

THE MEDIATING ROLE OF JOB SATIAFACTION ON THE RELATIONSHIP BETWEEN HR PRACTICES AND TURNOVER INTENTION

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ABSTRACT

This paper used a qualitative research method studied the mediating role of job satisfaction on the relationship between HR practices and turnover intention of employees and studied the influences of HR Practices during the pandemic on job satisfaction and turnover intention. The results showed that job satisfaction has a significant influence on the relationship between HR practices and turnover intention. And the HR practices implemented by organizations during the pandemic have a positive effect on employee job satisfaction and a negative effect on turnover intention of employees.

Keywords: HR practices, job satisfaction, turnover intention

INTRODUCTION

Background of the Study

Many researchers have found out the importance of HR practices on the job satisfaction of employees (Huselid, 1995; Andreassi, Lawter, Brockerhoff & Rutigliano, 2014; Nieto, 2014; Becker, Brandt, & Eggeling, 2015; Omar, Salessi, & Urteaga, 2017). According to the international labor organization (2020), the HR practices have been changed a lot in most of organizations since the covid-19 pandemic.

With this current situation, what is the influence of HR practices on the job satisfaction and turnover intention? Thus, it was the high time to find the influences of the HR practices during Covid-19 on the job satisfaction and turnover intention.

This research designed to examine the influences of HR practices on job satisfaction and turnover intention. So, the leaders can realize the influences of the HR practices on the job satisfaction and turnover intention during the pandemic, and the verifying the moderating effects of job opportunities and organizational commitment can provide a correct theoretical reference basis for the company to formulate HR practices to prevent and avoid turnover intention of employees.

Research Aim

The main purpose of this paper evaluated the mediating role of job satisfaction on the relationship between HR practices and turnover intention of employees. At the same time, found out the influence of HR Practices during covid-19 on the job satisfaction and turnover intention of employees.

Research Questions

More specifically, this study answered the following research questions:

1. Is there a significant influence between HR practices and job satisfaction of employees during the pandemic.
2. Is there a significant influence between HR practices and turnover intention of employees during the pandemic?
3. Is there a significant influence between job satisfaction and turnover intention of employees during the pandemic?
4. Does HR practices have a significant influence on the turnover intention of employees through job satisfaction during the pandemic?

Research Hypothesis

H1: There is a significant influence between HR practices and job satisfaction of employees during the pandemic.

H2: There is a significant influence between HR practices and turnover intention of employees during the pandemic.

H3: There is a significant influence between job satisfaction and turnover intention of employees during the pandemic.

H4: HR practices have a significant influence on the turnover intention of employees through job satisfaction during the pandemic.

Significance of the Study

This study provided the leaders in Philippine real estate companies with useful information, the real estate leaders can aware the influences of HR practices on the job satisfaction and turnover intention of employees, so the leaders can

evolve the effective ways to satisfy their employees to stay in the organization during this difficult period.

Related Literature and Studies

HR Practices

HRM is the key to achieving the organizations' goals in various fields (Cania, 2014). Although there are many researchers have conducted various research about the influences of HR practices on job satisfaction and turnover intention (Huselid, 1995; Andreassi et al., 2014; Nieto, 2014; Becker et al., 2015; Omar et al., 2017). HR practices have been changed a lot since the pandemic, do the bosses guaranty their employee satisfied and stay in their organization with the new human resources management practices? hence this paper will find the influences of HR practices during covid-19 on job satisfaction and turnover intention, so that the employers can realize what are influences of HR practices during this pandemic difficult time.

The Relationship Between HR Practices and Job Satisfaction

There are many researchers pointed out the HR practice have influences on the job satisfaction of the employees (Andreassi et al., 2014; Nieto, 2014; Becker et al., 2015; Omar et al., 2017). According Nwachukwu and Chladková (2017), adopting comprehensive HR practices is necessary for employee satisfaction.

The Relationship Between HR Practices and Turnover Intention

The impact of HR practices on employee turnover intention has been studied by many researchers (Huselid, 1995; Juhdi, Pa'wan & Hansaram, 2013; Sinniah & Kamil, 2017), but the relationship between the two is still a research focus or problem that researchers and organizations need to face, because the behavior of employee turnover has not stopped evening during pandemic (Morgan, 2021), and employee turnover will bring additional shocks and losses to the organization (Sandhya et al., 2011; Conell et al., 2007).

