Organizational Environment and its Impact on Turnover Intensions in Education Sector of Pakistan

Ayaz Ul Haq, Asad Iqbal Khattak, Syed Neiman Raza Shah and Kashif-ur-Rehman
Department of Management Sciences. Iqra University Islamabad, Pakistan

Abstract: It investigates the issues affecting the job satisfaction of the teachers of private colleges of Rawalpindi and Islamabad, Pakistan and further the overall effect of job satisfaction on turnover intention. A questionnaire consists of 6 sections depending on the independent and dependent variables were circulated among the educational professionals. This questionnaire was based on 5 likert-type scale. Results show that culture of an organization and its reward system are having positive impact on job satisfaction and workload and leadership role have negative impact job satisfaction. Job satisfaction itself has strong relation with turnover intention. This study was conducted in different major Institutions and Universities in Pakistan in 2010.

Key words: Culture, job satisfaction, leadership role, reward, turnover intention, workload

INTRODUCTION

The private sector colleges of Rawalpindi and Islamabad are providing education to thousands of students of upper Punjab as well as NWFP Pakistan. Education enables the country to meet the possible challenges of the changing world. We visited more than 75 Private Colleges in Rawalpindi Islamabad and met their Principals and Senior Professors. We discuss about the high turnover intention ratios being faced in education system. It is seemed that if the employees do not show satisfaction that create problems in the organization.

Job satisfaction is considered as the measurement of the total feeling of the employees and their reactions towards their jobs (Graham, 1982). Job satisfaction is the combination of one's attitude about once job. It is now accepted generally the employees play a significant part towards the comparative benefit in the organization (Barney, 1991; Pfeffer 1995). It is imperative for the organization to provide comfortable atmosphere to its employees. Work system of the organization performs positively if the employees are satisfied internally. A detail study has proved a positive link between higher performance work practices and employees satisfaction (Huselid, 1995). There are many workplace values with may affect the performance of employees in any organization.

Employees turnover is a global phenomena in the present era, almost all organizations faced the problem of turnover intention. A business can't sustain the success unless it deals with the problems of turnover intentions. In recent past due to the intense competition, organizations have felt the importance of human resource. Employees are considered as the basic unit of the organization and spend a heavy amount on hiring and keeping them in the organization. After this investment and efforts it is definitely a very big loss to the organization if such employees leave.

High turnover intention may bring restlessness in the organization. It may increase the direct and indirect cost of the firm. Expenditures which are incurred on recruitment and induction and training are the direct cost (Staw, 1980). Cost of learning, decreasing morale and the work pressure are the indirect cost (Dess and Shaw, 2001).

High turnover rate compels the owner spend a lot of money for keeping the organization's standard high. It is some times very difficult for the employees to meet such expenses.

In spite of the different policies of forms, earlier studies on job satisfaction and turnover intentions have focused certain individual aspect for this. We study four factors i.e., culture of the organization, workload, Reward system, and leadership, and observed their affect on job satisfaction and finally observed the combine affect of job satisfaction on turnover intention.

LITERATURE REVIEW

Sharaf *et al*. (2008) considered job satisfaction among the private care physician and analysis that job satisfaction is necessary component for satisfy an employee. Job satisfaction is an emotional evaluation which is made knowingly or unknowingly be the employee and it leads to a pleasurable emotional state which results from the positive job experience (Locke, 1979). Job satisfaction will work, pay, promotion, peers is considered as multidimensional in nature (Ennis and McConville, 2004).

An alarming 53% sample expressed high quit intention whereas only 13% teachers showed low quit intentions. Choice satisfaction (accounting 44% variance), availability of other job opportunities (23% variance), perceived status (15% variance), and self-accountability (13% variance) emerged as predictor variables. None of the five status variables emerged as significant predictors. Commitment to teaching profession was not a significant predictor, suggesting the two concepts independent of each other (Pamu, 2010).

According to Artz (2010) Fringe benefits are significant and positive determinants of job satisfaction. The potential endogeneity between fringe benefits and job satisfaction is not shown in this dataset while controlling for fixed effects does not remove the significant impact of fringe benefits.

The stress which is experienced by teachers in paying attention to their responsibilities has become a matter of great interest recently. A major reason for this interest is that some times this stress becomes a reason for the professional burnout (Embich, 2001; Mearns and Cain, 2003). Burnout means the feeling of over exhausted by work, negative attitude towards students and reduced interest of achievement in job (Maslach and Jackson, 1981). Whenever the workers do not believe on the organization they want o leave the organization (Koslowsky, 1991).

