

FACTORS INFLUENCING TURNOVER INTENTION AMONG TECHNICAL EMPLOYEES IN INFORMATION TECHNOLOGY ORGANIZATION: A CASE OF XYZ (M) SDN. BHD

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ABSTRACT

The objective of this study is to explore the factors that influence turnover intention among existing Technical employees in XYZ (M) Sdn. Bhd as well as to identify the most significant factors influencing the turnover intention. A total of 103 respondents were involved in this study. Seven independent variables namely organizational commitment, job stress, job characteristics, promotion opportunities, pay level and rewards, quality of work life and job satisfaction were examined to determine their relationship with dependent variable which is turnover intention. Data was obtained and has been analyzed using Statistical Package for Social Sciences (SPSS) version 16. The regression analysis of organizational commitment, job characteristics, promotion opportunities, pay level and rewards, quality of work life and job satisfaction on turnover intentions indicated negative and significant relationship. Only job stress is found having positive and significant relationship with turnover intention. This showed that all factors are directly related to turnover intentions, and consistent with other researcher findings. Finding of this study also suggested that job stress is the most significant factor influencing turnover intention among technical employees in XYZ (M) Sdn. Bhd.

Keywords: Turnover intention, technical employees, organization commitment, job stress, IT industry

INTRODUCTION

The growth and success of any organization depends very much on its employees. Turnover among the employees is one of the biggest challenges for any organization and has far lasting effects. Staff turnover has been seen as a serious issue especially in the field of human resources management. High turnover brings destruction to the organization in the form of direct and indirect cost and profitability. Abbasi and Hollman (2008) cited that turnover is expensive since organization has to spend their money a lot for advertising, recruitment, selection, and hiring. Since early 1991, employee's turnover rate in Malaysia has started to increase due to high demand and massive opportunities that exist in the marketplace. Turnover

has been verified as one of the major problem that affected organization’s long-term plan, objective and monetary.

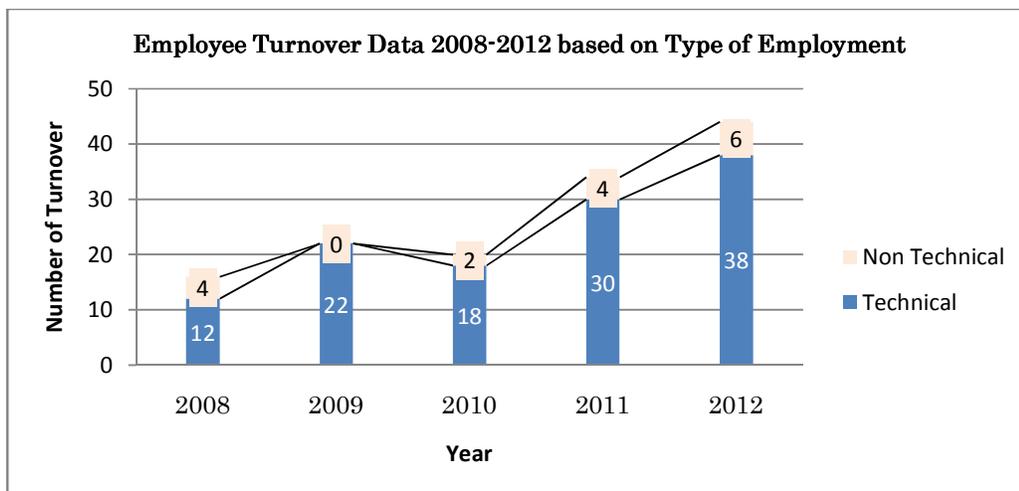
Employee turnover can be a costly for information technology (IT) companies too due to the scarce resources of skilled IT workers in the IT industry. In this fast changing industry, like other industries too, employees are expected to demonstrate a very high performance in order to achieve the organization’s mission, goal and objective each year as the growth and success of the organization is highly depended on the sales and volume of their products and services produced.

Compared to other industry, IT industry is well known with high workload, pressure for innovation and stringent time frame or dateline for their employees to adhere with, which can be a major contributions to the increase of turnover rate. In fact, the survey done by Malaysian Employers Federation (MEF) revealed that IT firms have witnessed high turnover during the past years whereby IT / Communication industry held the biggest turnover rate (75.72 percent) compare to other industry. Unfortunately, there is no serious efforts been made to tackle this issue.

