Application of Herzberg’s Two Factor Theory of Motivation to Identify Turnover Intention of the Non-Executive Level Employees in Selected Super Markets in Colombo, Sri Lanka

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Abstract

Area of the Study
This study attempts to identify the factors which affect the turnover intention of non-executive level employees by applying Herzberg’s Two Factor Theory of Motivation. Especially this study aims to identify whether the hygiene factors or motivational factors affect employee’s intention to leave most.

Problem of the Study
Since employees are the most critical resource in any organization prevailing in the business world, retaining the employees is a crucial factor for the success of an organization. In order to retain employees, identifying factors which affect turnover intentions of employees is paramount important. The researchers could identify that there is a high employee turnover ratio in shop floor level employees in Sri Lanka. Hence, the research problem addressed in this study is to identify whether the hygiene factors or motivators affect the turnover intentions of non-executive level employee most.

Method of the Study
The data were collected from a convenient sample of 100 non-executives in selected super markets in Colombo, Sri Lanka using a structured questionnaire which consisted of 44 question statements in total, including 34 statements of five point Likert Scale. To validate the questions, a pilot research was carried out using 10 random shop floor level employees before undertaking the full scale research.

Findings of the Study
This study found that motivation is negatively correlated with turnover intention of the employees. Moreover, main two dimensions of motivation; hygiene factors and motivators found to be negatively correlated with turnover intention of the employees. In this instance, hygiene factors found to be more affective for the turnover intention than motivators.

Conclusion of the Study
It is concluded that there is a strong negative relationship between motivation and turnover intention of the employees. Further this study found that hygiene factors are more affective for the turnover intention than motivators. And it is concluded that most of the employees are dissatisfied with the motivational factors (intrinsic motivation) in the supermarket sector. Thus, some good practices, procedures, methods and programs were recommended to enhance the job satisfaction of the employees to retain them and to get their maximum contribution for the sustainable success of the companies.

Keywords: Motivation, Herzberg’s Two Factor theory, Hygiene Factors, Motivators, Employee Turnover Intention

Introduction
The role of the Human Resource Manager is evolving with the change in competitive market environment. Identifying the necessity of playing a strategic role by Human Resource Management is critical in order to achieve the success of an organization. Organizations that do not place emphasis on attracting talented employees and retaining those talents, would
find themselves in dire consequences, as their competitors may be outplaying them in the strategic employment of their human resources. With the increased competition in the rapidly changing environment, organizations must become more adaptable, resilient, agile, and customer-focused to succeed. In addition, within this change in environment, the HR professional should become a strategic partner, an employee sponsor or advocate, and a change mentor to retain best people within the organization and to reduce turnover.

In this regard, identifying what motivates the employees, identifying the factors that will cause employee turnover intention and finding how employees can be motivated to retain within the organization is important for an organization to be successful in the competitive market.

Employee turnover has become a major managerial concern of contemporary work organizations in today’s world (Pfeffer and Sutton 2006)[1]. It is a measurement of how long the employees stay within the company. Any time an employee leaves the company, for any reason, they are called a turnover or separation. According to Carmeli and Weisberg (2006)[2] the term turnover intentions refers to three particular elements in the withdrawal cognition process, which means thoughts of quitting the job, the intention to search for a different job, and then intention to quit. Therefore intention to leave and actual turnover are literally same terminologies. There are a number of factors that affect an employee’s intention to leave.

Motivation is defined as the act or process of giving someone a reason for doing something. Synonyms of motivation include impetus, boost, encouragement, goad, incentive, stimulant, impulse and provocation (Heathfield, 2013)[3]. It can be identified as an effective instrument in the hands of managers to inspire the work force and to create confidence within them. The issues of employee dissatisfaction and related negative attitude towards work have started to spread in an alarming rate worldwide. Therefore it can be identified that the employee motivation directly affects labour turnover intention in an organization. According to Abbasi and Hollman (2000)[4] the hidden and visible costs of turnover in organizations equaled somewhat $11 billion annually, besides the low-level employee morale for the ones who choose some way or the other, to remain with the organization. Therefore identifying ways in which employees are motivated and identifying the relationship between motivational factors and turnover intention is important for an organization to be successful in its operations.

