

# THE EFFECT OF HUMAN RESOURCE MANAGEMENT PRACTICES ON EMPLOYEES' INTENTION TO LEAVE THROUGH JOB SATISFACTION

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**Abstract:** In the realm of organizational management, understanding the intricate dynamics that influence employee retention and job satisfaction stands as a cornerstone for cultivating productive and sustainable workplaces. This study endeavors to unravel the intricate relationships between compensation, promotion, performance appraisal, training, job satisfaction, and employee turnover.

The research journey commenced with a meticulous pilot testing phase, a prelude to the main study. Through this preliminary exploration, the reliability and internal consistency of the research instruments were scrutinized. Subsequently, Ordinary Least Squares (OLS) assumptions were employed to validate hypotheses and investigate the influence of compensation, promotion, performance appraisal, and training on job satisfaction and employees' intentions to leave the company.

Pilot testing underscored the robustness of the research instruments, laying the groundwork for hypothesis analysis. The outcomes of the OLS assumptions revealed compelling insights into the relationships between the studied variables. Compensation exhibited a notable impact on employees' intentions to leave. Performance appraisal negatively influenced intentions to leave. Promotion displayed a similar negative impact, as did training. Job satisfaction was found to have a negative impact on employee intentions to leave.

This research contributes to the empirical understanding of employee retention dynamics, presenting evidence-based insights for organizations seeking to bolster their workforce engagement and curb turnover rates. By synthesizing insights from pilot testing, OLS assumptions, and hypothesis testing, this study offers a comprehensive compass for organizations aiming to foster resilient and fulfilling work environments. As a result, this paper not only furthers the theoretical discourse but also equips practitioners with actionable strategies to enhance employee satisfaction and mitigate attrition.

**Keywords:** HRM, Job satisfaction, Training and development.

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## I. INTRODUCTION

The job market now addresses four distinct age groups: adults/veterans, those who were born into the many more than one Age X, Age Y, and the Second Great War. Each age has distinguishing characteristics that demonstrate its uniqueness and the social movements that shaped it (Kaye & Sharon, 2005). However, experts have recently identified a group of employees

that transcends age categories. This new group is known as the social specialist. The differences between generating representations and conventional specialists are based on their backgrounds and workplaces. A shift in perspective has led to the emergence of new experts as organisations and affiliations were scaled back and reexamined over the 1980s, 1990s, and even into the present (Staffing, 2010). New employees are not accustomed to working for the same company for their whole career. They need to be in charge of their own occupations and have no qualms about switching jobs. In general, they are seeking companies that would provide them with opportunity for high responsibility, work/life balance, a plan to be creative, professional turn of events, and growth prospects (Staffing, 2010).

The most valuable resource for an association is its representatives. No organisation could remain intact without its relatives. Therefore, businesses should consider how to keep their personnel prepared. It might then have an impact on executive performance, helping the staff members achieve the goal and vision of the organisation. High-caliber work is typically produced by those who have a high level of occupational fulfilment (Riketta, 2002). Each association undoubtedly exerts every effort to retain and inspire its faculty.

Another major problem with a multi-leveled structure is a high delegate turnover rate, which results in a shortage of key employees and increased expenditures for the hiring and training procedures (Loi, Ngo, & Foley, Sharon, 2006). Expanded employee turnover is becoming a global problem in many organisations.

The goal of this exploration is to identify and investigate the relationship between the board's practises regarding human resources and employees' expectations to leave the company through job satisfaction, including representatives in associations' job preparation and advancement, execution evaluation, pay, benefits, security, and wellbeing.

The goal of the review is to shed light on the influence of executives' training on human resources on representatives' desire to quit the company through job satisfaction. These procedures cover planning and progress, performance evaluations, compensation, benefits, security, and welfare. The investigation hopes to demonstrate the major influence of these factors on representative maintenance via the dispersion of reviews throughout organisations and the production of cement factual findings to support the rationale.

### **A. Hypothesis Development**

HRM training helps to develop and improve representatives' skills, knowledge, and responsibility, motivating them to work more and advance their careers while also enhancing their desire to put in more hours (Yousaf, Sanders, & Jessica, 2018). High compensation frameworks and fair execution appraisal frameworks are the most crucial HRM practises associated to representative expectation to quit since they are the key factors influencing workers' intentions to stay at or leave their workplaces (Rubel & Kee, 2015); (Shaukat, Yousaf, & Sanders, 2017) (Dechawatanapaisal, 2018). Additionally, representatives are pushed out of their jobs by poor advancement rates and training and improvement plans that limit their ability to grow and progress (Busari, Mughal, Khan, Rasool, & Kiyani, 2017). The theories mentioned above inspired the development of the hypothesis that follow.