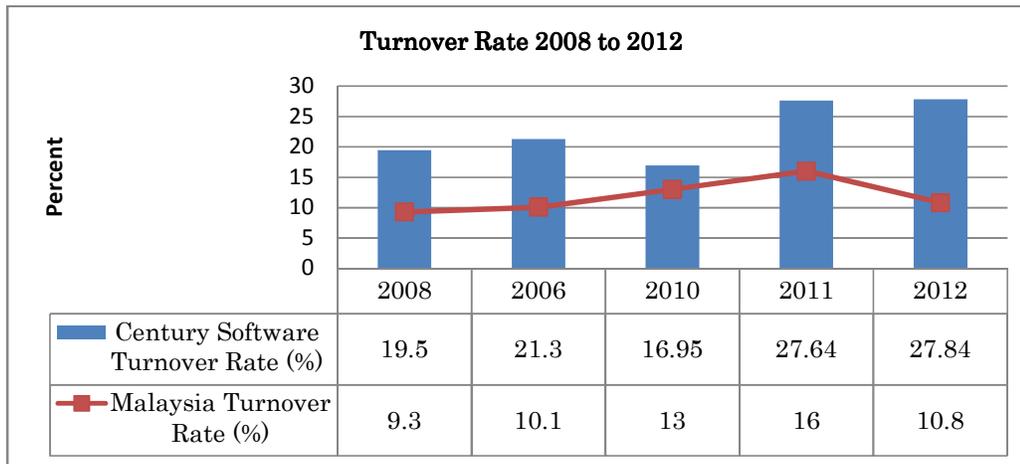
XYX (M) Sdn.Bhd is also experiencing a serious problem in employee’s turnover.. The five years trends of XYZ’s turnover rates among its technical staff from 2008 to 2012 are increasing steadily as shown in Figure 1 and Figure 2. Based on these statistics, it is clear that XYZ is facing serious problem with regards to technical employees’ turnover since the turnover rates for the past five years were always higher than that of the industry average turnover in Malaysia which is around 10%. The turnover rates increased from 19.5 percent in 2008 to 21.3 percent in 2009 and then dropped to 16.95 percent in 2010. The rates increased again to 27.64 percent in 2011. Lastly, in 2012 the turnover rate recorded 27.84 percent whereas referring to the study done by Towers Watson reports market trends for 2012 and beyond overall, employee turnover rate in Malaysia has dropped to 10.8 percent in 2012. It shows that XYZ still experiencing high staff turnover rates if compared with Malaysia turnover rate in 2012.

The major contributor of turnover in this organization was from technical employees. Hence, this study attempts to investigate the turnover intention of technical employees in XYZ as it is important for company management to understand what factors influence the turnover intention among technical employees so that they are able to control or reduce employee’s turnover in their organizations. The finding of this study will be the basis for organization to introduce new step and policies to curb the turnover problem.

Figure 1: XYZ – Employee Turnover Data 2008 to 2012 based on Type of Employment



Note. From XYZ Human Capital Division Report 2012

Figure 2: XYZ –Employee Turnover Rate 2008 to 2012

Note. From XYZ Human Capital Division Report 2012

Objectives of the Study

1. To explore what are the factors that influence turnover intention among existing Technical employees in XYZ.
2. To identify the most significant factors influencing the turnover intention among existing Technical employees in XYZ.
3. To make recommendation if any to the company to overcome turnover intention among Technical employee in XYZ

Hypothesis

- H1 There is a negative and significant relationship between organizational commitment and turnover intention.
- H2 There is a positive and significant relationship between job stress and turnover intention.
- H3 There is a negative and significant relationship between job characteristic and turnover intention.
- H4 There is a negative and significant relationship between promotion opportunities and turnover intention.
- H5 There is a negative and significant relationship between pay level and rewards and turnover intention.
- H6 There is a negative and significant relationship between quality of work life and turnover intention.
- H7 There is a negative and significant relationship between job satisfaction and turnover intention.

REVIEW OF LITERATURE

Turnover Intention

A huge amount of theoretical and empirical literature has identified various factors or reasons responsible for employees' turnover. Suleiman AlBattat and Mat Som (2013) mentioned that turnover intention is the crucial stage before the actual turnover occurs. Unmet expectations can lead to turnover intentions which force the employee to ultimately quit. Mowday, Porter and Steers (1982) cited that employee intent to leave can influence the turnover decision in two ways. It may directly lead to it even when other job opportunities are not available. Also, it may influence actual turnover indirectly by leading

the employee to search for new job alternatives, thus resulting in the likelihood of termination. Employees switch organizations for several reasons that managers and researchers are trying to find out. Indeed, the turnover rate for IT professionals (IT turnover) is one of the most persistent challenges faced by organizations. Overall, IT turnover costs money for organizations. They can find new job easily due to high demand for IT skilled workers. Moreover, the specialized skills that IT professionals usually will make turnover expensive and give negative impact on company's finance since direct recruiting and training costs as well as indirect costs due to disruptions in organizational processes are costly. In fact, the cost of hiring new employees, lower work quality by new employees and putting a company's reputation at stake are among the other negative consequences of IT personnel leaving a workplace (Amir Hossein and Aybuke Aurum, 2011).

Organizational Commitment

Organizational commitment is the bond between the worker and the organization. Usually it is conceptualized into affective connection to organization to be considered as significance of an individual within the organization in sharing the organization's values, which shows their desire to endure in the organization besides their willingness to enhance effort towards organization (Yucel, 2012). Organizational commitment is said to be an important variable in the discussion of intention to leave since it is a popular belief that the more committed the employee is the more likely he or she will stay loyal to the organization. Omar et. al (2012) cited that it is a valuable bonus for the company to have employees with a high level of organizational commitment. These highly-committed employees would feel that they owe so much to the organization and in return, they would be less likely to leave. Jehanzeb, Rasheed, and Rasheed (2013) results on his study shows that there is strong negative relationship between organizational commitment and turnover intentions of an employee. In addition to that numbers of previous studies confirms that that organizational commitment is negatively related to turnover intentions (Addae and Parboteeah, 2008). In the same way, Hussain, and Asif (2012) also mentioned that strong organizational commitment derives and shapes organizational culture that promotes a sense of belonging and ownership among employees; essential for being satisfied, productive, and loyal employees.

