

**Analysing the Mediating Effects of Job Satisfaction and Dissatisfaction on
Employee Voluntary Turnover Intention**
*(Menganalisis Kesan Mediasi Kepuasan Kerja dan Ketidakpuasan Kerja Terhadap Niat
Lantik Henti Pekerja Secara Sukarela)*

Taslima Jannat
(Universiti Teknologi PETRONAS)
Nor Asiah Omar
(Faculty of Economics and Management, Universiti Kebangsaan Malaysia)
Muhamad Azrin Nazri
(Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia)

ABSTRACT

This study examines the relationship between performance-based rewards (PR) and training and development (T&D) in terms of employee voluntary turnover intention (TI). It also examines if job satisfaction (JS) and job dissatisfaction (JDS) mediate the relationship between these variables. The data were collected via purposive sampling and were analyzed using the structural equation modelling partial least squares (SEM-PLS method). A total of 409 respondents from private organizations participated in this study. The results reveal that PR and T&D have a significant relationship with TI. This study found that JS mediates the relationship between PR, T&D, and TI while JDS mediates only the relationship between T&D and TI. These findings provide more in-depth insights that can help employers address the turnover intention at workplaces.

Keywords: Performance-based reward, training & development, job satisfaction, job dissatisfaction, voluntary turnover intention

ABSTRAK

Kajian ini bertujuan untuk mengkaji hubungan antara ganjaran berdasarkan prestasi (PR), dan latihan dan pembangunan (T&D) terhadap niat lantik henti pekerja secara sukarela (TI). Ia juga mengkaji apakah kepuasan kerja (JS), dan ketidakpuasan kerja (JDS) mempunyai kesan pengantara antara pemboleh ubah di dalam kajian ini. Data dikumpulkan melalui pensampelan bertujuan dan dianalisis menggunakan pemodelan persamaan struktur separa kuasa dua (SEM-PLS). Sebanyak 409 responden dari organisasi swasta mengambil bahagian dalam kajian ini. Hasilnya menunjukkan bahawa PR dan T&D mempunyai kaitan dengan TI. Kajian ini juga mendapati bahawa JS memediasi hubungan antara PR, T&D, dan TI; sementara JDS hanya memediasi hubungan antara T&D dan TI. Penemuan ini memberikan pandangan yang lebih mendalam untuk menangani niat lantik henti pekerja secara sukarela di tempat kerja.

Kata kunci: Ganjaran berasaskan prestasi; latihan & pembangunan; kepuasan kerja; ketidakpuasan kerja; niat lantik henti pekerja secara sukarela

INTRODUCTION

Employees are the most valuable resources in any organization. The innate qualities and expertise of employees make an organization unique. When there is employee turnover, organizations confront considerable huge direct costs such as financial costs, finding and replacing the workers who left, recruiting new workers, and hiring and training new employees (Kammeyer-Mueller & Wanberg 2003). Employee turnover also causes a rise in indirect costs such as organizational memory loss, the absence of seasoned mentors for newer organization members, and so on (Griffeth & Hom 2002). According to one report, every year U.S. businesses loss approximately \$11 billion due to voluntary and involuntary employee turnover (Abbasi & Hollman 2000). Another study has shown that the average cost for each employee who leaves is 150% of an employee's annual compensation package (Pitts, Marvel & Fernandez 2011). Therefore, employee turnover and retention have always been at the center of HR discussions.

The extant studies on employee turnover have argued that human resource practices such as performance appraisal, recognition, compensation, training and development, and promotion opportunities are important antecedents that influence voluntary employee turnover and their retention intention (Al-Emadi, Schwabenland & Wei 2015; Long, Ajagbe & Kowang 2014). Among these antecedents, performance-based rewards (De Gieter & Hofmans 2015; Sethunga & Perera 2018) and training and development (Al-sharafi, Hassan & Alam 2018;

Verhees 2012) are the two most common and vital HR practices that organizations implement to address the issues related to employee turnover. However, several researchers have found contradictory results (Dardar, Jusoh & Rasli 2012; Verhees 2012) regarding the unique effect of performance-based rewards, and training and development on employee turnover intention (Palan 2007).

For example, some studies have found that performance-based rewards can increase employee levels of satisfaction (Abd Razak & Ismail 2018) and loyalty (Lee & Jimenez 2011) while decreasing their voluntary turnover intention (De Gieter & Hofmans 2015; Sethunga & Perera 2018), though others have shown that “a strong emphasis on individual performance and rewards has potential drawbacks such as decreases in intrinsic motivation, cooperation, satisfaction, and equity” (Tremblay & Chênevert 2008). Moreover, a group of scholars has documented that training and development can decrease the amount of employee turnover intention (Al-sharafi et al. 2018) by influencing their reciprocal behavior (Verhees 2012), while other researchers have revealed that training and development can increase the amount of employee turnover intention by influencing their opportunistic behavior (Henryhand 2009). Nevertheless, Dardar et al. (2012) has found that there is no significant relationship between training and development and the amount of employee turnover intention.

These contradictory findings help shed light on the previous scholars’ arguments that employees may be satisfied in one area of work and dissatisfied in others. Thus, the implementation of a variety of HR practices is essential so that HRM practices can counter the pitfalls of different approaches and, consequently, address the organizational problems (Taylor, Doherty & McGraw 2015). For this reason, several researchers have argued that the implementation of a single HRM practice can lead to adverse outcomes in an organization. As such, the combination of several appropriate and complementary HRM practices is required to ensure their successful implementation (Taylor et al. 2015; Tremblay & Chênevert 2008). Nevertheless, the empirical research on the simultaneous effect of using multiple HR practices to influence employee turnover intention is still nascent.

Furthermore, Lee and Mitchell’s (1994) general theory of voluntary employee turnover argued that at a given point in time, when there is a “shock to the system”, external and internal motivational forces may lead employees to re-evaluate their status at a job. Consequently, this might influence their decision to retain their position or leave it (Jiang, Baker & Frazier 2009). Indeed, both internal factors and external factors are crucial in influencing employees’ retention behavior (Chen 2014). For example, while internal factors such as the level of job satisfaction (Ababneh 2016) and job dissatisfaction (Dugguh & Dennis 2014) may significantly influence the employee turnover intention, the lack of an ability to handle external factors such as employee rewards and recognition can also considerably impact employees’ voluntary turnover intention (Sethunga & Perera 2018). Therefore, it is crucial to implement HR practices in light of these internal factors to dissuade employees from leaving their jobs (Chen 2014).

