

# WHAT PLAY SIGNIFICANT ROLE IN INCREASING TURNOVER INTENTION: JOB HOPPING OR PERCEIVED ORGANIZATIONAL POLITICS?

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**ABSTRACT:** Reducing employee turnover intention is a major concern of all organizations. A long list of researches is present where “turnover intention” was the main focus. Purpose of this paper is to find out the degree of impact of “job hopping” and “perceived organizational politics” on “turnover intention”. In the current study, “Job hopping” and “Perceived organizational politics” are independent variables while “Turnover intention” is a dependent variable. Two hypotheses are constructed to test relationship between these variables. 12 item structured questionnaire having closed ended questions was used for data collection. For current research, 125 employees of banking sector of Lahore (Pakistan) are chosen randomly. Responses were measured on five point Likert scale. Data was analyzed by using 21 version of “Statistical Package for the Social Sciences (SPSS). Results showed that perceived organizational politics is a main cause of employee turnover intention as compared to job hopping.

**Keywords:** Job hopping perceived organizational politics, turnover intention, Banking sector, Lahore (Pakistan)

## 1. INTRODUCTION:

Turnover intention is the probability that an employee will leave job during a certain time period [1]. It is a serious problem in human resource management. Increasing turnover by employees is resulting in a sleepless nights of human resource managers [2]. It is stated that employees’ retention help organizations in providing quality services to their customers and in becoming competent [3]. An author discussed that for the success of every company two basic things are satisfaction and retention of employees [4]. Turnover intention of employees creates many problems for organizations such as losing employees, bearing cost of providing training and orientation of new employees and having interruptions in organizational work. As a result it is believed that turnover intentions have a negative impact on company’s efficiency and productivity [5]. It is discussed that employees who leave organization not only appear costly for organization but also make current employees unhappy at their job [6]. Indirect cost which organization have to face due to turnover is low productivity of new worker, managers have to spend extra time in supporting new employees and as existing employees have to mentor new ones their productivity also decreases [7]. It is discussed that due to turnover organizations find it difficult to achieve their objectives. It is so as time is devoted in searching new employees and then these new workers also take time in becoming able to show maximum performance [8]. Study conducted on a cloth company showed that between 2005 and 2009 total turnover was 39.2% and 40.8% respectively [9]. One study has shown that average annual turnover rate in Malaysia was 12.3% in 2012 which increased to 13.2 % in 2013. This shows that employee turnover will be a problem for employers in coming years [10]. Due to the fact that loss of capable employees has a negative influence on competitive advantages of company, employee turnover has always remained an important research topic in organizational analysis [11]. There are many researches which have studied antecedent/causes/factors of employee turnover intention e.g. [12, 13, 14, 15]. These and many other researchers have studied influence of various factors on turnover intention like organizational commitment, leadership, perceived

organizational support, pay level, advancement opportunities, work environment, job satisfaction etc. In this study impact of two variables will be tested. These two variables are perceived organizational politics and job hopping. Relation of turnover intention with perceived organizational politics [16, 17] and with job hopping [18, 19] is studied in previous researches. Before this research no study have included these antecedents collectively neither in Pakistan nor abroad.

### Objective of study:

Purpose of this study is to find out the degree of impact of “job hopping” and “perceived organizational politics” on “turnover intention”.

## 2. LITERATURE REVIEW:

### Job hopping (JH):

Job hopping is defined as “...the periodic itch to move from a job in one place to some other job in some other place” [20]. KHATRI et al. define job hopping in two parts. Firstly it is employee movement from one job to another just for fun. Secondly employees do so as a part of turnover culture [21]. Defining job hopper, an author stated that he/she is someone who did not stay in one organization for a longtime whereas shifts from one company to another after every short period [22]. It is the habit of few employees, which is most of the time without any logical reason i.e. it has no link with whether they have a good job opportunity available or not. It is detected by the number of times an employee leave job in their whole working period [20]. It is stated that some employees often leave their job just because the one who does not change job within short time will be considered uncaring by peers. It happens so as all employees perceive job hopping as a suitable social work behavior [23]. One research showed that it is not the money but the availability of many choices in job market which is the reason behind job hopping by employees who are well educated and work in organizations with good environment [24]. Earlier it was a trend that people use to work under one boss/organization during their whole career. But now in last ten decades it can be observed that changing at least few jobs is a common practice by people during their career. There is demand of job hoppers by some organizations whereas some use to avoid them. Not only dissatisfied but satisfied employees can also

have a desire to switch job. Job hoppers are not loyal to anyone. Moreover as hiring a new employee is a costly process no one will be willing to hire an employee who is in a habit of switching jobs. Job hoppers are the first one who become victim of employees laying off process within organization. Such people fails to develop good relationships with others in professional field [22]. An author stated that job hopping is a significant reason behind turnover intention. It was also concluded that job hopping lead to lower employee engagement. Moreover relation between job hopping and turnover intention can become weak in presence of employee engagement [19]. Another researcher conducted research in Singaporean companies and concluded that job hopping and turnover intention are positively related to each other in “retail and food” and “beverage” industry. No relation between these two variables exists in marine and shipping industry [21].Cave et al. conducted study to find out difference in factors which lead to turnover intention in general and repatriated employees. Regarding relation between attitude of job hopping and turnover intention it is concluded that there exists positive relation between job hopping and turnover intention for general employees i.e. job hopping cause turnover intention for general employees but this is not the case for repatriates [18].