Job Stress

Nowadays, a person working lives is increasingly stressful and job stress has been one of the important factors that affect individual performance. Indeed, the influence of workload and stress on turnover intention continues to be widely researched. Somers (2009) claimed that stressful work environments can lead to serious physical and emotional detrimental effects on employees. Indeed, it has been evidenced that, employees experienced more job stress has more intention to quit. A study by Rajib, and Mahua (2010) on the levels of job stress amongst the information technology professionals working in India revealed that efficient use of IT systems demands competent users with certain kind and amount of knowledge.

Indeed, many IT professionals around the world work in stressful environments due to the rapidly changing environment for information technology. Under stressful working conditions, many IT personnel reports high job stress and often quit their jobs. Therefore, this study builds on the existing research base on stress and its impact on individuals by offering further evidence that the sources of stress lie within the work role of IT professionals.

Job Characteristics

Job characteristics are primarily concerned with how the work itself is accomplished and the range and nature of tasks associated with a particular job Krishnan, Omar, Ismail, Alias, Hamid, Ghani, and Kanchymalay, (2010). The aspect of one's job can be describe as characteristic of job that employee perceives. Job characteristics include all the aspects that identify the nature of the work itself, working conditions and the relationships with colleagues and supervisors. It seems to have played an important role in employees' turnover intention, regardless of the presence of supporting HR practices, the degree of transformational leadership, or surface- level similarities.

In fact, IT jobs exhibit characteristics of spanning functional boundaries, demanding constant learning to remain current with technological advance, and possess pressures of time and budget constrained projects that can differ from more traditional jobs within an organization. Job characteristics would impact IT professionals' attitudes, behavior, and job performance. Jobs with more challenges and changes that give employees greater autonomy will inspire employees, enhancing job satisfaction and reducing turnover rates. Studies have shown that positive perceived job characteristics, such as job significance and task autonomy, tend to decrease IT personnel turnover intention (McKnight et. al, 2009). Thus, managers need to be aware and company management needs to nurture worker trust by having and projecting competence and concern and by enunciating policies and procedures that create a fair workplace and should manage workplace structures favorable to IT personnel. Workers should also feel that their jobs are reasonably secure.

Promotion Opportunities

Historically, management theory has emphasized the prominence of promotion opportunities and the potential for growth for enhancing employee performance (Kim, 2012). When the organization needs to retain professionals, they might need to consider in offering their future employment in the organization as a consequence of their greater mobility. In the framework of the present research, this can be done through the rewards the organization distributes, especially promotion. Perceived career opportunities outside the organization and lack of career advancement opportunities inside organization increase the employee's intentions to leave the organization (Stahl, Chua, Caligiuri, Cerdin, and Taniguchi, 2009). Weng, McElroy, Morrow, and Liu, (2010) mentioned that employee organizational career growth could be captured by four factors: career goal progress, or the degree to which one's present job is relevant to and provides opportunities for one to realize their career goals; professional ability development, or the extent to which one's present job enables them to acquire new skills and knowledge; promotion speed, an employee's perceptions of the rate and probability of being promoted; and remuneration growth, or employee perceptions of the speed, amount, and likelihood of increases in compensation.

Pay Level and Rewards

Pay satisfaction is one of the main concerns to both employers and employees. For employees, pay is of obvious importance in terms of satisfying their economic needs. It is essential that they are satisfied with their overall pay as this may impact their attitudes and behaviors. Pay satisfaction and its relationship to intent to turnover is a worthwhile link to be studied because pay satisfaction can potentially have either positive or negative consequences (Baakile, 2011). Scholars note that one of the most important variables determining retention is monetary compensation. Within an economic exchange relationship, employees expect to receive financial outcomes (e.g., pay), while in a social exchange relationship they also desire non-financial outcomes such as material benefits, support, and recognition (Shore, Tetrick, Lynch, and Barksdale, 2006).

Quality of Work Life

Besides job and organizational factors, quality of work life (QWL) has been found to be a key predictor for turnover intention and turnover decisions. Quality of work life is important in order to satisfy different needs of employees such as social, esteem, the need to use skills and so on, (Cheung and Tang, 2009). Dissatisfaction with working life is a problem which affects almost all workers at one time or another, regardless of position or status. The frustration, boredom, and anger common to employees disenchanted with their work life can be costly to both individual and organization. Therefore, by assessing QWL allows organizations to understand how work environments and home life challenges affect the employees' work experience, work satisfaction and organizational commitments (Mohammed J Almalki, et. al, 2012).

