The Impact of Organisational Commitment and Job Embeddedness on Employee Turnover Intention in the Hotel Industry of Pakistan: The Mediating Impact of Job Satisfaction

Abuzar Khan a, Syed Muneer Ahmed Shah b, Nazar Hussain c, Sanaullah Abro a, Shoukat Ali Mahar e, aSchool of Management Science QAU Islamabad, Pakistan, b,c,d,eDepartment of Public Administration SALU Khairpur, Pakistan, Email: nazar.hussain@salu.edu.pk

This quantitative research study, based on primary data, aims to identify the relationship and signification of the job embeddedness and organisation commitment on employees’ turnover intention in the hotel industry in Pakistan. The data was collected from five hotels based in twin metropolitan cities of Pakistan (Rawalpindi and Islamabad), and equal opportunity to participate was provided to both males and females. The convenience random sampling strategy was used to opt the data. The current study identified that organisational commitment has a significant relationship with job satisfaction, showing data as ($\Delta R^2 = .736$ at $p < 0.01$), while a significant and positive relationship of job embeddedness and job satisfaction has been identified, with highly correlated values between the variables. There has been mediation impact supported by the results of the study, which says that organisational commitment and job embeddedness is significant and highly inverse with ($\beta=-0.396$ at $p< 0.05$) against employees’ turnover intention. Thus, in the hotel industry of Pakistan, job satisfaction highly mediates the prelateship of the embeddedness and commitment with the turnover intention.

Key words: Organisational Commitment, Job Embeddedness, Job Satisfaction, Turnover Intention
INTRODUCTION

Since the independence of Pakistan in 1947, the country has been working on its self-autonomy, and since independence, the hotel industry exists (Richter, 2009). The industry has made a great difference in the GDP of the country from its beginning, and is still contributing (Ali, 2016). After independence, there were fewer hotels existing that significantly contributed to the GDP, but with the passage of time, and rapid increase of demand, the industry improved. With the increase in pace, investors and business persons, including politicians, later increased their focus to investing in the development of more hotels in the country (Pizam, 2005). Vogel (2012) highlights pioneer hotels (Mehran and the Avari towers) that had significant influence in the economy of the country in the early rise of the hotel industry of Pakistan. The industry has faced many transitions in its history, facing declines and uplifts for many reasons. Previous studies identified that the occupancy rates of the hotel industry faced steep decline in August, 2008, the situation influencing alarm for investors, who made tough decisions for their businesses (Khan, 2012). However, in spite of failures and improvements, the industry eventually survived. After all these transitions, managements have now realised the need to improve internal services and better train employees, as their employees are their core and precious assets for delivering better services (Hashim, Hashim, Yue bo, Ahmad, & Mobin, 2016).

The administration business is for the most part acknowledged as a work concentrated industry, we can say it is related with the hotel industry because they are both labour-intensive industries. Thus, there is a need to handle the significance of workers commitment and being with the organisation for a longer period of time (Cohen & Golan, 2017). This has turned out to be a significant issue. Employee turnover is the rate at which a business retains or loses its representatives, and the level of joining and quitting the concern is the rate of employee turnover, favourable or unfavourable (Brian & Christopher, 2011). This makes it a noteworthy issue for associations, particularly for the low unit occupations. There are numerous supporters of this situation that are noteworthy to the representative turnover. Such views can be originated from both the organisation and also from the employees (Fabi, Lacoursière, & Raymond, 2015).