H1a: Compensation will be negatively related to employee's intention to leave.

H1b: Performance appraisal will be negatively related to employee's intention to leave.

H1c: Promotion will be negatively related to the employee's intention to leave.

H1d: Training and development will be negatively related to the employee's intention to leave

Higher representative job satisfaction and worker loyalty to their organisations are benefits of using HRM techniques to satisfy employee needs. Using pay frameworks and execution audit procedures in light of fair compensation may increase efficiency and representative dependability while reducing bias in the workplace.

H2a: There is a positive relationship between compensation and job satisfaction.

H2b: There is a positive relationship between performance appraisal and job satisfaction.

H2c: There is a positive relationship between promotion and job satisfaction.

H2d: There is a positive relationship training & development and job satisfaction.

H3: Job satisfaction will be negatively related to the employee's intention to leave.

Work satisfaction for representatives can operate as a mediator in the relationship between HRM practises and employees' expectations to depart, which can be affected by a variety of factors. According to the friendly trade theory (Kieserling, 2019), representatives' job satisfaction should lessen the typical unfavourable connection.

H4a: Job satisfaction mediates the relationship between compensation and employee's intention to leave.

H4b: Job satisfaction mediates the relationship between performance appraisal and employee's intention to leave.

H4c: Job satisfaction mediates the relationship between promotion and employee's intention to leave.

H4d: Job satisfaction mediates the relationship between training & development and employee's intention to leave.

## II. LITREATURE REVIEW

This part will examine the topics that call for an analysis of the writing, the creation of useful hypotheses, and the usage of pertinent hypothetical structures. The purpose of the writing survey is to separate supplemental data from journals and publications that pertain to our research topic. Recent research will be examined in this particular situation in order to gain a better understanding of how various artists in the related survey region evaluate various aspects of the fulfilment of illustrative job. The experts will organise a thorough report study that will concentrate only on the components of planning and improvement, execution assessment, compensation, benefit, security, and success. Furthermore, taking into account the pertinent fictitious structure, a suggested framework for this study has been developed. A few exploratory studies have been conducted to determine what the executives intend when they speak about human resources for job satisfaction. Work satisfaction is one of the topics that is frequently studied in the area of hierarchical behaviour (Hock & Lip-Sam , 2012).

According to some experts, work fulfilment is the way in which employees behave and is influenced by factors such as pay, working conditions, control, advancement, casual association, capacity, and a few close variables, brands, and relationships with coworkers that are distinct from work-life issues (Milton L. Blum & Jack C. , 1986). (Edwards & Scullion, H., 1982) have shown that the overall indication of working views and inclination condition in the workplace is job satisfaction, as noted in (Patah, et al., 2009).

### A. Theoretical Framework

Intention, goals, commitment, and satisfaction are factors over which the organization has substantial control and over which HRM can play a critical role. The theoretical framework of the current study was developed through a model of (Peterson, 2004) that highlights the part played by HRM in influencing employee intentions to leave or stay in work. HRM practices were selected as an independent variable and job satisfaction as a mediating variable. In the case of job satisfaction, the employee is satisfied with all aspects of the job such as promotion, administrative decisions, achievement, and income.

