Antecedents of turnover intention: testing a conceptual model in the context of professionals in India

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Abstract

In this study, various antecedents of turnover intention have been studied to assess their effect. In this study (n=301), a conceptual model of turnover intentions was tested using structural equation modeling (SEM), consisting of independent, moderating and mediating variables in the context of professionals in manufacturing and services sector in India. The conceptual model tested composed of independent variables (Job Person Fit, Job Stability, Perceived Organizational Support, Psychological Contract and Satisfaction with Pay and Promotion), mediating variables (Job Satisfaction, Organizational Commitment and Job Embeddedness) and moderating variable (Perceived Availability of Jobs); The dependent variable was (Turnover Intention). Among the variables tested Job Satisfaction was found significant in its effect on turnover intention. Perceived availability of jobs moderated the effect of job related and organization related variables on turnover intention. The results of this research could be used by organizations to suitably modify their HR policies and programs which in turn will help in retaining professionals, high potentials and those possessing critical skills which will reduce their human capital costs, thus providing them with a competitive advantage in the marketplace.

1. Introduction

Across the world, there is extensive scholarly research and organizational interest in employee turnover as it affects areas like human resource management, labour economics, knowledge management and others. The costs associated with recruiting, selecting and training new employees often exceed one hundred percent of the annual salary of the position being filled (Casio, 2006). Turnover affects competitive advantage, customer satisfaction levels, creates critical skill shortages and is associated with tangible and intangible costs and has a negative influence upon organizational effectiveness (Khatri et al., 2001; Lingard, 2003).

Many organizations are increasingly concerned about their ability to retain key employees (e.g. high performers and employees with high demand or difficult to replace skill sets). These concerns may also have broader critical implications for organizational competitiveness in the global landscape and their ability to address social and demographic trends such as millennials or diverse workforce.

Employees constitute the most significant resource for an organization to sustain long-term competitive advantage (Huselid, Jackson, & Schuler, 1997). Organizations that attract, develop and retain top talent will thrive while those that do not will struggle to remain competitive (Holtom et al., 2005). Employee turnover is, thus, a crucial issue for business organizations.

The purpose of this study is to test a conceptual model comprising of job related and organization related variables in the context of professionals in India. In this study two of the major sectors in India comprising of manufacturing and services have been considered. The dependent variable of this study is Turnover Intention, it’s a behaviour which is predictor of actual turnover. Turnover intention is a leading indicator of turnover, while actual turnover is a lagging indicator and thus studying this behaviour could provide insights to organizations which are struggling to retain their human capital and curtail costs.

2. Literature Review

2.1 Turnover and Turnover Intention

Employee turnover has attracted significant research in organizational behavior (Hom and Griffeth 1991; Price, 2001). Employee turnover is defined by Mobley (1982) as the termination process of all material income from the organisation. This definition does not include the transfer of existing staff within the organization. The termination of contract and stoppage of all pay and benefits is
a must to be treated as turnover. Understanding the factors that influence turnover gives organizations the opportunity to reduce selection and training costs, increase employee morale and customer satisfaction and enhance organizational productivity.

Turnover intention is the behavior that precedes turnover. Firth et al., (2004) define it as the thought process of an individual who may be thinking about quitting a job. This idea suggests that intentions are more likely to result in turnover if the right conditions exist or if the adverse conditions that warrant the thought of quitting persist (Ajzen and Fishbein, 1980). It refers to the job-searching behavior of an individual used for finding other job opportunities.

Shore and Martin (1989) found a strong relationship between intention and real turnover. As data about actual voluntary turnover is not often available or, not correctly provided by organizations, the concept frequently used is that of turnover intent. Turnover intent or intent to quit is, thus, used as a proxy in numerous studies that have examined antecedent factors that influence turnover (Allen, 1999; Price, 1977). “The intention to leave” is considered as the best predictor of turnover (Igbaria & Greenhaus, 1992). Researchers have justified the rationale for studying voluntary turnover intentions rather than actual turnover rates. Steel and Ovalle (1984) suggested that turnover intent was more predictive of actual turnover than satisfaction or commitment. They stressed that further research is needed to understand the relationship between turnover intention and other variables.

2.2 Turnover among Professionals

Per the Oxford Dictionary, a professional is a person formally certified by a professional body, belonging to a specific profession by having completed a required course of studies and/or practice and whose competence can usually be measured against an established set of standards. Professionals need to undergo specified standards of education and training that prepare them to become members of a profession. In addition, most professionals are subject to strict codes of conduct enshrining rigorous ethical and moral obligations required and maintained by professional associations.

Professionals enjoy a high social status, regard and esteem conferred upon them by society. All professions equip people with technical, specialized and highly skilled work often referred to as professional expertise. An examination of the antecedents of turnover intentions of professionals employed in well-structured commercial organizations deserves an in-depth study because their voluntary
turnover carries a cost and reduces the sum-total of organizational knowledge, competence and critical relationships.

2.3 The Indian Context

India’s economy has become the world’s fastest-growing economy from 2014 replacing China. India also topped World Bank’s growth outlook for 2015-16 with the rate of GDP growth clocked at 7.6% (World Bank, 2016). India offers several unique features that are very attractive to multinational organizations- a highly skilled and educated workforce, a rapidly growing middle class and an English-speaking populace (Varma, et al., 2005), having world’s youngest population with median age 24 years (Census of India 2011).

Two major sectors of Indian economy are considered in this study- manufacturing sector and the services sector. These sectors have different internal systems, operating environment and business models. Significant variations exist between these two sectors in terms of organization structure, organization culture and human-resource practices.

