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Relationship between Affective Commitment and Turnover Intention among U.S. Healthcare Internal Auditors

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Abstract:

Reducing employee turnover has become a top priority and a challenge of many organization, regardless of the industry. Therefore, identifying factors that affect employee turnover has been in the center of debates in both scholars and practitioners' perspectives. The purpose of this study was to contribute to this debate by examining the relationship between affective commitment and turnover intention. The sample consisted of 92 internal auditors within the healthcare industry in the United States. Correlation coefficient was computed to examine the relationship between the two variables. Using the Bonferroni approach to control Type 1 error, a p value of less than .005 was required for significance. The result of the correlation analysis show that the correlation between affective commitment and turnover intention was negative but not significant ($r=-.187, p=.075$).

Keywords: Organizational, affective commitment, turnover intention, employee retention

1. Introduction

Retaining employees, especially the best, has become a key priority and challenge for business leaders. Losing a valuable employee is likely to affect the long term health and success of the company. The cost is also high. The cost associated with replacing an employee ranges from 25 to 500% of the annual salary of that employee (Ballinger, Craig, Cross, & Gray, 2011).

Given the cost related to employee turnover and its strategic impacts, the need to investigate factors that drive employee retention is valuable. A good approach to managing employee retention is identifying and addressing factors that affect employee turnover intention. Turnover intention refers to intent of employees to leave their current employer (Long & Thean, 2011). Many researchers have pointed at organizational commitment as a significant driver of employee turnover intention in many industries (Galletta, Portoghese, & Battistelli, 2011; Rashid & Raja, 2011; van Dyk & Coetzee, 2012; Yücel, 2012). Yet, there is a lack of empirical evidence regarding the individual effect of affective commitment of employee turnover intention, especially in high turnover industry like the audit industry. Auditors' turnover rate ranges from 13.4% to 46.6% in the United States based on the type of organization (Hennes, Leone, & Miller, 2010).

Organizational commitment refers to the extent to which an individual is attached to their organization (Dey, 2012). There are three type of organizational commitment, depending on what drive an individual to commit to an organization. These types of organizational commitment include affective commitment, continuance commitment, and normative commitment. This study focused on affective commitment. An affective commitment exists when an individual commits to an organization for emotional reasons (Leroy, Palanski, & Simons, 2012).

2. Purpose of the Study

The purpose of this quantitative study with correlational design was to examine the relationship between affective commitment and turnover intention among healthcare internal auditors in the United States. The objective was to provide information to organizational leaders within the U.S. healthcare industry regarding whether promoting auditors' emotional attachment to their organizations is likely to reduce their turnover. The process of achieving this objective included seeking the answer to the following research question.

RQ: To what extent does affective commitment relate to turnover intention among U.S. healthcare internal auditors?

The process of answering this research question involved testing the following null and alternate hypotheses.

H_{10} : There is no significant relationship between affective commitment and turnover intention among U.S. healthcare internal auditors.

H1_a: There is a significant relationship between affective commitment and turnover intention among U.S. healthcare internal auditors.

3. Literature Review

In order to understand the relationship between affective commitment and turnover intention, it is necessary to conduct a review of literature surrounding the two variables. This literature review includes a brief review of current and previous studies related to the relationship between affective commitment and turnover intention. The review contains a section on affective commitment and another section on turnover intention.

3.1. Affective Commitment

Employees may commit to their employing organization because they are satisfied and they feel the sense of belonging to the organization (Kimura, 2013). Researchers refer to this type of commitment as affective commitment (Jussila, Byrne, & Tuominen, 2012). Affective commitment is the extent to which employees feel emotionally linked, identified, and involved with the organization and employees want to stay at the organization (Balassiano & Salles, 2012). An affective commitment occurs when employees commit because they want to, not because they have to (Kimura, 2013). This type of commitment is indispensable for building a successful and sustainable organization (Jussila et al., 2012). Affective commitment refers to the emotional attachment employees have to their employing organizations (Leroy et al., 2012).

