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Workplace Characteristics and Turnover Intention: Mediating Role of Emotional Exhaustion

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Abstract

The purpose of this study was to investigate the effect of workplace characteristics (job security, trust in senior management, distributive justice and information sharing) on turnover intention, with mediating role of emotional exhaustion. Data were collected from employees of an industrial organization in Iran that were selected by simple random sampling method. Results using structural equation modeling (SEM) showed that workplace characteristics predicted emotional exhaustion, which in turn predicted turnover intention. In addition, emotional exhaustion mediated the linkage between workplace characteristics and turnover intention. Discussion and implications of the results are presented in the study.

1. Introduction

As several authors (e.g., Price, 2001; Hom and Griffeth, 1991) point out, turnover is one of the most researched phenomena in organizational behavior. A topic strongly related to voluntary job mobility is "turnover intention". In this study "turnover intent" rather than "turnover" was used as the dependent variable. The importance of analyzing turnover intention draws upon a number of recent research papers (e.g., Mobley, 1977; Hom and Griffeth, 1991) that have assessed its role in forecasting and understanding actual quits. Voluntary employee turnovers incur significant cost for an organization. Thus it is important to identify turnover intents as early as possible in order to enable planners to help implement courses of action. Turnover intention was reported to be highly correlated with actual turnover. Turnover is referred as an individual's estimated probability that they will stay an employing organization (Cotton and Tuttle, 1986). Meanwhile Tett and Meyer (1993) defined turnover intentions as conscious willfulness to seek for other alternatives in other organization. Reviews on the antecedents of turnover intentions have highlighted intent to leave rather than actual turnover as the outcome variable. This is due to two reasons. Firstly, employees have decided in advance the decision to leave the organization. This is in line with attitude-behavior theory (Fishbein and Ajzen, 1975) that one's intention to perform a specific behavior is the close predictor of that behavior. Results on the study of the relationship between turnover intentions and actual turnover have given support and evidence on the significant relationship between these variables (Lambert, Hogan, and Barton, 2001). Therefore Price (2001) suggested turnover intentions construct as alternative in measuring actual turnover. Turnover is very costly for an organizationa and the cost is due to termination, advertising, recruitment, selection, and hiring (Abbasi,

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Hollman, & Hayes, 2008). When an employee leaves an organization, the ability of the remaining employees to complete their duties may be affected. Employees switch organizations for several reasons that managers and researchers are trying to find out. Managers would readily agree that retaining the top performer's results in higher customer satisfaction, quality improvement, effective succession planning and a considerable increase in organizational knowledge and learning. This research provides an analytical review of the factors that significantly contribute to turnover intention. The main objective was to analyze and verify whether workplace characteristics (job security, trust in senior management, distributive justice and information sharing) and emotional exhaustion were correlated with turnover intention.

Emotional exhaustion is defined as the perception that one's emotional resources have been completely expended (Cordes & Dougherty, 1993; Maslach & Jackson, 1981). It is one of the three dimensions in Maslach and Jackson's (1981) classic model of employee burnout. The present research focuses on this dimension because emotional exhaustion may better encompass the true nature of burnout than the other two dimensions of depersonalization and diminished personal accomplishment. Further, a focus upon emotional exhaustion builds on a prior set of literature that has documented the positive association between this dimension and turnover intention (Barak, Nissly, & Levin, 2001; Lee & Ashforth, 1996). Besides, Employees who feel exhausted in their work are less apt to be satisfied in their jobs and may feel less inclined to stay with the organization (Leiter & Maslach, 1988). This linkage is consistent with a recent meta-analysis on the emotional exhaustion dimensions of job burnout, which provides strong support for its impact on turnover intentions (Lee & Ashforth, 1996).

