

Effects of Job Satisfaction on Turnover Intention and Organizational Performances Listed Food & Beverage Companies in Taiwan as an Example

Peng-Hsiang Kao¹, Yu-Je Lee²

¹(China University of Science and Technology, Taipei, Taiwan)

²(Takming University of Science and Technology, Taiwan)

Abstract: This paper seeks to understand the effects of job satisfaction of the employees in the listed food & beverage companies in Taiwan on turnover intention and organizational performance by conducting a confirmatory factor analysis. The research subject is the employees and entry-level managers (store managers) of these listed food & beverage companies in Taiwan. Purposive sampling was conducted on the population, followed with the construction of a structural equation model (SEM) to validate the goodness of fit of the overall model, structural model and measurement model. The research results suggest that (1) the job satisfaction of employees working for listed food & beverage companies in Taiwan has negative and significant effects on turnover intention; (2) the job satisfaction of employees working for listed food & beverage companies in Taiwan has positive but not too significant effects on organizational performance. These findings can serve as a reference to the listed food & beverage companies in Taiwan.

Keywords: Job satisfaction, turnover intention, organizational performance, SEM

I. INTRODUCTION

As the food & beverage industry in Taiwan moves towards internationalization with enhanced and innovative services, many new challenges are ahead of the industry's workforce. Managers have to complete daily tasks, deal with the pressure from the organization, take responsibility for subordinates and meet their expectations. The level of pressure is mounting in the constantly changing marketplace. Middle and senior managers have to transform themselves as leaders, in order to inspire and influence team members, maintain high performances and outputs, and guide the organization forward [1].

The services industry accounts for the largest group of Taiwan's working population. However, the industry has been suffering a rising turnover rate. Turnover intention is subject to a long list of factors, and leadership styles are often quoted as one major contributor. Past studies mostly focus on one-way leadership. However, as concepts evolve, leaders must take into account the feelings of employees to facilitate better interactions [2].

As the competition intensifies, companies should seek to create competitive advantages to maintain and improve firm performances. For a long time, organizational management has been an issue of importance in the corporate world. The examination of work mindset and status of employees helps to gauge the effectiveness of human resource management functions.

The idea about job satisfaction emerged in the 1930's when the corporate world focused on the satisfaction of organizational needs, at the expense of employees' job satisfaction. Managers then began to explore the influence of the psychological and social factors associated with employees on organization and work efficiency. The various arguments on the importance of employees' satisfaction remain one of the popular topics for different domains ([3]; [4]).

Venkatraman & Ramanujam [5] suggested that an organization has limited resources. To ensure its maximum performance, performance evaluations are an important issue for organizational management. Performance assessment facilitates the review of the effectiveness of resource utilization in the past and establishes a better understanding of the organization. On the other hand, the results help to drive management strategy and resource allocations going forward. In sum, performance evaluations are the ultimate benchmark in the assessment of organizational functions. The endgame for all the corporate activities is performance improvement, which should be the core of strategic management. Organizational performance is one of the most important issues for corporate management. Good organizational performance is the key to organizational competitiveness and profitability. It is essential for corporate sustainability and development. The desire for better performances, job satisfaction and organizational transportation are often a change agent [6].

As a result of different personality characteristics, employees exhibit different behavior patterns in response to environmental issues and stress catalysts. Meanwhile, the interaction between supervisors and

subordinates also affects the work attitude of employees. A good exchange and relationship between leaders and staff can enhance job satisfaction of the workforce [40]. It also enhances the solidarity of employees and boosts the performance of the organization.

Based on the above, this paper samples the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan, in order to understand whether their job satisfaction affects turnover intention and organizational performance.

This paper sets out to achieve the following objectives:

(1) Validate and understand whether the job satisfaction of employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits negative and significant effects on turnover intention;

(2) Validate and understand whether the job satisfaction of employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits positive and significant effects on organizational performance.

II. LITERATURE REVIEW

Job Satisfaction

Conceptual Definition of Job Satisfaction

This paper defines the concept of job satisfaction as a subjective feeling and response toward their own job and the overall work environment. Satisfaction depends on the subjective perceptions and evaluations about the workplace, administration & leadership, wages & benefits, work feedback, further study and promotion opportunities. In brief, job satisfaction is an intuitive feeling that individuals hold. It determines whether they like their jobs in general or not. This definition is a summary of the following literature.

Hoppock [7] believed that job satisfaction is the sense of satisfaction mentally and physically towards work environment. It is an all-encompassing concept about the status of the mind.

Locke [8] defined job satisfaction as everything associated with happy moods employees feel about work. Different levels of satisfaction are due to various job factors such as wages, sense of achievement and relationship with colleagues.

Yu [9] indicated that job satisfaction is an emotion and attitude workers hold in response to their jobs. This response depends on the gap between the value actually obtained and the value expected from the work environment. The smaller the gap, the higher the level of satisfaction. The larger the gap, the lower the level of satisfaction.

Wu & Lin [3] suggested that job satisfaction, also known as work satisfaction, refers to the level of work processes, contents and scenarios in line with what an employee desires. The more everything is consistent with expectation, the higher the level of job satisfaction. The less things are as expected, the lower the level of job satisfaction.