Manufacturing sector contributes about 15% of India’s GDP and 50% of the country’s exports. In India, the growth rate of services has overtaken both the agriculture and manufacturing sector and contributes to over 50% of the GDP presently. Per the National Association of Software and Services Companies (NASSCOM), India, the major cities that account for service sector’s exports are Bangalore, Hyderabad, Chennai, Noida, Mumbai and Pune.

Turnover rates have been high in several of the key sectors of the Indian economy leading to discussions about which could be the best retention strategies to counter the high labour turnover. Indian organizations are challenged when it comes to hiring and retaining talent as well as talent loss. Currently, a lot of research is being done in Indian universities and management institutions to explore the phenomenon of employee turnover in various contexts. However, there have been quite a few studies on employee turnover in IT and BPO (Budhwar and Sparrow 2002; Gaan, 2011; James and Mathew, 2012), insurance sector (Raina and Roebuck, 2016), retail sector (Rathi and Lee, 2015) amongst others.

3. Research Gaps and Rationale for the Study

Despite the numerous research studies conducted, turnover among professionals remains a challenge for organizations. Most studies in this area have been done in a western context, and their findings may not be wholly relevant in the Indian
context. The studies conducted in India have focused on Nursing, BPO and IT staff, with a few studies done in retail and insurance sector. Not many studies have compared manufacturing and service sectors in terms of turnover intention of professionals in the Indian business environment.

Professionals being highly qualified tend to have a higher-level attachment to their careers than to their organization and therefore switch jobs frequently, requiring in-depth research in behavior’s pertaining to their turnover intention (Raelin, 2000). Further, most studies on turnover have focused on individual-level factors and not extensively on job level and organizational level factors. There is, thus, a need to explore organizational and job-related factors as antecedents of voluntary turnover.

While extensive studies and organizational interest in turnover worldwide continue, still only partial answers are available for questions like, why do employees leave? Do the theories have the same rationale for all groups of employees or there are differences when it comes to managerial and professional employees? Are these variables related to a broad spectrum of industries or macro business environment prevailing in different countries? How precisely can we predict turnover intention or identify potential leavers?

Professionals all over the world are very highly paid, and thus the direct and indirect cost incurred on them when they leave the organization is extremely high. Professionals who include managers and executives shape the organization’s competitive strategy, implement it and are responsible for coordination, integration, motivation and development of the whole organization. They possess all the confidential information. It is difficult to assess their contribution, hence value. That is why the voluntary turnover of key professionals is reported as headlines in business newspapers and magazines.

Keeping these research gaps in mind, this study seeks to explore the antecedents of turnover intention among professionals in manufacturing and service sector in India.

4. Purpose of the Study, Research Hypotheses and Conceptual Model Tested

The purpose of this study was to examine a hypothesized turnover intention model by exploring the relation between independent job related variables (Job Person Fit and Job Stability); organization related variables (Perceived Organization Support, Psychological contract, Pay Satisfaction); The mediating
variables were Job Satisfaction, Organization Commitment and Job Embeddedness. The moderating variable was Perceived availability of alternate jobs and dependent variable was Turnover Intention.

The research questions which guided this study were a) to assess the antecedents of turnover intention, both distal and proximal, among professionals in India b) To assess the mediating effect of Job Satisfaction, Organization Commitment and Job Embeddedness on Turnover Intention and c) To assess the moderating effect of Perceived Availability of Jobs in the relationship between independent and dependent variables.

To examine these research questions, the hypotheses tested were:

H1: Job Person fit (JPF) has a direct and negative relationship with Turnover Intention (TOI)

H2: Job Stability (JST) has a direct and negative relationship with Turnover Intention (TOI)

H3: Perceived Organization Support (POS) has a direct and negative relationship with Turnover Intention (TOI)

H4: Psychological Contract (PCR) has a direct and negative relationship with Turnover Intention (TOI)

H5: Satisfaction with Pay and Promotion (PAY SAT) has a direct and negative relationship with Turnover Intention (TOI)

H6: Job Person Fit (JPF) has a direct and positive relationship with Job Satisfaction (JS)

H7: Job Stability (JST) has a direct and positive relationship with Job Satisfaction (JS)

H8: Perceived Organization Support (POS) has a direct and positive relationship with Job Satisfaction (JS)

H9: Psychological Contract (PCR) has a direct and positive relationship with Job Satisfaction (JS)

H10: Satisfaction with Pay and Promotion (PAY SAT) has a direct and positive relationship with Job Satisfaction (JS)

H11: Job Person Fit (PJF) has a direct and positive relationship with Organization Commitment (OC)
H12: Job Stability (JST) has a direct and positive relationship with Organization Commitment (OC)

H13: Perceived Organization Support (POS) has a direct and positive relationship with Organization Commitment (OC)

H14: Psychological Contract (PCR) has a direct and positive relationship with Organization Commitment (OC)

H15: Satisfaction with Pay and promotion (PAY SAT) has a direct and positive relationship with Organization Commitment (OC)

H16: Job Person Fit (JPF) has a direct and positive relationship with Job Embeddedness (JE)

H17: Job Stability (JST) has a direct and positive relationship with Job Embeddedness (JE)

H18: Perceived Organization Support (POS) has a direct and positive relationship with Job Embeddedness (JE)

H19: Psychological Contract (PCR) has a direct and positive relationship with Job Embeddedness (JE)

H20: Satisfaction with Pay and Promotion (PAY SAT) has a direct and positive relationship with Job Embeddedness (JE)

