

JOB SATISFACTION AND INTENTION TO LEAVE OF IT IN SRI LANKA – A STUDY

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ABSTRACT

The field of Information Technology is one of the most recent and most rewarding industries currently in the world and in Sri Lanka. Globalization and the boom in technology has meant that more and more of the young generation do their higher studies in Information Technology(IT) or in the computer field with the intention of finding a lucrative and satisfying job in the industry. However, IT companies in Sri Lanka face a major management problem today. The employee turnover of IT companies is at a really high level.

This paper seeks to identify the relationship between job satisfaction and intention to leave of IT professionals in Sri Lanka. Three hundred IT professionals who belong to eight job categories are selected for the study. Convenience sampling method is used as the sampling technique and the study is based on online questionnaire which focuses on job satisfaction and intention to leave and some demographic variables.

The statistical results of the study revealed that there is a negative significant relationship between the job satisfaction and intention to leave.

KEY WORDS: Intention to leave, job satisfaction, IT industry

Introduction

Information Communication Technology (ICT) has become the buzzword for organizations rival in the competitive world of today. The introduction of Internet Technology and the Communication Technology boom in the 1990's has a major impact on the way business operations are conducted in the world today.

Commercial and government organizations have identified the benefits of the use of Information Technology in their day to day operations. ICT has changed the landscape of many organizations in the banking and finance, insurance, telecommunication, architecture, textiles, government institutes etc. as well as in other small and medium scale enterprises. Thus, the use of ICT is now perceived by organizations, as a source of competitive advantage over rival organizations.

The relatively cheaper skilled labour available in the 3rd world countries such as Sri Lanka has meant that developed countries look for opportunities to get their software solutions done by outsourcing the needs to 3rd world countries. Hence it has created opportunities for IT companies, SME's and skilled IT professionals in Sri Lanka to undertake such local and foreign projects.

The field of Information Technology is one of the most recent and most rewarding industries currently in the world and in Sri Lanka. Globalization and the boom in Technology has meant that more and more of the young generation do their higher studies in Information Technology or in the Computer field with the intention of finding a lucrative and satisfying job in the industry.

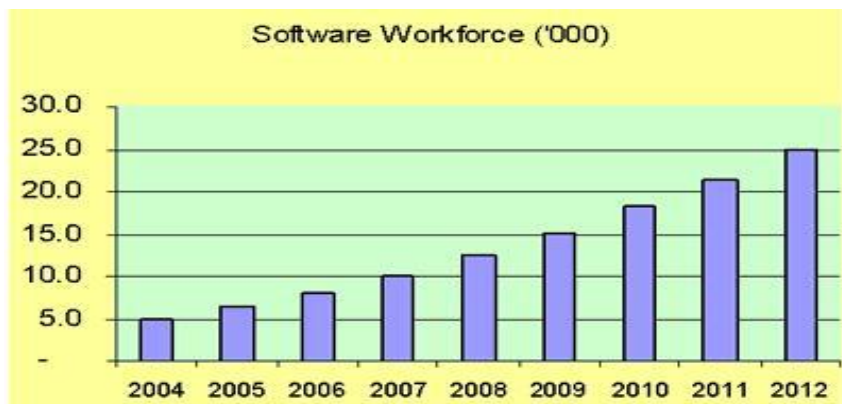
However, IT companies in Sri Lanka face a major management problem today. The employee turnover of IT companies is at a really high level. Many individuals working IT companies in Sri Lanka shift jobs at a rapid pace. IT professionals work at one company for one or two years and then move onto another after gaining experience from the previous company. Information Technology Workforce survey done by Sri Lanka Information and Communication Technology Association (SLICTA) in 2007 has found out that there is a shortage of 42% of IT professionals per year in the country and a 13% attrition rate in the field of Information Technology.

Thus the research study wishes to highlight some important factors and reasons that cause high employee turnover and then intend to provide a strategic roadmap which would enable reduce the number of employees leaving IT companies in future.