Lin [10] indicated that job satisfaction is a subjective feeling about the job and job scenarios. The smaller the gap between the expectation and the actual situation, the better the response and the higher the job satisfaction. The wider the gap, the lower the job satisfaction.

Liu [11] regarded job satisfaction as a subjective feeling and response individuals hold toward their jobs and work environments as a whole. Satisfaction depends on the subjective perceptions and evaluations about the workplace, administration & leadership, wages & benefits, work feedback, further study and promotion opportunities.

In fact, job satisfaction is also known as work satisfaction. The formal research and the concept began by the book, "Job Satisfaction" by Hoppock [7]. The author posits that job satisfaction is the sense of satisfaction an employee has psychologically and physically towards environmental factors. It is a subjective response an employee has to work scenarios. In the 1930s when behaviorism was in favor, psychological factors of employees were taken into account, as the psychological factors were believed to have effects on work performance [4].

Dimensions of Job Satisfaction

The dimensions of job satisfaction in this paper are based on the classifications by Weiss & Sherman [12] and Shen [13]: (1) inner satisfaction; (2) external satisfaction and (3) overall satisfaction, shown below.

Weiss & Sherman [12] classified job satisfaction into inner satisfaction, external satisfaction and overall satisfaction. This classification is, by and large, an encompassing definition. Below is a brief description of these three dimensions of job satisfaction.

(1) Inner satisfaction: This refers to how an individual feels when working and on duty. This metric measures the satisfaction with job creativity, variety, independence, opportunity for talents, job responsibility and authorization, sense of achievement, job reliability and security and social contributions.

(2) External satisfaction: This refers to the level of satisfaction with promotions, remunerations and compliments, corporate strategies and implementations, interpersonal relationships and technical supervision.

(3) Overall satisfaction: This refers to the aggregation of internal and external satisfaction with work environment, facilities and peer relationships.

Shen [13] classified job satisfaction into five elements: (1) work in its own right; (2) work environment; (3) benefits; (4) leadership and administration; (5) interactions with other people.

Turnover Intention

Conceptual Definition of Turnover Intention

This paper defines the concept of turnover intention as the deliberate decision to leave the current job or position after spending some time in an organization. It is the decision for an employee to terminate his/her contract with the organization. Below is a summary of the literature on the correlation between job satisfaction and turnover intention.

Mobley [14] believed that turnover is a person working for a while that decides to leave the current organization, after deliberation, and the position is taken over by another candidate. Departure removes the original job responsibility and authority and completely disconnects from the previous organization.

Miller, Katerberg & Hulin [15] posited that turnover intention is the overall expression or attitude of departing and seeking other job opportunities. Before the actual departure, employees evaluate the pros and cons. This process is the so-called turnover intention.

Michaels & Spector [16] defined turnover as the voluntary/involuntary termination of his/her identity in an organization from which he/she receives monetary compensations. Permanent departures can be willing or unwilling. Turnover intention may be accompanied with other behavior, such as the inclination to quit and looking for greener pasture for comparisons.

Hsieh [17] pointed out that turnover intention is the idea of leaving the organization and surrendering all the rights and responsibilities of the current position, after careful consideration of all the pros and cons.

Huang [18] contended that turnover intention is the idea to leave the job as a result of organizational assessments or personal issues.

According to Li [19], turnover intention refers to the behavior and intention of an employee who have worked in an organization for some time actively seeking other job opportunities or simply quitting the current work environment or position, after careful deliberation.

Dimensions of Turnover Intention

The dimensions of turnover intention in this paper are based on the classifications by Price [20] as follows:

Price [20] divided turnover into two types:

(1) Voluntary turnover:

This refers to the voluntary departure by an employee from an organization or the voluntary termination of the employment relationship by the employee. The reasons are either organizational or personal. Organizational reasons include the employee's dissatisfaction with salaries, benefits, promotions or relationship with supervisors. Personal reasons may be family issues, career development considerations, and so forth. Voluntary turnover is generally described as "quitting".

(2) Involuntary turnover:

In contrast with the voluntary turnover (requested by the employee), involuntary turnover refers to the termination of employment relationship with the employee forced to leave the organization. Examples are layoffs, organizational streamlining and mandatory retirement.

Organizational Performance

Conceptual Definition of Organizational Performance

This paper defines organizational performance as the indicator to the overall competitiveness of a company. It is also a measurement of strategic goal achievement. This definition is a summary of the following literature.

Ruekert, Walker & Roering [21] divided performances into three dimensions: (1) efficiency, the ratio of input to output, expressed with return on investment; (2) effectiveness: sales growth or market share of the

products/services offered in the competitive market; (3) adaptability: the ability to cope with threats and opportunities, expressed with the number of products launched or sales of the new products in a period of time.

