The Influence of Human Resource Practices on Turnover Intention: The Case of a Telecommunication Company in Malaysia

by
Suguna Sinniah, Naail Mohammed Kamil
Global Leadership Research Unit, Faculty of Business
Accountancy and Management, SEGi University, Malaysia

ABSTRACT
The present research aims at investigating the influence of six (6) human resource (HR) practices, namely, results oriented appraisals, participation, training and development, job description, employment security and internal career opportunity on employee turnover intention at a Telecommunications Company in Malaysia. The study employed a quantitative research approach using a survey questionnaire to collect data. Using simple random sampling, 162 employees were sampled for the study among a Telecom company employees from its branches across the Klang Valley area in Malaysia. Employing SPSS version 22.0, multiple linear regression analysis showed that results oriented appraisals, training, job description and employment security significantly influence employees’ intention to leave an organization whilst internal career opportunity does not. The variable “participation”, however, was excluded from the study due Multicollinearity problem. The findings of this study can be used by managers of telecommunication companies and other related companies in the service industry to justify their efforts in performance improvement interventions so that these HR practices could be monitored and further enhanced. Doing this may reduce turnover among highly skilled workforce in this era of dynamic and turbulent competitive business environment. Several implications from the research were further discussed.

Key Words: Turnover intention, human resource practices, results oriented appraisals, participation, training, job description, employment security, internal career opportunity.

Corresponding author:
suguna@segi.edu.my
INTRODUCTION
An organization’s performance and productivity could not be realized without employees support and contribution. Employees are partly responsible for the achievement of organization’s goal and strategy. Therefore, the managers should place emphasis on problems encountered by employees in the organization. The major problem facing most companies in developing countries is high turnover. Voluntary turnover is a major problem for companies in many Asian countries such as South Korea, Malaysia, Singapore and Taiwan. “What determine employee turnover?” The answer to this question has great relevance to the individual who may be thinking about quitting a job, and for the manager who is facing lack of employees to lack continuity, the high cost involved in the induction and training of new, and declining organizational productivity. Turnover intention is defined as an employee’s decision to leave an organization voluntarily.

When turnover rate increase in an organization, it will reduce its reputation and increase the cost of rehiring new staff. The prospect of getting higher pay elsewhere is one of the most obvious contributors to turnover. This practice can be regularly observed at all levels of the economic ladder, from executives and generously paid professionals in high-stress positions to entry level workers in relatively undemanding jobs. However, there is considerable evidence that money is often not the root cause of turnover, even when it is a factor in an employee’s decision to quit. Most environmental contributors to turnover can be directly traced to management practices. Turnover tends to be higher in an environment where employees feel undervalued or ignored and where they feel helpless or unimportant. Clearly, if managers are detached, illogical, and demanding, there is greater risk of alienation and turnover. Management policies can also affect the environment in basic ways such as whether employee benefits and incentives appear generous or stingy, or whether the company is responsive to employee’s needs and wants. Management’s handling of major corporate events such as mergers or layoffs is also an important influence on the work environment afterwards.

Some turnover is demographically specific particularly for women who are balancing significant work and family duties at the same time. There are employees who may choose to leave a company instead of scarifying their other interests and responsibilities in order to make the job work out. Some women’s choice to quit their career paths might also be because of glass ceiling effect, which may lower their level of commitment to any particular firm, since they believe they are not in contention for top level jobs. These factors translate into higher turnover rates for women in many companies.

According to Nasurdin et al. (2008), how an organization manages its human resources (as reflected by its HRM practices) establishes the tone and conditions of the employee-employer relationship. When such relationship is seen as that of a social exchange (Blau, 1964) where the norm of reciprocity is central, employees would be more inclined to engage in positive work attitudes and behaviors. Thus, Human Resources practices can influence organizational performance though its effect on individual employee performance. In the present study, with reference to gaps in extant literature, a number of HR practices such as internal career opportunities, training, result oriented appraisals, employment security, participation and job description have been hypothesized to exert statistically significant influences on employee turnover. The study is carried out employing data from the Telecommunication industry of Malaysia.
The present is guided by the following research questions; (1) what is the relationship between results oriented appraisal and employee turnover intention? (2) What is the relationship between participation and employee turnover intention? (3) What is the relationship between training and employee turnover intention? (4) What is the relationship between job description and turnover intention? (5) What is the relationship between employment security and turnover intention? And (6) what is the relationship between internal career opportunity and turnover intention?

