

Impact of Organizational Commitment and Organizational Citizenship Behavior on Turnover Intentions of Call Center Personnel in Pakistan

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Abstract

This paper investigates the impact of organizational commitment and citizenship behavior on the turnover intentions of call center personnel in Pakistan. Data from 114 respondents was used to measure the impact of two factors on turnover intentions. Correlation and regression has been used to analyze the relationship of turnover intention with organizational commitment and organizational citizenship behavior. The results of the study showed that turnover intentions of call center personnel depend on the organizational commitment of the employees but citizenship behavior does not have a significant impact on the turnover intentions of call center personnel. Results have been discussed with specific reference to collectivist culture of Pakistan and policy implications for managers have been suggested.

Keywords: Turnover intentions, Organizational commitment, Organizational citizenship behavior. Call center personnel, Pakistan

1. Introduction

Retaining and attracting employees in call centers is enormous challenge. The average turnover per year is between 35 and 50 percent (IBISWorld, 2008). The human costs attached to job stress and burnout of call center personnel are well documented (Taylor and Bain, 2001). Call center personnel turnover increases the cost of business operations. One third of the call centers personnel have less than one year tenure at work place. Turnover ratio is 9 % if there is high discretion and low monitoring of service representatives whereas low discretion and high monitoring results into 37% turnover of customer representatives (Holman, Batt, & Holtgrewe, 2007). Call centers Personnel are often the frontline employees who interact with customers that are always judged and monitored by management

(Mahesh & Kasturi, 2006; Siong, Mellor, Moore & Firth 2006). Under this study we focused and analyzed the impact of organizational commitment and citizenship behavior on the turnover intentions of call centers personnel in Pakistan. The objective of the study is to provide guidelines to HR professionals to control the turnover of employees. HR professionals in call centers are always in search of most effective ways through which they can provide flexible solutions to work force to control the turnover ratio. As we observe that call centers are flourishing in services marketing with the purpose to catch the immense market share. Call centers representatives are in a position to keep current business, promote new business, and develop solid customer relationship for the future. Extraordinary services provided by call centers personnel can play important role in the successful operations of the business. It is in the hand of call centers personnel to seize the attention of the expected and actual customers, create their desire and make them product users forever. This paper provided empirical evidence about the impact of organizational commitment and citizenship behavior on the turnover intentions of call centers personnel located in Islamabad.

2. Review of Literature

2.1. Turnover Intention

Turnover intention is considered to be as cognitive process of thinking, planning, and desiring to quit job (Mobley, 1977). “Desire to leave” and the “intent to quit” are considered to be dissimilar (Mobley, 1977). Fishbein (1967) has used an expression “attitude toward the act” which describes the feeling of a person towards the act of quitting. In this study we focused two predictors “organizational commitment” and “organizational citizenship behavior” to analyze the turnover intentions of employees working in call centers.

2.2. Organizational Citizenship Behavior

According to Organ (1988), OCB is defined as “individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and that in the aggregate promotes the effective functioning of the organization”. Although this kind of behavior makes organization successful and effective but such behavior is not much rewarded and recognized by the top management (Organ, 1988). Shore, Barkdale & Shore (1995) and Chen, Hui & Sego (1998) described about that employees who show full willingness to be involved in the goals of the organization reflects true citizenship behavior. If employees perform their work unwillingly then it reflects negative attitude and the employees are considered to be less interested in their job. As a result it may be expected that they will quit job in near future. Supporting behavior encompasses voluntarily supporting others and taking all preventing measures before the occurrence of problems. In meta-analysis, Podsakoff, MacKenzie, Paine & Bachrach (2000) explained that helping behavior increases moral cohesiveness and belonging sense of a team which results into high performance and low turnover inside the organization. It describes that OCB has negative relationship with the turnover intentions of the employees.