Problem statement

According to SLICTA, the IT workforce in Sri Lanka is expected to grow up to about 25,000 in 2012. The employees may be from the IT (as a business where currently there are more than 175 companies in Sri Lanka) sector, Non IT (IT as a service) sector and from government institutes. The following graph depicts this expected growth of the IT workforce in Sri Lanka.

Figure 01: Growth of IT workforce in Sri Lanka



Source:<http://www.slicta.lk/advantage/industry/>

Similarly the IT exports are estimated to grow from US\$ 80M in 2004 to US\$ 1,000M in 2012 thus making it a lucrative field for one to perceive a career. The only survey which is done on IT professionals in Sri Lanka was the survey done by SLICTA in 2007. According to their findings the following is the breakdown of the IT workforce according to job categories.

The survey also focussed on the high level of attrition amongst IT professionals. According to their findings the total turnover rate increased from 6.4% to 13% from the year 2004 to 2007. The survey categorized the IT industry into three such as IT, IT as service and Government sector. According to that IT sector has 16% of turnover rate and Non IT sector, that is IT as a service has 8% of turnover rate and Government sector has 2% of turnover rate.

High turnover of IT professional affects organizations adversely in different ways. New recruitments need attracting and selecting and training new candidates which cost a company a lot of money. It may reduce the organization performance, productivity drastically. Loyal

customers may withdraw from the organization. It is very difficult to attract new applicants if the employee turnover of the organization is comparatively high. One of biggest issues which employers face is how to find and keep skilled employees in their firms. High employee turnover hinders the motivation of the extant employees also.

The study intends to identify the major factors which cause an individual to leave from the company for which he is working. This study will focus on different demographical, experiential, personal, attitudinal, factors which might cause the change of jobs and try to ascertain the same with concrete evidence. ICT is an industry of great potential in Sri Lanka. There are a lot of opportunities which come to Sri Lanka from the developed countries, to automate their business processes. Hence, there is a great need for a business to be able to develop a highly skilled workforce which would be depended upon long term.

The following are the specific issues which have been identified during this research study.

Q1. What is the relationship between job satisfaction and intention to leave of IT professionals in Sri Lanka.

Q2. What is the level of job satisfaction of IT professionals in Sri Lanka.

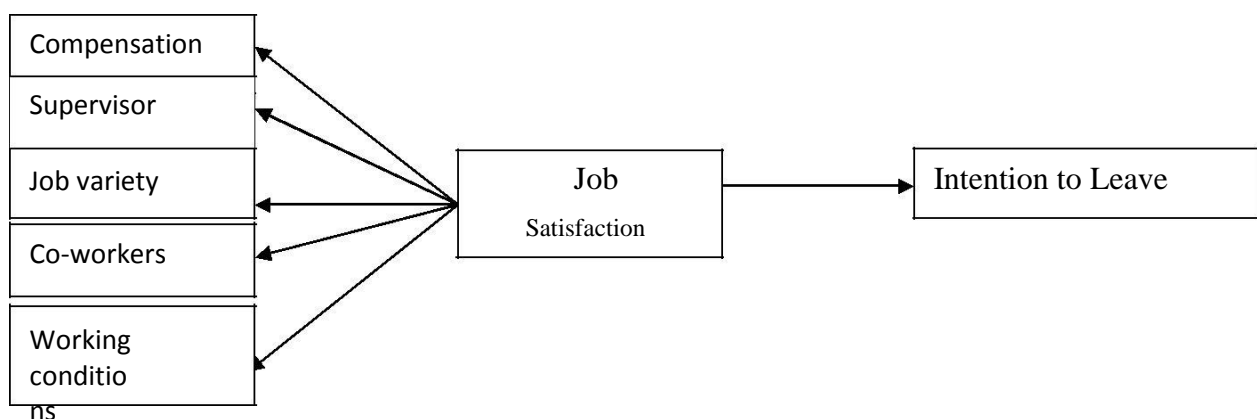
Q3. What is the relationship between role conflict and intent to leave of IT professionals in Sri Lanka.