H21: Job Satisfaction (JS) has a direct and negative relationship with Turnover Intention (TOI)

H22: Organization Commitment (OC) has a direct and negative relationship with Turnover Intention (TOI)

H23: Job Embeddedness (JE) has a direct and negative relationship with Turnover Intention (TOI)

H24: Job Satisfaction (JS) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)

H25: Job Satisfaction (JS) mediates the relationship between Job Stability (JST) and Turnover Intention

H26: Job Satisfaction (JS) mediates the relationship between Perceived Organization Support (POS) and Turnover Intention (TOI)
H27: Job Satisfaction (JS) mediates the relationship between Satisfaction with pay and promotion (Pay Sat) on Turnover intention (TOI)

H28: Organization Commitment (OC) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)

H29: Organization Commitment (OC) mediates the relationship between Job Stability (JST) and Turnover Intention (TOI)

H30: Organization Commitment (OC) mediates the relationship between Perceived Organization Support (POS) and Turnover Intention (TOI)

H31: Organization Commitment (OC) mediates the relationship between Psychological Contract (PCT) and Turnover Intention (TOI)

H32: Organization Commitment (OC) mediates the relationship between Satisfaction with Pay & Promotion (Pay Sat) and Turnover Intention (TOI)

H33: Job Embeddedness (JE) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)

H34: Job Embeddedness (JE) mediates the relationship between Job Stability (JST) and Turnover Intention (TOI)

H35: Job Embeddedness (JE) mediates the relationship between Perceived Organization Support (POS) and Turnover Intention (TOI)

H36: Job Embeddedness (JE) mediates the relationship between Satisfaction with pay and promotion (Pay Sat) on Turnover Intention (TOI)

H37: Job Embeddedness (JE) mediates the relationship between Psychological Contract (PCT) and Turnover Intention (TOI)

H38: Perceived availability of Jobs moderates the relationship between independent and dependent variable Turnover Intention (TOI)

The model tested in this study is adopted and modified from the model proposed by Damien Joseph (2006). Joseph et al., (2007) developed a structural model which is premised on and extends March and Simon’s model, and general heuristic governing relationships between distal and proximal constructs. Distal constructs (variables) are those that exert an ‘indirect effect,’ and proximal constructs are those that exert a more ‘direct effect’ on criterion construct, which is turnover intention.
The conceptual model (Exhibit 1) developed on the basis of the above research objectives was tested.

**Exhibit 1: Conceptual Research Model**

![Diagram of Conceptual Research Model]

### 5. Methods

#### 5.1 Research Instrument

Based on an extensive literature review, research constructs and items were identified. The purpose of the study was to examine the various proximal and distal antecedents that exert an effect on turnover intention among professionals. The Questionnaire was developed using the top loading items from valid instruments. Turnover Intention (TOI) was measured using the instrument of Mitchell et al., (2001), Meyer et al., (1993) and Pare and Tremblay (2000).
Organization Commitment (OC) scale was adapted from Meyer and Allen (1991). Job Satisfaction (JS) questions were from the Minnesota satisfaction questionnaire developed by Weiss et al., (1967). The scale for Job Embeddedness (JE) was derived from Burton, Holtom, Sablynski, Mitchell and Kee (2010). Perceived Organization Support (POS) was adapted from Settoon et al., (1996). Psychological Contract (PCR) was adapted from Milward and Hopkins (1998). For the Job Person Fit (JPF), the instrument developed by Cable and DeRue (2002) and Schneider (1987) was used. Job Stability (JST) scale was adapted from Probst (2002) and Ashford, Lee and Bobko (1989). Perceived Availability of Jobs (PA) was adapted from Steel and Griffith (1989) and Hulin, Roznowsky and Hachiya (1985). Satisfaction with Pay and Promotion was adapted from Heneman and Schwab (1979, 1985).

Pilot testing of the questionnaire was done by administering it to 30 professionals, and these professionals were then interviewed to find out the pitfalls if any of the questionnaires developed. A few items which were not clearly understood by the respondents were modified.

5.2 Research Design

The present research is descriptive in nature. Further, it is conclusive as it focuses on collecting primary data, testing and validating the conceptual research model, presenting findings, making interpretations and giving conclusions. It is based on a quantitative research design with data collected using a questionnaire deploying survey technique. As data was collected only once at a point of time, it is single cross-sectional in nature. The research design followed may be summarized as descriptive, conclusive and single cross sectional.

5.3 Target Population and Sampling Unit

5.3.1 Defining the target population

This study involved exploring the antecedents of turnover intention in large manufacturing and services organizations. These are those organizations with revenue greater than Indian rupees one billion from the top 100 organizations list published by the Confederation of Indian Industry, 2015. The target populations for the study were middle and lower level executives of these organizations.

5.3.2 Determining the sample frame

As per the Confederation of Indian Industries (CII, 2015) database, at the time of this study, there were 56 large manufacturing organizations and 35 large services organizations in India from the top 100 list with revenue greater than Indian
rupees one billion. These served as the sample frame for shortlisting organizations for the study, as it was the most authentic available database.

5.3.3 Selection of sampling technique and sample size

The sampling design best suited for this study was non-probability judgmental or purposive sampling, where target groups were chosen for the purpose. Tables 1 and 2 provide details of the sampling technique and process.