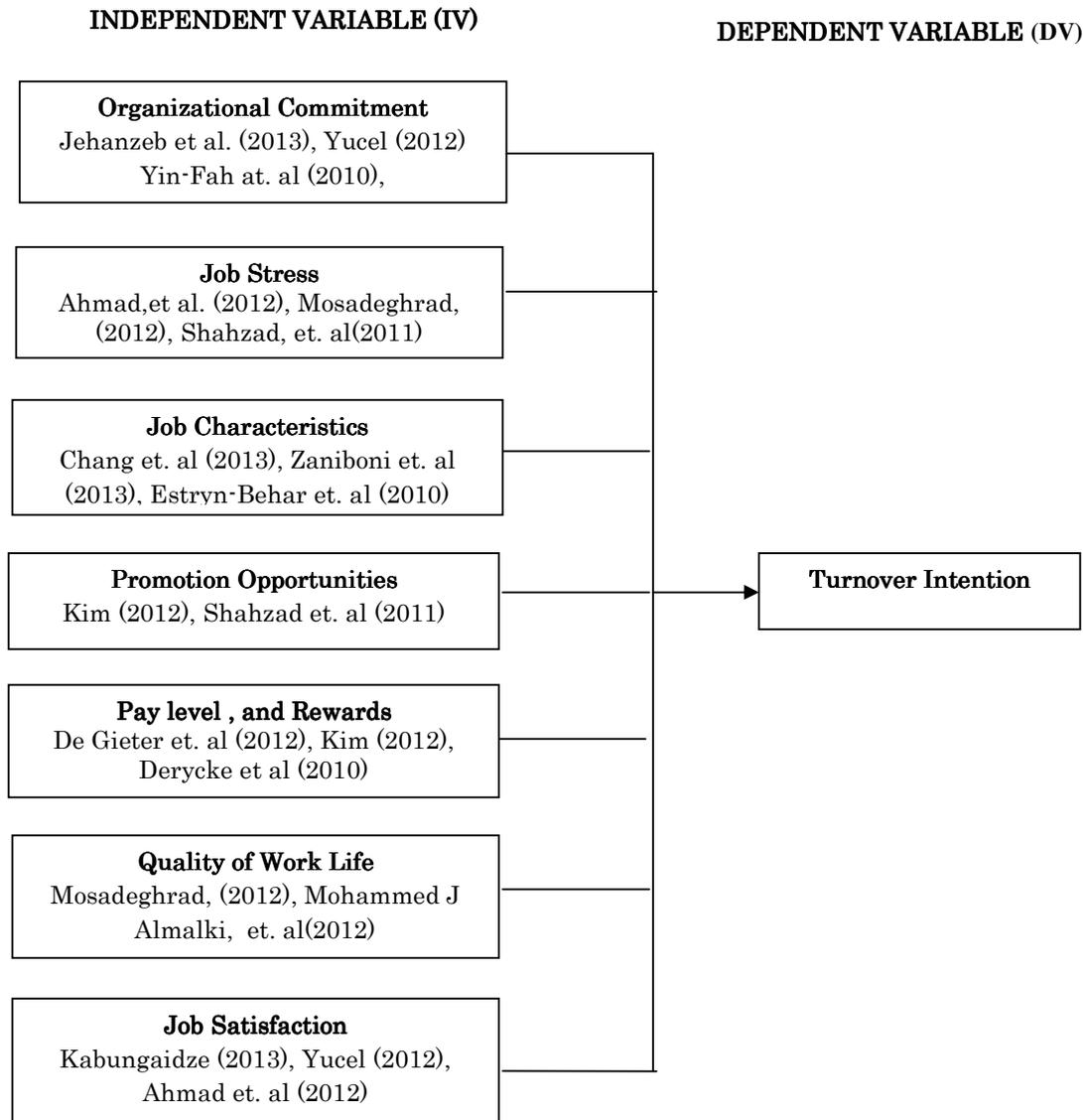
Therefore, crafting and preserving a healthy work life for IT professional is very important to increase their work satisfaction, reduce turnover, reduced absenteeism, and enhance productivity. High QWL would helps to fulfill employees needs, there by fulfill the organizational goals effectively and efficiently and become highly competitive. It enhances employees' dignity through job satisfaction and humanising the work by assigning meaningful jobs, giving opportunities to develop human capacity to perform well, ensuring job security, adequate pay and benefits, and providing safe and healthy working condition

Job Satisfaction

In most turnover theories and research, job satisfaction has been identified as a key variable in predicting turnover intention. Aydogdu and Asikgil (2011) cited that job satisfaction has effect on to determine staying in or leaving the organization. If personnel are dissatisfied with their work they are likely to leave from the organization. If personnel believe that they are treated fairly and getting rewards they are unlikely to leave the organization.

Job satisfaction and turnover intention has native correlation whereby job satisfaction, strongly influence the turnover of employees (Ahmad et. al, 2012). Han and Jekel, (2011) mentioned that employees who are not satisfied with their jobs will experience negative attitudes towards their jobs and positive attitudes towards the intention to quit the job. While in contrast, Chang, Chen, Klein, and Jiang (2011), claimed that satisfied IT professionals still leave their organizations even when there is no significant gap between their wants and external opportunities while some unsatisfied IT professionals remain with their current organization. Turnover intention is a joint interaction of the individual's dissatisfaction and perceived existence of job alternatives (Christina, James, Gary, and Houn-Gee , 2012). Due to the fact that IT professionals often process significant information by means of specific technical skills in organizations, high turnover rates among these professionals create problems for organizations.

