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Relationship of Salary Income, Supervisor Behavior & Work Load with Employee Turnover: Empirical Study in Private Educational Sector of Paksitan

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ABSTRACT

Purpose of this study is to find out some guidelines for educational institutions to retain their experience employees. Therefore certain important factors such as salary income, supervisor behaviour and workload impacts are evaluated against job satisfaction which ultimately leads to the employee turnover. 500 employees' data is collected through questionnaire from different private schools and colleges of capital city of Pakistan. Data is mainly analysed by multiple regression to find out meaningful results. Results revealed that these factors affect positively employee turnover. So educational institutions may retain their intellectual capital through focusing on these areas.

Keywords: Employee Turnover, Salary Income, Supervisor Behaviour, Job Satisfaction

INTRODUCTION

Employee turnover always remain a burning issue for the owners as they are part of company's real assets. Old employees are more experienced, well adjusted, multitasking, trouble shooter and more efficient than that of new employees (Mitchell & James, 2001). They also have built strong personal relations with suppliers, customers and loan granting institutions which are very helpful for company to use these relations (Raudenbush & Bryk, 2002). These employees are more trustworthy for the organisations and perform key activities on behalf of company (Kahneman, 1999). Additionally because of their continuity with jobs company saves certain costs like announcement of jobs, hiring procedure, training to new employees etc (Pinheiro & Bates, 2000). Overall they are the key players for the organisation in terms of profitability and sustainability.

On the other hand employee's retentions with the jobs can be categorized into two dimensions (Podsakoff, Whiting, Podsakoff, & Blume, 2009). First one is personal factors which are not relevant to the organizations like better opportunity, migration to the new place due to any personal reason, shifting from one profession to the other one etc. These reasons are unavoidable for the organisations. Second type of reasons belongs to organisations. Employee doesn't want to leave the organization but due to some responses from the organisation he is not satisfy with the job and wants to quit as soon as possible. So these are the factors which are in the hands of organisation management and they can focus on these to retain experience employees.

So considering its importance for organizations, it is one of the favourite topics for researchers (Hulin, 1991). It has been analysed numerously throughout the world. Within Pakistan also various researchers studied this topic using different variables. So overall objective of this study is find out some guidelines for organisations to retain experience employees. As job retention is strongly correlated with job satisfaction so job satisfaction is evaluated against the selected three variables.

Our study is also unique in the sense that we focused the private educational sector of capital territory of Pakistan as our population. Education is one of the burning issue of Pakistan in the current times

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and performance of private educational sector in this field remains in debate and different issued are verbally highlighted which affect negatively performance of these institutes. So in the current study we tried to find out any possible relation of selected three variables on job satisfaction which ultimately leads to performance of educational institutes.

LITERATURE REVIEW

There is plenty of work being done on employee turnover by researchers time to time. Blau & Boal (1987) worked on job involvment and organizational commitment and their impact on turnover and absenteesim. They categorized organizational commitment and jobinvolvement into four major categories 1- High job involvement-high job commitment 2- high job involvement-low organizational commitment 3- low job involvement-high organizational commitment 4- low job involvement-low organizational commitment. Data was of primary nature and collected through a structured questionnair. Statistical tools like multiple regression was used to finout meaningful relults. Results proved a reverse relation of job involvement and organizational commitment with turnover and absenteesim. Michaels & Spector (1982) tested the Griffeth, Mobely, Meglino and Hand turnover model. Target population was mental health facility and data of relevant employees was collected as per requirment of model. Model contained various variables like perceived job characteristics, intention of quitting job, employment opportunities, job satisfaction. He addionally included two further variables which were not part of model e.g organisational commitment and employment expectancies. Statistical tests like path analysis and zero rated correlation were used for analysis of data. Results were mainly similar to the model.

Ongori (2007) reviewed the literature on turnover and compared different results. He argued that there was plenty of work on caused of turnover but there was little attention on the sources and effects of employee turnover. Further more there was little work found on finding strategies for organization to retain their employees. He concluded his work to devise sources, effects of employee turnover and strategies to reduce turnover rate in organization. Griffeth, Hom, & Gaertner (2000) extended the previous work of hom and griffith by working on comprehensive meta-analysis of turnover antecedents. Their work was actually an updated meta analysis covering the quantitative review with broad range. Their work revealed different moderators of antecedent-turnover correlations. Ingersoll (2001) conducted an organizational anaysis for teacher turnover and teacher shortages. He argued that declining performance is not only related with the common known reansons mentioned in contemporary educational theory e.g edquate class rooms, less qualified teachers, increased teacher retirements and more students enrolments. Author highlighted that employee turnover and staffin problems is also one of the main reasons behind declining performance. Survey was conducted through National center for educational statistics. Results revealed no relation between teacher employment problems and teachers shortage. Results highlighted that teaching staff turnover is due to high demands of experienced and high qualified staff and therefore the leave the job for better opportunities.