In addition, Verhees (2012) suggested that examining the mediating effect of job satisfaction between training and development and employee turnover intention is crucial for understanding the phenomenon. Besides, Nwobia and Aljohani (2017) argued that to understand the relationship between job dissatisfaction and employee turnover intention more research is required in this area. Although a few studies have examined the direct relationship between performance-based rewards, training and development, and employee turnover intention in a single study (Davies, Taylor & Savery 2001), these studies did not consider the role of the internal factors that influence employee retention behavior (Johari et al. 2019; Chen 2014). More specifically, there has only been a limited amount of research that has examined in a single study the mediating role of job satisfaction and job dissatisfaction between HR practices and employee turnover intention. Moreover, Kesen (2016) has argued that the quantity of empirical research on employee turnover has not been enough. As a result, experts in human resource departments and organizational behavior are still struggling to address the issues successfully (Kesen 2016).

Therefore, to address this existing gap in the research, this study examines the simultaneous effect of performance-based rewards, and training and development on employees’ voluntary turnover intention. It also looks at how different internal factors, such as job satisfaction and job dissatisfaction mediate the relationship between these variables in the context of a developing country. As noted above, scholars have pointed out that empirical research on employee turnover in the context of a developing country has been relatively limited (Ababneh 2016). We expect that by determining the relationship between the studied variables in the context of a developing country, this study will provide a deeper understanding of the way HR practices influence employee turnover intention as well as how to better retain qualified employees.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

JOB SATISFACTION VS. JOB DISSATISFACTION

Job satisfaction and job dissatisfaction are two important internal factors that significantly impact employee behavior. Job satisfaction refers to the positive feelings that an employee possess toward his or her job (Sailaja & Naik 2016). “It is a combination of cognitive and affective reactions to the differential perceptions of what an

employee wants to receive compared to what he or she receives” (Cranny Smith & Stone 1992). On the other hand, job dissatisfaction is an unpleasant or a negative emotion that results from different personal and work environment factors such as discontent with one’s pay, working hours, job insecurity, and having problematic relationships with colleagues (D’angelo et al. 2016).

According to Herzberg’s motivation-hygiene theory, job satisfaction and job dissatisfaction are not two opposite ends of the same spectrum but are two separate and unrelated concepts (Herzberg, Mausner & Snyderman 1959). The opposite of job satisfaction is not job dissatisfaction but instead is having “no satisfaction” (Herzberg et al. 1959). The theory argues that employees’ level of job satisfaction is the result of intrinsic motivational factors such as their sense of achievement, recognition, work itself, responsibility, advancement, and growth with their personal advancement being an emphasis (Herzberg 1966). On the other hand, job dissatisfaction is the result of unacceptable and unpleasant extrinsic hygiene factors such as company policies, supervision, the relationship with the boss, work conditions, salary, and the relationship with peers, the avoidance of which can reduce employees’ dissatisfaction (Herzberg 1966).

Although some researchers have questioned the applicability of Herzberg’s motivation-hygiene theory due to a lack of empirical support, many scholars have nevertheless found partial or full support for the theory in different contexts. For example, Alshmemri, Shahwan-Akl, and Maude (2017) have discussed the existing literature that has used Herzberg’s motivation-hygiene theory to examine nurses’ job satisfaction and dissatisfaction in different national contexts. The researchers showed that, while some studies have found full support for the theory, others have found that job satisfaction and job dissatisfaction may be influenced by both factors, motivational and hygienic, depending on the unique work context (Alshmemri et al. 2017). Ulriksen (1996) studied the context of teaching and revealed that both job satisfaction and job dissatisfaction might share some of the same antecedents of motivational and hygienic factors. However, intrinsic factors (e.g. recognition, achievement, and work itself) contributes the most to how an employee rates his or her satisfaction, and extrinsic factors (e.g. policies, administration, and interpersonal relations-subordinates) contribute to how an employee rates his or her satisfaction job dissatisfaction (Ulriksen 1996).

Furthermore, Slišković & Penezić (2015) studied Croatian seafarers’ and have provided partial support for Herzberg’s motivation-hygiene theory. They revealed that, given the nature and dynamism of specific jobs, working in a competitive international market can influence employee job satisfaction while the working conditions themselves have an impact on both job satisfaction and dissatisfaction. All of these findings indicate that the influence of motivational and hygienic factors on employee job satisfaction and dissatisfaction might overlap in different contexts, but there is little doubt that job satisfaction and dissatisfaction are two distinct concepts. Therefore, researchers have suggested that intrinsic and extrinsic motivators from Herzberg’s motivation-hygiene theory should be combined because the effect of these factors on employee job satisfaction or dissatisfaction may vary in different contexts (Yusoff et al. 2013).

PERFORMANCE-BASED REWARDS, TRAINING & DEVELOPMENT, AND EMPLOYEE TURNOVER INTENTION

Employee turnover intention is a complex topic that provides a significant challenge for human resource departments around the world (Al-sharafi et al. 2018). Employee turnover refers to the conscious and deliberate willingness of employees to depart from an organization despite there being an opportunity for them to stay (Regts & Molleman 2013). Turnover adversely affects the organization by increasing workplace instability, decreasing productivity, and increasing the cost of human resources (Arianto 2018). In addition, a high level of employee turnover can ruin employee morale, corporate image, and workplace performance (Alias et al. 2018). According to Mahto et al. (2020), employees most often leave their current workplace when they receive a better offer than the existing one. Therefore, better and more effective HR practices are required to reduce employee turnover intention (Long et al. 2014) and retain talented employees in organizations.

Performance-based rewards (Arianto 2018; Sethunga & Perera 2018) and training and development (Kesen 2016) are two important HR practices that organizations frequently use to address the problem of employee turnover intention. Performance-based rewards are benefits or kinds of recognition that employees receive for delivering a certain level of performance necessary for the achievement of an organization’s goals (Lee & Jimenez 2011). It can be either monetary or non-monetary (Nadarajah et al. 2012; Sethunga & Perera 2018). Several researchers have noticed that performance-based rewards can lead to positive organizational behaviour and a more significant amount of employee loyalty (Lee & Jimenez 2011). This, consequently, reduces the amount of voluntary turnover intention (Sethunga & Perera 2018). Besides, monetary reward also plays a crucial role in reducing voluntary turnover intention (Mustafa & Ali 2019). Based on the above research findings, the following hypothesis is developed:

H₁ There is a negative relationship between performance-based rewards and employee turnover intention.

