

INFLUENCE OF ORGANIZATIONAL POLITICS ON TURNOVER INTENTION OF BANK EMPLOYEES, CHENNAI – INDIA

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Abstract

Turnover intention is different from the actual turnover of employees from an organization. Actual turnover is a situation where the employee physically leaves the organization whereas turnover intention is a condition which destroys the working atmosphere and leads to extreme fall of productivity in the workplace. It is a condition in which the employee is physically present in the workplace but mentally detached and even negative. An employee shows negligence in his behaviour and shows uninformed absenteeism as symptoms of turnover intention in the workplace. The intention to turnover leads to actual turnover from the organization. This paper is an attempt to study the relationship between organizational politics and turnover intention of bank officers in Chennai, India. In this study relationship between turnover intention and organizational politics was identified using the Pearson's correlation analysis. The findings and implications are discussed in detail.

Keywords: Organizational Politics, Turnover Intention, Workplace Politics

Introduction

Employees' Perception of politics is a topic of importance in the current scenario in any organization. Extensive literature has identified several variables of which turnover intention is a prime one which cannot be ignored. Mostly the variables studied are Job satisfaction, organizational commitment, turnover intentions, and intentions of negligent behavior. In an earlier study by K.R.Sowmya & N.Panchanatham (2011)^[7] on „Organisational Politics & Behavioural intentions of banking sector employees“ – the relationship between absenteeism and Organisational politics in the banking sector was tested. But the relationship between turnover intention and organizational politics was not tested in that study. Based on that gap, the researcher has made an attempt to study about the relationship between turnover intention and organizational politics

among bank officers in Chennai.

Turnover intention- the concept

According to Price (1977)^[6], turnover is the movement of members out of the boundary of an organization. Turnover Intention means intent to moving of employees from one organization to another organization. This behaviour includes intention of searching for a different job and thinking about quitting. It is a destructive action leading to decline of the organization. While they may be physically present in the workplace, their minds are elsewhere. Employee turnover is one of the most significant causes of declining productivity and sagging morale in both the public and private sectors. More than the turnover, the intent to turnover is even more dangerous. When the symptom of turnover intention is visible it needs to be controlled, checked reasons for such intention

and action taken immediately to stop employees from existing with such intention. Else, it would lead to fall of productivity and decline of the organization.

Such a potentially dangerous symptom has been studied in this research in a very important sector of the economy – the banking which is the backbone of the country's financial system.. A Nation cannot function without banks and the successful thriving of this sector is dependent on its valuable human resources. Therefore in order to have quality employees, quality work environment, and politics free environment is needed to be provided. By providing a politics free environment, the turnover intention of employees can be reduced to a great extent.

Methodology

The methodology of the study was based on the primary as well as secondary data. The study depends mainly on the primary data collected through a well-framed and structured questionnaire to elicit the well-considered opinions of the respondents. The target respondents were the banking sector employees from Chennai city. The research instrument consisted of questions to test the perception of politics and turnover intention. Based on the responses the association between organizational politics and turnover intention was tested and results were arrived at.

Sampling design

Multi-Stage Random Sampling technique was adopted to obtain the responses from the managers of both Public and New Private Sector Banks. A multistage random sample is constructed by taking a series of simple random samples in stages. The old private

sector banks were not considered for the study as the practices in old private sector banks and new private sector banks are almost similar.

The questionnaire was administered to a total of 472 employees in the banking sector.

Perception of politics

Ferris (1989)^[3] defined this variable as the degree to which respondents view their work environment as political and therefore unjust and unfair. Kacmar and Ferris (1991)^[4] in one attempt developed a universal tool containing 31 statements to evaluate the psychometric properties of the Perception of Politics scale (POPS). Kacmar and Carlson (1997) further used the above measure and suggested that it be reduced to 15 items after testing it in various settings. However this researcher has taken into account the 31 items proposed by Kacmar and Ferris (1991) and the 15 items modified by Kacmar and Carlson (1997)^[5] for this study. Out of the total 46 items, 38 items were selected according to the relevance of the study area and was modified to the requirement of Indian Scenario. The modified questionnaire was tested for its reliability and its Cronbach's Alpha Co-efficient was 0.837. Sample items include: "I will disagree with my superior to implement my ideas at work", "Favoritism rather than merit determines the success of a person in my organization", "Hard workers are not rewarded in my organization".

Measuring Turnover Intention

This variable was measured according to Farrell and Rusbult (1992)^[2] who defined turnover-exit as job movement within and across organizational boundaries, as well as

by a variety of cognitive activities that intentions of searching for a different job, thinking about quitting etc. A six-item scale was used, and respondents were asked to report how much they agreed with the items). This scale was previously tested by Eran Vigoda-Gadot & Danit Kapun (2005)^[1] and found Valid & Reliable. It was measured on a Likert's 5 point scale ranging from strong agree, Agree, Neutral, Disagree and Strongly Disagree. Its Cronbach's Alpha Co-efficient Reliability Score was found to be 0.815. The items used were

- "I often think about quitting"
- "I will probably not stay with this organization for much longer"
- "Lately, I have taken an interest in job offers in the newspaper"
- "I sometimes put in less effort in my work than I know I can"
- "Sometimes I postpone important duties for an unlimited period of time"
- "I do not work hard in my job".

preceded leaving. This behavior includes

▪ Analysis and Discussion:

Objective of the study

- To identify the influence of gender on the turnover intention of the banking sector employees.
- To study the association between Turnover Intention in the workplace and Politics among the bank officers.