#### **Perceived organizational politics (POPs):**

Perceived organizational politics (POPs) is defined as “actions that (a) are inconsistent with accepted organizational norms, (b) are designed to promote self-interest, and (c) are taken without regard for, and even at the expense of organizational goals” [25]. Mintzberg define politics as “individual or group behavior that is informal, ostensibly parochial, typically divisive, and above all, in the technical sense, illegitimate – sanctioned neither by formal authority, accepted ideology, nor certified expertise” [26]. Drory and Romm defined seven factors of politics, namely; power attainment, concealed motive, conflict, acting against organization, formal, informal and illegal behavior [27]. Gull & Zaidi defined three dimensions of politics. These are:

- “General political behavior”- It refers to one’s self-seeking conduct in order to get desired results.
- “Go along to get ahead” - It is a strategy in which individuals behave tactfully .They remain silent and passively work for their own advantage.
- “Pay and promotion policies” - It refers to involvement of politics by individuals while making decision regarding implementation of policies [28].

Gandz and Murray observed that behaviors, attitudes and anxiety of employees are influenced by their political perceptions [29]. Cropanzano et al. stated that politics results in various stress related aspects like fatigue, somatic and job tension [30]. Authur found that interpersonal conflict lead to POPs. Moreover POPs has a positive relation with intention to quit [31]. While studying relation of “Perceptions of performance appraisal politics” with “job satisfaction” and “turnover intention” [32] concluded - when employee perceive that performance rating involves biasness and desire of punishing employee they get dissatisfied and this result in intention to quit. While when employee observe that rating is for rewarding employees and promoting good workplace

environment then rating have no influence on job satisfaction and turnover.

#### **Turnover intention (TI):**

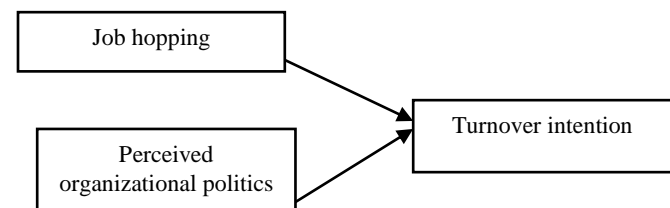
Employees’ thought of saying goodbye to an organization is known as turnover intention [33]. Turnover is defined as “individual movement across the membership boundary of an organization” [34]. Employee turnover is a common problem of all organizations. Turnover intention is positively related to actual turnover and thus predict actual turnover [35]. It is important to give attention toward turnover intention as steps can be taken at this point to avoid actual turnover [36]. Ngo stated that turnover can be voluntary or involuntary. In either of the both forms it is a permanent departure from the organization [37]. Ferguson and Ferguson explained voluntary and involuntary turnover. When an employee leave organization on his/her personal choice it is known as voluntary turnover. While involuntary turnover is one in which worker don’t wish to leave organization but can’t escape this act. It may be due to death or retirement [38]. Harvey concluded that many studies have proved that turnover intention is related to voluntary turnover [39].Haq concluded that one antecedent of intention to quit is interpersonal conflict [31]. Roberto speak out that salary strategies and job enrichment strategies results in job satisfaction and so negatively affect turnover intentions [40]. It is stated that causes of turnover intention vary from country to country but three factors which have a significant influence on turnover intention irrespective of country are job satisfaction, organizational commitment and job security [41].Nowadays because of increase work demands from supervisors there is severe competition among employees and as a result they want to beat each other. This desire results in higher stress, greater work-family conflict, higher exhaustion and intent to quit the organization [42].Turnover appears costly as organizations have to hire new employees to recover number of those who have left and thus face recruitment costs, training costs and separation costs. Other problems which arise as a result of turnover are low productivity, demoralization of employees working in an organization, reduction in number of customers, extra burden on existing workers and lower quality [43]. It is difficult to determine cost of turnover when a knowledgeable and skilled employee (who shows good performance) left organization [31].

#### **3. HYPOTHESIS:**

**H<sub>1</sub>:** Job hopping is positively associated with turnover intention.

**H<sub>2</sub>:** Perceived organizational politics is positively associated with turnover intention.

#### **4. RESEARCH MODEL:**



**Table 1: Demographics**

Variable	Category	Frequency	%age
Gender	Male	60	65.9
	Female	31	34.1
	Total	91	100.0
Age in years	21-30	52	57.1
	31-40	23	25.3
	41-50	11	12.1
	51-60	5	5.5
	Total	91	100.0
Managerial level	Above OG1	18	19.8
	OG1	23	25.3
	OG2	24	26.4
	OG3	26	28.6
	Total	91	100.0
Qualification	Intermediate	4	4.4
	Graduation	34	37.4
	Master	49	53.8
	MPhil	3	3.3
	Others	1	1.1
	Total	91	100.0
Work experience	Less than 1 year	13	14.3
	1-5 years	34	37.4
	6-10 years	23	25.3
	Above ten years	21	23.1
	Total	91	100.0
Type of Bank	Public	3	3.3
	Private	88	96.7
	Total	91	100.0
Working hours	4-8	18	19.8
	9-12	68	74.7
	13-16	5	5.5
	Total	91	100.0

