



**Faculty of Cognitive Sciences and Human Development**

**Factors Affecting Employees' Intention to Quit: A Study in a Hotel in Kuching.**

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**FACTORS AFFECTING EMPLOYEES' INTENTION TO QUIT: A  
STUDY IN A HOTEL IN KUCHING**

by

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## **ABSTRACT**

### **FACTORS AFFECTING EMPLOYEES' INTENTION TO QUIT: A STUDY IN A HOTEL IN KUCHING.**

Ling Nyuk King

The aims of this study were to identify employees' level of intention to quit and factors that affect their level of intention to quit. The factors investigated in this study were age, gender, levels of education, working experience, stressors, support by supervisor, job stress, job satisfaction, locus of control, self esteem, and commitment to the organization. A total of 46 respondents from various departments at Hotel Grand Continental, Kuching were the samples for this study. The study employed a cross-sectional survey research descriptive using questionnaires to collect the required data. Data collected was analyzed descriptively using means and frequencies and inferentially using Independent t-tests, One-way ANOVAs and Pearson Correlation Coefficients. The findings of the study showed that the majority of the employees were occasionally thinking of leaving their present job. There were no significant differences in intention to quit based on demographic factors such as gender, age, and working experience. However, there were significant differences in intention to quit for educational level with Diploma qualifications having higher intention to quit than those with LCE / PMR qualifications. Independent variables such as stressors, support by supervisor, job stress, and job satisfaction showed significant negative relationships with intention to quit. There was no significant relationship for locus of control, self esteem, and commitment to the organization with intention to quit.

## ABSTRAK

### **FAKTOR-FAKTOR MEMPENGARUHI KEINGINAN BERHENTI KERJA DI KALANGAN PEKERJA-PEKERJA: KAJIAN DI SEBUAH HOTEL DI KUCHING**

Ling Nyuk King

*Kajian ini bertujuan untuk mengenalpasti tahap keinginan pekerja untuk berhenti kerja dan faktor-faktor yang mempengaruhi keinginan mereka untuk berhenti kerja. Faktor-faktor yang dikaji dalam kajian ini termasuk jantina, umur, tahap pendidikan, pengalaman bekerja, tekanan, sokongan daripada penyelia, tekanan kerja, kepuasan kerja, kawalan sendiri, penghargaan sendiri, dan komitmen terhadap organisasi. Sejumlah 46 orang responden daripada pelbagai bahagian di Grand Continental Hotel, Kuching merupakan sampel dalam kajian ini. Survei keratan rentas dengan penggunaan borang kaji selidik untuk mengutip data telah digunakan dalam kajian ini. Statistik deskriptif seperti min dan frekuensi dan statistik inferensi seperti Ujian-t, Analisis Varians (ANOVA) Sehala, dan Pekali Pearson telah digunakan untuk menganalisis data yang diperolehi. Dapatan kajian menunjukkan majoriti pekerja kadang-kadang akan berfikir untuk berhenti kerja. Tidak ada perbezaan yang signifikan dengan keinginan berhenti kerja berdasarkan faktor-faktor latar belakang seperti jantina, umur and pengalaman bekerja menunjukkan tidak ada perbezaan yang signifikan dengan keinginan berhenti kerja. Terdapat perbezaan yang signifikan dalam keinginan berhenti bekerja berdasarkan tahap pendidikan pekerja yang mempunyai kelayakan Diploma mempunyai keinginan berhenti kerja yang lebih tinggi berbanding mereka yang mempunyai kelayakan LCE / PMR. Faktor-faktor seperti tekanan, sokongan daripada penyelia, tekanan kerja, dan kepuasan kerja menunjukkan hubungan negatif signifikan dengan keinginan berhenti kerja. Kawalan sendiri, penghargaan sendiri, dan komitmen terhadap organisasi pula tidak mempunyai hubungan yang signifikan dengan keinginan berhenti kerja.*

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## **CHAPTER 1**

### **INTRODUCTION**

#### **1.0 Introduction**

The term “turnover” is defined by Price (1977, cited in Gustafson, 2002) as the ratio of the number of the organizational members who have left during the period being considered divided by the average number of the people in that organization during the period.