Meier & Hicklin (2012) used public administration to find a relation between employee turnover and organizational performance. They used turnover as independent variable and evaluated its impacts on organizational performance. He argued that most of the studies have been conducted to find out negative impacts of employee turnover on organizational performance but positive impacts has not been evaluated yet with reasonable attention. He collected data from several hundred public organization with their life of more than nine years. He finally concluded that although employee turnover has a negative relation with organization primary goal of profitability but has a positive relation with the secondary goal of greater task difficulty. Nadiri & Tanova (2010) focused on hotel industry in North Cyprus and worked out on various related variables and their comparison with organizational justice. He collected data through a well structured quesionnair from 108 employees and managers. He found that organizational justice is a strong stimulator for turnover intentions, organizatonal citizenship behavior and job satisfaction.

Batt & colvin (2011) tried to find out relation between different approaches to employment systems with customer service, dismissals and quits. They focused on call center organizatons and collected date through questionnair. Data was crossectional and longitudinal. Results revealed that consequences of dismissals and quits are almost similar. They further found that inducements, long term investments, high involvement work organizations have a negative relation with quits and

dismissal rates. Meanwhile they also revealed that short term performance enhancing expectations result high quit and dismisal rates.

He finally concluded that these high quits and dismisals have a negative impacts on organizational performance in terms of customer service. Chen, ployhart, Thomas, Anderson & Bliese (2011) evaluated the changes in job satisfaction and its impacts on employee turnover. They used four diverse samples of analysis. Analysis not only highlighted the relationship between variables but also revealed the extent of change in variable and extent of its effects on dependent variables.

Through the literature we observed various variables to evaluate customer satisfaction but organizational behaviour , workload, and salary income has been studied rarely. 2ndly study on these variables are not later than 2005 and non of these focused on educational sector for these variables. So in the current study we tried to find out relationship between these variable with job satisfaction which ultimately leads to employee turnover. We target privated educational sector of capital territory of pakistan.

RESEARCH METHODOLOGY

In the current study first of all we focussed on the private sector educational institutes and selected 30 educational institutes which carry more than 300 students. These are the institutes which are located in different areas of Islamabad and providing education in different disciplines such as science, arts, commerce. Education is being carried out at different level e.g. primary, secondary and intermediated level. 30 questionnaires were distributed per institute and hence 900 questionnaires were disbursed. In response, we received 600 questionnaires. When these questionnaires were initially scrutinized, 100 questionnaires were found incomplete, with illogical answers and therefore rejected. So we continued our study with 500 questionnaires.

Questionnaire was formulated with three major sections. 1st one was relevant to personal information regarding age, gender etc. 2nd part was relevant to information regarding employment e.g. designation, time spent with organization etc. Nominal scale was used for gender. Interval scale was used for sensitive information e.g. salary and age. In the third part of questionnaire we collected information regarding our variables e.g job satisfaction, salary income, and work load and supervisor behaviour. This information was collected on interval scale with five options between the two extremes i-e strongly agrees and strongly disagrees. The data was converted into quantitative form later on to put it into statistical analysis. Among all the population although our main focus was on the teaching staff, however we also collected data about the lower staff and higher management because these employees also contribute up to some extent on the performance of institute.

After collecting data we loaded the data on SPSS and used first skewness and kurtosis to find out normality of data. Data was analysed through inter correlation matrix to find out mutual relationship between these variables. Later on we used multiple regression to find out impacts of salary income, supervisor behaviour and workload on job satisfaction. For this purpose we formulated the following model

$$y = \alpha + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \epsilon$$

Where;

y = job satisfaction

x_1 = salary income

x_2 = supervisor behaviour

x_3 = workload

DATA ANALYSIS AND DISCUSSION

General Description of Data

Data is mainly analysed through inter correlation matrix and multiple regression, after applying normality tests. Before going for major analysis here is some important explanation of detail. With respect to gender our data summary is as follows.

More respondents are males because there are majority of institutions where more males are working than females. 2ndly, while collecting data, females were found comparatively more reluctant than females for sharing their information and view.

Table1

	Respondents	
Gender	Number	Percentage
Male	325	65%
Female	175	35%
Total	500	100%

Table2. *With Respect To Their Designation the Whole Data Summary Can Be Described As Follows;*

	Respondents	
Designation	Number	Percentage
Management	30	6%
Administration	80	16%
Teaching	320	64%
Lower staff	70	14%
Total	500	100%

This summary highlights that most of the respondents belong to teaching profession. Management number is the lowest one which is because of the reason that management involves board of directors, principles and vice principals which are comparatively less in numbers and are executives and have busy schedule so are mostly not willing for such activities. Administration staff is also less than teaching staff that's why respondents are less in numbers. Lower staff respondents are also less because of the same reason.