Theoretical Framework



METHODOLOGY

A case study that has been conducted by the researchers in XYZ is useful in applying solutions to current problems based on past problem-solving experiences. The research process begins by undertaking literature searches to ascertain previous works on similar topics to determine the factors that influence turnover intention. A descriptive research (quantitative and qualitative) method was selected which was primarily used to achieve the research objectives as well as the purpose of the study. The data collected will be analyzed accordingly by using SPSS version 16. The information and the data gathered have been edited and coded according to their classification and reliability testing, frequencies, descriptive and multiple regression has been tested by researcher.

Population and Sample Size

The population that has been determined by the researcher consisted of all 136 Technical employees in XYZ. For the purpose of this study the decision on sample size is made based on the table that has been simplified by Krejcie and Morgan (1970). Krejcie et.al (1970) has recommended that the right sample size in conducting this study is between 97 to 103 employees. In order to represent the population, the researchers have decided to take the maximum 103 technical employees who work in XYZ as respondents.

The Instrument for the Research

This research is carried out in a form of questionnaire. The questionnaire which is developed through a wide range of literature review (majority is adopted, with some being modified and self-constructed) consists of the following sections and sub-sections; Section A containing demographic questions and Section B (others) containing 6 variables (Organizational Commitment, Job Stress, Job characteristics, Promotion Opportunities, Pay level and Rewards and Quality of work life). The statements were based on each of the variables and sought responses in relation to the impact each would have on the respondent's intention to leave the organization.

Section A (Demographics)

In this section, questionnaires are designed to get information on the demographics of the respondents or respondent profile such as age, gender, level of education, position, years of experience, race, marital status, salary and number of changed job. The questionnaires used the Multiple-Choice question where the respondents have to choose the most suitable answer that is related to them and used nominal scale. Nominal scale categorizes individual into mutually exclusive and collectively exhaustive groups. Nominal scale is used for measurement. It allows the researcher to assign subjects to certain categories or groups.

Section B (Others)

Meanwhile, as for Section B (others), the questionnaires were developed using a five-point Likert-type scale ranging from 1 (strongly disagree with the statement) to 5 (strongly agree) for each of the statements. It comprises of several statements and questions designed to examine the responds on how strongly subjects agree or disagree towards it. The questionnaire, which is equipped with full instructions, is then distributed among the existing Technical employees of XYZ. Organizational Commitment, Job Stress, Job characteristics, Promotion Opportunities, Pay level and Rewards and Quality of work life are identified as independent variables and Turnover intention as dependent variables.

Eight items adapted from Mowday, Steers and Porter (1982) have been used to measure organizational commitment. Job stress instruments developed by by Lait and Wallace (2002) was used to measure eight items of job stress. While, job characteristics was assessed by the scales developed by Mei-Fang, et al (2011) and Hackman and Oldham(1976). The constructs contains twelve items. Besides that, the eight items used to assess promotions are drawn from Jichul Jang, (2008), Weng (2010) and Colquitt (2001). In term of pay level and rewards, the construct contains eight items which are adapted from MousaviDavoudi et al (2013), Mei-Fang et. al (2011) and Colquitt (2001). Furthermore, the eight items used to assess Quality of work life was adapted from Pare, Tremblay and Lalonde (2001) and Valcour (2007). As for job satisfaction, eight items developed by Brayfield and Rothe (1951) as well as Wood, Chonko, and Hunt (1986) have been used to assess job satisfaction. For the dependent variables of Turnover intention was measured by a eight-items adapted from MousaviDavoudi et al (2013) and Mei-Fang et. al (2011) and O'Reilly, Chatman, and Caldwell (1991).

ANALYSIS AND RESULTS

A total of 110 questionnaires were personally distributed by the researcher to technical employees of XYZ (M) Sdn. Bhd in their office in Petaling Jaya, Selangor. Technical employees of various ages, races, and educational backgrounds were included in the sample and no particular demographic group was targeted for this study. Out of 110 questionnaires, only 103 usable questionnaires received were analyzed which representing a response rate of 93.6 percent and this number is scientifically adequate to make generalization of the total population since it would be representative enough. The remaining 7 questionnaires were not acceptable for analysis due to non response problem as the number of missing data is large. This study purposely focused only on technical employees as opposed to non technical employees in general due to the critical nature of their work.

Reliability

Reliability analysis is conducted for organizational commitment, job stress, job characteristics, promotions, pay level and rewards, quality of works of life, job satisfaction and turnover intentions scales. Table 4.1 shows the reliability analyses of the study and the results indicate that the reliability coefficients of the constructs ranged from 0.70 to 0.934. Sekaran and Bougie (2009) mentioned that values above 0.7 are considered acceptable, however value above 0.8 are preferable or good.