On the other hand, intention to quit is probably the most important predictor of actual turnover and is defined as the strength of an individual’s conviction that he or she will stay with or leave the organization in which she or he is currently employed (Elangovan, 2001, cited in Ferres, Connell & Travaglione, 2004). Intention to quit is the last element in a sequence of withdrawal cognitions, and an intermediary between evaluations that are related to the decision to leave and the actual turnover in process model of turnover (Ajzen, 1991, cited in Chiu & Francesco, 2003). Some researcher suggests that behavioural intention is a good predictor of actual behaviour, and in particular studies have successfully

demonstrated that behavioural intention to leave is consistently with turnover (Mobley, 1978; Newman, 1974, cited in Chiu & Francesco, 2003).

A recent meta-analysis used the constructs of intention to quit, thinking of quit, withdrawal cognitions, and expected utility of withdrawal as the components of withdrawal intentions (Griffeth, 2000, cited in Carmeli, 2005). In fact, Mobley (1979, cited in Chiu & Francesco, 2003) have suggests that intention to quit offer a better explanation of turnover because it encompasses one's perception and judgment.

Employee is an important asset that can contribute to the success of the organization. According to Armandi, Oppedisano and Sherman (2003), for organizations to be competitive, the organizations must be able to harness employees' skills and knowledge.

However, organizations are faced with the threats of an employee leaving the organization, thereafter sharing his or her expertise with competing entities. This finding out what causes employee to have intention to quit is an important task.

Numerous researchers (Bluedorn, 1982; Kalliath & Beck, 2001; Kramer, 1995; Peters Saks, 1996, cited in Firth, Mellor, Moore & Loquet, 2004) have attempted to answer this question by investigating possible antecedents of employees' intention to quit.

Some variables such as job stress, stressors, lack of commitment to the organization and job dissatisfaction have been found to be possibly related to intention to quit (Greenhaus & Beutell, 1985; Igbaria & Greenhaus, 1992; and Rahim & Psenicka, 1996, cited in Firth et al., 2004). Other personal factors such as locus of control, self-esteem, and social support such as lack of supervisor's support are also related to intention to quit among employees (Avinson & Gotlib, 1994; Coyne, 1990; Turner & Roszell, 1994, cited in Firth et al., 2004).

## **1.1 Statement of the Problem**

High rate of intention to quit among employees causes the organization to lose out in many ways. Intention to quit disrupts smooth function of an organization and could be costly for the organization. For example, it was found in a study at a U.S. bank that the average cost (during the mid-1970s) of replacing a teller was over \$2,500. The attendant cost savings associated with an improvement in job satisfaction of 0.5 standard deviation among a group of 160 tellers would be approximately \$17,600 (Mirvis & Lawler, 1977, cited in Pinder, 1998). So, it was estimated that the employer might have saved as much as \$125,000 over a one-year period when other factors such as comparable increases in level of intrinsic motivation and job involvement were added to the analysis.

Furthermore, the loss of intellectual human capital adds to this cost, but also competition is potentially gaining these assets. It is because often the employees that leave are the most competent and the most marketable. When they leave, it will represent a loss of talent to the organization losing them and an equal increase in the stock of talent that work for other employers such as the competition. In addition new staff takes a long time to fit themselves in the new work environment and this will affect the performance of the organization.

Therefore, this study attempted to investigate factors that could affect employees' intention to quit in a service oriented sector.

## **1.2 Research Objectives**

The research objectives of this study were to:

- 1) identify the level of intention to quit among the respondents.
- 2) determine differences in intention to quit based on
  - a) gender
  - b) age
  - c) educational level





## **1.4 Research Hypothesis**

Based on the research objectives, the following research hypotheses were formed:

- H<sub>o1a</sub>: There was no significant difference in intention to quit based on gender.
- H<sub>o1b</sub>: There was no significant difference in intention to quit based on age.
- H<sub>o1c</sub>: There was no significant difference in intention to quit based on educational level.
- H<sub>o1d</sub>: There was no significant difference in intention to quit based on working experience.
- H<sub>o2a</sub>: There was no significant relationship between stressors and intention to quit.
- H<sub>o2b</sub>: There was no significant relationship between support by supervisor and intention to quit.
- H<sub>o2c</sub>: There was no significant relationship between job stress and intention to quit.
- H<sub>o2d</sub>: There was no significant relationship between job satisfaction and intention to quit.
- H<sub>o2e</sub>: There was no significant relationship between locus of control and intention to quit.
- H<sub>o2f</sub>: There was no significant relationship between self-esteem and intention to quit.
- H<sub>o2g</sub>: There was no significant relationship between commitment to the organization and intention to quit.

## **1.5 Significance of the Study**

The aim of this study was to investigate factors that influence intention to quit among employees in non-government sector. The findings study of this study would create awareness among management in the organization on the factors that

could affect the intention of employees to leave the organization. This in turn could save cost involved in recruitment, induction and training of replacement employees.

