

Impact of Organization's Prevailing Atmospheric Conditions on Employee's Stay back or Quit Decisions

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Abstract

Employees are the important source for the accomplishment of goals of any business Units. So, it is inevitable for an organization and or managerial personals to retain their talented workforces to attain predetermined standards and to achieve positive outcomes and to realize expected efforts to transform organization to attain growth within a short span of time. But in most of the cases, organizations are unable to retain its employees. On other side, workforces also able to take their own individual decision and decide whether it is possible for them to stay back or quit. In addition, the researchers decided to identify the causes behind employee's positive and adverse decisions. The authors also feels that this research attempt could give possible ideas and inputs to managerial people to take adequate measures to preserve talented workforce with their organization to achieve its goals. The present research emphasizes to revelation of various factors which influence employees to make their immediate decision. The aim of this research is to throw light on identifying talented people, motivate them in the right way, and satisfy them to be with organization to make use of their talents and efforts to increase organizational efficiency. This study also helps to suggest research models and measures to establish positive and favorable thoughts among employees to reduce employee turnover and to ensure an intensive motivation system.

Keywords: Employee Decisions, Stay back and Quit Options, Employee turnover, Employees Satisfaction and dissatisfaction level.

1.1 Introduction

Employee Decision plays a vital role in an Organizations Success. The Decision of employee is based on the relationship between superior and subordinate relationship. Once the positive relationship breaks then there is no scope for rebuild the same again. Then will be a starting point for a failure of employer and the organization. Success of an Organization entirely depends on haring / creating faith and sense of ownership (fearing that being an employee, I need to be loyal) in the minds of an employee and to retain there with the organizations to guide and direct, new concern to familiarize the Organizations Proceedings. This paper specifically focuses on Existing with workplace conditions of employees and their attitude, factors causing story back or quit decisions among employees of an in-institution organization. Study Carried out with intention of knowing the cause and effect of positive of positive and negative atmospheric condition in the organization and its impact. The researchers felt this study will be the mile stone for organizations, and employees and their decisions connect with whether to stay back or quit decisions. Here the another is tries to indicate the atmospheric condition necessary, the working environment employee – employer, employee – employer relationship and tis impact / Reflection how it insist employees to take their own decisions. The authors identified variables and variables are grouped, merged in to constructs, Independent and dependent variables are compared and relationships were checked with an appropriate statistical tool such as t–test, chi-square, ANOVA, and Structural Equation Modelling and so on. In addition, the demographic variables were also analyzed with the outcome of frequency distribution table to identify the facts. Those variables, factors and Constructs are analyzed and results were given in an appropriate manner.

1.2 Literature Review

There are several reasons why people quit from one organization to another or why people leave the organization. The experience of job-related stress (job stress), the range of factors that lead to job related stress(stressors), lack of commitment in the organization; and job dissatisfaction make employees to quit Firth et al. (2004). This clearly indicates that these are the cause behind an individual's decision that make one person to quit.

Large organizations can provide employees with better chances for advancement and higher wages and hence ensure organizational attachment (Idson and Feaster 1990). Trevor (2001) argues that local unemployment rates interact with job satisfaction to predict turnover in the market. It was observed that the role stressors lead to employee's turnover.

Employees have a strong need to be informed. An organization with strong communication systems enjoyed a lower turnover of staff (Labov, 1997). Employees feel comfort-able to stay longer, in positions where they are involved in some level of the decision-making process.

With reference to the opinion of Giffeth et al. (2000) noted that pay and pay-related variables have a modest effect on turnover. Their analysis also included studies that examined the relationship between pay, a person's performance, and turnover.

Strategies on how to minimize employee turnover, confronted with problems of employee turnover, management has several policy options viz. changing (or improving existing) policies towards recruitment, selection, induction, training, job design, and wage payment. Employee turnover attributable to poor selection procedures, for example, is unlikely to improve were the policy modification to focus exclusively on the induction process

Job involvement describes an individual's ego involvement with work and indicates the extent to which an individual identifies psychologically with his/her job (Kan-ungo, 1982). Involvement in terms of internalizing values about the goodness or the importance of work made employees not to quit their jobs and these involvements are related to task characteristics. Workers who have a greater variety of tasks tend stays in the job.

