotheses were developed; both of them were supported. Based on the findings of the study, the job demands variables such as quantitative demands have a significant relationship with turnover intentions. In addition the proposed second hypothesis of attention demands and turnover intentions is also supported, which means there was a significant relationship between job demands and turnover intentions.

REFERENCES


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