Businesses are worried about the turnover rage as it impacts adversely and is an exceptionally costly part of business. According to (Crossley, Craig, Jennifer, & Rebecca, 2007), a significant issue to most companies is that employee turnover is costly, particularly in organisations that value viability of the business. Employees’ salaries, job satisfaction, incentive systems and job performance are all factors that could cause employees to quit the organisation. Companies take a deep interest in their employee turnover rate because high employee turnover rate can cause low profit for the organisation, and can also be harmful for the good will of the organisation. If an employee leaves a position, it is difficult and costly for the organisation for the recruitment of
a new employee and the expenses of training the newly-hired individual (Crossley, Craig, Jennifer, Burnfield, & Reb, 2011). Moreover, if we look at the individual, personal level of organisational commitment we will find that those employees who do not share the organisational goals as their own goals, but work only for their own benefit, and hence overall organisational goals would be disturbed and when managerial staff would not be satisfied with the work they would fire that individuals and hence rate of leaving the organisation would be increased (Al-Hummadi, 2013). According to (Ongori, 2007) high rate of turnover can be a serious hindrance towards organisational efficiency, quality, and profitability of firms of all kinds. Organisations having minimum staff, a high turnover rate can imply that essentially having enough staff to satisfy every day capacities is a big task for them, except the issue of how well the function is done when staff is accessible. Turnover is no less a problem for major companies, which often spend millions of dollars a year on turnover-related costs (Miller, 2006). Customers are also likely to experience dips in the quality of service each time their representative changes (Miller, 2006). Hence the main purpose of the study is to find the solution of the problem and scholar has done study to identify the reasons of high employee turnover and find the main things which would be helpful for retention of employees (Lu, Cheng, Gursoy, & Neale, 2016). Hotel industry is mainly based on the capabilities of services. The employee turnover is always one of the major problems of the hotel industry which need to be controlled for providing better services.

**Purpose of Study**

1. To explore how job satisfaction effect employee turnover
2. To find out the reasons why employees quit their job voluntarily.
3. To examine the cause and effect relationship of job embeddedness and employee turnover.
4. To explore at what level of organisational commitment employees will remain committed to their job and organisation.
5. To reveal the impact of high employee turnover on the progress and performance of the business.

**Literature Review**

Job embeddedness is the gathering of powers that can attract the employees to be committed with the organisation (Mitchell and colleagues). Job embeddedness was first explained by Mitchell and Colleagues with an ultimate objective to enhance traditional worker turnover models. As indicated by these models, factors, for example, job satisfaction, level of organisational commitment and the person's view his job together anticipate a worker's intention to leave the organisation. Mitchell and colleagues explain job embeddedness as "a net or web in
which an individual can become stuck". Job embeddedness also explains that if an organisation’s power of attracting its employees would be stronger then there will be more chances of employees to remain connected with the organisation than to quit the job. Hence job embeddedness also help to lower down the rate of employee turnover. The idea of the work or employment majorly affects the level of satisfaction an individual has from his job.

Organisational commitment is known as the personal willing approach and self-attachment of an employee with the organisation where that particular employee is working (Brian & Christopher, 2011). Organisational commitment has captured a rapid attention of the employers, overall organisations, researchers, and organisational development practitioners since last 2 decades. Before it was usually overlooked due to certain various reasons, but with the rapid increase of competition, globalization, and standards development of the competitive organisations the element got in more attention and later considered as the core factor for reducing the turnover of the employees, and effectively retaining the talented people by their organisations (Lim, Loo, & Lee, 2017).

Previously researchers has identified the positive and significant influences of job embeddedness with the various factors such as job performance, job responsibility, it will further enable employees to acquire more resources to fulfil the job requirements (Kiazad, Holtom, Hom, & Newman, 2015; Feldman & Ng, T.W, 2007).

Locke in (1976) gave a definition of the job satisfaction which is now known as the most cited definition of the job satisfaction. In the study, the author stated that the internal state of the employees must be apprehended to the well-being of the employee in the organisation where the employee actually works (Locke, 1976). The term well-being includes enormous factors such as psychological, physiological, emotional and the environmental behaviors and concerns that should directly or indirectly influence the self-internal satisfaction of the employee which eventually can lead employee to the satisfaction and dis-satisfaction attributions of the job with the concerned organisation where employee actually perform (McShane & Glinow, 2010) in short the self-satisfaction of the employee on the bases of their fulfillment of the core needs which can diminish the internally havocs of the employee and feel them satisfied with their decisions (McShane & Glinow, 2010).

Later the researchers also define the job satisfaction as the fraction of the actual outcomes of the job and the desired Job satisfaction is also related to the attitude of the employee (Park & Kim, 2009). The positive and the negative attitude has related consequences of the job satisfaction of the employee towards the job and the organisation overall (Tian-Foreman, 2009). It also incur the role of co-workers and the team members at the job towards the positive and negative attitude
and its consequences as well (Lee, Back, & Chan, 2015; Lu, Cheng, Gursoy, & Neale, 2016). Later, the similar results were also found in another study of the job satisfaction where authors identified the mediating role of the job satisfaction between the job training satisfaction and the intention to quit the job as inverse relationship was found during higher the rate of training outputs of job satisfaction and the turnover intention was identified in the presence of job satisfaction (Huang & Su, 2016).