Training and development is another critical HR practice that assists an employee in acquiring the required knowledge and skills to adhere to a firm's competitive standard (Tsai & Tai 2003). It is "the planned intervention that is designed to enhance the determinants of individual job performance" (Hassan et al. 2013). Previous research has found that training and development can increase employee knowledge, skills, and abilities. Consequently, training and development help the organization maintain its standards and achieve organizational goals (Kesen 2016). Training and development also increases employees' sense of advancement by increasing their career development opportunity, consequently, reduce their intention to leave the company (Rahman & Nas 2013). Stamolampros et al. (2019) found that lack of career advancement opportunity is an important factor behind turnover intention of employees. Several researchers have argued that when firms arrange a specific kind of training for employees, the employees in return may provide a more significant amount of effort and commitment to the firms, which, as a result, reduces the turnover intention (Kampkötter & Marggraf 2015; Stamolampros et al. 2019). Based on the above research findings, we have the following hypothesis:

H₂ There is a negative relationship between training and development and employee turnover intention.

THE MEDIATING ROLE OF JOB SATISFACTION BETWEEN THE VARIABLES

Job satisfaction is an important antecedent of employee turnover intention (Dardar et al. 2012). Extant studies have shown that perception of fairness, growth opportunities, and rewards are important criteria for job satisfaction and negative turnover intention (Lobburi 2012). It has also been shown that meeting expectations (Ababneh 2016), cash rewards (such as salary), psychological rewards (such as perceived recognition) (De Gieter & Hofmans 2015), and performance-based rewards are positively related with employee job satisfaction and commitment (Azman & Razak 2017). Moreover, the opportunity of career development can significantly influence job satisfaction which further reduces the voluntary employee turnover intention (Chin 2018; Reukauf 2018). Abd Aziz et al. (2012) examines the relationship between visitors' emotions and quality, satisfaction and behavioural intention and finds that satisfaction serves as a mediation in this relationship.

Researchers have argued that employees join an organization expecting that their contributions and work performance will be reasonably recognized by the company and that they will be rewarded accordingly (Dugguh & Dennis 2014). Based on the expectancy approach, this study argues that when organizations implement a performance-based reward system, which can be in either monetary or non-monetary form, this could influence the skilled employees' perceptions of satisfaction positively by increasing their perceived level of recognition. However, performance-based rewards can also make unskilled employees dissatisfied, by increasing their perceptions of injustice. In such circumstances, the implementation of training and development programs as a complement to performance rewards could influence employee job satisfaction by increasing the amount of career development opportunities. Since rewards (Dugguh & Dennis 2014; Lobburi 2012) and training and development (Nadarajah et al. 2012) can increase employee job satisfaction, and job satisfaction reduces turnover intention (Reukauf 2018), it may mediate the relationship between these variables. Based on the above arguments and previous research findings, the following two hypotheses have been developed:

H₃ Job satisfaction mediates the relationship between performance-based rewards and employee turnover intention.

H₄ Job satisfaction mediates the relationship between training and development and employee turnover intention.

THE MEDIATING ROLE OF JOB DISSATISFACTION BETWEEN THE VARIABLES

Job dissatisfaction results from an employee's feeling of being underappreciated or lack of a sense of achievement (D'angelo et al. 2016). Employees tend to leave an organization either physically or mentally if they are unhappy or dissatisfied (Aguiar do Monte 2012; Dugguh & Dennis 2014). This is because the perception of inequality can significantly influence employee levels of satisfaction and dissatisfaction (Seo & Um 2019) and turnover intention (Tremblay & Chênevert 2008). However, extant research revealed that dissatisfaction that are a result of 'pay' do not have any significant relationship with employee's turnover intention, while lack of career development opportunity significantly influences employee turnover intention (Stamolampros et al. 2019). There are also evidence that the absence of performance appraisal can adversely affect an employee's motivation; consequently, lead their turnover intention (Abdullah et al. 2011).

Based on the equity theory (Adams 1965), this study argues that since motivation and demotivation depend on employee perceptions of fair and unfair treatment by other individuals, employers should provide a balance of rewards and recognition for skilled and unskilled employees. This study posits that when an organization only puts in place a performance-based reward system, employees who don't receive any rewards may take that as a sign of unfair treatment. They may perceive their effort has not been appropriately recognized by their

organizations. In these circumstances, the lack of future opportunities to improve may make employees feel frustrated and dissatisfied and, consequently, augment their voluntary turnover intention. However, if organizations implement programs for training and development along with performance rewards, they might reduce employee feelings of being deprived or that things are unfair. In this case, employees might take training as a career development opportunity, which could reduce their level of job dissatisfaction and, consequently, augment their intention to stay in the organization. Based on the above arguments, the following two hypotheses are proposed:

- H₅ Job dissatisfaction mediates the relationship between performance-based rewards and employee turnover intention.
- H₆ Job dissatisfaction mediates the relationship between training and development and employee turnover intention.

Figure 1 presents the proposed conceptual framework for this research.

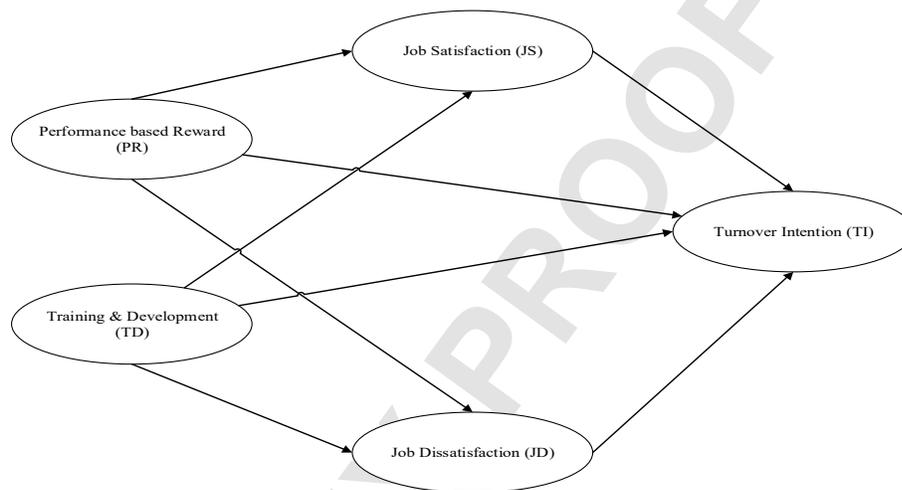


FIGURE 1. The conceptual framework

RESEARCH METHODOLOGY

SAMPLING DESIGN AND PROCEDURES

This study collected data from the employees of several private organizations in Dhaka and Chittagong in Bangladesh. Dhaka (the capital) and Chittagong (the commercial capital) were considered for this study because they are the two major cities in Bangladesh, where people come to work from different provinces within the country. A purposive sampling method is used in this study to collect the data. We applied an on-line-based data survey method so that the employees felt free to answer sensitive questions and so that they could answer the survey at a convenient time of their choosing. A total of 62 volunteer employees from 50 private organizations were asked to participate in this study and assist in the collection of the data. Volunteers sent the questionnaire's URL to 630 prospective respondents and requested that they fill out the questionnaires. They were also explicitly told that their answers to the survey would remain completely anonymous.