In order to seek answers to these research questions, the present study is structured as follows; a highlight on introduction, literature view highlights research works on result oriented appraisals, participation, training, job description, employment security, internal career opportunity as well as turnover intention pertaining Human Resource (HR) activities. Then methodology section discusses the research design employed including the discussion of multiple regression analysis (MRA) used in testing the study’s hypothesis. Discussion of findings as well as conclusion and recommendation sections close the research.

**LITERATURE REVIEW**

**Turnover Intention**

Intention to leave is conceptually defined as a conscious willingness to leave the organization, which includes a thought or idea of leaving, the behavior of searching for a new job, and the behavior of deciding to leave the job. At the same time, Abbas (2015) defined turnover intention as a voluntarily decision to leave the organization. Turnover intention is the thought or feeling of leaving but not certainly the act of leaving the business. Actual turnover is the workers exit from an organization (Chen, 2011). The study also echoed that employees who show less commitment to the organization will have higher intention to leave the organization. Tett and Meyer (1993) contended that turnover intention is the conscious willfulness to seek for other alternatives in other organizations.

Abbas (2015) noted that employees who spend more time in developing skills and concentrating on their occupational goals have less intention to withdraw from their occupation. When turnover rate increases in an organization, it will reduce the organization’s reputation and increases the cost of rehiring new staff (Liu et al., 2010). Extant literature also showed that turnover intention is one of the dire challenges in every type and size of organization and poses crucial challenge for human resource professionals.

Furthermore, turnover is very costly for an organization especially advertising, recruiting, selecting, hiring and training needed for the newcomers. When an employee leaves an organization, other employees need cover up by doing more task and carrying out other responsibilities and duties left behind. In the long run, this may lead employees to reduce their commitment and thus, increase their turnover intention in the organization as well (Foon, Leong & Osman, 2010). Moreover, the costs of employees’ turnover are hard to measure, taking into consideration the effect on organization’s culture, employee morale and social capital involved. In addition, high turnover intention will cause the organization to lose employees with high degree of knowledge, skill and abilities (Liu et al., 2010). Turnover intention causes the organization spends significant sums of money to replace an employee who leave the organization. According to Huning and Thomson (2010), turnover intention will also be determined by self-image, job and other roles, as well as the predictability of future relationships inside the organization. Abbas (2015) found that turnover includes few
cost towards the organization which is opportunity cost, selection and training cost and it also indirectly decreases the level of morale of the remaining workers in the organization. The cost will be worst and serious when the company loses the valuable employees. The research further added that it is better to understand the commitment in relation to the turnover intention. Besides, turnover does not only seem to increase the cost of employing staff but also diminishes the organization’s knowledge capital and weakens its reputation (Silverthorne, 2004). Following sections capture review of extant literature that are hypothesized to exert statistically significant influences on turnover intention.

**Result Oriented Appraisal**

Result oriented appraisals has been defined by many in several ways. According to Onyije, (2015) performance appraisal is a formal program where employees are given a defined expectation on what is expected in terms of performance from their employers and how they are expected to meet those expectations. Meanwhile Mwema (2014), says that performance appraisal or result oriented appraisals system consist of the processes of setting application, standards, informing and managing the events related to workers performance. It contains performance review with the manager and the worker, filling up of performance appraisal forms, and other paper works to evaluate worker’s performance. Performance appraisals are used to support human resource decisions and it also includes promotions, terminations, training, and merit pay increase (Onyije, 2015). When an organization is established, it is built with the sole aim of achieving its goals. The degree of source than an employee has in reaching their individual or organizational goals is a critical stage in human capital planning process. Performance appraisal can be used to distinguish strengths and weaknesses it could be to make room for development of employees and assist in setting objectives and improve employee performance. This may help to receive feedbacks, identify poor performance and help to improve it in the longer run (Kampkötter, 2014). One of the most important applications for performance appraisal is the performance-related pay (PRP) system, which are generally used to set the objectives for employees with accordance to the organizations firm and to motivate and reward employees. Mwema (2014) further argues that a well standardized performance assessment gives an organization the opportunity to analyze, calculate and aggregate result which shows where performance is most strong and reliable appraisal of a person’s overall performance in an organization or company serves to elevate the entirely level of effectiveness of the organization. Conversely, Heathfield (2007) contended that the following should be includes in a performance appraisal system such as schedule update and discussion meetings quarterly with each employee, making performance development planning meeting interactive, negotiating and agreeing upon goals for both business an employee development, and keeping any assignment or discussion of employee compensation completely separate from the performance development planning meeting, which should focus on employee development and business development goals. A research found that managerial efforts such as performance appraisal systems that are aimed at improving worker performance are strongly linked to worker job satisfaction and create synergic and several effects that can be related with results and achievements of association (Mwema, 2014).