Turnover Intention

The turnover rate of employees has been increasing due to many factors (Alkahtani, 2015). Carmeil and Weisberg (2006) defined that turnover intention is the idea of resigning in the employee's heart, wanting to leave the current organization and looking for another job in another organization. Firth, Mellor, Moore and Loquet (2014) gave an almost same definition, they defined that the Employee turnover intentions refer to employees who are considering resignation. Moreover, according to Bhayo, Shah & Chachar (2017), They defined turnover intention as a natural phenomenon, and they pointed out that the employees will have turnover intention if there is no perfect system in the workplace, such as lack of motivation, promotion, and performance appraisal (Bhayo, Shah & Chachar, 2017).

Job Satisfaction

Job satisfaction is one of the most important variables in organizational behavior and psychology. (Chen, Zhao & Liu, 2012). And there are similar definitions of job satisfaction were defined by previous researchers. When employees work in a business organization, job satisfaction is viewed as a combination of positive or negative feelings about the employee's job (Inuwa, 2015). Similarly, Kwabiah, Hodibert and Amankwa (2016) defined that Job satisfaction is the emotional response of employees to various aspects of work in the organization. Moreover, job satisfaction can also be defined as what an employee expected to get from the organization what this employee gets (Hassan, 2014).

Job Satisfaction as Mediator on the Relationship Between HR practices and Turnover Intention

In the HR practice and job satisfaction related literatures above, there have been studies and papers that have demonstrated that HR practice has an impact on job satisfaction, and in the related literatures on turnover intention, there are also many scholars who have exposed the role of job satisfaction on turnover intention. These statements make a strong foreshadowing of job satisfaction as a moderator between the two.

Some scholars have also conducted research on the moderating effect of job satisfaction, like researchers Kampkotter (2016), Choudhury and Mishra (2011), Danneels and Kleinschmidt (2001) and Dasilveira et, al. (2020), they have reached almost the same conclusion that job satisfaction does play a moderating role in HR practices and turnover intention.

The Relationship between Job Satisfaction and Turnover Intention

Thousands of pervious researchers have shown that job satisfaction is the antecedent of turnover intention. Jackofsky and Peters (1983) found job satisfaction is related with employee's turnover intention. And according to Herzberg (1959), there are two factors which measures the job satisfaction level and turnover intention of employees, which include hygiene factors, and motivation factors. Davis (2006) argued that employees job satisfaction is strongly and negatively associated with turnover intention of employees. Similarly, there are also many researchers have found the main reason of employee's

turnover is job satisfaction (Slattery & Selvarajan, 2005; Price, Kieckbusch & Theis, 2007; Verna, 2010). Employees will change their job if they are not satisfied with their current work. Moreover, Price & Mueller (1981) also found job satisfaction has a positive effect on intention to stay.

Theoretical Framework

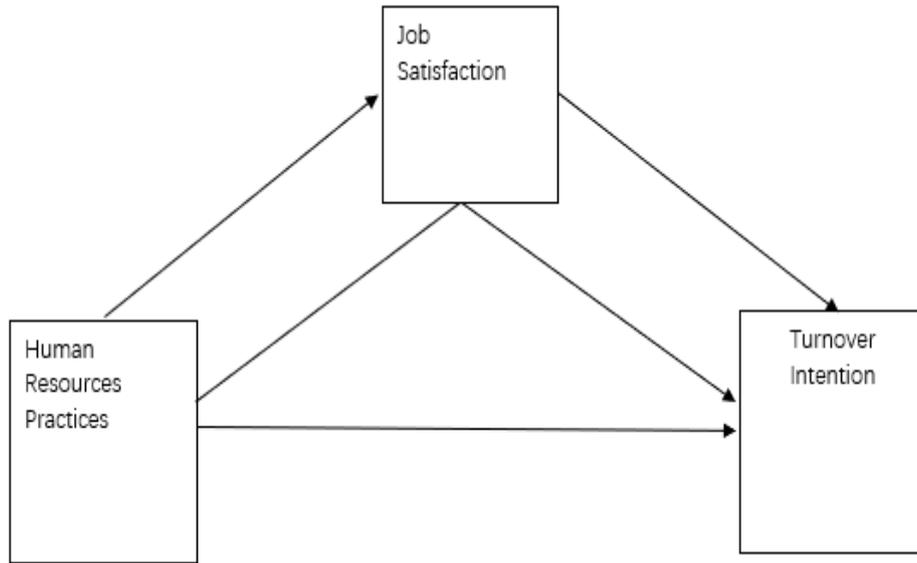


Figure 1: The Theoretical Framework 1 (Source: Dasilveira, Yang, Mensah, and Quarcoo, 2020).

