

# Empirical Study on Turnover Intention of Operation and Management Talent

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**Abstract**—To manage and retain talent has apparently become important factors influencing the enterprise's survival and development. Compared with other talents, enterprise operation and management talents have a small quantity, but their intellectual capital contribution rate is higher and they are more sensitive to organizational justice. On the premise of related theory, this study takes enterprise operation and management talents of Jiangsu province as research object, researching on the effect of organizational justice and job satisfaction to reduce turnover intention.

**Keywords**—organizational justice; job satisfaction; turnover intention; enterprise operation and management talent

## I. INTRODUCTION

In the era of knowledge economy, people have realized that the management talent is the most deficient part of enterprise management. However, with the development of the society, employees' turnover has become the important factor that affects stability and human resource cost of the enterprises, and the study of employee turnover behavior has become a hot topic in the field of human resources management. Talent management affects the staff's job satisfaction, loyalty to the organization and their turnover intention. Talents attitude to work and enterprise affect the efficiency and effectiveness of organization's management.

According to the survey, the turnover rate of business management talent is still very high. Management personnel turnover will bring big trouble to the operation of enterprises, affecting other employee's morale, the stock price, the investor's confidence to enterprise. Therefore, research on how to keep the business management personnel and realize their potential has great theoretical and the practical significance.

## II. RESEARCH ON THE RELEVANT CONCEPTS

This paper defines the concepts of organizational justice, job satisfaction and turnover intention based on related literature review. This paper draws following conclusions: (1) the sense of organizational justice is members' fairness perception of the whole environment of organization; (2) job satisfaction is the staff's feeling and emotional reactions to work; (3) turnover intention is leaving intention of the enterprises for some reasons, after working a period of time.

Based on the previous research and literature combined with the actual situation, this paper regards distributive justice, procedural justice, interactive justice as three

dimensions of organizational justice; satisfaction to the job itself, satisfaction to the working environment, leadership and colleague relationship satisfaction as three dimensions of job satisfaction. According to the results of previous studies on turnover intention, it is defined as a single dimension.

## III. RESEARCH METHODS AND DATA CHARACTERISTICS

### A. Design of questionnaire

Paper do research based on using questionnaire. The management personnel of enterprises in Jiangsu province is regarded as the research object. And we do research by scales of organizational justice, job satisfaction and turnover intention. In addition, calculate difficulties that may occur in the survey. And paper designs solutions.

### B. Data collection

The questionnaire was conducted from 2010 July to October, collecting sample data mainly in two ways. On one side, this paper has distributed tasks to economic and information commission of Jiangsu province; on the other side, paper has issued assessment questionnaire to professional managers with the help of economic and information technology committee of Jiangsu. Through first way, 90 questionnaires were sent out, through the second way 110 questionnaires were sent out. In a word, 200 questionnaires were distributed and 191 copies of questionnaires were recovered, the recovery rate is 95.5%. Finally paper got 186 effective questionnaires; the effective recovery rate is 93%.

### C. Statistical description of sample book

The result of questionnaires is as follows, which shows variable characteristics of sample.

TABLE I. VARIABLE CHARACTERISTICS OF SAMPLE

Base situation		Sample capacity	Proportion
Sex	male	134	0.72
	female	52	0.28
Age	26—30	26	0.14
	31—40	97	0.52
	older than 41	56	0.30
Record of formal schooling	junior college	19	0.10
	regular college course	95	0.51
	master degree or above	72	0.39
Work experience and time of current enterprise	less than 1 years	1	0.01
	1—5	83	0.45
	6—10	39	0.21
The nature of enterprise	private enterprise	47	0.25
	state-owned enterprises	61	0.33
	foreign enterprise.	102	0.55
Marital status	married	23	0.12
	unmarried	122	0.66
Post	senior managers	64	0.34
	middle-level managers	34	0.18
	grassroots managers	103	0.55
		49	0.26

#### IV. RESEARCH MODEL AND HYPOTHESES

##### A. Research hypothesis

1) *Hypothesis of the relationship between organizational justice and job satisfaction*: The relationship between organizational justice and job satisfaction, has been concerned for a long time. It is generally believed that there is a positive correlation between them. With the review of literature and the actual conditions of enterprises, paper puts forward the hypothesis H1

H1: organizational justice has a significant positive impact on job satisfaction;

2) *Hypothesis of the relationship between job satisfaction and turnover intention*: Job satisfaction is an important outcome variable, which can influence employees' psychology and behavior effectively, including turnover intention. Based on the above summary, paper puts forward hypotheses H2

H2: job satisfaction has a significant negative impact on turnover intention

3) *Hypothesis of the relationship between organizational justice and turnover intention*: Organizational justice is an important antecedent variable, which has a significant impact on the employee's thoughts and actions. If employees believe that the distribution of organizational procedures and labor is fair, they do not want to leave. Based on the above summary of literature, paper puts forward hypotheses, H3:

H3: organizational justice has a significant negative impact on turnover intention;

##### B. Research model

Based on the above analysis, paper puts forward model of relationship of organizational fairness, job satisfaction and turnover intention, shown as figure 1.