Table 4.1 Reliability Analysis of the Constructs

Variables	Items	Cronbach's Alpha
Organizational commitment	8	0.735
Job Stress	8	0.701
Job Characteristics	13	0.70
Promotions	8	0.926
Pay level and Rewards	8	0.834
Quality of works of life	8	0.71
Job Satisfaction	8	0.792
Turnover Intention	8	0.934

Based on the data collected, the majority or 65 of the respondents are aged between 20 to 29 years old (63.1 percent). In term of gender, 62.1 percent or 64 respondents were male and followed by female respondents (39 respondents or 37.9 percent). For education level, majority of the respondents are degree holder which consist of 85 respondents and owns 82.5% of the total respondents. In term of position, majority of the respondents (40.8 percent or 42 respondents) are from others category which consists of IT programmer and technical consultants. Moreover, most of the respondents which represent 58.3 percent (60 respondents) are having working experience between 1 to 5 years. For the race category, Malay respondents are highest and own the 59.2 percent of total respondents which represents 61 respondents. In terms of marital status majority of the respondents are single which owns the 62.1 percent or 64 respondents. In addition, most of the respondents (50.5 percent or 52 respondents) have earned a monthly income RM 3000 to RM4999. Finally, majority of them which represent 54 respondents (52.4 percent) have changed their jobs between 1 to 3 times in their life.

Overall Respondents' response and Descriptive Statistic for Independent and Dependent Variables

Table 4.2 Overall Respondents' response and Descriptive Statistic for Independent and Dependent Variables

Organizational Commitment	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	0	0	3.3010	.46092	.212
Disagree	0	0			
Neutral	72	69.9			
Agree	31	30.1			
Strongly Agree	0	0			
Job Stress	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	0	0	3.5631	.83631	.699
Disagree	12	11.7			
Neutral	32	31.1			
Agree	48	46.6			
Strongly Agree	11	10.7			
Job Characteristics	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	0	0	3.4563	.51974	.270
Disagree	0	0			
Neutral	57	55.3			
Agree	45	43.7			
Strongly Agree	1	1.0			
Promotion	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	0	0	3.1845	.88282	.779
Disagree	27	26.2			
Neutral	35	34.0			
Agree	36	35.0			
Strongly Agree	5	4.9			
Pay Level and Rewards	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	4	3.9	3.5049	.69837	.488
Disagree	0	0			
Neutral	39	37.9			
Agree	60	58.3			
Strongly Agree	0	0			
Quality of work life	Frequency	Outcome (%)	Mean	Standard Deviation	Variance
Strongly Disagree	0	0	3.2913	.55362	.306
Disagree	5	4.9			
Neutral	63	61.2			
Agree	35	34.0			
Strongly Agree	0	0			

Job Satisfaction	Frequenc y	Outcome (%)	Mean	Standard Deviation	Varianc e
Strongly Disagree	0	0	3.4078	.58472	.342
Disagree	4	3.9			
Neutral	54	52.4			
Agree	44	42.7			
Strongly Agree	1	1.0			
Turnover Intention	Frequenc y	Outcome (%)	Mean	Standard Deviation	Varianc e
Strongly Disagree	2	1.9	3.5340	.99819	.996
Disagree	14	13.6			
Neutral	32	31.1			
Agree	37	35.9			
Strongly Agree	18	17.5			

The results are shown in Table 4.3. From the results, it may be seen that the mean for all variables is about average. Overall the mean for organizational commitment is 3.3010 whereby it can be considered that all respondents perceived average level of organizational commitment. This is due to the fact that only 31 respondents or 30.1 percent agreed that they perceived high organizational commitment while majority of the respondents (72 respondents or 69.9 percent) are neither agreed nor disagreed that they perceived high organizational commitment.

Besides that, all respondents experienced moderate job stress (mean = 3.5631) as average of 59 respondents (57.3 percent) strongly agreed and agreed towards the measurements of job stress. As we know, the nature of the IT technical profession creates unique challenges and strains for them and this finding revealed that those who claimed that their job stressful are considering leaving the organization. Furthermore, mean for job characteristic is 3.4563. This means that respondents' perceptions on job characteristic are moderate as in average, more than half of the respondents (55.3 percent or 57 respondents) claimed that they neither agreed nor disagreed that they perceived high job characteristic in their job. Therefore, it is important for XYZ to design jobs that motivate the employees and satisfy them on work since it could impact IT technical employees' attitudes, behavior, and job performance.

The study also revealed that there is average promotion opportunities (mean = 3.1845) for technical employees in XYZ the IT technical employees in XYZ moderately satisfied with their pay level and rewards given to them (mean = 3.5049). All respondents perceived average quality of work life (mean = 3.2913). Thus, it is important for the company to provide quality work life to the employees as it not only reduces turnover but also helps in reduced absenteeism and improved job satisfaction. Quality work life will positively nurture a more flexible, loyal, and motivated workforce, which are essential in determining the company's competitiveness. Moreover, overall technical employees of XYZ are moderately satisfied with their current job (mean = 3.4078) and the company must continuously ensure the satisfaction of their employee in order to reduce turnover.

In sum, the overall turnover intention with mean (3.5340) indicates that out of 103 respondents (IT technical employees), the average 55 respondents (53.4 percent) which represented half of the total respondents were strongly agreed or agreed with the eight measurements and they seriously consider leaving XYZ (M) Sdn. Bhd. Only 16 respondents (15.5 percent) were strongly disagreed and disagreed to leave the organization. Meanwhile, the average 32 respondents (31.1 percent) were uncertain of staying or leaving the organization.

