THE RELATIONSHIP BETWEEN HUMAN RESOURCE MANAGEMENT PRACTICES AND TURNOVER INTENTION IN A MANUFACTURING COMPANY: THE MEDIATING EFFECT OF EMPLOYEE ENGAGEMENT

By:

LAI SAY WEI

Othman Yeop Abdullah
Graduate School of Business

Universiti Utara Malaysia

PERAKUAN KERJA KERTAS PROJEK
(Certification of Project Paper)

Saya, mengaku bertandatangan, memperakukan bahawa
(I, the undersigned, certified that)
LAI SAY WEI (811914)

Calon untuk Ijazah Sarjana
(Candidate for the degree of)
MASTER OF HUMAN RESOURCE MANAGEMENT

telah mengemukakan kertas projek yang bertajuk
(has presented his/her project paper of the following title)

THE RELATIONSHIP BETWEEN HUMAN RESOURCE MANAGEMENT PRACTICES AND TURNOVER INTENTION IN A MANUFACTURING COMPANY: THE MEDIATING EFFECT OF EMPLOYEE ENGAGEMENT

Seperti yang tercatat di muka surat tajuk dan kulit kertas projek
(as it appears on the title page and front cover of the project paper)

Bahawa kertas projek tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.
(that the project paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the project paper).

Nama Penyelia   :   DR. SUBRAMANIAM A/L SRI RAMALU
(Name of Supervisor)

Tandatangan   :
(Signature)

Tarikh   :   29 DECEMBER 2013
(Date)

PERMISSION TO USE

In presenting this research paper in partial fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this university may make it freely available for inspection. I further agree that permission for copying this research paper in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor or in his absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my research paper. It is understood that any copying or publication or use of this research paper parts of it for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my research paper.

Request for permission to copy or to make other use of materials in this research paper in whole or in part should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

ABSTRACT

Employee turnover is crucial to be received considerable attention by organizations since it has proven to be one of the most costly that could diminish an organization's morale and budget. The purpose of this study was to examine the mediating effect of employee engagement between Human Resource Management (HRM) practices (training and development, career development, rewards and recognition and performance appraisal and achievements) and turnover intention. Besides that, it also investigated the relationship between HRM practices and turnover intention as well as the relationships of employee engagement and turnover intentions. There has existed a lack of information about the relationship between HRM practices, employee engagement and turnover intention and the mediating effect of engagement among these variables.

A total of 180 survey questionnaires were distributed to the respondents in company X and 150 sets of questionnaires returned were used for the further analyses. The data analyzed by "Statistical Package for Social Science" (SPSS Window) Version 16.0. The study utilized the reliability analysis, descriptive statistics, independent-samples T-test, One-way ANOVA, Pearson Correlation and multiple regression analysis to examine relationships between human resource management practices, employee engagement and turnover intention.

From the findings, the Cronbach's Alpha values for dependent variable, independent variables (HRM practices) and mediating variable (employee engagement) were considered acceptable. Independent-samples T-test revealed that there is no significant difference in turnover intention reported by male and female respondents. Besides that, One-way ANOVA indicated that turnover intentions differ with the aged groups and also academic qualification. The findings of the study found that the relationship of turnover intention with both of rewards and recognition and performance appraisal and achievements generally support the presented hypothesis as well as the mediation effect of employee engagement on those relationships. Some suggestions has been recommended for practitioners and academicians and future research needs to include more diversified samples and broaden the scope of current research by examining other human resource practices dimensions and including other types of industry.

Keywords: Human Resource Management practices, Mediating Effect of Employee Engagement, Turnover Intention

ABSTRAK

Penggantian pekerja adalah penting untuk diberi perhatian oleh organisasi kerana ia telah terbukti menjadi salah satu kos yang paling mahal yang boleh mengurangkan semangat dan bajet organisasi. Tujuan kajian ini adalah untuk mengkaji kesan mediasi keterlibatan pekerja antara amalan pengurusan sumber manusia (latihan dan pembangunan, pembangunan kerjaya, ganjaran dan pengiktirafan dan penilaian prestasi dan pencapaian) dan keinginan untuk meninggalkan sesebuah organisasi. Begitu juga, hubungan antara amalan pengurusan sumber manusia dengan keinginan untuk meninggalkan sesebuah organisasi, serta hubungan keterlibatan pekerja dengan keinginan untuk meninggalkan sesebuah organisasi akan disiasat. Terdapat kekurangan maklumat mengenai hubungan antara amalan pengurusan sumber manusia, keterlibatan pekerja dan keinginan untuk meninggalkan sesebuah organisasi serta kesan mediasi keterlibatan pekerja di antara hubungan tersebut.

Sebanyak 180 soalselidik telah diagihkan kepada responden dalam syarikat X dan 150 soalselidik telah dikutip untuk analisis selanjutnya . Kajian ini menggunakan perisian "Pakej Statistik untuk Sains Sosial" (*SPSS Window*) Versi 16.0 . Kajian ini menggunakan analisis reliabiliti , statistik deskripsi, ujian-T sampel bebas, ANOVA satu jalur, Korelasi dan analisis regresi untuk mengkaji hubungan antara amalan pengurusan sumber manusia , keterlibatan pekerja dan keinginan untuk meninggalkan sesebuah organisasi.