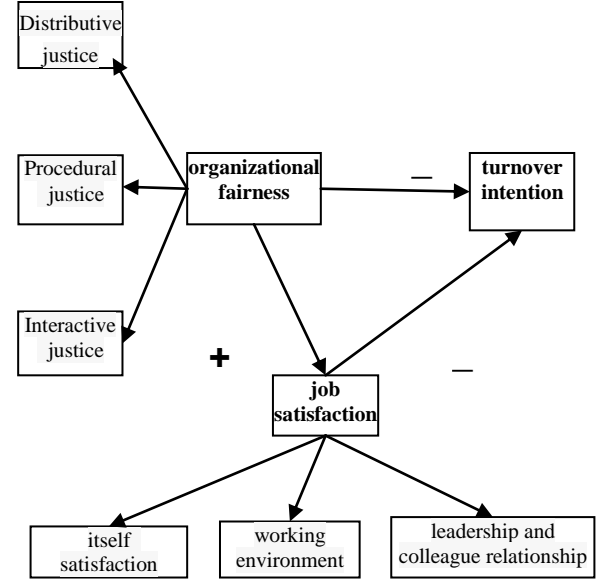


Figure 1. Research model

#### V. THE FITTING MODEL ANALYSIS OF STRUCTURAL EQUATION

##### A. The requirements to build structural equation model

In 1982 Boomsa pointed out that in order to ensure the stability of structural equation model correlation matrix and reliability of the fitted structural equation, the required sample number of fitting structural equation model and analysis should be at least 100. In 2004, Hou Jietai pointed out that the sample number should be above 100, which is suitable to use maximum likelihood estimation method (MLE) to estimate the structural equation, but if the sample number is too large (for example, when more than 400), MLE will become over-sensitive to fitting data, making the overall models fit poorly. In this study, the total number of sample is 186, larger than the minimum number of samples and the number is appropriate, so the structural equation model can be built and tested.

##### B. Initial fitting model

Structural equation modeling software AMOS17.0 is taken to fit the data in this study, the overall fit index of initial fitting model is shown below. From Table 2,  $\chi^2$  is less than 3, RMSEA value is less than 0.08, in addition to GFI, the rest absolute fit statistic is all greater than 0.90, in accordance with evaluation criteria of adapted models, so we can determine that the initial fitting model fits better.

TABLE II. MODEL INDEX

INDEX	$\chi^2$	df	$\chi^2/\text{df}$	RMSEA	GFI	IFI	CFI	NNFI
VALUE	421.75	175	2.41	0.076	0.71	0.96	0.96	0.96

Figure 1 is a path diagram of the structural equation model. It illustrates the relationships between latent variables (justice, turnover intention, satisfaction, working environment, relationship) and their corresponding observed variables (A1-A9, C1-C3, B1-B9). Standardized path coefficients are provided for all significant paths. Error terms (e1-e25) are also shown with their variances.

**Latent Variables and Observed Variables:**

- Justice:** Distributive justice (A1, A2, A3, A4), Procedural justice (A5, A6, A7), Interactive justice (A8, A9).
- Turnover Intention:** C1, C2, C3.
- Satisfaction:** B1, B2, B3.
- Working Environment:** B4, B5, B6.
- Relationship:** B7, B8, B9.