Among various theories what explains motivation, Herzberg’s Two Factor Theory emphasizes a clear explanation of motivation by dividing it in to two main parts which are Hygiene factors and Motivators. Hence, researcher has applied Two Factor theory to identify turnover intentions of employees. Wiley (1997)[5] explains that Herzberg’s research has suggested that motivation is composed of two largely unrelated dimensions which are job-related hygiene factors which can prevent dissatisfaction, but do not promote employees’ growth and development and job-related motivation factors that encourage growth. The researcher has attempted to identify what factor mostly impacts to employees’ intention on leave by applying Herzberg’s Two Factor Theory.
Problem Background and Problem of the Study
In the view of Halepota (2005)[6], motivation is crucial for organizations to function successfully. Without motivation employees will not put up their best and the company’s performance would be less efficient. Mabonga (2010)[7] states that the success or failure of any organization greatly depends on the type of human resources it owes and Human Resources translate all other resources in an organization into visible products. When people are not motivated their turnover intention is critical. Bearing that in mind, it is important that organizations pay extra attention to their workers in order to attain optimum efficiency and effectiveness at the workplace.

Recently researchers have directed their attention towards employee work motivation as predictors for employee turnover, as motivational sources have been found to influence employee turnover beyond job satisfaction and organizational commitment (Mitchell et al. 2001)[8]. Although turnover and turnover intentions are two distinct terms, intention to leave has an immediate causal effect on turnover decision. An employee’s decision to quit an organization is an undesirable outcome for the organization and the employee as it affects both of them in many ways. When employees intent to leave the organization, they might show a lower level performance. And also when employee turnover is significantly high, entire organization will find it hard to perform well. That is why it is considered very important to understand its predictors in order to minimize its negative impact on organization’s performance (Low et al. 2001)[9]. Herzberg’s Two Factor Theory of Motivation clearly divides factors which affect employee in to two categories called hygienic factors and motivational factors. Since this theory gives a clear cut idea, doing a study based on this theory to identify about employee turnover intention is useful.

Invest Sri Lanka (2015)[10] refers to a research report which mentions that there is a significant tendency of increasing supermarkets in Sri Lanka. That provides a larger amount of employment opportunities as well. According to the blog, the report has explained the spread of supermarket trade in the country as of now stands at just 15%. But the researcher could identify that there is a high ratio of labour turnover ratio prevailing in shop floor level employees in Sri Lanka. Hence, researcher has selected supermarket sector to carry out the research.

With reference to existing literature, although there are many researches which have been done on employee motivation, most of them have emphasized the way in which motivation affects employee performance. Relatively a lesser number of studies have been done in order to find out the relationship between employee motivation and turnover intention. Therefore the problem addressed in this study is to identify how the employee motivation affects turnover intentions of the non-executive level employees in the selected mass scale supermarkets in Colombo, Sri Lanka.
**Research Framework**

The core purpose of this study is to identify how motivation affects employee turnover intentions. It is aimed to identify whether the Hygiene factors or motivators affect the employee turnover intentions most, according to Herzberg Two Factor Theory.

Figure 1 illustrates how the ‘motivation’ (independent variable) affects the ‘turnover intention’ (dependent variable). Independent variable has two main dimensions, which are hygiene factors and motivators. Independent variable is a unidimensional concept.

Figure 1: Conceptual Model

For the purpose of this study, researcher used Herzberg’s Two Factor Theory to operationalize the concept ‘motivation’. There are two factors of motivation according to Herzberg’s Two Factor Theory and hypothesis is developed based on those two factors.