Hasil kajian ini menunjukkan bahawa nilai Alpha Cronbach bagi pembolehubah bersandar iaitu keinginan untuk meninggalkan sesebuah organisasi , pembolehubah bebas (amalan pengurusan sumber manusia) dan pengantara ubah (keterlibatan pekerja) dianggap boleh diterima. Ujian-T sampel bebas menunjukkan tiada perbezaan yang signifikan dalam keinginan untuk meninggalkan sesebuah organisasi yang dilaporkan oleh responden lelaki dan perempuan. Selain itu, ANOVA satu jalur menunjukkan bahawa keinginan untuk meninggalkan sesebuah organisasi adalah berbeza dengan kumpulan umur dan juga kelayakan akademik. Analisa regresi menunjukkan bahawa terdapat hubungan negative di antara keinginan untuk meninggalkan sesebuah organisasi dengan kedua-dua ganjaran dan pengiktirafan dan penilaian prestasi dan pencapaian. Kesan mediasi keterlibatan pekerja ke atas hubungan tersebut telah menyokong hipotesis yang dikemukakan. Beberapa cadangan telah disyorkan bagi pengamal-pengamal dan ahli akademik. Penyelidikan pada masa hadapan memerlukan lebih banyak jenis sampel dan meluaskan skop penyelidikan seperti memeriksa amalan-amalan pengurusan sumber manusia yang lain dan melibatkan pelbagai jenis industri.

Kata Kunci: Amalan Pengurusan Sumber Manusia , Kesan Mediasi Keterlibatan Pekerja, Keinginan untuk Meninggalkan Sesebuah Organisasi

ACKNOWLEDGEMENT

The completion of this dissertation has required a lot of time, effort and knowledge from many people. All praise is to Buddha, for His mercy in granting me wisdom, opportunities and support to complete the dissertation. Here, I would like to take this opportunity to extend my utmost appreciation and gratitude.

I am grateful to my thesis supervisor, Dr. Subramaniam Sri Ramalu, Deputy Dean of Othman Yeop Abdullah Graduate School of Business, for his kindness, constant guidance, comments, encouragement and support throughout the process of completing the study.

I would like to thanks my friends at Universiti Utara Malaysia for their encouragement and valuable experiences and knowledge throughout the research process.

Finally, I would like to thank my beloved family for putting up with me while I went through this process. I am most appreciative of my family moral support for enduring along with me. My mom, Alice, for always pushing me to persevere and being patient. My siblings for their words of encouragements and provide me some quite time and personal space to complete the study.

To all the above mentioned and anyone else whom I have forgotten who have assisted me throughout the research process, I thank you for your love, understanding, guidance and support.

TABLE OF CONTENTS

CHAPTER THREE: METHODOLOGY

CHAPTER FOUR: FINDINGS

CHAPTER FIVE: DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

LIST OF TABLES

LIST OF FIGURES

CHAPTER 1

INTRODUCTION

1.1 BACKGROUND OF STUDY

Organizations are facing revolutionary trends in the global competition stage due to changes in technology, acceleration of products, changes in demographic and competition for the best talents. The vision, mission, philosophy and company's goals should align with the global trends to create a strong background in order to survive in the market. The strong company background drives the organizational culture in term of effective leadership style, group dynamics and strong teamwork among the employees. As a result, the employees' performance, satisfaction, motivation and commitment will increase.

Human capital is considered the greatest asset of any organization and it is important for the organization's operation. Human capital is the workforce in the organizations. They transform manpower resource into productive resource in the workplace. Several researchers (Arthur, 1994; Pfeffer, 1994; MacDuffie, 1995; Delery & Doty, 1996) argued that human resources are critical component in the organizations to achieve competitive advantage over its rivals and it has positive impact of HRM practices on organizational performance. Employee plays the role in the business process and helps organizations to achieve their goals and maximizes the profits.

Turnover intention is the behavior of employee's intention to leave the organizations. According to Cotton and Tuttle (1986), turnover is predicted as an individual's possibility of leaving or staying in the organization. Similarly, Hom and Griffeth (1991) defined turnover intentions as an individual's intent with relative strength to voluntarily withdraw from an organization. Therefore, turnover intention could lead to

1

The contents of the thesis is for internal user only

REFERENCES

Abbasi, S. M., & Hollman, K. W. (2000). Turnover: The real bottom line. *Public Personnel Management , 29* (3), 333-342.

Abdali, F. (2011). Impact of employee turnover on sustainable growth of organization in computer graphics sector of Karachi, Pakistan. *Afro Asian Journal of Social Sciences, 2* (2), 1-27.

Ackah, C, & Heaton, N. (2003). Human resource management careers: Different paths for men and women? *Career Development International, 6* (3), 134-142.

Acton, T., & Golden, W. (2003). Training the knowledge worker: A descriptive study of training practices in Irish software companies. *Journal of European Industrial Training , 27* (2), 137-146.

Aguinis, H., Joo, H., & Gottfredson, R. K. (2011). Why we hate performance management - And why we should love it. *Business Horizons, 54* (6), 503-507.