Venkatraman & Ramanujam [5] argued that the main purpose of all the activities and corporate strategies is to enhance the organizational performance. In fact, organizational performance is the measurement of goal achievements. Organizational performance can be evaluated with different metrics. In general, companies refer to financial indicators such as profit margins, sales growth, return on investment and return on assets. Venkatraman & Ramanujam [5] classified the measurement of organizational performance into two methods: (1) financial indicators, such as return on investment, profit margins, net incomes and revenues; these are the traditional metrics used in strategic study; (2) enterprise indicators: the aggregation of financial performances and operational performances.

Kim, Fane & Fell [22] suggested the use of three indicators to measure organizational performance. These indicators are return on assets, return on equity and annual revenue growth.

Keh, Nguyen & Ng [23] measured organizational performance with financial and non-financial indicators. Financial indicators are the financial metrics for organizations. The frequently used financial indicators include net profits, profit margins, operating cash flows, return on investments and operating costs. Non-financial indicators reflect the performances not easily shown on financial statements. These indicators include sales growth, market shares, new products, business development, R&D results, career progression for employees, political and public relations.

Yu [24] believed that organizational performance is an overall expression of an organization's efficiency, effectiveness and efficacy.

Measurement Dimensions of Organizational Performance

There is a massive amount of previous studies addressing the measurement dimensions of organizational performance. Since the benefits of organizational performance will eventually be fed back to the financial dimension, most scholars in this field adopt financial performance as one of the measurement indicators. In an environment characterized by convenient ways of information delivery and rapid-changing markets, nevertheless, a company nowadays shall never solely rely on financial performance to achieve survival and competitiveness. That is to say, it is impossible to sufficiently gauge the organizational performance using financial performance as the single indicator. To solve that dilemma, Kaplan & Norton [25] suggested a balanced score card (BSC) system comprising four dimensions: (1) the financial dimension; (2) the customer dimension; (3) the internal business processes dimension; (4) the learning & growth dimension. In their study Chow & Haddad [26] also noted the value of BSC lies in the fact that it connects organizational strategies, frameworks and vision to create a set of corporate performance indicators for both traditional and modern companies. Meanwhile, the BSC method transforms a company's long-term strategies/goals (e.g., the creation of customer value) into actual organizational actions, internally or externally.

According to Ling & Hung [27], in order to measure both the financial and non-financial aspects of organizational performance and to correctly gauge the influence of job satisfaction and internal-service quality on organizational performance, financial performance should be defined as the output in terms of financial accounting that can be measured by indices regarding growth and profitability. For example, a company with satisfying financial performance is expected to exceed the average in the same sector regarding the Earnings per Share (EPS) and Return on Sales (ROS) as well. As for the non-financial aspect of organizational performance, it is measured by means of innovation-related performance, which in turn is gauged from the multiple perspectives of organizational innovation that involves both technological and managerial innovations. The technological innovation here refers to technologies required by an organization for manufacturing products or providing services, while a managerial innovation occurs in the organization's social system and is related to the hiring/management processes and the organizational structure [27].

Summarizing the above, as for the measurement dimensions of organizational performance, this paper applied a combination of measurement dimensions proposed by Ling & Hung [27] and Kaplan & Norton [25], i.e.: (1) financial performance: using EPS as the measurement indicator; and (2) non-financial performance: i.e. customer dimension, internal business processes dimension, and learning & growth dimension.

Literature on Job Satisfaction and Turnover Intention

Huang [28] regarded employees as the most important asset of a company. The maintenance of employees' satisfaction can boost sales, productivity and loyalty and reduce staff turnover.

Lu [29] indicated that job satisfaction of employees exhibits a significant and negative effect on turnover intention.

Chang [30] suggested that job satisfaction has a negative and significant impact on turnover intention.

Chuang [31] suggested that job satisfaction and organizational commitment have negative and significant effects on turnover intention of restaurant employees.

Wu [32] found a negative correlation between job satisfaction and turnover intention.

Based on the abovementioned literature, this paper comes up with the following hypothesis:

H₁: Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a significant and negative impact on turnover intention.

Literature on Job Satisfaction and Organizational Performance

Chen [33] indicated that job satisfaction of employees in the cosmetology industry has positive and significant influence on organizational performance.

According to Chen [34], the internal incentives and job satisfaction of the managers working at elderly long-term care institutions have positive effects on organizational performance.

Lin [35] suggested that job satisfaction exhibits positive influence on organizational performance.

Chen [36] posited that job satisfaction has a positive and significant impact on organizational performance.

Based on the above literature, this paper comes up with the following hypothesis:

H₂: Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a significant and positive impact on organizational performance.