Empowerment of employees could help to enhance the continuity of employees in organizations. Empowered employees where managers supervise more people than in a traditional hierarchy and delegate more decisions to their subordinates (Malone, 1997). Managers act like coaches and help employees solve problems.

1.3 Research Gap

Reviews are collected from various sources and the identified variables; findings conclusions were also listed out and tabulated and compared with their previous study. As per the observations, the difference between the current and previous studies is, the majority of the earlier research focuses on the satisfaction and dissatisfaction of employees but the present study concentrates on stay back and quit decisions of an employee and the factors causing them and their impact on employees' decisions and different point of time.

1.4 Statement of the Problem

Retaining employees in an organization is the toughest task and it is too difficult for any organization to read, understand employee's nature, behavior, psychology, and intention behind them to quit or stay with the same organization. So the author of this research article tries to attempt to find the reasons behind employees stay back and quit decisions, Which factors which make employees to stay back? why employees wants to leave from the existing organization? , suggesting achievable measures to make employees to stay back with their organization and pull out their efforts to make organizations to achieve their intention. The author of this paper hopes that this article will provide constructive inputs to an organization to remedial measures to make effective retention policy.

1.5 Objectives

- i. Knowing reasons for stay back and quit decisions by employees.
- ii. Understanding employee's opinion on their current organization, influencing factors which may cause the negative and positive decisions which ultimately leads them either to stay back or to quit from current organization.

- iii. Attempting the current benefits provided to employees by an organization.
- iv. Obtaining employees self-assessment status and their impact.

1.6 Hypothesis

- i. Is there any relationship, association, influence between existing organization conditions and employees stay back and quit decisions?
- ii. Is there any relationship between satisfaction, dissatisfaction level and stay back and quit decisions of employees?
- iii. Is there any significant association between existence of service and other benefits provided or facilitated and employee stay back or quit decisions?

1.7 Limitations

This research study is purely self-sponsored, the author of this research article focusses only on the reasons behind stay back and quit decisions of an employees, identifying the reasons for it, existing conditions in the organization, benefits and perquisites provided by an organization which ultimately leads them to make positive or negative decisions which may cause either to stay back or to quit from current organization. The primary data were collected by research questionnaire. The questionnaire segmented and confined with the following categories which are demographic profile, atmospheric status of an organization, factors which decides satisfaction and dissatisfaction level and work security, provided benefits and employees self-assessment for making their own decision.

1.8 Methodology

Primary data were collected through research questionnaire. Total number of samples were collected was 113 responses and those samples used for analysis. Simple random sampling used. The authors used chi square test for identifying an association between dependent and independent variables, ANOVA for checking influence of independent variables on dependent variable, frequency distribution table and confirmatory factor analysis and so on. Reliability test through SPSS software were check and it was observed that the value of it shows 77% which confirms suitability of questionnaire and genuineness of collected responses.

1.8.1 Identified Dependent Variables, Grouped Under Various Factor

Researchers identified various variables under six criteria and those variables are grouped under different factor name. The author segmented Questionnaire in to the following criteria's, which are: (1). Demographical Profile: It includes Age, Gender, Marital Status, Educational Qualification, Annual Income, current designation, service tenure. (2). Condition of an Institution: Researcher provided a unique variable under this category such as, official designation, salary, Increment, Bonus, Perquisite and Other benefits, working conditions, Job Security, equipment's, working hours, holidays, Overtime Pay, assistance on medicinal crisis, Job reviews, Loyalty Status and so on. (3). Factors causing satisfaction: Researcher identified 5 variables under this category of questions which includes appropriate Salary, working Conditions, Career Advancement Schemes, System of Administration, Respect & Recognition, (4). Factors causing dissatisfaction: This factor includes 9 variables which are favoritism, lack of opportunities, Insecurity, Absence of reasonable salary, Indirect threat on job, absence of recognition and appreciation, lack of employee initiatives, ill-treatment, lack of retention policies, retention of employees in same position without monetary and non-monetary settlements. (5). Job security: the factors include 8 dependent variables such as: provided Job security, no direct or indirect threat on job, loss of pay, practice of issuing notice, Increment, restrictions on promotion, fine treatment at work spot, benefits and perquisites. (6). Benefits during service Period: It focus on Salary, periodical Increment, Earn Leave, bonus, salary without break, no lag in increment, basic norms adopted for increment, employee's opinion on salary cut during lockdown period.