Allen, D., & Griffeth, R. (1999). Job performance and turnover: A review and integrative. *Human resource Management Review, 9,* 525-548.

Ambrose, M. L., Arnaud, A., & Schminke, M. (2008). Individual moral development and ethical climate: The influence of person-organization fit on job attitudes. *Journal of Business Ethics , 77,* 323-333.

Antonacopoulou, E. P. (2001). The paradoxical nature of the relationship between training and learning. *Journal of Management Studies , 38* (3), 327-350.

Armstrong, M. (2009). *A Handbook of Personnel Management Practice* (11th ed.). London: Kogan Page Ltd.

Arthur, J. B. (1994). Effects of human resource systems on manufacturing performance and turnover. *Academy of Management Journal , 37* (3), 670-687.

Backhaus, K. (2003). Importance of person-organization fit to job seekers. *Career Development International , 8* (1), 21-26.

Bakker, A. B., & Demerouti, E. (2007). The job demands-resources model: State of the art. *Journal of Managerial Psychology , 22* (3), 309-328.

Bakker, A. B., Demerouti, E., & Schaufeli, W. B. (2003). Dual processes at work in call centre: An application of the job demands-resources model. *European Journal of Work and Organizational Psychology , 12* (4), 393-417.

Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: conceptual, strategic, and statistical considerations. *Journal of Personality and Social Psychology, 51,* 1173-1182.

Baruch, Y. (2003). Career systems in transition: A normative model for career practices. *Personnel Review , 32* (2), 231-251.

Bates, S. (2004). Getting engaged. *HR Magazine , 49* (2), 44-51.

Batt, R., Alexander, J. S., Colvin, A., & Keefe, J. (2002). Employee voice, human resource practices, and quit rates: Evidence from the telecommunications industry. *Industrial and Labor Relations Review, 55*, 573-594.

Becker, B., & Gerhart, B. (1996). The impact of human resource management on organizational performance: Progress and prospects. *Academy of Management Journal , 39* (4), 779-801.

Beer, M., Spector, B., Lawrence, P. R., Mills, D. Q., & Walton, R. E. (1984). *Managing human assets.* New York: The Free Press.

Benson, G. S. (2006). Employee development, commitment and intention to turnover: A test of 'employability' policies in action. *Human Resource Management Journal, 16*, 173–192.

Bernthal, P. R., & Wellins, R. S. (2000). *Retaining talent: A benchmarking study.* Retrieved November 15, 2012, from Development Dimensions International (DDI).

Birdi, K., Clegg, C., Patterson, M., Robinson, A., Stride, C. B., Wall, T. D., & Wood, S. J. (2008). The impact of human resource and operational management practices on company productivity: A longitudinal study. *Personnel Psychology, 61*, 467-501.

Blomme, R. J., Tromp, D. M., & van Rheede, A. (2010). The use of the psychological contract to explain turnover intentions in the hospitality industry: A research study on the impact of gender on the turnover intentions of highly educated employees. *International Journal of Human Resource Management, 21*, 144–162.

Bohlander, G., Snell, S., & Sherman, A. (2001). *Managing Human Resources.* New York: South- Western College.

Boswell, W. R., & Boudreau, J. W. (2002). Separating the developmental and evaluative performance appraisal uses. *Journal of Business and Psychology, 16*, 391-412.

Bowen, D. E., & Ostroff, C. (2004). Understanding HRM-firm performance linkages: The role of the strength of the HRM system. *Academy of Management Review, 29* (2), 203-221.

Bozeman, D. P., & Perrewe, P. L. (2001). The effects of item content overlap on organizational commitment questionnaire-turnover cognitions relationships. *Journal of Applied Psychology , 86*, 161-173.

Branham, L. (2005). The 7 hidden reasons employees leave. *Executive Book Summaries , 27* (6), 1-8.

Brummelhuis, L. L., Bakker, A. B., & Euwema, M. C. (2010). Is family-to-work interference related to co-workers' work outcomes? *Journal of Vocational Behavior,* 1-9.

Buck, J. M., & Watson, J. L. (2002). Retaining staff employees: The relationship between human resources management strategies and organizational commitment. *Innovative Higher Education , 26* (3), 175-193.

Burke, R. J. (1995). Benefits of formal training courses within a professional services firm. *Journal of Management Development , 14* (3), 3-13.

Burnes, B. (2004). Kurt Lewin and the planned approach to change: A re-appraisal. Journal of Management Studies, 41 (6), 977-1002.

Bushardt, S. C., Fretwell, C., & Cumbest, P. B. (1994). Continuous improvement through employee training: A case example from the financial services industry. *The Learning Organization, 1* (1), 11-16.

Cannell, M. (2004). *Training: A short history, Chartered Institute of Personnel and Development.* Retrieved November 1, 2012, from http://www.constructingexcellence.org.uk/resources/publications/view.jsp?id= 436

Cardy, R., & Dobbins, G. (1986). Affect and appraisal accuracy. Linking as an integral dimension in evaluating performance. *Journal of Applied Psychology, 71,* 672-678.

Carmeli, A., & Jacob, W. (2006). Exploring turnover intentions among three professional groups of employees. *Human Resource Development International , 9* (2), 191-206.

