CHAPTER 2

LITERATURE REVIEW
This literature review is divided into two portions viz. Job Satisfaction and Employee Turnover. Job satisfaction in turn is divided as schools of thought, definitions, theories of job satisfaction, models of job satisfaction, antecedents of job satisfaction and outcomes of job satisfaction. Employee turnover covers definitions, turnover classification, turnover costs, turnover models and turnover intention as an indicator of actual turnover.

2.1 Job Satisfaction
FW Taylor’s work studies and subsequent monograph in 1911, “The Principles of Scientific Management”, led to the birth of modern management techniques. These studies led to modern day scientific management where best methods of doing a job were scientifically determined, workers were scientifically trained, in what suited them best, and modern assembly lines and wages were introduced. All these led to an increase in productivity which was not sustained for long. The Hawthorne experiments (1924-1932) were an eye opener for study of work attitudes like motivation & satisfaction. Originally conducted to assess the impact of lighting (and later various other factors) on the productivity of workers, the experiments threw up surprising results. It was observed that the study subjects showed higher productivity levels irrespective of the lighting. The term “Hawthorne effect” was coined, by Henry. A. Lansberger in 1958 [125], to explain these productivity increases attributed to positive emotional effect due to the presence of a sympathetic and interested observer (the supervisor who observed & discussed with the experiment subjects). This was a clear indication of the fact that human motivation and satisfaction were dependent on a wider array of factors. Abraham Maslow [202] in his 1943 paper “A theory human motivation” proposed the “Hierarchy of needs” theory. The 5 human needs, as described by Maslow, were fast accepted (though some classified it in to 2 or 3 groups, unlike Maslow, who treated them separate). This was a turning point in the study of job attributes like motivation, satisfaction and commitment. One of the most widely studied job attitudes, job
satisfaction, has been an indicator for industrial relations for more than a Century (Locke, 1976 [189]; Yuzuk, 1961 [313]). The study of job satisfaction has encompassed various industries and level of employees, starting from the beginning of the twentieth century.

2.1.1 Schools of Thought:

Job satisfaction, when viewed from different perspectives of economics, sociology and psychology, emanates fair amount of contradiction. Labour economists tend to focus on the “utility derived” from the job while studying job satisfaction (Hamermesh, 2001) [116]. Research by this school of thought has tried establishing empirical relationship between individual characteristics like gender, age education and job characteristics like working hours, working conditions, pay, promotion etc on job satisfaction. However, the economic school concedes the dependency of psychological states with a subjective variable like job satisfaction (Freeman, 1978) [93].

The sociological approaches argue job satisfaction to be a part of the broader human conditions. This school examines the impact of production technology, bureaucratic organization and capitalistic exploitation, individually and in combination, on job satisfaction (Chinoy, 1955 [52]). Goldthrope et al (1968) [102] considers satisfaction to be an outcome of “orientation to work” which was dependent on the social, occupational and community surrounding of the worker. This school widely cites the industrial revolution and alienation of textile workers due to change in their social, occupational and community surrounding. Widely based on contribution of Herzberg, the school argues that satisfaction can be induced by emphasizing on the intrinsic factors (motivates) of the job, provided the extrinsic factors (the satisfiers) have already been addressed.

Another approach to job satisfaction has been the social psychological approach. The approach was widely based on Hawthorne studies and ensuing psychological experiments of following two decades. This school studies job satisfaction as a variable dependent on the workplace group and the network of informal contracts developed in one’s workplace (Rose, 2000) [254]. A researcher would be able to infer job attitudes (satisfaction or dissatisfaction) based on the quality of working group relations present in the work place.
The management discipline has viewed job satisfaction from all angles propagated by the different schools of thought. This has stemmed from the fact managers were directly responsible for job outcomes such as job satisfaction. Being agents, of the owners, their main responsibility was maximization of wealth of the share holders. This requires ensuring of organisational performance which was dependent on employee performance. It has been empirically proven that organisations with satisfied employees perform better (Ostroff, 1992) [236]. This necessitated managers to look at all possible means of improving job satisfaction, through development suitable human resource strategies, that encompassed all schools of thought.

2.1.2 Definitions

Job Satisfaction is considered to be the most important and widely studied job attitude (Locke, 1976) [189]. Attitude towards something has three components. An affective component describing the feelings (like hate or love towards the object) and a cognitive component which represents the values and beliefs which individual forms after the evaluation of the object in question? The first two components together affect the third component; the behavioural intent regarding the attitudinal object. According to Bernstien& Nash (2008) [29], the emotional (affective) part of job satisfaction refer to the feelings regarding the job like excitement or enthusiasm. The cognitive component consists of beliefs regarding the job like it pays well, it is challenging etc. finally behaviour component consists of actions relating to work like absence, work avoidance, organisational citizenship, turnover intention etc. Thus most researchers have differentiated the attitude of job satisfaction in to its affective and cognitive component. Affective component as an overall satisfaction measure and the cognitive component a measure of facets relating to job like Pay, Supervision etc. This is reflected by Mueller & Kim (2008) [220] when they opine that that there are two levels of job satisfaction based on the employee’s level of feelings. First: an overall feeling about the job & second: about specific aspects of the job like pay or co-worker relation etc. The study of attitude also throws up additional challenge. The behavioural outcome of an attitude is always not exactly predictable. Though the behavioural relationship of job satisfaction are fairly well understood, measurement of an attitude like job satisfaction and their resultant behaviour is a complex process needing extreme focus and objectivity.
Though, one of the most widely studied work attitudes, there is a paucity of a standardized definition for job satisfaction. Most of the dictionaries & Thesaurus does not handle the two words together. They define job and satisfaction separately. As per Oxford Advanced Learners dictionary (2006) [237], “Job” is defined as “work for which you receive regular payment”. Satisfaction is defined as a sense of Happiness, contentment or fulfilment. Combining these two, we can define job satisfaction as a “sense of contentment, happiness or fulfilment one derives from one’s work for which one receives a regular payment”. With the advent of the Behavioural approach to Management, in the early part of the twentieth century, various studies were done to understand the factors affecting job motivations. This is when there were initial attempts to define attitudes like job satisfaction. One of the earliest definition appeared in 1935 by Hoppock [209]. Hoppock defined job satisfaction as any combination of psychological, physiological and environmental circumstances that causes a person to truthfully say I am satisfied with my job.

The definition treats job satisfaction to be a personal construct influenced by psychological, physiological and environmental variables or circumstances. Vroom (1964) [300]considers job satisfaction from an affectivity perspective and considers job satisfactions as an affective orientation on the part of individuals toward work role which they are presently occupying. Brief et al (1995) [38] considers job satisfaction as a positive emotional reaction to a particular job. According to Spector (1997) [280] job satisfaction is related to how people feel about their job and its various facets. The like or dislike they have for the various aspects, thus giving rise to satisfaction or dissatisfaction in a given work situation. Spector’s definition looks at job satisfaction from a cognitive perspective, where the employee looks at the various facets of the job and not the job as a whole. Studying of satisfaction with the different facets of the job is important, for the organisation, as it helps in identifying areas of improvement. This in turn can help the organisation improve the overall job satisfaction and address specific issues like turnover, absenteeism etc(Kerber & Campbell, 1987) [167].Davis & Nestrom (1985) [72], links job satisfaction to one’s expectations from the work place. While employed in a job a worker develops certain expectations from the job. When he compares his expectation with the reality or the reward a combination negative or positive feeling develops towards the job which expresses as job satisfaction or the lack of it. Kaliski (2007) [165] describes job satisfaction as a workers sense of achievement and success on the job and links it with outcomes like productivity &well
being. It is a key ingredient of achievements (material & non material) in one’s job and a feeling of fulfilment from the job.

Armstrong (2006) [10] terms job satisfaction as feelings and attitudes people have towards their work. Job satisfaction indicates positive, favourable attitudes and job dissatisfaction negative ones. Statt (2004) [282] looks at job satisfaction from the angle of rewards earned from the job. He describes job satisfaction as a contention the worker has with the rewards offered by the job especially in terms of intrinsic motivators. George & Jones (2008) [99] treats job satisfaction in two parts. One in its totality as a whole and then in parts, the different aspects of the job, like co-worker, supervision, job content, subordinates etc. This corresponds to the affective and cognitive portions of the job respectively and the degree of satisfaction may range from extreme satisfaction to that of extreme dissatisfaction. Aziri (2008) [18] consider job satisfaction as a feeling that is resultant of the realization that your job enables your needs both materialistic and psychological. According to Mullins (2005) [223] job satisfaction is a complex concept that differs individually and is multifaceted. He links job satisfaction to motivation but clarifies that they are different, in that job satisfaction in an attitude associated with personal feeling of achievement from the job.

Scott & Judge (2006) [263] considers job satisfaction to be highly personal attitude. They feel job satisfaction reflects the workers self identity through emotional and cognitive evaluation. Satisfaction with a job is an indication of a fulfilment of one’s need and also a strong feeling that the job defines him the way that he would like the world to consider him. Cranny et al (1992) [63] defines job satisfaction as “an affective reaction (that is, emotional) to one’s job, resulting from the incumbent’s comparison of actual outcome with those that are desired (expected, deserved and so on)” (as quoted in H.M.Weiss, 2002). This indicates that job satisfaction is the result of comparative evaluation. The employee compares his expectation, about the various facets of the job, with the actual outcome and based on the result forms a holistic opinion. The holistic perspective indicates the workers satisfaction of the job as a whole and the components perspective considers satisfaction from the different aspects like pay, promotion supervision etc. According to this perspective, a worker may be dissatisfied with certain aspects of the job. However, other aspects may compensate for this dissatisfaction and overall he may find the job
satisfying. According to Weiss (2002) [303] job satisfaction “is a positive (or negative) evaluative judgment one makes about one’s job or job situation”. Lease (1998) [184] considers job satisfaction as an affective commitment of an individual towards his role in the organization. Spector (1997) [280] is more specific about the two facets of job satisfaction and defines it as a “global feeling about job or as a related constellation of attitudes about various aspects or facets of the job”.

Locke (1976) [189] viewed job satisfaction as “a pleasurable or positive emotional state resulting from appraisal of one’s job or job experience”. Locke &Henne (1986) [187] observed that “the achievement of one’s job values in work situation results in pleasurable emotional state known as job satisfaction”. Hulin and Judge (2003) [143] defines job satisfaction as Multidimensional Psychological responses to an individual's job, and that these personal responses have Cognitive (evaluative), Affective (or emotional), and Behavioural components. Whichever way we define or describe job satisfaction, it is clear that it is a complex individual construct. Understanding of satisfaction with a job is mostly contingent and is highly influenced by the job related parameters and the individual characteristics including psychological & demographic profiles of the subjects being studied. Culture also has a significant influence on job satisfaction. Western employees give more importance to intrinsic factors like autonomy, independence, achievement etc. In the eastern tradition, of a strict authoritarian system and high context culture, the employees may be more interested in extrinsic factors of a job like social recognition, ability to be of help to others etc. In a globalised economy where business spreads itself as transnational giants, an understanding of the cultural influence on job satisfaction can be critical, for successfully operating in multiple markets with increasing geographic & psychic distance.

2.1.3 Theories of Job Satisfaction

Scholars and human resource professionals have treated job satisfaction as two distinct entities; from an effective and cognitive angle. Affective job satisfaction treats satisfaction as an overall construct and cognitive job satisfaction as the extent to which an individual is satisfied with a particular facet of the job like pay or working condition (Moorman, 1993[216]). There have been numerous theories put forward to explain job satisfaction as an attitude. These theories try to explain how one finds contentment and fulfilment with their occupation. They treat job not
merely as a means for livelihood but as an extension of one’s identity and self. Many theories have tried to explain job satisfaction, through its various facets, such as Herzberg’s two factor theory, Adam’s equity theory, Expectancy theory by Vroom and its modified version by Porter and Lawler, Locke’s Discrepancy theory, Job characteristics model by Hackman and Oldham, Range of Affects theory by Locke, Bandura’s Social Learning theory and Opponent process theory by Landy. Some of the most widely used theories are examined here.

**Affect theory:** One of the most widely cited job satisfaction theory, Range of affect theory, was proposed by Edwin A. Locke in 1976. The basic premise of the theory is the difference between what one has and one wants in a job. The theory states that how much one values a given facet of the job moderates how satisfied/dissatisfied one is when his expectations are / are not met in the job. For example if an employee values monetary rewards in a job, he/she might be more satisfied / dissatisfied with pay, in comparison to an employee who does not value monetary rewards to that extent. The more a worker values a particular facet, the stronger the feeling of satisfaction / dissatisfaction produced by that facet of the job. Also called value-percept theory, job satisfaction was expressed using the following formula

\[ S = (Vc - P) \times Vi \]

S is the job satisfaction, Vc is the value content or amount wanted of a certain job fact like pay, P is the perceived value provided by the job and Vi is the importance of the value to the individual. The theory expressed job satisfaction in terms of what one values in a job and job outcomes for the value. However the main drawback of the theory was the fact that what one desires (Vc) and what one values (Vi) are going to be highly correlated. The main achievement of the model was its ability to discern the individual differences in job satisfaction for the same job.