Objectives of the study are depicted below

- To identify the relation between job satisfaction and intention to leave of IT professionals in Sri Lanka.
- To identify the level of job satisfaction of IT professionals in Sri Lanka.
- What is the relationship between role conflict and intention to leave of IT professionals in Sri Lanka

Conceptual framework

Figure 02: Conceptual Framework



According to the model the independent variable of this s study is job satisfaction. Job satisfaction was measured using five dimensions namely satisfaction with supervisor, satisfaction with compensation, satisfaction with variety, satisfaction with working conditions, and satisfaction with coworkers. Intention to leave from the organization is the dependent variable.

Literature Survey and Statements of Hypotheses

Job satisfaction

According to researchers such as Ajzen and Fishbein (1980) and Igbaria and Greenhaus (1992), intentions are, the most immediate determinants of actual behavior. They are also of practical value from a research perspective, as once people have actually implemented the behavior to quit; there is little likelihood of gaining access to them to understand their prior situation. (Brown & Peterson, 1994) related to an employee's turnover intentions. Turnover intentions are perhaps the best indicator of future turnover (Futrell & Parasuraman, 1984). Thus job satisfaction can influence a variety of important attitudes, intentions and behaviors in a nursing work force. To accurately measure "job satisfaction", a number of characteristics of the job may need to be evaluated if one hopes to obtain a broad measure of employee beliefs and attitudes about the job (Churchill et al., 1974). These characteristics or facets may not be of equal importance to every individual. For example, a nurse may indicate that she is very satisfied with her supervisor, salary and company policies, but is dissatisfied with other aspects of work, such as the actual work itself. Organizational research indicates that employees develop attitudes toward such job facets as work variety, pay promotion, co-workers, company policies, and supervisors (Johnson & Johnson, 2000; Taber & Alliger, 1995).

One of the most comprehensive and widely used measures for job satisfaction is presented by Wood, Chonko, and Hunt (1986) and Purani & Sahadev (2007). In this study job satisfaction is characterized as a multidimensional and it has six major facets namely i) satisfaction with supervisor, ii) satisfaction with variety, iii) satisfaction with closure, iv) satisfaction with compensation, v) satisfaction with co-workers, and vi) satisfaction with management and HR policies.

Satisfaction with supervisor

According to Wood et al. (1986), this facet of the job satisfaction determines the level of job satisfaction on the basis of employees' perception on how much are they satisfied with the information or guidelines provided to them by their supervisors to carry out their job.

Satisfaction with variety

Satisfaction with variety is another dimension of job satisfaction, whereby employees perceive the level of satisfaction by having variety of tasks such as challenging but not routine. This also helps them to perceive that there are a lot of opportunities available for them to grow in the organization. Furthermore this dimension also measures the employee perception of job satisfaction through the level of perceived freedom in job.

Satisfaction with compensation

Compensation is one of the most extrinsic indicators of job satisfaction. This dimension determines the level of job satisfaction of employees by knowing how much they are satisfied with the pay or compensation or any other security their jobs have provided to them. Churchill et al. (1974) consider compensation as one among the dimensions of job satisfaction among sales people.

Satisfaction with co-workers

Satisfaction with co-workers is the dimension of perceived job satisfaction, which determines how an employee perceives his/her job accomplishment by the support or the presence of his/her coworker's attitude and behavior such as selfishness, friendly or supportive (Purani & Sahadev, 2007).