Cavana, R. Y., Delahaye, B. L., & Sekaran, U. (2001). *Applied Business Research: Qualitative anf Quantitative Methods.* Australia: John Wiley & Sons Australia Ltd.

Chang, E. (1999). Career commitment as a complex moderator of organizational commitment and turnover intentions. *Human Relations, 52,* 1257-1278.

Chew, J. C. (2004). *The influence of human resource management practices on the retention of core employees of Australian organisations* (Doctoral dissertation). Retrieved from http://researchrepository.murdoch.edu.au/id/eprint/656

Chew, J., & Chan, C. C. (2008). Human resource practices, organizational commitment and intention to stay. *International Journal of Manpower , 29* (6), 503-522.

Chew, Y. T. (2005). Achieving organizational prosperity through employee motivation and retention: A comparative study of strategic HRM practices in Malaysian institutions. *Research and Practice in Human Resource Management , 13* (2), 87-104.

Choo, S., & Bowley, C. (2007). Using training and development to affect job satisfaction within franchising. *Journal of Small Business and Enterprise Development , 14* (2), 339-352.

Chughtai T. A., & Naeem H. (2013). The mediating role of employee engagement on the effective use of HR practices and turnover intentions: A study of Pakistan Telecom Sector. *Journal of Business and Management. 7* (5), 57-62.

Cleveland, J. N., Murphy, K. R., & Williams, R. E. (1989). Multiple uses of performance appraisal: Prevalence and correlates. *Journal of Applied Psychology, 74,* 130-135.

Cohen, L., & Manion, L. (1980). *Research Methods in Education.* London: Groom Helm Ltd.

Cohen, A., & Gattiker, U. (1994). Rewards and organizational commitment across structural characteristics: A meta-analysis. *Journal of Business and Psychology, 9* (2), 137-157.

Corporate Leadership Council (2004). *Driving performance and retention through employee engagement.* Washington, DC: Corporate Executive Board.

Cotton, J. L., & Tuttle, J. M. (1986). Employee turnover: A meta-analysis and review with implication for research. *Academy of Management Review , 11* (1), 55-70.

Cropanzano, R., & Mitchell, M. S. (2005). Social exchange theory: An interdisciplinary review. *Journal of Management, 31* (6), 874-900.

Darling, K., Arn, J., & Gatlin, R. (1997). How to effectively reward employees. *Industrial Management , 39,* 1-4.

Dash, M., Singh, A., & Vivekanand. (2008). Motivation in ITES industry: Dimensionality with reference to Herzberg's theory. *ICFAI Journal of Organizational Behavior , 7* (2), 18-27.

Davies, J, A. (1971). *Elementary survey analysis.* Engiewood Cliff, NJ: Prentice Hall.

Deci, E. L., Koestner, R., & Ryan, R. M. (1999). A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation. *Psychological Bulletin , 125* (6), 627-668.

Delery, J. E., & Doty, D. H. (1996). Modes of theorizing in strategic human resource management: Tests of universalistic, contingency, and configurational performance predictions. *Academy of Management Journal , 39* (4), 802-835.

Demerouti, E., Bakker, A. B., Nachreiner, F., & Schaufeli, W. B. (2001). The job demands-resources model of burnout. *Journal of Applied Psychology , 86* (3), 499-512.

DeNisi, A. S., & Griffin, R. W. (2005). *Human Resource Management.* New York: Houghton Mifflin Company.

Denisi, A. S., & Pritchard R. D. (2006). Performance appraisal, performance management and improving individual performance: A motivational framework. *Management and Organization Review, 2* (2), 253-277.

Dessler, G. (1991). *Personnel/Human Resource Management* (5th ed.). New Jersey: Prentice Hall.

Eaglen, A., Lashley, C., & Thomas, R. (2000). The benefits of training in leisure retailing: A case study of McDonald's restaurants. *Strategic Change , 9* (6), 333-345.

Egan, T. M., Yang, B., & Bartlett, K. R. (2004). The effects of organisational learning culture and job satisfaction on motivation to transfer learning and turnover intention. *Human Resource Development Quarterly, 15* (3), 279–301.

Einstein, W. O., & LeMere-Labonte, J. (1989). Performance appraisal: dilemma or desire? *SAM Advanced Management Journal, 54* (2), 26-30.

Eisenberger, R., Huntington, R., Hutchison, S., & Sowa, D. (1986). Perceived organizational support. *Journal of Applied Psychology, 71* (3), 500-507.

Ellis, C. M., & Sorensen, A. (2007). Assessing employee engagement: The key to improving productivity. *Perspectives , 15* (1), 1-9.

Emerson, R. M. (1976). Social exchange theory. *Annual Review of Sociology, 2*, 335-362.

Feldman, D. C., & Weitz, B. A. (1988). Career plateaus in the salesforce: Understanding and removing blockages to employee growth. *Journal of Personal Selling & Sales Management , 8* (3), 23-32.

Forrest, S. P., & Peterson, T. O. (2006). It's called andragogy. *Academy of Management Learning and Education , 5* (1), 113-122.

Frank, F. D., Finnegan, R. P., & Taylor, C. R. (2004). The race for talent: Retaining and engaging workers in the 21st century. *Human Resource Planning, 27* (3), 12–25.