**Cornell Model:** Proposed by Hulin, Rooznowski & Hachiya (1985) [144], the model tries to incorporate attitude formation theories. The model suggests that job satisfaction is balance between what an employee role inputs in terms of effort and the role outcomes in terms of rewards. The input will be in terms of training, skill development, time, effort, experience etc and the role outcomes in terms of intrinsic and extrinsic rewards. Ceteris paribus, the more the role outcomes are relative to role inputs, higher the work role satisfaction. The theory also
considers the opportunity cost of the role inputs and outcomes. In times of labour oversupply and unemployment, the individual will value his or her inputs lower and vice versa during labour shortages. This makes the perceived value of the inputs less in comparison to the outputs, thus promoting job satisfaction. The model also opines that in individual’s frames of references, indicated by past experiences, influences how he or she values the current outcomes. The model was not widely researched later and lacked empirical support.

**Dispositional theory:** this theory may be traced back to the theory X and Y of McGregor. The basic assumption is that people are predisposed to certain types of behaviour. The genetic construct of human being predisposes them to certain behaviour and the worker satisfaction/dissatisfaction is independent of nature of job or the organizational environment. A study of ‘twins’ reared apart gives credence to this theory, with 30% of the experience of satisfaction being explained by genetic factors (Arvey et al, 1989) [12]. Studies on individuals in multiple jobs with different employers have shown consistency of satisfaction levels for a person across different jobs (Staw& Ross, 1985) [283]. People with positive affect are enthusiastic about their job and are generally satisfied. However people with negative affect will have opposite feeling about their job (Watson, Clark &Tellegen, 1988) [302]. The theory of self – evaluations proposed by Judge, Locke & Durham, in 1997 [160], narrowed down the scope of Dispositional theories. According to self-evaluations theory, there are four core self-evaluations that can predict one’s predisposition to job satisfaction: self-esteem, general self-efficacy, locus of control and neuroticism. The first three have a positive correlation to job satisfaction and the fourth one is negatively correlated.

**Two-Factor Theory:** Fredrick Herzberg’s two factor theory, also known as motivator – Hygiene theory, was the result of a five year study on job attitudes under a grant from the Buhl foundation. The study was started in 1957 in the industrial town of Pittsburgh and by 1959 the two factor theory was proposed. Job satisfaction, till Herzberg’s theory, was considered a single continuum with satisfaction and dissatisfaction being at the opposing. The two factor theory postulated that there were two different continuums. One that had satisfaction & no satisfaction at two ends and another that had dissatisfaction and no satisfaction at the continuum extremities (Figure 2.1). This was a clear departure from the job satisfaction theories of the time. The study
used a critical impact method that allowed participants to rate the incidents according to its impact on their job attitude. These incidents were then classified as high & low sequence events. It was observed that, except for salary, the low & high sequence incidents were mutually exclusive. However salary was included in the high sequence events and appreciation & recognition was considered as low sequence events as the same was considered a part of salary by the employees.

Figure2.1: Two Factor Theory of Motivation

In 1959 these findings become the two-factor theory of job satisfaction (Herzberg et al. 1957) [127]. The high sequence events were classified as ‘Hygiene factors’ and included supervision, interpersonal relation, physical working conditions, salary, company policy & administration, benefits and job security. The absence of these factor caused “dissatisfaction” and when present there was “no dissatisfaction”. The low sequence events were classified as ‘Motivating factors’ and, when present, caused “satisfaction” and, when absent, caused “no satisfaction”. The two factor theory has borrowed generously from Maslow’s need hierarchy as the Hygiene factors are a representation of the lower levels of Maslow’s need hierarchy and the Motivating factors a representation of the higher levels of the hierarchy.
Job characteristics model: Hackman & Oldham proposed the job characteristics model to study various job outcomes including job satisfaction. The model postulates that core job characteristics impact psychological states which in turn influence the outcomes (Hackman & Oldham 1976) [115]. Initially proposed in 1976, the model was refined in 1980, the theory describes the job characteristics and individual responses to work. The theory describes five core job characteristics: skill variety, task identity, task significance, Autonomy & feedback, resulting in three psychological states; Meaningfulness, responsibility and knowledge of results; the outcomes of which are motivation, performance, satisfaction, absenteeism & turn over (Figure 2.2). Hackman & Oldham considers that the five characteristics of the job do not have equal potential. They propose that the MPS (Motivating Potential Score) be calculated as below for every job.

\[
\text{MPS} = \left( \frac{(\text{Skill Variety} + \text{Task Identity} + \text{Task Significance})}{3} \right) \times \text{autonomy} \times \text{feedback}
\]

It is obvious from the formula that autonomy & feedback have a higher motivating potential than skill variety, task identity & task significance. It is also obvious that absence of autonomy and feedback results in “zero” motivation even if the other three are present in ample. The job characteristics model is widely useful in job designs. However the differing perceptions, of the individual employees, regarding the job characteristics means a job will not be equally motivating to all employees. It is generally seen that employees looking for satisfaction of higher order needs in Maslow’s hierarchy will be attracted to motivating jobs with higher MPS (Arnold & House, 1980) [11].
The major theories of job satisfaction and their core influence on job satisfaction can be summed up as in Table 2.1.

### Table 2.1: Major theories of job satisfaction and their characteristics

<table>
<thead>
<tr>
<th>Theory</th>
<th>Proponent</th>
<th>Factor affecting Job Satisfaction</th>
</tr>
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<tbody>
<tr>
<td>Affect Theory</td>
<td>Edwin. A. Locke</td>
<td>Expectations from the job and their fulfilment, leads to job satisfaction.</td>
</tr>
<tr>
<td>Cornell Model</td>
<td>Hulin, Rooznowski &amp; Hachiya</td>
<td>Input-Output balance in terms of role effort and role reward will result in job satisfaction.</td>
</tr>
<tr>
<td>Dispositional Theory</td>
<td>McGregor</td>
<td>Genetic pre-disposition of the individual decides whether they are happy in the job.</td>
</tr>
<tr>
<td>Two-factor theory</td>
<td>Fredrick Herzberg</td>
<td>Motivating factors promote job satisfaction and Hygiene factors prevent job dissatisfaction.</td>
</tr>
<tr>
<td>Job Characteristics Model</td>
<td>Hackman &amp; Oldham</td>
<td>Core job characteristics impacts the psychological state of job satisfaction</td>
</tr>
</tbody>
</table>

#### 2.1.4 Models of Job Satisfaction

Over the years various researchers have proposed different models of job satisfaction. Many of them have remained theoretical models and some empirically tested for their functionality. One of the empirically supported models was proposed by Vlosky & Aguilar (2009) [299] based on their study of 2749 of cooperative extension service employees in the United States (Figure 2.3). Their research found the model to have good fit, with $R^2 = 0.63$, across both gender categories.
According to this model the antecedents of job satisfaction consisted of six explanatory variables that included control/Autonomy/influence, challenge, performance measures, feedback, instrumentality and stability/security.

Brown & Peterson (1993) [43], while researching the sales force performance, found that one of the important antecedents of job satisfaction was job performance (Figure 2.4). Porter & Lawler (1968) [243] posited that employee performance led to employee job satisfaction. Based on these, Brown & Peterson proposed the following model of job satisfaction that had three antecedents; job factors, problems with role perception and job performance. However the model was not tested empirically in subsequent researches.
Working further on the above model Christen, Iyer and Soberman included compensation, ability and effort to understand job satisfaction among sales force (Figure 2.5). The Agency theory clearly states that effort reduces job satisfaction. However effort is a prerequisite for job performance along with ability. This made the role of job performance as a mediator variable in job satisfaction model. Compensation also had a direct effect on job satisfaction and an indirect effect mediated through efforts. Thus they hypothesized the following model of job satisfaction for their study.

![Figure 2.5: Christen, Iyer and Soberman model of Job Satisfaction](http://www.insead.edu/faculty research/research/doc.cfm?did=1530)

Porter & Lawler (1968) [243] proposed their model of job satisfaction which emphasized the importance of “rewards” in job satisfaction. According to Porter and Lawler performance is affected by three factors viz. Effort of the employee, Role perception and abilities and traits (Figure 2.6). The performance results in rewards of the Intrinsic and extrinsic variants. The employee compares these rewards with what, he/she feels, is fair for performance (Perceived equitable reward). If the actual rewards are more than the “Perceived equitable reward” satisfaction results, otherwise it results in dissatisfaction.
Locke and Latham (1990) [188] proposed the goal setting theory. It works under the premises that goals work as a motivator to performance. The performance in turn results in rewards and satisfaction. According to this theory a person sets goal for himself. In case of an employee the higher levels (manager) set the performance and these goals result in performance. The performance is mediated by the direction and persistence of his efforts and moderated by his ability and commitment (Figure 2.7). The performance results in rewards and the rewards bring in satisfaction and its consequent behaviour. The most important factor here is the “Goal”. The goal has to be challenging but not impossible or too easy. When the goal is challenging, the employee exerts to achieve the same, else the employee may not put in effort at all. A manager’s job in this situation is to help the employee set achievable challenging goals and help develop action plans to achieve the same.
2.1.5 Antecedents of job satisfaction

The vast amount of published literature on job satisfaction has looked at varying determinants of job satisfaction. Though most widely studied determinant is the Job Attributes, other determinants have also been examined by researchers. The word Job Attributes has also been inter-changingly used with job characteristics, job facets and job parameters by various researchers (The current study will use the standard term ‘Job Attributes’). Apart from Job Attributes, the most commonly examined determinant has been personality and its relation to job satisfaction. The impact of genetics as a determinant of personal characteristics and its impact on job satisfaction also have been studied previously. Another widely studied determinant, gaining significance in these times of globalization, is the influence of culture and its impact on job satisfaction. Culture has a huge impact in shaping of behaviour and aspirations and this in turn impacts job satisfaction. Thus job satisfaction level may differ among individuals based on their culture background even if job characteristics are the same. The job satisfaction antecedents can be largely classified into 2 major categories; personal characteristics and work related characteristics. These two categories within them have many characteristics that have been widely examined by various researchers.

The antecedents to job satisfaction is divided in to two major parts viz. ‘personal characteristics’ and ‘job attributes’. Personal characteristics discuss the impact of demographics, culture

Figure 2.7: Locke & Latham model of Job Satisfaction (1990)
Source: http://faculty.washington.edu/janegf/goalsetting.html
&personality on job satisfaction. The job attributes discuss 24 different attributes, found in available literature, and their impact on affective job satisfaction.

2.1.5.1 Personal characteristics:-

Personal characteristics, as antecedents of job satisfaction, are some of the most researched relation in the recent times. Though demography has been part of almost all the job satisfaction studies, including those studying Job Attributes, the importance of personal characteristics has gained importance in the recent past. This can be mainly attributes to globalisation and resulting diversity in the work place. A diverse workplace may have same Job Attributes but produce different levels of job satisfaction among its employees. These differences, when Job Attributes are common, in job satisfaction can be explained only by studying the personal characteristics and its impact on a wide variety of job attitudes. Thus recent researches in job satisfaction have seen increasing treatment of personal characteristics as an antecedent to job satisfaction. Some of the most widely studies personal characteristics are examined below:

2.1.5.1.1 Demographics:

Most of the job satisfaction study takes a look at demographic influence on job satisfaction to some extent. As most research instruments collect some demographic information, along with the study variables, this becomes a subject matter of examination though not the main subject of study. The most widely studied demographic parameters include gender, age, education, rank, service lengths etc. Wide academic interest has been conferred on age and job satisfaction. The fact that older workers are happier than the younger ones is fairly concluded fact in industrial psychology research (Bilgic, 1998) [30]. However the exact relation has been contested. Though most researchers considered the relation to be linear some studies have found it to be curvilinear in nature. Luthans and Thomas (1989) [194] attribute the curvilinear relation to job responsibilities. At some time in their career, older workers get overwhelmed by the increase in responsibilities thus getting stressed and fatigued. This in turn leads to a reduction in their job satisfaction. While age and job satisfaction is being studies, Oshagbemi 2003 [235], cautions the need for consideration of the type of job. He proposes that creative jobs will show a linear relation between age and job satisfaction and physically demanding jobs to do the vice
versa. This is attributed to the fact that cognitive and intuitive abilities required for creative jobs get sharpened with age helping in excellence and resultant satisfaction. However for physically demanding jobs, as the physical faculties diminish with age, job performance wane with age thus causing dissatisfaction.