1.9 Results and Discussions

After feeding and coding process with SPSS software, the statistical output were obtained, out of which , the frequency distribution table were provided as follows to understand demographical factors.

Table 1: Frequency Distribution Table Comprises of Demographic Profile of the Respondents

Age (In Years)				Gender / Sex			
	Freq	%	Valid %		Freq	%	Valid %
21 to 30	26	23.0	23.0	Male	76	67.3	67.3
31 to 40	26	23.0	23.0	Female	37	32.7	32.7
41 to 50	52	46.0	46.0	Total	113	100.0	100.0
51 & above	9	8.0	8.0				
Total	113	100.0	100.0				
Marital Status				Occupation			
Categories	F	%	Valid %	Status of Occupation	F	%	Valid %
Married	87	77.0	77.0	Others	7	6.2	6.3
Un Married	25	22.1	22.1	Employed / Salaried	105	93.8	93.8
Others	1	.9	.9	Total	113	100	100.0
Total	113	100.0	100.0				
Respondents Educational Qualification				Sector wise respondent list			
	F	%	Valid %		F	%	Valid %
Diploma	1	.9	.9	IT Sector	4	3.5	3.6
Under Graduate Degree	14	12.4	12.4	Teaching in Higher Educational Institutions	82	72.6	73.2
Mater Degree	24	21.2	21.2	Pharmaceutica l Industry	3	2.7	2.7
M.Phil.	21	18.6	18.6	Others	24	21.3	20.5
PhD	53	46.9	46.9	Total	113	100	100.0
Total	113	100.0	100.0				
Annual Family Income (In INR)				Status of Levels of Management of Respondent			
	F	%	Valid %		F	%	Valid %
Less than 200 thousand	21	18.6	18.6	Lower-Level Management	28	24.8	24.8
200 to 500 thousand	40	35.4	35.4	Middle level Management	75	66.4	66.4
500 to 750 thousand	18	15.9	15.9	Top Level Management	10	8.8	8.8
More than 750 thousand	34	30.1	30.1	Total	113	100.0	100.0
Total	113	100.0	100.0				