Job satisfaction and Intention to leave

Shortages can be a symptom of low job satisfaction, poor management and lack of organizational support (Zurn et al., 2005). Shortages are resulting in heavy workload, which is a precursor to job stress, and burnout, which have also been linked to low job satisfaction. Nurses' job satisfaction is an elusive concept, which is defined within its extrinsic and intrinsic values (Cowin, 2002). Extrinsic values encompass the tangible aspects of the job including wages, benefits and bonuses, whereas intrinsic values include status, recognition, personal and professional development opportunities, and other similar factors (Cowin, 2002). Reasons for nurse dissatisfaction have been well documented in the nursing literature. Such reasons include lack of involvement in decision-making, poor relationship with management, low salaries and poor benefits, lack of job security, poor recognition and lack of flexibility in scheduling (Albaugh, 2003). Nurse dissatisfaction has been also linked to emotional exhaustion and burnout, which can affect patient outcomes (Aiken et al., 1997). Job dissatisfaction is a primary predictor of nurses' intent to leave (quit their current job) (Shields & Ward, 2001; Tzeng, 2002). A study conducted in the United States presented evidence showing that dissatisfied nurses were 65% more likely to have intent to leave compared to their satisfied counterparts (Shields & Ward, 2001). Other predictors of intent to leave vary from low salaries and fringe benefits, inflexible work schedule (Coomber & Barriball, 2007; Hayes et al, 2006), career advancement prospects (Tzeng, 2002, Rambur et al., 2003), in addition to poor management and job stress (Rambur et al., 2003). Nurses' intent to leave linked to situational factors such as family obligations, early retirement (Rambur et al., 2003), and length of service (Larrabee et al., 2003), low levels of motivation, emotional exhaustion and burnout, and to the poor social image of the nursing profession (Tzeng, 2002).

Purani and Sahadev (2007) used a job satisfaction multi-faceted construct as predictor variable and examine its impact on intention to leave among the sales personnel in India. Assuming one of the role as "interaction and communication" with clients and patient of both profession is common, their study also used experience as moderating variables to examine how working experience could affect the job satisfaction and intention to leave relationship. Purani and Sahadev (2007) found that employees with long stay at workplace had higher level of job satisfaction and would not incline to quit. This finding also suggested that job satisfaction and intention to leave relationship framework must also have other demographic variables consideration into the model of job satisfaction and intention to leave.

Pearson and Chong (1997) also examined the impact of job content and job information on organization commitment and job satisfaction among Malaysian nurses in large public sector hospital. They found that job information is stronger predictor to nurse's job satisfaction and therefore argued that intrinsic factors such as job information and organization commitment also influence nurses job satisfaction.

H1: There is a negative relationship between job satisfaction and intent to leave of IT professionals in Sri Lanka.

Population, sample selection and sample size

Population

This research was conducted to analyze the factors affecting to intent to leave of IT professionals, from their organizations, in Sri Lanka. The population and sample determination was based on the survey done by SLICTA about the IT professionals, „Rising Demand' (SLICTA 2007). According to the report there would be 21675 IT professionals by the end of 2008 in IT organizations in Sri Lanka.

Sample

In order to identify and analyze the factors, 300 IT professionals who are belonging to different professions are considered. Employees from twenty IT companies were considered for selection of the research sample.

Convenient Sampling technique as oppose to the simple random sampling technique would be used when selecting a suitable sample from the total population frame. Simple random sampling would be discarded since it is not possible to access to the total population. Thus a total sample of 300 IT professionals representing all levels is considered for gathering required information.

Measurement

Data gathering would be done by the use of questionnaires. The questionnaires would mainly be through internet based online questionnaire (mainly through questionnaires and surveys developed using Google documents). Questionnaires would also be communicated to the target respondents via emails. Prior phone calls would be made so that the researcher could personally explain the expectations to the respondents. Email reminders would be sent to the respondents in order to ensure speedy responses to the questionnaires.

Questionnaires would be the main mode of data gathering for the following reasons.

- Ability to use questionnaires to ask personal / sensitive information.
- Ability to ensure the privacy of the respondents.
- Impossible to gather feelings / emotions of respondents through observation.

Working definitions of the study

The components of the conceptual framework are depicted below:

Table 02: Working definitions and their sources

Component	Definition and source
Satisfaction with supervisor	Level of job satisfaction on the basis of employees' perception on how much are they satisfied with the information or guidelines provided to them by their supervisors-(Alam &Mohammad ,2009)
Satisfaction with compensation	The level of job satisfaction of employees by knowing how much they are satisfied with the pay or compensation or any other security their jobs have provided to them- (Alam &Mohammad ,2009)
Satisfaction with variety	Employees perceive the level of satisfaction by having variety of tasks such as challenging but not routine - (Alam &Mohammad ,2009)
Satisfaction with co-workers	How an employee perceives his/her job accomplishment by the support or the presence of his/her coworker's - (Alam &Mohammad ,2009)

Data Analysis & Presentation

Analysis of sample profile

According to gathered data out of 300 respondents, 9% are business analysts, 6.7% are database administrators, 3.3% are project managers, 12.7% are quality assurance engineers, 16.3% are system and network administrator, 3.3% are technical writers and 39% are software engineers. In the study researchers found that most of the IT professionals with higher level (Bachelors/Masters) of education. It is 83.6% (251), 3.3% of IT professionals are certificates holders and 9.7% are diploma holders.