Gender is another of the widely studied demographic factor in relation to job satisfaction. The relation between gender and job satisfaction has been rather confusing. There has been no consensus on the relation, with many studies finding no difference in job satisfaction levels based on gender (Smith & Plant, 1982) [273]. MacDonald and MacIntyre (1997) [199], while developing a generic job satisfaction scale found no difference between males and females, in average satisfaction scores, across six major occupational groups. Many researchers have found women’s job attitude to be often more favourable than their male counterparts (Glenn et al, 1977 [100]). Randy (1989) [247] opines that the higher satisfaction among women may be due to their use of different comparison groups to evaluate their jobs. She is also of the opinion that women are less willing to verbalise their dissatisfaction due to socialization difference in comparison to men. Testa and Mueller (2009) [290] support the point of socialization differences in men and women for their difference in jobs attitude. Women generally values selflessness and concern of others, this in turn motivate them to find happiness in jobs that promote supportive and constructive interaction. Men on the other hand are oriented towards self expansion and assertion, thus valuing work related characteristics like pay and autonomy.

Length of service is another demographic factor that has been found to positively correlate with job satisfaction (Okpara 2004) [231]. Length of service generally correlated well with age and thus may show multi co-linearity while analysing data. While looking at the length of service it may be worthwhile to consider length of individual services with each employer rather that total service. While comparing job satisfaction level of British academics, Oshagbemi (2000) [234] found that academicians with longer periods of service at their current university are more satisfied with their job in comparison to frequent changers. The longer service also helps in skilling and acclimatization to organizational culture thus improving their performance potential resulting in positive job attitudes. This also may explain why frequent job changers are less happy as they may not get acclimatized to organisations tradition and social network.
Job position is another variable that has been studied widely in relation to job satisfaction. As people climb the ladders of job, self reported satisfaction and happiness in job constantly increases. Smith (1977) [274] demonstrated the same in U.S. occupations where the least satisfied workers tend to be in the least skilled profession and satisfaction tends to steadily increase as people climb up in position. However the difference tends decrease with increasing steps in position. Oshagbemi (2003) [235] in his study of UK academics found rank of the individual is a significant predictor of job satisfaction along with education and length of service. While rank had a positive correlation the other two correlated negatively, among UK academics. Holden and Black (1996) [132] provided evidence for positive correlation between rank and satisfaction and productivity. They found highest level of productivity and satisfaction among full professors in comparison to assistant or associate professors in a survey of 293 psychologists. In a study of 18 variables on job satisfaction by Near, Rice & Hunt (1972) [228] occupational position in terms of rank and age came out as powerful predictors of job satisfaction. The increased job satisfaction, of higher job positions, can be attributed the intangible job characteristics like authority, autonomy etc. This indicates the growing importance of intrinsic job parameters as the employee grows in rank; an indication of his climbing the Maslow's need hierarchy.

Educational level is another demographic variable that influence job satisfaction. A higher education level should automatically lead to positive impact on job satisfaction as a better qualified employee is an automatic choice for a higher position. The studies of Oshagbemi (2003) [235] and Holden and Black (1996) [132] have proved this in context of academics and psychologist. A study by Gurbuz (2007) [111] on hotel workers, from the tourism sector in Turkey, found a positive correlation between education levels and job satisfaction. A better educated workers is more skill-able, a higher skill in turn result in better meeting the job expectations and job requirement, thus in job performance. This will reduce the frustrations on the job and in turn will promote satisfaction. However the relation may not be all that simple, if you discount for the job position. In the same position or rank education level may contributes to decrease in job satisfaction. This is because higher education leads to higher expectations from the job and the same may hinder finding satisfaction with one's work.
Marital status has been another of the widely studied demographic variable in relation to job satisfaction. The studies have generally spanned two aspects of marriage. The first being the marital status itself impacting job satisfaction and the second being the quality of married life and its impact on job satisfaction. The relation between marital status and job satisfaction has been inconclusive. Married employees were found to be more satisfied with their job in comparison to their single counterparts in researches of Austrom, Baldwin & Macy (1988) [16]. However research by Azim, Haque & Choudhary (2013) [17] found no such difference in job satisfaction levels among employees in Bangladesh. It is generally assumed that marriage confers additional responsibility requiring a steady job. This in turn motivates the employee to discover satisfaction in his work. However things are clearer when it comes to influence of marital quality on job satisfaction. Studies have found that there is a definite spill over of marital quality to job satisfaction (Rogers & May, 2003 [253]). When it comes to quality of marriage it is almost certain that the same would spill over in to the work context. A happily married employee will be more satisfied than an employee with lower quality of married life.

Some research also has been done on race and its influence on job satisfaction. The impact of race may be through its influence on culture and genetics of the employee. As races differ in culture their expectations from job also differ. This in turn leads to difference in job satisfaction between the races even when other things remain constant. Scott, Swortzel & Taylor (2005) [264] in their study of extension agents found that race had a significant relationship with general job satisfaction and also satisfaction with supervision. However there was no other significant correlation between any of the other job characteristics and race. Caucasians showed a lower level of satisfaction with job and supervision in comparison to other races. The influence of race on job satisfaction also may be due to the inferior positions or lack of integration of the race in employment. However some races are found to be more satisfied in job than other races; for example Mexican Americans have been found to be consistently more satisfied than other races in many studies.

2.1.5.2. Culture:
Researchers generally have considered personal and work related characteristics while studying job satisfaction. There is a general lack of research looking in to the cultural aspect of job
satisfaction. However the difference in behaviour due to culture may be worth studying in a fast globalizing world with a multicultural workforce. Hofstede’s theory of cultural dimension clearly highlights the cultural difference between geographies. Eskilden, Kristensen & Antvor (2010) [82] conducted a study on the cultural correlates of job satisfaction across 22 countries and found evidence for culture induced difference in job satisfaction across nations studied. Money and Graham’s (1999) [214] study of job satisfaction among salesman in America and Japan also yielded similar results. American salesmen valued materialistic gains like money more. The Japanese salesmen were more motivated by factors like work place relation. This clearly indicates the difference in behaviour due to culture; one induced by individualistic society, the other by a collectivist society. Westover and Taylor (2010) [304] found similar difference in determinants of job satisfaction across cultures. Their studies covered West Germany, U.K, U.S.A, Hungary, Norway and Israel and was based on a non-panel longitudinal data between 1989 and 2005. The determinants of job satisfaction, for each country, were clearly different. However they observed a general trend that intrinsic factor were much stronger determinants in comparison to extrinsic factors, when it comes to job satisfaction, across all nations. Andreassi, Lawter, Brockerhoff & Rutigliano (2014) [8], who studied the effect of high performance human resource practices on job satisfaction across Asia, Europe, North America and Latin America found significant differences is the impact of Job Attributes on job satisfaction across all four regions. They suggest tailoring of human resources practices across locations within a transnational corporation based on their findings.

2.1.5.3 Personality:
Job attitude research has been affected by dearth of research in the area of personality and its effect on job satisfaction. The growing body of research in the area of personality psychology has shown clear connection between pre-dispositional roots and job attitudes. Judge and Larsen (2001) [157] found evidence for individual’s affectivity, positive or negative, and his/her job satisfaction levels. Employees with positive affectivity perceive their job conditions more positively and are more satisfied with their job than employees with negative affectivity. They also found an impact of core self-evaluation on the individual’s job satisfaction. Core self-evaluation consists of self esteem, self efficacy, neuroticism and locus of control. Job satisfaction
had a positive relation with all self-evaluation components except neuroticism. Chiva and Alegre (2008) [53] found relation between emotional intelligence and job attitudes like satisfaction and commitment. Emotionally intelligent manager were found to be more satisfied with their job and more committed to their job. Attempts by various researchers have yielded empirical relation between the big five personality traits of extraversion, agreeableness, conscientiousness, neuroticism and openness to experience and job satisfaction. Connolly & Viswesvaran (2000) [59] found that due to the power of positive emotions extroverts were more satisfied in their job than introverts. They also found negative relation between neuroticism and job satisfaction. Agreeable people enjoy more work commitment and satisfaction than non-agreeable ones (McCrae & Costa 1997) [204]. This is because they are helpful, forgiving and trusting people trying for higher level of interpersonal intimacy thus achieving over all life satisfaction. Conscientiousness is a strongest predictor of job performance and thus job satisfaction among all five personality traits. Conscientious people persevere until the work is accomplished (John & Srivatava, 1999) [152]. Higher accomplishments beget increased intrinsic and extrinsic rewards resulting in employee happiness at work. Openness to experience indicates an individual’s ability to be imaginative, creative and original. However the relation between openness to experience and job attitude is not clear. Mumford (2000) [224] found a positive relation between them. However Judge, Heller & Mount (2002) [159] puts forth a counter argument in that all experience due to openness may not be positive, thus sometimes negatively affecting the job attitudes.

2.1.5.4 Job Attributes:

One of the earliest attempts to investigate the effects of Job Attributes on job satisfaction was the pioneering study of Hackman and Oldham (1976) [115] (Job Attributes are also referred to as job facets, job characteristics, job factors & job parameters. The current research uses the term Job Attributes). The job characteristics model of job satisfaction proposed by them was later widely used in research and practice. The study was conducted on the premise that improved working conditions and enriched content can lead to better job outcomes resulting in improvement of job attitudes.
The job characteristics model took into account five characteristics of a job while trying to assess its motivating potential. The five characteristics were skill variety, task identity, task significance, autonomy and the feedback. The motivating potential of a job was calculated as a function of these five job characteristics mediated by three psychological states of feeling of meaningfulness, feeling of responsibility and a knowledge concerning result of one’s own job. The job characteristics model was widely tested empirically by various researchers and found relevant in multiple job contexts (Fried & Ferris, 1987 [95]; Loher, Noe, Moeller & Fitzgerald 1985 [193]). Later research also identified several other Job Attributes that contributed to employee’s satisfaction with the job. Researchers studying job satisfaction have found it difficult to decide on the Job Attributes that lead to job satisfaction. This dilemma mainly emanates from the fact that issue related to job satisfaction may vary widely in different profession. As people choose job that match their characters the expectation from job also change. For example professional groups in job like sales and customers services may value autonomy and interpersonal relations more, where as those in investment banking may value independence and monetary returns. The importance given to Job Attributes also may vary according to position. An entry level employee may value stability and growth opportunities, where as a manager may value autonomy and authority more. There are various other factors that lead to variation in job expectation and these include age, experience, education, cultural background, gender, socio economic background etc. Various characteristics like pay, promotion, supervision, working condition, co-workers relations etc have been shown to be components of job satisfaction by different researchers. Some of these characters identified by various researchers are summed up in Table 2.2

Table 2.2: Major Characteristics for job Satisfaction
Adapted from: Scott MacDonald & Peter MacIntyre

<table>
<thead>
<tr>
<th>Author Researchers</th>
<th>Cross 1973</th>
<th>Hackman &amp; Oldham 1975</th>
<th>Khaleque &amp; Rehman 1987</th>
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<tbody>
<tr>
<td></td>
<td>I. Firm as a whole</td>
<td>I. Job Security</td>
<td>i. Co-workers</td>
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<tr>
<td></td>
<td>II. Pay</td>
<td>II. Pay</td>
<td>ii. Work Hours</td>
</tr>
<tr>
<td></td>
<td>III. Promotion</td>
<td>III. Social</td>
<td>iii. Work</td>
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<td></td>
<td></td>
<td>IV. Supervision</td>
<td>environment</td>
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<tr>
<td>I. Nature of work</td>
<td>I. Work</td>
<td>I. Communication</td>
<td></td>
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<tr>
<td>II. Control over work</td>
<td>II. Pay</td>
<td>II. Work Hours</td>
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<tr>
<td>III. Quality of Physical environment</td>
<td>III. Promotion</td>
<td>III. Fellow Employees</td>
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<tr>
<td>IV. Supervisor</td>
<td>IV. Supervision</td>
<td>IV. Recognition</td>
<td></td>
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<tr>
<td>V. Co-workers</td>
<td>V. Co workers</td>
<td>V. Work condition</td>
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<tr>
<td>VI. Job Rewards</td>
<td></td>
<td>VI. Supervisor</td>
<td></td>
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<td></td>
<td></td>
<td>VII. Other</td>
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<tr>
<td></td>
<td></td>
<td>evaluation &amp; descriptive factors</td>
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<tr>
<th>Instrument: item on Scale</th>
<th>48</th>
<th>25</th>
<th>¾ Hour Interview</th>
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<thead>
<tr>
<th>Sample and Industry</th>
<th>431 workers - manufacturing</th>
<th>658 employees – Industrial &amp; service Organizations</th>
<th>185 employees – R&amp;D organization</th>
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<tbody>
<tr>
<td>I. Recognition</td>
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<tr>
<td>v. Security</td>
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<tr>
<td>vi. Desired Job</td>
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<td>vii. Autonomy</td>
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<td>viii. Benefits</td>
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<tr>
<td>ix. Promotions</td>
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<td></td>
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<tr>
<td>x. Supervisions</td>
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One of the most widely used instrument, for job satisfaction surveys, has been MSQ (Minnesota satisfaction questionnaire). MSQ measures job satisfaction in terms of cognitive job satisfaction (with individual job characteristics) and overall satisfaction (sum of all item scores in short form and twenty items in long form and is cognitive in nature). MSQ measures twenty Job Attributes apart from overall job satisfaction. The parameters measured by MSQ are ability utilisation, achievement, activity, advancement, authority, company polices, compensation, co-workers, creativity, independence, security, social service, social status, moral values, recognition, responsibility, Supervision-Interpersonal, Supervision-Technical, task variety and working condition. Impact of these job attributes on satisfaction is discussed here under briefly. The literature review initially discusses the intrinsic job attributes/ intrinsic factors followed by the extrinsic job attributes/ extrinsic factors.