Table3. *With respect to age the respondents may be categorized as follows;*

	Respondents	
Age Slab (years)	Number	Percentage
15 - 25	254	51%
26 - 35	174	35%
36 - 45	57	11%
Above 45	15	3%
Total	500	100%

This table is reflecting that most of the respondents belong to age slab 15-24. Reason beyond this number is that most of the teachers are youngsters and at the start of their career. They just completed their education and start teaching profession. While the lowest number belongs to the slab above 45. These are the people which are either retired from their government jobs and now are doing private job or the lower staff which have comparatively less opportunities and doing job here for long time.

Normality Tests of Data

Salary Income

Table4. *Descriptive - supervisor behaviour*

			Statistic	Std. Error
Salary Income	Mean		.1000	.06472
	95% Confidence Interval for Mean	Lower Bound	-.0272	
		Upper Bound	.2272	
	5% Trimmed Mean		.1111	
	Median		.5000	
	Variance		2.094	
	Std. Deviation		1.44713	
	Minimum		-2.00	
	Maximum		2.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.175	.109
	Kurtosis		-.403	.218

Salary income information was collected in qualitative form with the statement that they are properly compensated against their services. The answer was in five possible options which were later on converted into quantitative form. The major descriptive of this variable is given in the following table.

According to statistical principles when normality is measured by skewness or kurtosis then skewness and kurtosis values are compared with their standard error values. Standard error values is doubled and then written two times with opposite signs. Amount with positive sign shows one extreme value of normality range and amount with negative sign shows other extreme value of normality range. For example, in the given scenario skewness value for the variable is -0.175 with the standard error of 0.109. If we double the amount of standard error the answer would be 0.218. So the normality range, as per statistical principles, for the salary income is +0.218 to -0.218. If the skewness value lies within this range then variable is significantly normal with respect to skewness otherwise not. In our case, skewness value is -0.175 which is within the normality range i-e +0.218 to -0.218. In the same way normality range for the kurtosis value is (0.218 x 2 = 0.436) +0.436 to -0.436. The calculated value of kurtosis is -0.403 which is well within limit. So we can say that salary income carries the normality characteristic overall in its values.

Supervisor Behaviors

Descriptive detail for supervisor behaviour is as follows;

Table5. *Descriptive - Supervisor Behaviour*

			Statistic	Std. Error
Supervisor Behaviour	Mean		.4000	.07274
	95% Confidence Interval for Mean	Lower Bound	.2571	
		Upper Bound	.5429	
	5% Trimmed Mean		.4444	
	Median		1.0000	
	Variance		2.645	
	Std. Deviation		1.62643	
	Minimum		-2.00	
	Maximum		2.00	
	Range		4.00	
	Interquartile Range		4.00	
	Skewness		-.662	.109
	Kurtosis		-.283	.218

Following the same principle of normality, skewness value is -0.662 with standard value as 0.109. So normality range for skewness is +0.218 to -0.218. It means skewness value of supervisor behaviour is within normality range. In the same way normality range for kurtosis is -0.436 to +0.436 and calculated value of kurtosis value is -0.283 which lies within the normality range.

Work Load

Descriptive detail for work load variable is as follows;

Table6. *Descriptive-Work Load*

			Statistic	Std. Error
Work Load	Mean		.1000	.06154
	95% Confidence Interval for Mean	Lower Bound	-.0209	
		Upper Bound	.2209	
	5% Trimmed Mean		.1111	
	Median		1.0000	
	Variance		1.894	
	Std. Deviation		1.37615	
	Minimum		-2.00	
	Maximum		2.00	
	Range		4.00	
	Interquartile Range		2.00	
	Skewness		-.102	.109
	Kurtosis		-0.374	.218

According to this table skewness value is -0.102 which is quite within limit for its corresponding normality range i-e +0.218 to -0.218. Kurtosis value for the same variable is -0.374 which is within normality range of +0.418 to -0.418.