Conceptual Framework

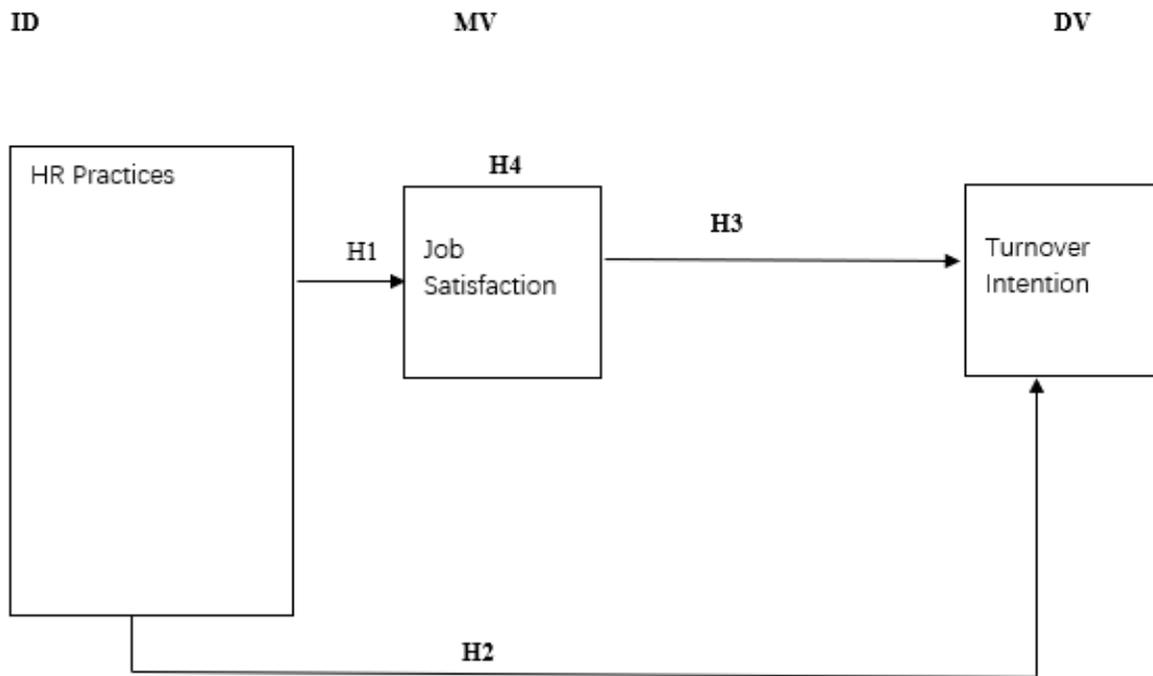


Figure 2: Conceptual Framework

Research Paradigm

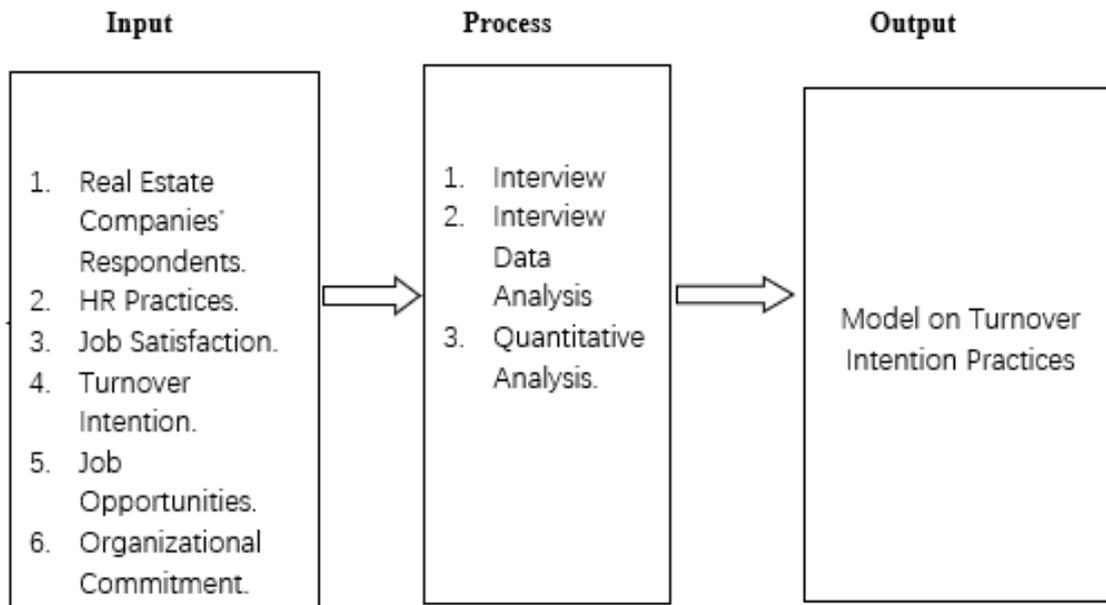


Figure 3: Research Paradigm: Systems approach: Input process output

Methodology

This part discussed the specific tools and procedures used to collect the data. Specifically, it showed the following: research design, population and sample, research locale, method or procedure, instruments.

Research Design

Research design provides overall systematic plan for the entire study to ensure an effective solution to the research question, and research design can be quantitative or qualitative (Indu & Vidhukumar, 2019). the researcher created several question items for each variable of this study and used questionnaires to collect data in this research, and then analyzed the collected data. and conducted qualitative analysis based on the information obtained from the interviews, the interview questions were designed based on the research questions.

Population and Sample

The Population is the employees who are working in real estate industry, and the researcher Selected three employees from real estate employees in Philippines.

Research Locale

The research was conducted in Metro Manila, Philippines.

Method or Procedure

The researcher conducted face-to-face interviews with a small number of employees, the real estate companies have strict control on the number of daily visitors, and the researcher needed to make an appointment to enter their companies during pandemic, so the researcher selected only a small number of interviewees.

Instrument

The interview was designed based on research questions, specifically on what bosses can do to keep them to stay. The researcher obtained the most authentic and accurate research information through interview with employees.

Findings

The researcher conducted the interviews with 3 respondents, the interview questions was based on research questions. The following tables were their answers on each interview question.