By reviewing existing literature and studies, researcher could identify the evidences to support hypothesis. In this research there are eight factors under the variable of hygiene factors namely are pay, coworker relations, company policies and practices, supervisory styles, job security, status, working conditions and personal life. Researcher went through existing research reports and exciting literature and researcher could identify some findings regarding this study. Debrah (1993)[11] identified that a supervisor with poor interpersonal skills and who is also inflexible very quickly drives employees away. Steers and Porter (1983)[12] and Price (2001)[13] have stated that pay is being consistently and negatively related to turnover. Koh and Goh (1995)[14] reported that satisfaction with the nature of work is negatively related to turnover intention in a sample of university teachers in south western Nigeria and a sample of clerical employees in the banking industry in Singapore. They said that higher the satisfaction, with regard to nature of work impacts negatively for the turnover intention. Lephalala (2006)[15] concluded in her research which was carried out to identify factors influencing nursing turnover in selected private hospitals in England, none of the items under salary appeared to be important in influencing turnover among nurses. A study by Saltzstein, Ting, and Saltzstein (2001)[16] found that most employees have personal responsibilities that recur daily which may require their attention before and after work. Which means ability to manage their personal life with the work life essentially affects job satisfaction and turnover intention. Likewise there are numerous researches which show that the hygiene factors are negatively affecting the turnover intentions of the employees. Based on the literature, following hypothesis was developed.

H1: Hygiene factors of Herzberg’s Two Factor Theory impacts negatively towards having a negative relationship with employee turnover intentions of the non-executive level employees of supermarkets.
Motivators relate directly to the person’s job and can enhance employees’ level of job satisfaction (Lephalala, 2006)[17]. There are 6 factors under the concept of motivators in the Herzberg’s Two Factor Theory. Based on the existing studies above hypothesis was developed.

Dysvik (2010)[18] have concluded in their research, ‘exploring the relative and combined influence of mastery-approach goals and work intrinsic motivation on employee turnover intention’ that the intrinsic motivation holds the strongest direct negative relationship with turnover intention. Mainly intrinsic motivation includes motivational factors. With reference to the exiting literature, it is anticipated that there is a negative relationship between motivation and turnover intention.

Gagne and Deci (2005)[19] have demonstrated how intrinsically motivated employees are more involved in their jobs, and demonstrate greater effort and goal attainment than those less intrinsically motivated. Baylor (2010)[20] also concluded that there is a negative correlation between intrinsic motivational factors and turnover intentions of the employees. Dole and Schroeder (2001)[21] stated that when the levels of authority over the job grow, job satisfaction increases and the intent to quit decreases. Hence, there is also a negative relationship. Based on the literature following hypothesis was developed.

H2: Motivators of Herzberg’s Two Factor Theory has a negative relationship with employee turnover intentions of the non-executive level employees of supermarkets

Method
Study Design
The objective of this study was to identify the relationship between motivation and turnover intention of the employees and which factor according to the Herzberg’s Theory affects the turnover intention most. Therefore the type of the investigation of the study was causal. The research was carried out in a non-contrived setting where none of the variables were manipulated or controlled and the study was conducted in natural environment where other events normally occur. This study was purely based on primary data. The survey was carried out among non-executive level employees. The target population included non-executives in six centers of three main supermarkets in Colombo. The sample was 100 conveniently selected non-executive level employees from selected mass scale supermarkets in Colombo.

Respondent percentage for the questionnaire was 99%. In this study, 31.3% of non-executives were females, while 68.7% were males. 57% of the respondents were in the age group of 18 to 25 years and 67.7% were unmarried. Furthermore, 84.8% of them were permanent employees.

Measures
The main two variables in this study were motivation and turnover intention of the employee. The variable turnover intention is divided in to two main dimensions called hygiene factors and motivators according to Herzberg’s Two Factor Theory.
This study was conducted according to the quantitative design. The main variables in the research model were measured by using a standard questionnaire with five point Likert Scale. The questionnaire is consisted of 40 questions. First 7 questions gather demographic information. 17 question statements have been raised to measure the Hygiene factors of motivation, 12 question statements measured motivational factor of motivation. The independent variable in this research turnover intention was measured by using 5 question statements. These questions were originally developed by Baylor (2010). This study used already developed standard questions which were used before. Items in the original questionnaire were adapted accordingly to suit the local context and since the questionnaire had to be distributed among lower level employees, it was translated into Sinhala medium.