Given the aforementioned discussions on extant literature pertaining result oriented appraisals, it can be noted that very few literature if at all, has been carried out empirically to study the relationship between results oriented appraisals and employee turnover intention. In view of that, the present study attempts to narrow this research by proposing the following hypothesis:
**H1: There will be a direct significant relationship between result oriented appraisals and turnover intention**

### Participation

According to Dow, Watson and Greenberg (2015), participation traditionally known as integral aspect of management style which has been change with today’s organization, rely on the active participation of the superior-subordinate hierarchies to their team. Park (2015) argues that participation practices provide employees with opportunities to participate in company performance procedurally or financially. Park (2015) also says that employee participation is a combination of financial participation and decision making participation which evaluated through other HR practices which provide input on how job related work been performed. Harhara, Sanjay and Hussain (2015) argue that an organization enhance cohesiveness if the organization has higher level of corporate sponsorship, which the employees showing higher level of commitment and lower level of turnover. Harhara et al. (2015) also justified their statement with the finding by Yucel (2012), who echoed that job satisfaction gives positive impact on the job satisfaction on turnover intention. The researchers also argued that career growth development has significant influence with turnover intention and organizational support will reduce the Participation in decision making to all turnover intentions. Employees have opportunities to be involved in work related decision making and to voice their opinions. They will also be more informed about how and why the organization is doing the things it does. Therefore, these individuals will be better able to make sense of the organizational policies, procedures, implementations, and changes. Employee participation also involves communication and fosters information flow to employees, thereby decreasing the potential for misunderstanding, dissatisfaction, and resistance to changes that can increase intent to leave the organization (Paille, 2008).

Given this discussion and with little empirical study if at all, that links participation with employee turnover intention, the current study attempts to empirically examine the following hypothesis in order to narrow the research gap:

**H2: There will be direct significant relationship between participation and turnover intention**

### Training and development

Training and development is defined as the process that the employees go through to acquire the skills, ability and knowledge that is related to the job that is required by the company (Nolan, 2012). Meanwhile Ceptureanu (2016) argues that training and development is human resource development activity that is aimed at improving the employees work performance by equipping the employees with the effective and efficient way in completing the task through individual and group progress. At the same time Chiaburu (2014) says that training shows significant relationship with turnover intention. According to Kulkarni (2013), training and development helps upgrade employee knowledge as well as promotes their individual competencies. In addition, it can be useful for preventing Managerial Obsolescence.

Training programs may help to fill the competency gap between the existing and required competencies in order to accomplish the organizational goals in effective manner. Effective training programs result in increased production; reduce job turnover, and greater employee’s satisfaction (Stephens, 2011). Contrary to our expectation, the relationship between training and intention to quit is not mediated by job embeddedness. Instead, training is directly related
to employees’ intention to quit. Furthermore, an empirical study found that training is an important aspect of HR practices which is considered to be a different form of human capital investment for individual and organizational improvements (Chew & Chan, 2008).

An area where training may be used is in the enhancement of job specific skills. Another area of focus for training is in the correction of deficiencies in job performance and development that may be provided to employees with abilities the organization might need in the future (Chew & Chan 2008). Although conventional wisdom states that trained individuals become more marketable and consequently might leave the organization at the first instance, contemporary studies have demonstrated that training and development affect job attitudes. In addition, when the training and development needs of employees and employers are met, the more likely employees will stay in their organizations. Organizations invest millions of dollars in training and retention strategies yet only a small group of researchers have empirically examined employee attitudes in relation to the intent to stay on the job. The relationship between training and job turnover has been widely established in the literature, but the inconsistent results reported in literature discussing the role of training and its impact on job turnover makes the relationship complex and demands the horizon of the research to be expanded to establish the concrete and unified boundaries of the relationship (Noe, 2002). For instance, dearth of proper training may lead to poor job performance, which in turn cause higher job turnover rate. Organizations, which have realistic understandings regarding the essence of training, have a lower job turnover rate and a higher success ratio. Contrary to these findings, some researchers argued that training and development affect job satisfaction and organizational commitment, which in turn affect staff retention (Brian, 2011). According to Muhammad and Aiman (2015), the most optimistic perspectives of the career is achieved as a result of training and development which in turn creates the feelings of commitment in the employees who afterward perform well with regards to providing the customers with better services.