**Table 1: Constituents of Sampling Process**

<table>
<thead>
<tr>
<th>Constituents of the category</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>&gt;1 billion in revenue among top 100 in India</td>
</tr>
<tr>
<td>Unit of Analysis</td>
<td>Six large organizations from top 100 (top 3 from manufacturing and top 3 from services)</td>
</tr>
<tr>
<td>Sampling frame</td>
<td>56 large manufacturing + 35 services</td>
</tr>
<tr>
<td>Sampling Element</td>
<td>Professionals in the above organizations</td>
</tr>
<tr>
<td></td>
<td>Target= Approx. 750</td>
</tr>
</tbody>
</table>

**Table 2: Break-up of Organizations and Targeted Professionals**

<table>
<thead>
<tr>
<th>M1</th>
<th>M2</th>
<th>M3</th>
<th>S-1</th>
<th>S-2</th>
<th>S-3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>30000</td>
<td>25100</td>
<td>15812</td>
<td>313757</td>
<td>94204</td>
<td>6903</td>
<td>485776</td>
</tr>
<tr>
<td>9000</td>
<td>7800</td>
<td>4600</td>
<td>313757</td>
<td>94204</td>
<td>5400</td>
<td>434776</td>
</tr>
<tr>
<td>1800</td>
<td>1200</td>
<td>626</td>
<td>53338</td>
<td>19225</td>
<td>1200</td>
<td>77389</td>
</tr>
<tr>
<td>5200</td>
<td>4600</td>
<td>3703</td>
<td>251005</td>
<td>57675</td>
<td>3400</td>
<td>325583</td>
</tr>
<tr>
<td>10800</td>
<td>5800</td>
<td>4329</td>
<td>304343</td>
<td>76900</td>
<td>4600</td>
<td>406772</td>
</tr>
<tr>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>Approx. 750</td>
</tr>
<tr>
<td>30</td>
<td>50</td>
<td>70</td>
<td>37</td>
<td>68</td>
<td>48</td>
<td>303</td>
</tr>
</tbody>
</table>

Note: M1, M2, M3 are the three organizations in the manufacturing sector. S1, S2, S3 are the three organizations in the service sector.
5.3.4 Questionnaire administration and data collection

Online surveys, email and physical forms were used to administer the questionnaire and get the required responses. A total of 303 responses were received.

6. Analysis

The various distal and proximal antecedents of turnover intention that were part of research objectives, and their interrelationships with turnover intention have been tested using a model given below. AMOS 18.0 was used for model testing.

6.1 Factor Analysis: Scale Unidimensionality

The KMO values of all 10 scales used in the present study were found to be well above the acceptable value of 0.5, indicating that the data was suitable for factor analysis. For the Bartlett’s test of sphericity, the value of p (Sig) was found to be 0.000 (its significance is less than 0.05) for all scales, indicating that one could proceed with factor analysis.

Based on EFA, each of the scales was retained as a one-factor model, except Organization Commitment was not unidimensional, suggesting that the condition for it being unidimensional was to be fulfilled. OC was again reduced, till the condition for it being unidimensional was achieved.

6.2 Scale Reliability and Validity

Scale Reliability: Reliability assessment of study scales returned Cronbach alpha values that are more than the lower acceptable limit of 0.50.

Scale Validity: Two forms of construct validity were assessed.

(i) Convergent validity: Convergent validity shows that the scale represents one dimension. Factor loadings of all scales in the present study were more than 0.5, thus indicating the presence of convergent validity. Also in the present case, as the scales had high internal consistency or reliability, this serves as a satisfactory proof of convergent validity.

(ii) Discriminant validity: A scale exhibits discriminant validity if its constituent items estimate only one construct. Harmans one factor test was conducted to see if all the items loaded on one factor using principal component factor analysis. The results of the factor analysis revealed seven factors were generated accounting for 59.6 % of the total variance. Thus the results
indicate that all items do not load on a single factor, thereby indicating that
discriminant validity exists between the study scales. Another indicator of
discriminant validity is to test for correlation between the constructs. The
results of the Pearson Correlation (Table 3) revealed that the scales had
low to moderate correlation, indicative of discriminant validity.

