

Factors affecting Turnover Intention and Employee Engagement: A Conceptual Study of Commercial Banks in India

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Abstract: This study was designed to explore the importance of employee involvement in staff retention in the service delivery industry and to examine the relationship between the various factors influencing employee engagement and profitability. This study was conducted based on the staff of commercial banks in India. In addition, the study recommends researching a new set of tools that help improve staff interaction with banks. Finally, the researcher presents his proposals to revitalize the existing participatory methods used by banks. The study concludes that there is an important relationship between employee participation and the purpose of profit. The aim of the study was to provide regulators and decision-makers in commercial banks with a formal framework that would help them develop appropriate career promotion strategies to increase employee participation, job satisfaction, reduce turnover intention and promote bank's productivity and efficiency.

Keywords: Employee's engagement, turnover intention, job satisfaction

Introduction:

In recent times, business and society is making unprecedented changes in the global context of employee diversity. Organizations around the world are moving to a more permanent location. At the right time, the right talent in key roles is very important, converting organizational revenue, innovating (Ashton and Morton, 2005). In today's global marketplace, where competition is high, human resources are vital to the success of the organization. Satisfaction with work is simply a positive or negative feeling for employees. Employees find satisfaction in work when they see that they have done something important and important. Meetal and Pandita (2020) argued that job satisfaction can be defined as the state of being satisfied with the emotional response to one's job. There are a few factors that affect employee satisfaction: salary, promotions, security, working conditions, factory location and relationships with co-workers and so on. Businesses focus on ensuring employee satisfaction because there are many positive outcomes: improving job performance, reducing absenteeism, improving employee motivation, reducing conflict management, reducing risk, reducing solution to health problems and more. An employee shows a positive attitude towards work when he or she receives a high level of satisfaction, therefore, an employee shows a sense of hopelessness when he or she experiences extreme satisfaction (Robbins, 1993).

In today's world, workers are aware of other job opportunities. If an employee sees that there is a problem in the existing job regarding salary, job security, promotion, working conditions, he or she will not be happy with his or her employer and they are looking for the same job to get a better service. Most employees try to find a better job because they have one when they search (Mano-Negrin and Tzafrir, 2004). The problem, however, arises when employees leave the organization. This is called an employee turnover solution which can be defined as the number or percentage of employees entering and leaving an organization during a specified period of time. Withdrawal of employees is a process of understanding when they have thoughts of resigning, intending to seek employment, and intend to leave (Carmeli and Weisberg, 2006). Staff transfers are costly for the organization because the transfer of staff results not only in financial costs but also in terms of loss of knowledge, skills, skilled workers, loss of current staff morals and so on. A staff transfer solution reduces productivity, profitability and organizational growth. For many other reasons, employee profits are a threat to any business organization. Few studies have shown that this benefit can be reduced if the organization can ensure that those who work for it are treated fairly. And that is because today's workers are well aware of their rights in the organization. They often compare their salaries, benefits, and other medical expenses with the salaries of employees who work for another organization in the same profession. When the employees found out that this organization violated their rights, they resigned. According to Hasan (2002), if the decision to allocate or distribute equity, and the process of allocation or process justice is fair, the tendency of employees to leave

the organization will decrease. In fact, their perception of organizational justice affects all workforce results (Nadiri and Tanova, 2010). There are many studies to assess the impact of job satisfaction and job change in resolving employee benefits around the world. However, in the context of Bangladesh, the matter is still under investigation. This paper is an attempt to fill in the blanks and to discover new ones found in existing documents. A key part of this paper is to explore the impact of job satisfaction and job change on the income of Bangladeshi private bank employees.

Employee engagement reflects empowerment, motivation, dedication and involvement to work and organization. Employee interaction is also a study of the point of conflict between a large business contribution and greater employee satisfaction. A sustainable level of high performance helps in benefiting both the company and its employees. Staff involvement determines personal and organizational involvement. Involvement - to the extent that people appreciate what they are doing to compete today and as they believe and do, companies need to somehow get into the mind and heart of the employee leading to more general effort. Staff engagement is a work ethic that is "going the extra mile" to achieve the organisation's vision. It has emerged as a key driver of business success in today's competitive market. In this regard modern organizations use a variety of HR strategies such as job redesign and enrichment, providing job growth, hiring talent, compensation strategy for payroll and employee price proposal etc. These strategies end up with undermining staff retention, productivity and loyalty and end up undermining customer satisfaction, corporate reputation and the total number of participants.

Objectives of the study:

1. To study the factors that affect turnover intention.
2. To examine the factors that affect employee engagement.
3. To analyse the relationship between employee engagement and turnover intention.