**Path Coefficients:**

- Justice (Distributive) → Turnover Intention: 0.25
- Justice (Procedural) → Turnover Intention: 0.29
- Justice (Interactive) → Turnover Intention: 0.17
- Turnover Intention → Satisfaction: -0.48
- Turnover Intention → Working Environment: -0.32
- Turnover Intention → Relationship: -0.24
- Satisfaction → Turnover Intention: 0.73
- Working Environment → Turnover Intention: 0.82
- Relationship → Turnover Intention: 0.77

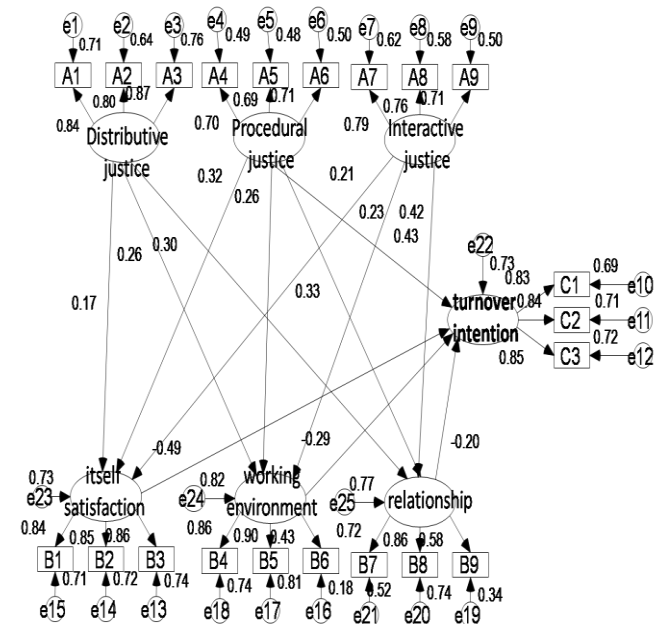
**Error Terms (e1-e25) and their Variances:**

- e1: 0.71
- e2: 0.64
- e3: 0.76
- e4: 0.49
- e5: 0.48
- e6: 0.50
- e7: 0.62
- e8: 0.58
- e9: 0.50
- e10: 0.69
- e11: 0.71
- e12: 0.72
- e13: 0.74
- e14: 0.85
- e15: 0.71
- e16: 0.81
- e17: 0.74
- e18: 0.43
- e19: 0.74
- e20: 0.52
- e21: 0.18
- e22: 0.73
- e23: 0.84
- e24: 0.86
- e25: 0.72

### C. Quadratic fitting model

shows that  $\chi^2/\text{df}$  is less than 3, RMSEA value is less than 0.08, and the rest absolute fit statistic in addition to the GFI, are all greater than 0.90, in accordance with the model

Index	$\chi^2$	df	$\chi^2/\text{df}$	RMSEA	GFI	IFI	CFI	NNFI
Value	426.57	177	2.41	0.076	0.71	0.96	0.96	0.96



#### D. Path analysis and hypothesis testing

TABLE IV. TABLE PATH COEFFICIENT OF ONCE AGAIN THE FITTING MODEL

Path	The standardized path coefficients	T value	Hypothesis verification
distributive justice → job itself satisfaction	0.17	1.83	nonsupport
procedural justice → job itself satisfaction	0.32	3.17	support
interactive justice → job itself satisfaction	0.23	2.64	support
distributive justice → working environment	0.26	3.89	support
procedural justice → working environment	0.43	6.55	support
interactive justice → working environment	0.26	3.66	support
distributive justice → relationship satisfaction	0.30	4.04	support
procedural justice → relationship satisfaction	0.33	3.21	support
interactive justice → relationship satisfaction	0.42	5.43	support
job itself satisfaction → turnover intention	-0.49	2.64	support
working environment → turnover intention	-0.29	3.48	support
relationship satisfaction → turnover intention	-0.20	2.58	support

The variable path coefficient and the corresponding hypothesis can be seen clearly. Except the T value of distributive justice to job itself satisfaction is less than 2, the rest of variables' T value are all larger than 2, through inspection, supporting the research hypothesis.

## VI. CONCLUSIONS

This paper uses empirical research methods to explore the relationship among organizational justice, job satisfaction and turnover intention. The conclusion can be seen from the hypothesis testing:

Through modeling and analysis, we can find the three dimensions of organizational justice show positively associated with job satisfaction. Among them, the effect of procedural justice on satisfaction to the work itself and satisfaction to the working environment is more significant. In addition, the influence of interaction justice on the leader and colleague relationship satisfaction is more significant. Besides, job satisfaction has a negatively related to turnover intention. The influence of work itself satisfaction on the turnover intention is the most significant, followed by the work environment satisfaction on turnover intention. What's more, organizational justice also has a negatively correlation to turnover intention.

Management talents play a decisive role in the enterprise, if they leave, they will cause inestimable losses to the enterprise's development. Based on the above conclusion, this paper suggests that enterprises should improve the fairness of the organization and start from the three dimensions of job satisfaction, thus improving management talents' job satisfaction, reducing or avoiding turnover intention of management talents.

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