From the 630 samples, our study managed to collect 409 usable questionnaires. This response rate is 64.92% of the total sample. This response rate is sufficient in the context of Bangladesh as noted by organizational behavior researchers (Talukder & Vickers 2014). This study uses a cross-sectional data collection method, and the unit of analysis is the individual employee.

MEASURES

All the constructs for this study were operationalized as a reflective construct. A five-point Likert scale ranging from 1, "strongly disagree," to 5, "strongly agree," was used for in this research (refer to Appendix A for the questionnaire items). A total of four items were adapted from Giffen (2015) to measure the construct for "employee turnover intention". The construct "performance-based-rewards" was measured by adapting four items from Milkovich, Newman, and Gerhart (2010), while training and development were measured by adapting five

items from Tharenou (2001). To measure the constructs for “job satisfaction” (four items) and “job dissatisfaction” (five items), we adapted the items from Jiang et al. (2009). Partial-least-squares structural equation modeling (PLS-SEM) was used to analyze the measurement and structural models of the current study. PLS-SEM was used because it is more robust than CB-SEM, and it is more appropriate when the objective of a study is to make predictions (Hair Jr et al. 2016).

DATA ANALYSIS AND RESULTS

For our study, 74.3% of the respondents are male. The primary age group is between 25 and 34 years old, which is 40.6% of the total respondents. In terms of their job positions, most of the employees who participated in this study work in a manager or supervisory position, which represents 69.7% of the respondents. Moreover, the majority of the respondents, 50.10% have a minimum of five years of work experience.

COMMON METHOD BIAS

This study took both procedural and statistical remedies to address the problem of common method bias, as suggested by Podsakoff, MacKenzie, and Podsakoff (2012). For example, as a procedural remedy, we applied a self-administered online-based questionnaire to protect the anonymity of the respondents. The perceived anonymity of the questionnaire should address non-response bias issues that may arise due to sharing sensitive information on turnover. Second, we adapted items of the measurement scale from previous studies and avoided vague terms or concepts to overcome any item ambiguity. In addition, unfamiliar terms were defined at the beginning of each section of the questionnaire so that the participants found the questions specific, concise, and straightforward.

As a statistical remedy, the current study used Harman’s single factor analysis. According to Harman’s statistical method for single-factor analysis common method bias exists only if a single-factor emerges from the factor analysis, or only one generable factor is present in the majority of co-variances in the independent and criteria variables (Tehseen, Ramayah & Sajilan 2017). In this research, five factors emerged from Harman’s one-factor analysis, and most of the co-variance is explained by this single factor is 32.72% which is less than the threshold value of 40.7% recommended by Podsakoff et al. (2003). Therefore, the findings indicate that common method bias is not a problem in this research.

MEASUREMENT MODEL ASSESSMENT

This study analyzed the validity and reliability of the constructs by using internal consistency reliability, convergent validity, and discriminant validity. The results in Table 1 reveal that the item loading of the indicators from this study range from 0.761 to 0.885, which is above the threshold value of 0.708 (Hair et al. 2016). However, the outer loading of these three items is below the threshold value of 0.708 (TI4- 0.700; JDS5-0.378 and TD5-0.259). Since an outer loading of more than 0.40 can contribute to content validity (Hair Jr et al. 2016), we decided to retain item TI4 and removed another two items from the research model. This study also assessed the average variance extracted (AVE) of all the constructs and found that the AVE of the constructs ranged from 0.625 to 0.741, which is above the threshold value of 0.5. This finding further ensures the convergent validity of the scale.

TABLE 1. Results of the measurement model

Latent Variables	Item Loading	Cronbach's Alpha	Composite Reliability	AVE
Job Dissatisfaction		0.803	0.871	0.628
JDS1	0.789			
JDS2	0.761			
JDS3	0.770			
JDS4	0.846			
Job Satisfaction		0.810	0.876	0.638
JS1	0.767			
JS2	0.841			
JS3	0.800			
JS4	0.785			
Performance Reward		0.884	0.920	0.741
PR1	0.843			
PR2	0.885			
PR3	0.851			
PR4	0.864			
Training & Development		0.871	0.911	0.720

TD1	0.851			
TD2	0.868			
TD3	0.830			
TD4	0.845			
Turnover Intension		0.799	0.869	0.625
TI1	0.816			
TI2	0.828			
TI3	0.700			
TI4	0.813			

The current study also used the Cronbach alpha and composite reliability values to assess the internal consistency of the measurement scales. Hair Jr et al. (2016) argued that the true reliability of a variable exists between the Cronbach alpha and composite reliability value. The results in Table 1 indicate that the Cronbach alpha value of the constructs range from 0.799 to 0.884, and the composite reliability value for all constructs range from 0.869 to 0.920. The findings thus meet the required threshold value of 0.70 for the internal consistency reliability of the measures.

Furthermore, the discriminant validity of the constructs was assessed by using the heterotrait-monotrait ratio (HTMT) approach as well as the Fornell-Larcker's criterion. The Fornell-Larcker criterion analysis in Table 2 reveals that each construct's square root of the AVE exceeds the construct's highest correlation with any other construct in the model. Thus, this supports Fornell-Larcker's criterion for discriminant validity. Likewise, the results of the heterotrait-monotrait ratio (HTMT) calculations presented in Table 3 show that the HTMT values for all constructs are less than the conservative threshold value of 0.85, which further ensures the discriminant validity of the constructs. Overall, the findings indicate that the reliability and validity of the test results of this study are satisfactory.