Validity and Reliability
Sekaran and Bougie (2010) state that reliability is a test how consistently a measuring instrument measures whatever concept it is measuring. Cronbach’s alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another. The external reliability of the instruments used to collect data was examined by the test-retest method. The internal item consistency reliability was examined with Cronbach’s Alpha test (Kottawatta 2014). The results of the test-retest coefficient and Cronbach’s Alpha test are given in Table 1 and Table 2 respectively, which suggest the internal reliability of each instrument was satisfactory. The content validity of the instruments was ensured by the conceptualization and operationalization of the variables using available literature and indirectly by the high internal consistency reliability of the instruments as donated by Alphas (Kottawatta 2014).

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Cronbach’s Alpha</th>
<th>No of Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hygiene Factors</td>
<td>0.785</td>
<td>17</td>
</tr>
<tr>
<td>Motivators</td>
<td>0.768</td>
<td>12</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.819</td>
<td>05</td>
</tr>
</tbody>
</table>

Table 2: Results of Test-Retest

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Test-retest coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motivation of the employees</td>
<td>0.785</td>
</tr>
<tr>
<td>Turnover intentions of the employees</td>
<td>0.763</td>
</tr>
</tbody>
</table>

Techniques of Data Analysis
The statistical package for the social program (SPSS 16.0) was used to analyze data gathered through questionnaire. Data were basically evaluated and presented by using univariate, bivariate and multivariate analysis.
Results
Univariate analysis was done to investigate the responses given by the non-executives for independent and dependent variables of the study.

Table 3: Univariate Analysis of Hygiene Factors and Motivators on the Turnover Intention

<table>
<thead>
<tr>
<th></th>
<th>Hygiene Factors</th>
<th>Motivators</th>
<th>Employee Turnover Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>99</td>
<td>99</td>
<td>99</td>
</tr>
<tr>
<td>Mean</td>
<td>3.2695</td>
<td>3.0155</td>
<td>4.0843</td>
</tr>
<tr>
<td>Median</td>
<td>3.2500</td>
<td>3.0000</td>
<td>4.0000</td>
</tr>
<tr>
<td>Mode</td>
<td>3.38</td>
<td>3.00</td>
<td>3.80</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>.35876</td>
<td>.26446</td>
<td>.38170</td>
</tr>
<tr>
<td>Variance</td>
<td>.129</td>
<td>.070</td>
<td>.146</td>
</tr>
<tr>
<td>Skewness</td>
<td>.690</td>
<td>.200</td>
<td>-.249</td>
</tr>
<tr>
<td>Std. Error of Skewness</td>
<td>.243</td>
<td>.243</td>
<td>.243</td>
</tr>
<tr>
<td>Kurtosis</td>
<td>1.873</td>
<td>-.862</td>
<td>.268</td>
</tr>
<tr>
<td>Std. Error of Kurtosis</td>
<td>.481</td>
<td>.481</td>
<td>.481</td>
</tr>
<tr>
<td>Minimum</td>
<td>2.50</td>
<td>2.50</td>
<td>2.80</td>
</tr>
<tr>
<td>Maximum</td>
<td>4.63</td>
<td>3.48</td>
<td>4.80</td>
</tr>
</tbody>
</table>

Mean value of the hygiene factors is 3.2695 and that is higher than the mean value of motivators, which indicates employees are more satisfied with the motivators. Mean value of the turnover intention of the employees is 4.0843, which indicates turnover intention is very high among the non-executive level employees in the supermarkets.

The bivariate analysis includes the Correlation Analysis and the Simple Regression Analysis, which were used to investigate the relationship between hygiene factors, motivators and turnover intentions of the non-executive level employees. Statistics for the correlations are given in Table 4.

Table 4: Results of the Pearson’s Correlation between Independent Variable and Dependent Variable

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Pearson’s Correlation</th>
<th>Sig. (1-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hygiene factors</td>
<td>99</td>
<td>-0.748</td>
<td>.000</td>
</tr>
<tr>
<td>Motivators</td>
<td>99</td>
<td>-0.729</td>
<td>.000</td>
</tr>
</tbody>
</table>

Pearson correlation coefficient between hygiene factors of motivation and turnover intention is -0.748. This shows that there is a negative relationship with hygiene factors of motivation and turnover intention of the employees. This relationship is statistically significant as correlation is significant at 0.01 levels (as Sig 0.000 which is lower than 0.01). Pearson correlation coefficient between motivators and turnover intentions of the employees is -0.729. This shows that there is a strong negative relationship between motivators and turnover intentions of the employees. This relationship is statistically significant as correlation is significant at 0.01 levels (As Sig. 0.000 which is lower than 0.01).
The results of the simple regression analysis of the independent variable and dependent variable are given below in Table 05.

