

**A STUDY OF FACTORS INFLUENCING EMPLOYEES' INTENTION TO STAY  
WITH SPECIAL REFERENCE TO PRIVATE BANKS IN ANAND AND KHEDA  
DISTRICT**

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**ABSTRACT**

In view of the employees being considered as one of the most important stakeholders in the entire business system and based on the management's inclination to retain deserving employees, the paper aims to identify factors that affect employees staying intentions in private banks. The descriptive research has been carried out on 400 employees drawn from private banks of two different districts namely Anand and Kheda in the state of Gujarat with the help of a structured questionnaire. The variables studied include organizational commitment, environment perceptions, attitude of co-workers and job satisfaction on staying intentions of employees. The findings suggest that there are mainly three factors which affect staying intentions. They are organizational commitment, environment perceptions, and attitude of co-workers. However, job satisfaction is the factors that create the mediating effect on the dependent variable. The research contributes to the extent that private banking organizations should concentrate on such variables for retaining employees more so in fiercely competitive scenario.

**Keywords:** Private Bank, Employee Intention, Job Satisfaction,

**I. INTRODUCTION**

The increased dependence on skilled staff by organisations today has resulted in a change of power from the organisation to the employees (Leana & Rousseau, 2000). This change has resulted in an increase in worker mobility, the "opportunity and willingness of an employee to seek employment elsewhere" (Rousseau & Shperling, 2003) and added significant pressure on organisations to develop appropriate people management strategies to retain quality employees. Effective use of these people management strategies requires an understanding of how they influence employees' intentions to stay and leave.

The issue now for private sector banks is 'how to keep people with the organization?' Private sector banking industry is requiring workforces rather

than machines for running business. This kind of industry required people who have honest, knowledge, and high commitment even though salary is neither too high nor too low. Therefore, to know factors that influence the exiting employees is one way to keep the current and to attract and to retain the new comers.

## II. LITERATURE REVIEW

Organizational Commitment (OC): can define in term of three dimensions which are strong desire to be and remain a member status of the organization, willing to put a high effort levels for the organization, and believe and accept the organization values and goals. Research examining the relationship between employees' perceived organisational support and their organisational commitment is extensive, with most research finding that as an employee's perceived organisational support increases, so does their commitment to the organisation, resulting in employee behaviours that benefit the organisation (Aube, Rousseau & Morin, 2007).

Attitude of Co-worker (AC): Supporting or helping each other to do the task when friends need help. For example knowledge, consult, encouragement, recognition and support. Moreover, co-workers support can build or destroy harmony in workplace, then employee became to solidarity or resistance, sometime the failure in relation in workplace come from politic in the organization. Job satisfaction examine different aspects of a job that have the ability to affect an employee's job satisfaction such as pay, promotion, supervision, work on the present job and also attitude of co-workers (Coomber & Barriball, 2007; Kinicki et al., 2002).

Environment Perception (EP): Perception about work environment may include management, workload, work hours, working conditions, and unfriendly co-workers. Unsupportive work environments and a lack of work life balance (Pocock & Skinner, 2012) were all facet measures of job satisfaction that were found to increase employee turnover in the health care sector globally.

Job Satisfaction (JS): A pleasurable or positive emotional that job holder, who performed that job, felt about his or her job from the result of the evaluate job and job holder. Moreover, job satisfaction was the leading indicator to reduce the absence and to increase organizational commitment. Thereby, lack of job satisfaction, it would indicate to high employee turnover rate of that organization. The influence of job satisfaction on employees' intentions to stay and leave has been extensively investigated and has resulted in many theories

specific to this aspect of job satisfaction. These theories have been categorised as either content or process theories of motivation (Robbins, Judge, Millet & Boyle, 2011).

Staying Intension (SI): Employee who willing to stay and continue working for long or had high working experiences with the current organization, he or she has intention to stay. Moreover, the intention to stay led to reduce the employee turnover and absence. The nature of the job itself, passion and commitment to the job, having a supportive atmosphere and having appropriate knowledge skills and abilities to perform the role were influential to employees' intentions to stay (Ellet et al., 2007). (Refer to Figure 1 - Research Model)

### III. RESEARCH METHODOLOGY

Research methodology used is as follows:

Type	: Descriptive Research Study
Sample Size	: 400
Sample Unit	: Individual Working in a Private Banks
Sample Frame	: Private Sector Banks in Anand & Kheda District
Sampling Method	: Quota Sampling. (200 Samples from each District)
Data Collection	: Structured Questionnaire with Different Constructs
Data Analysis Techniques	: Various statistical analyses like Frequency Analysis, Measures of Central Tendency, Regression Analysis, Independent Sample T-Test, One-Way ANOVA, Structured Equation Modelling and Path Analysis have been used in this research study.
Data Analysis Tools:	Microsoft Excel 2013, SPSS 23.0 and SPSS AMOS 23.0 were used to perform statistical analysis.