Various factors including authentic leadership behavior drive affective commitment (Leroy et al., 2012). Akram, Malik, Nadeem, and Atta (2014) investigated work-family enrichment as predictors of work outcomes (e.g., job satisfaction, affective commitment, and turnover intentions). In the teaching profession, 225 individuals were selected from private and public colleges of Sargodha. The results showed that work-family enrichment was a positive predictor of affective commitment and job satisfaction but negative predictor of turnover intentions. Significant differences were found in affective commitment and turnover intentions among teachers of private and public colleges. Balassiano and Salles (2012) studied the effect of perceived equity and justice on employees' affective commitment to the organization. The findings confirmed the perception of justice is a precursor to and cause of affective commitment but not observed as an antecedent of equity.

3.2. Turnover Intention

Given the negative impact of voluntary turnover on organizational effectiveness, business leaders are always seeking better ways to retain their employees, especially the best ones (Dong, Mitchell, Lee, Holtom, & Hinkin, 2012). Consequently, employee retention rate or turnover rate have become key performance indicator for many organizations (Moussa, 2013). Many companies struggle to retain employees for more than 5 years (Bagga, 2013). Approximately 50% of employees leave their organizations within the first 5 years of employment (Ballinger et al., 2011). This high turnover rate has a high financial cost to organizations (Maertz & Boyar, 2012). Turnover intention refers to an employee's intention to voluntarily leave an organization (Jehanzeb, Rasheed, & Rasheed, 2013). The opposite of turnover intention is intent to stay (Costen & Salazar, 2011).

Various reasons drive employees' intention to leave their organizations. Organizational commitment have been seen by many scholars and practitioners as a driver of turnover intention (Galletta et al., 2011; Rashid & Raja, 2011; van Dyk & Coetsee, 2012; Yücel, 2012). Committed employees are likely to stay longer with their employing organizations (Yücel, 2012). In addition to organizational commitment, many other factors affect employee turnover intention. Chen, Ployhart, Thomas, Anderson, and Bliese (2011) argued that job satisfaction is a significant driver of employee turnover intention. In general, employees do not want to leave their job if they are satisfied. In a study involving 300 teachers, Chen, Ployhart, Thomas, Anderson, and Bliese (2011) showed that low job satisfaction increase the likelihood of employee turnover. The leadership style of employees' direct leaders also affect employee turnover intention (Long & Thean, 2011). The way employees perceive the effectiveness and leadership style of their leaders as well as the relationship between employees and their leaders are important drivers of job satisfaction; which in turn drives turnover intention. However, different leadership styles may have different effects on employee turnover intention. According to Wells and Peachey (2011), transformational and transactional leaders are more likely to inspire employees to stay with their organizations as compared to leaders with other leadership styles. Studies have also found other factors such as workplace justice (Cantor, Macdonald, & Crum, 2011), fairness (Riddell, 2011), and employee development (Jehanzeb et al., 2013) as drivers of employee turnover intention.

4. Methodology

The purpose of this study was to examine the relationship between affective commitment and turnover intention among healthcare internal auditors in the United States. The research approach used in this study was quantitative method with correlational design. This approach aligns with the purpose of the study, which was to examine the relationship between an independent variable (affective commitment) and a dependent variable (turnover intention).

The independent variable, affective commitment was measured using the revised of the three-components model (TCM) employee commitment survey (Meyer & Allen, 2004). The TCM employee commitment survey is an 18-item survey instrument with 6 items measuring affective commitment, 6 items measuring continuance commitment, and 6 items measuring normative commitment. A reliability study of the TCM employee commitment survey conducted by Meyer, Stanley, Herscovitch, and Topolnysky (2002) showed an average reliability score of .82 for affective commitment. Participants responded to the TCM employee commitment survey questions on a 7-point Likert-type scale; 1 = *strongly disagree*; 2 = *disagree*; 3 = *slightly disagree*; 4 = *undecided*; 5 = *slightly agree*; 6 = *agree*; and 7 = *strongly agree*. Each participant's affective commitment score represented the sum of the score of the six items related to affective commitment.

The dependent variable, turnover intention was calculated using the Turnover Intention Scale from the Michigan Organizational Assessment Questionnaire to measure turnover intention (Cammann et al., 1983). The Turnover Intention Scale is a 7-point Likert-type scale that includes three items. The turnover intention scale has a reliability score of .78 (Owolabi, 2012). In this survey, each participant had one score, which was the sum of the scores of the three items included in the instrument.