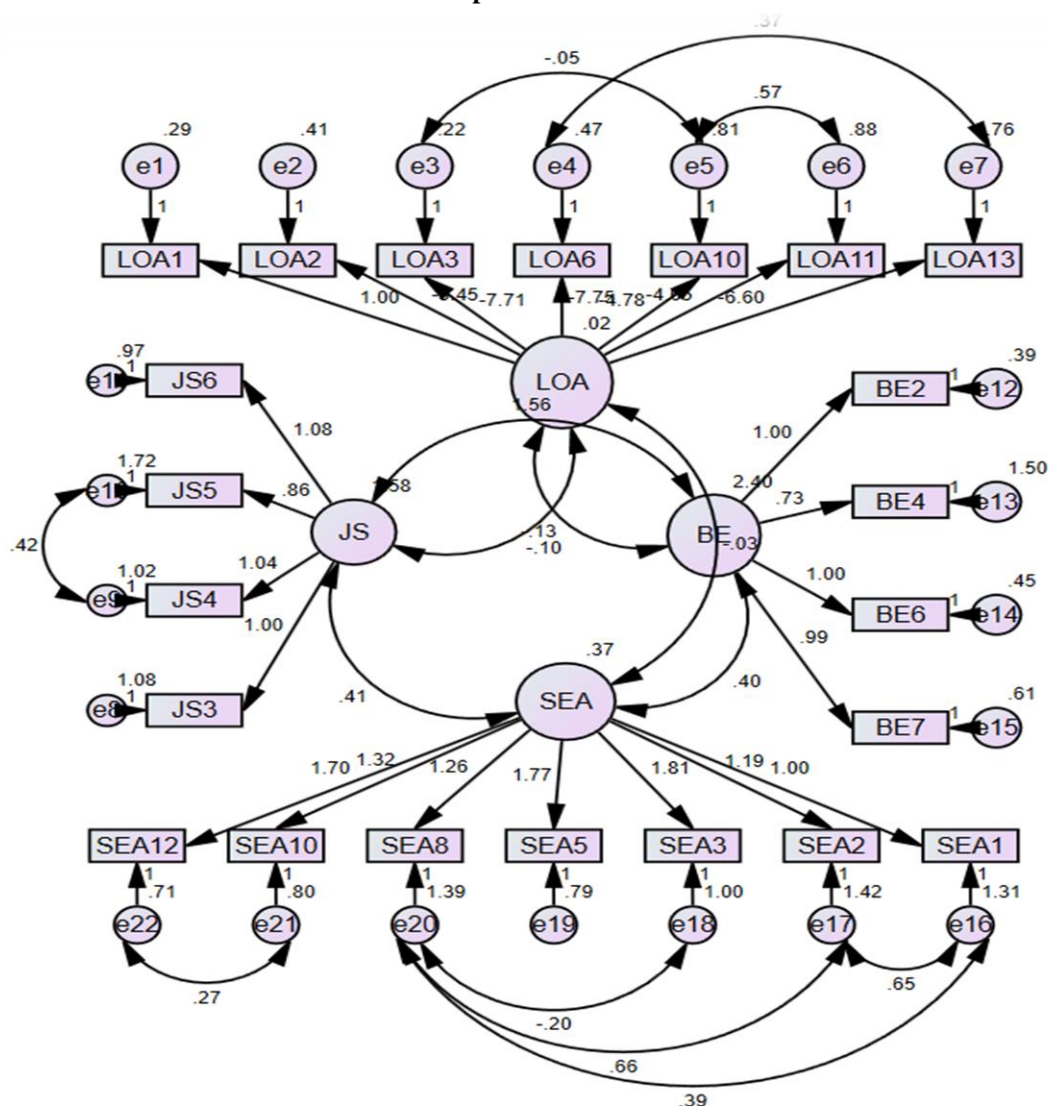
Source: Computed; F - Frequency

The above frequency distribution table shows that almost, near to 50% of respondent's lies between 41 years to 50 years category of age. 77 % of total respondents were identified as married. 67.3% of respondents are male. Nearly 50% of the

people are well educated. 73.2% respondents are from higher educational institutions. 35.4% respondents are middle class and upper middle class. As per the age 50% of the samples are 41 years to 50 years and 77% of them are married, it tries to mean that all of them are more responsible, committed to work and there won't be any distractions in their work. In addition, 67.3% of respondents are male, so they are financially committed and it is compulsory for them to earn for them and for survival of their family, child education and to meet other expenditure.

Usually country like India, compared to female, male employee's proportion is more and their expectation is to earn adequate salary to fulfill their financial expectations and to lead normal adequate life. The privately working salaried, specifically male employees expecting to get reasonable salary to meet out price inflation with the product, petrol, diesel, vegetable and to spend money for purchasing groceries from provisional stores and to pay for house rent, mobile phone recharge, broad band subscriptions, monthly premium, medical expenses for their dependent and self and so on. Therefore, it is important to concentrate on these aspects by employer or organizations to satisfy their employees to the maximum possible extent to make them stay in organization for long period to ensure organizational solidarity, survival, stability and to achieve its periodical targets.

Figure 1 : Confirmatory Factor Analysis (CFA) to determine the relationship between Dependent Variables and Independent Variables



Source: Primary data & Computed

The author of this research article has done factor analysis to find the relationship between the constructs and the relationship between dependent factors (Prevailing Conditions in the organization, Satisfaction, and dissatisfaction level of employees, factors causing job security, employee self-assessment to make their decision) and independent factor (which indicates Stay back or quit decisions).