McKnight, Phillips, Hardgrave (2009) found workplace characteristics-structural fairness, trust in senior management, employee information sharing, and job security-predicted turnover intention more than job characteristics- skill variety, autonomy, job feedback, job significance and task identity. Also, McKnight et al. (2009) indicated workplace characteristics influence work exhaustion. Companies may create workplace conditions that fail to address basic employee needs, leading to employee turnover through emotional exhaustion. Therefore, we focused on four needs: distributive justice, employee/team member information sharing, job security, and trust in senior management that were predictor variables of this study. Workplace characteristics affect worker perceptions of the organization in which they operate. They refer to how the employee feels about the workplace. We believe that four workplace characteristics are key to workers: job security, reward fairness, team information sharing, and trust in senior leadership. We felt that management could influence how employees felt about their work environment. The more favorable the workplace, the less exhausted the employee. Knowing that one's job is secure, removes the stress. A worker who feels rewarded fairly can concentrate on the job instead of worrying about rewards. Knowing one has fellow workers who openly share information and trusting in senior management decreases the chances of burnout. The workplace characteristics concept represents the perception that the work setting is right—which should reduce work exhaustion. But if the work setting has negative aspects, overall perceptions are likely to increase work exhaustion. Thite (2006) found that job insecurity predicted intentions to quit. Information sharing and trust in senior management are also likely to affect turnover intention. Hunter and Tan's study found this to be true (Hunter and Tan, 2006). Lambert et al. (2010) indicated both distributive and procedural justice had a statistically significant inverse association with burnout and turnover intent.

2. The present study and hypotheses

Many researchers try to understand the major determinants of turnover intention and develop some managerial implications to deal with the problem of high turnover rate. Therefore, this research investigated the direct and indirect impacts of workplace characteristics on turnover intention. Proposed model of this study is depicted in Figure 1.
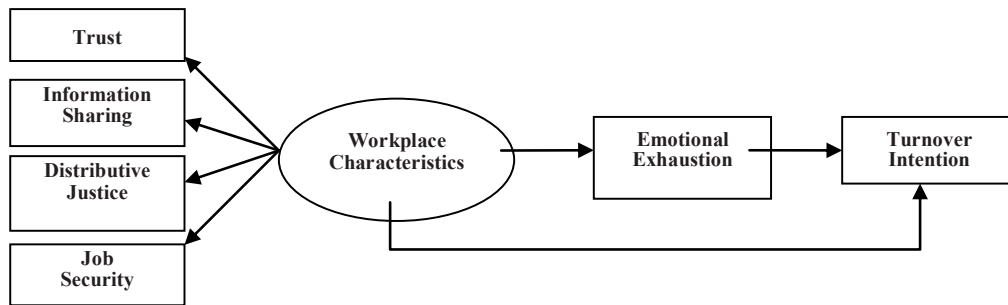
Figure 1. Proposed model of the relationships among research variables

Considering the previous research, we hypothesize that:

H1. Workplace characteristics relate negatively to turnover intention.

H2. Workplace characteristics relate negatively to emotional exhaustion.

H3. Emotional exhaustion relate positively to turnover intention.

H4. Emotional exhaustion mediates the relationship between workplace characteristics and turnover intention.

3. Method

3.1. Participants

Survey respondents include 309 employees that were selected by simple random sampling method from an industrial organization in Iran. All of the participants were male, average age was 33 years, average organizational tenure was 8 years, and 66% were married.

3.2. Measures

Job Security Scale. Job security was measured with a 3-item scale developed by McKnight (1997, cited in McKnight et al., 2009). Participants responded on a 7-point Likert-type scale from 1 (strongly disagree) to 7 (strongly agree). McKnight et al. (2009) reported internal composite reliability (ICR) of this scale .93. Alpha coefficient in this study was .71.

Trust in Senior Management Scale. Trust in senior management was measured with a 4-item scale developed by McKnight (1997, cited in McKnight et al., 2009). Participants responded on a 7-point Likert-type scale from 1 (strongly disagree) to 7 (strongly agree). McKnight et al. (2009) reported internal composite reliability (ICR) of this scale .95. Alpha coefficient in this study was .88.

Distributive Justice Scale. Distributive justice was measured with a 5-item scale developed by Price and Mueller (1981). Response options ranged from 1 (strongly disagree) to 5 (strongly agree). The reliability and validity of this scale has been demonstrated in previous studies (e.g., Mansour-Cole & Scott, 1998). The reliability for this scale was .75 to .94. Alpha coefficient in this study was .72.

Information Sharing Scale. Information sharing was measured with a 3-item scale developed by McKnight (1997, cited in McKnight et al., 2009). Response options ranged from 1 (strongly disagree) to 7 (strongly agree). McKnight et al. (2009) reported internal composite reliability (ICR) of this scale .88. Alpha coefficient in this study was .79.