Given the review of extant literature pertaining training and development, it is noteworthy that there is dearth of research that empirically investigates the impact of training and development on turnover intention in the Malaysian context. Thus, the present study attempts to narrow this research gap studying the following hypothesis:

**H3: There will be a direct significant relationship between training & development and turnover intention**

**Job description**

Job description referred to the extent to which jobs were clearly and precisely defined. This job has an up-to-date job description. The job description for this job contains all of the duties performed by individual employees (Delery & Doty, 1996). Operational employees may not have a close interpersonal relationship with their top management since their job descriptions are more on performing operational tasks which require high customer contact and less supervision from the managers. Hemdi and Nasrudin (2006) contended that a trusting relationship develops through years of interpersonal relationship between two parties. The employees may not have high faith and confidence that their top managers will be fair and objective in their performance evaluations because of weak interpersonal relationships. Given the dearth of empirical studies that investigates the impacts of job description on turnover intention, the present study attempts to narrow the research by studying the hypothesis:

**H4: There will be a direct significant relationship between job description and turnover intention**
**Job security**

Job insecurity can be conceptualized as the overall concern about the future of one’s job. It comprises two components, namely the recognition of threats to job security and the concern about these threats. The likelihood of job loss refers to the cognitive aspect of job insecurity, while the fear of job loss is related to the affective aspect thereof (De Witte, 2000). Meanwhile, Mahmoud and Raisel (2014) captured job security as a root of second level of Maslow’s hierarchy of needs. They also view job security as a perceived stability and continuance of one’s job. Furthermore, Yong and Hongdan (2012) added that employees feel they are in the higher sense of job security if their knowledge and experience fit the job. The cognitive appraisal of the future situation, whether certain or uncertain, triggers emotions based on the meaning connected to the potential job loss (De Witte, 2000). Job insecurity is a chronic job stressor (Mauno, Leskinen & Kinnunen, 2001), which impacts on the well-being of employees (Hellgren, Sverke & Isaksson, 1999). Employee job insecurity has a detrimental effect on the organization (Holm & Hovland, 1999). Employees who experience job insecurity are less supportive of organizational goals and do not make an effort to deliver quality work (Greenhalgh & Rosenblatt, 1984; Sparks, Faragher & Cooper, 2001). Holm and Hovland (1999) pointed out that job insecurity results in an increased employee turnover rate. Leaving the organization in search of more secure career opportunities is common among employees who feel insecure about their jobs (Ashford, Lee & Bobko, 1989). This appears to be true, especially among high performers who typically have an easier time securing new employment. The result of increased turnover is an increased cost in terms of the recruitment and training of new employees. Organizations may consequently lose their most valuable employees – the ones they most want to retain (Ashford et al., 1989). The association between job insecurity and intention to leave has been well established in previous studies (Burke, 1998; Maunoe et al., 2001). Job insecurity probably affects turnover through a reduced engagement on the part of employees (Maunoe et al., 2001).

While the associate between job insecurity and intention has been established, the empirical relationship between job security and turnover intention remains a mirage. The present study attempts to study this relationship by the following hypothesis;

**H5: There will be a direct significant relationship between employment security and turnover intention**

**Internal career opportunity**

According to Derr (2015), career success is measured by shifting of position from one to another department. For example as the younger generation is interested in changing societal values, fewer employees, especially younger ones, are interested in managerial positions because of the perceived stress and time commitment. Success of career of the young professionals is an important goal. Success of the entrepreneur eventually contributes to the success of organization as well. (Ng et al., 2005). However, internal career is a more stable, longer-term and deeper definition of work identity than just occupying the job or being part of the organization (Derr, 2004). Chompookum.and Derr (2014) echoed that motives, values, and talents are personal constraints that prevent employees from making decisions. This can be related to career advancement and it reflects the progress of the employee in the company where the employee has been seeing an increase in terms of salary, benefits, responsibility and engagement in the company. Its promotes employee retention in the company as it would be able to increase employees’ satisfaction and motivation while working in the company.
When the employee is satisfied and motivated, the employee would be able to maintain good relationship with the company and work towards achieving their career advancement. The employee would stay in the organization as there are still long term prospects that exist in organization for them to achieve their goals. The availability of career opportunity in the organization also allows the organization to be successful in other human resource practices such as recruitment. The employee would stay in the organization as there are still long term prospects that exist in organization for them to achieve their goals and promotes employee retention in the company as it would be able to increase employees’ satisfaction and motivation while working in the company. In order to narrow the research gap between internal career opportunity and turnover intention, the following hypothesis will be empirically examined:

**H6: There will be a direct significant relationship between internal career opportunity and turnover intention.**

### Hypotheses

As shown and defined from the aforementioned sections, the summary of the research hypotheses are as follows:

- **H1:** There will be a direct significant relationship between result oriented appraisals and turnover intention
- **H2:** There will be direct significant relationship between participation and turnover intention
- **H3:** There will be a direct significant relationship between training & development and turnover intention

![Figure 1: Conceptual Framework](image-url)
H4: There will be a direct significant relationship between job description and turnover intention

H5: There will be a direct significant relationship between employment security and turnover intention

H6: There will be a direct significant relationship between internal career opportunity and turnover intention.

The following hypotheses shall be tested using multiple regression analysis, employing SPSS version 20.0. Details of the analyses are highlighted in the Methodology section.

METHODOLOGY

The Questionnaire

The scale employed for this study was an adopted and adapted scale by Delery and Doty (1996). This scale was adopted and adapted due to its high internal consistencies (Cronbach alphas) of more than 0.7 except “internal career opportunity” which is considered acceptable (i.e. alpha value of .634). As well, this scale is published and has been used quite often by other researchers. The scale consist of a five-point rating likert scale whereby 1 = strongly disagree, 2 = disagree, 3 = neither agree nor disagree, 4 = Agree, and 5 = strongly disagree. The internal consistencies of the items are captured in table 1.0 below.

Table 1: Internal Consistencies of all dependent and independent variables of the research

<table>
<thead>
<tr>
<th>Variables</th>
<th>Cronbach Alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal career opportunity</td>
<td>.634</td>
</tr>
<tr>
<td>Training and development</td>
<td>.829</td>
</tr>
<tr>
<td>Result oriented appraisals</td>
<td>.737</td>
</tr>
<tr>
<td>Employment security</td>
<td>.716</td>
</tr>
<tr>
<td>Participation</td>
<td>.771</td>
</tr>
<tr>
<td>Job description</td>
<td>.876</td>
</tr>
<tr>
<td>Turnover intention</td>
<td>.843</td>
</tr>
</tbody>
</table>

Population of the study

The populations of DiGi Company in Malaysia total up to 300 employees working in various employment levels. They consist of junior employees, senior employees, managers, senior managers and senior executives. There are equally of males and females workers.

Sample

As proposed by Krecjie and Morgan (1970), for a population of 300 staffs, 169 samples are adequate to be used in the data analysis. Procedure involving the use of small number of items or portion of a population to make a conclusion concerning the whole population is defined as sampling (Zikmund, 2003). This subset portion if followed certain statistical procedures, could yield to good sample where the characteristics represent the similar population as a whole.

In particular, in order to use multiple regression analysis, statisticians suggest N > 50 + 8M, where M represents the number of independent variables. Thus, for the purpose of this study
with $M = 6$, sample size should be at least $N > 50 + 8(6)$, thus, $N > 98$. This suggests that the sample size of $N = 169$ employed in this study which was collected using simple random sampling was more than enough. A sample size of 169 which is about 72% higher than the minimum sample size required was a strategic move taken by the researchers in order to further improve the confidence of the research.

**Profile of the respondents**

Since work experience and age are continuous variables, the mean, standard deviation, maximum and minimum values was used to describe these particular demographic samples.

**Table 2: Demographic Descriptive Statistic variables**

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Experience</td>
<td>1.62</td>
<td>0.58</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Age</td>
<td>27.54</td>
<td>3.64</td>
<td>21</td>
<td>42</td>
</tr>
</tbody>
</table>

Table 2.0 above indicates the overall summary of the descriptive statistical analysis for working experience and age. The mean rating for working experience variables are $M = 1.62$ SD =0.58 and age mean rating $M = 27.54$ SD =3.64. From 169 respondents, the least working experience is 1 year and the longest worker in service is 3 years ranging from less than 1 year to more than 3 years. This shows that most of the workers are seniors and had quite a lengthy experience in this company.