Frazis, H., Gittleman, M., Horrigan, M., & Joyce, M. (1998). Result from the 1995 survey of employer-provided training. *Monthly Labor Review , 121* (6), 3-13.

Frye, M. B. (2004). Equity-based compensation for employees: Firm performance and determinants. *The Journal of Financial Research , 27* (1), 31-54.

Gall, M. D., Gall, J. P., & Borg, W. R. (2003). *Educational Research: An Introduction* (7th ed.). Boston: Allyn and Bacon.

Gallup. (2008). *Employee Engagement: What's Your Engagement Ratio?* Retrieved December 23, 2012, from http://www.gallup.com/consulting/121535/Employee-Engagement-Overview-Brochure.aspx

Gardner, W. L., Avolio, B. J., Luthans, F., May, D. R., & Walumbwa, F. (2005). "Can you see the real me?" A self-based model of authentic leader and follower development. *Leadership Quarterly , 16* (3), 343-372.

Giles, M., & West, M. (1995). People as sculptors versus sculptures: What shape career development programmes. *Journal of Management Development , 14* (10), 48-63.

Giles, T. (2004). Non-monetary rewards as part of the remuneration equation. *New Zealand Management, 51* (9), 46-48

Gong, Y., & Chang, S. (2008). Institutional antecedents and performance consequences of employment security and career advancement practices: Evidence from the People's Republic of China. *Human Resource Management, 47* (1), 33-48.

Gouldner, A.W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25*, 161–178.

Greenhaus, Jeffry H., Callanan, Gerard A., & Godshlik, Veronina, M. (2000). *Career Management.* Orlando: Harcourt College Publisher.

Griffeth, R. W., Hom, P. W., & Gaertner, S. (2000). A meta-analysis of antecedents and correlates of employee turnover: Update, moderator tests, and research implications for the next millennium. *Journal of Mangement , 26* (3), 463-488.

Gruber, J., & Madrian, B. C. (1994). Health insurance and job mobility: The effects of public policy on job-lock. *Industrial and Labor Relations Review , 48* (1), 86-102.

Gruman, J. A., & Saks, A. M. (2011). Performance management and employee engagement. *Human Resource Management Review, 21* (2), 123-136.

Guest, D. E. (1997). Human resource management and performance: A review and research agenda. *The International Journal of Human Resource Management , 8* (3), 263-276.

Gupta, N., & Jenkins, G. D. (1991). Rethinking dysfunctional employee behaviors. *Human Resource Management Review , 1* (1), 39-59.

Guthrie, J. P., Flood, P. C., Liu, W., & MacCurtain, S. (2009). High performance work systems in Ireland: Human resource and organizational outcomes. *The International Journal of Human Resource Management , 20* (1), 112-125.

Gutteridge, T. G., Leibowitz, Z. B., & Shore, J. E. (1999). *Organizational Career Development.* San Francisco, CA: Jossey-Bass Publishers.

Hakanen, J. J., Bakker, A. B., & Schaufeli, W. B. (2006). Burnout and work engagement among teachers. *Journal of School Psychology , 43*, 495-513.

Halbesleben, J. R. B., & Wheeler, A. R. (2008). The relative roles of engagement and embeddedness in predicting job performance and intention to leave. *Work and Stress, 22* (3), 242-256.

Hartel, C. E. J., Fujimoto, Y., Strybosch, V. E. & Fitzpatrick, K. (2007). *Human Resource Management: Transforming Theory into Innovative Practice.* NSW: Pearson Education Australia.

Harter, J. K., Schmidt, F. L., & Hayes, T. L. (2002). Business-unit level relationship between employee satisfaction, employee engagement and business outcomes: A meta-analysis. *Journal of Applied Psychology, 87* (2), 268-279.

Hellman, C. M. (1997). Job satisfaction and intent to leave. *The Journal of Social Psychology, 137* (6), 677-689.

Hewitt Quarterly Asia Pasific (2010). Salary Increase - 2009/2010: Survey results. Retrieved March 1, 2013, from http://www.aon.com/apac/attachments/HQ_vol7_iss1.pdf

Hewitt Associates LLC. (2012). Trends in Global Employee Engagement. Retrieved April 1, 2013, fromhttp://www.aon.com/attachments/human-capital-consulting/2012_TrendsInGlobalEngagement_Final_v11.pdf

Hinkin, T., & Tracey, B. (2006). Development and use of a web-based tool to measure the costs of employee turnover: Preliminary findings. *CHR Reports, 6* (6), 1-14

Holdsworth, R. (1991). *Appraisal. The Handbook of Performance Management.* London: Institute of Personnel Management.

Holmbeck, G. N. (1997). Toward terminological, conceptual, and statistical clarity in the study of mediators and moderators: Examples from the child-clinical and pediatric psychology literatures. *Journal of Consulting and Clinical Psychology, 4*, 599–610

Hom, P. W., & Griffeth, R. W. (1991). Structural equations modeling test of a turnover theory: Cross-sectional and logitudinal analyses. *Journal of Applied Psychology, 76* (3), 350-366.

Hox, J. J., & Boeije, H. R. (2005). Data Collection, primary vs. secondary. *Encyclopedia of Social Meaurement, 1*, 593-599.