The employment market talk has been filled with a new phenomenon of under employment characterised by jobs that does not fully utilise the skill sets of the employees. Perceived skill utilization in one of the most important correlates of job satisfaction and this relation has been exploited widely in job designing. Job designs, that maximized skill utilization, ensured improved job satisfaction. According to Kornhauser (1965) [175] “the strongest influence, on job related mental health, is exerted by workers feeling that the job does or does not give them a chance to use their abilities”. He further opines that a failure in skill utilization results in “lowered self-esteem, discouragement, futility and feeling of failure and inferiority”. A study by Feldman &Bolino (2000) [88], on MBA students, found that perceived skill utilization and skill
development resulted in improved internship satisfaction. Parker (2003) [238] demonstrated that employees in lean manufacturing set up were affected with poor job attitudes due to decline in perceived job autonomy, Skill utilization and decision making participation. Skill utilization is considered as the strongest predictor of job satisfaction among all the components of traditional job design properties.

An important resource, employees, needs to be constantly motivated & satisfied for improved organizational performance, even when their skills are fully utilised. Most basic tools used to motivate employees are rewards, incentives & recognition. Recognition is the act of according an employee a certain status within the organization in return for his work and activities. A motivated employee engages in professional activities more purposefully leading to improved job performance, which in turn begets satisfaction (Vansteenkiste, 2005) [295]. The rewards provided by an organization can be classified in to two, intrinsic and extrinsic. The intrinsic rewards are existent within the job and include factors like variety, autonomy, authority, recognition, creativity and responsibility. The extrinsic rewards are external to the job and can be easily compared with among different jobs. The extrinsic rewards include pay, fringe benefits, growth opportunities, social aspects of the job like status and work place conditions. Lincoln & Kallerberg (1990) [186] argues that rewards may powerfully impact the employee’s attitudes towards their job and the employer. Research by Driscoll & Randall (1999) [78], suggest that intrinsic rewards improves job involvement. Satisfaction with extrinsic rewards generally improves the continuance commitment (O’Reilly, Chatman &Caldwell 1991) [233]. The result of both types of reward will be improved job performance resulting in increased job satisfaction. A study of rewards, job satisfaction & customer satisfaction among service sector employees by Sarwar & Abugre (2013) [259] indicated that significant relation existed between recognition and job satisfaction. Job satisfaction in turn mirrored as customer satisfaction.

Work Autonomy is another traditional job design property that has been widely researched in its relation to job attitudes. Autonomy is one of the original job characteristics in the job characteristics model of job satisfaction proposed by Hackman & Oldham. Brey (1999) [37] defines job autonomy as “choice and freedom inborn in the job to perform numerous tasks”. One of the most widely studied job characteristics, it is considered as the liberty the job offers to the
employee in scheduling the work and deciding the means to achieve the tasks (Hackman & Oldham, 1975 [114]). Autonomy provides responsibility for outcomes of the work, which result in intrinsic motivation and higher efficiency. This in turn results in higher job performance leading to better job attitudes (Langfred & Moye, 2004) [180]. Job autonomy provides a sense of trust to employees and they strive hard to live up to this trust leading to improved job performance and job attitude (Naqvi, Ishtiaq, Kanwal & Ali 2013) [226]. ‘Autonomy’ is widely interchanging used in attitudinal research with ‘independence’. However it may be worthwhile to differentiate the two as autonomous jobs also may have lot of interdependence especially while executing tasks.

Though, autonomy provides freedom in job performance it may be worthless without proper authority. Authority is defined by the oxford dictionary as “the power or right to give orders, make decision and enforce obedience”. This definition of authority fits well in a formal organizational set up where authority is the formal power bestowed by the position. People may have power, which is outside their official standing, due to their ability to influence others due to commanding manner or specialized knowledge. All types of power plays a role in an organization. However most of the studies have concentrated on the formal power or authority while studying job attitudes. The level of authority has been found to significantly impact job attitudes and orientations. Studies have consistently proven that job satisfaction increases and turnover intention reduces as the level of the employees decision making authority increase (Sorensen, 1967 [277]). A study of accountants by Schroeder & Dole (2001) [261] found that the job satisfaction levels increased & turnover intention decreased as the decision making authority increased for accounting professionals. In general it has been found that the job satisfaction increases with level of position of the employee. The one variable that increases with position is authority and can be easily correlated to increased job satisfaction.

Authority that lacks in responsibility can be counter-productive. Responsibility refers to an employee’s involvement with work related events and outcomes and this impacts their identity (Britt, 1999) [42]. According to Britt (1999) [42] “amount of responsibility an individual feels on any given occasion is a direct function of the strength of the links between the elements and the importance of the elements to the individual”. Power sharing and increased responsibility, used
to increase employee participation, result in many positive responses. It has been empirically proven that increased employee participation increases job satisfaction (Cotton et al, 1988) [61]. Most of the job enrichment programs designed to motivate employees involve increasing employee work responsibility. Job design theories have long held that job characteristics such as Variety, autonomy and feedback improves job satisfaction, employee performance and decreases turnover behaviour (Fried & Ferris, 1987 [95]). A study, involving increased task responsibilities among medical technologists, resulted in increased overall job satisfaction (Blau, 1999) [33].

Increased production and service responsibility enhanced job satisfaction, team empowerment, organizational commitment and service delivery; in a study of 111 teams from four organizations by Kirkman & Rosen (1999) [170].

Authority and responsibility may be ineffective in satisfying employees when they excessively standardise procedures as in bureaucratic organisation. Creativity in work place involves employee contribution of novel ideas about organizations products, services, procedures and business practices (Shalley & Gilson, 2004) [265]. Creative skills play a large role in individual & group effectiveness and in essential for organizational success, especially in times of economic stress (Amabile et al, 1996) [6]. Creativity in organization has to be looked at from group and individual angles. Group creativity can support individual creativity, however social influence of groups can sometimes hinder group creativity through factors such as social loafing (Paulus, 2008) [239]. Creative requirements of job were found to be positively correlated with job satisfaction and turnover intention (Shalley, Gilson & Blum, 2000) [266]. While studying software developers, Gallivan (2003) [97], found that innovative employees had a higher job satisfaction level than adapters. A study of 2200 people across 11 professions by Shalley & Gilson (2004) [265] found that job requiring creativity when complemented by a suitable environment led to higher job satisfaction & lower intention to leave. Creative jobs are relatively complex, requiring high degrees of autonomy and thus rendering them unsuitable to strict organizational control.

Organizational theorists have widely discussed the concept role clarity and role ambiguity. Role ambiguity is the opposite of role clarity and is widely used alternatively. Role clarity can be defined as the availability of role relevant information. It also might be subjective in that the
employee may feel that he does not possess as much relevant information about his roles as he desires. Role clarity, both subjective and objective, has been found to relate positively to job satisfaction. Plant workers who reported having adequate information were more confident than workers without adequate information (Neel, 1955) [229]. Kahn et al (1964) [163] in a comprehensive field study of workers found that subjective role ambiguity associated with tension and reduced job satisfaction. They suggest that organizational variables contribute to role ambiguity. The variables include organizational complexity, rapid change in the organization and organizational communication. These together may exceed an individual’s span of comprehension leading to role ambiguity. A study of nurses by Lyons (1971) [196] found a clear relation between role clarity and job satisfaction, organizational satisfaction, work tension, turnover intention and withdrawal behaviour.

Role conflict is the lack of compatibility between the various role demanded by a job or position. Role conflict occurs when a person has to perform different roles in a position for examples that of an accounts executive when he/she has to balance the interest of his employer and his customer. Role conflict can also happen when a person has to perform different role in different groups or different roles in the same group. Role conflicts can be complex and challenging creating heightened tension in the individual. Many researchers have produced proof of a negative relationship between role conflict and job satisfaction (Kahn et al, 1964) [163]. Significant relation between role-conflict has also been reported with intention to leave, voluntary turnover and job performance. Johnson & Stinson (1975) [153] concluded significant relationship between voluntary turnover and role conflict and role ambiguity. Increase in role conflict leads to reduction in job performance rating which in turn will result in job dissatisfaction. Kahn et al (1964) [163] found that role conflict resulted in job related tension only in introverts. Extroverts were not affected by role conflict. This may indicate role conflict being a moderating variable in job stress and the independent variable being the personality of the worker. Similarly flexible individuals were more affected by role conflict in comparison to rigid individuals. Johnson & Stinson (1975) [153] in a study of military civilians found, significant negative correlation between person-role conflict and satisfaction with job. As the
role played by an individual increases, role conflict and resultant job dissatisfaction also will be escalating.

“To understand the Heart and mind of a person look not at what he has already achieved, but at what he aspires to”. Khalil Gibran’s quote throws light on the reason for all human effort. We constantly seek growth through symbolic and materialistic achievements and promise of these achievements guide our efforts. Professional efforts too are guided by the opportunity they offer for growth. Promotions are one of the most enduring aspirations of all employees and its impact on job satisfaction has not been widely studied and documented. Promotions are an important aspect of work and affect other facets like labour mobility, wages, responsibilities and job attachment (Kosteas, 2009 [177]; Blau & De Varo, 2007 [32]). Firms widely use promotion as a tool to elicit higher effort form workers aspiring promotions. The heightened efforts are seen prior to promotions and continue well after the promotions making it an effective tool to increase productivity. While studying British Nurses, Shields & Wards (2001) [269] found training and promotion opportunity to be a significant determinant of job satisfaction and intention to say and this was higher than the effect of pay and workload. Studying the actual impact of promotion on job satisfaction is often very complicated as it requires cross sectional data. Most studies have investigated the relation between the employees’ perception about promotional opportunity in the current job and its impact on job satisfaction (Clark, 1996) [55]. The relation between promotion expectation and promotion has been examined by DeSouza (2002) [73]. He found that managers who received a promotion have more satisfaction with promotion opportunities and more expectations of future promotions. A study by Kosteas (2007) [176] using 1996-2006 waves of the NLSY79 data set examined the relation between promotion, promotion expectation and job satisfaction. The study was on a 10 year longitudinal data of 7654 US employees in their 30’s and 40’s. The study could find the following relations. Promotions had an enduring effect on job satisfaction often exhibiting an impact for up to two years after the promotion. Workers who believe a promotion is possible in the next two years also exhibit a heightened job satisfaction. The impact of promotion on job satisfaction was significant even if the employee was not anticipating one. When more than one promotion has been received the impact of the newer promotion is prominent and is not diminished by earlier promotions.
Achievement refers to “A thing: done successfully with effort, skill or courage” as defined by the oxford dictionary. It is classified as a noun and its corresponding mass noun is a sense of achievement which is described as a “process or fact or achieving something”. Sense of achievement is also commonly referred to as sense of accomplishment which is a feeling of achievement derived from doing a job. A powerful intrinsic factor influencing job satisfaction, sense of achievement is important for jobs involving service of some kind, like education and health. In a study of 28240 British workers, Gazioglu & Tanselb (2006) [98]found that employees from health care and education sectors were more satisfied with their sense of achievement than other Job Attributes like pay, respect received from supervisor and influence over job. According to Spector (2003) [281], sense of achievement is a prime intrinsic factor in deciding employee job satisfaction. Andreassi et al (2014) [8] studied the impact of Job Attributes on job satisfaction across various cultures. The sample consisted of 70000 employees across Asia, Europe, north &South America. The result indicated significant influence of Job Attributes on job satisfaction across the four continents. Though there was difference in the job characteristic across the four cultures, sense of Achievement was found to be the universally most important driver of job satisfaction. Herzberg opines that intrinsic factors like achievement, independence and social service opportunity mostly are motivating factors, unlike extrinsic factors that are hygiene in nature. Savery (1996) [260] while, studying pharmacist from Australia, found sense of Achievement to be an important determinant of job satisfaction. He concludes that “enriching the intrinsic motivators of recognition for good performance, feeling of achievement & interesting and challenging work will have a greater impact on both improving level of job satisfaction and reducing the level of job dissatisfaction”.