**Frequencies of Demographic Variables**

Table 3.0 below explains the present position, gender, marital status and employment status of the respondents. Out of 169 respondents, 77 of them are junior employee and senior employee which representing 30.8 % of the total respondents; managers total up to 29 responders which representing 17.2 % of the total; senior managers are the lowest responders who representing 1.8% total up to only 3 people. While the total number of senior executives is 8 people which representing 4.7% of the total.

Most of the respondents are Female i.e., 95 of them representing 56.2 % of the total, and 74 are male workers who representing 43.8 %. Out of 169 respondents, 89 of them are contract staff and 72 are permanent staff who representing 42.6 % which less 10.1% from the contract staff. Most of the respondents, where 102 people from the total of 169 are single which representing 60.4% and followed by 27.8 % are married and 11.8% are separated. Difference with the number of married people is 55 and separated are 82 compare with the total of single workers.

**Descriptive statistics of main study variables**

Table 4.0 below highlights details on the overall summary of the descriptive statistical analysis for all the 5 facets of independent variables (HR practices) and the compliance with intention to leave as the dependent variable. The mean rating for Internal career opportunity are $M = 3.30$ SD =1.04 with minimum value of 1.67 and maximum value of 5.00. Training variables’ mean rating are $M = 3.82$ SD = .626 with minimum value of 2.50 and maximum value of 5.
The Influence of Human Resource Practices on Turnover Intention: 
The Case of a Telecommunication Company in Malaysia

<table>
<thead>
<tr>
<th>Variables</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job Title</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Junior employee</td>
<td>77</td>
<td>45.6</td>
</tr>
<tr>
<td>Senior employee</td>
<td>52</td>
<td>30.8</td>
</tr>
<tr>
<td>Manager</td>
<td>29</td>
<td>17.2</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>3</td>
<td>1.8</td>
</tr>
<tr>
<td>Senior Executive</td>
<td>8</td>
<td>4.7</td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>74</td>
<td>43.8</td>
</tr>
<tr>
<td>Female</td>
<td>95</td>
<td>56.2</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>47</td>
<td>27.8</td>
</tr>
<tr>
<td>Separated</td>
<td>20</td>
<td>11.8</td>
</tr>
<tr>
<td>Single</td>
<td>102</td>
<td>60.4</td>
</tr>
<tr>
<td><strong>Employment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract</td>
<td>89</td>
<td>52.7</td>
</tr>
<tr>
<td>Permanent</td>
<td>72</td>
<td>42.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal career opportunity</td>
<td>3.30</td>
<td>1.04</td>
<td>1.67</td>
<td>5.00</td>
</tr>
<tr>
<td>Training</td>
<td>3.82</td>
<td>.626</td>
<td>2.50</td>
<td>5.00</td>
</tr>
<tr>
<td>Result oriented appraisals</td>
<td>3.41</td>
<td>.538</td>
<td>1.67</td>
<td>5.00</td>
</tr>
<tr>
<td>Employment security</td>
<td>3.07</td>
<td>.516</td>
<td>1.33</td>
<td>4.67</td>
</tr>
<tr>
<td>Participation</td>
<td>3.71</td>
<td>.441</td>
<td>2.50</td>
<td>5.00</td>
</tr>
<tr>
<td>Intention to leave</td>
<td>2.96</td>
<td>1.03</td>
<td>1.00</td>
<td>5.00</td>
</tr>
</tbody>
</table>

Result oriented appraisals mean rating variables’ are M = 3.41 SD = .538 with minimum value of 1.67 and maximum value of 5. Employment security mean variables’ are M = 3.07 SD = .516 with minimum value of 1.33 and maximum value of 4.67. The participation mean variables’ are M = 3.71 SD = .441 with minimum value of 2.50 and maximum value of 5. Finally, the mean rating for compliance with intention to leave variables are M = 2.96 SD = 1.03 with minimum value of 1.00 and maximum value of 5.
**Correlation analysis**

The table 5.0 below captures the relationships among the 6 facets of human resources variables. The strongest linear relationship was found exist between ITL and HR practices where $r = .188$. The positive correlation coefficient of .188 indicates that as the score of ITL increases so do the rating for human management practices. The second highest was found between ITL and Result oriented appraisals where $r = -.052$ and the correlation coefficient indicates that there was quite a strong negative relationship between both variables. Next highest score was between ITL and participation where $r = -.164$. Relationship between ITL and internal career opportunity also indicate negative linear coefficient where $r = -.168$. Finally, the relationship between ITL and Employment security was negatively correlated where $r = - .577$.

