

EMPLOYEE **TURNOVER INTENTIONS** - ROLE OF STRESS CAUSATIVE FACTORS

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Abstract Employee turnover intentions may be stimulated in organisations due to presence of stress at the work place. Stress may be caused due to job related and psychographic factors. Demographic characteristics of employees may also contribute for stress at workplace. A critical analysis of the problems associated with stress is essential in building appropriate strategies to cope with turnover intentions. Organisations should be more concerned with stress management in the rapidly changing global economy to achieve competitive edge and sustain. The study adopts mail survey method using structured questionnaire for understanding the stress causative factors among the employees of IT industry and the variables that lead to turnover intentions. Respondents for the study are identified by building referral source using snow ball sampling procedure. The data analysis is done using factor analysis for regrouping the variables of stress into factors, relationship between turnover intentions and stress causative factors is determined using regression analysis and T - test.

The study emphasizes the role of stress causative factors in stimulating turnover intentions and thereby suggests measures to neutralize stress component among the employees. This paper contributes for reducing turnover intentions and enhances productivity of the employees.

Keywords: Turnover intentions, Stress causative factors, Competitive edge.

INTRODUCTION

In today's business environment employee turnover has become a problem for many organisations. High costs are incurring on employee turnover with indirect impact on morale of existing employees. It is important for employers to identify the turnover intentions of employees as early as possible to avoid this and implement new action plans in organisation. The employees with high job satisfaction work with more commitment and low intent to leave the company. Sometimes the stress experienced by the employees in job becomes a reason for employee turnover. Job stress arises due to imbalance between job demands and potential of employee to meet those demands.

Turnover and retention of talented personnel become a challenge for IT industry. Turnover intentions of employees are highly influenced by their level of satisfaction and commitment in organisation. Losing of talent not only incurs high costs but also creating some disturbances in completion of critical projects in team based environment.

The nature of IT industry in India poses unique challenges for professionals. IT professionals are faced with environment of uncertainty and instability with consequent pressures to work for longer hours (Scholarious and Marks, 2004).

The time required for professional development needs to be taken out from the personal time of employees. Long working hours, unpredictable workloads and the constant pressure of updating technical skills have a strong impact on the software professionals. Work load arises in order to meet unrealistic deadlines which reflect in the form of frequently extended work schedules. Aggressive deadlines also increase work-life conflicts by forcing IT professionals to bring additional work home at night, work weekends.

REVIEW OF LITERATURE

Ilggen and Hollenbeck (1991) stated that role ambiguity exists when employee is not sure of the demands of their job. It also produces additional stress for employees as they are unsure of their job demands. Role ambiguity is a great problem in IT profession because many IT professionals such as system analysts, designers interface with end users, developers, testers and other organisational sources to be successful in such roles, IT professionals must balance the demands of multiple stakeholders.

Igabaria *et al.* (1992) found that demographic variables have direct impact on turnover intentions and indirectly through commitment and satisfaction levels of employees. In their study of IT employee's demographic variables like

organisational tenure, organisational level and job tenure are negatively correlated and education is positively correlated with turnover propensity. Therefore organisation needs to control various personal variables which have control over turnover intentions.

According to Greenhaus *et al.* (1997) model, turnover intentions include various variables like demographic variables, stress causative variables, career aspects and work-related variables. Role stressors had a positive, indirect effect on turnover intention through low job and career satisfaction and organisational commitment.

Moore (2000) highlighted that work overload for IT professionals often lead to work exhaustion a significant factor for turn over intentions.

Firth *et al.* (2007) identified that the experience of job related stress and its effect on employees to quit the organisation. An unstable and unsecured work environment that includes job security, continuity, procedural justice deviate the employees satisfaction level, insert to stress at work and as a result increase their turnover intention.

According to French and R.D Caplan (1972), the stress causative factors that impact turnover intentions are work load, role ambiguity, role conflict, lack of feedback, cope up with technological changes and career growth.

Byron (2005) reveals that job related stressors are the most significant predictors of work- life conflict. Generally pressure and stress arise at work due to long working hours. Meeting target deadlines always leads to disruptions in an employee's non-work life which may affect and strain personal role responsibilities. The stress at work often makes IT professionals to feel emotionally exhausted, sleep-deprived and work down by the constant mental presence of work.

NEED AND IMPORTANCE OF THE STUDY

Turnover intentions of employees become a major challenge for all sectors in the world of business economy. Stress is an important factor which affects job performance as well as turnover intentions of employees. Researchers proved that there is a relationship between job stress and turnover intentions of employees. Employers critically analyse stress management issues that lead to employee dissatisfaction and high turnover intentions which ultimately lead to the problem of organisational survival in competitive business environment. Higher level of stress gradually decreases job performance and finally affects company's reputation. These situations make the organisations call for immediate concern for management to implement stress relieving mechanisms to cope with turbulence. This research played an important role for management to deal with stress management and turnover issues. Hence the study has been undertaken to

assess the impact of stress causative factors on employee turnover intentions with the following objectives.

