

Vol 4, (1), 16-30

ISSN:

URL: www.queenscollege.edu.et

Email: info@queenscollege,net

# **Queens' Journal of Interdisciplinary Research and Development**

# **Full Length Research Paper**

The effects of job satisfaction on employees' turnover intention in Addis Ababa private schools:

the case of moonlight academy

Abdelhadi Hulala<sup>1</sup>\*

<sup>1</sup> Queens' College, Addis Ababa, Ethiopia

#### **Article Info**

#### Abstract

#### **Article History**

Received:20 April 2021

Published: May 2021

# **Keywords:**

turnover intention, jab satisfaction, pay and benefit, work environment, distributive justice

The purpose of the study is to examine effect of job satisfaction on employee turnover intention in Addis Ababa Private School: The case of Moonlight Academy. The study hypothesized that there are significant negative relationships for the four factors of job satisfaction which is pay and benefit, career development, work environment and distributive justice in the turnover intention of the professional employees at Moonlight Academy. Employee turnover intention has a major problem in education sector because of work load and stress. Moonlight Academy is one of those education sectors that suffer high rate of employee turnover intention. From the total of 50 employees were selected through census survey. To collect primary data structured questionnaires were distributed to 50, out of which all are usable questionnaires were collected. The collected data were analyzed using SPSS version 20. The tests involved were ANOVA, Pearson Correlation Coefficient and Multiple Regressions. The results show job satisfaction factors such as pay and benefit, career development, work environment, and distributive justice and turnover intention have significantly negative relationship. These findings show that the related factors should have given attention to retain employees in the organization. Some suggestions have been recommended for the organization and for future research to be completer and more comprehensive.

# Introduction

Education is the foundation of any nation development and it is the agent of change of ideas and life styles of the society. Kusumaningtyas, (2015) argue that Teacher is the very determinant education component in the shape of education face. The concept of Teachers' high performance is a critically important determinant of student development and achievement as well as later life outcomes (Chetty et al., 2011). So, schools managements are highly responsible on improving teachers' job satisfaction to minimizing staff turnover because one of the most important aspects of management is that of monitoring and improving employees' job satisfaction.

In human resources context, staff turnover is the rate at which an organization gains and losses employees (Afework, 2015). Staff turnover describes the number of staff who leaves an organization compared with the number of people who remain employed. High staff turnover rate is a warning sign of low morale according to Rahman (2012) cited in Aman (2015), employee turnover refers to simply the movement of employees out of an organization. It is a negative aspect, which might lead to the failure of employee retention strategies in the organizations. Leaving of job appears to reflect significant work place problems, rather than opportunities for advancement into better jobs.

It is generally considered undesirable to have high employee turnover, because this means that the organization wasmade up of mostly new hires without many years of experience. High turnover may be harmful to organization's productivity if experienced and qualified staffs are often leaving. The result of high turnover is that new employees constantly need to be hired and trained, which can get expensive and time-consuming. (Afework, 2015).

Consequently, Ethiopia, as part of the Sub-Saharan African countries, shares the problem of teacher turnover. Researchers conducted in different parts of the country for example (Mulugeta, 2010; Motuma, (2006) indicated that teachers either leave the teaching profession or move from one school to another and join other occupation every year. These days the problem of teacher turnover, are not limited only to government schools only. Private schools also experience similar problems. The factors that cause teacher turnover at government and private schools might not be identical. However, the problem persists. One of the reasons for the shortage of qualified teachers is teachers' turnover. The retention of qualified teachers is a serious problem in Ethiopia; high level of teachers' turnover creates significant decreases in students' performance and disrupts the effectiveness of school. Turnover reduces the quantity of teachers available to schools. The quality of teachers is also affected, especially if the most able teachers are the most likely to leave (Douglas, 2005). Accordingly, it is necessary to make safe that in every school there are well experienced, Dedicated, qualified teachers and those stay long period of time in the teaching profession in every school throughout the country. Therefore, to create awareness and seek solution in advance, this study is intended to identify problems arising like pay, carrier development and the working environment which lead to dissatisfaction among personnel and possible causes of high turnover.

#### Statement of the problem

Masri (2009) pointed out by knowing the factors contributing to the employees" satisfaction; organizations can plan

properly and take appropriate step to increase positive behavior among employees. According to the annual report of moonlight Academy (2019), turnover among skilled personnel at the Academy is substantially high.

According to Aman (2015) Frequent turnover of employees, could cost the project in terms of productivity (performance), money and time. In addition, Solomon (2007) stated that beside loss in productivity, money and time, the organization also losses in terms of some indirect costs like lowering of existing employee morale that may be due to increased work or due to the arousing dissatisfaction with the organization.