Turnover Intention Scale. The turnover intention scale (Camman, Fichman, Jenkins, & Klesh, 1979) was used to measure each participant's turnover intention. This is a 3-item scale with a 7-point Likert format ranging from 1 (strongly disagree) to 7 (strongly agree) was used. Camman et al. (1979) reported good validity for this scale. Alpha coefficient in this study was .65.

Emotional Exhaustion Scale. The emotional exhaustion subscale (Burnout Questionnaire, Maslach, 1981) was used to measure each participant's emotional exhaustion. This is a 9-item scale with a 7-point Likert format ranging from 1 (never) to 7 (always) was used. Alpha coefficient in this study was .85.

4. Results

4.1. Descriptive statistics

Means, standard deviations, and correlations among the variables under study are presented in table 1.

4.2. Structural model

Structural equation modeling (SEM) analysis was conducted on the data to test the hypotheses 1 to 4. Structural modeling results suggested that the hypothesized model fit the observed data adequately, $\chi2/df=1.6$, GFI=.98, CFI=.98, TLI=.98, NFI=.97, and RMSEA=.04. Hypothesis 1 which stated that workplace characteristics relate negatively to turnover intention is verified by the findings of this research (β= -.48; $p<.001$). We also found that workplace characteristics significantly predicted emotional exhaustion (β= -.60; $p<.001$) and emotional exhaustion related positively to turnover intention (β=.31; $p<.001$), which provide support for hypothesis 2 and 3. Bootstrapping procedure was used to test the indirect effects. Table 2 indicates the results for bootstrapping analysis. The results showed that emotional exhaustion is a significant mediator in the relationship between workplace characteristics and turnover intention, which provide support for hypothesis 4.

Table 1. Descriptive statistics and inter-correlations for study variables

Variable	M	SD	1	2	3	4	5
1. Job security	9.43	3.04	-	-	-	-	-
2. Trust in senior management	11.84	4.17	0.535**	-	-	-	-
3. Distributive justice	13.16	4.22	0.340**	0.301**	-	-	-
4. Information sharing	10.29	2.79	0.481**	0.414**	0.220**	-	-
5. Emotional exhaustion	26.84	1.18	-0.465**	-0.437**	-0.220**	-0.337**	-
6. Turnover intention	9.10	3.23	-0.428**	-0.353**	-0.359**	-0.13*	0.421**

* P<0.05   ** P<0.01

Table 2. Results for bootstrapping analysis

Data	Boot	Bias	SE	Lower limit	Upper limit
-.1405	-.1396	.0009	.0330	-.2106	-.0820

5. Discussion and implications

The aim of the present study was to investigate the effect of workplace characteristics on turnover intention, with mediating role of emotional exhaustion. Results of the current study are consistent with previous research (McKnight et al., 2009; Lambert et al., 2010; Thite, 2006). We can explain the results of present study according conservation of resources (COR) theory (Hobfoll, 1989). In terms of the stressor–strain relationship, COR theory holds that negative situations deplete valued resources. This depletion of resources hinders individuals' capacity to cope with future stressful events, eventually evoking a state of emotional exhaustion (Tepper, 2000, 2001). This exhaustion, in turn, is suggested to trigger emotional detachment and defensive behavior, as individuals try to avoid further resource depletion (Hobfoll and Shirom, 2000). Emotional exhaustion, then, is likely to serve as a key mechanism linking stressful, resource depleting stimuli (such as a perceived lack of organizational justice or lack of trust in senior management) with individuals' withdrawal attitudes and behavioral intentions.

The findings of this study would help policy makers and managers of companies as well as practitioners to formulate strategies and programmes to overcome the turnover problem. Consequently, the study suggests that management should consider some aspects that have been identified to be related and have affected the turnover intentions. The implication of these findings is that Managers need to be aware that workplace context characteristics affect turnover. Management needs to nurture worker trust by having and projecting competence and concern and by enunciating policies and procedures that create a fair workplace. Workers should also feel that their jobs are reasonably secure.

It is important to highlight some limitations of the present study which can guide future research. First, our study was cross sectional, creating the possibility of ambiguity in causal direction. Second, data was collected only from the men. This may pose limitation in term of generalizabiliy. Finally, we used only self-reported questionnaires for collecting data. A combination of self-report questionnaires and objective assessments would be ideal.

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