In the process of CFA, the researcher used the factor reduction method to reduce identified dependent variables to use the same for CFA. The author used the factor reduction method and out of 51 number of identified dependent variables was reduced to 22 variables. Only the reduced 21 dependent variables under 4 constructs were taken into consideration of CFA to obtain model fit. The final output of the model fit of confirmatory factor analysis is provided to ensure the relationship between the above-said factors. The model fit of CFA confirms that there is a significant relationship between the dependent factor and the independent factor. It means there is a significant relationship between the existing organization's conditions and employees stay back and quit decisions. CFA model fit also indicates that there is a relationship between satisfaction, dissatisfaction level, and stay back and quit decisions of employees. It is also confirmed that there is a significant relationship between self-assessment from an employee end and employee stay-back and quit decisions.

In connection with CFA, the following tables were provided as documentary evidence to conclude the facts.

Table 2: The goodness of Fit test for Confirmatory Factor Analysis

Measure	Estimate	Threshold	Interpretation
CMIN/DF	1.184	Between 1 and 3	Excellent
CFI	0.976	>0.95	Excellent
SRMR	0.100	<0.08	Excellent
RMSEA	0.040	<0.06	Excellent
PClose	0.000	>0.05	Excellent

Source Primary Data & Computed

CFI – Comparative Fit Index, RMSEA- Root Mean Square Error of Approximation, SRMR – Standard Root Mean Residual

Finally, it is clear that the model fitness has significant viz CMIN = 229.622, CMIN/DF = 1.184, RMSEA = .000, PClose = .000, SRMR = 0.000. Root Mean Square Error of Approximation: 0.06 or less is often considered acceptable that shows a close fitness level and good model fitness. From the Table, it reveals that the Chi-square/degrees of freedom (χ^2 /df) is 1.076 whereas the Suggested Value is ≤ 5.00 (Hair et al., 1998). SRMR is 0.100 where the suggested value is 0 to 1, and RMSEA is $0.000 < 0.08$ (Hair et al., 2006). Based on the structural model, it is possible to conclude that statistically there is a significant relationship between dependents factors and independent factors, which means that there is a relationship between the organization's present conditions, factors causing satisfaction, dissatisfaction, job security, self-assessment by the employee has a significant influence on the Employees stay back or quit decisions.

Table1 3: Results of Regression Weights for the Final Measurement Model Hypotheses Testing

Variables	Path	Construct	Estimate	S.E.	C.R.	P	Hypotheses Testing
LOA2	<---	LOA	-5.455	2.387	-2.285	***	Accept
LOA3	<---	LOA	-7.706	3.323	-2.319	***	Accept
LOA6	<---	LOA	-7.751	3.36	-2.307	***	Accept
LOA10	<---	LOA	-4.778	2.172	-2.2	***	Accept
LOA11	<---	LOA	-4.646	2.121	-2.191	***	Accept
LOA13	<---	LOA	-6.604	2.909	-2.27	***	Accept
JS4	<---	JS	1.041	0.124	8.365	***	Accept

Variables	Path	Construct	Estimate	S.E.	C.R.	P	Hypotheses Testing
JS5	<---	JS	0.859	0.132	6.505	***	
JS6	<---	JS	1.078	0.126	8.567	***	Accept
BE4	<---	BE	0.733	0.083	8.862	***	Accept
BE6	<---	BE	1.005	0.06	16.63	***	Accept
BE7	<---	BE	0.988	0.064	15.329	***	Accept
SEA2	<---	SEA	1.188	0.225	5.272	***	Accept
SEA3	<---	SEA	1.812	0.403	4.5	***	Accept
SEA5	<---	SEA	1.766	0.386	4.574	***	Accept
SEA8	<---	SEA	1.257	0.275	4.568	***	Accept
SEA10	<---	SEA	1.319	0.308	4.281	***	Accept
SEA12	<---	SEA	1.698	0.372	4.57	***	Accept