Job Satisfaction

Descriptive detail for the variable Job satisfaction is as follows;

Table7. *Descriptive - Job Satisfaction*

			Statistic	Std. Error
Job Satisfaction	Mean		.1000	.07064
	95% Confidence Interval for Mean	Lower Bound	-.0388	
		Upper Bound	.2388	
	5% Trimmed Mean		.1111	
	Median		.0000	
	Variance		2.495	
	Std. Deviation		1.57955	
	Minimum		-2.00	
	Maximum		2.00	
	Range		4.00	
	Interquartile Range		3.00	
	Skewness		-.012	.109
	Kurtosis		-0.355	.218

Skewness value for job satisfaction is -0.012 which is within corresponding normality range of +0.218 to -0.218. In the same way kurtosis value is -0.365 which is again within the corresponding normality range

Interco relation Matrix

Inter correlation matrix for all the considered variables is as follows;

Table8. *Inter Correlation Matrix*

		Salary Income	Supervisor Behaviour	Work Load	Job Satisfaction
Salary Income	Pearson Correlation	1	.494**	.045	.741**
	Sig. (2-tailed)		.000	.312	.000
	N	500	500	500	500
Supervisor Behaviour	Pearson Correlation	.494**	1	.430**	.803**
	Sig. (2-tailed)	.000		.000	.000
	N	500	500	500	500
Work Load	Pearson Correlation	.045	.430**	1	.549**
	Sig. (2-tailed)	.312	.000		.000
	N	500	500	500	500
Job Satisfaction	Pearson Correlation	.741**	.803**	.549**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	500	500	500	500

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

Matrix detail reflects that Job satisfaction is positively correlated with all the independent variables i-e Salary income, supervisor behaviour and work load. The corresponding correlations values are 0.741, 0.803 and 0.549 respectively. Significance level in all these values is 0.00 which is less than our acceptance level of 0.05. It means all the dependent variables are significant positively correlated with dependent variable i-e job satisfaction. Independent variables are also mutually correlated with each other. However significance levels for certain correlations is more than the required level of 0.05.

R and R2 Analysis

Value of R (multiple correlation coefficient) and R^2 (Coefficient of determination) are given in the following table.

Table 9. *Model Summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.950[a]	.902	.902	.49536

a. Predictors: (Constant), Work Load, Salary Income, Supervisor Behaviour

R is measured to find out quality of model that how accurate it predicts the value of independent variable and minimize the value of error. If R value is approaching to zero then model is not fit for the variables and if value is approaching 1, it means model is best fitted for the variables. In current scenario value of R is 0.950 which means that model is best fitted for the given variables and good predictor of dependent variable.

R^2 explains proportion of change which can be elaborated by dependent variables. Dependent variable may also be influenced by other stimuli also therefore R^2 value determines that what proportion of total influence of all stimuli lies with the independent variables considered in the model. In this scenario value of R^2, if approaching to zero, then proportion of influence also decreases. On the other hand if R^2 is approaching to 1 it means that given variables have significance proportion in the total influence and major change in dependent variable is brought by changing independent variables.

Anova Analysis

Next analysis is the ANOVA table which shows F ratio.

Table10. *ANOVA*[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1123.291	3	374.430	1525.913	.000[a]
	Residual	121.709	496	.245		
	Total	1245.000	499			

a. Predictors: (Constant), Work Load, Salary Income, Supervisor Behaviour

b. Dependent Variable: Job Satisfaction

This table is used to find out whether overall regression model is good fit for the data or not. Table values are reflecting that overall model is good fit for the data and significantly predict the value of job satisfaction (dependent variable) F (3,496) = 374.430, P <0.05.

R And R2 Analysis

The Coefficient table for variables is given below.

Table11. *Coefficients*[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	-.149	.023		-6.522	.000	-.194	-.104
	Salary Income	.583	.012	.534	32.331	.000	.548	.619
	Supervisor Behaviour	.374	.018	.386	21.088	.000	.340	.409
	Work Load	.412	.025	.359	22.542	.000	.376	.448

a. Dependent Variable: Job Satisfaction

This table gives the coefficients for each independent variable i-e β_1, β_2 and β_3 as 0.538, 0.374 and 0.412 And corresponding value of constant (α) is -0.149.

Unstandardized coefficients are indicating that up to what extent each independent variable will impact on dependent variable if other variables remain constant. Putting the values in the model we will get the following form of the model.

$y = -0.149 + 0.583x_1 + 0.374x_2 + 0.412x_3$

CONCLUSION

Results from analysis of data reflect that all the independent variables i-e salary income, supervisor behaviour and work load have a positive correlation with dependent variable i-e job satisfaction. It means that if salary income is raised job satisfaction will be increased. If supervisor behaviour is more respectable job satisfaction will be more. And if more appropriate work load is assigned, again job satisfaction will be more. As job satisfaction is directly related with employee turnover so it can be said that all these independent variables have a positive correlation with employee turnover. And among all these, salary income is looking to be more influential on job satisfaction. From all this

discussion it can be concluded that organisations should be more vigilant with their employees regarding their compensations, attitude and work load. As more satisfied employees not only retain for the long time in organisations but also b more productive because of their satisfaction and motivation. Organisations should be more conscious regarding their compensations as salary income is the strongest stimulus, among all independent variables. So their salaries should be adjusted time to time and compatible with their personal skills, experience and market conditions.

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