III. RESEARCH METHOD

Figure 1 illustrates how motivations, research objectives and literature review cited in the previous passages led to this paper's hypotheses and conceptual research framework:

Research Structure

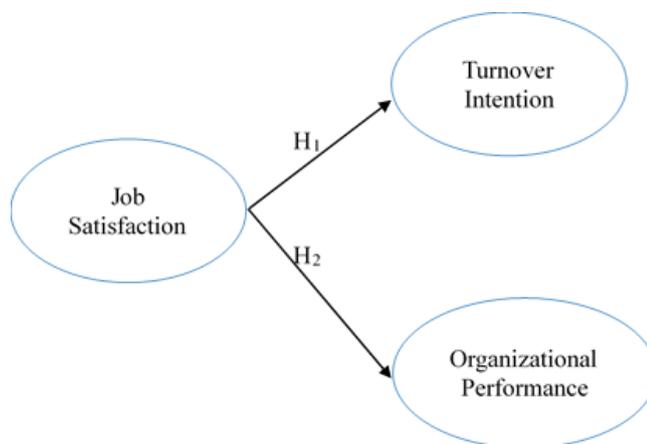


Figure 1 Research Framework

Questionnaire Design

To validate the research structure developed by this paper, a structured equation model (SEM) was constructed to conduct a confirmatory factor analysis (CFA). The questionnaire is sectioned into three latent variables as the main dimensions, i.e. job satisfaction, turnover intention and organizational performances. Each main dimension consists of sub-dimensions that are observable, i.e. explicit variables. A number of questions are designed to cover each sub-dimension to facilitate the survey and analysis. The list of questions for the three main dimensions is summarized below.

The questionnaire design on job satisfaction is based on the classifications by Weiss & Sherman [12] and Shen [13]. It covers three dimensions, i.e. inner satisfaction, external satisfaction and overall satisfaction. There are a total of nine questions.

The questionnaire design on turnover intention is based on the classification of dimensions by Price [20]. There are two dimensions: voluntary turnover and involuntary turnover, and a total of six questions.

The questionnaire design on organizational performance is based on the classification of dimensions by Ling & Hung [27] and Kaplan & Norton [25]. Organizational performance is measured with a financial metric, i.e. earnings per share, as well as non-financial metrics, i.e. customers, internal business processes, learning and growth. There are a total of ten questions.

The feedback from the questionnaire respondents is measured with a seven-point Likert scale, with a seven point indicating “extremely agree” and one point indicating “extremely disagree”. A high score suggests strong consensus and a low score reflects different opinions.

Sampling Method and Questionnaire Validity

This paper conducted a questionnaire via purposive sampling on the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan (Appendix A). To enhance the validity of the questionnaire, a pre-test was administered on 20 experts to gather their inputs. A post-test was then performed after the suggestions from experts were incorporated. A total of 300 questionnaires were issued in the survey. After the elimination of invalid questions, 253 effective questionnaires were collected, at an effective recovery rate of 84.33%. The measurement coefficients for all the dimensions are all above 0.7, indicating high reliability of the questionnaire (Table 2).

Table 2 Measurement coefficients in the questionnaire

Reliability measurement	Job satisfaction	Turnover intention	Organizational performance
Measurement coefficient	.751	.762	.742

Structural Equation Modeling & Analysis

Structural equation modeling (SEM) combines factor analysis and path analysis. The most important feature is the examination of the causal relationship with single or multiple variables. It is also possible to simultaneously analysis the relationship between multiple interrelated independent variables and dependent variables [37]. It is unlike path analysis (which is limited to a long list of statistical presumptions). Since the launch of LISREL (Linear Structural Relation), a software program for SEM analysis, SEM became even more popular, particularly in social sciences. Given the advantages and ease-of-use of linear SEM analysis in the examination of causal relationship for multiple variables, this paper adopts SEM to highlight the correlations and relationships between research variables. This paper uses SPSS and AMOS as the analytical software tools, and analyzes the data with maximum likelihood estimations.

IV. RESULTS AND ANALYSIS

SEM Analysis

This paper conducts a confirmatory factor analysis (CFA) with SEM methods. This is the frequently used methodology in social sciences for the measurement of two basic issues, the exploration of the causal relationship between variables and finally the interpretations. Structural equation modeling (SEM) can effectively resolve these problems, and AMOS is the statistical program for conducting SEM tests.

Model Goodness-of-Fit

The matrixes in the structural equation model are shown below:

(1) Measurement matrix for exogenous variables

$$\begin{pmatrix} X_1 \\ X_2 \\ X_3 \\ X_4 \\ X_5 \\ X_6 \end{pmatrix} = \begin{pmatrix} \lambda_{11}^x & 0 \\ \lambda_{21}^x & 0 \\ \lambda_{31}^x & 0 \\ \lambda_{42}^x & 0 \\ 0 & \lambda_{52}^x \\ 0 & \lambda_{62}^x \end{pmatrix} \begin{pmatrix} \xi_1 \\ \xi_2 \end{pmatrix} + \begin{pmatrix} \delta_1 \\ \delta_2 \\ \delta_3 \\ \delta_4 \\ \delta_5 \\ \delta_6 \end{pmatrix}$$

(2) Measurement matrix for endogenous variables

$$Y = \lambda_Y \eta + \epsilon$$

(3) Structural equation

$$\eta = \gamma_{31}\xi_1 + \gamma_{32}\xi_2 + \zeta$$

Confirmatory Factor Analysis (CFA)

This paper performs a confirmatory factor analysis (CFA) to examine the reliability and validity of the research model. In terms of the reliability of individual sub-dimensions (observable), all the t values are significantly higher than 2 (Table 3). All the factor loadings for respective questions are higher than 0.5 (Table 3), in compliance with the suggestion from Hair et al. [37]. All the composite reliability (CR) values are greater than 0.6 and all the Average Variance Extracted (AVE) exceed 0.5 (Table 4). In other words, all the sub-dimensions in the correlation matrix (Table 5), i.e. the square root (the diagonal) of the AVE for each dimension is greater than the correlation coefficient of each dimension pair, suggests discriminating validity for all the dimensions (discriminating validity) [37]. This is also in line with the recommendation by Fornell & Larcker [38]. In sum, the measurement used by this paper demonstrates good convergent validity. The R² values of all the dimensions (Table 4) also suggest that the independent variable in each main dimension boasts good explanatory power over independent variables.