Huselid, M. A. (1995). The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal, 38* (3), 635-872.

Jamrog, J. (2004). The perfect storm: The future of retention and engagement. *Human Resource Planning, 27* (3), 26-33.

Kahn, W. A. (1990). Psychological conditions of personal engagement and disengagement at work. *Academy of Management Journal, 33* (4), 692-724.

Keaveney, S.M. (1995). Customer switching behavior in service industries: An exploratory study. *Journal of Marketing, 59*, 71-82.

Keller, R. T., & Szilagyi, A. D. (1976). Employee Reactions to leader reward behavior. *The Academy of Management Journal , 19* (4), 619-627.

Khatri, N., Chong, T. F., & Budhwar, P. (2001). Explaining employee turnover in an Asian context. *Human Resource Management Journal , 11* (1), 54-74.

Kinnie, N., Hutchinson, S., Purcell, J., Rayton, B., & Swart, J. (2005). Satisfaction with HR practices and commitment to the organization: Why one size does not fit all. *Human Resource Management Journal, 15* (4), 9-29.

Kuvaas, B. (2006). Performance appraisal satisfaction and employee outcomes: Mediating and moderating roles of work motivation. *International Journal of Human Resource Management, 17* (3), 504-522.

Kuvaas, B. (2008). An exploration of how the employee–organization relationship affects the linkage between perception of developmental human resource practices and employee outcomes. *Journal of Management Studies , 45* (1), 1-25.

Lakshmi, K. M. G. (2012). Employee engagement- A corporate boon: 10 ways for effective engagement. *Advances in Management, 5* (2), 64-65.

Lam, T., & Zhang, H. Q. (2003). Job satisfaction and organizational commitment in the Hong Kong fast food industry. *International Journal of Contemporary Hospitality Management , 15* (4), 214-220.

Lambert, E. G., Hogan, N. L., & Barton, S. M. (2001). The impact of job satisfaction on turnover intent: A test of a structural measurement model using a national sample of workers. *The Social Science Journal , 38*, 233-250.

Lee, F. H., Lee, T. Z., & Wu, W. Y. (2010). The relationship between human resource management practices, business strategy and firm performance: Evidence from steel industry in Taiwan. *International Journal of Human Resource Management , 21* (9), 1351-1372.

Levene, I. L. (1993). Worth waiting for? Delayed compensation, training, and turnover in the United States and Japan. *Journal of Labor Economics, 11* (4), 724-752.

Lips-Wiersma, M., & Hall, D. T. (2007). Organizational career development is not dead: A case study on managing the new career during organizational change. *Journal of Organizational Behavior , 28*, 771-792.

Lisa, G. (2012, February 19). Why jop-hoppers hop? *The Star Online*. Retrieved November 1, 2012, from http://thestar.com.my/news/story.asp?file=/2012/2/19/nation/20120219070805&sec=nation

Lockwood, N. R. (March, 2007). *Leveraging employee engagement for competitive advantage: HR's strategic role*. HR Magazine.

Lum, L., Kervin, J., Clark, K., Reid, F., & Sirola, W. (1998). Explaining nursing turnover intent: Job satisfaction, pay satisfaction, or organizational commitment? *Journal of Organizational Behavior, 19*, 305-320.

Luthans, F. (2002). *Organizational Behavior* (9th ed.). Boston: McGraw-Hill Irwin.

Macduffie, J. P. (1995). Human resource bundles and manufacturing performance: Organizational logic and flexible production systems in the world auto industry. *Industrial and Labor Relation Review, 48* (2), 197-221.

March, J. G., & Simon, H. A. (1958). *Organizations*. New York: Wiley.

Martocchio, J. J. (2011). *Strategic Compensation: A Human Resource Management Approach* (7th ed.). Upper Saddle River, NJ: Prentice Hall.

Maslach, C., & Leiter, M. P. (2008). Early predictors of job burnout and engagement. *Journal of Applied Psychology, 93* (3), 498-512.

Mathieu, J. E., & Zajac, D. M. (1990). A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment. *Psychological Bulletin, 108* (2), 171-194.

Mathis, R. L., & Jackson, J. H. (2004). *Human Resource Management*. Singapore: Thomson Asia Pte. Ltd.

Maurer, T. J., Pierce, H. R., & Shore, L. M. (2002). Perceived beneficiary of employee development activity: A three-dimensional social exchange model. *Academy of Management Review, 27* (3), 432-444.

May, D. R., Gilson, R. L., & Harter, L. M. (2004). The psychological conditions of meaningfulness, safety and availability and the engagement of the human spirit at work. *Journal of Occupational and Organizational Psychology, 77*, 11-37.

McDaniels, C., & Gysbers, N. (1992). *Counseling for career development: Theories, resources and practice*. San Francisco, CA: Jossey-Bass Publishers.

Mester, C., Visser, D., & Roodt, G. (2003). Leadership style and its relation to employee attitudes and behavior. *SA Journal of Industrial Psychology, 29* (2), 72-82.

Milkovich, G. T., Newman, J. M., & Gerhart, B. (2011). *Compensation* (10 ed.). New York: McGraw-Hill Higher Education.