The employee who leaves the organisation before their actual and defined tenure is known as the turnover of the employment, whereas the employees who expect to leave the organisation at their personal ends, before their actual contract or tenure is known as the turnover intention of the employment (Loquercio, Hammersley, & Emmens, 2006). Both the terms have just a light difference, it actually follow in between the action performance. Before the action has been taken it is intention, after the action taken will count into the turnover (Ongori, 2007). Previous studies displayed that transformational leadership has a significant and positive influence on turnover intention of the employees (Tse & Lam, 2008; Wells & Peachey, 2011). In addition to transformational leadership, other variables such as job satisfaction, organisational commitment, job performance, job search behavior have been found to influence turnover intention (Zimmerman & Darnold, 2009; Chan, Yeoh, Lim, & Osman, 2010; Wells & Peachey, 2011; Yucel, 2012).

**Theoretical Framework**

This research study has focused the impact of the organisational commitment and job embeddedness on employee turnover intention in the hotel industry of Pakistan. Whereas the current study will also test the significance and relationship of the variables while mediating the impact with the job satisfaction of the employees. Previous studies have tested the turnover intention with various variables in different product developing, manufacturing, and public sector organisations at different level of time frames and situations. In this case the study is derived to measure the impact in services sector, in particularly the hotel industry of the Pakistan. The mediating impact will also help the study to enhance its importance and quality of the work.
**RESEARCH MODEL**

![Diagram of research model]

**HYPOTHESIS**

**H1:** Organisational commitment has the positive and significant relationship with the Job satisfaction  
**H2:** Job embeddedness has the positive and significant relationship with the Job satisfaction  
**H3:** Job Satisfaction has the inverse relationship with the Turnover intention  
**H4:** Organisational commitment has the inverse relationship with the turnover intention  
**H5:** Job Embeddedness has the inverse relationship with the turnover intention  
**H6:** Organisational commitment has inverse relationship with the Turnover intention in the presence of job satisfaction  
**H7:** Job embeddedness has inverse relationship with the Turnover intention of the employees in the presence of the job satisfaction

**METHODOLOGY**

**Research Design:** The quantitative technique has been used to test the hypotheses. In this study the hotel industry has been selected because in this industry employees may have to face the customers with smiley faces but sometimes situation can make them angry which can cause an employee dissatisfied from his job and which will lower the organisational commitment and hence he quits the job.

**Population:** Population is the area of interest.is Islamabad from which the data was collected from the real employees of Serena, Marriot, PC, Ramada, and Islamabad Club hotels. The middle and the top management has been selected to taken in account to test the further hypotheses of the study.
Sample Size: The sample size of the study was limited to total 110 responses. The convenience random sampling strategy has been used to define the total sample of the study. With the limited sources of time and money, the study has limited the responses to only 5 top hotels which are located in Pakistan’s twin metropolitan cities named, Rawalpindi, and Islamabad.

Data Collection: The data was collected with the help of questionnaire which was distributed among top and middle management employees of selected hotels in Rawalpindi and Islamabad. Total 110 questionnaires were distributed and collected the data instantly in the presence of the author.

Instrumentation and likely statistical tests

Likert 5 point scale has been used to test the hypothesis. The SPSS 16th version software has been used to further test the responses which were collected by distribution the questionnaire among the potential defined population of the study. The questionnaire has total 4 scales to measure the results. All the scales have been adopted from the previous studies. The scales are further defined as bellow:

*Job Embeddedness:* The first scale is Job Embeddedness which has total 8 items to measure the scale. The scale has been adopted form various authors. The details have also been exerted in the references as well (Mitchell, Holtom, Lee, Sablynski, & Erez, 2011).