Turnover can be positive or negative towards employee organization and communities. Some time the employees may decide to move one organization to the other for their career objectives. Some time the employee may feel that the promises and expectations of the organization towards promotion etc. are not fulfilled and it makes them leave the job (Mobley, 1982). When the employees who are not a good performer are encouraged to leave, better employees can be appointed in their place. Turnover intention is the probability that an individual employee would stay in the organization or not (Cotton and Tuttle, 1986).

In teaching profession turnover intention is suppose to be due to dissatisfaction with the job (Chaplain, 1995; Kyriakou and Sutcliffe, 1979; Sari, 2004). Job satisfaction is a concept in which two independent concepts are discused that are job satisfaction and job dissatisfaction. These two concepts are related to each others (Vroom, 1964; Kalleberg, 1977). Several researches have found that the employees are leaving the job less often when they are satisfied with the jobs (Hackett and Guion, 1985). Such employees are overall satisfied with their personal life (Judge and Vatanabe, 1993). When the employees are satisfied they usually do not plan to leave their jobs (Mathieu and Zajac, 1990).

When the employees feel that they have many responsibilities to perform in a short time, he feels stressed (Cardenas *et al.*, 2004). Whenever there is an interaction between employees and his surroundings that is environment, he feels overloaded. Some times the employees take this overload as over burdening. Workload is therefore subjective in nature. Overload is supposed to be quantitative and qualitative in nature. Quantitative workload exist when the employees feel they have to perform many things, too much work, insufficient time to complete the assigned work etc. Qualitative overload exist when there is lack of ability to perform up to the standard. In qualitative overload we ignore the time factor (Beehr and Glazer, 2005). Many research studies have found that when there is a high workload on employees they are dissatisfied with the job (Jayaratne and Chess, 1991).

The culture means norm and values and set of rules for making choices in the society. When there is fluctuation in culture the organizational commitment fluctuates (Near, 1989; Al-Meer, 1989, 1995). In many cases it has been observed that there is a very less research related to cultural factors. Culture should be giving the primary consideration in the study of work behavior because it influences the attitude of employees (Ahiauzu, 1984). Culture remains a powerful influence of an employee towards the organization (Lehman *et al.*, 2004).

For the success of the organization leadership play an important role. Recently, attention is concentrated on the role of leadership role and human resources because these two play an important part in the success of the organization (Turcsik, 1999). It is obvious that leadership of 21st century will take more challenges as compare to past (Discount Store News, 1998). There must be opportunities to give power to the management at all levels. Due to this the leadership would be stronger.

Many of the previous research on human resources have ignored the issue of leadership (Ganesan and Weitz, 1996; Good *et al.*, 1988). In an organization, leadership is related to job satisfaction and economic success (Finkelstein and Hambrick, 1990). Leaders are mostly concerned with the way they perceive themselves and how their values influence the organization (Peter and Austin, 1985). To understand the future developments it is necessary to understand the leaders (Tollgerdt-Anderson, 1993).

Mostly the professionals are stressed because they are overload, low reward lack of training opportunities and lack of innovation and awareness about education (Eripek, 2001; Ataman, 2001).

The connection between job satisfaction and intention to leave is well developed (Jackson *et al.*, 1986; Singh and Billingsley, 1996). This relation has analyzed in the education institution (Eichinger, 2000). A study of 96 professionals reported that more than 36% left their job with in one year (George and Jones, 1996).

Considering the above factors the study investigate the factors influencing the job satisfaction of teachers working in private colleges of Rawalpindi and Islamabad education institutions and turnover intentions among them.

Framework of study:
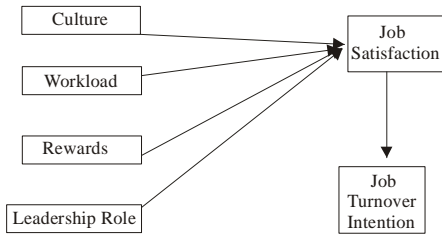
through posts and personal meetings with some Principals and senior faculty members. There were 280 questionnaire distributed out of which 215 were taken back (i.e.77%). Multiple regression analysis was applied on SPSS to get the result. The instrument (i.e. Questionnaire is adopted) from *"Principal Leadership Style and Teacher Job Satisfaction by Karen M. Wetherell".* The item that is the variable were measured using a five point likert-type scale ranging from strongly disagree (coded 1) to strongly agree (coded as 5).

Hypothesis:

H1: Culture has a healthy effect on Job Satisfaction
H2: Workload has a negative effect on Job Satisfaction
H3: Rewards has a positive effect on Job Satisfaction
H4: Leadership Role has a negative impact on Job Satisfaction

H5: Job Satisfaction has a stronger relationship with Job Turnover Intension

METHODOLOGY

The present study has four variables in all, three independent variables i.e. physical environment, internal communication and time factor and one independent variable i.e., job satisfaction. The data for research has been collected from the employees of private colleges and questionnaires were distributed randomly by hand,

Results and finds: In section the research model is tested through structural equation model (AMOS).