Miller, J. G., & Wheeler, K. G. (1992). Unraveling the mysteries of gender differences in intentions to leave the organization. *Journal of Organizational Behavior, 13* (5), 465-478.

Minbaeva, D. B. (2005). HRM practices and MNC knowledge transfer. *Personal Review, 34* (1), 125-144.

Mobley, W. H., Griffeth, R. W., Hand, H. H., & Meglino, B. M. (1979). Review and conceptual analysis of the employee turnover process. *Psychological Bulletin , 86* (3), 493-522.

Mowday, R. T., Porter, L. W., & Steers, R. M. (1983). Employee-organization linkages: The psychology of commitment, absenteeism, and turnover. *American Journal of Sociology , 88* (6), 1315-1317.

Muhammad Masroor Alam, & Jamilha Fakir Mohammad. (2010). Level of job satisfaction and intent to leave among Malaysian nurses. *Business Intelligence Journal, 3* (1), 123-137.

Mullins, J. L. (1999). *Management And Organisational Behaviour*. London: Prentice Hall.

Murphy, K. R., & Cleveland, J. N. (1995). *Understanding Performance Appraisal: Social, Organizational and Goal-Based Perspectives*. CA: Sage Thousand Oaks.

Ngobeni,E. K., & Bezuidenhout, A. (2011). Engaging employees for improved retention at a higher education institution in South Africa. *African Journal of Business Management, 5* (23), 9961- 9970.

Nishii, L., & Wright, P. (2008). *Variability within organizations: implications for strategic Human Resource Management*. Cornell University IRL School, New York.

Nitin, V. (2007). *Employee Engagement*. Retrieved from SIES College of Management Studies. (Working Paper Series 05/07)

Omolayo, B., & Owolabi, A. B. (2007). Monetary reward: A predictor of employees' commitment to medium scale organizations in nigeria. *Bangladesh e-Journal of Sociology, 4* (1), 42-48

Osterman, P. (1994). How common is workplace transformation and who adopts it? *Industrial and Labor Relations Review , 47* (2), 173-188.

Park, J. S., & Kim, T. H. (2009). Do types of organizational culture matter in nurse job satisfaction and turnover intention? *Leadership in Health Services , 22* (1), 20-38.

Pate, J., Martin, G., Beaumont, P., & McGoldrick, J. (2000). Company-based lifelong learning: What's the pay-off for employers? *Journal of European Industrial Training , 24* (2), 149-157.

Pfeffer, J. (1994). *Competitive Advantage Through People: Unleashing the Power of the Work Force*. Boston: Harvard Business School Press.

Pitts, C. (1995). *Motivating your Organization: Achieving Business Success through Reward and Recognition*. England: McGraw-Hill Book Company Europe.

Pollitt, D. (2010). Paul UK rises to the training challenge: Employee development supports baker's plans for growth. *Human Resource Management International Digest, 18* (5), 11-13.

Poon, J. M. L. (2004). Effects of Performance Appraisal Politics on Job Satisfaction and Turnover Intention. *Personnel Review, 33* (3), 322-334.

Price, J. L. (2001). Reflections on the determinants of voluntary turnover. *International Journal of Manpower, 22* (7), 600-624.

Pugh, S. D., & Dietz, J. (2008). Employee engagement at the organizational level of analysis. *Industrial and Organizational Psychology, 1* (1), 44-47.

Ram, P., & Prabhakar, G. V. (2011). The role of employee engagement in work-related outcomes. *Interdisciplinary Journal of Research in Business, 1* (3), 47-61.

Randhawa, G. (2007). Relationship between job satisfaction and turnover intentions: An emprical analysis. *Indian Management Studies Journal, 11*, 149-159.

Reena Ali & M. Shakil Ahmed (2009). The impact of reward and recognition programs on employee's motivation and satisfaction: An empirical study. *International Reviews of Business Research Papers, 5* (4), 270-279.

Rhoades, L., & Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology, 87* (4), 698-714.

Rhoades, L., Eisenberger, R., & Armeli, S. (2001). Affective commitment to the organization: The contribution of perceived organizational support. *Journal of Applied Psychology, 86* (5), 825-836.

Rich, B. L., LePine, J. A., & Crawford, E. R. (2010). Job engagement: Antecedents and effects on job performance. *Academy of Management Journal, 53* (3), 617–635.

Richman, A. (2006). Everyone wants an engaged workforce how can you create it? *Workspan, 49*, 36-39.

Roberson, Q. M., & Stewart, M. M. (2006). Understanding the motivational effects of procedural and informational justice in feedback processes. *British Journal of Psychology, 97* (3), 281-298.

Roberts, D. R., & Davenport, T. O. (2002). Job engagement: Why it's important and how to improve it. *Employment Relations Today, 29* (3), 21-29.

Rosser, V. J. (2004). Faculty members' intentions to leave: A national study on their worklife and satisfaction. *Research in Higher Education, 45* (3), 285-309.

Saks, A. M. (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, *21* (7), 600-619.

Salanova, M., Agut, S., & Peiro, J. M. (2005). Linking organizational resources and work engagement to employee performance and customer loyalty: The mediation of service climate. *Journal of Applied Psychology*, *90* (6), 1217-1227.