OBJECTIVES OF THE STUDY

- To determine the role of stress causative factors on turnover intentions of employees.
- To measure the impact of stress causative factors on employee turnover intentions.

METHODOLOGY

The study considered various variables that show an impact on stress levels which influence turnover intentions of employees in the IT sector by conducting mailing survey to the employees. The researcher carried out survey by administering a structured questionnaire for 500 respondents and received 480 responses. Coding and tabulation was made for 480 responses. Each of the attribute in questionnaire was measured on 5 point scale and questionnaire was tested with Cronbach's alpha reliability test. Factoranalysis, correlation and regression techniques were used to analyze the data. Primary and secondary data were collected to draw meaningful conclusions.

Table 1: Reliability Statistics of variables

Variable	No. of items	Cronbach's alpha
Turnover intentions	11	0.857
Job related factors	19	0.875
Personality factors	11	0.711

RESULTS AND DISCUSSION

Table 2: Demographic Profile of Respondents

N = 480

Variable	Profile	No. of Respondents	Percentage
Gender	Male	360	75%
	Female	120	25%
Age	21-25	95	19.7
	26-30	98	20.4
	31-35	95	19.7
	36-40	96	20.0
	41-45	96	20.2
Marital Status	Single	290	60.4
	Married	190	39.6

The sample consists of 60.4% males and 39.6% females. Distribution of age shows 19.7% are in the age group of 21-25, 20.4% in the age group of 26-30, 19.7% are in 31-35 age

group, 20% are in 36-40 age group and remaining 20.2% are in 41-45 age group. 60.4% respondents are single and 39.6% are married.

FACTOR ANALYSIS FOR STRESS CAUSATIVE FACTORS

The data were analyzed using SPSS 21 version. First the data were tested for reliability by determining Cronbach's alpha which is higher than 0.8 and also Kaiser-Mayer-Olkin measure of sample adequacy and Bartlett's test of sphericity were used to examine the appropriateness of using factor analysis.

Table 3: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.801
Bartlett's Test of Sphericity	Approx. Chi-Square	8201.184
	df	561
	Sig.	.000

The Bartlett test of Sphericity provides statistical probability that the correlation matrix has significant correlation among the variable. As there is reasonable size of sample, it proves that there exist significant correlations among the variables. In this study, the Kaiser-Meyer-Olkin (KMO) measure is found to be 0.801 which is well above the screening limit 0.5. Hence, it is also validated for factor analysis.

Table 4: Factor loading and Cronbach's Alpha

Factor	Item	Factor loading	Cronbach's Alpha
Individual and organisational factors	Poor Physical working conditions	0.717	0.865
	Lack of proper resources	0.796	
	Harassment and Discrimination in workplace	0.822	
	Rigid thinking	0.655	
	Negative self-talk	0.766	
	Low self-esteem	0.695	
	Pessimism	0.562	
Skill based	Lack of support and guidance from superior	0.635	0.867
	Long working hours	0.824	
	Working in night shifts	0.781	
	Insufficient skills for job	0.580	
	Lack of flexibility in job	0.763	
	Unachievable deadlines	0.757	

Factor	Item	Factor loading	Cronbach's Alpha
Job related	Over supervision	0.546	0.832
	Lack of autonomy	0.569	
	Intensive updating of skills and knowledge	0.714	
	Role ambiguity	0.732	
	Role conflict	0.831	
	Lack of job security	0.653	
Family and health factors	Poor and Physical mental health	0.840	0.856
	Lack of support from family members	0.806	
Demographic factors	Age	0.862	0.770
	Marital	0.742	
	Annual Income	0.855	

On the basis of Varimax rotation all the variables that have factors loading around 0.5 are extracted. Extraction has been limited to eight factors. All the 8 factors contributed to 64% of variance. The study adopted a minimum factor loading of 0.50 to consider the variables as significant. Reliability analysis for individual factors was measured to test the internal consistency and was presented in Table 4. Based on internal consistency again factors are grouped into five factors named as follows:

1. **Individual and organisation related factors:** Poor physical working conditions, lack of proper resources, harassment and discrimination in work place, rigid thinking, negative self-talk, low self-esteem and pessimistic attitude.
2. **Skill based factors:** Lack of support and guidance from superior, long working hours, working innight shifts, insufficient skills for job, lack of flexibility in job, unachievable deadlines.
3. **Job related factors:** Over supervision, lack of autonomy, intensive updating of skills and knowledge, role ambiguity, role conflict and lack of job security.
4. **Family and health related factors:** Poor and physical mental health, lack of support
5. **Demographic related factors:** Age, marital status, annual income

CORRELATION AND REGRESSION

Correlation and multiple linear regression analysis were applied to analyze the data pertaining to stress causative factors and employee turnover intentions. The model states that stress causative variables predict turnover intentions of IT employees.