2.3. Organizational Commitment

Organizational commitment has three facets: affective commitment”, “continuous commitment and “normative commitment” (Meyer & Allen 1997). Affective commitment tells an employee’s personal attachment and identification to the organization which reflects a strong belief in the values and goals of organization. “Continuous commitment” is the individual’s perception of the costs connected with leaving the job in the organization. “Normative commitment” is the exhibition of employees’ behavior at individual level since they consider that it is moral and right thing to do. Under this study we focused on merely “affective” and “continuous commitment”, as recommended by King and Sethi (1997). Researcher did not consider “normative commitment” because of certain reasons such as, a-past research established direct association between AC and NC (e.g. Meyer and Smith 2000) and high

level overlapping in the determinants and consequences of both items (e.g. Sommers, 1995); and b-past results are greatly more certain towards the affective dimensions than towards the normative item (e.g. Bolon, 1997). Mathieu and Zajac (1990) articulated that organizational commitment has a negative relationship with the employee volunteer turnover intention. Employees having high level of OC are less expected to intend to quit than employees who are relatively uncommitted (Joiner, Bartram & Garreffa 2004; Kraut, 1975; Near, 1989). Above discussion supports the hypothesis that organizational commitment has inverse relationship with the turnover intention of call center personnel.

2.4. Hypothesis

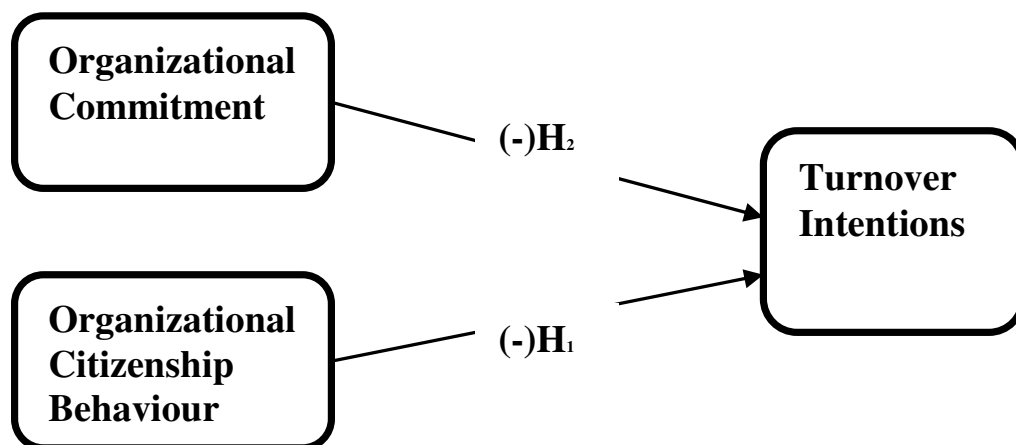
H₁ Organizational citizenship behavior has inverse impact on the turnover intentions of call center personnel.

H₂ Organizational commitment has inverse impact on the turnover intentions of call center personnel.

2.5. Research Model

Research model encompasses three variables; “organizational commitment”, “organizational citizenship behavior” and “turnover intentions”. This paper articulates two Independent variables; Organizational commitment (OC) and the organizational citizenship behavior (OCB) whereas the turnover intention is dependent variable.

Figure 1: Theoretical Model



3. Methodology

A printed questionnaire was distributed to 128 call center personnel working in Islamabad. These call center personnel were randomly selected. We received back 114 usable questionnaires from the respondents. The response rate was 89.06%.

Turnover intention was measured using two items scale of Meyer et al. (1993). The alpha coefficient value for this scale was 0.63.

OCB was measured using five items taken from Podsakoff et al. (1990) and Williams and Anderson (1991). The alpha coefficient value for this scale was 0.78.

Organizational commitment scale was composed of ten items derived from Meyer and Allen (1990). Based on the findings of previous research we used items for affective commitment and

continuance commitment only. However organizational commitment has been treated as a one dimensional latent variable in this study. The alpha coefficient value for this scale is 0.71.

4. Results and Discussion

4.1. Correlation Matrix

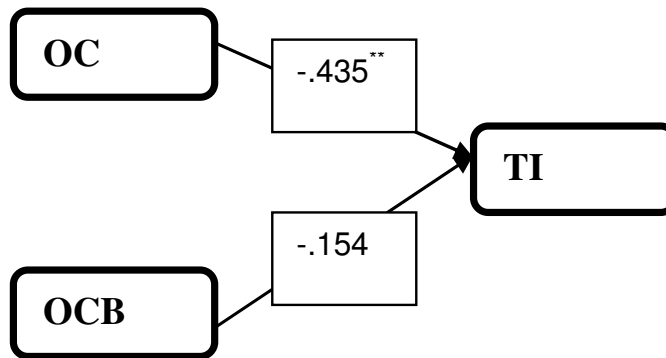
		Correlations		
		OC	TI	OCB
OC	Pearson Correlation	1	-.435**	.301**
	Sig. (2-tailed)		.000	.001
	N	114	114	114
TI	Pearson Correlation	-.435**	1	-.154
	Sig. (2-tailed)	.000		.102
	N	114	114	114
OCB	Pearson Correlation	.301**	-.154	1
	Sig. (2-tailed)	.001	.102	
	N	114	114	114