**Multiple Linear Regression Analysis**

Table 6.0 below discusses the regression coefficient output of SPSS version 22.0 for this study. In general, model summary shows independent error terms were not correlated, thus, Durbin-Watson static was between 1 and 3. Also, R-squared of 0.481 implies that the 5 facets of HR practices variables explains about 48.1% of the total variance in the compliance with intention to leave. In other words, 48.1% of the total variance in the dependent variable (turnover intention) is explained by the 6 predictors of the HR practices. Variance Inflation Factor (VIF) values of all variables except for the variable participation, were all less than 10, which indicates that apart from the participation variables which has a Multicollinearity problem, other 5 independent variables do not. This results necessitates the exclusion of the variable “participation” from the study.

As well, it can be noted from table 6.0 below that out of the five (5) remaining hypotheses of the study, four (4) of the hypotheses were statistically significant ($p < 0.05$). This includes, hypothesis 3, 4, 5, and 6 ($\alpha$-values 0.003, 0.000, 0.000 and 0.017, respectively). This suggests that the independent variables; training, result oriented appraisals, employment security and job description significantly influence employee turnover intention at DiGi company in Malaysia. Hypothesis 1, however, was not supported as there were no enough evidence to support the claim that internal career opportunity influences turnover intention of DiGi employees.

Furthermore, the unstandardized beta coefficients as shown in table 6.0 explains the gradients of the regression formula which is captured below as follows:

$$\text{Turnover Intention} = 4.457 + 0.310(\text{training}) + 0.417(\text{result oriented appraisals}) - 0.870(\text{employment security}) - 0.302(\text{job description}).$$

Thus, every 1 unit increase in lack of training increases turnover intention by 0.310 units; every 1 unit increase in lack of result oriented appraisals will increase turnover intention by 0.417 units; every 1 unit increase in good employment security will decrease turnover intention by 0.870; and finally, every 1 unit increase in clear unambiguous job description will decrease turnover intention by 0.302. These findings could be quite informative and strategic for DiGi company managers and employees in general, whereby DiGi managers may use these findings to help improve these HR practices in order to reduce employee turnover at their various branches in the country.
Table 5: Correlation coefficient among variables

<table>
<thead>
<tr>
<th>Variables</th>
<th>ICO</th>
<th>TR</th>
<th>ROA</th>
<th>ES</th>
<th>PR</th>
<th>ITL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal career opportunity</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training</td>
<td>.035*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Result oriented appraisals</td>
<td>.0425*</td>
<td>.355*</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employment security</td>
<td>.436</td>
<td>.126*</td>
<td>.553*</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Participation</td>
<td>-.090</td>
<td>.028*</td>
<td>.186*</td>
<td>.134</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Intention to leave</td>
<td>-.168*</td>
<td>.188*</td>
<td>-.052</td>
<td>-.577*</td>
<td>-.164*</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).  N = 169

Notes: ICO (Internal career opportunity); TR (Training); ROA (Result oriented appraisals); ES: (Employment security) PR:(Participation); ITL (Intention to leave).

Table 6: Estimates of coefficients for the model

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>4.457</td>
<td>.598</td>
</tr>
<tr>
<td>Internal career opportunity</td>
<td>-.090</td>
<td>-.073</td>
<td>-1.058</td>
<td>.292</td>
</tr>
<tr>
<td>Training</td>
<td>.310</td>
<td>.187</td>
<td>2.965</td>
<td>.003</td>
</tr>
<tr>
<td>Result oriented appraisals</td>
<td>.417</td>
<td>.350</td>
<td>4.728</td>
<td>.000</td>
</tr>
<tr>
<td>Employment security</td>
<td>-.870</td>
<td>-.743</td>
<td>-10.379</td>
<td>.000</td>
</tr>
<tr>
<td>Job description</td>
<td>-.302</td>
<td>-.141</td>
<td>-2.403</td>
<td>.017</td>
</tr>
</tbody>
</table>

Notes: R = 0.693; R² = 0.481; Adj. R² = 0.465

In terms of practical implications for management performance, DiGi Company management may have to consider to give priority to the variables in descending order of magnitude starting with employment security (i.e. path coefficient of 87%), results oriented appraisal (path coefficient of 41.7%), training & development (path coefficient of 31%), job description (path coefficient of 30.2%) and last but not least, internal career opportunity (path coefficient of 9.0%).
**Discussion of Findings**

The findings of this study bring important indicators to the DiGi Company management that managing Human Resource practices in the company is crucial. This also serves to crave the indulgence of the management of DiGi Company to look for ways to inspire their employees. The management should look into this findings critically to achieve the organization’s long term objectives and to retain talented employees in the current market competitiveness.