Table 05: Results of Simple Regression Analysis between Independent Variables and Dependent Variable

<table>
<thead>
<tr>
<th>Variable</th>
<th>Hygiene Factors</th>
<th>Motivators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method</td>
<td>Linear</td>
<td>Linear</td>
</tr>
<tr>
<td>R Square</td>
<td>0.559</td>
<td>0.532</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.555</td>
<td>0.527</td>
</tr>
<tr>
<td>F</td>
<td>123.076</td>
<td>110.046</td>
</tr>
<tr>
<td>Significance</td>
<td>0.000</td>
<td>0.000</td>
</tr>
<tr>
<td>b- constant</td>
<td>6.686</td>
<td>7.257</td>
</tr>
<tr>
<td>b- Value</td>
<td>-0.796</td>
<td>-1.052</td>
</tr>
<tr>
<td>Beta</td>
<td>-0.748</td>
<td>-0.729</td>
</tr>
</tbody>
</table>

The b value of hygiene factors is -0.796, which is significant at 1% (significant = 0.000). As indicated by R Squared, 55.9% of the variance of turnover intention of the employees is explained by hygiene factors with the standardized beta of -0.748. This relationship is statistically significant as correlation is significant at 0.01 levels (As Sig. 0.000 which is lower than 0.01).

The b value of the motivators is -1.052, which is significant at 1% (significant = 0.000). As indicated by R Squared, 53.2% of the variance of turnover intention is explained by motivational factors with the standardized beta of -0.729.

The results of the multiple regression analysis of the independent variable (the impact of motivation) against dependent variable (turnover intention) are given below in table no 4.

Table 4: Results of Multiple Regression Analysis

<table>
<thead>
<tr>
<th>Variable</th>
<th>Multiple R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multiple R</td>
<td>0.754</td>
</tr>
<tr>
<td>R Square</td>
<td>0.568</td>
</tr>
<tr>
<td>Adjusted R Square</td>
<td>0.559</td>
</tr>
<tr>
<td>Standard Error of the Estimate</td>
<td>0.25337</td>
</tr>
<tr>
<td>F</td>
<td>63.206</td>
</tr>
<tr>
<td>Sig.</td>
<td>0.000</td>
</tr>
<tr>
<td>B-</td>
<td>6.973</td>
</tr>
<tr>
<td>B1</td>
<td>-.545</td>
</tr>
<tr>
<td>B2</td>
<td>-.368</td>
</tr>
</tbody>
</table>

The R square of the multiple R is 0.568, which indicates that 56.8% of the variation in turnover intention of the non-executive level employees is explained by the two dimensions of the independent variable jointly, which is significant at 1% (significant = 0.000).
Discussion and Conclusion
This study is mainly focused to find out the relationship between motivation (according to Herzberg’s Two Factor Theory) and turnover intentions of the non-executive level employees of supermarkets in Colombo.

It was found that there is a negative relationship between hygiene factors and turnover intentions of the employees in the supermarkets. According to the results of Pearson’s Correlation analysis between hygiene factors and turnover intention, the correlation coefficient is -0.748. The regression coefficient (b) is -0.796. According to multiple regression analysis there is also a strong negative impact of hygiene factors of motivation on turnover intention of the employees which is with the Beta value of -0.545.

Lowest mean of 2.61 was found in supervisory styles in hygiene factors which means mainly employees are not satisfied with the supervisory styles prevailing in the companies. Highest mean value of 3.79 was found in working conditions of the organizations.

It was found that there is a negative relationship between motivators and turnover intentions of the employees in the supermarkets. Pearson correlation coefficient between motivators and turnover intentions of the employees is -0.729. The regression coefficient (b) is -1.052. According to multiple regression analysis, there is also a strong negative impact of motivators on turnover intention of the employees which is with the Beta value of -0.368.