Table 3 t values of sub-dimensions (observable)

Variable	Standardized estimate	Standard error	t-value
Job satisfaction			
Inner satisfaction	.732	.042	17.429
External satisfaction	.782	.034	23.000
Overall satisfaction	.752	.033	22.788
Turnover intention			
Voluntary turnover	.763	.041	18.610
Involuntary turnover	.761	.033	23.061
Organizational performance			
EPS	.731	.043	17.000
Customers	.783	.033	23.727
Internal business processes	.741	.042	17.643
Learning & growth	.701	.034	20.618

Note: * indicates t value is statistically significant (α=0.05)

Table 4 Confirmatory Factor Analysis

Variable	Composite Reliability (CR)	Average Variance Extracted (AVE)
Job satisfaction	.751	.628
Inner satisfaction	.732	.632
External satisfaction	.782	.602
Overall satisfaction	.752	.651
Turnover intention	.762	.721
Voluntary turnover	.763	.732
Involuntary turnover	.761	.711
Organizational performance	.742	.675
EPS	.731	.722
Customers	.783	.673
Internal business processes	.741	.651
Learning & growth	.701	.653

The internal goodness-of-fit for the structural model measures the level of significance for the estimated parameters and the degree of reliability for different indicators and latent variables. It essentially reflects the inner quality of the model. The above analysis suggests that this research model has good internal consistency.

Table 5 Correlation Matrix

	X ₁₋₁	X ₁₋₂	X ₁₋₃	X ₂₋₁	X ₂₋₂	X ₃₋₁	X ₃₋₂	X ₃₋₃	X ₃₋₄
X ₁₋₁	(.632)								
X ₁₋₂	.591	(.602)							
X ₁₋₃	.602	.593	(.651)						
X ₂₋₁	.611	.624	.613	(.732)					
X ₂₋₂	.681	.674	.691	.684	(.711)				
X ₃₋₁	.542	.562	.662	.641	.652	(.722)			
X ₃₋₂	.511	.532	.523	.621	.634	.623	(.673)		
X ₃₋₃	.553	.542	.494	.512	.542	.531	.540	(.651)	
X ₃₋₄	.564	.522	.534	.533	.533	.541	.532	.582	(.653)

Note:

- (1) inner satisfaction(X₁₋₁); external satisfaction (X₁₋₂) ; overall satisfaction (X₁₋₃) ; voluntary turnover (X₂₋₁) ; involuntary turnover (X₂₋₂) ; EPS (X₃₋₁) ; customers (X₃₋₂) ; internal business processes (X₃₋₃) ; learning & growth (X₃₋₄)
- (2) The diagonal line presents the AVE value.

Structural Equation Modeling Analysis

The purpose of linear structural modeling and analysis is to explore the relationships between different dimensions. The minimum goodness-of-fit thresholds are GFI>0.9, NFI>0.9, CFI>0.9, RMR<0.05 and RMSEA<0.05 [39] . The GFI and AGFI indicators for goodness-of-fit were in the range of 0.90~0.96, and all the RMR values are smaller than 0.05 (Table 6). As shown in Table 7: (1) the *t* value for the path coefficient of the latent variable (i.e. the influence of job satisfaction on turnover intention) is negative and significant; (2) the *t* value for the path coefficient of the latent variable (i.e. the influence of job satisfaction on organizational performance) is not significantly positive. The research model in this paper demonstrates decent goodness-of-fit as all the indicators are above the recommended thresholds. It is an acceptable model, with the structural path shown in Figure 2.

Table 6 Model Goodness-of-Fit Evaluations

Indicator	χ^2	df	$\Delta\chi^2$	Δ df	GFI	NFI	AGFI	CFI	RMR	RMSEA
Goodness-of-fit value	12.873	8	261.381	5	.961	.968	.903	.972	.000	.000

Table 7 Parameter estimates for latent variables

	Estimates	<i>t</i> -value
Job satisfaction→ Turnover intention	-0.574	-10.9124
Job satisfaction→ Organizational performances	0.353	1.83

Note: * indicates *t* value is statistically significant ($\alpha=0.05$)