Social status of a job refers to the respect the individual gets in the society due to his profession. The social status of a job is of high importance in a country like India, where there is caste system that has evolved based on profession of the person. Jati or Caste refers to the inherited profession and had a huge significance in the Indian context. The whole society was based on the jati system. The rub off effect of the major religious group also percolated to some extent in to other religion, though the legal recognition of the jati system was accorded only to Hindus. Varna, literally meaning colour (of thought), decided the class of the person. It was possible to
for a person to be born in a lower jati but climb up the ladder through knowledge gaining and
attaining a higher Varna. The socio economic classification by the governing system is also more
or less based on the same principle. A person’s SEC (Socio Economic Classification) is decided
by two factors, one the education levels, more or less reflecting the Varna and the other his
profession reflection the jati. The impact of a job on the social status is still very significant,
though the jati system of inheriting a profession has gone away mostly. Some professions, even
today, are considered or accorded a higher status socially, though things are fast changing
towards a more materialistic evaluation of professional status. A study by Sales & House (1971)
[258] investigating relationship between job satisfaction and heart disease found the social status
of jobs varied widely. The social status and job satisfaction of highly educated workers were
high, like professors, moderating when it comes to professions like clerk and sales person and
was lowest for unskilled workers. Walsh & Taylor (1980) [301] found that job prestige had a
significant influence on occupational self-esteem and low prestige jobs such as manual &
unskilled jobs created negative psycho-social consequences. The impact of social status may be
reflected on the professional self-esteem. A low professional self-esteem in turn results in low
self-esteem and higher turnover intention.

Every job entails varying degrees of social interaction. Studies have shown that profession with
higher social service opportunity tends to have higher recognition. The social service opportunity
is of utmost importance, especially in professions with high user contact and emotional
involvement like health care, social service, education and law enforcement etc. One of the most
widely attributed cause of work related dissatisfaction arises from the context of not being valued
by their employers and wider society (Huxley et al, 2005) [145]. On the contrary a good
reputation and acceptance of the service has an impact on the professional motivation and act as
a part of the professional reward (Evetts, 2006) [84]. Social service opportunity may provide
intrinsic reward by providing a sense of achievement. It also may provide extrinsic reward in the
form of client recognition and public approval for the professional’s effort to make a difference
to someone, especially someone underprivileged. Le Grande (2003) [182] opines that more than
the intrinsic and extrinsic rewards the employee may be motivated by the personal gratification
derived from the altruistic actions. A study of job satisfaction among Norwegian social workers by Jessen (2010) [151] found “Helping others” was the most highly rated intrinsic reward of the job. With business fast moving towards a post modernistic and post materialistic mode, characterized by heightened CSR (Corporate Social Responsibility) and philanthropic activities and emergence of social sector, it is imperative that social service opportunities offered by professions will increase and impact job attitudes like job satisfaction and commitment.

*Ethics* has been one of the most researched topics in business and this trend of research on ethical behaviour has seen a surge in the last decade of twentieth. The study on ethical behaviour has gained much importance due to the turmoil in the business world, in the 1990’s and the early part of the millennium, caused by unethical managerial behaviour. A study by Viswesvaran & Deshpande (1996) [297] found that ethical behaviour was one of the most important determinants of managerial/ supervisor satisfaction among employees in India. A study by Vitell & Davis (1990) [298], among MIS professionals, found that job satisfaction increases when management stresses on ethical behaviour and relation between ethical behaviour and success is perceived to be positive. A research on ethical climate and its relationship with job attitudes like satisfaction & commitment, among sales managers, clearly indicated a positive relationship (Schwepker, 2001 [262]). With the fast decline in behavioural standards in public organizations and its negative impact on business the study of Ethical behaviour and its impact on business has gained traction.

*Workplace friendship* (WF) is “a voluntary, personal relationship typically providing intimacy & assistance” (Fehr, 1996) [87]. As people spend a large portion of their productive life at workplace, WF assumes a lot of significance. WF is different from other normal friendship as they are made at workplace and are “non-exclusive voluntary relation that involves mutual trust, commitment, liking, shared interest and values” (Berman, West, Maurice & Richter, 2002 [27]). The importance of WF has been widely researched and it is found to support individuals to accomplish their job, reduce stress and provide increased communication, cooperation & energy (Fine, 1986) [91]. The importance of WF is more in service related professions because of lower reliance on machinery and dependence on human labour (Bandy 1995) [21]. Employees in friendship at workplace exchange encouragement, confidence, trust, respect & critical feedback.
thereby increasing work attitude. Empirical evidence has been presented to prove the positive influence of WF on job attitudes, intentions & behaviours such as job satisfaction, organizational commitment, Job performance, turnover behaviour and absenteeism (Riordan & Griffeth, 1995 [250]). Friends at work place help by providing advice & assistance which results in an increased feeling of security, comfort and Job satisfaction (Dotan, 2007) [76]. Employees in friendship exhibit altruistic behaviour, thus promoting helpful nature, giving of guidance, advice, feedback, recommendation and information on work related matters. Research has shown that WF can increase effort and rate of production (Bandura, 1986) [20] and reduce turnover behaviour (Sias& Cahill, 1988 [270]).

Managers spend two third or more of their time communicating and communication is the life blood of management practice (Mintzberg, 1973) [209]. The communication function in an organization takes two forms; formal & informal. These channels are used to disseminate information to the various audiences within the organization. The communication also takes different directions through downward, upward and horizontal communication. The objective of the communication structure is to provide timely, important & relevant information. Crino & White (1981) [65] defines communication satisfaction as the “satisfaction with various aspects of communication is an organization”. In an organizational context, communication practices act as the antecedent with the consequence being communication satisfaction. Downs and Hazen 1977 [77], opines that the initial research on communication satisfaction and Job satisfaction was initiated by Herzberg in the 1960s. Significant positive relationship was demonstrated between communication satisfaction & job satisfaction (Pincus, 1986 [242]). It has been observed in studies that employees reporting higher communication satisfaction also report higher job satisfaction (Goris, 2007) [103], making communication satisfaction an important predictor of job attitudes.

Long term employer–employee relationship has long helped organization in talent retention, improved worker loyalty and its reflection on the organizational performance. However the same had its own disadvantage of being burdened with a bloated workforce during times of performance stress. However with flexible labour laws and practices the labour loyalties of employers have been fast lost. This has a positive effect in that; employees are free to look for
better opportunities. However this also has lead to a feeling of job insecurity, whose relation on job attitude is not fully well understood, but considered negative. Harrison (1998) [119] termed this phenomenon as ‘dark side’ of labour market flexibility. The flexible labour market practices had their advent in the west towards the last two decades of twentieth century and today in fast spreading to rest of the labour world. One of the most widely understood impact of job insecurity is the worsening of employer-employee relation and the resultant industrial relations issues. Blanchflower and Oswald (1999) [31] found U.S workers in secure jobs to be more satisfied than their insecure counter parts. A study on type of job contract and job satisfaction by Kaiser (2002) [164] across nations found that workers in full time permanent jobs, who have the highest job security, to be most satisfied with their job. The international social survey programer (ISSP, 1989) reveals that, in eight out of the nine OECD countries surveyed, job security was considered as the most important job characteristic by the surveyed employees. Based on ISSP 2000 survey, Souza – Poza & Souza – Poza (2000) [278] showed job security to be an important determinant of job satisfaction and was ranked 7th among all determinants of job satisfaction.

Working condition, of a job, can be defined as the condition under which a job is performed and this can be very different depending on the job. Some jobs like office jobs can be very comfortable and certain others like mining extremely difficult and dangerous for the employee. The working condition are generally influenced by these factors: (1) external factors like climate, noise & interference, dust, smoke, radiation etc. (2) subjective factors of the worker that include age, gender, posture, monotony etc. & (3) production related factors like shift timing, schedules, pace, strain etc. Difficult working conditions adversely affect an employee’s performance and may be performed only by certain workers who meet certain physical & mental standards or with certain protection against the condition. Job satisfaction studies that have dealt with working condition as a determinant of job satisfaction have found that workers generally prefer pleasant and safe condition. Many researchers have shown a link between working condition and job satisfaction (Brill et al, 2001 [40]; Newsham et al, 2009 [230]). Hawthorne experiments by Elton Mayo, which ushered in the dawn of Human Relationship movement in management; started as a study of working conditions on productivity. Working conditions have not only shown to affect productivity, but also to influence physical and mental health of the worker. The field of
occupational Health psychology (OHP) has a dedicated stream of research under the stream of “environmental psychology of the work place”. The concepts and theories of environmental psychology help explain the impact of the physical environment on employee and organizational health and well being. This is more than an indication of the emerging interest of working conditions on the employee, his job attitudes and the organizational performance.

Leader member exchange (LMX) is the one-on-one relationship between a leader and subordinate. LMX often affects the structure and success of an organization. The criticality of the topic has led to widespread research and debate in the area in the past decade (Harris, Harris & Eplion, 2007) [118]. The heightened significance of the relation between leader and subordinate also stems from the fact that the prime reason for a person leaving an organization is poor treatment by the supervisor (William, Pitre & Zainuba, 2002) [306]. Leaders also treat their subordinates differently affecting their job attitudes like job satisfaction and organizational commitment; this in turn reflects in the organizational performance. Tepper (2000) [289] found that employees working for “poor bosses” had lower satisfaction of both life and job, lower commitment to the organization, higher work life conflict and psychological distress. The currencies in LMX consist of ‘contribution’ that consists of task related behaviours, ‘affect’ that indicates the liking of each other and ‘loyalty’ that indicates the loyalty to each other. A comprehensive study of job satisfaction by AMDD, Milman School of public health, Columbia University, in three African countries of Mozambique, Malawi and Tanzania further demonstrated the importance of supervision and job satisfaction. The HSSE (health system strengthening for equity) [85] study found that presence of adequate supervision was a chief determinant of job satisfaction and intention to leave. Presence of formal supervision that was structured and supportive was a strong predicator of job satisfaction. Adequate supervision along with management support was considered to be three times more important than pay & advancement opportunity in creating job satisfaction. The Kansas workforce initiative Evidence review (2010) [139] studied how supervision relates to workforce outcomes. The study found significant correlation between quality of supervision and retention of child health workers. The study found three supervisory behaviours of task assistance, emotional & social support and interpersonal interaction contributed to improved retention of workers. Satisfied and staying
employees were found to be more assured of their supervisor’s support, felt more positive about the role of their supervisor on their job and found supervisors to be more competent, acknowledged workers contribution and warm & friendly (Yankeelov et al, 2008 [311]). The two factor theory of motivation considers supervision a hygiene factor, whose absence will induce de-motivation. MSQ (Minnesota Satisfaction Questionnaire) one of the most widely used job satisfaction scales, measures satisfaction with technical & interpersonal supervision as a determinant of job satisfaction. Technical supervision is about a manager’s ability to professionally assist a subordinate through adequate guidance and knowledge transfer. Interpersonal supervision is about a supervisor’s ability to treat a subordinate equitably and with respect. Job descriptive index, another widely used job satisfaction scale has 18 items measuring supervision satisfaction as a correlate of job satisfaction. The 18 items more or less fits well into two categories, technical competence of a manager and interpersonal conduct of the manager in relation to his subordinate. The importance of a good supervisor in summed up in the words of H.S.M. Burns “a good manager is a man who isn’t worried about his own career but rather for the careers of those who work for him”.

History is replete with incidents of employee struggle for a fair compensation and governments have instituted various laws to ensure the same, since the beginning of the twentieth century. Compensation is sum total of all tangible benefits employee receives as a part of employment contract (Bernadin, 2007) [28]. Compensation further can be classified in to cash compensation, called commonly as pay and fringe compensation commonly called employee benefits. According to government laws there are certain legally mandated portions of the compensation and additional benefits are generally used by employers to motivate the employees. Compensation is an extrinsic factor of the job and is readily available for comparison with existent market rates. Cowin (2002) [62] found compensation to be a Critical component of job satisfaction and retention among nurses. Robbins (2003) [252] opines that a lower pay in comparison to the work is one of the prime reasons for job dissatisfaction. Compensation satisfaction is a hygiene factor, whose absence will lead to dissatisfaction. However it does not promote job satisfaction when present, according Herzberg’s two factor theory. Hence compensation can change an employee attitude of dissatisfaction to no-dissatisfaction. However,
the empirical evidence has been mixed with pay being an antecedent to job satisfaction in some studies. A study of Chinese armed forces suggested a strong correlation between pay and satisfaction (Yang et al, 2008) [310].