## **1.6 Operational Definition**

### **1.6.1 Intention to Quit**

In this study, intention to quit referred to whether an individual was considering leaving their organization and investigating alternative employment prospects (Milliman, Czaplewski, & Ferguson, 2003).

### **1.6.2 Stressors**

Stressors referred to the causes of stress that include any environmental conditions that place a physical or emotional demand and other life activities on the person (Glinow & McShane, 2005). In this study, stressors referred to job responsibilities and job objectives are very clear for the employees that make them expect well in the job. The employees also faced problem satisfying everybody that make them need upset others, and had to perform their job differently. In addition, stressors in this study also referred to the employees were given enough time to do their job, need to handle more job than their ability that requires them to work hard. These stressors could interfere make the amount of time they could spend with their family and this affect their quality of family life.

### **1.6.3 Support by Supervisor**

According to Plunkett (1996), supervisor is an employee (and member of the group of facilitators called managers) who was responsible for the welfare, behaviors, and performance of non management employees- called workers. In

this study, support by supervisor referred to the immediate supervisor's efforts to make work-life easier for employees, assisting them with overcoming their problems.

#### **1.6.4 Job Stress**

According to Plunkett (1996), stress can be defined as worry, anxiety, or tension that accompanies the problems employees faced and make them uncertain about the ways in which they should resolve them. In this study, job stress referred to emotional drain, burn-out, frustrate, and tension at job. Furthermore, job stress can cause loss of appetite, loss of sleep and illness.

#### **1.6.5 Job Satisfaction**

Job satisfaction has been defined as the degree to which employees like their work (Agho, 1992, cited in Singh, Finn & Goulet, 2004), or an employees' positive feelings toward their job (Dormann & Zapf, 2001; and Smith, 1969, cited in Singh et al., 2004). In this study, job satisfaction referred to employees' satisfaction with job security, physical work conditions, fringe benefits, pay, and the recognition for a job well done. In addition, job satisfaction in this study also referred to the freedom that employees had to do their best at job, advancement opportunities and satisfaction with work done.

#### **1.6.6 Locus of Control**

According to Bello (2003), locus of control is the extent to which employees attribute the events in their lives to actions or forces beyond their control. When employees believed that they had very little control over what happens to them, they are considered to have an external locus of control. On the other hand,

employees with internal locus of control believed that they were responsible for what happens to them. In this study, locus of control referred to employees' ability to solve problems at their job, control over the things that happen at their job, what they can do at their job, and changes they can make when doing their job.

### **1.6.7 Self Esteem**

According to Robbins and Coulter (2005), self-esteem refers to an employee's degree of like or dislike for himself or herself. Employees with high self-esteem believe that they possessed the ability they need in order to succeed at work. In this study, self-esteem referred to employees perception of themselves whether they were a success or failure, and their ability to do things as well as others.

### **1.6.8 Commitment to the Organization**

According to Sherman and Bohlander (1992), commitment refers to the intensity of attachment to the organization. Allen and Meyer (1990, cited in Stallworth, 2003) identified three general themes in attitudinal conceptualizations of organizational commitment such as affective commitment, continuance commitment, and normative commitment. The affective commitment referred to the employees' emotional attachment to, and involvement in organization. The continuance commitment defined as commitment based on the costs that the employees leaving the organization while the normative commitment referred to the employees' obligation to remain with the organization. In this study, commitment to the organization referred to the employees' willingness to harder in order to help the organization to be successful, proud and loyalty to the organization.

## **1.7 Limitations of the Study**

This study had several limitations. Firstly, the sample of this research was limited to only employees in one service oriented organization namely a hotel in Kuching. Furthermore, the research only investigated several factors such as stressors, support by supervisor, job stress, job satisfaction, locus of control, self-esteem, and commitment with the organization on intention to quit among the employees. There could be others important factors that had not been investigated in the study. Lastly, the researcher only used questionnaire with closed-ended questions to obtain the required data. The researcher did not attempt to obtain additional data through interviews and observations in this study.

## **1.8 Summary**

This chapter elaborated the research objectives and conceptual framework, defined the important definition, and stated the importance and limitations of the research. The next chapter explores literature related to this research.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter discusses the literature review related to the study. The discussions cover the concept of intention to quit, theories of intention to quit, relationship between demographics and intention to quit, and relationship between non demographic variables and intention to quit.