TABLE 2. The Discriminant validity assessment by Fornell-Larcker correlation Matrix

	JDS	JS	PR	T&D	TI
JDS	0.792				
JS	-0.124	0.799			
PR	-0.157	0.631	0.861		
T&D	-0.283	0.581	0.520	0.849	
TI	0.313	-0.638	-0.608	-0.531	0.791

TABLE 3. Discriminant validity assessment by Heterotrait-Monotrait (HTMT) Approach

	JDS	JS	PR	T&D	TI
JDS					
JS	0.169				
PR	0.181	0.743			
T&D	0.335	0.689	0.592		
TI	0.383	0.791	0.718	0.631	

HYPOTHESIS TESTING RESULTS AND DISCUSSION

The structural model of the current research was evaluated using the coefficient of determination (R^2), path coefficients, and effect size (f^2). We used a 5,000 bootstrap sample from 409 cases to analyze the significance of the findings. A 5% level of significance was used to examine the relationship between the variables. The t -values (1.65) and p -values (0.05) were assessed to test the significance of the hypothesized relationships. The results show that the R^2 values for the endogenous variables of "job satisfaction," "job dissatisfaction," and "employee turnover intention" are 0.485, 0.180, and 0.529, respectively.

This research examines the simultaneous effect of performance-based rewards, and training and development on employee turnover, and it looks at whether there is any mediating effect of job satisfaction and job dissatisfaction between the variables. A total of six hypotheses were developed to examine the research model for this study. Among these, two hypotheses determined a direct relationship, and another four hypotheses measured the mediating effect. The direct relationship analysis results (Table 4) reveal that both performance-based rewards ($\beta = -0.260, t = 5.596$) and training and development ($\beta = -0.152, t = 3.212$) have a negative influence on employee turnover intention. Thus, the findings support hypotheses H1 and H2. These findings are supported by previous studies, which argued that performance-based rewards (Arianto 2018; Sethunga & Perera 2018) and training and

development (Chen 2014; Kesen 2016) reduces employee turnover intention. The results further reveal that the effect size of performance-based rewards on employee turnover intention is greater than the effect size of training and development.

TABLE 4. Structural model analysis results

Relationships	Correlation	SDT	T Statistics	P Values	f ²	Hypotheses Supporting
H1: PR -> TI	-0.260	0.046	5.596	0.000	0.099	Supported
H2: T&D -> TI	-0.152	0.047	3.212	0.001	0.016	Supported

This study also found that job satisfaction mediates the relationship between performance-based rewards ($\beta = -0.165, t = 5.764$), training and development ($\beta = -0.127, t = 4.943$), and employee turnover intention. The results show that both performance-based rewards ($\beta = 0.450, t = 10.397$), and training and development ($\beta = 0.347, t = 7.600$) have a significant influence on job satisfaction, and job satisfaction ($\beta = -0.324, t = 6.285$) influences turnover intention negatively. Therefore, the findings support hypotheses H3 and H4. The results indicate that there is a complementary mediation (partial mediation) effect between the variables since both indirect and direct effects are significant and point in the same direction (Hair Jr et al. 2016). It shows that the implementation of performance-based reward and training and development by increasing an employee's perceived job satisfaction can reduce the turnover intention at workplaces successfully.

The findings support previous studies that suggested that job satisfaction is a mediator between training and turnover intention (Verhees 2012). The revealed positive relationship between performance-based rewards, training and development, and job satisfaction also support earlier studies that offered HRM practices as antecedent of job satisfaction (Abdul et al. 2018). The study also empirically supports earlier research that predicted that perceptions of fairness and rewards influence individual levels of job satisfaction, which reduces turnover intention (Lobburi 2012).

TABLE 5. Mediation analysis result

Relationships	Correlation	SDT	T Statistics	P Values	Hypotheses Supporting
H3: PR -> JS -> TI	-0.165	0.029	5.764	0.000	Supported
H4: T&D -> JS -> TI	-0.127	0.026	4.943	0.000	Supported
H5: PR -> JDS -> TI	-0.002	0.013	0.198	0.843	Not Supported
H6: T&D -> JDS -> TI	-0.053	0.015	3.509	0.000	Supported

In addition, this study also shows that job dissatisfaction is a mediator between training and development ($\beta = -0.053, t = 3.509$) and turnover intention. Consequently, this supports hypothesis H6. The finding indicates that when organizations introduce more opportunities for training, this lowers employees' levels of frustration by increasing the amount of their career development opportunities and the probability that they will receive future recognition. However, the current study did not find the mediating effect of job dissatisfaction between performance-based-rewards and turnover intention ($\beta = -0.002, t = 0.198$). Hence, H5 is not supported. This finding is in line with earlier research findings that dissatisfaction associated with pay cannot influence employee turnover intention (Stamolampros et al. 2019). As noted by earlier scholars, although both monetary and non-monetary rewards have a significant influence on employee perceptions of satisfaction and turnover intention (Sethunga & Perera 2018), the latter are also greatly influenced by employee characteristics (Arianto 2018). Furthermore, the findings also indicate support for the Herzberg motivation-hygiene theory (1959), which argues that job dissatisfaction is influenced by extrinsic hygiene factors such as company policy, supervision, work conditions, salary, and others.

IMPLICATIONS AND LIMITATIONS

THEORETICAL IMPLICATIONS

The findings have several implications. First, this study examined the simultaneous effects of performance-based rewards and training and development on employee' voluntary turnover intention. Taylor et al. (2015) have argued that HRM practices should be implemented together to counter the pitfalls that come with each one separately. Furthermore, Tremblay and Chênevert (2008) have argued that when compensation practices are implemented in isolation, this may lead to adverse outcomes, Thus appropriate and complementary practices should be introduced along with better compensation practices to reduce turnover intention. This study addresses the gap in the previous

research concerning the simultaneous effects of different HR practices on employee turnover by determining the simultaneous effects of performance-based -rewards, and training and development on employee voluntary turnover intention. Our study shows that an integrated HRM practice is better than isolated HRM practices in addressing voluntary employee turnover, and this can be generalized for other HRM research.

Second, the current study finds that performance-based rewards have both direct and indirect effects on employee turnover intention. It found that rewards whether monetary or non-monetary, reduce employee' turnover intention directly and by increasing their sense of job satisfaction. While previous researchers argued that performance-based rewards might increase turnover intention by increasing perception of inequality (Tremblay & Chênevert. 2008), this study confirms that there is no relationship between performance-based rewards and employee' perception job dissatisfaction. Therefore, by revealing the negative relationship between performance-based rewards and employee turnover intention, and by examining the mediating effects of job satisfaction and job dissatisfaction between these variables, this study puts an end to the controversy over the positive vs. negative effects of performance-based rewards on employee voluntary turnover intention in private companies while extending the performance-based rewards literature.