Review of Literature:

In a recent study by Hung (2018) on the effect of changing wage satisfaction and job stress on an organization's climate, the organisation's commitment to a profit solution out of which 990 questions, 771 active questions, and 221 invalid questions and answers by authors were issued. The rate was 77.9% which indicates that salary satisfaction with work pressure has a direct impact on the organisation's commitment to employees and the resolution of profits. (Chin, 2018) studied on the influence of job satisfaction on employee turnover, a study of the impact of job satisfaction on employee transformation goals in the Malaysian manufacturing industry. When the authors used the opportunity sampling method and collected it from 100 respondents in random samples. The result showed that there was no significant relationship between the payroll satisfaction factor and the employee transfer solution. According to (Ramly, 2019) who studied Mandiri Bank Indonesia where the authors used quantitative research and selected authors were randomly selected from 430 staff members. It has been found that there is a positive and visible impact on the workplace in job satisfaction. A recent study conducted (Shang, 2018) in China surveyed authors conducted by 778 nurses from seven hospitals on the job site and the purpose for profit. The result showed that the work environment was positively correlated with higher work participation and lower profit resolution. Employee engagement is an important and critical factor in the success of a company (Slatten & Mehmetoglu, 2011). Employee Relationships and Profitability According to Bakker & Ten-Cate (2013), employee engagement, employee satisfaction, and motivation are associated with individual success in reducing the profitability of the institution. Dismissal from workers is characterized by high levels of performance, poor performance and low productivity. Staff participation associated with low profitability (Alfes, Shantz, Truss & Soane, 2013; Gupta & Shaheen, 2017). If employees want to leave permanently or no longer rely on the company to earn a salary, value any other benefits, the employee's relationship with the organization ends (Christian & Ellis, 2014). Individual and organizational components are categorized by the results of dynamic employee engagement (employee interaction); the purpose of profit is part of each product; more dedicated employees are less likely to be stable (Walker & Campbell, 2013).

A study of labour relations between small and medium enterprises in China, Rasool, Wang, Tang, Saeed, & Iqbal, (2021) concluded that labour relations are negatively correlated with toxic workplace. Employee involvement is linked to low profitability (Du Plooy & Roodt, 2010). Many experts have shown a link between employee involvement and the purpose of profit (Wefald, Smith, Savastano & Downey, 2008). Schaufeli and Bakker (2004) argue that providing practical services enhances employee motivation by making employees more active in the workplace and, as a result, reduces the chances of people leaving their jobs. Dismissed workers, according to Gubman (2004), are more likely to seek new employment. To retain and engage qualified people in institutions of higher learning, it is important to recognize the factors that keep people in their current job (Michaels, Handfield-Jones & Axelrod, 2001). Retaining talented professionals promotes greater decision-

making skills, improves the quality of curriculum through advanced applications, improves educational resources, and reduces income-related costs (Kidwell, Vander-Linde & Johnson, 2000). Commitment (employee involvement), according to them, is a happy and confident, rewarding, work-related state of mind characterized by absorption, vitality and dedication. Employee involvement is growing significantly in the 21st century as the number of people and their psychological commitment to the company grows (Schaufeli, 2013). The profit motive has a significant negative impact on the bottom line of the business by bearing both direct and indirect costs (Henneman, 2016). Individual, organizational, and professional attributes all have the potential to have a significant impact on job satisfaction and can lead to voluntary profit making (Ghosh, et al., 2015). Behavior of employees and partners may vary due to profit motives and / or due to the loss of love and performance of the organization (Sharma & Namburgri, 2015). Another factor that affects the purpose of leaving job is stressful work. (Jung & Yoon, 2014).

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Theoretical Background:

Employee engagement is defined in the Social Exchange Theory (SET) which specifies that employees interact with others and determines the acceptance of benefits from another party (Blau, 1964). When all stakeholders are involved in the payment process, it seems that the working relationship grows into a similar commitment. According to Kahn (1990), Personal Engagement Theory (PET) and Social Exchange Theory (SET) share that they both grow from comparable commitments when people change favourable attitudes and behaviours to build connections. According to the Social Exchange Theory (SET), employees often seek psychological reinforcement, and when people feel empowered, many want to continue working with the same organization.

Factors affecting Turnover Intention

These are the following factors that affect turnover intention of commercial banks in India.

1. Work Environment
2. Relationship with Management
3. Reward and Recognition
4. Lack of Career Progression

1. Work Environment

Shamsuzzoha & Shumon (2010) argue that a lack of essential resources in the workplace can discourage workers and promote employee benefits. Workplace refers to the working environment in which employees must perform their duties. These conditions include work schedules, reporting times, management type, job type, and flexibility among other things (Lee, Back and Chan 2015). Employees who prefer to work under less pressure may opt out of less formal employment opportunities (Firth, David, Kathleen & Claude, 2007). An article investigating high profits from the International Journal of Business Management clarifies that Kahn (1990), Robinson et al., (2004) agreed that employees should continue their work if they find emotional and economic value for their work. , when they do not meet their expectations, they often resign and retire.