Table 3: Correlation Values of Variables/Constructs

<table>
<thead>
<tr>
<th>Scale</th>
<th>TOI</th>
<th>OC</th>
<th>JS</th>
<th>JE</th>
<th>PA</th>
<th>PCR</th>
<th>POS</th>
<th>JPF</th>
<th>JST</th>
<th>PAY SAT</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOI</td>
<td>1</td>
<td>.242*</td>
<td>-.071</td>
<td>.194**</td>
<td>.291**</td>
<td>.141*</td>
<td>-.008</td>
<td>.03</td>
<td>.021</td>
<td>.229**</td>
</tr>
<tr>
<td>OC</td>
<td>.242**</td>
<td>1</td>
<td>.580**</td>
<td>.632**</td>
<td>.118*</td>
<td>.553**</td>
<td>.698**</td>
<td>.384**</td>
<td>.538**</td>
<td>.846**</td>
</tr>
<tr>
<td>JS</td>
<td>-.071</td>
<td>.580**</td>
<td>1</td>
<td>.448**</td>
<td>.095</td>
<td>.572**</td>
<td>.637**</td>
<td>.385**</td>
<td>.577**</td>
<td>.488**</td>
</tr>
<tr>
<td>JE</td>
<td>.194**</td>
<td>.632**</td>
<td>.448**</td>
<td>1</td>
<td>.141*</td>
<td>.432**</td>
<td>.465**</td>
<td>.361**</td>
<td>.440**</td>
<td>.759**</td>
</tr>
<tr>
<td>PA</td>
<td>.291**</td>
<td>.118*</td>
<td>.095</td>
<td>.141*</td>
<td>1</td>
<td>.115*</td>
<td>.046</td>
<td>.049</td>
<td>.076</td>
<td>.071</td>
</tr>
<tr>
<td>PCR</td>
<td>.141*</td>
<td>.553**</td>
<td>.572**</td>
<td>.432**</td>
<td>.115*</td>
<td>1</td>
<td>.634**</td>
<td>.371**</td>
<td>.571**</td>
<td>.496**</td>
</tr>
<tr>
<td>POS</td>
<td>-.008</td>
<td>.698**</td>
<td>.637**</td>
<td>.465**</td>
<td>.046</td>
<td>.634**</td>
<td>1</td>
<td>.354**</td>
<td>.599**</td>
<td>.611**</td>
</tr>
<tr>
<td>JPF</td>
<td>.03</td>
<td>.384**</td>
<td>.385**</td>
<td>.361**</td>
<td>.049</td>
<td>.371**</td>
<td>.354**</td>
<td>1</td>
<td>.316**</td>
<td>.383**</td>
</tr>
<tr>
<td>JST</td>
<td>.021</td>
<td>.538**</td>
<td>.577**</td>
<td>.440**</td>
<td>.076</td>
<td>.571**</td>
<td>.590**</td>
<td>.316**</td>
<td>1</td>
<td>.513**</td>
</tr>
<tr>
<td>PAY SAT</td>
<td>.229**</td>
<td>.846**</td>
<td>.488**</td>
<td>.759**</td>
<td>.071</td>
<td>.496**</td>
<td>.611**</td>
<td>.383**</td>
<td>.513**</td>
<td>1</td>
</tr>
</tbody>
</table>

**Correlation is significant at 0.01 levels  
*Correlation is significant at 0.05 levels

The conceptual model was tested in four phases. The objective was to
investigate whether distal factors (Organization-related factors- Perceived
Organization Support, Satisfaction with Pay and Promotion, Psychological
Contract and Job-related factors- Job Person Fit and Job Stability) or proximal
factors (Job Satisfaction, Organization Commitment and Job Embeddedness) are
significant predictors of turnover intention among professionals. Thus, basically
four conceptual models were tested in this study.

a. Direct Effect Model (M1)

In the direct effect model (M1), it was examined whether there is a direct
relationship between independent variables viz. Job Person Fit, Job Stability,
Perceived Organization Support, Psychological Contract, and Satisfaction with
Pay and Promotion and the dependent variable viz. Turnover Intention. On the
basis of standardized path coefficients, hypotheses of the direct effect model (M1)
were tested. The hypotheses for direct effect model (M1) is shown in Exhibit 2
and the results are given in Table 4.
b. Full Mediation Model (M2)

In the fully mediated model (M2), first the relationship between independent variables and mediators namely, Job Satisfaction, Organization Commitment and
Job Embeddedness was tested. Thereafter, the relationship between mediators and dependent variables, namely, Turnover Intention was tested. The hypotheses for direct effect model (M2) is shown in Exhibit 3 and the results are given in Table 5

**Exhibit 3: Fully Mediated Model (M2)**
Table 5: Summary Hypotheses and Results from Model (M2)

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypotheses Tested</th>
<th>β value</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H6</td>
<td>Job Person Fit (PJF) has a direct and positive relationship with Job Satisfaction (JS)</td>
<td>0.08</td>
<td>Accepted</td>
</tr>
<tr>
<td>H7</td>
<td>Job Stability (JST) has a direct and positive relationship with Job Satisfaction (JS)</td>
<td>0.27</td>
<td>Accepted</td>
</tr>
<tr>
<td>H8</td>
<td>Perceived Organization Support (POS) has a direct and positive relationship with Job Satisfaction (JS)</td>
<td>0.17</td>
<td>Accepted</td>
</tr>
<tr>
<td>H9</td>
<td>Psychological Contract (PCR) has a direct and positive relationship with Job Satisfaction (JS)</td>
<td>0.20</td>
<td>Accepted</td>
</tr>
<tr>
<td>H10</td>
<td>Satisfaction with Pay and Promotion (PAY SAT) has a direct and positive relationship with Job Satisfaction (JS)</td>
<td>0.02</td>
<td>Accepted</td>
</tr>
<tr>
<td>H11</td>
<td>Job Person Fit (PJF) has a direct and positive relationship with Organization Commitment (OC)</td>
<td>0.04</td>
<td>Accepted</td>
</tr>
<tr>
<td>H12</td>
<td>Job Stability (JST) has a direct and positive relationship with Organization Commitment (OC)</td>
<td>0.06</td>
<td>Accepted</td>
</tr>
<tr>
<td>H13</td>
<td>Perceived Organization Support (POS) has a direct and positive relationship with Organization Commitment (OC)</td>
<td>0.65</td>
<td>Accepted</td>
</tr>
<tr>
<td>H14</td>
<td>Psychological Contract (PCR) has a direct and positive relationship with Organization Commitment (OC)</td>
<td>0.17</td>
<td>Accepted</td>
</tr>
<tr>
<td>H15</td>
<td>Satisfaction with Pay and Promotion (PAY SAT) has a direct and positive relationship with Organization Commitment (OC)</td>
<td>0.46</td>
<td>Accepted</td>
</tr>
<tr>
<td>H16</td>
<td>Job Person Fit (PJF) has a direct and positive relationship with Job Embeddedness (JE)</td>
<td>0.05</td>
<td>Accepted</td>
</tr>
<tr>
<td>H17</td>
<td>Job Stability (JST) has a direct and positive relationship with Job Embeddedness (JE)</td>
<td>0.08</td>
<td>Accepted</td>
</tr>
<tr>
<td>H18</td>
<td>Perceived Organization Support (POS) has a direct and positive relationship with Job Embeddedness (JE)</td>
<td>-0.08</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H19</td>
<td>Psychological Contract (PCR) has a direct and positive relationship with Job Embeddedness (JE)</td>
<td>0.17</td>
<td>Accepted</td>
</tr>
<tr>
<td>H20</td>
<td>Satisfaction with Pay and Promotion (PAY SAT) has a direct and positive relationship with Job Embeddedness (JE)</td>
<td>0.32</td>
<td>Accepted</td>
</tr>
<tr>
<td>H21</td>
<td>Job Satisfaction (JS) has a direct and negative relationship with Turnover Intention (TOI)</td>
<td>-0.50</td>
<td>Accepted</td>
</tr>
<tr>
<td>H22</td>
<td>Organization Commitment (OC) has a direct and negative relationship with Turnover Intention (TOI)</td>
<td>0.21</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H23</td>
<td>Job Embeddedness (JE) has a direct and negative relationship with Turnover Intention (TOI)</td>
<td>0.15</td>
<td>Not Accepted</td>
</tr>
</tbody>
</table>