Third, the current study finds that training and development play a significant role in reducing employee voluntary turnover intention. It shows that training and development can reduce employee' voluntary turnover intention directly, as well as by increasing their sense of job satisfaction and reducing their sense of job dissatisfaction. The study further reveals that the implementation of training and development not only has an impact on employee perception of job satisfaction but also reduces their sense of dissatisfaction that can arise from other external factors. Consequently, training and development reduce their intention to leave an organization. Previous researchers have argued that more research is needed to understand the mediating role of job satisfaction between training and development and employee voluntary turnover intention (Verhees 2012). Therefore, by determining the relationship between these variables, this study provides a deeper understanding of the role of training and development and answers the call of earlier research.

Fourth, the current study emphasize the equity theory (Adams 1965) and the expectancy approach to examine the relationships between the variables. It proposes that there is a complementary effect between the performance-based rewards, and training and development. Our study suggests that, due to the complementary effects between the performance-based reward, and training and development, organizations should implement these two HR practices together to get the expected organizational outcomes. Our analysis supports integrating and implementing the counter-strategy of HRM practices recommended by earlier scholars (eg., Taylor et al. 2015) and also widens the scope for further research.

Fifth, this study collected data in a developing country, Bangladesh. Previous researchers have argued that the employee turnover literature mostly emphasizes Western societies and that , an emphasis on developing countries is essential to generalize the findings (Ababneh, 2016). Our study ensures that both the recognition and remuneration of achievement, as well as increasing employee knowledge and expertise, are essential for reducing employee voluntary turnover intention. Therefore, by examining the relationship between the variables in the context of a developing country, this study fills an existing gap in the research in this area and provides new knowledge in the employee turnover literature.

Finally, the model for this study increases the opportunities for further research in this area. This study points out how different HR practices and internal employee factors can be combined to determine the effects of varying HR practices on employee turnover. It argues that using the model of this study, researchers should be able to identify further variables that can effectively reduce the turnover intention of employees in different contexts.

MANAGERIAL IMPLICATION

First, by determining the role of training and development, and performance-based -rewards on employee' voluntary turnover intention, this study provides valuable insights into the way organizations can reduce employee turnover in their workplaces. This study finds that although performance bases rewards have a more massive effect on employee turnover intention, training and development practices are also crucial for reducing the turnover intention. Therefore, this study should be used strategically guide practitioners and organizations that are looking for means to reduce the turnover behavior of their employees.

Second, the revealed relationships between the variables shed light on the role of an employee's perceptions of job satisfaction and dissatisfaction in reducing the turnover intention at different workplaces. The results reveal that organizations should design their HR practices in a way that influences employee' perceptions of satisfaction and dissatisfaction effectively. Therefore, by showing the roles of job satisfaction and job dissatisfaction in reducing voluntary employee turnover, this study provides a deeper understanding of this issue for practitioners and managers regarding this phenomenon.

Third, the study finds that while performance rewards do not have any relationship with job dissatisfaction, training and development negatively influence job dissatisfaction. Consequently, the latter reduces the employees' voluntary turnover intention. Researchers have argued that a satisfied employee may also leave an organization

for other reasons. Therefore, by revealing the role of training and development in decreasing employee' perceptions dissatisfaction, this study sheds light on how organizations can retain talented employees and reduce the costs of employee turnover successfully.

LIMITATIONS AND FUTURE RESEARCH SUGGESTION

While this study contributes to the HR literature in many ways, there are several limitations that need to be acknowledged. First, this study used a cross-sectional data collection method from a single source to conduct the research, which may create some biases. Although this study checked for bias issues and found that common method variance is not an issue, nevertheless future studies should replicate this study to generalize its findings. Moreover, future studies should focus on putting in place a longitudinal study, mostly to do a cause-effect analysis to provide a deeper understanding of the relationship between the studied variables.

Second, this study examined only performance-based rewards and training and development as the antecedents of employee turnover intention. However, employee' turnover intention might be influenced by other HR practices such as job security and compensation, among others. Therefore, future research should consider other HR practices in a single model to understand turnover behavior. Third, this study used a purposive sampling method to collect the data. However, future studies may consider the probability sampling method to increase the generalizability of the findings. Finally, future studies should consider other internal factors as a mediator between HR practices and employee turnover intention in a different organizational context.

ACKNOWLEDGEMENT

The author(s) also acknowledge the support of the Faculty of Economics and Management, UKM under Grant EP-2020-046.

REFERENCES

- Ababneh, K.I. 2016. Effects of met expectations, trust, job satisfaction, and commitment on faculty turnover intentions in the United Arab Emirates (UAE). *The International Journal of Human Resource Management* 31(2): 303-334.
- Abbasi, S. M. & Hollman, K.W. 2000. Turnover: The real bottom line. *Public Personnel Management* 29(3): 333-342.
- Abd Aziz, N., Ariffin, A.A. M., Omar, N.A. & Evin, C. 2012. Examining the impact of visitors' emotions and perceived quality towards satisfaction and revisit intention to theme parks. *Jurnal Pengurusan* 35: 97-109.
- Abd Razak, M.R. & Ismail, A. 2018. The Mediating Effects of Procedural Justice on the Relationship between Performance-based Remuneration Management and Job Satisfaction. *Jurnal Pengurusan* 52: 85-101.
- Abdul, M., Rahman, M. M., Alia, N.A., Dato'Mansor, Z., Uddin, M. J. & Saidur, M. 2018. The Nexus between job satisfactions and human resource management (HRM) practices: A perceptual analysis of commercial banks in Bangladesh. *International Journal of Economics and Management* 12(S2): 377-386
- Abdullah, R., Musa, M., Zahari, H., Rahman, R. & Khalid, K. 2011. The study of employee satisfaction and its effects towards loyalty in hotel industry in Klang Valley, Malaysia. *International Journal of Business and Social Science* 2(3): 147-155.
- Adams, J. 1965. Inequity in social exchange. In *Advances in Experimental Social Psychology*, edited by L. Berkowitz, 267-299. New York: Academic Press.
- Aguiar do Monte, P. 2012. Job dissatisfaction and labour turnover: evidence from Brazil. *The International Journal of Human Resource Management* 23(8): 1717-1735.
- Al-Emadi, A.A Q., Schwabenland, C. & Wei, Q. 2015. The vital role of employee retention in human resource management: A literature review. *IUP Journal of Organizational Behavior* 14(3): 7.
- Alias, N.E., Rohmanan, N.H., Ismail, S., Koe, W.L. & Othman, R. 2018. Factors influencing turnover intention in a Malaysian manufacturing company. *KnE Social Sciences*: 771-787.
- Al-sharafi, H., Hassan, M.E.M. & Alam, S. S. 2018. The effect of training and career development on employees retention "a study on the telecommunication organizations in Yemen". *The Journal of Social Sciences Research*: 420-430.
- Alshmemri, M., Shahwan-Akl, L. & Maude, P. 2017. Herzberg's two-factor theory. *Life Science Journal* 14(5): 12-16.
- Arianto, A. 2018. The influence of reward on turnover intention with the organizational commitment as an intervening variable (A study on group I and II employee at djatiroto sugar factory). *KnE Social Sciences*:308-323.
- Azman, I. & Razak. M.R.A 2017. Performance-based reward administration enhancing employees' feelings of interactional justice. *Studies in Business and Economics* 12(1): 5-18.