#### 1. Human resource practices

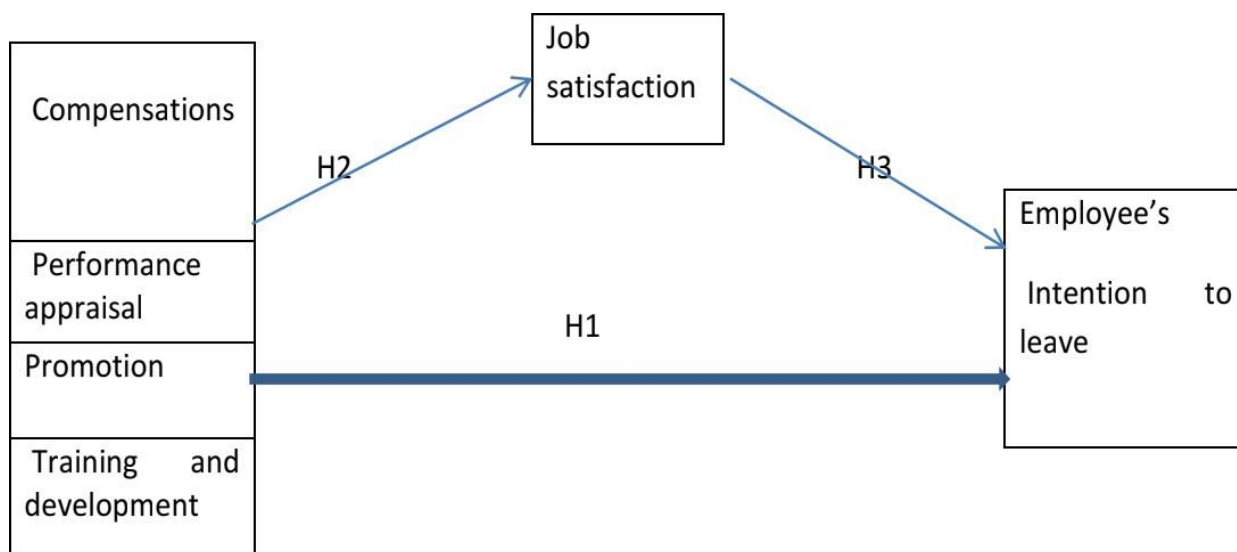


Figure 1: Framework for human resource practices

HRM Practises: Estimates from (Mostafa, Gould-Williams, & Bottomley, 2015) were used to estimate the work done in HRM by adding together 17 different factors. (Mostafa, Gould-Williams, & Bottomley, 2015) conducted surveys on preparation and improvement using four factors, execution assessment using five factors, and compensation using four factors. These assessments had constant quality of 0.87, 0.70, and 0.77, respectively. The evaluation by (Mostafa, Gould-Williams, & Bottomley, 2015), which got an unchanging quality score of 0.94, predicted advancement to include four things. Utilising the five factors from (Greenhaus, Parasuraman, & Wormley, 1990) estimate, work satisfaction was evaluated. These items have been utilised in a great deal of past studies, all of which had excellent, consistent quality results of 0.88. Employees want to halt: For the goal of measuring representative takeoff purpose in a Norwegian context, five factors from (Kuvaas, 2008) assessment were employed. These factors have all been used in previous studies with high dependability outcomes of 0.74. Each variable was quantified using a 6-point Likert scale.

### **III. METHODOLOGY**

#### **A. Research Design**

The research design's strategy plan outlines the techniques to be used in gathering and analysing the necessary data (Zikmund, 2010). It serves as a framework for organising the tasks involved in the investigation project and directing our efforts to find solutions. An vast number of participants were included in this research topic, hence quantitative analysis was used to acquire the data. After the data has been examined, theories are developed.

among receive feedback from a quantitative report, experts should distribute the poll among members. Information is gathered through unbiased causal review organisations, techniques, and findings, according to (Zikmund, 2010), which attests to the fact that minimal expert perception is involved. The objective methodology, which relies on a limited example and necessitates top-to-bottom discussions, is favoured over the subjective approach since it tends to be applied to a larger population. Our team has used quantitative research, which includes overviews, to more accurately understand what HR strategies entail for employee happiness in the hotel industry. Given that it is more efficient and appropriate for analysis, quantitative data may prove to be a useful tool in our investigation to measure representative work fulfilment.

The two types of research used in this study were causal investigation and graphic inspection.

The goal of a graphic inspection configuration is to depict the characteristics or quirks of a population. Determining the answers to the who, what, when, where, and how questions is important for insightful investigation. It makes use of important instances to show forth findings, viewpoints, or methods of acting that are seen and evaluated in a particular situation.

They have used this research design in causal examination in an effort to gather data to examine their hypothesis regarding the circumstances and logical connections between the dependent variable and the free components they have identified. According to (Rubin, 2008), the crucial elements of causality are the circumstances under which A "produces" or "powers" B to occur. The findings of this study are used to evaluate the impact of executive training on human resources on job satisfaction in the hotel industry.

#### **B. Data Collection**

The methodology plan for the exploration plan outlines the methods and cycles to be used in gathering and organising the crucial data (Zikmund, 2010). It serves as a framework for organising the exploration project's activities and directing our efforts to address problems. Numerous participants were included in this investigation's focus area, therefore quantitative analysis was used to acquire the data. Following an analysis of the data, hypothese are developed.