Interview Question 1	How do you feel about your company's HR Practices? Satisfied or unsatisfied? Why?
Interviewee 1	Actually, the HR practices that we are implementing is not really good, I am really not happy about that. Because our salary is really lower than before, we only can get 80% salary now, and the workload is much bigger, because we have so many employees already resigned since the pandemic.
Interviewee 2	Unsatisfied. My salary is the same as before, but the bonus has been affected, all the employees only can get half bonus, it is very hard to talk.
Interviewee 3	Unsatisfied, because I have a lot of pressures now, my boss gave me much higher quota now.

Table 1: Interview Question 1 with Answers

From the table 1, it can be seen that all these three interviewees were not satisfied with HR practices.

Interview Question 2	Which HR practices in the company dissatisfy you the most? Why?
Interviewee 1	Of course, compensation, I told you, our salary is lower than before.
Interviewee 2	I think it is the compensation and benefits, not only me, I think all the employees who are in my company are not satisfied with our compensation and benefits.
Interviewee 3	Performance appraisal, you know, we have a lot of Chinese buyers, but they still cannot come Philippines now, we don't have more customers, how can we make more transactions? It is very hard.

Table 2: Interview Question 2 with Answers

From the table 2, it can be seen that the interviewees were most dissatisfied with compensation and benefits and performance appraisal. Previous studies conducted by Grund and Sliwka (2001) have concluded that job satisfaction

depends strongly on relative wage growth and absolute wage levels.

Interview Question 3	Overall, are you satisfied with your job? why?
Interviewee 1	Of course not, the salary is so small, if you have small salary than before, are you satisfied with your job?
Interviewee 2	No, I am not happy here anymore.
Interviewee 3	No, I am planning to change my job, I don't want to do sales anymore, I am very tired.