### Objectives

- To identify relation between 'Organizational Commitment', 'Attitude of Co-workers', 'Environment Perception', 'Job Satisfaction' and 'Staying Intention'.
- To validate proposed research model.
- To identify whether there exists a difference in 'Staying Intention' among different demographic variables.
- To identify impact of 'Organizational Commitment', 'Attitude of Co-workers', 'Environment Perception', 'Job Satisfaction' as an independent variables on 'Staying Intention as dependent variable.

### IV. DATA AND EMPIRICAL RESULTS

Table 2 shows that there were 232 (58%) male employees against 168 (42%) female employees. Considering job type then, there are about 48% of employees who are working with sales profile and 52% of employees are working with

majorly office / table task. Half of the respondents are from Anand District and other half were from Kheda District. There is a considerable variation in the age group of respondents. Majority of the respondents (60%) are between age group of 37 and 48. About 25% of respondents are between age of 49 and 60. 14% were between 24 and 36. Only 1% of employees are above age 60.

All the statements were designed and measured using 5-Point Likert Scale. Table 3 shows mean values for the statements from the response given by the respondents. It is clearly visible in above table that employees are not much happy with the attitude of co-workers as the mean value is on the lower side. Employees are appearing to be happy and comfortable with the working environment as the mean values for 'Environment Perception' is above 4. Considering the satisfaction then employees do not to be more satisfied with current bank as the mean score is considerably low. More employees are not looking to leave the current private bank as their mean response score is bit high.

The significance value of 0.000 which is less than 0.05 is depicted in Table 4. So, Null hypothesis is rejected. Hence, it can be concluded that there is a significant difference in 'Staying Intention' between male and female employees.

Further, it can be inferred from the Table 5 that the significance value is 0.891 which is greater than 0.05. So, surprisingly there is a case of absence of statistical evidences. Hence, we fail to reject Null hypothesis. Therefore, it can be concluded by saying that there is no significant difference in response for 'Staying Intention' among employees of different age groups.

Table 6 presents the regression analysis where the R-Square is 0.612. So, 61.2% of variance in 'Staying Intention' can be explained by 'Organizational Commitment', 'Attitude of Co-workers', 'Environment Perception', and 'Job Satisfaction'. Further, there can be more factors that can be added (not part of current study) to predict 'Staying Intention' clearly. Though the value of R-Square is considerable significant.

Significance value for ANOVA statistics as shown in Table 7 is 0.000. Therefore, it can be interpreted that all model coefficients are not zero.

The regression equation can be formed based on Table 8 which can be as under:

Staying Intention = 0.758 + 0.11 (Organizational Commitment) + 0.082 (Attitude of Co-workers) + 0.223 (Environment Perception) + 0.058 (Job Satisfaction)

It is clearly seen from the prediction equation that all the factors have positive impact on 'Staying Intention'. 'Attitude of Co-workers' and 'Job Satisfaction' do not have much more impact on 'Staying Intention' as the coefficient is very small in fraction. Surprisingly, it can be interpreted that 'Job Satisfaction' has no significant relationship with 'Staying Intention' as the P-Value is 0.072 which is greater than 0.05. All other factors 'Organizational Commitment', 'Attitude of Co-workers', and 'Environment Perception' have shown significant relationship with 'Staying Intention' as the P-Values are less than 0.05.

### **Model Testing using SEM**

To test the relationship between the latent variables of a proposed model, Structured Equation Modelling technique was carried out. (Refer to Table 9). CMIN/DF value is less than 3.0 and P-Value is also 0.001 so, the Model Fit is very good fit. Further to identify the relation among the variables SEM was constructed.

Structured Equation Model for Five Latent Variables (OC - Organizational Commitment, AC - Attitude of Co-workers, EP - Environment Perception, JS - Job Satisfaction, SI - Staying Intention). The Figure 2 shows OC and EP in the model are highly correlated with each other. The lowest level of correlation is between AC and JS. Again JS is not having much correlation with SI. Considering all factors then, OC and EP are moderately correlated with SI. AC and JS both have shown weak correlation with SI which supports the result of regression analysis too.