The previous researchers mainly focus to reduce employee turnover needs to motivate and reward high performance in order to prevent them from leaving. The study not considers the factors that cause to employee turnover. So these studies fill the gap that the previous study not identified problems like pay, carrier development and the working environment that leads to dissatisfaction and cause to high turnover.

Hence the study tries to identify problems arising like pay, carrier development and the working environment which lead to dissatisfaction among personnel and possible causes of high turnover.

The following are basic questions of the study

- 1. What is the level of job satisfaction in moonlight academy?
- 2. What is the level of intention to leave in moonlight academy?
- 3. What is the effect of satisfaction on intention to leave in moonlight academy?
- 4. What are the factors of satisfaction affecting turnover more

#### Research Framework

Based on the reviewed literatures, Pay, Work environment, career development and distributive justice were considered as factors affecting job satisfaction and employees" turnover intention which form the frame work for this project. In this project, Job Satisfaction is a derived, not an explicit variable, and manifested through the above listed factors. The selected framework was adapted from the study conducted by Samuel (2012) and I included promotion opportunity as an additional factor. These factors of job satisfaction were assumed to relate to the project turnover problem. This apparently implied the framework's capacity to address the major areas which have impact on intentions of the project employees" turnover.

- The framework's concern area matched with the scope of this project. All factors identified in the framework contained within the internal facets of an organization which exactly tallies with the research's predefined scope.
- 2. This project intended to examine the relationship between job satisfaction, the independent variable, and

intentions of employees" turnover, the dependent variable. The four factors considered to affect job satisfaction are pay, work environment, career development and distributive justice.

### **Results and Discussions**

| Variables              | Pearson (r) | Level of Significance |
|------------------------|-------------|-----------------------|
|                        |             | (p)                   |
| Pay& Benefit           | -0.181**    | 0.001                 |
| Career development     | -0.107**    | 0.061                 |
| Work environment       | -0.238**    | 0.000                 |
| Distributive justice . | -0.253**    | .022                  |

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

Source; SPSS output

Table 4.8 Relationship between Pay & Benefit,

| R  |     |      | Adjusted<br>R Square | Std. Error of the Estimate |
|----|-----|------|----------------------|----------------------------|
| .3 | 28ª | .108 | .096                 | .67022                     |

- a. Dependent Variable: turnover intention
- b. Predictors: (Constant), tenure, work environment, pay and benefit, career development, age of respondents, distributive justice

#### **Summary of the findings**

The data collected were analyzed by using SPSS Version 20. Out of 50 samples distributed, the researcher managed to collect back all the questionnaires with the help of academy director and coordinators.

This study aimed at answering the question "Do job satisfaction factors have relationship with turnover intention?" The hypothesis

career development, work environment, distributive justice and Turnover Intention

# Regression Analysis and their Interpretation

states, "There are strong negative relationship between pay and benefit, career development, the work environment, distributive justice and turnover intention among employees. Furthermore, the scores on job satisfaction variables were comparing between each other to find out the most dominant factor of turnover intention.

The four variables of job satisfaction namely pay and benefit, career development, the work environment and distributive justice were selected because there are the most common variables in the Academy that will cause satisfaction of the workers. Only the two facets of job satisfaction show significant negative relationships with turnover intention. Thus, the entire hypothesis is substantial. It shows that pay and benefit and career developments are tested in this study can influence the intention of workers to leave the Academy.

The mean value of job satisfaction was calculated as (mean = 3.7158) resulting into disagree response regarding job satisfaction; thus, the average employee reports to be dissatisfied.

Turnover Intention data (mean value of 2.36) indicates that most employees of the Academy are agree about having turnover intention; thus, the average employee reports agreement in having intentions to leave the Academy.

Pay & Benefit data (mean value of 3.8795) indicates that most employees of the Academy are disagree about pay & benefit; thus, significant effect of pay & benefit on job satisfaction.

Career development in Moonlight Academy has been rated disagree by employees as (the mean value of 3.9653) indicated in this research; thus, career development was significant effect on employees' job satisfaction. (Mean value of 4.0611) for working environment shows that the employees in the Academy are disagree about working environment and thus, significant effect of working environment on job satisfaction.

Distributive justice in Moonlight Academy has been rated disagree by employees as (the mean value of 3.4656) indicated in this research; thus, distributive justice will have moderate effect on employees" job satisfaction.