Structural Equation Model (AMOS): The above Fig. 1 shows the relationship of among the variables and the structural equation model help to measures the impact and potential of workplace values of the organization and its relations to job satisfaction. It further reveals the importance and role of each variable for job satisfaction and its effect on turnover intention of employees in the organization.

The index of fit for our model is shown in Table 1. Taking degrees of freedom (10) into account, most index

Table 1: Index of fit of the model

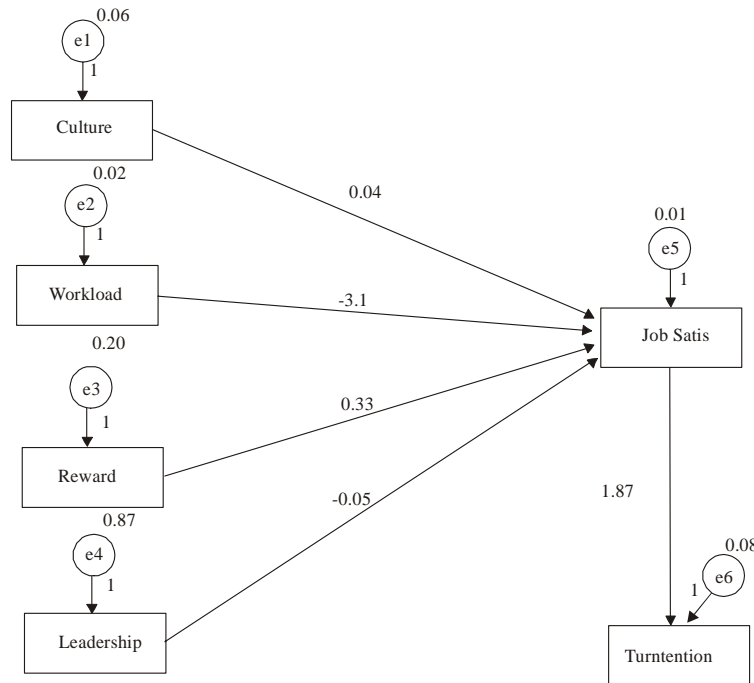| Model summary		
Chi-square	Degree of freedom	p-value
563.585	10	0.000

Fig. 1: The result of Turnover Intention model
e1: Reward system, e2: Workload, e3: Reward system, e4: Leadership role, e5: Job Satisfaction, e6: Turnover intention

Table 2: Hypotheses testing based on regression weights

			Estimate	S.E.	C.R.	P	Decision
JobSatis	<---	Culture	0.037	0.023	1.587	0.112	Rejected
JobSatis	<---	Workload	-0.314	0.038	-8.233	0.000	Accepted
JobSatis	<---	Reward	0.331	0.013	25.941	0.000	Accepted
JobSatis	<---	Leadership	-0.045	0.006	-7.308	0.000	Accepted
Turntention	<---	JobSatis	1.874	0.109	17.251	0.000	Accepted

values approach the general standard of index fit. It evident from the analysis that over all research model is significant (Chi = 563.585) ($p < 0.05$).

The Result of above hypotheses test of the relationship between constructs including workplace values (culture of the organization, workload, and reward system and leadership role), job satisfaction and turnover intention are shown in Table 2 and Fig. 1.

The above Table 2 shows the Beta value is 0.037 between culture and job satisfaction and the relationship is evident from the analysis that if there is one degree change in culture there would be 3.7% change in job satisfaction. Whereas the relationship between workload and reward and leadership role shows the value of β = -0.314, 0.331, and -0.045, respectively.

CONCLUSION

Based on the results, this study finds that culture of an organization and reward system has a positive impact on job satisfaction. The better culture and reward given to employee will increase job satisfaction. This study further investigates that workload i.e., extra classes and other office work of lecturers create negative impact on job satisfaction. The negative leadership role usually irritates the employees and his job satisfaction decreases. So there should be well defined working hours and classes per day so that job satisfaction among employees can be increased.

RECOMMENDATION

The data can be collected randomly to measure result. Moreover the sample size may be increased by getting data from private schools and universities. Few additional variables such as access to the boss, student behavior, peers support etc. can also be verified in thee further research. It is observed here that job satisfaction components i.e. workload and leadership have a role to play in the education sector of Pakistan on job satisfaction, however it may have a positive impact because of increase in remuneration overtime etc.

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