### **Mediation Effect**

Although JS - Job Satisfaction has not significant relationship with SI - Staying Intention but it has mediating effects from other factors namely 'Organizational Commitment', 'Attitude of Co-workers', and 'Environment Perception' to 'Staying Intentions. So, it can be concluded that the proposed model stands fit suggests the path-analysis. (Refer to Figure 3)

### **Findings**

- Employees of private banks are not much happy with the attitude of co-workers.

- Majority of private bank's employees are appearing to be happy and comfortable with the working environment.
- Satisfaction level of employees working in private sector banks is considerably low.
- Private bank employees are not looking for / thinking about new job meaning their staying intentions are significantly high.
- There is a difference in 'Staying Intention' as far as gender is considered.
- 'Staying Intention' among employees of different age groups remained same.
- Job Satisfaction is not significantly related to Staying Intention.
- There are three factors (Organizational Commitment, Attitude of Co-workers, and Environment Perception) which are having significant relation with staying intention.
- Attitude of Co-workers do not shown much impact on Staying Intention despite of having significant relationship.
- Job Satisfaction has mediating effects on Staying Intention of an employee in private sector banking industry.

### **Conclusion**

The results of this study aligned with many previous researches. It shows 'Organizational Commitment', 'Attitude of Co-workers', 'Environment Perception', and 'Job Satisfaction' are the factors which is having impact on 'Staying Intention' of an employee in private sector banks. Although to contradict previous researches, this research has found out that 'Job Satisfaction' does not have direct impact but is acting as a mediating factor which can be considered as a bridge factor between 'Organizational Commitment', 'Attitude of Co-workers', and 'Environment Perception' as an independent variables and 'Staying Intention' as a dependent variable.

### **Future Scope**

The study is limited to only private sector bank employees. Therefore, the results of this study cannot be used to generalize for all banking industry employees. Further the samples were collected from only two district's private banks. More district and also both private and public banks can be covered for future research. The construct that were used in the research was based on the

literature review, more such construct can be added to identify the staying intentions of an employee.

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FIGURES

**Figure 1: Proposed Research Model**



**Table 2: Frequency Analysis**

Gender		Type of Job		District		Age	
Male	232 (58%)	Sales	191 (48%)	Anand	200 (50%)	24 – 36	54 (14%)
Female	168 (42%)	Office	209 (52%)	Kheda	200 (50%)	37 – 48	239 (60%)
						49 – 60	102 (25%)
						Above 60	5 (1%)

**Table 3: Mean and Standard Deviation**

Construct	Statements	Mean	Std. Dev.
Organizational Commitment	My work at Bank gives me a sense of accomplishment.	2.44	1.13
	I am willing to put in a great deal of effort beyond that normally expected to help my Bank be successful.	4.21	1.19
	I have a sense of loyalty to my organization.	4.33	1.75
	I am proud to tell others I work for the organization.	4.20	1.05
Attitude of Co-workers	How happy are you with the work of your co-workers?	2.76	1.39
	How do you feel about your co-workers?	2.54	1.73
	How often do you do things with your co-workers on your days off?	2.78	1.42
	Generally, how similar are your co-workers to you?	2.68	1.61

Environment Perception	I am very comfortable with my physical work environment.	4.26	1.83
	The place I work in is designed to help me do my job better.	4.42	1.63
	There are few obstructions to make me less productive in my workplace.	4.46	1.33
	What term best describes your work environment?	4.16	1.41
Job Satisfaction	All things considered, I feel very satisfied when I think about my job.	2.10	1.34
	When you think about your job, how satisfied do you feel?	3.00	1.37
	How satisfied are you with your current job?	2.30	1.32
	How satisfied are you with organization as an employer?	2.67	1.28
Staying Intention	I am not actively searching for another job.	4.20	0.87
	I seldom look at the job listings on monster.com.	4.21	0.88
	I have no interest in searching for a job in the next year.	3.47	1.02
	How likely is it that you will be working at current organization one year from today?	3.48	0.97

**Table 4: Independent Sample T-Test of Staying Intentions for Male & Female**

		T	df	Sig. (2-tailed)
Staying Intention	Equal variances assumed	4.736	399	.000
	Equal variances not assumed	4.736	367.328	.000