#### **2.1 Concept of Intention to Quit**

According to Bigliardi, Petroni and Dornio (2005), intention to quit referred to individuals' perceived likelihood that they will be staying or leaving the employer organization. Bluedorn (1982, cited in Carbery, Garavan, O'Brien, & McDonnell, 2003) has recommended using intention to quit attitudes rather than actual staying or leaving behaviour because it is relatively less expensive to collect data on intended turnover than actual turnover.

A number of previous studies in the psychological literature have found quitting intentions to be the strongest predictor of actual turnover. Several studies have reported association between intention to quit and turnover (Koslowsky, 1987; Blau & Lunz, 1998; and Chen, 1998, cited in Ladebo, 2005). Within the economics literature,

Mercer (1979, cited in Leontaridi & Ward, 2002) has found that 79 percent of workers reporting intention to quit had done so within the following year. Shields and Ward (2001, cited in Leontaridi & Ward, 2002 ) found that while 39 percent of nurses reported intentions to quit in the next three years, 36 percent were found to have left NHS (National Health Service) three years later.

The theory of reasoned action suggests that intention is a psychological precursor to the actual behavioural act (Ajzen & Fishbein, 1980; cited in Ladebo, 2005). An individual's intention to perform or not to perform a behavioural act is the immediate determinant of action. Based on this notion, an individual who nurtures the thought of leaving his or her present profession is more likely to do so if adverse conditions (such as an alternative job or employment) exist, or if the adverse condition that warrants the thought of intent persists.

## **2.2 Theories Related to Intention to Quit**

### **2.2.1 LMX (Leader-Member Exchange) Theory**

In organizational settings, aspects of the exchange relationship between a supervisor and a subordinate are considered to be fundamental to understanding employee attitudes and behavior (Jablin, 1979; Napier & Ferris, 1993, cited in Lee, 2000). LMX theory is a subset of social exchange theory, and describes how leaders develop different exchanges relationships over time with various subordinates of the same group (Dansereau, Graen & Haga, 1975; Graen & Cashman, 1975, cited in Lee, 2000). Thus, LMX theory refers to the exchange between a subordinate and his or her leader.

Achieving good relations between supervisors and subordinates helps to embed employees within the organizations, and provides a disincentive for employees to quit. Bad LMX has similarly been viewed as an undesirable attribute in an employment relationship and has been observed to explain employees' quit decisions (Griffeth & Hom, 2001, cited in Morrow, Suzuki, Crum, Ruben, & Pautsch, 2005). For instance, subordinates may judge their leader-member exchange relation as bad for a variety reasons such as poor management skills of the supervisor to lack of

person-supervisor fit (Kristof-Brown, 2005, cited in Morrow et al., 2005). However, strong or favorable LMX relations also are problematic in terms of subsequent turnover. Employees who experience strong LMX may benefit from more supervisory attention especially early employment periods, thereby improving their skill and enhancing their marketability. Such improvements in job may make the employees more attractive to other employers and lead to greater to quit their job.

### **2.2.2 Job Characteristics Theory**

Job characteristics theory was introduced by Hackman and Oldman (1980, cited in Lee, 2000). Job characteristics refer to the content and nature of job tasks themselves (Spector, 1997). The basic of this theory is that the employees can be motivated by the intrinsic satisfaction that they find in doing their job tasks. Many studies have supported job redesign as a mean of enhancing job satisfaction by making job more interesting (Herzberg, 1968; Herzberg, Mausner, & Snyderman, 1959, cited in Lee, 2000). This can be achieved by changing the characteristics of the employees' job and tasks. When the employees find their work to be meaningful, they will like their work and will be motivated to perform well the tasks that are assigned to them. Thus, they may be less inclined to quit their job because they believe that the current job can provide them with the opportunity to enrich their knowledge.

According to Lee (2000), there are five core characteristics that can be applied to any job. These are skill variety, task identity, task significance, autonomy, and feedback. These five core characteristics are thought to lead to three psychological states, which include meaningfulness of the work, responsibility of outcome of the work, and knowledge of the actual results of the work. Skill variety, task identity, and task significance combine to produce a meaningful work experience. Autonomy leads to feelings of responsibility. Feedback results in knowledge of the results of the products of work. Employees need to know how well they are doing, or if what they are doing is not right. Through feedback, they will able to know their weaknesses in performing the task given and can improve those weaknesses in order to perform well in the task given. The three psychological states in turn contribute to critical outcomes of job satisfaction and employees' motivation (Spector, 1997). In other word, the