Table 3: Interview Question 3 with Answers

From the table 3, it can be seen that the interviewees were dissatisfied with their job, hypothesis 1 and hypothesis 2 were supported by these answers, the HR practices has a significant influence on job satisfaction and turnover intention.

Interview Question 4	Are you considering to leave this company? Why?
Interviewee 1	Yes, actually I am considering now, I will resign if they don't increase our wages.
Interviewee 2	Hum...Sometimes...I have the intention to leave...
Interviewee 3	Yes, maybe after two weeks

Table 4: Interview Question 4 with Answers

From the table 4, it can be seen that all the interviewees expressed their intention to resign, the employees have high turnover intention during the pandemic. hypothesis 3 is also supported by these answers, job satisfaction has a significant influence on turnover intention.

From the table 4.17, 4.19 and 4.20, it can be seen that all these interviewees were not satisfied with HR practices, and they mentioned they were not satisfied with their jobs and had plans to resign, so hypothesis 4 is supported by these answers, HR practices have a significant influence on turnover intention through job satisfaction.

Interview Question 5	This is the last question. If you are going to leave now, what do you think your leaders should do can keep you in this company?
Interviewee 1	Salary, because we only can get 80% salary now, I hope my salary can be increased.
Interviewee 2	I hope my company can give me 100% bonus, and hire more employees to share my workload, because I really have a lot of work.
Interviewee 3	I think the leaders should give us a lower quota, the quota that they gave me is impossible to reach.

Table 5: Interview Question 5 with Answers

In order to reduce employees' turnover intentions, the researchers also asked the interviewees for their opinions on what their bosses should do so that they would abandon their turnover intentions. 2 of them responded that they wished their salaries and benefits will be increased. This is normal demand for them, pay is a significant role at work, and is one of the fundamental components of job satisfaction (Phuong & Vinh, 2017). Similarly, Researchers Parvin and Kabir (2011) mentioned that since all employees work to earn money, a good salary and related benefits are key factors in satisfying employees. Moreover, Osibanjo, Adeniji, Falola and Heirsmac (2014) reported that employee retention is positively and significantly related to compensation.

The salesperson's answer was to hope that the boss can lower the performance appraisal, the monthly performance appraisal not only put a lot of pressure on them, but also, they cannot reach monthly performance during pandemic. Biswakarma (2008) found that performance appraisal negatively influences the turnover intention of employees. Similarly, Darehzereshki (2013) concluded that the organization will likely to bring a penalty in forms of lower job satisfaction and higher intentions to quit when employees have low quality performance appraisal experiences. It reflects the importance of the performance quality in an organization, it will bring many negative influences if there is a low-quality performance appraisal system in the organization. Moreover, the employees will be more satisfied if they can experience a high-quality performance appraisal (Darehzereshki, 2013).

The results of the quantitative analysis were supported by the researchers through interviews. During the interviews, the researchers learned that most of them are dissatisfied with the company's HR practices, especially since their salaries and benefits have changed dramatically since the pandemic, with all employees seeing their salaries drop compared to pre-pandemic levels. According to Danish, Shahid, Aslam and Ali (2015), the job satisfaction levels will not be high if pay is not based on personal wishes, in which case pay satisfaction is negatively correlated. this is also explained why the mean value job satisfaction is so low in descriptive analysis. And the boss has put a lot of pressure on the sales staff in order to maintain the company's operations during the epidemic. The work stress is one of factors make the job satisfaction lower (Danish, et al.,2015). Some interviewees also mentioned that there were so many employees have already left and they are planning to leave their organizations also, so their workload was higher due to the resignation of many employees.

Conclusions

Based on the findings, the following conclusions are formulated:

1. HR practices have a significant influence on the job satisfaction of employees.
2. HR practices have a significant influence on the turnover intention of employees.
3. Job satisfaction has a significant influence on the turnover intention of employees.
4. HR practices have a significant influence on turnover intention through job satisfaction.

Recommendation

From the interviews with employees, it is known that wages and benefits are the main reasons that affect their satisfaction and resignation. Therefore, it is recommended that company leaders restore the wages of employees to the pre-epidemic state as soon as possible.

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