

**THE RELATIONSHIP BETWEEN JOB SATISFACTION
AND ORGANIZATIONAL COMMITMENT ON
TURNOVER INTENTIONS**

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THE RELATIONSHIP BETWEEN JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT ON TURNOVER INTENTIONS

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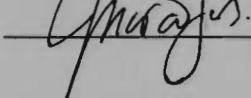
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ABSTRACT

The purpose of this study is to investigate whether there is any relationship between job satisfaction, organizational commitment and turnover intentions. The survey method was employed with the quantitative data were processed using a multivariate technique. Descriptive statistics such as frequency and percentage used to measure the percentage of returned questionnaire and also used to describe the respondents' profile such as their gender, educational background, their academic qualifications, and job title. Correlation and multiple regressions used for inferential statistics. The Pearson correlation used to measure the significance of linear bivariate between the independent and dependent variables thereby achieving the objective of this study. Multiple regressions used to determine the relationship between independent and dependent variables, the direction of the relationship, the degree of the relationship and strength of the relationship. This thesis found that job satisfaction has a negative influence on turnover intentions. The non-significance relationship found between organizational commitment and turnover intentions.

Keywords: Job Satisfaction, Organizational Commitment, Turnover Intentions.

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LIST OF ABBREVIATIONS

NZ\$: New Zealand Dollar.
RM : Malaysian Ringgit

CHAPTER 1

INTRODUCTION

1.1 Introduction

Previous studies have identified many variables that predict employee turnover. These variables fall into categories of employee characteristics (age and tenure) and organizational commitment. Turnover intentions, organizational commitment and job satisfaction have been the focus of many industrial and organizational psychologists, management scientists and sociologists (Samad, 2006). Empirical studies have reported that turnover intentions can reduce the overall effectiveness of an organization (Smith and Brough, 2003). What actually determines employee turnover? The answer to this question has great relevance to the individual who may be thinking about quitting job, for the manager who is faced with lack of employee continuity, the high costs involved in the induction and training new staff, and, not least, issues of organizational productivity (Mellor, Moore, and Loquet, 2003).

A study by Simmons (2005) found that organizational commitment was associated with more favorable staff perceptions of organizational culture and greater job satisfaction. As cited by Simmons, a study by Mathieu and Zajac (1990) showed that committed employees are less likely to quit than those who are not. In addition, the study also found a strong positive relationship between job satisfaction and organizational commitment.

Turnover is referred as an individual's estimated probability that they will stay in employing organization (Cotton and Tuttle, 1986). Therefore, the identification of factors that influence turnover intentions is considered as important and to be effective in

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