Hypothesis of the study

- There is influence of gender on turnover intention of bank officers in Chennai.
- There is association between Organizational politics and Turnover Intention among the bank officers in the workplace.

Table 4.1 Frequency distribution of socio-demographic variables (n=472)

Variable	F	%
<u>Sector:</u>		
(1)Public sector banks	212	44.91
(2)New private sector banks	260	55.09
Total	472	100%
<u>Gender :</u>		
(1) Male	264	55.9
(2) Female	208	44.1
Total	472	100%

Table 4.1 (continued)

Variable	F	%
<u>Age :</u>		
(1) 21-30	121	25.64
(2) 31-40	118	25.00
(3) 41-50	224	47.46
(4) >50	9	1.91
Total	472	100%
<u>Marital Status:</u>		
Single	102	21.2
Married	370	71.8
Total	472	100%
<u>Educational level :</u>		
(1) Graduates	212	44.56
(2) Postgraduates	237	47.94
(3) Others	33	7.00
Total	472	100%
<u>Personal Monthly Income :</u>		
< 20000	155	32.7
21000-40000	236	50.1
41000-60000	81	17.0
Total	472	100%
<u>Designation:</u>		
Upper level	99	21.0
Middle level	232	49.3
Lower level	141	29.7
Total	472	100%
<u>Total Experience:</u>		
< 3 years	100	21.2
3-6 years	142	20.6
6-9 years	44	9.1
9-12 years	81	9.6
>12years	105	39.5
Total	472	100%

Table 4.1 (continued)

Variable	F	%
<u>Working Hours:</u>		
8 Hours	232	49.3
9 Hours	185	39.3
10 Hours	55	11.5
Total	472	100%
<u>Job Status:</u>		
Full Time	472	100
Part time	0	0
Total	472	100%
<u>Leave Taken:</u>		
<10 days	186	39.5
11-25 days	159	33.8
>25 days	127	26.5
Total	472	100%

Independent T-Test

Group	N	Mean	Std. Deviation	t-test
Male	264	3.8410	0.76614	2.271
Female	208	3.1700	0.78650	

Independent T-test was used to estimate the difference in the intent to turnover between male and female workers. The value of male respondents was greater than female respondents i.e. 3.8410. It indicates that female employees perceived lesser turnover intention in banks than male employees. The male employees perceived more turnover intention because they felt that women were dominating the banking sector. The compatibility to work with women employees was difficult for many male employees. In addition a few employees expressed their dislike to work under the leadership of a female. They could not comfortably continue

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with their bank operations with respect to their daily operations. Moreover women employees formed informal groups and enjoyed informal get-together events which the male employees could not participate. This increased the bonding among women employees and increased the distance between male and female employees.

Women in general expressed a great liking towards banking work environment as best against various other professions. It was considered as a blessing due to its work environment, nature of work, less cumbersome work nature, flexible work

timings, comfort in job, safety in work area, job profile etc. Due to these reasons our results seem to be consistent with the real situation prevailing in the banks among women employees and male employees in Chennai, India. It is therefore clear that women employees in banks were more satisfied in their jobs compared to male employees in banks. Similar to this study, several studies above mentioned have shown a difference in turnover intention by male and

female employees. In the above analysis, as the male employees perceived more politics than the female employees the hypothesis is accepted that there was influence of gender on perception of politics.

Karl Pearson's co-efficient of correlation was brought into the context to explore the parametric relationship between Organizational Politics and Turnover Intention among the bank officers in Chennai.

	Turnover Intention	
Perception of politics	Pearson Correlation	.396(**)
	Sig. (2-tailed)	.000
	N	472

** Correlation is significant at the 0.01 level (2-tailed)

Perception of Politics (0.396) is positively correlated with Turnover Intention. It explains that Turnover Intention is caused by the perceived politics. Major studies have demonstrated positive relationship between politics and turnover intention in workplace. Therefore this study also is in correlation with the same. As per the earlier study "I often think about quitting" and "I will probably not stay with this organization for much longer" were the major forms of turnover intention that the banking sector employees possessed. This authenticates the employee's detachment with the organization in spite of their physical presence. This shows that there is significant association between organizational politics and turnover intention. Hence the hypothesis is accepted.

Conclusion

The study has probed a missing link in organizational politics literature and provided interesting findings that will stimulate future efforts. Many studies had been conducted on the relationship between job satisfaction, commitment etc. and turnover intention but there is sparse research available on the relationship between organizational politics and turnover intention. Since neither turnover intention nor organizational politics is expected to shrink in modern worksites, it is essential to provide managers with practical tools for improvement. The findings from this paper have demonstrated the usefulness of examining workplace politics in relation to turnover intent. The banks need to find out the reasons for such politics or turnover intent of the employees and should find ways to solve it. These are psychological issues which cannot be solved by usual methods.

They can be solved only by accepting and then tackling them, by healthy HRD policies & practices, building proper work ethos and periodical positive reinforcements. It would enable retention of such employees, by solving their problems in workplace.

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