According to the sample 67.3% of respondents are male and 32.7% of respondents are female. According to the sample 6.70% percent employees lies under the age category of 25 and 41.70 % is in-between the age of 26-30 and 45.30 % of the sample lies under 31- 35 age category. Further 3 % of the respondents are in the age group between 36- 40 and the rest of the sample, that is 3.30 % lies under the group of above 40.

According to the results more than 87% of the respondents are between ages 26 and 35. In other words the IT workforce in Sri Lanka is fairly young. In the study researchers found that most of the IT professionals are unmarried. It is 42.3% and 57.7% of IT professionals are married.

Reliability

One of the famous method for analyze internal reliability is Cronbach's Alpha test which has used in this research. Cronbach's Alpha was calculated for each independent variable with the intention leave to ensure the internal consistency of the instruments. The results are given in the following table that received alpha score over 0.7.

Table 03: Cronbach's Alpha values of variables

Variables	Cronbach's Alpha	Number of Items
Job Satisfaction	.883	19
Intention to Leave	.834	3

The Cronbach's alphas ranged from 0.705 to 0.883 for different variables. The results indicated that the Cronbach's alpha for individual variables of job satisfaction is 0.883 and intention to leave is 0.834.

Commonly, a Cronbach's alpha in the range of .70 to .79 is considered adequate, a value in the range of .80 to .89 is considered good, and a Cronbach's alpha in the range of .90 to .99 is considered excellent (an alpha of 1.00 is most likely an error or an indication that something is wrong with your data).

Correlation analysis

According to the obtained rating correlation analysis is used to identify the strength of relationship between the variables. The following output is obtained using SPSS. To determine the relationship between variables, correlation analysis was done. Table 4.8 indicates job satisfaction has a negative relationship with intention to leave while role ambiguity and role conflict has a positive relationship with employee intention to leave. Between job satisfaction and intention to leave has a moderately high negative correlation (0.626). Role ambiguity and role conflict has comparatively low positive relationship with intention to leave 0.195, 0.391 accordingly. When comparing role ambiguity and role conflict, role conflict has a higher positive relationship with intention to leave.

Table 04: Correlation between variables

		Job Satisfaction	Intention to Leave
Job Satisfaction	Pearson Correlation	1	-.626 ^{**}
	Sig. (2-tailed)		.000
	N	300	300
Intention to Leave	Pearson Correlation	-.626 ^{**}	1
	Sig. (2-tailed)	.000	
	N	300	300

Testing of hypothesis

H1: There is a negative relationship between job satisfaction and intent to leave of IT professionals in Sri Lanka.

Table 4.8 indicates that the correlation between job satisfaction and intention to leave is -0.626 (significant at 0.01 levels). This result indicates that there is a significant negative relationship between job satisfaction and intention to leave, thus implication of this result is that job satisfaction of IT professionals significantly affects their intention to leave from their current organization in Sri Lanka. Therefore, hypothesis can be accepted.