Salanova, M., Bakker, A. B., & Llorens, S. (2006). Flow at work: Evidence for an upward spiral of personal and organizational resources. *Journal of Happiness Studies*, *7*, 1-22.

Sardar, S., Rehman, C. A., Yousaf, U., & Aijaz, A. (2011). Impact of HR practices on employee engagement in banking sector of Pakistan. *Interdisciplinary Journal of Contemporary Research in Business, 2* (9), 378-389.

Sarvadi, P. (2005). *The best way to reward employees. Solutions for growing business.* Retrieved November 1, 2012, from http://www.entrepreneur.com

Schaufeli, W. B., & Bakker, A. B. (2004). Job demands, job resources, and their relationship with burnout and engagement: A multi-study sample. *Journal of Organizational Behavior*, *25*, 293-315.

Scott, S. G., & Einstein, W. O. (2001). Strategic performance appraisal in team-based organizations: One size does not fit all. *Academy of Management Executive, 15*, 107-116.

Sekaran, U. (2002). *Research Methods for Business: A Skill Building Approach* (4th ed.). California: John Wiley & Sons, Inc.

Sheppeck, M. A., & Militello, J. (2000). Strategic HR configurations and organizational performance. *Human Resource Management*, *39* (1), 5-16.

Shore, L. M., & Martin, H. J. (1989). Job satisfaction and organizational commitment in relation to work performance and turnover intentions. *Human Relations*, *42* (7), 625-638.

Shuck, B., Reio, T. G., & Rocco, T. S. (2011). Employee engagement: An examination of antecedent and outcome variables. *Human Resource Development International, 14* (4), 427-445.

Sillup, G. P., & Klimberf, R. (2010). Assessing the ethics of implementing performance appraisal systems. *Journal of Management Development, 29* (1), 38-55.

Storey, J. (1987). Developments in the management of human resource: An interim report. *Warwick Papers in Industrial Relations, 17, IRRU.* School of Industrial and Business Studies, University of Warwick (November).

Sweetman, K. J. (2001). Employee loyalty around the globe. *Sloan Management Review*, *42*, 16-17.

Tahir Masood Quresh, Ayisha Akbar, Mohammad Aslam Khan, Rauf A. Sheikh, & Syed Tahir Hijazi. (2010). Do human resource management practices have an impact on financial performance of banks? *African Journal of Business Management*, *4* (7), 1281-1288.

Tett, R. P., & Meyer, J. P. (1993). Job satisfaction, organizational commitment, turnover intention and turnover: Path analyses based on meta-analytic findings. *Personnel Psychology*, *46*, 259-290.

Thomas, S. L., & Bretz, R. D., Jr. (1994). Research and practice in performance appraisal: Evaluating performance in America's largest companies. *SAM Advanced Management Journal*, 22 (2), 28-37.

Torrington, D., & Hall, L. (1998). *Human Resource Management*. London: Prentice Hall.

Trevor, C. O., Gerhart, B. A., & Boudreau, J. W. (1997). Voluntary turnover and job performance: Curvilinearity and the moderating influences of salary growth and promotions. *Journal of Applied Psychology*, *82* (1), 44-61.

Trevor, C.O., & Nyberg, A.J. (2008). Keeping your headcount when all about you are losing theirs: Downsizing, voluntary turnover rates, and the moderating role of HR practices. *Academy of Management Journal*, *51* (2), 259-276

Truss, C., Soane, E., Edwards, C., Wisdom, K., Croll, A., & Burnett, J. (2006). *Working Life: Employee Attitudes and Engagement 2006*. London: CIPD.

Tzafrir, S. S. (2006). A universalistic perspective for explaining the relationship between HRM practices and firm performance at different points in time. *Journal of Managerial Psychology*, *21* (2), 109-130.

Tziner, A. & Birati, A. (1996). Assessing employee turnover costs: A revised approach. *Human Resource Management Review* 6, 133-122.

Vandenberghe, C., & Tremblay, M. (2008). The role of pay satisfaction and organizational commitment in turnover intentions: A two-sample study. *Journal Business & Psychology*, *22*, 275-286.

Walton, R. E. (1985). *From control to commitment in the workplace*. Harvard Business Review.

Wang, C. Y., Chen, M. H., Hyde, B., & Hsieh, L. (2010). Chinese employees' work values and turnover intentions in multinational companies: The mediating effect of pay satisfaction. *Social Behavior and Personality*, *38* (7), 871-894.

Warr, P. (2002). *Psychology at Work*. London: Penguin Books.

Weisberg, J., & Kirschenbaum, A. (1993). Gender and turnover: A re-examination of the impact of sex on intent and actual job changes. *Human Relations, 46* (8), 987-1006.

Whitener, E. M. (2001). Do "high commitment" human resource practices affect employee commitment?: A cross-level analysis using hierarchical linear modeling. *Journal of Management*, *27* (5), 515-535.

Wiscombe, J. (2002). Rewards get results: Put away your cash. *Workforce*, *8* (1), 42-47.

Zaini Abdullah, Nilufar Ahsan, & Syed Shah Alam. (2009). The effect of human resource management practices on business performance among private companies in Malaysia. *International Journal of Business and Management*, *4* (6), 65-72.