c. Partial Mediation Model (M3)

In the partially mediated model (M3), both the direct and indirect relationships between independent variables (Job Person Fit, Job Stability, Perceived...
Organization Support, Psychological Contract and Satisfaction with Pay and Promotion and mediating variables (Job Satisfaction, Organization Commitment and Job Embeddedness) and Dependent Variables (Turnover Intention) were tested simultaneously. The hypotheses for direct effect model (M3) is shown in Exhibit 4 and the results are given in Table 6.

Exhibit 4: Partially Mediated Model (M3)
d. Moderation Analysis: The Moderating effect of perceived availability of jobs was tested. It was assumed that the perceived availability of jobs moderates the relationship between the independent and dependent variables. After testing for mediation, the model was again tested by including the moderator model (M4). The moderation model (M4) and hypothesis testing results are explained through Exhibit 5 and Table 7. The fit indices improved indicating the role of the moderator in the relationship.

### Table 6: Summary Hypotheses and Results from Model (M3)

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypotheses Tested</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H24</td>
<td>Job Satisfaction (JS) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H25</td>
<td>Job Satisfaction (JS) mediates the relationship between Job Stability (JST) and Turnover Intention</td>
<td>Accepted</td>
</tr>
<tr>
<td>H26</td>
<td>Job Satisfaction (JS) mediates the relationship between Perceived Organization Support (POS) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H27</td>
<td>Job Satisfaction (JS) mediates the relationship between Satisfaction with pay and promotion (Pay Sat) on Turnover intention (TOI)</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H28</td>
<td>Organization Commitment (OC) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H29</td>
<td>Organization Commitment (OC) mediates the relationship between Job Stability (JST) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H30</td>
<td>Organization Commitment (OC) mediates the relationship between Person Organization Support (POS) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H31</td>
<td>Organization Commitment (OC) mediates the relationship between Psychological Contract (PCT) and Turnover Intention (TOI)</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H32</td>
<td>Organization Commitment (OC) mediates the relationship between Satisfaction with Pay &amp; Promotion (Pay Sat) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H33</td>
<td>Job Embeddedness (JE) mediates the relationship between Job Person Fit (JPF) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H34</td>
<td>Job Embeddedness (JE) mediates the relationship between Job Stability (JST) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
<tr>
<td>H35</td>
<td>Job Embeddedness (JE) mediates the relationship between Person Organization Support (POS) and Turnover Intention (TOI)</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H36</td>
<td>Job Embeddedness (JE) mediates the relationship satisfaction with pay and promotion (Pay Sat) on Turnover Intention (TOI)</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H37</td>
<td>Job Embeddedness (JE) mediates the relationship between Psychological Contract (PCT) and Turnover Intention (TOI)</td>
<td>Accepted</td>
</tr>
</tbody>
</table>
7. Findings and Discussion

To assess the effect of the various antecedents of turnover intention, a single hypothesized model was tested, containing independent, dependent, moderating and mediating variables. The independent variables were Job Person Fit, Job Stability, Perceived Organization Support, Psychological Contract, and Satisfaction.
with Pay and Promotion. Mediating variables were Job Satisfaction, Organization Commitment and Job Embeddedness. Moderating variable was Perceived Availability of Jobs, and the dependent variable was Turnover Intention.

To test for the role of the mediating variables, three alternate models viz. direct effect model (M1), fully mediated model (M2) and partially mediated models (M3) were estimated as suggested by Baron and Kenny (1986). The first two models serve as a precondition for testing mediation, while the third model tests the role of the mediator. This approach has been followed by other researchers in HR too (e.g. Knight et al., 1999; Bontis et al., 2007; Mustapha et al., 2010). The path coefficients generated through structural modelling were used to assess the magnitude and direction of relationships and test the study hypotheses. The comparative fit indices of the four models are in Table 8.