Relationship between Job Satisfaction and Turnover Intention

Job satisfaction was measured as a summation of the facets pay and benefit, career development, distributive justice and work environment. Based on the descriptive statistics on job satisfaction, employees of Moonlight Academy were reported a mean of 3.72 on the 5-point Likert scale. It is evident that the average employee reports to be dissatisfied.

Employees' turnover intentions were measured as a single variable. Based on the descriptive statistics, of Moonlight Academy were reported a mean of 2.37 on the 5point Likert scale. Thus, the average employees' report agreement in having intentions to leave the Academy.

Based on the correlation test it became evident that the average respondent who reported levels of disagreement with being satisfied also reported levels of agreement with having turnover intentions to leave Academy. Thus, in the case of Moonlight Academy, the correlation test results prove the existence of a significant strong negative relation between job satisfaction and turnover intention.

This significant negative cause-effect relationship is supported by similar findings mentioned in the theoretical framework. Noteworthy is one of the most traditional turnover theories, which was developed by Mobley (1977). He theorized that job satisfaction, or lack thereof, led to thinking about quitting, which led to job search, which could then lead to an intention to quit, or vice versa, which could eventually result in actual turnover.

The measurement of job satisfaction and turnover intentions is a snapshot and can

change. In Moonlight Academy case, the existing feeling of job dissatisfaction is associated with intentions to quit. The current employees at Moonlight Academy mostly have good educational backgrounds, attractive skill-sets and have relatively high expectations towards attractive pay levels career opportunities and attractive work environment. If the high expectations are not met, job dissatisfaction in its various facets could be the effect to turnover intentions and actual turnover could be the final result. The correlation tests in chapter four confirm that the four job satisfaction facets pay& benefit, career development, distributive justice and work environment have high correlation coefficients with turnover intention. Moreover, there was a strong negative relationship between turnover intention and these two pay and benefit and distributive justice facets meaning that these facets are associated the most with intending to leave the organization based on job satisfaction

#### Conclusion

The main purpose of this study was to identify the main factor in job satisfaction that would contribute turnover intention among employees. Turnover intentions are not explicit, but mere statements, indicators and predictors of actual turnover behavior. The formulated objective of this study was to investigate the direct relationship between job satisfaction and employees' turnover intent.

In regard to the first part of the objective it can be concluded that the investigation

has yielded significant evidence that is in line with the theoretical assumptions on which the study is based. The posed research question related to the first part of the objective was: "what is the level job satisfaction in Moonlight Academy?" The evidence shows that the majority of the respondents are dis satisfied by the pay and benefit, work environment and distributive justice even if it was supported by high official during the interview. In regard to the second part of the objective of this study it can be concluded that the examination of the effects satisfaction with work environment, pay and benefit, distributive justice and career development all have a significant negative relationship with turnover intention. The related research question was: "what are the factors of satisfaction affecting turn over intention? "The evidence presents a significant negative relationship between job satisfaction factors (pay and benefit and distributive justice) and turnover intentions. This is proven by the acceptance of the one and four hypotheses (H1&4): "There is a significant negative relationship among pay and benefit and distributive justice and turnover intention"

This research endorses the existence of relationship between job satisfaction and turnover intention. Statistical results demonstrate that the independent variables like pay and benefit, career development, work environment and distributive justice influence the turnover intention; hence the statement upheld in hypotheses is supported by evidences fur-

nished in study factor that effect the turnover intention.

Finally the researcher concludes that, no variables made a unique, contribution to the prediction of turnover intention of Moonlight Academy.

#### Recommendation

Based on the findings and conclusions of the study, the researcher forwards the following recommendations to the management of Moonlight Academy and other researchers.

Since the findings of the study proved that there are different factors that affect the level of intention, the management give attention these factors that have direct or indirect influence on turnover intention of staffs so that the sense of responsibility may be uplifted by the employees.

The Academy management should consider incentives and periodically adjust salary for employees to increase their satisfaction with pay and benefits. Not forgetting to mention also devising performance-based reward and benefit system, and salary increment to staff members during the same period.

Management should work towards creating smooth and conducive work environment and work closely with subordinates and providing all required comfort and ease to perform the job to the employees to retain its qualified and experienced employees. A distributive justice to a higher level within the organization was one of the important factors influencing level of intention. However, em-

ployees of this Academy were found less satisfied in this regard as the result, to reduce turnover intention, the Academy management should provide encourages and promotes non-discrimination against any of its employees and the Academy need to evaluate and modify their promotion policies in a fair way which would enable promotions for candidates only on the basis of employee performance

Finally, future research also needs to explore the effects of additional variables such as organizational commitments and culture, supervision, co-workers and others those were not measured in the current study, which can also directly or indirectly influence turnover intention.