Participants of this study included members of the Association of Healthcare Internal Auditors (AHIA). Using survey monkey, we sent the survey AHIA members through the association’s electronic newsletter. The survey was open for 15 days. A total of 105 responses were received and 13 were rejected due to missing information.

After collecting the data, we organized the raw data into three column: a column for participant identification number, a column for affective commitment score, and a column for turnover intention score. The participant identification number was a number from 1 to 92 assigned to each participant based on the order in which the survey was completed. This number does not have any link with the participant’s personal information; the survey was unanimous.

5. Data Analysis

The raw data consisted of 105 records; 13 records were rejected due to incomplete information. The analysis was thus conducted using 92 records. Descriptive analysis was conducted to describe the distribution of each variable. The independent variable, affective commitment scores ranged from 6 to 24, with a mean of 22.8 and standard deviation of 5.4. The dependent variable, turnover intention scores ranged from 3 to 21, with a mean of 11.5 and a standard deviation of 5.5. Table 1 shows the distribution of the two variables. Each of the variables was normally distributed (see figure 1 and figure 2).

	N	Range	Minimum	Maximum	Mean	SD
Turnover Intention	92	18	3	21	11.5	5.5
Affective Commitment	92	28	6	34	22.8	5.4

Table 1: Descriptive Analysis

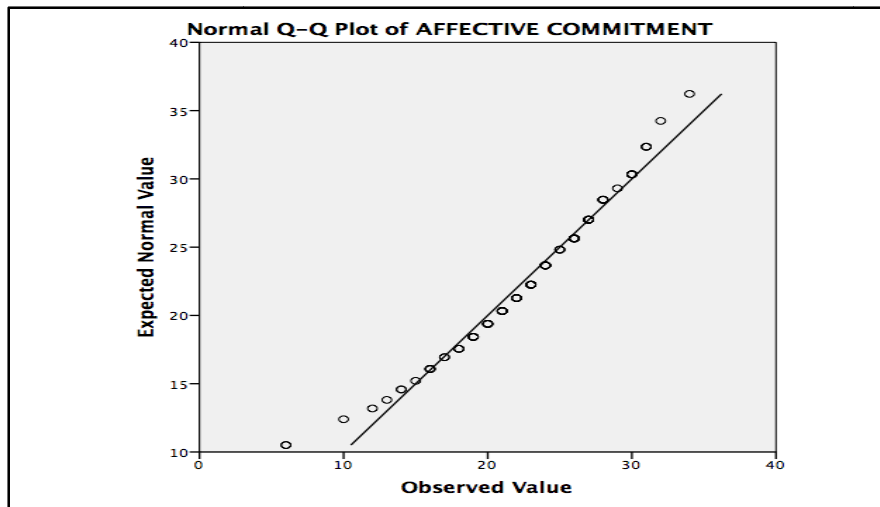


Figure 1: Normal distribution plot of affective commitment

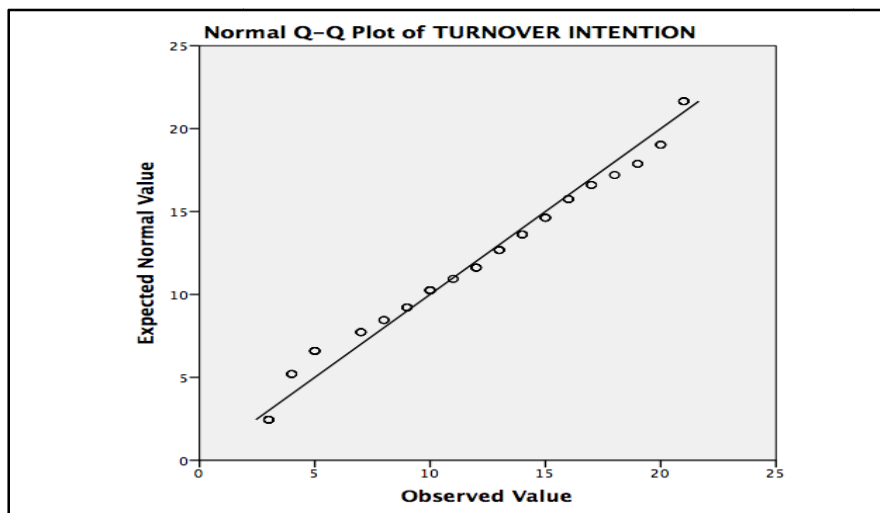


Figure 2: Normal distribution plot of turnover intention

Correlation coefficient was computed to examine the relationship between affective commitment and turnover intention. The goal was to test the following null hypothesis:

$H1_0$: There is no significant relationship between affective commitment and turnover intention among U.S. healthcare internal auditors.