“Organizational justice is the term used to describe the role of fairness as it directly relates to the work place” (Al-Zu’bi, 2010) [5]. According to Moorman (1991) [215] organizational justice is concerned with employee’s determination of fair treatment at work and its impact on work related variables. The employee perception about justice consists of three distinct dimensions; distributive, procedural & interactional justice. Distributive justice is the perceived fairness of reward or outcome that an individual receives from an organization. According to Adams (1963) [4] unfair distribution of rewards creates tension in the worker and he/ she gets motivated to resolve the same. However in many an instance it is the procedure used to determine the reward, rather than the reward itself, that matter most. Procedural justice deals with the perception of fairness in the rules & procedures that regulate the reward process itself (Nabatchi, Bingham & Good, 2007 [225]). The basic factors that govern procedural justice are neutrality of the process, impartiality, opportunity to be heard, treatment of participant & trust worthiness of the process. A vast support of literature is available to support the procedural theories of job satisfaction. The notion of interactional justice deals in treating others with dignity & respect. According to Mikula, Petrik & Tanzer (1990) [208] a significant portion of the reported injustice refers to the way person/ employee was treated during interactions and not the distributional or procedural issue.

Policy can be defined as the principle or protocol that guides decision making in an organization. Policies give stability to decision making and prevent subjectivity that can cause severe negative perceptions. Company policies and administrative style are widely considered to be important for job satisfaction by various researchers. Utley, Westbrook & Turner (1997) [293] found company polices to be associated with negative thoughts about the job and thus job dissatisfaction. A study of government employees by Leach & Westbrook (2000) [183] found that organizational policy and administration ranked high as a job dis-satisfier. Company policies, sometimes, are judged in conjunction with management style. Studies have found evidence for the fact that the perception of decision being made on political consideration lead to significant job dissatisfaction. The
impact of policy on job satisfaction can be found across industries. When participative decision making was introduced, the dissatisfaction with policy and administration diminished, leading to improved job satisfaction (Witt, Andrews & Kacmar, 2000) [307]. The greatest advantage of clear & friendly policies in the organization and policy based decision making is that it removes the feeling of bias and improves job attitudes like job satisfaction (Cropanzano, Grandey & Toth 1997) [67].

As companies are trying to improve job satisfaction, job attitudes and organizational performance, work-life balance becomes an important link. It is essential for an individual to fulfil social and organizational responsibilities to have a fully satisfying life. Dissatisfaction in one sphere overflows into the other and ultimately ends up disturbing the balance in both personal and professional life. Hill et al (1989) [129] defines work–life balance as “the degree to which an individual is able to simultaneously balance the temporal, emotional and behavioural demands of both paid work and family responsibilities”. Clark (2000) [57] considers it to be an ability to strike an ideal balance between professional and personal life in all of their respective associations. Veenhoven (1991) [296] opines that an effective work life balance brings in happiness and contentment. He further adds that this will lead people to maintain their hard work in profession leading to satisfaction. According to the key trends affecting work place of 21st century, as per the U.S Bureau of labour statistics, is the movement to accomplish work life balance (Clark, 2001) [58]. The balance has been disturbed by various social trends like dual income households, changing gender role, micro families, excessive work place competition and materialistic attitudes. Success in work life balance depends on an individual’s ability to fulfil professional and personal responsibilities without overlapping (Konrad & Mangel, 2000) [174]. The issue has been widely dealt from the differing perspectives of sociology, psychology and management. Policies to promote work- life balance, like telecommuting, child care, work share, same office posting, special leaves and vacation etc, have been widely used by employers to ensure employees spiritual, mental & physical well being, which in turn would result in their better engagement and better performance. A study by Kanwar, Sing & Kodwani, (2009) [166] in the IT & ITES sector in India found a positive correlation between work life balance and job
satisfaction. Among the three variables studied work life balance exhibited the most prominent influence on job satisfaction.

Most of the attempts to predict turnover has looked at a micro level perspective that looks at the employee’s current relationship with their employer (Herriot & Pemberton, 1996 [126]; Lee et al, 1999 [185]). These studies look at factors like job satisfaction and commitment to predict employee turnover behaviour. However these attempts fail many a times to explain the sudden decision of employees to leave the job, though they present high levels of job satisfaction and commitment. This is where macro level factors like ‘specific market opportunities’ act as a catalyst in employee turnover. These opportunities are different in that they are external opportunities and unlike the internal growth opportunities it is perceived differently by the employee. A lack of internal opportunities may prompt a skilled employee to look at external opportunities and suitable external opportunities may cause turnover. While interviewing, industry experts pointed to a peculiar trend of ‘late leavers’. These were people considered career stayers, performing well and having long experience of a decade and above. They were mostly with stagnant careers but highly skilled due to their experience. They were sought after by the competition and often made a snap decision to change employer without exhibiting any prior turnover behaviour. A study by Kirschenbaum & Mano-Negrin (2002) [172], among medical sector employees in Israel, found that perception of external job opportunities affected the turnover behaviour of certain occupational groups.

An Employee may consider his /her future growth prospect while deriving satisfaction from the job. However an employee, whether looking for growth prospect or not in his career, looks at a stable future in terms of prospects of his employing organization. As the adage goes “A lot of younger people are leaving the ship because they can get jobs elsewhere easily”; travelling your professional career with an organization with no future prospects in often like travelling in a sinking ship and irrespective of whether you are the captain or sailor, you are doomed in your journey. A search of available literature did not yield any study linking organization’s prospects, as perceived by the employee, and job satisfaction. While interviewing the study subjects it was pointed out that ‘organizational prospects’ in terms of financial performance, sense of direction and future plans were important factor while looking for an employment. This was especially
true for long service employees, who made a conscious decision to stay where they were and not seek career growth. It was pointed out that many a times job changes at the same level was based on perceptions of organizational stability & future prospects; Where a person was willing to switch from smaller, less stable, low prospect organization to a larger, stable organization with better future. These changes not only brought in future security but also improved intrinsic and extrinsic rewards. Everybody hates to be the one to desert a sinking ship, but would leave it rather than stay around and try to help. It is imperative for an organization to communicate timely & relevant information about its business and growth plans to ensure better job attitudes and employee arrangement.

2.1.6 Outcomes of Job Satisfaction

Job satisfaction has been related to a wide array of workplace behaviours. These include life satisfaction (Judge & Watanabe, 1994) [162], attendance at work (Smith, 1977 [274]), turnover decisions & withdrawal behaviours (Carsten & Spector, 1987 [49]), organisational citizenship behaviour (Bateman & Organ, 1983 [25]) and job performance (Judge et al, 2000) [161]. It is a common belief that satisfaction improves productivity. However the relation has been debated widely, the biggest impediment in establishing the relation being the bi-causality of the relationship. The fundament question here is “do satisfied worker perform better?” or “does better performance bring the satisfaction?” Though research has supported both views, there has been lack of evidence linking the two in a simple direct relationship. The difficulty in establishing this relation has been mainly due to establishing a clear attitude-behaviour link. Another difficulty while studying the satisfaction-performance role is the intervening variable of Reward. When employees received valued rewards they perform better. Rewards in this situation seem to influence both satisfaction and performance and needless to say performance based rewards have been widely used to increase productivity.

The relation between Job Satisfaction and Turnover Intention/ Turnover is fairly conclusive. A study, by Mulky (2012) [222], among Indian pharmaceutical sales personnel found strong correlation between Job satisfaction & turnover intention (r=-0.285). Another study by Pawase & Poonawala (2013) [240], among medical sales representatives, also found negative relation between job satisfaction & turnover intention (r=-0.364). According to Ilahmi (2012) [146] Job
Satisfaction is one of the most prominent antecedents of Turnover Intention and Organisational Commitment. Sharma & Nambudiri (2015) [267], while studying the employees of Indian information technology sector, found Job Satisfaction to be a moderator in the relation between Job-leisure conflict and Turnover Intention. Tarigan & Ariani (2015) [287] found, both Organisational Commitment and Turnover Intention, to be having a significantly negative relation with Job Satisfaction. However there has also been contradicting research findings. While studying unskilled labour Kevalin& Yuko (2015) [168] found no relation between Job Satisfaction and Turnover Intention.

Though it has been difficult to link job satisfaction and individual performance, things are different when it comes to organization performance. Companies with satisfied workers have known to perform better than companies having dissatisfied workers (Ostroff, 1992) [236]. Robbins & Judge (2007) [251] have found empirical evidence between job satisfaction and organizational performance. They opine that organization with greater number of satisfied employees are more effective than their counterparts with less number of satisfied employees. This also can be an indication of the fact that more satisfied employees tend to be more productive than less satisfied ones. This fact is reiterated by Bernadin (2007) [28] who advices organizations to retain its employees and ensure their satisfaction to be successful. Satisfied workers have also known to exhibit higher level of Organizational Citizenship Behaviour (OCB). As a satisfied worker tries to reciprocate, they end up helping co-workers, make suggestions and participate in improving organization through innovation and improve their skill levels. Impact of improved OCB spreads through entire organization (Bommer, Miles & Grover, 2003) [34] there by contributing to overall organizational effectiveness. As the OCB lies beyond the individual job performance its benefits are not often captured as a result of individual’s job satisfaction. Another of the important implication of job satisfaction is the turnover behaviour. Dissatisfied employees are more likely to absent themselves from work. Turnover among dissatisfied-workers are also more and this causes severe instability of staff and can reduce organizational effectiveness. Physical and psychological illnesses are also reported more by less satisfied workers (Griffin & Bateman, 1986) [109].
Researchers have also correlated job satisfaction with various job outcomes like job involvement (Elloy & Terpering, 1992) [81] work related stress (Ramnathan, 1990) [246], employee attendance and actual turnover (Gregson, 1990) [106]. Spector (1997) [280] list three important features associated with job satisfaction. First, when organizations are guided by human values and treat employees fairly and with respect the resultant job satisfaction increases employee effectiveness and indicates good mental & emotional state of employees. Second, the job satisfaction dependent behaviour of employees affects the function of organization and its business. The satisfied employee will behave positively improving business performance and the vice versa will be true for a dissatisfied employee. Third, job satisfaction can be an indicator of organizational activities. As the satisfaction levels differ according to organizational units, managers can manipulate unit performance, by influencing job satisfaction positively, thereby improving organizational effectiveness.

Judge& Watanabe (1993) [162] found that job satisfaction is vital in predicting employee well-being. In a cross sectional study they found strong correlation between job satisfaction and life satisfaction, though in longitudinal data the relation weakened over five year duration. According to Spector (1985) [279] “Attitudes have shown to relate to behaviour although correlations are typically modest. Withdrawal behaviour, turnover, absenteeism and withdrawal intentions are expected to correlate with satisfaction”. Bruce and Blackburn (1992) [44] wrote: “Satisfied employees are more likely to experience high internal motivation, to give high quality work performance and to have low absenteeism and turnover”. According to Gruneberg (1979) [110] an individual’s feelings about his job facets like pay, security and other benefits highly influenced his well being. Despite unclear relationship, between job satisfaction and job productivity, striving to make worker’s job more satisfying was of humanitarian value (Smith, Kendall & Hulin, 1969) [275]. Despite the conflicting claims on the nature of relation between job satisfaction and productivity from a humanitarian view it is still of general importance for management to consider. The antecedents and consequences of job satisfaction may be briefly summed up according to Figure 2.8.
2.2 Employee Turnover

“If the world operates as one big market, every employee will compete with every person anywhere in the world who is capable of doing the same job. There are lots of them and many of them are hungry”, Andy Grove. The hunger for a better employment, in a world where your career is your best investment, is unrelenting. A joint study by Global Consultancy firm Hey group and Centre for Economic and Business Research (CERB), reported in Economic times [15], puts India at the top of attrition charts world over. The study conducted in organized sector across the world predicts 21.2% attrition for 2013, an increase over the 2010 figures by 20.3%. The average turnover predicted for the next five years, till 2018, is a whopping 23.4%. India tops the chart with 26.9% predicted attrition in 2013 an increase of 0.9% over 2010 figures. The prediction is for the organized sector with an employee base of 3 crore, which is an increase of 2 million over 2010. The main reason for this increase in anticipated turnover is the new opportunities being created. After the downturn years of 2008-09 it is estimated that growth is building up increasing the opportunities of employment. It is predicted that the highest opportunity increase will be seen in finance, insurance, real estate and construction that contribute to 14% of the organized sector employment. The main reason cited for the turnover intention/decision was fairness of compensation (55%), ability to meet their needs (48%), ability to achieve career objectives (37%), ability to learn & develop (39%) and Supervisory Coaching.
for their development (36%). As the economic growth resumes and labour prospect improves employee turnover will increase making employee retention and engagement a prime focus of every employer.