2. Relationships with Management

Another is the nature of the relationship between employees and management that creates employee flexibility. If the relationship between employees and management is weak, employees will not hesitate to leave another job at any opportunity available (Shukla & Sinha, 2013). In addition, Dale Carnegie & Associates, (2012) states that long-term interactions are initiated through effective communication between employer and employees and between participants, thus promoting a positive work environment. High levels of staff change can lead to the feeling that general managers, or a particular manager and team leader, treat employees unfairly or harass their employees (Armstrong, 2004)

3. Reward and Recognition

Shukla and Sinha (2013) note that when an employee does a low-paying job with insufficient benefits, there is little incentive to continue if a similar employer offers a slightly higher wage. Hissom (2009) argues that

the highest factor contributing to high levels of employee change is wage formation because employees are rational and often prefer to be employed with a comparable wage structure. The Indian Journal of Science and Technology (2016) finds that “an organization should have appropriate pay plans to encourage employees to work for the company. In order to improve the level of participation it is necessary to provide compensation and certain benefits to the employee”.

4. Lack of Career Development

Euophia (2008) quotes Shukla and Sinha (2013) and reports that job development is more important than earnings in Europe and America, but is considered equal to wages in Asia. The increase in the number of employees may be due to the lack of strong opportunities for promotion or promotion. According to an ISR study (2004) four factors have been identified as global factors in participation management; career development, leadership, empowerment, and imagery (referring to corporate customer image and community).

Factors affecting Employee Engagement:

These are the following factors that affect employee engagement of commercial banks in India.

1. Career Development
2. Leader-follower Relationship
3. Pay and Benefits
4. Workplace Environment

1. Career Development:

Job development is one of the most important things employees in the organization look for. Organizations with highly engaged staff provide opportunities to learn new knowledge and skills, develop skills, etc. According to Sandeep et al., (2008) Job development is a global phenomenon in employee involvement. Neeta B. (2011) pointed out that workers often invest in investment companies by planning for the development of their jobs. An article published by Christina et al, (2008) states that a friendly culture that promotes employee engagement calls for diversity among its talent and encourages employees to work for the future.

2. Leader-follower Relationship

Employees show more involvement when they know that their work is important and respected. They develop a commitment to the organization when they see themselves being praised and recognized by their current leaders. Many employees still expect daily informal recognition (Hofmans et al., 2012). A close analysis of these drivers shows that mentality leadership plays an important role in promoting employee involvement. Support for this argument comes from the studies of Wang and Walumbwa (2007) and Macey and Schneider (2008) who suggest that leadership is one of the major factors influencing employees' attitudes at work and participation. Studies have also shown that the qualities of.

The effects of transformational leadership, such as low-cost-oriented and productive solutions, are similar to those resulting from labor relations (Macey & Schneider, 2008; Walumbwa & Hartnell, 2011). According to social exchange theory (SET), relationships over time grow into promises of trust, trust, as long as the parties obey certain exchange "rules". The exchange between managers and employees has a huge impact on the level of participation.

3. Pay and Benefits

People often expect to be respected and recognized as compensation. This gives them motivation and emotional support to get even more committed. Lack of staff recognition and respect has been established by the U.S. Department of Labor. as an important factor in employees' decisions to retire from organizations (Holbeche, 1998). This can only be done if the organization has proper salary plans and benefits. To use salary as an effective means of participation, the employer must associate it with jobs, employment, special or personal benefits, pensions, marginal benefits etc. In addition, increased employee care, remuneration, and recognition have been shown to improve staff skills, reflecting the overall efficiency of the work (AbuKhalifeh & Som, 2013).

4. Workplace Environment

Acquired workplace is one of the key determinants of employee involvement. The studies of Miles (2001) and Harter et al. (2002), Holbeche and Springett (2003), May et al. (2004) and Rich et al. (2010) that employee engagement is the result of different components of the work environment. Supportive environments allow members to try and try new things and even fail without fear of consequences (Kahn, 1990). Richman et al. (2008) found that organizational flexibility operating policies have a positive impact on employee

involvement. Employees should feel that the work is stressful and interesting in order to maintain consistency in the delivery of quality work.

Employee Engagement Vs Turnover Intention

The relationship between employee engagement and turnover intention can be best expressed by analysing all the factors that is affecting both the variables. Further, study from various literatures available also explained the relationship perfectly. There are some of the common factors are like workplace environment, benefits and rewards etc. If the employee's engagement will increase, then the turn over intention will reduce as the employees are focusing on their works. Employee engagement is clearly identified as a mediating variable in which employee engagement and turnover intention are linked. However, employee engagement is not the only factor that contributes to turnover intention.

Conclusion:

The study concludes that the banks should ensure that employees are satisfied with work by using time-consuming salaries and reducing other working conditions as a bonus, promotions, workplace etc. Banks should monitor employee performance; managers should ensure co-operative relationships between bank employees. The banks needs to improve compensation and reward system based on experience and should provide additional learning opportunities within the workplace. Further, Indian banks should adopt informal / internal communication systems to promote staff-management relationships and improve the current practice of employee engagement. The paper examines that relationship between employee engagement and turnover intention is negative since as employee engagement increases, turnover intention decreases. Therefore, this paper suggests an in-depth study of this issue that could reveal the real situation of the employees of the banking sector in India.

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