From this research it was found that there is a significant relationship between results oriented appraisals and intention to leave. A result oriented appraisals is important because it plays a formal review of employee performance. It becomes the main indicator for employees to choose their career for long term. This may be due to the fact that performance appraisals have some influence on salary, promotion, transfer and also help employees to plan their future development in the particular organization. Performance appraisals has a direct connection with employees’ salary packages. Employees who perform well in the organization are rewarded in terms of salary increment, bonuses at the end of year, allowances etc. that serves to motivate employees to stay longer and become loyal to the company.

Training & development shows a significant relationship with intention to leave. Training & development is categorized as an important factor to retain employees in a firm. Fresh graduates become acquainted with the duties and responsibilities of their new position when management focus on training & development. Well trained staff on the latest products and promotions, new market trends, self-development, and other capability enhancements etc. make them more productive on their jobs. Training makes employees become more capable experts in their fields, thereby leading them to continue their career path in the same field.

As well, there is a significant relationship between Job description and intention to leave. Job description is viewed as an important factor to stay or to leave the organization. Job description is important to both employee and employer. Other variables such as salary, working location, transportation as well as clarity in job description are given priority by the employees to choose their job or career. An individual can become an efficient employee when he/she is familiar or good at all the perspectives as stated in the job description when the employee wants to decide to stay longer in an organization. Most of the time employees or staff must follow the instructions and perform any other related duties managers provide. Even though when employees go extra mile to perform extra duties as stated in job description, they are not getting extra remuneration for their hard work, yet, employees see clarity in job description as an important factor that can influence their intention to choose to stay longer or to leave a company.

Furthermore, there is a significant relationship between employment security and intention to leave. Employment security does not mean that the organization retains people who do not perform or work effectively with others. Employment security is one of the factors that is considered by employees when they choose a career. Particularly, in the Telecommunication industry, employees know about the stability of the sector and there are wider chances in other organizations if they are being fired. They may be willing to jump from one organization to another within the same sector according to the pay level because the chance to shut down the company is very less. The policy focuses on maintaining total employment, not on protecting
individuals from the consequences of their individual behaviour on the job. Providing employment security package in today’s competitive world is one of the most important factors in attracting and maintain high quality workforce.

On the contrary, the relationship between internal career opportunity and intention to leave is not significant which suggests that employees do not seem to consider the internal opportunity when they choose a job. If the salary package is not attractive and an employee is being transferred from one department to another internally, it will not encourage the employee to stay longer. The internal career opportunity is viewed as a minor factor when the employee chooses to stay in an organization.

Conclusion and Recommendation

The commitment of any organizations and firms is to achieve the higher productivity whereby the employees as functioning effectively and efficiently in an organizational system. The idea is that motivated and committed employees are essential conditions for accomplishing organizational goals. Human resource management (HRM) practices have to be addressed in this position, in order to examine the behaviours and performances of employees. This paper proposes that certain human resource management practices create the favourable approach towards job retention (i.e. the reverse of turnover). According to the findings of this research, four (4) main variables of HRM practices, namely, performance appraisals, job training, employment security and job description, play crucial roles in retaining employees particularly in the telecommunication industry such as DiGi Company in Malaysia. The strong positive relationship between HRM practice and intention to leave provides a wisdom on how an organization can motivate employees to attract and retain highly skilled workforce in order to increase productivity. The findings clearly enlightens the importance of improving performance, training, employment security and job description in order to reduce turnover rates of employees. Given the limitations of the study, whereby cross-sectional approach was employed and study samples include only employees of DiGi Company in Malaysia, future study may be carried out on a different sample with diverse characteristics in order to further authenticate the findings of this study.
The Influence of Human Resource Practices on Turnover Intention: The Case of a Telecommunication Company in Malaysia

REFERENCES