The annual compensation & Benefits Trends Survey India 2014-15 by Deloitte [316] highlights the problem of voluntary employee turnover in India. The survey covered 209 large organisations across 18 sectors. The results indicate the problem of high voluntary employee turnover across sectors, though declining slightly in 2014 over the previous year. The largest victims of the trend were the industries of Information Technology, Media, Banking and Financial Sector and Pharmaceuticals. There were also clear indications that the voluntary turnover was higher at the lower levels and tend to decrease as the employees’ position increases. The results of the survey is summarised in Table 2.3

Table 2.3: Industry wise voluntary turnover rate in India

<table>
<thead>
<tr>
<th>Industry</th>
<th>Voluntary Turnover (%)</th>
<th>Position wise (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
<td>2014</td>
</tr>
<tr>
<td>Automobile</td>
<td>11.6</td>
<td>10.3</td>
</tr>
<tr>
<td>Banking &amp; Financial Services</td>
<td>15.3</td>
<td>14.0</td>
</tr>
<tr>
<td>Chemical</td>
<td>13.7</td>
<td>12.2</td>
</tr>
<tr>
<td>Consumer Business</td>
<td>13.5</td>
<td>12.5</td>
</tr>
<tr>
<td>Engineering</td>
<td>12.8</td>
<td>11.8</td>
</tr>
<tr>
<td>IT enabled Services</td>
<td>17.8</td>
<td>16.4</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>14.3</td>
<td>13.2</td>
</tr>
<tr>
<td>Media</td>
<td>17.2</td>
<td>15.6</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>14.1</td>
<td>12.8</td>
</tr>
<tr>
<td>Retail</td>
<td>13.8</td>
<td>13.1</td>
</tr>
</tbody>
</table>

2.2.1 Definition

Employee turnover is also referred to as labour turnover and widely inter-changingly used. Business dictionary defines labour turnover as “The Ratio of number of employees that leaves company through attrition, dismissal or resignation during a period to the number of employees on Payroll during the same period” (www.businessdictionary.com). Abassi et al (2000) [1] defines employee turnover as the rotation of workers around in the labour market between various employers, occupations and states of employment & Non-Employment. Price (1977)
defines employee turnover as “The number of organizational members leaving during a period divided by the average number of people in the organization during the period”. This is one of the most enduring and widely used definitions to date. Woods (1995) defines turnover as a cycle which starts with Voluntary or Involuntary vacation of a position and then the whole process of hiring, training and replacing of the position with a new employee; this is how most functional managers see turnover, as a whole process of employees leaving and being constantly replaced. Another widely used definition of turnover is that of Mobley (1982) and considers it as “Termination of the process of individual obtaining material income from the organization”. This definition looks at turnover from a wage labour contract angle. This definition was slightly modified by Zhang & Li (2005), while studying IT industry turnover in China, to “the process in which individual obtaining the material income from an organization should terminate their organization labour contracts”; more of a voluntary action from the employee. One thing to remember while interpreting the definitions is the scope of definition. Does the definition look at holistic perspective of turnover or look at a more narrow perspective like voluntary turnover. Also, it should be looked into from which angle turnover is being seen, from the employer’s or the employee’s? Another closely related concept in study of employee turnover is the ‘turnover intent’ and ‘turnover behaviour’ which always precedes the actual turnover. The turnover intent starts with “thinking of Quitting” which is followed by ‘Job Search’, where a replacement employment is selected and contract signed and at last the ‘quitting’ of the current employer for a new employer (Hanish & Hulin, 1990). This clearly indicates that turnover is a multi stage process. However this process holds good only for voluntary turnover and involuntary turnover is often sudden and unplanned without preceding intent to the turnover.

2.2.2 Turnover classification

All turnovers in an organization cannot be considered undesirable. It is imperative that a personnel manager understands and classifies the turnover into beneficial or harmful one. The beneficial turnover helps the organization perform better, without the employee who has quit, and harmful turnover impacts the organizational performance negatively. Unless a manager understands the effect of turnover on the organization, it becomes difficult to choose appropriate
responses to the turnover. Prior to classification of turnover, the manager must first of all understand whether turnover itself is a problem for the organization. The manager should work on personnel data rather than going by anecdotal evidence of a few quit, often high profile, before deciding whether the turnover rate is detrimental? And if so what strategies are to be taken to reduce the same. Managers often press the panic button without analyzing realities like the industry quit rate, type of turnover, impact on organization performance and probability of finding a solution. Usage of the diagnostic model of turnover proposed by Hom & Griffeth (1991) [136] will help a long way in understanding the impact of turnover and actions need to be taken to tackle the same or not (Figure 2.9).

![Diagnostic Model of employee turnover](image)

**Figure 2.9: Diagnostic Model of employee turnover**
Source: Retaining Valued Employees, Rodger W. Griffeth & Peter W. Hom

Hom & Griffeth (1995) [134] proposed classification of turnover to understand the unwanted or undesirable portion of turnover. All turnovers are not bad for the organization. Turnover most often adds new employees, in the form of replacements, who may bring in new ideas and help overcome the inertia due to a stagnant resource pool. However turnover may become detrimental when it is higher than industry/ similar firm averages, as indicates that employees may be seeking employment with competitors. Hom & Griffeth classify turnover into voluntary and
involuntary turnover (Figure 2.10). Involuntary turnover is often employer initiated and the employee has no say. This may be in the form of dismissals, layoffs, early retirements etc. However even when employee initiated the control on involuntary turnover is very low and may be initiated due personal and family commitments, health issues, bereavements etc. Voluntary turnover, on the contrary, is employee initiated and comes mostly in the form of resignation from employment. However the classification is not watertight with some turnovers being treated as either voluntary or involuntary. For example some researchers treat termination due to poor health as voluntary turnover (Campion, 1991 [46]; Hanisch & Hulin, 1990 [117]). According to Hom & Griffeth, the manager must concentrate only in voluntary turnover and neglect involuntary turnover. Involuntary turnover is generally considered good as the employer did not want to keep the employee. However voluntary turnover is harmful as employer wanted to keep the employee, but employee did not want to stay.

Figure 2.10: Classification of Employee Turnover
Source: Retaining Valued Employees, Rodger W. Griffeth & Peter W. Hom

Determining, whether the quit is voluntary or involuntary, is relatively easy. The immediate supervisor of the quitting employee will be able to give the information on the nature of the quit that will help in classifying it as voluntary or involuntary. The next step would be to classify the voluntary quit into Dysfunctional or functional. A voluntary quit can be considered functional if the quitting employee was a non-performer. A dysfunctional voluntary turnover happens when a performing employee leaves. The Dysfunctional quits can be further classified in to avoidable and unavoidable. Unavoidable quits are beyond the control of the organization and cannot be Stopped or prevented. Some common reasons for unavoidable quits among nurses in US are
relocation of family, marriage and spousal responsibility, maternal responsibility and other unavoidable personal reasons (Campion, 1991) [46]. As stated earlier, though the reason for dysfunctional turnovers is quite common, their classification is often disputed by researchers. Abelson (1987) [2] suggest further classification of dysfunctional quits in to avoidable and unavoidable quits. The unavoidable quits, beyond the control of employer, has to be left out while formulating strategies to improve employee retention. However improvement in technology has helped employers to try reducing unavoidable quits to some extent. According to Glover & Crooker (1995) [101] organizations have introduced an array of family and lifestyle-friendly programs to help resolve work life conflicts and reduce unavoidable employee turnover. Some of these programs include flexi times, telecommuting, job sharing, same station posting, lactation room and long breaks, to name a few. These strategies are a more recent phenomenon and points towards acute shortage of skilled employees. The personnel manager should use exit interviews to assess avoidability of the turnover on a one to one basis and should develop suitable strategies to reduce them. It is important that the manager exactly knows the amount and reason for avoidable quits and develop suitable strategies to reduce the same. It also must be made a point to conduct frequent audits to benchmark the organizations turnover rates to the industry as a whole and to the main competitors specifically. Dysfunctional turnover, when unchecked and above the industry average, can severely affect the organizations competitiveness and erode profitability by loss of revenue and cost increases.

2.2.3 Turnover Costs

One of the biggest troubles in ascertaining the cost of turnover is the inability to clearly identify all economic implication of turnover. Some of the costs and losses are direct and clearly visible, however many are indirect and not apparent. It takes great experience and keen analysis on the part of the manager to identify and quantify all costs associated with dysfunctional turnover. Turnover cost can be broken into three categories according to Cascio (2000) [50]. This categorization is based on the direct costs involved in employee turnover and does not include the indirect costs (Figure 2.11). The three types of direct costs involved in turnover are separation costs, Replacement costs and training costs. Added to this will be indirect costs like poor customer service, migration of customer along with employee, effect on other employee
morale, loss of diversity, loss of leadership and loss of tacit knowledge. The below mentioned exhibit will help in identifying the cost involved in employee turnover.

Figure 2.11: Direct costs of Employee Turnover
Source: Retaining Valued Employees, Rodger W. Griffeth& Peter W. Hom
Separation cost forms the first of all direct costs. It involves costs incurred in conducting the exit interview of the leaving employee, administration costs, separation benefits, Vacancy Costs, productivity Declines and overtime and temporary costs. The administration costs are incurred in moving and closing of the various files of leaving employee. Separation benefits usually involve payments like gratuity, leave encashment and any other contractual obligation during separation. The vacancy cost refers to the loss of business arising due to the vacancy which is actually a lost opportunity. The vacancy cost also creates productivity declines due to the fact that the leavers may be less productive during their notice period (Griffeth, Horn & Gartner, 2000 [108]; Rosse, 1988 [256]). The resignation may also produce a diminishing of the staying worker’s productivity due to psychological effect or physical effect of reorganization to continue business. To maintain business levels it often may be necessary to hire temporary staff or to overtime the remaining staff, in both instances it entails additional costs that can be counted as a part of
separation cost. Replacement costs forms one of the largest set of costs in employee turnover. It includes cost of advertising the vacancy due the turnover, recruitment & selection costs, travel & moving expenses, expenses on medical examination and administrative processing. Advertising for vacancy is generally done by all organizations and this helps in getting wider and better responses from suitable candidates. However with advent of social networking, it has become easier to find out probable replacement for the vacancy without much effort and cost. Increasing trend of using employee referral also has contributed to a reduction in the job advertisement requirements. Employee referrals also help reduce administrative costs like referral checks. Another sizeable turnover cost is of training costs involved in making the new recruit production ready (Hom & Griffeth, 1995) [134]. According to Johnson (1995) [155] a newcomer’s inefficiency can cost as much as one third of the total turnover costs. Sheridan (1992) [268], by reducing the annual salary from the annual revenue earned by a staff accountant of public accounting firm, estimated that the opportunity cost of not retaining an experienced accountant can be immense. He calculated an accounting firm incurs a loss of $47000 when you have to replace a 3 year veteran with a new hire. Hom (1992) [135], while studying turnover costs of mental health managers, estimated the direct cost of managerial turnover to be $16,212.82 per manager. This was arrived at by adding the actual separation cost, replacement cost and training cost involved in replacing one turned over position. Deery & Iversion (1996) [74] while assessing the turn over cost, among hotel employees in Australia, found that the cost was dependent on the position. It may start from $4651 for a room attendant increasing to $9468 for a chef and to $12,679 for a manager. A further study by Davidson et al (2010) [70] found that that cost for replacing an employee had further increased in the Australian Hotel Industry. The tangible cost of replacing an executive, manager or supervisor amounted to $109,909 and the intangible costs of lost productivity and service quality were not accounted for. He estimated that annual turnover cost for the 64 Hotels in the study amounted to a whopping $49 million per annum. Johnson, Griffeth& Griffin, (2000) [153] estimates the replacement cost due to turnover to be about 50% of the position’s annual salary. Apart from the direct costs there are indirect costs of the turnover in the form of loss of intellectual capital, relational capital and potential gain of competitors (Meaghan & Bontis, 2002) [205]. The other forms of indirect cost can be in the form of morale loss of existing employees, loss of social capital and organizational memory.
A study on sales force turnover cost by Futrell & Parasuraman (1984) [96], among US firms, reported that each quitting sales person cost between $ 50,000 & $70,000.