Source: Primary data / F – Frequency

LOA – Employee Level of Agreement with Prevailing Conditions of an organization; JS- Job Security; BE – Benefits Provided; SEA – Self Assessment of an Employee

The above table includes the details of independent and dependent variables and the hypothesis was tested the results were shown that there is a significant relationship between the independent and dependent variables. The calculated p-value is less than 0.05 (@5% level of significance). Hence the null hypothesis was accepted which indicates there is a significant relationship between financial, and non-financial motivation and the level of satisfaction of employees, there is a significant relationship between the level of satisfaction, dissatisfaction with employee turnover and there is a significant relationship between employee turnover and increase and decrease of organizational development. In connection with the results of hypotheses testing the following model is framed by the researcher which explains the above statement in a flow chart model. The following model explains the strong connectivity between the identified variable and the same was proved with the observed results of the chi-square test.

1.10 Findings

1. There is a Significant Relationship between working conditions and Employer stay back and quit decision.
2. There is strong relationship between Employee satisfaction and dissatisfaction with their stay back and quit decision.
3. In addition, there is a significant relationship between benefits periodical to employees and their stay back and quit decisions.

All the above hypothesis are checked with appropriate statistical tools and results were found and provided to reader understanding.

Out of the findings, we concluded that the working atmosphere is necessary and it stand be improved at the right time to enhance, the standard and quality of work place to retain their work force and to restrict their stay back and quit decision.

It was concluded by the atmospheres that an atmosphere in the workplace in connection with infrastructure, Interaction among workforce, higher officials, fellow workers, Harmony at workplace, will enhance the standards which leads to retain employees in the organization in longer period and will increase their potentials and contribution.

Employee satisfaction level can also be maintained to an appropriate level by way of maintaining employees in a way that effective wage and salary administration system, recognizing the work of workforce at difference levels, permit them to initiate and contribute required level for institutional growth, other benefits during office hours and so in leads to retain them with an organization for a longer period.

1.11 Suggestions

- Understanding between workforce and management should be improved to larger extent.
- At least once or twice in a month the counselling sessions to employees must executed to increase understanding level among employees.
- Representation from employees should be analyzed and to be given importance to solve their grievances which ultimately leads to reduce the issues between them and top management.
- Recognition and reward system have to be followed strictly without any bias to avoid losing employees / potential and competent employees.
- Work cultural and environment improvement in a sense get to gather, interactive session, outing. Exit interiors, grievances red form has to be incorporated with the existing system.
- Fellow employee should be respected by other fellow employees and management. Effective work by an employer should be appreciated and recognized and the same should be recorded for theme reference.
- 360⁰ effects of employee appreciated should be conducted and as per the performance, commitment, and loyalty the promotion schemes should be excused.
- Certain improve work / promotion on measure can be implemented to ensure Job Security, Social Society among employees.
- Relationship between Top management and employees should be maintained, retained and regular follow up action needed to improve the existing system.
- Favoritism and nepotism should be avoided to ensure equity among employees and to improve the standard of existing operational relationship.
- Measures to increase work life standard in workplace by ensuring working condition, Job Security, Safety also entered.
- In addition to all the above, a sense of protection, maintaining a strong relationship, Productive work atmospheric, the success may be assumed to change the mind set of employees of an organization.

1.12 Conclusion

As per the observation of the present study, it was concluded that interactions, Periodical Counselling, Employees Participation in decision-making in the organization, bearing the grievance of employees, and taking measures/ steps to solve it as soon as. Possible or them and there, motivation among employees specifically benefits and monetary like training at all levels. Peace dialogues between employers and employees may increase the satisfaction level of employees and the morale of employees' minds to support the organization, management, and the police ultimately leading to retaining them with the same organization for a long period. Otherwise, there will be dissatisfaction among employees may cause the failure of the system.

When the management tries to become close with employees up to reasonable extent the system will be in grouped, employees get motivated, those factors lead to getting. In addition, organizational and societal success.

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