#### **Conflict of Interests**

The authors declare that there's no conflict of interest concerning to the publication of this article

# Reference

Aamodt, M.G. (2004). Applied Industrial/ Organizational Psychology (4th ed). USA: Thomson Wadsworth

Adams, J. S. (1963) "Toward an understanding of inequity", Journal of Abnormal and SocialPsychology, Vol.67 3-86.

Adeyinka.T,Ayeni, C.O, &Popoola, S.O. (2007) "Work Motivation',Job Satisfaction, andOrganizational Commitment of Library Personnel in Academic and Research Libraries in Oyo State, Nigeria. Library Philosophy and Practice, No118,

- AfeworkGebreEyesus (2015) A Study on Human Resource Management, Staff Turnover andIncentives in the National Agricultural Research System (NARS) Ethiopian Development Research Institute
- AlamdarHussain Khan, Muhammad Aleem (2014) "Impact of job satisfaction on employee turnover: An empirical study of Autonomous Medical Institutions of Pakistan", Journal of International Studies, Vol. 7, No 1, 2014, pp. 122-132.DOI: 10.14254/2071-8330.2014/7-
- AmanRachoFursso(2015) the causes and effects of employees" turnover; the case of Oromia Water Works Design and supervision Enterprise Unpublished
- Amy Hissonnov. 2009 p-2 Kent state university BMRT 21006-300Section 17299 Nov. 2013) an integrative framework. Psychological Bulletin, 131, 241-259. Applications, 8th Edition. London: Prentice Hall
- Armstrong"s (2009) Handbook of Human Resource Management Practice, 12th Edition Berry, L.M. (1997).Psychology at Work, San Francisco: McGraw-Hill Companies IncBhattacherjee, Anol. (2012). Social Science Research: Principles, Methods, and Practices. USF
- Tampa Bay Open Access Textbooks
  Collection.Book 3. USA: University
  of South Florida Brooks/Cole
  Publishing Company
- Biby, C. L. (2008). "Should I stay or should I leave? Perceptions of age discrimination, ganizational justice and employee attitudes on intention to leave", Journal ofApplied

- Management and Entrepreneurship, Vol. 13(2),
- BurukWallelegn (2013) Assessment of profestionalemployees turnover causes at bank of Abyssinia Unpublished
- Clarence Loch head & Alex Stephens. (2004). Employee Retention, Labor Turnover and Knowledge Transfer: Canadian Labor and Business Center, Case Studies form the Canadia Plastic Sector, p 18
- Cropanzano, R., & Greenberg, J. (1997). "Progress in organizational justice: Tunnelling through maze". In C. L. Cooper., & I. T. Robertson (Eds.), International Review of Industrial and Organizational Psychology, Vol. 12, Chichester: John Wiley & Sons
- DmLiyanege, BL Galhena (n.d)

  Determinants of turnover intentions
  of Sweing machine operations case
  from leading apparels
- Elias Meseret(2016. a correspondent for the Associated Press, based in Addis Ababa, Ethiopia. Accessed [online] Available from:http://www.urbanafrica.net/new s/ambitioushousing- project-revamping-Ethiopian-cities/ [Accessed on :25Feb. 2017]
- Elizabath Medina (2012) job satisfaction and employee turnover intention, what does organizational culture have to do Columbia with it? university S.P. Robbins. & Judge. T.A. (2007).Organizational Behaviour (12thed). Newrsey: Pearson Education, Inc. Ethiopian Economic Association (2008) Report on the Ethiopian Economy: The current stateofthe construction **Industry**

- Volume VI 2006/07. p14. [online] Available from: http://www.eeaecon.org/.../...[Accesse d date 25Feb., 2017]
- FahadAbdali (2011) Impact of Employee Turnover on Sustainable Growth of Organization in Computer Graphics Sector of Karachi, Pakistan
- GangaramBiswakarma (2016) International Academic Journal of Organizational Behavior and Human Resource Management Vol. 3, No. 2, 2016, pp. 10-26. ISSN 24542210)
- GhadeAtef (2017) Internationa20171 business management 11 (1) 118-130, medwelljournals Gregory, D.M, Way, C.Y., LeFort, S., Barrett, B. J. &Parfey, P.S (2007).Predictors of registered nurses" organizational commitment and intent to stay.Health Care Management Review, 32(2), 119-34.
- Carmeli, A. (2005). The relationship between organizational culture and withdrawal intentions and behavior. International Journal of Manpower, 26(26), 2