Standardized SEM Results

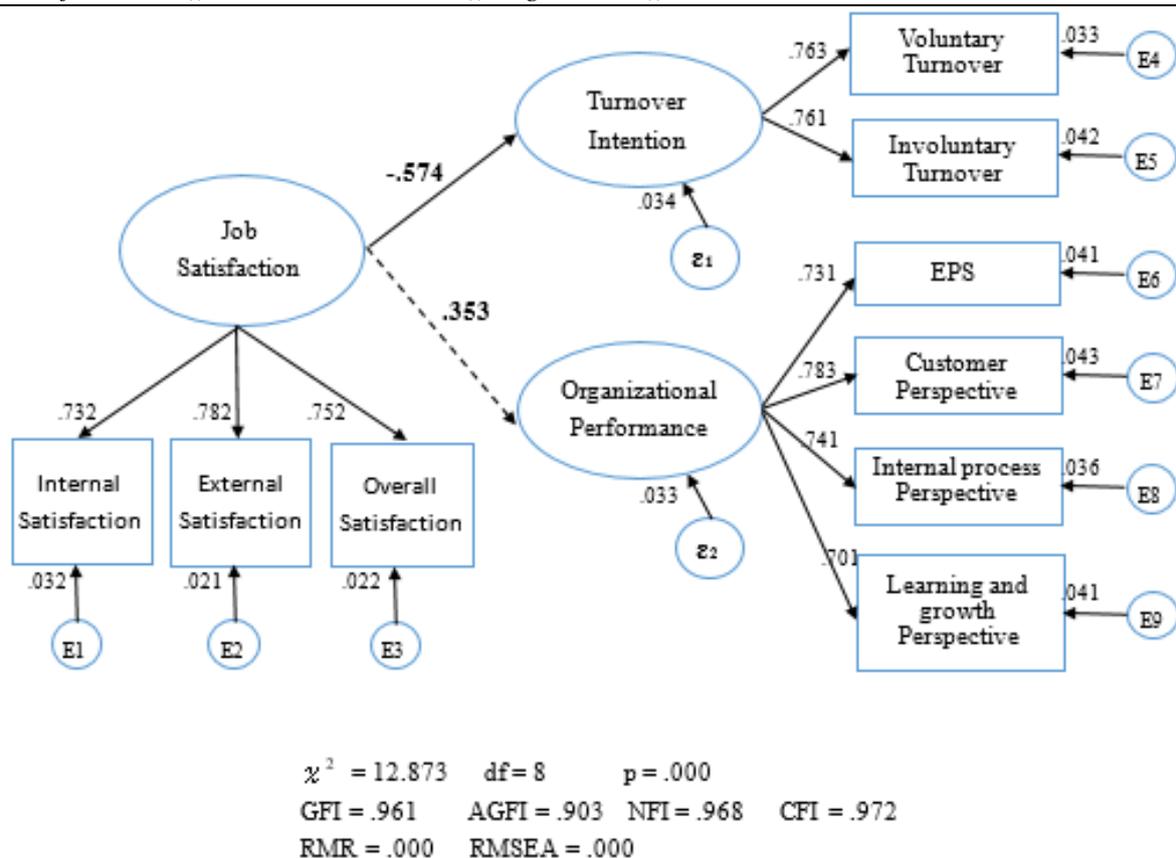


Figure 2 Standardized Results of SEM Analysis

Based on the abovementioned standardized SEM results, this paper derives the following findings:

- (1) Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a significant and negative impact on turnover intention. The standardized parameter estimate is -.574. Therefore, H₁ is supported.
- (2) Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a positive but not significant impact on organizational performance. The standardized parameter estimate is .353. Therefore, H₂ is partially supported.

V. CONCLUSION

Research Conclusions

Based on the above analysis and results, this paper derives the following conclusions:

H₁ : Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a significant and negative impact on turnover intention. The standardized parameter estimate is -.574. Therefore, H₁ is supported. This is consistent with Huang [28] , Lu [29] , Chang [30] , Chuang [31] and Wu [32] .

(H₁ is supported)

H₂: Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a positive but not significant impact on organizational performance. The standardized parameter estimate is .353. This is partially in line with Chen [33] , Chen [34] , Lin [35] and Chen [36] , possibly due to different industries or other factors.

(H₂ is partially supported)

Management Implications

- (1) On Application Level (Innovation of Research Techniques)

A literature review suggests that the main dimensions in this paper are implicit (not observable). Therefore, the traditional approach of multiple regression analysis is not suitable. It is necessary to develop

structural equation modeling (SEM) and conduct a confirmatory factor analysis (CFA) as the research framework and measurement tools. This is a relatively innovative methodology. In the past, scholars focused on explorative analysis whilst this paper deploys CFA. This serves as a good benchmark for future studies and the research findings in this paper provide valuable insight.

(2) On Practicality Level (Contributions to Industry)

Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a significant and negative impact on turnover intention. Put differently, the turnover intention is relatively low for the employees who have a high level of job satisfaction. Meanwhile, Job satisfaction of the employees and entry-level managers (store managers) of the listed food & beverage companies in Taiwan exhibits a positive significant impact on organizational performance. In other words, the employees with a high level of job satisfaction are more likely to report good performances. This conclusion can serve as a reference to decision makers in the industry.

Research Limitations and Follow-Up Studies

(1) Due to research resource limitations, this paper used purposive sampling (not on a random basis). However, the large sampling basis leads to poor reliability in results. It is suggested that future studies may resort to simple random sampling or stratified sampling.