Table 8: The Comparative Fit Indices of all four Models

<table>
<thead>
<tr>
<th>Fit Indicators</th>
<th>Direct effect Model M1</th>
<th>Full mediation Model M2</th>
<th>Partial mediation Model M3</th>
<th>Moderation Model M4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goodness of fit Index (GFI)</td>
<td>0.867</td>
<td>0.639</td>
<td>0.901</td>
<td>0.904</td>
</tr>
<tr>
<td>Adj GFI (AGFI)</td>
<td>0.720</td>
<td>0.097</td>
<td>0.633</td>
<td>0.760</td>
</tr>
<tr>
<td>Normed Fit Index (NFI)</td>
<td>0.263</td>
<td>0.625</td>
<td>0.536</td>
<td>0.534</td>
</tr>
<tr>
<td>Comparative Fit Index (CFI)</td>
<td>0.256</td>
<td>0.628</td>
<td>0.525</td>
<td>0.537</td>
</tr>
<tr>
<td>(RMSEA)</td>
<td>0.192</td>
<td>0.321</td>
<td>0.168</td>
<td>0.136</td>
</tr>
<tr>
<td>Chi Square / Degrees of Freedom</td>
<td>120.01</td>
<td>575.7</td>
<td>9.5</td>
<td>143.77</td>
</tr>
<tr>
<td>P value</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>Df</td>
<td>10</td>
<td>18</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td>AIC</td>
<td>193.79</td>
<td>629.7</td>
<td>195.015</td>
<td>209.7</td>
</tr>
<tr>
<td>CAIC</td>
<td>182.78</td>
<td>756.871</td>
<td>340.935</td>
<td>365.112</td>
</tr>
</tbody>
</table>

In the current study, structural models converge for all the three models (i.e., direct effect model, fully mediated model and partially mediated model). Mixed support is found in the hypothesized relationships between constructs. As recommended by Hair et al., (2010), the fit indices obtained from the three models were used to compare the three models. When using GFI, AGFI, or CFI, higher values signify better fit of the model. For the indices, AIC and CAIC, lower values are recommended (Hair et al., 2010; Malhotra and Dash, 2011). Overall, the fit indices indicated that all three models fit the data. However, based on fit index values, it can be inferred that the partially mediated model (M3) is the best-fitting model (Exhibit 6).
The results of model testing are as follows:

**Turnover Intention and Proximal Factors**

i. **Job Satisfaction (JS) and Turnover Intention (TOI)**

In this research, we found that Job Satisfaction had a significant negative effect on turnover intention ($\beta = -0.50$) corroborating all earlier research in this area. (Boswell, Boudreau & Tichy, 2005; Hom & Griffeth, 1995; Lee, Mitchell, Holtom & McDaniel, 1999; Lee, Mitchell, Wise & Fireman, 1996; Mobley, 1982; Steel, 2002; Steers & Mowday, 1981).
ii. **Organization Commitment (OC) and Turnover Intention (TOI)**

Organization Commitment (OC) showed positive impact on Turnover Intention ($\beta = 0.20$) among professionals.

iii. **Job Embeddedness (JE) and Turnover Intention (TOI)**

The effect of Job Embeddedness on Turnover Intention was direct but slightly weak. ($\beta = 0.11$).

iv. **Perceived availability of Jobs (PA) and Turnover Intention (TOI)**

In this research perceived, availability of alternate jobs was considered as a moderating variable and the results of this research show the effect of perceived availability of Jobs on turnover intention is quite high ($\beta = 0.43$). Also, it is moderating the effect of independent variables on the dependent variable, indicating that in the Indian context, perceived availability of alternate job’s affects intention to turnover significantly. One reason may be that Indian economy is one of the fastest-growing economies of the world and getting integrated with the global economy, which is opening profitable avenues for alternative employment for professionals.

Turnover Intention and Distal/Independent Factors

The Independent variables that were researched among the antecedents of turnover intention were Job Person Fit, Job Stability, Perceived Organization Support, Psychological contract and Satisfaction with pay and promotion.

i. **Job Person Fit (JPF)**

The result of the model testing indicated that Job Person Fit had a negative relationship with Turnover Intention ($\beta = -0.04$) and was positively related to Job Satisfaction ($\beta = 0.08$), Organization Commitment ($\beta = 0.04$) and Job Embeddedness ($\beta = 0.05$). This is consistent with earlier research findings in this area. Wheeler (2007) examined the relationship between job person fit, job satisfaction, perceived job mobility, and intent to turnover. They found that decrease in the job-person fit leads to decrease in job satisfaction, which is more likely to result in an increase in intent to turnover if the individual also perceives alternative job opportunities.

ii. **Job Stability (JST) and Turnover Intention (TOI)**

The research model results showed that the relationship of Job Stability
with Turnover Intention was negative ($\beta = -0.10$), and relationship of Job Stability with Job Satisfaction was positive ($\beta = 0.27$). The relationship of Job Stability with Organization Commitment (OC) was positive ($\beta = 0.06$) and the relationship of Job Stability with Job Embeddedness was also positive ($\beta = 0.08$). These results are in consonance with earlier research.

Many changes have taken place in recent decades concerning firms’ labor market practices, such as greater use of temporary jobs, outsourcing of tasks, and division of some tasks into temporary projects (Levine, et.al., 2002). All these mechanisms may have increased the instability of jobs.

iii. Perceived Organization Support (POS) and Turnover Intention (TOI)

The results of model testing show that Perceived Organizational Support had a negative relationship with Turnover Intention ($\beta = -0.46$) and Perceived Organization Support had a direct and positive relationship with Job Satisfaction ($\beta = 0.17$); Organization Commitment ($\beta = 0.65$) and a negative relationship with Job Embeddedness ($\beta = -0.08$).