- Chen, M. 2014. The effect of training on employee retention. *Paper presented at the 2014 International Conference on Global Economy, Commerce and Service Science (GECSS-14)*, January. Atlantis Press.
- Chin, C.L. 2018. The influence of job satisfaction on employee turnover intention in the manufacturing industry of Malaysia. *Journal of Arts & Social Sciences* 1(2): 53-63.
- Cranny, C., Smith, P.C. & Stone, E. 1992. *Job Satisfaction: How People Feel about their Jobs and How It Affects Their Performance*. New York: Lexington Books, Lexington.
- D'angelo, S., Coggon, D., Harris, E.C., Linaker, C., Sayer, A.A., Gale, C.R. & Palmer, K.T. 2016. Job dissatisfaction and the older worker: baseline findings from the Health and Employment After Fifty study. *Occupational and Environmental Medicine* 73(8): 512-519.
- Dardar, A.H.A., Jusoh, A. & Rasli, A. 2012. The impact of job training, job satisfaction and alternative job opportunities on job turnover in Libyan oil companies. *Procedia-Social and Behavioral Sciences* 40: 389-394.
- Davies, D., Taylor, R. & Savery, L. 2001. The role of appraisal, remuneration and training in improving staff relations in the Western Australian accommodation industry: A comparative study. *Journal of European Industrial Training* 25(7): 366-373.
- De Gieter, S. & Hofmans, J. 2015. How reward satisfaction affects employees' turnover intentions and performance: an individual differences approach. *Human Resource Management Journal* 25(2): 200-216.
- Dugguh, S. I. & Dennis, A. 2014. Job satisfaction theories: Traceability to employee performance in organizations. *IOSR Journal of Business And Management* 16(5): 11-18.
- Giffen, R. 2015. *Organizational culture and personality type: Relationship with person-organization fit and turnover intention*. Graduate Theses and Dissertation, Iowa State University, USA.
- Griffeth, R. & Hom, P. 2002. *Innovative theory and empirical research on employee turnover*. USA, Information Age Publishing (IAP).
- Hair Jr, J.F., Hult, G.T. M., Ringle, C. & Sarstedt, M. 2016. *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. USA, Sage publications.
- Hassan, W., Razi, A., Qamar, R., Jaffir, R. & Suhail, S. 2013. The effect of training on employee retention. *Global Journal of Management And Business Research* 13(6): 17-20.
- Henryhand, C.J. 2009. *The effect of employee recognition and employee engagement on job satisfaction and intent to leave in the public sector*. Doctoral dissertation, Capella University, Minnesota, USA.
- Herzberg, F.I. 1966. *Work and the Nature of Man*. New York: World Publishing.
- Herzberg, F., Mausner, B. & Snyderman, B. B. 1959. *The Motivation to Work*. New York: John Wiley & Sons. Inc.
- Jiang, B., Baker, R. C. & Frazier, G. V. 2009. An analysis of job dissatisfaction and turnover to reduce global supply chain risk: Evidence from China. *Journal of Operations Management*. 27(2): 169-184.
- Johari, J., Ramli, F. Z. A., Wahab, H. A., Bidin, M. F. & Rosely, R. M. 2019. Social Support, Pay Satisfaction, Work Ability, and Intention to Stay: A Case of Return to Work Program Participants. *Jurnal Pengurusan* 55: 3-12.
- Kammeyer-Mueller, J. D. & Wanberg, C. R. 2003. Unwrapping the organizational entry process: disentangling multiple antecedents and their pathways to adjustment. *Journal of Applied Psychology* 88(5): 779.
- Kampkötter, P. & Marggraf, K. 2015. Do employees reciprocate to intra-firm trainings? An analysis of absenteeism and turnover rates. *The International Journal of Human Resource Management* 26(22): 2888-2907.
- Kesen, M. 2016. The impact of employee training and innovation on turnover intention: An empirical research. *International Journal of Academic Research in Business and Social Sciences* 6(1): 174-185.
- Lee, G. & Jimenez, B.S. 2011. Does performance management affect job turnover intention in the federal government? *The American Review of Public Administration* 41(2): 168-184.
- Lee, T.W. & Mitchell, T.R. 1994. An alternative approach: The unfolding model of voluntary employee turnover. *Academy of Management Review* 19(1): 51-89.
- Lobburi, P. 2012. The influence of organizational and social support on turnover intention in collectivist contexts. *Journal of Applied Business Research (JABR)* 28(1): 93-104.
- Long, C.S., Ajagbe, M.A. & Kowang, T.O. 2014. Addressing the issues on employees' turnover intention in the perspective of HRM practices in SME. *Procedia-Social and Behavioral Sciences* 129: 99-104.
- Mahto, R.V., Vora, G., McDowell, W.C. & Khanin, D. 2020. Family member commitment, the opportunity costs of staying, and turnover intentions. *Journal of Business Research* 108: 9-19.
- Milkovich, G.T., Newman, J. & Gerhart, B. 2010. *Compensation*. 10th edition. New York, Mc Graw Hill, NY.
- Mustafa, G. & Ali, N. 2019. Rewards, autonomous motivation and turnover intention: Results from a non-Western cultural context. *Cogent Business & Management* 6(1): 1-16.
- Nadarajah, S., Kadiresan, V., Kumar, R., Kamil, N.N.A. & Yusoff, Y.M. 2012. The relationship of HR practices and job performance of academicians towards career development in Malaysian private higher institutions. *Procedia-Social and Behavioral Sciences* 57: 102-118.