Figure 01 – Scatter plot for job satisfaction and intention to leave

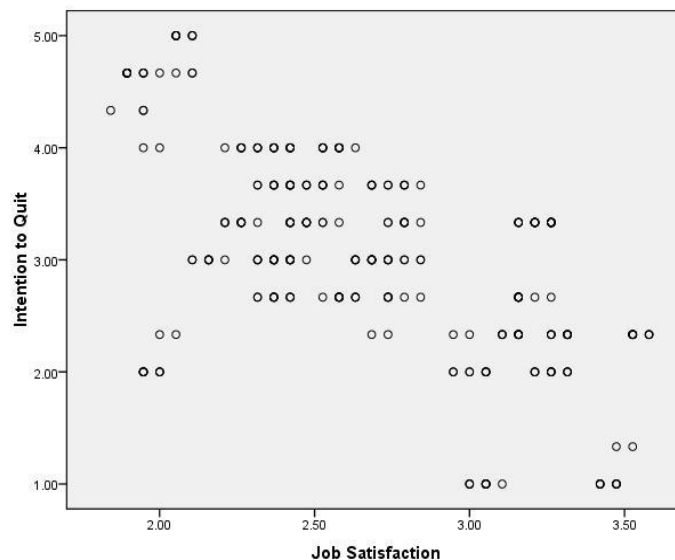


Figure 01 illustrates the scatter plot of „Job Satisfaction’ and the „Intention to Leave’ of IT professionals. This visualizes the negative relationship between the two variables. Therefore negative high level of correlation between „Job Satisfaction’ and „Intention to Leave’ is acceptable in general.

Findings, Recommendations & Conclusion

Findings

At present there is a lack of empirical studies that have identified the intentions to leave of IT professionals in Sri Lanka. The purpose of this study was to assess the strength of job satisfaction, role conflict and role ambiguity which causes to intention to leave of IT professionals in Sri Lanka. Different studies have considered different dimensions for job satisfaction, but for this study only six dimensions were considered. Job satisfaction did not appear to be similarly calibrated across employees whose job contexts differed substantially (Watson, A. M., Thompson, 2007). This study was conducted only for employees in IT sector, so this study was not affected by the employee's different job contexts.

As per the analyzed data and findings researcher has concluded the key insight of this survey. There is a significant negative relationship in job satisfaction and intention to leave of IT professionals in Sri Lanka.

It is found that job satisfaction has also been negatively linked to intention to leave and actual turnover (Hinshaw & Atwood, 1983; Irvine & Evans, 1995; Price & Mueller, 1981). Harris et al. (2006) found that role conflict and role ambiguity affect employee's level of resourcefulness in a negative way, further it affect negatively to job satisfaction and intention to leave.

Recommendations

According to the research findings and the defined research problem, researcher has suggested some recommendations to reduce the IT employee's intention to leave from their current organization.

According to the tested hypothesizes there is a significant negative relation between job satisfaction and intention to leave of IT professionals. It is important that the management of IT firms to identify the job satisfaction factors of the employees and take necessary actions to reduce the dissatisfaction of the employees. Profound identification of job satisfaction factors is very important since these factors may affect each employee in different strengths. Some factors can even be resolve without any cost. Some actions which can be taken by the management of IT firms are providing competitive compensation with market, getting the suggestions from the employees, identify their competencies and check the possibility of applying those to the organization.

The limitations of the study are outlined below. Any further research carried out using this as a basis should consider the limitations along with the results. Define clear job descriptions is a one way of beginning the process of managing the ambiguity. By clearly identifying the competencies of the employees and assigning duties based on them will reduce the role conflict.

- There is no proper listing for Sri Lankan IT firms to identify the size of the company by number of employees.
- The questionnaire was filled online and therefore it may not reflect clearly what employees feel about certain factors.
- Considering the IT employees population it is better increase the sample size for future studies.
- In this study researcher consider only the IT industry in Sri Lanka, Future researchers can do research to identify wheatear these factors are valid for other industries as well.

Conclusion

The research model used in this study is based on previously conducted studies, the researcher made an attempt to evaluate how job satisfaction, affect intention to leave of IT professionals in Sri Lanka. For the purpose of the study, a survey has been conducted with 300 employees in the IT industry, which have been used for the analysis. Data collected from employees which are belonging to eight categories by profession. According to the analysis, following three hypothesis was accepted: H1: There is a negative relationship between job satisfaction and intention to leave of IT professionals in Sri Lanka.

This study will help to management of IT firms to get strategic decisions to increase the retention of skilled employees, which helps to increase the productivity and goodwill of the organization. Since there are few studies have been done on identifying the factors affecting to intention leave or high employee turnover in IT industry this study will fill that gap.

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