Table 5: Correlations

		Turnover intentions	Individual and organisational related	Skill based	Job related	Family health related	Demographic related
Turnover Intentions	Pearson Correlation	1	.574**	.479**	.509**	.207**	-.070
	Sig. (1tailed)		.000	.000	.000	.000	.064
	N	480	480	480	480	480	480
**. Correlation is significant at the 0.01 level (1-tailed).							
*. Correlation is significant at the 0.05 level (1-tailed).							

CORRELATION RESULTS

The study focuses on five stress causative factors like individual and organisation-related, skill based, job related, family and health related and demographic to assess turnover intentions among employees.

The hypothesized relationship between stress causative factors and employee turnover intention is measured using correlation coefficient. Employee turnover intentions are dependent variable of the study and all the other stress causative factors are considered as independent variables. Analysis of data revealed that there is a positive and significant relationship among stress causative factors except demographic and employee turnover intentions.

1. The correlation is found to be positive relationship between turnover intentions of employees and individual and organisational factors with r-value of 0.574 and significant at 0.01 levels with p-value of 0.000 one tailed.
2. The correlation is found to be positive relationship between employee turnover intentions and skill based factors with r-value of 0.479 and significant at 0.01 levels with p-value of 0.000 one tailed.
3. Results of correlation stated that there is a positive relationship between turnover intentions of employees and job related factors with r-value of 0.509 and significant at 0.01 levels with p-value of 0.000 one tailed.
4. The correlation is found to be positive relationship between employee turnover intentions and family and health related factors with r-value of 0.207 and significant at 0.01 levels with p-value of 0.000 one tailed.

REGRESSION RESULTS

The study adopted multiple linear regression analysis to validate the results of correlation among stress causative factors and employee turnover intentions. All stress causative variables are considered for regression analysis. The results of this analysis indicate individual and organisation-related

factors, skill based factors, and job related factors could significantly contribute towards R^2 value of 0.479.

Table 6 : Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.692a	.479	.474	.42448

- a. Predictors: (Constant), demographic factors, individual and organisational factors, family and health factors, job related factors, skill based factors.

Table 7: Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	0.923	.151		6.110	.000
Individual and organisation related	.372	.032	.429	11.633	.000
Skill based	.221	.032	.294	7.002	.000
Job related	.166	.036	.189	4.613	.000
Family and health	-.018	.021	-.032	-.848	.397
Demographic related	-.030	.031	-.033	-.977	.329

- a. Dependent Variable: TI

An examination of the considerable above variables indicates the effect of stress on employee turnover intentions.

Turnover intentions = $0.923 + 0.372$ (individual and organisational factors) $+ 0.221$ (skill based factors) $+ 0.166$ (job related factors)

CONCLUSION AND RECOMMENDATIONS

The research reveals that the stress causative factors like individual and organisation-related, skill based and job related factors are highly influencing employee turnover intentions. The organisations need to implement effective

stress management strategies to reduce the intention of employees to leave the organisation. In present trend every organisation strives to attain competitive edge and survive in turbulent business environment. As a part of this journey employers are creating lot of stress on employees to achieve their organisational goals. Every individual will have certain stress tolerance levels, if it exceeds it leads to emotional exhaustion.

Due to this stressful environment employees were affected with both physical and mental illness which finally leads to employee turnover intentions. Keeping in view of this situation IT employers need to design effective stress combating techniques in order to maintain happiness and satisfaction levels of employees. Good and healthy work environment should be provided to employees to enhance their work-life balance. Continuous training is helpful to meet with day to day technological changes. Rational allocation of work load is important in organisation for win-win situations in organisation. Work overload or role overload can be minimized by offering practices like dependent care, implementing work flexibility policies and providing strong supervisory support.

Providing on-site childcare reduces the work life conflict of working parents. Flexible work schedules and virtual work or tele-commuting are helpful to reduce pressure and stress at work which indirectly decrease strain based conflict. Role ambiguity can be overcome by providing realistic information about the demands of the job. Ensure that IT employees are recognized and rewarded for their efforts through competitive pay, increased autonomy and opportunities to develop skill sets that directly link with career advancement.

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