According to social information processing theory a leaving employee may disparage his job there by causing negative attitudinal changes among remaining employees. The effects of high profile quits on remaining employees are well documented in business history. Managers, like Lee Iacocca of Chrysler, had raided their former employers and drained them of their talent. The personal ties between employees ensure that when one leaves others feel less satisfied and committed to their employer (Cappelli, 2000 [47]). Certain cultures with history of collectivism may see a higher brunt of employee turnover on remaining employees.

2.2.4 Employee Turnover Models:
The Vast amount of research and literature in the area of employee turnover proposes many theoretical background and conceptual & empirical models for employee turnover. Though the theoretical background has been wide, explaining turnover behaviour has been difficult and almost always contingent. So application of the theories & models on turnover has to be case based and may not be always be easy. Theories explaining turnover intention has drawn widely from varying disciplines in an attempt to explain how the turnover intention develops and is realized. The social exchange theory is one of them. The theory is based on the assumption that social behaviour is a resultant of exchange process. The participants have an idea of what they need to invest in the relation and what return will they earn from these relations .This reciprocity will maintain the relationship (Brinkmann, 2005, p.24) [41] and the moment the reciprocity turns into a loss, where investment is more than the returns, the relation gets terminated. The origin of human capital theory can be dated back to early days of economics especially to Adam Smith. However it was Gary Becker who developed it in to the current form in the 1960’s. Human learning function, according to the Human capital theory, is considered equal to other resources of production and is critical. The most important investments in the human capital are schooling and on-the-job training (Becker, 1993: p.51) [26]. On-the-job training in turn can be considered general & specific. The general training is transferable and can be carried along in to a new organization. However the specific trainings are not transferable and thus restrict the turnover desires of the employee (Henneberger & Sousa-Poza, 2002 [124]).
Search theory looks at the information acquisition process before an investment and can be traced back to the work of George Stigler. In a labour market full of opportunity workers benchmark available alternatives in terms of a ‘reservation price’ for each alternative based on the limited available information. When a search meets the requisite the ‘reservation price’ criteria actual turnover happens; the job search before the turnover here is critical (Mobley et al, 1979) [211]. In case the employee fails in his search, the same may result in appreciation of one’s current job. The match theory deals with termination of work contract under uncertainty. Employers and employees tend to maximize their benefits by matching what each other have to offer (Henneberger & Sousa-Poza, 2002 [124]). Many a times the “match” appears after a short time of association like the productivity requirements is matched only after initial learning. So the initial association is an experiment to find a match and a failure of the same results in turnover behaviour. The equity theory was proposed by John Stacy Adams in 1963 [4], and can be categorized as a motivational theory. An employee evaluates his job based on the equity. Equity is considered as balance between the input, in terms of efforts and the output, in terms of rewards. The calculation of the amount of input and output in terms and their relevance is highly subjective and widely vary among employees. An employee gets motivated when he senses equity and shows favourable job attitudes. However in case of inequity, where the value of input is more than the value of output, turnover intentions and behaviour sets in. Organizational equilibrium theory, proposed by Barnard, looks at the organizational angle of turnover decision. To maintain the efficiency organization depends on the continuity of participants which in turn is dependent on equitable inducements (Barnard, 1938) [23]. If participant feels his sacrifice for the organization is bigger than the inducement he receives, it would result in turnover. Not only the turnover behaviour but also the turnover process has seen proliferation of many underlying theories. Many studies were conducted to understand the casual relation involving factors of voluntary turnover. However no single conclusive model has emerged. All models share some basic imperatives in that all models are multistage process and include a behavioural, attitudinal & decisional component (Barak, Nissly & Levin, 2001 [22]). Some of the models that have influenced turnover studies are discussed here.
The earliest model of employee turnover was proposed by March & Simon (1958) [200] and since then has influenced further turnover studies widely. The basic foundation of the model is the organizational equilibrium theory. When organization is able to provide conformity to self-image, predictability of job relationship and role compatibility there is resultant job satisfaction. In case of dissatisfaction, employee looks at internal organizational alternative or opportunities outside. The three factors of job satisfaction, possible internal transfer and extra organizational alternatives result in desirability of movement. If movement is perceived easy the desirability results in turnover (Figure 2.12).

![March & Simon's Model of Turnover](image)

**Figure 2.12: March & Simon’s Model of Turnover**

March & Simon’s model was highly static and also did not include many variables like organizational commitment and role stress. It is also assumed that March & Simon had an over bearing influence on the later researchers constraining their treatment of the subject.

Mobley proposed his employee turnover decision model in 1977 and was one of the most influential one that gave a totally new perspective to further studies on the employee turnover (Figure 2.13). The foundation of Mobley’s model can be found in March & Simon’s study. According to Mobley’s model the turnover decision is a series of cognitive process starting with evaluation of present job. In case of dissatisfaction with evaluation of present job the thought of
quitting arises. The quitting thought in turn look at the utility of an alternative job search leading to search, evaluation & comparison of possible alternatives to the current employment. In case the alternatives are found better the employee quits, else he decides to stay. Mobley’s model was later subject to wide empirical testing and further developed by subsequent researchers like Hom & Griffeth (1991) [136]. One major disadvantage of Mobley’s model was attainment of distinction between the various explanatory variables. However all further researchers found intermediate steps that mediated between intention to quit and the turnover.

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**Figure 2.13: Mobley’s Employee Turnover Decision Model**

Source: Mobley, 1977

Price & Mueller’s turnover model (1981) [244] was based on the empirical researches held at University of Iowa, since 1972 (Figure 2.14). This was an improvement over March & Simon’s model in that it provided a more comprehensive list of determinants. The process of turnover hinged on job satisfaction. Job satisfaction/dissatisfaction lead to job commitment which in turn influenced the turnover intention and turnover. There were two sets of distinct variables, exogenous & endogenous, that influenced the four process variables of job satisfaction,
commitment, intent to leave & turnover. The endogenous variables like Pay, justice, opportunity etc. influenced job satisfaction and the endogenous variables professionalism, general training, Kinship responsibility etc. influenced other three variables in the process. The biggest issue with the model was its occupational heterogeneity in development. The studies were mostly based on healthcare or other middle level jobs like teaching.

Figure 2.14: Price & Mueller’s Turnover Model, 1981
Source: Hom & Griffeth

Sheridan & Abelson’s cusp-catastrophe model was proposed in 1983 to explain turnover among nurses (Figure 2.15). It offered a complex illustration of the turnover process based on the ‘Catastrophe Theory’ from mathematics. It considers turnover to be dynamic with change from retention to termination being discontinuous. According to the theory, employee tries to retain his employment as long as possible till severe stress or dissatisfaction sets in, and then he abruptly shifts from retention to termination. The model proposes a bifurcation plane for behaviour which represents the equilibrium and the two sides represented by retention & termination behaviour. A small change in control variable like job stress can cause the employee to shift from retention to termination. The basic drawback of the model was it treatment of the
relationship between the variables as continuous. However it was as interesting deviation form then existent streams of thought and gave rise to new direction in turnover research.

Lee & Mitchell’s model looked at the psychological process of employee turnover. The model proposed that people quit not just because of ‘Negative Affects’ like job dissatisfaction, but also because of ‘Shocks’ like a merger or an unsolicited job offer. The model offered 4 major pathways along which the psychological and behavioural activity followed when confronted with a ‘negative affect’ or ‘shock’. The major components in the turnover process were shock, scripts, image violation, satisfaction & job search. Some very interesting explanation of turnover due to sudden shocks, not mediated by job attitudes, is provided by the model. In case of severe shock employee enacts a predetermined script, from their experience or knowledge, and this leads to turnover. Another alternate for an employee, who has received a ‘shock’, is to see if his image has been violated by the ‘shock’. Image would consist of employee’s values, goals and strategies for goal achievement. In case of image violation, resulting from the shock, the employee
proceeds to turnover. Another path proposed by Lee & Mitchell is in line of traditional turnover research and is mediated by job satisfaction (Figure 2.16).

![Figure 2.16: Lee & Mitchell’s model of employee turnover](http://amj.aom.org/content/42/4/450/F1.expansion.html)

Lee & Mitchell’s model is also famously referred to as the “Unfolding Model” of employee turnover and is useful in explaining asymptomatic turnover, where the employee does not exhibit turnover/ withdrawal behaviour before quitting. It also supports the traditional job satisfaction mediated turnover path through Path 4a & 4b.

Hom & Griffeth (1991) [136] developed the diagnostic model of turnover causes after extensive review of all available models of employee turnover available till then. The model works on two major antecedents of turnover; Job satisfaction and organizational commitment. When these two are lost or lowered employees form the decision to leave. However the actual turnover includes mediating behaviours like the suitability of labour market, analysis of cost & benefits of switching and other shocks. So when an employee is dissatisfied with his job and has lower commitment to the organization, he probably is a right candidate for turnover. When a suitable market condition prevails which may reveal more benefits in quitting, the employees intention becomes action. The process is hastened by any shocks. One major drawback of Hom &
Griffeth’s model is; it is suitable only for explaining the traditional, long drawn turnover process and not in explaining abrupt quits, even when the employee is satisfied with the job.

2.2.5 Turnover intention as an indicator of actual turnover:

The usage of turnover intent to study turnover has been widely practiced. It is assumed that turnover is not a sudden activity and is preceded by series of attitudinal & behavioural activities and “turnover intention” is the most prominent of them. According to various researchers (Mobley, 1977 [213]; Hom & Griffeth, 1991 [136]) turnover intention is highly correlated with actual turnover and its role in forecasting and understanding ‘quits’ is very important. According to Mobley et al (1979), Turnover intentions capture an individual’s perception and evaluation of job alternatives. Henneberger & Souza-Poza (2002) [124] defines turnover intent as “the (subjective) probability that an individual will change his or her job within a certain period of time” and they consider it as an immediate precursor to actual turnover. According to Medina (2012) [207], it is the intent of an employee to find employment with a new employer within the next one year. Unlike turnover, turnover intent is not explicit and is very difficult to measure. Intentions are courses of actions one plans or intends to follow and often does not result in the behaviour. For intentions to be acted upon or to become behaviour, favourable conditions need to exist. The same holds true for turnover intentions too. The turnover intention becomes turnover only when appropriate opportunities arise and other influencing factors like friends, colleagues and social circles are supportive. For the turnover intention to result in actual turnover the price and convenience of the withdrawal needs to be favourable towards withdrawal. The turnover chances are also higher as the intensity of turnover intention increases. All these have to be supported by the labour market in terms of attractiveness and availability of suitable opportunities.

Though intention to turnover is not the actual turnover, it is a widely measured/studied variable. This is because of the need to reduce or prevent turnover before it happens. If intention is not known or measured, manager is at a loss to strategize any retention plan. Knowing actual turnover is often of no use as the damage is already done and it may not be practical to try reversing the same or impossible to reverse the turnover. If a manager is able to understand the turnover intentions, and the factors causing the same, he or she may able to develop suitable
programs aimed at reducing the turnover intention and improve chances of retention & engagement of the employees. This is especially important in case of dysfunctional turnover and the resulting economic burden reduction. Use of turnover intention is also due to fact that it entails modest investments in measuring intentions and if done well can reduce the larger burden arising due to actual turnover.

Though intentions are under individual control, it is often difficult to measure them correctly. The biggest of the hurdle is the response errors by the surveyed employees. As no employee intending to leave an organization may want to burn the bridges, preventing a future return, they tend to moderate their responses. This is especially true when the survey includes other job attitudinal variables like organizational commitments and job satisfaction. So it may not be surprising to find a lot of reporting bias by employees while studying intentions like turnover. The fact that intention to leave and actual leaving has an inconclusive relationship also contributes to the difficulty in studying turnover intentions. Steel & Ovalle (1994) [284] found that ‘turnover intentions’ were a superior predictor of turnover. However the studies of Kirschenbaum & Weisber (1990) [171] found poor ability to predict turnover using turnover intentions. A longitudinal study, by Dollar & Broach (2006) [75], using data between 1997 and 2003 showed a positive correlation between intention to leave and actual turnover. The study, done among Federal Aviation Administration employees, was based on the data collected in the employee attitude survey for the years 1997, 2000 & 2003. The study found a higher correlation, among women, between intention to leave and actual quitting. There was no difference between minority and rest of the workers in the correlation between intention and action. The action, as a percent intention to turnover, showed a varying trend with some years having high rates of turnover in comparison to intention; a probable indication of favourable market condition. The researchers conclude “While intent to leave may not be an accurate predictor of actual turnover, it still might be an indicator of employee disengagement”.

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