### **IV. RESULT ANALYSIS**

The dataset used in this research is titled "Employee Engagement and Intention to Leave Survey," and it serves as a vital source of information for our investigation into the effect of human resource management practices on employees' intention to leave through job satisfaction. The dataset has been meticulously compiled to offer comprehensive insights into employees' experiences and perceptions within the organization. It comprises diverse variables that provide valuable information about the demographic makeup of the workforce, human resource management practices, job satisfaction levels, and employees' intentions regarding their future within the organization.

The dataset encompasses six crucial variables that have been derived by merging and aggregating relevant sub-variables. These variables provide significant insights into key aspects influencing employee engagement and intention to leave within the organization. Each variable represents essential dimensions of employee experiences, offering valuable information to inform decision-making and strategies aimed at optimizing organizational performance and fostering a positive work environment.

The dataset's descriptive statistics provide valuable insights into the central tendencies and variability of the six key variables: Compensation, Performance Appraisals, Promotion, Training & Development, Job Satisfaction, and Intentions to Leave. These statistics offer a summarized overview of the dataset, aiding in understanding the distribution and characteristics of each variable.

In the quest to ensure the robustness of any research endeavor, a preliminary phase often comes to the forefront — pilot testing. This phase encompasses a miniature-scale exploration, a precursor to the main research, that serves as a valuable rehearsal before diving into the complex fabric of data collection and analysis. The objective is to fine-tune research methodologies, identify potential pitfalls, and calibrate instruments to ensure a seamless execution of the primary study.

### V. DISCUSSION ON HYPOTHESIS

To evaluate our hypotheses, we employed the Ordinary Least Squares (OLS) assumption technique to create several statistical models. By employing this technique, we calculated the coefficients, P-values, and R-squared values from these models. Our next steps involve the careful examination and interpretation of these results in line with our research hypotheses. Below, we present the outcomes of our analysis that we will use for this purpose.

**Table 1: Hypothesis Testing**

<i>Hypot he sis</i>	<i>Dependent Variable</i>	<i>Mediator Variable</i>	<i>Independent Variable</i>	<i>Co-efficient</i>	<i>P-value</i>	<i>R-squared</i>
<i>H1a</i>	Compensation	-	Intention to Leave	-0.2354	0.091	0.024
<i>H1b</i>	Performance Appraisal	-	Intention to Leave	-0.6937	0.068	0.051
<i>H1c</i>	Promotion	-	Intention to Leave	-0.9473	0.059	0.060
<i>H1d</i>	Training & Development	-	Intention to Leave	-0.6382	0.056	0.059
<i>H2a</i>	Compensation	-	Job Satisfaction	0.1302	0.090	0.019
<i>H2b</i>	Performance Appraisal	-	Job Satisfaction	0.2014	0.004	0.056
<i>H2c</i>	Promotion	-	Job Satisfaction	0.2421	0.005	0.053
<i>H2d</i>	Training & Development	-	Job Satisfaction	0.2520	0.004	0.054
<i>H3</i>	Job Satisfaction	-	Intention to Leave	-0.1994	0.003	0.089
<i>H4a</i>	Compensation	Job Satisfaction	Intention to Leave	-0.2859	0.009	0.194
<i>H4b</i>	Performance Appraisal	Job Satisfaction	Intention to Leave	-0.6429	0.002	0.344
<i>H4c</i>	Promotion	Job Satisfaction	Intention to Leave	-0.9367	0.003	0.319
<i>H4d</i>	Training & Development	Job Satisfaction	Intention to Leave	-0.2834	0.001	0.398

### VI. CONCLUSION

In conclusion, this research contributes to our understanding of the complex web of influences that underlie employees' decisions to stay or leave an organization. The interrelationships uncovered emphasize the need for organizations to not only address the direct factors affecting employee retention but also to focus on enhancing overall job satisfaction, which serves as a critical bridge between organizational policies and employees' intentions to stay or depart.

#### A. Limitations

While this research has provided valuable insights into the complex interplay of variables influencing employees' intentions to leave a company and the mediating role of job satisfaction, there are certain limitations that need to be acknowledged. These limitations provide opportunities for further exploration and refinement of the study's findings:

Sample Characteristics

Cross-Sectional Design

Self-Report Bias

Mediation Complexity

Omitted Variables

Contextual Factors

Single Organization Perspective

Quantitative Approach

Changing Landscape

Mediation Assumption

These limitations emphasize the need for caution in generalizing the findings and encourage future researchers to delve deeper into these aspects for a more comprehensive understanding of the complex interplay between variables influencing employees' intentions to leave and the mediating role of job satisfaction.

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