**5. METHODOLOGY**

**Sampling:**

Banking sector of Pakistan was chosen for this research. Population of the study was two banks in Lahore i.e. “Habib Bank Limited” and “Askari Bank”. Study of whole population was not possible due to shortage of time so branches of these banks were taken as sample. Simple Random Sampling Technique was used to choose branches of these two banks. Questionnaires were distributed to 100% employees of selected branches. Employees were having managerial level from OG3 to Above OG1.

**Data collection:**

12 item structured questionnaire having closed ended questions was used for data collection. Three items of turnover intention ( $\alpha = .87$ ), three items of job hopping ( $\alpha = .70$ ) [21] and six items of perceived organizational politics ( $\alpha = 0.74$ ) [44] were used. 125 questionnaires were distributed among researchers belonging to 18 branches (9 branches of HBL and 9 branches of Askari bank). Researcher visited each bank for questionnaire distribution. Response rate was 73%. Responses were measured on five point Likert scale.

**Data analysis technique:**

Data was analyzed by using 21 version of “Statistical Package for the Social Sciences (SPSS). Cronbach’s alpha was used to measure reliability. Descriptive statistics (percentages, frequencies, means, standard deviations,

variances), correlation and regression analysis helped in analyzing the data.

**6. RESULTS:**

**Reliability:**

Cronbach’s alpha was used to measure reliability. It appeared as 73%.

**Demographics:**

Table 1 depicts that majority of respondents were male (65.9%), having age between 21-30 (57.1%), belongs to OG3 level (28.6%), holds master degree (53.8%) , having experience of 1-5 years (37.4%) , working in private banks (96.7%) and worked for 9-12 hours (74.7%).

**Correlation analysis:**

Table 2 depicts correlations between independent and dependent variables. Correlation analysis is used to find out relationship between variables. Both independent variables i.e. JH and POPs are positively and significantly correlated to TI at  $p < 0.01$ . Relation of POPs is stronger [ $r = 0.578, N = 91$ ] with TI while relation of JH is of moderate level [ $r = 0.397, N = 91$ ].Both hypotheses are accepted.

**Table 2: Correlation analysis**

Variables	TI	JH	POP
TI	1		
JH	.397**	1	
POP	.578**	.515**	1

\*\*Correlation is significant at the 0.01 level (2-tailed).

**Regression analysis:**

Values in Table 3 are interpreted as follow:

$R^2$  explains percentage of variation which arises in dependent variable due to both independent variables [45]. Here 34.8% change in TI is explained by POPs and JH. B-coefficient shows that 15.5% variation in TI is explained by JH while 69.4% variation in TI is due to POPs. The model is significant as  $p = 0.000 < 0.05$ . F value shows that how significantly independent and dependent variables are correlated. The higher its value the more will be significance [45].  $F = 23.450$  depicts that JH and POP are significantly correlated with TI. From above analysis it is concluded  $H_2$  is accepted ( $B = 0.694, t = 5.061, p < 0.05$ ) whereas  $H_1$  is rejected ( $B=0.155, t=1.346, p > 0.05$ ).

**Table 3: Regression analysis**

	Beta	Std. Error	t-value	p-value
Constant	0.658	0.367	1.796	0.076
JH	0.155	0.115	1.346	0.182
POPs	0.694	0.137	5.061	0.000
$R^2$	0.348			
F	23.450			0.000
Durbin-Watson	1.856			

Dependent variable: TI

**7. CONCLUSION:**

Result of this study shows that in banking sector of Pakistan one biggest factor of employee turnover is the prevailing organizational politics. It means that if employees will feel that politics is going on in an organization they will think of

leaving it. This results are consistent with [46] – this research also concluded a significant and positive relation between perceived organizational politics and turnover intention. Results depicts that JH is not responsible for employees turnover intention. Contrary plus similar results are present in this regard. One researcher discussed that JH is a significant contributor in employee intention toward turnover [19]. Cave et al. concluded that JH attitude result in turnover intention of general employees but this is not the case for repatriates [18].

#### **8. IMPLICATIONS, LIMITATIONS AND FUTURE RESEARCH:**

On basis of these result it is suggested that banks and other organizations should take steps in reducing politics at organizational level. Government should also make such rules which help in minimizing organizational politics.

In this research due to shortage of time data was collected from only two banks. In future same research should be conducted on more banks to get a complete picture of banking sector. For future studies it is recommended to study that what results will appear if POPs is taken as a moderator between JH and TI. To further judge significance of POPs, a comparative study should be made on performance of two companies in which one will have organizational politics and other will be free from it. One future research should find out that will a significant positive relation will exist between POPs and TI if organization will offer high pay.

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