According to these findings the item advancement of motivators has the lowest mean value of 2.42, which indicates employees are not getting advancements within their current jobs. Highest mean value of 3.59 was found on responsibility. This means employees are satisfied with their responsibilities. Debrah (1993)[26] also has identified that a supervisor with poor interpersonal skills and who is also inflexible very quickly drives employees away.

56.8% of the variation in turnover intention of the non-executive level employees is explained by the two dimensions of the independent variable jointly. According to the findings of this study hygiene factors’ correlation is higher than motivators. Hence, the impact of it over the turnover intention is higher than the motivators. According to the regression analysis, 55.9% of the variance of turnover intention of the employees is explained by hygiene factors while motivators only explain 53.2% of the variance of turnover intention. But according to the mean values hygiene factors got the highest value, which indicates that employees are marginally motivated with hygiene factors. This means that when employees are dissatisfied with the hygiene factors they tend to leave the organization and when they are satisfied with motivators, they get intrinsically motivated and work hard.

These findings again prove the theoretical arguments of Herzberg’s Two Factor Theory of motivation stated in (Herzberg 1966)[27]. Herzberg called these items as dissatisfiers. This means if the employees are not satisfied with the hygiene factors they do not retain in the organizations and they tend to leave. Gagne and Deci (2005)[28] have demonstrated how intrinsically motivated employees are more involved in their jobs, and demonstrate greater
effort and goal attainment than those less intrinsically motivated. These motivators (satisfiers) are associated with long-term positive effects in job performance while the hygiene factors (dissatisfiers) consistently produce only short-term changes in job attitudes and performance, which quickly fall back to its previous level (Loiseau 2011)[29]. Dole and Schroeder (2001)[30] stated that when the levels of authority over the job grow, job satisfaction increases and the intent to quit decreases. Likewise there are many previous findings, which support the researcher’s arguments.

In this instance organizations can take decisions to motivate employees according to items in the hygiene factors. This study revealed that employees are not happy with the supervisory styles. Human resource professionals can take decisions to give proper trainings to the supervisors. Monetary incentives play an important role in motivating non-executive employees. Employees should get a pay which meets the market rate and to uplift the living standards. Work shifts should be favorable; hence the employees will be able to manage their work and family life. When employees are provided with advancements, with a growth in their work lives, proper recognitions and responsibilities they tend to be more motivated. Islam and Ismail (2008)[31] has observed that the six most effective motivating factors are the; high wages, good working conditions, promotion, job security, interesting work and full appreciation of work done. Hence, he also has suggested to increase the wages, promotions, job security etc.

There are limitations of the theory as well. Nelson (1976)[32] states that the basic weaknesses claimed stem from the lack of a clear statement of what the theory really is as well as biases which appear to have been introduced into the original study. There are a number of other factors besides the items of hygiene factors and motivators that may influence the intent to quit. According to Price (2001)[33] job stress, the quality of the leader-member exchange, dispositional traits, social support, and collective representation that could also play significant roles in deciding whether to quit a job. These other factors were not a part of the measurement in the study. But this study is limited to Herzberg’s Two Factor Theory.

Remi, Adegoke and Toyosi (2011)[34] propose to use Lawrence and Nohria’s four-drive theory or McClelland’s Theory. But this study is limited to Herzberg’s Two Factor Theory. Hence, the researcher suggests for further studies with regard to motivation and turnover intention. There are numerous studies on employee motivation. These theories can be used to identify the reasons behind why people are not motivated and why they tend to leave.

Reference
2. Baylor, MK 2010, The influence of intrinsic and extrinsic job satisfaction factors and affective commitment on the intention to quit for occupations characterized by high voluntary attrition, Nova Southeastern University, Fort Lauderdale.


**Details Reference List**


[22] Baylor, MK 2010, *The influence of intrinsic and extrinsic job satisfaction factors and affective commitment on the intention to quit for occupations characterized by high voluntary attrition*, Nova Southeastern University, Fort Lauderdale.