(2) This paper conducts CFA and its research model only takes into account the effects of job satisfaction on turnover intention and organizational performance (one cause and two effects), for simplicity's sake and easy validations. Follow-up studies may incorporate other intermediary interferences or interfering mediators in the model for validation or add meta-analysis in the research framework.

REFERENCES

- [1]. S. W. Man, *The Research on the Relationship between Psychological Capital, Transformational Leadership, Working Performance, Well-Being and Social Capital: the Case on the Executives Working at Hospitality Industry.*, Taiwan: master's degree thesis, Department of Tourism, Providence University, 2017.
- [2]. K. Y. Lin, *The Influence of Employees' Workload and Turnover Intention by Leader-Member Exchange Relationships within Catering Service Industry-Take W Restaurant as a Sample.*, Taiwan: master's degree thesis, Department of Technology Application and Human Resource Development, National Taiwan Normal University, 2015.
- [3]. C. S. Wu and T. Y. Lin, *e Dictionary of Education, Second Edition.*, Taipei City: Higher Education Publishing Co. Ltd. ,2010.
- [4]. C. H. Lin, *Teacher Shortage in Remote Areas! A Study on the Job Stress and Job Satisfaction of Middle School Teachers in Remote Areas of the North Coast.*, Taiwan, master's degree thesis, Dept. of Business Administration, St. John's University, 2017.
- [5]. N. Venkatraman and V. Ramanujam, Measurement of Business Performance in Strategy Research: A Comparison of Approaches! *Academy of Management Review*, 11(4), 1986, 801-814.
- [6]. K. C. Chiu, *Relationships among Job Satisfaction, Organization Change and Organization Performance—A Case Study of E. Sun Bank.*, Taiwan: master's degree thesis, EMBA Program, Southern Taiwan University of Science and Technology, 2007.
- [7]. R. Hoppock, *Job satisfaction.* (New York: Harper & Row, 1935).
- [8]. A. E. Locke, *The nature and Causes of Job Satisfaction* .(Dunnette M.D., eds) *Handbook of Industrial and Organizational Psychology*, 1976).
- [9]. W. C. Yu, *A Study on the Relationship between School Organizational Climate and Teachers' Job Satisfaction in Junior High Schools- Taichung County as an Example*, Taiwan: master's degree thesis, Graduate Institute of Education, National Changhua University of Education, 2009.
- [10]. H. Y. Lin, *A Study on the Relationship among Elementary School Principals' Servant Leadership, School Organization Climate, and Teachers' Job Satisfaction*, Taiwan: master's degree thesis, Department of Education, National Chiayi University, 2015.
- [11]. C. H. Liu, *A Study on the Relationships between Job Stress and Job Satisfaction of Employees in Hotels at Sun Moon Lake National Scenic Area*, Taiwan: master's degree thesis, Master's Program of Landscape & Recreation, Feng Chia University, 2017.
- [12]. H. Weiss, & J. Sherman. Internal-External Control as a Predictor of Task Effect and Satisfaction Subsequent to Failure. *Journal of Applied Psychology*, 57, 1973, 132-136.
- [13]. P. H. Shen, *A Study of Relationships Among Job Stress, Job Satisfaction, Willingness of Retaining of Teachers Chiayi City and Country*, Taiwan: master's degree thesis, Department of Business Administration, Nanhua University, 2017.