As per earlier research (Von Knippenberg, 2006) employees, especially in a growing economy, have more options, and therefore, discretion over whether they stay with the organization, it seems likely that if employees feel the organization has acted positively towards them; they are likely to be committed and remain with the organization. Conversely, if the organization has not acted positively towards an employee, the employee is less likely to remain with the organization (Chiu et al., 2005; Maertz et al., 2007). This is relevant, because the professional’s job is a risky one, and they need organizational support to take risky decisions. This study validates that there exists a powerful relationship between Perceived Organization Support and Organization Commitment, which in turn decreases the Turnover Intention.

iv. Psychological contract (PCR) and Turnover Intention (TOI)

Psychological Contract was found to have a direct and positive relationship with Turnover Intention ($\beta = 0.42$). PCR was positively related to Job Satisfaction ($\beta = 0.20$) and positively related to Organization Commitment ($\beta = 0.17$) and Job Embeddedness ($\beta = 0.17$). This research corroborates the earlier findings on the impact of Psychological Contract on Job Satisfaction, Organization Commitment, Job Embeddedness (Coyle-Shapiro and Kessler, 2002).
v. Satisfaction with Pay and Promotion (PAYSAT) and Turnover Intention (TOI)

The results of this research indicate that satisfaction with pay and promotion had a positive relationship with Turnover Intention ($\beta = 0.02$), Job Satisfaction ($\beta = 0.02$), Organization Commitment ($\beta = 0.46$), Job Embeddedness ($\beta = 0.32$). Thus, it can be said that satisfaction with pay, and promotion has a stronger relationship with Organization Commitment and Job Embeddedness compared to Job Satisfaction. Furthermore, satisfaction with pay and promotion did not affect Turnover Intention significantly.

Pare and Tremblay (2000) posit that equity - distributive as well as procedural justice with regard to both pay and promotion is a significant factor among the antecedents of turnover intentions. Joseph et al., (2007) found that among the perceived organizational factors, pay and advancement can affect their decision to stay with or leave the firm (Mitchell et al., 2001). Meta-analysis (Hom & Griffith 1995; Cotton and Tuttle, 1986) have shown that pay satisfaction to turnover intention ranged from $\beta = -0.04$ to $\beta = -0.12$.

8. Managerial Implications and Contributions of the Study

This study on the antecedents of turnover intention among professionals in manufacturing and services sector in India is expected to help organizations with suitable strategies for retaining their human capital. Not many extensive studies have been done in the context of professionals in India, comparing manufacturing and services sector. Thus, the findings from this study are expected to be useful, for management practitioners, as well as academicians. Following are the managerial implications of this study:

1. From a theoretical point of view, the study tests a conceptual model, comprising of organization related and job-related factors as well as mediating and moderating variables, thus providing a framework for researchers to explore factors that are significant in Indian organizations.

2. The study contributes by developing a reliable and valid scale to map the antecedents of turnover intention in the context of professionals in India.

3. Among the various proximal antecedents that were tested, Job Satisfaction was significant in its negative effect on turnover intention ($\beta = -0.51$). Thus, organizations in India could benefit immensely in their retention policies by practices that enhance job satisfaction of professionals in organizations.
This could be done by creating favorable environments and providing meaningful jobs to its professionals.

4. Perceived availability of jobs had a significant effect on turnover intention. In response to the reality of professionals seeking career growth outside their organizations, organizations need to offer concrete retention measures to their executives, like accelerated career development opportunities, job rotation, job empowerment within the organization.

5. Among the independent variables, perceived organization support and job stability had a significant effect on turnover intentions. These findings indicate the importance that these variables have in terms of the turnover intention of professionals in Indian context.

6. The results of this study could be further used for predictive analytics by organizations wanting to curtail attrition of professionals with high potential and professionals with critical skills for gaining competitive advantage in the market.

9. **Limitations of the Study**

Although efforts were made to ensure that the analysis and conclusions drawn in this research were theoretically and empirically sound, certain limitations could have impacted the study. First, since the study was based on a specific sample size, it might have suffered from small sample size related problems. The results may have been more generalizable had a bigger sample been taken. Second, The number of organizations covered were limited because of the constraints of time, resources and organizational approvals required. Third, the research design in this study is cross sectional, hence not possible to infer a causal relationship over a period of time (Mathieu and Taylor, 2008). The use of turnover intention rather than actual turnover could have diluted the study results. Fourth, the responses from professionals could be biased. Likert scales may be subject to distortion due to respondents trying to give favorable responses. Five, Respondents may not have expressed their true feelings while responding to the questionnaire, as they may not be open enough to express their dissatisfaction if any, with the current job. Six, The present study has not considered several other factors, which may be significant in turnover intention research like performance on the job is one such factor in turnover, particularly under Indian conditions. As brought out in the literature survey, both under performers and super performers are more prone to turnover. The outcome variable in this research was a behavioral intention...
rather than actual turnover behavior. Behavioral intentions are generally good predictors of future behavior (Fishbein and Ajzen, 1975) and turnover intention is one of the strongest predictors of actual turnover (Griffeth, et. al, 2000). Turnover behavior is highly complex. Research results are to be viewed in the above light of limitations.

10. Directions for Future Research

This study could be further supplemented by qualitative or descriptive studies. The findings of this research could also be studied further in conjunction with other organizational data, such as organizational performance, customer feedback and competitive strategy. Further research could be carried out using a longitudinal design; i.e., seeking responses from the same set of respondents over two different time intervals, say a gap of one year. Such a study may be helpful in validating the findings of the study, or finding new factors studied. Research on employee turnover has been prolific, yet there are no firm conclusions about the turnover process. With more and better research, employee turnover may become better understood, making the research more valuable. Future guidelines can contribute to the further understanding the phenomena and overcoming limitations highlighted.

References


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