*Job satisfaction:* The second variable has been used to measure the results was Job satisfaction, which is the mediating variable of the current study. There were total 5 items were used to test the scale and identify the appropriate results. The scale has been adopted from (Brayfield & Rothe, 1951; Talukder, Vickers, & Khan, 2018).

*Organisational commitment:* The third scale has been used, as the independent variable which is organisational commitment. There were total six items were used to measure the scale. The scale has been adopted from (Eisenberger, Armeli, Rexwinkel, Lynch, & Rhoades, 2001).

*Turnover intention:* The turnover intention was the fourth and the last scale used to measure the significance and influence in this study. It was the only dependent variable of the study which has total four items to measure the scale. It was being adopted from (Moore & Ellen, 2000).
RESULTS AND FINDINGS

Reliability Statistics

To measure the inter-items reliability, the Cronbach’s alpha test has been applied with the support of SPSS 16th version software. The results of the test are as bellow:

<table>
<thead>
<tr>
<th>Scale</th>
<th>Cronbach’s Alpha</th>
<th>No. of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Embeddedness</td>
<td>0.87</td>
<td>08</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>0.87</td>
<td>06</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.87</td>
<td>05</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.89</td>
<td>04</td>
</tr>
<tr>
<td>Total</td>
<td>0.87</td>
<td>23</td>
</tr>
</tbody>
</table>

According to the Cronbach’s Alpha test results, the inter item reliability is reliable and pretty acceptable to carry out the further tests and generate results of the study. Each scale has average 87% of reliability in between its items used to measure the results. Above table I shows the comprehensive results of all the reliabilities of the scales that have been used in the questionnaire to measure the further results and test the hypothesis of the study.

The detailed table of the reliability of each item and overall table which shows the results generated by using the statistical computer application named SPSS. The detailed tables are given at the last in the appendix of this study. Next, there will be the table of demographic results of the study which includes the age, gender, education, and the organisation names of the respondents who participated in the study.

Correlation

<table>
<thead>
<tr>
<th>Scale</th>
<th>Pearson Bivariate Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
</tr>
<tr>
<td>Job Embeddedness</td>
<td>34.21</td>
</tr>
<tr>
<td>OC</td>
<td>25.53</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>21.31</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>7.28</td>
</tr>
</tbody>
</table>

* P < 0.05  
** P < 0.01  
OC = Organisational Commitment; JE = Job Embeddedness; JS = Job Satisfaction

The above table IV is showing the results of the Pearson bivariate correlation of the variables. The job embeddedness and the job satisfaction has the highest positively correlated value of 84.6% at 0.01 significance. It means the variables are significant and highly correlated to each
other. Meanwhile, the turnover intention of the employees at hotel industry of Pakistan has significant inverse correlation with the job satisfaction and the job embeddedness significant at the 0.05 level of significance which is 19% and the 10.2% respectively. Thus, the correlation support the proposed hypothesis of the study. Before going to accept or reject any of the proposed hypothesis, the study need to collect the evidences from the regression analysis as well.

### Regression Analysis

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Job Satisfaction</th>
<th>Employee Turnover</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ΔR²</td>
<td>B</td>
<td>R²</td>
</tr>
<tr>
<td>Hypothesis 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Embeddedness</td>
<td>.71**</td>
<td>.84**</td>
<td>.71**</td>
</tr>
<tr>
<td>Hypothesis 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>.57**</td>
<td>.75**</td>
<td>.57**</td>
</tr>
<tr>
<td>Hypothesis 3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>.036*</td>
<td>-.190*</td>
<td>.036*</td>
</tr>
</tbody>
</table>

* P < 0.05  
** P < 0.01

The table V is displaying the results of the regression analysis of all the proposed hypothesis of this study. The H1 had proposed that organisational commitment has the positive and significant relationship with the Job satisfaction. The results shows that organisational commitment has the significant with ($\Delta R^2 = .71, p < 0.01$) and ($\beta = .84, p < 0.01$). Thus, the study proves the acceptance of H1.

Meanwhile, the H2 stated that job embeddedness has the positive and significant relationship with the Job satisfaction. As per the data above in table V, we can see the results are supporting the proposed hypothesis as there is highly significance and positive beta of the predictor and the dependent variable has been identified. Thus, the H2 is also of this study has been accepted and supported with the results.