Using the Bonferroni approach to control Type 1 error, a p value of less than .005 was required for significance. The result of the correlation analysis show that the correlation between affective commitment and turnover intention was negative but not significant ($r=-.187$, $p=.075$). Therefore, the null hypothesis was not rejected. This indicated that there is a negative but not a significant relationship between affective commitment and turnover intention. Figure 3 show the visual display of the relationship between affective commitment and turnover intention.

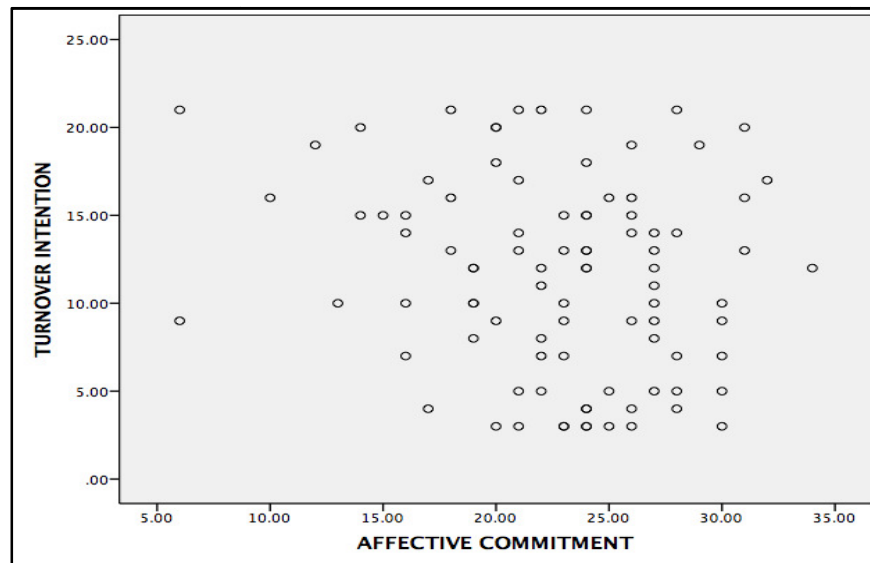


Figure 3: Scatter plot of the relationship between affective commitment and turnover intention

6. Conclusion

Previous studies showed that committed employees are likely to stay longer with their employing organizations (Yücel, 2012); however employers should be careful when it comes to the type of organizational commitment they need to promote within their organization. The purpose of the current study was to examine the relationship between affective commitment and turnover intention among healthcare internal auditors in the United States. Correlation coefficient was computed to examine the relationship between the two variables. The result indicated that although a negative relationship existed between the two variables, this relationship was not significant. This result mean that higher affective commitment does not necessary lead to higher employee retention. The result of the current study is not consistent with current research on the relationship between affective commitment and turnover intention. Vandenberghe and Bentein(2009) found negative and significant relationships between affective commitment and turnover intention using a sample pharmaceutical employees ($r=-.32$, $p<.01$)and a sample of nurses ($r = -.36$, $p<.01$). Chami-Malaeb and Garavan (2013) also reported that employees usually intent to stay with their hiring organizations if their emotional attachment is strong and if they feel physically and emotionally comfortable. Chami-Malaeb and Garavan found a positive relationship ($r=.61$, $p<.001$) between affective commitment and intent to stay among 238 participants from 9 Lebanese organizations.

The sample size ($n=92$) in the current study was relatively small as compared to the sample size in similar studies. The study of Vandenberghe and Bentein (2009) had samples of 172 and 186 and the study of Chami-Malaeb and Garavan (2013) had a sample of 238. The small sample size represents a limitation of this study. A larger sample size could have shown different results. Therefore, future studies should investigate the relationship between affective commitment and turnover intention using a larger sample of healthcare internal auditors.

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