Multiple Regressions

Table 4.3 Regression Results

	<i>Unstandardized Coefficients</i>		<i>Standardized Coefficients</i>	Significance	Rank
	<i>b</i>	<i>SE b</i>	<i>β</i>		
Constant	4.582	.767		.000	
Organizational Commitment	-.207	.171	-.096	.028	6
Job Stress	.588	.095	.493	.000	1
Job Characteristic	-.003	.159	-.002	.013	7
Promotion Opportunities	-.242	.102	-.214	.019	3
Pay Level & Rewards	-.200	.131	-.140	.029	5
Quality of Work Life	-.423	.184	-.234	.023	2
Job Satisfaction	-.280	.210	-.164	.015	4
R²	.534				
Adjusted R²	.500				
R² Change	.70589				
F	15.566				
Sign. F change	.000 ^a				

Dependent Variable: Turnover Intention

Table 4.4 reflects the regression model that was developed by turnover intention as the dependent variable and the following factors as the independent variables: organizational commitments, job stress, job characteristics, promotion opportunities, pay level and rewards, quality of work life and job satisfaction.

All independent variables which are organizational commitments, job stress, job characteristics, promotion opportunities, pay level and rewards, quality of work life and job satisfaction had significant value less than 0.05 (.028, .000, .013, .019, .029, .023 and .015 respectively). Thus, all variables are making a statistically significant unique contribution to the prediction of the dependent variable (turnover intention). The R² for this model is 0.534. This means that almost 53.4 percent of the variance dependent variables (turnover intention) is explained by the variation in the independent variables.

The regression analysis revealed that organizational commitment had negative and significant relationship on turnover intentions (Beta = -0.096) and it supported the first hypothesis (H1) of the study. That is, turnover intention is low if the employees perceived high level of organizational commitment and this finding is in line with previous study done by Jehanzab et.al (2013), Omar, et.al (2012) and Addae et.al (2008).

Job stress is the only variable that had positive and significant relationship with turnover intention with (Beta = 0.493) . In other word it can be described as turnover intention increased if employee experienced higher level of job stress. This supported second hypothesis (H2) as it is in the expected direction and in line with other researcher findings such as Mei-Fang, et al, (2011) and Mosadeghrad, (2012).

Besides that, this regression analysis also indicated that there is a significant negative relationship between job characteristic and turnover intention and it consistent with Chang et.al (2013) findings and further supported third hypothesis (H3). This means the greater the employees perceived positive job characteristic the lesser the turnover intention.

In term of promotion opportunities, pay level and rewards, this finding also supported other researcher's findings such as De Gieter et. al (2012). Promotion opportunities, pay level and rewards have negative and significant effect on turnover intentions with Beta values of - 0.214 and -0.140 respectively. It is proven that the more satisfied employees were with their promotion opportunities, pay level and rewards, the less likely they are intention to leave their current employer. These findings also supported the fourth (H4) and fifth (H5) hypotheses of the study.

Furthermore, quality of work life also had a negative and significant relationship with turnover intentions with (Beta =-.234) and further supported the sixth hypothesis (H6). This finding is closely parallel to earlier findings (Mohammed J Almalki, et. al, 2012) as turnover intention is low when the employees perceived high quality of work life. Therefore, it is very important to apply the right human resources policies to increase employees' quality of work life and decrease subsequent turnover intention.

Moreover, the Beta value for job satisfaction is -0.164 and it also had negative and significant relationship with turnover intention. So that, when employees experienced satisfaction with their jobs, their turnover intentions also decrease. This result is in line with previous research done by Kabungaidze (2013) and Yucel (2012) and supported the last hypothesis (H7).

Finally, Beta values have been used by the researcher in comparing the contribution of each independent variable in order to identify the most significant factors influencing the turnover intention among existing Technical employees in Century Software. Based on this regressions analysis, the largest beta coefficient is 0.493, which is Job Stress. This means that job stress is the most significant factors influencing the turnover intention. Besides that, quality of work life recorded second largest (Beta = -0.243). Meanwhile, the third significant factor influencing turnover intention is promotion opportunities with (Beta = -0.214). Then, it is followed by job satisfaction, pay level and rewards, organizational commitment and job characteristics with Beta values of -0.164 , -0.140 ,-0.96 and -0.02 respectively.

CONCLUSION AND RECOMMENDATIONS

Employee turnover will continue to be the biggest challenge for the IT company like XYZ (M) Sdn. Bhd. Indeed, turnover is becoming serious problem in this organization since the results from this study have revealed that majority of the respondents (technical employees) considered leaving the organization in the near future. It can be concluded that the major group contributing to turnover in XYZ are those who are from Generation Y. Generation Y or Millennial Generation are found to be very vulnerable to changes made in the company especially changes related to compensation. The Gen Y are those who have unique characteristics and needs. They are the group who were born after Generation X. Meier, Austin, Crocker, and Austin (2010) defined Generation Y as those born between the year 1980 and 2000 even though there are no exact starting and ending dates of Generation Y.

Based on this study, researcher found that employees who are from Generation Y are those who prefer flexibility in job assignments, look for a balance between work and life, as well as to have the exact role in their job. Therefore, management should focus more on Generation Y high and keeping them is essential to the company, especially those who have high potentials and highly skilled, in order to maintain company competitive edge. It is a challenge to XYZ's managers to train, guide and inspire Generation Y employees to ensure that their capabilities, knowledge and strengths become an advantage to the company.