**Table 5: One-Way ANOVA of Staying Intentions for Different Age Groups**

ANOVA					
Staying Intention					
	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	.408	3	.136	.207	.891
Within Groups	259.378	396	.657		
Total	259.786	399			

**Table 6: Model Summary for Regression Analysis**

Model	R	R Square	Adjusted R Square
1	.782 <sup>a</sup>	.612	.604

a. Predictors: (Constant), Job Satisfaction, Attitude of Co-workers, Organizational Commitment, Environment Perception

**Table 7: ANOVA Statistics for Regression Analysis**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	85.765	4	21.441	48.571	.000
	Residual	174.370	395	.441		
	Total	260.135	399			

**Table 8: Coefficients for Regression Analysis**

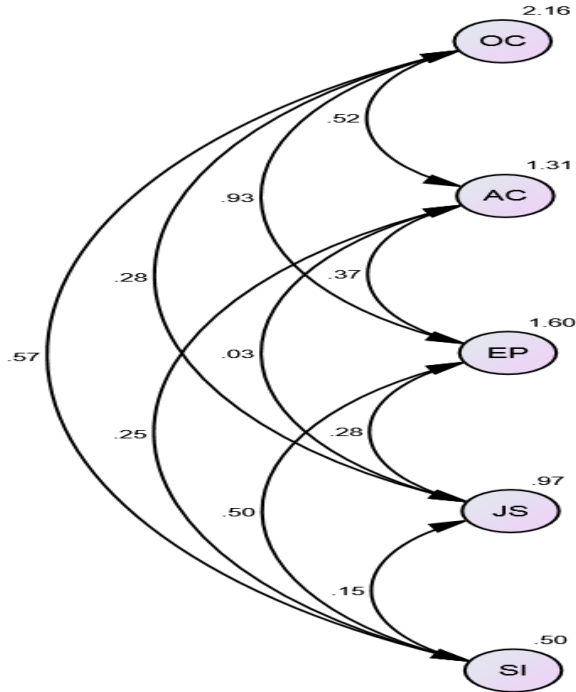
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.758	.231		3.279	.001
	Organizational Commitment	.110	.021	.236	5.142	.000
	Attitude of Co-workers	.082	.026	.136	3.179	.002
	Environment Perception	.223	.029	.357	7.754	.000
	Job Satisfaction	.058	.032	.076	1.801	.072

a. Dependent Variable: Staying Intention

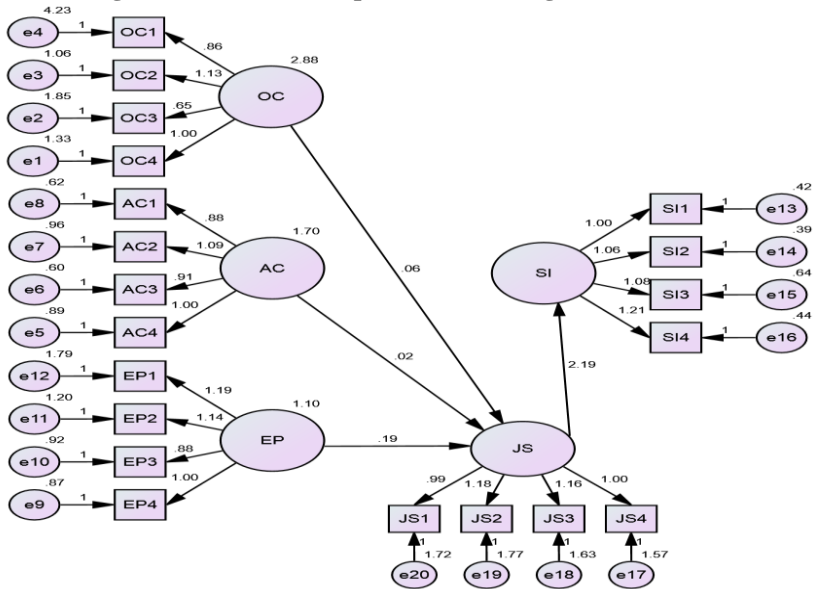
**Table 9: Model Fit Summary for SEM**

Model	NPAR	CMIN	DF	P	CMIN/DF
Default model	50	219.758	160	.001	1.373
Saturated model	210	.000	0		
Independence model	20	4193.319	190	.000	22.070

**Figure 2: Structured Equation Modelling for Latent Variables**



**Figure 3: Structured Equation Modelling for Mediation**



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