- Nwobia, I.E. & Aljohani, M.S. 2017. The effect of job dissatisfaction and workplace bullying on turnover intention: Organization climate and group cohesion as moderators. *International Journal of Marketing Studies* 9(3): 136-143.
- Palan, R. 2007. Does employee training lead to attrition? *Performance Improvement* 46(4): 5-8.
- Pitts, D., Marvel, J. & Fernandez, S. 2011. So hard to say goodbye? Turnover intention among US federal employees. *Public Administration Review* 71(5): 751-760.
- Podsakoff, P.M., MacKenzie, S.B., Lee, J.-Y. & Podsakoff, N.P. 2003. Common method biases in behavioral research: A critical review of the literature and recommended remedies. *Journal of Applied Psychology*. 88(5): 879-903.
- Podsakoff, P.M., MacKenzie, S.B. & Podsakoff, N.P. 2012. Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology* 63: 539-569.
- Rahman, W. & Nas, Z. 2013. Employee development and turnover intention: Theory validation. *European Journal of Training And Development* 37(6): 564-579.
- Regts, G. & Molleman, E. 2013. To leave or not to leave: When receiving interpersonal citizenship behavior influences an employee's turnover intention. *Human Relations* 66(2): 193-218.
- Reukauf, J.A. 2018. *the correlation between job satisfaction and turnover intention in small business*. Unpublished Phd. Thesis. Walden University, USA.
- Sailaja, R. & Naik, C.N. 2016. Job satisfaction among employees of select public and private banks in Rayalaseema Region. *International Journal of Research in Management* 6(2): 49-62.
- Sethunga, S. & Perera, I. 2018. Impact of performance rewards on employee turnover in Sri Lanka IT Industry. *Paper presented at the 2018 Moratuwa Engineering Research Conference (MERCOn)*. Moratuwa, Sri Lanka.
- Seo, Y.J. & Um, K.H. 2019. The asymmetric effect of fairness and quality dimensions on satisfaction and dissatisfaction: An application of the Kano model to the interdisciplinary college program evaluation. *Studies in Educational Evaluation* 61: 183-195.
- Sliškočić, A. & Penezić, Z. 2015. Descriptive study of job satisfaction and job dissatisfaction in a sample of Croatian seafarers. *International Maritime Health* 66(2): 97-105.
- Stamolampros, P., Korfiatis, N., Chalvatzis, K. & Buhalis, D. 2019. Job satisfaction and employee turnover determinants in high contact services: Insights from employees' online reviews. *Tourism Management* 75: 130-147.
- Talukder, A. & Vickers, M. 2014. Revisiting work-life balance (WLB) and work performance: A research note. *Paper presented at the Australian and New Zealand Academy of Management International Conference*, University of Technology, Sydney.
- Taylor, T., Doherty, A. & McGraw, P. 2015. *Managing People In Sport Organizations: A Strategic Human Resource Management Perspective*. 2nd Edition. Routledge.
- Tehseen, S., Ramayah, T. & Sajilan, S. 2017. Testing and controlling for common method variance: A review of available methods. *Journal of Management Sciences* 4(2): 142-168.
- Tharenou, P. 2001. The relationship of training motivation to participation in training and development. *Journal of Occupational and Organizational Psychology* 74(5): 599-621.
- Tremblay, M. & Chênevert, D. 2008. Influence of compensation strategies in Canadian technology-intensive firms on organizational and human resources performance. *Group & Organization Management* 33(3): 269-302.
- Tsai, W.C. & Tai, W.T. 2003. Perceived importance as a mediator of the relationship between training assignment and training motivation. *Personnel Review* 32(2): 151-163.
- Ulriksen, J.J. 1996. *Perceptions of secondary school teachers and principals concerning factors related to job satisfaction and job dissatisfaction*. Doctoral Dissertation. U.S. Department of Education.
- Verhees, J. 2012. *The relationship between training and employees' turnover intentions and the role of organizational commitment*. Available at arno. uvt. nl/show. cgi. Master Thesis Human Resource Studies. Tilburg University, Netherland.
- Yusoff, W.F.W., Kian, T.S. & Idris, M.T.M. 2013. Herzberg's two factors theory on work motivation: Does it work for today's environment. *Global Journal of Commerce and Management* 2(5): 18-22.

Taslina Jannat
 Universiti Teknologi PETRONAS
 32610 Seri Iskandar, Perak, MALAYSIA
 E-Mail: Taslima.jannat.ctg@gmail.com

Nor Asiah Omar
 Faculty of Economics and Management
 Universiti Kebangsaan Malaysia
 43600 UKM Bangi, Selangor, MALAYSIA.
 E-Mail: norasiah@ukm.edu.my

Muhamad Azrin Nazri
Faculty of Economics and Muamalat
Universiti Sains Islam Malaysia
71800, Nilai, Negeri Sembilan, MALAYSIA.
E-Mail: muhdazrin@usim.edu.my

APPENDIX A
QUESTIONNAIRE ITEMS

Measurement Items	
Job Dissatisfaction	
JD-1	I might not get promotion
JD-2	My manager do not follow firm policies
JD-3	My current job cannot satisfy my personal needs.
JD-4	The organization did not fairly rewarded me.
JD-5	In my organization ethical behavior do not stressed
Job Satisfaction	
JS-1	My payment is reasonable
JS-2	My manager lets me know when I've done a good job
JS-3	Organization is concerned about our personal welfare
JS-4	Living facilities are good in this organization Living facilities are good in this organization
Performance Reward	
PR-1	I receive merit increment or bonus for achieving the target set by supervisor
PR-2	My supervisor has fairly rewarded me
PR-3	My supervisor asked me before making any change for the pay for performance system
PR-4	The amount of performance reward is relative with my contribution.
Training & Development	
TD-1	Attending T&D gives me good ideas
TD-2	T&D can increase my understanding and skills.
TD-3	We learn more from T&D program than others.
TD-4	Taking T&D courses is a high priority for me
TD-5	There is no In-house training program exists
Employee Turnover Intention	
TI-1	I feel getting another job will better suit my personal needs.
TI-2	I often consider leaving this job
TI-3	I will accept another job at the same compensation level to me.
TI-4	I often look forward to another job.