On the other hand, those who are from Generation Y have different attitude with Generation X who are more loyal to the company and stick with their job. Besides that, Gen Y's are more technology savvy, and they are able to accept any different types of work culture. In contrast, Baby Boomers and Gen X are normally those who are focus on their careers and they also see that working long hours is a requirement to get ahead. Gen Y workers also prefer organizations that practice flat management in which they treat their employees as partners rather than subordinates. Gen Y's want empowerment to do their job well, to have the right tools and technology, to work for an organization that is socially responsible with a clear sense of direction and a well-formulated business strategy from management.

Furthermore, JobStreet.com and YouthSays.com has conducted The Malaysian Youth Career Survey 2009: Understanding the Young Malaysian Job Seeker. The results from this survey revealed that Millennial or Gen Y job-hunters are looking for organization that offer flexi time and attractive incentives like free gadgets such as iPods or iPhones. Apart from that, the survey also indicated that 39 percent of Gen Y job seekers are still looking for stable and high income work, whereas 27.5 per cent of them are looking for jobs that are aligned with their passions and interests. Therefore it is important for organization to have such criteria in order to attract and retain Millennials or otherwise they would sooner quit their jobs to join another organization or set up their own businesses. In fact, we might need to take a look on what offers by giant organization like Google to their employees not only on benefits but also the working culture which can be strong competitive advantage in retention strategies of their employees.

The study offers insights into how high valued IT technical employees of XYZ (M) Sdn. Bhd. can be retained as the researchers have determined the key reasons that associated with intention to leave among IT technical employees in the organization. Listed below are some recommendations that have been highlighted by researcher for XYZ's management practices to reduce turnover among their employees. It is suggested that this organization focus on strategy to reduce job stress by implement flextime working arrangement which encourages better relationship between employer and employees and it can bring better health to employees. It also discourages absenteeism and improves employees' loyalty towards organization. Organization also can organize stress management training, time and priority management workshop that proven program in combating job stress as it leads to highest job satisfaction and performance, and able to decrease turnover intention (Utami et.al, 2013).

XYZ should find ways on how to enhance their employees' quality of work life since most of the employees have intention to quit the organization if they dissatisfied with their quality of work life and perceived higher job stress. This is because higher quality of life in the workplace leads to higher employee retention and satisfaction. As an IT company XYZ can also consider to let their employee to work from home. Zeytinoglu, Cooke, and Mann, (2010) also found that employers who offer family support programs such as ability to work from home can attract high quality workers to their organization, decrease work-family conflict, increase job satisfaction and commitment, and decrease turnover and absenteeism. In fact, by having a work environment that promotes wellness and happiness not only increases mood, but productivity as well

A satisfied employee brings positive affect and desirable work values leading to enhanced efficiency and productivity. Since the analysis revealed that job satisfaction is one of the factors that leads to turnover intention, XYZ need to face this challenge and finding ways to increase job satisfaction in order to ensure that their businesses stay competitive. In order to improve employees' satisfaction that XYZ could take into consideration to establish a Loyalty Bonus Program. In this program, employee will be rewarded after a successful completion of a specified period of time. Rewards can be in the form of money or position. Abdul Kadir (2012) cited that Generation Y value the non financial aspect of compensation as they are more

concerned about positive feedback or response from their managers. Therefore a personal note from manager does wonders and lets them know that their hard work is appreciated.

One of the most effective ways to increase employee retention is by promoting them. XYZ can offer their employees with a clear advancement path that will make them more likely to stay with the organization. It's vital to spread the word about promotions and ensure employees can see the path to get there. When employees see that they are appreciated and will have an opportunity to be promoted, they may feel encouraged to put out their best work in hopes for a promotion in the future.

It is also advisable that XYZ implement open-door policy which persuades employees to speak frankly with their managers without any fear in order to increase job satisfaction among employees. Open communication should be created between employees and management. For instance, XYZ can hold regular meetings in which employees can offer ideas and ask questions. As a result, employees will become more committed and engaged since there is a process for them to contribute their ideas and suggestions. This gives them a sense of ownership and pride in their work. For employees to be satisfied, they must feel like they are part of something bigger than just what their individual work tasks.

Besides that, other recommendations that can be suggested to XYZ in order to retain its talent are to building talent pools, especially for those professional and technical skills employees. Simply definition of talent pool is a database consisting of profiles of candidates and employees. By developing talent pool the company is actually building sources of talent available to the organization that can be drawn upon when the need arises.

It is also good for the company to build the relationship with educational institutions in order to attract high quality talent. One way that XYZ can retain and develop talent is through internships program. By internships program, the company can gain access to an ambitious workforce that is well-prepared for work. In this way, internships can give advantage towards XYZ in retaining its talent since those who are hired full-time after completing internships are more likely to stay with the company or organization for longer periods of time. Besides having internship program, XYZ can also implement apprentice programs. It is an innovative way to develop new employees and prepare for the future as it provides appropriate training program which can improve productivity. Indeed, when XYZ invests in its employees, the employees in turn are expected to be more committed to the company.

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