- [14]. W. Mobley, Intermediate linkages in the relationship between job satisfaction and employee turnover. *Journal of Applied Psychology*, 62(2), 1977, 237-240.
- [15]. H. E. Miller, R. Katerberg & C. L. Hulin, Evaluation of the Mobley, Horner, and Hollingsworth model of employee turnover. *Journal of Applied Psychology*, 64(5), 1979, 509.
- [16]. C. E. Michaels, and D. E. Spector, Causes of Employee Turnover: A Test of the Mobley, Griffeth, Hand, and Meglino Model, *Journal of Applied Psychology*, 67, 1982, 53-59.
- [17]. S. A. Hsieh, *Relation Among Personality, Psychological Contract, Organizational Commitment and Turnover Intention*, Taiwan: master's degree thesis, MBA program, Providence University, 2007.
- [18]. Y. M. Huang, *The Impact of Leadership Styles in Immigration Agency on Personality Traits and Turnover Intention of Employees, Mediated by Job Stress*, Taiwan: master's degree thesis, MBA Program, Nanhua University, 2012.
- [19]. K. Z. Li, *Relation Among Awareness of Organizational Change, Job Insecurity, Work Pressure and Turnover Intention-Social Support as Moderating Effects*, Taiwan: master's degree thesis, Graduate Institute of Resource Management and Decision Science, National Defense University, 2017.
- [20]. J. L. Price, *The Study of Turnover*. Ames Iowa: Iowa state university, USA, 1977.
- [21]. R. W. Ruekert, O. C. Walker and K. J. Roering, The organization of marketing Activities: a contingency theory of structure and performance, *Journal of Marketing*, 49, 1985, 13-25.
- [22]. K. J. Kim, A. G. Fane & C. J. D. Fell, The performance of ultra filtration membranes pretreated by polymers. *Desalination*, 70(1), 1988, 229-249.
- [23]. H. T. Keh, T. T. M. Nguyen & H. P. Ng, The effects of entrepreneurial orientation and marketing information on the performance of SMEs. *Journal of Business Venturing*, 22(4), 2007, 592-611.
- [24]. C. M. Yu, *The Relationships among Attitude, Organizational Communication, Organizational Commitment, and Organizational Performance-A Case of Manufacturers in Nankang Software Park*, Taiwan: master's degree thesis, Graduate School of Business Management, China University of Science and Technology, 2016.
- [25]. R. S. Kaplan and D. P. Norton, Using the Balanced Scorecard as a Strategic Management System, *Harvard Business Review*, 74(1), 1996, 75-85.
- [26]. W. C. Chow and M. Haddad, Applying the Balance Scorecard to Small Companies, *Management Accounting*, 79(2), 1997, 21-26.
- [27]. Y. H. Ling and L. Hung, The Influence of Intellectual Capital on Organizational Performance: The Mediation Effect of Intellectual Capital Management Strategy, *Journal of Human Resource Management*, 10(1), 2010, 1-27
- [28]. C. Huang, *The Research on Employee Satisfaction and Performance of-An Example of Four Securities Investment Consulting Corporations Operating an Membership System*, Taiwan: master's degree thesis, Department of Business Administration, Fu Jen Catholic University, 2005.
- [29]. M. J. Lu, "Relation Among Leadership Styles, Job Satisfaction and Turnover Intention-Small-and-medium Enterprises in Yingge City Center," Taiwan: master's degree thesis, Department of Marketing and Distribution Management, Hsing Wu University, 2015.
- [30]. K. C. Chang, *The Study on The Relationship among Job Stress, Job Satisfaction, Turnover Intention and Leadership Style-The Example of Pingtung County Petrol Station Attendants*, Taiwan: master's degree thesis, Department of International Trade, National Pingtung University, 2017.
- [31]. W. H. Chuang, *The Relationship between Job Satisfaction, Organization Commitment and Turnover Intention: A Case of Catering Workers*, Taiwan: MBA degree thesis, Kao Yuan University, 2017.
- [32]. J. J. Wu, *A Research on Job Satisfaction and Turnover Intention of New Post-90s' Employees*, Taiwan: master's degree thesis, Graduate Institute of Technology Management, National Chung Hsing University, 2017.
- [33]. H. M. Chen, *The relationship among Organization Innovation Climate, Job Satisfaction, and Organization Performance-A Study on Local Cosmetology Industry*, Taiwan: master's degree thesis, Department of Marketing and Logistics, China University of Technology, 2010.
- [34]. H. Y. Chen, *Study on the Relationship between the Job Satisfaction of Elderly Long-term Care/Caring Institution Managers, Turnover Intention and Organizational Performance*, Taiwan, master's degree thesis, Department of Hospital and Health Care Administration, Chia Nan University of Pharmacy & Science, 2013.
- [35]. C. L. Lin, *Influence of Human Resource Management Measures of Acquiring Companies on Job Satisfaction and Organizational Performance-Organizational Changes as Interfering and Mediating Effects*, Taiwan: master's degree's thesis, Graduate Institute of Human Resource Management, National Changhua University of Education, 2015.

- [36]. Y. Y.Chen,*The Effect of Organizational Commitment, Job Satisfaction, Personality Traits of Employees and Leadership Style of Manager on Firm Performance*, Taiwan: master's degree thesis, MBA Program, National Chi Nan University, 2016.
- [37]. J. F. Jr.Hair, R. E.Anderson, R. L.Tatham&W. C. Black,*Multivariate data analysis with reading*, (3rd ed., NY: Macmillan Publishing Company, 1992.
- [38]. C.Fornell, and D. Larcker, Structural Equation Models with Unobservable Variables and Measurement Errors, *Journal of Marketing Research*, 18(2), (1981) 39-50.
- [39]. R. P. Bagozzi, and Y.Yi.,On the Evaluation of Structural Equation Models.*Journal of the Academy of Marketing Science*,16(1), 1988, 74-94.
- [40]. C. H. Chou,*Five-Factor Model Personality, Leader-Member Exchange, Job Satisfaction, Employee Voicing and Helping Behavior*,Taiwan: master's degree thesis, Department of Business Administration, National Central University, 2017.

Webpages

Source: Goodinfo! Taiwan Stock Market Information Network (2018/04/25)

<https://goodinfo.tw/StockInfo/StockList.asp?>

Appendix A

Ticket	Company name
<u>1233</u>	TenRen's Tea
<u>1256</u>	Fresh Juice Industry-KY
<u>1264</u>	Tehmag Foods Corporation
<u>1504</u>	TECO
<u>1580</u>	SINMAG
<u>1702</u>	Namchow
<u>2723</u>	Gourmet Master -KY
<u>2726</u>	Yummy Town -KY
<u>2727</u>	Wowprime
<u>2729</u>	TTFB
<u>2732</u>	La Kaffa International
<u>2912</u>	President Chain Store Corporation

Source: Goodinfo! Taiwan Stock Market Information Network (2018/04/25)