The H3 Job Satisfaction has the inverse and significant relationship with the Turnover intention of the employees, and H4 Organisational commitment and Job embeddedness has the inverse and significant relationship with the Turnover intention of the employees also supported with the results of the Pearson bivariate correlation, and the regression analysis as there has been inverse relationship between the job satisfaction and employee’s turnover intention and the organisational commitment with employee’s turnover intention while the prelateship of job embeddedness and the turnover intention has also been identified as the inverse relationship of
the variables. As the job satisfaction, organisational commitment, and the job embeddedness increases, the employee’s turnover at the hotel industry of Pakistan will decreases.

The H5 of the current study is about the impact of job embeddedness on employee turnover. Looking at the result the independent variable which follows the results as (β = 0.10) which says that an uncountable and insignificant relationship exist between the variables in the hotel industry of Pakistan when we compare Job embeddedness with employee turnover.

### Mediation Effect

<table>
<thead>
<tr>
<th></th>
<th>Employee Turnover</th>
<th>Hypothesis 6</th>
<th>Hypothesis 7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R²</td>
<td>ΔR²</td>
<td>β</td>
</tr>
<tr>
<td>Organisational Commitment</td>
<td>0.047</td>
<td>0.011</td>
<td>0.160</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.036*</td>
<td>0.036*</td>
<td>-0.311*</td>
</tr>
<tr>
<td>Job Embeddedness</td>
<td>0.048</td>
<td>0.012</td>
<td>0.206</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.036*</td>
<td>0.036*</td>
<td>-0.364*</td>
</tr>
</tbody>
</table>

* P < 0.05  
** P < 0.01

Hypotheses 6 states that job satisfaction mediates to the organisational commitment and employee turnover. Looking at the results organisational commitment in the presence of job satisfaction which are as (β = 0.16) which found to as insignificant has $R^2 = 0.047$ which changes into the 0.011 when we apply mediation effect, which justify that the mediation does exists between the variables (Job commitment and employee turnover) in the hotel industry of Pakistan. The identical behavior has been found in between the job embeddedness and employees turnover in presence of job satisfaction. In this case the R-square changes from 0.048 to 0.012. Thus, in both cases of the mediation, this study proves to say that in the hotel industry of Pakistan, job embeddedness and organisational commitment will impact on employee turnover in the presence of job satisfaction. More the employees will be satisfied less the rate of turnover will be found in case employers increase the rate of job embeddedness and organisational commitment.

### CONCLUSION

The study is conducted to examine the impact of job embeddedness on effective commitment and turnover intention of the employees of a service industry. The industry selected was hotel industry. The employees of the hotel industry are the life line because the huge amount of capital is invested on every employee so that he can be trained according to international standards so they can achieve the highest level of customer satisfaction. Hotel industry has generally high turnover the employees of hotel industry have the tendency to switch their jobs. In the above
study the relationship between dependent and independent variables is identified and the impact of mediation is also shown. According to hypothesis Ho the increase in job embeddedness will result in decrease in the turnover. so this shows a negative relation between independent variable job embeddedness and dependent variable turnover. This negative relation indicates that increase in one will result in decrease in the other. According to the proposed hypothesis, the job embeddedness has a positive relation between with effective commitment. this is a cause effect relationship. In this relation the independent variable will impact the depend variable. This means the increase in the job embeddedness will result in the increase effective commitment. the above data show a positive relationship between them positive relation is one in which increase in one will result in the other. hypothesis 3 indicates the result by showing the mediation effect of the job satisfaction. Whenever there is a mediator in and it has some impact on the variables the value of R^2 and change in R will be different this shows the impact of mediator on the dependent variable. The research was conducted to the relationship of job embeddedness, and organisational commitment with the turnover intention of the employees and how this relation is effected when job satisfaction plays the mediation part. This research is conducted to help the manger retain their employees and now a days employees are considered resource of any organisation specially for those organisation that are in service industry. The study was conducted on hotel industry in general. The retention of the employees was the main focus and how to improve the turnover ratio. This study identified the significance and inverse relationship of the variables with the turnover intention of the employees, and the mediation of the study also does exist. As the job satisfaction increase the turnover rate will decrees.
REFERENCES