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

Results are showing the impact of two independent variables Organizational commitment (OC) and organizational citizenship behavior (OCB) on the turnover intentions (TI) of call center employees. The value $-.435^{**}$ reflecting an significant inverse relationship between OC and TI, whereas $-.154$ also reflecting an inverse relationship between OCB and TI but the relationship is not significant. A methodology of Pearson’s correlation coefficient was used to analyze the relationship of turnover intention with organizational commitment and organizational citizenship behavior.

We can put these results in the theoretical model to show the relationship of independent variables OCB and OC with the dependent variable TI.

Figure 2:



After applying the Pearson Correlation test on 114 observations, it is found that OC and OCB have inverse affect on TI. Index for OC, OCB and TI were used to find coefficients of correlations. This implies that employees serving in call centers with high organizational commitment and organizational citizenship behavior have low turnover intentions. The result derived by correlation described that the OCB as -0.462 indicates that a unit change in OCB will affect inversely TI. As the relationship was negative this implies that if OCB is increased then the TI will decrease. There is significant inverse relationship between OC and TI if OC is increased then TI will decrease.

4.2. Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.436 ^a	.190	.175	1.00332

a. Predictors: (Constant), OC, OCB

Adjusted R square depicts the model explaining 17.5 % of variation in turnover intentions of call center personnel.

ANOVA ^b						
	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	26.167	2	13.083	12.997	.000 ^a
	Residual	111.739	111	1.007		
	Total	137.906	113			

a. Predictors: (Constant), OC, OCB

b. Dependent Variable: TI

P value (.000) shows the significance of the model.

Coefficients ^a						
	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.676	.540		10.520	.000
	OCB	-.035	.124	-.026	-.285	.776
	OC	-.693	.145	-.427	-4.769	.000

a. Dependent Variable: TI

Above table describing the beta value of OC is -.427 in relation to TI, which determines that there is significant relationship between the OC and TI. Whereas the beta value of OCB is -.026 in relation to TI, which depicts that there is no significant relationship between the OCB and TI.

One of the interesting findings of our study is that OCB is not significantly related to turnover intentions. Pakistani people and society live in collectivist culture in which helping others is the part of the beliefs and values of individuals. Hence exhibition of OCB is not an indication that the employee does not have any turnover intention or in other words an employee having turnover intention can and does exhibit OCB because of the cultural requirement of the society.

5. Conclusion

Above results provide a solution to the HR executive to control the cost and turnover intentions of call center personnel located in Pakistan by providing first-rate environment within the organization. Feasible environment impacts positively on the employees in terms of high level of organizational commitment and organizational citizenship behavior. Our results showed high level of Organizational commitment and organizational citizenship behavior of the call center representatives have a significant impact on the turnover intentions. Above results showed coefficient of correlation of TI with OC and OCB are -.435^{**} and -.154 respectively. Employees may intend to quit job if organizational commitment and citizenship behavior is low. The absence of organizational commitment and organizational citizenship behavior among employees may impede the organizational development, productivity and efficiency which will result in form of high turnover of the employees. Since this study proves a relationship of organizational commitment and organizational citizenship behavior with the turnover intentions of the call center workers, it is recommended to HR professionals

to design such kind of policies, procedures and plans which encourages employees to feel sense of honor and ownership inside the organization and become an important and precious asset for the organization. Pakistan is a developing country where service industry like call centers has been flourishing day by day. The role of the call center personnel have been increasing simultaneously, it is incredibly necessary for the HR executives to understand the call center personnel needs and making them satisfied as much as possible, as a result of it they will remain with the organization on long term basis as an important part of the organization. If it is done wisely by HR executives to retain them then there will be win-win situation for organization and call center personnel.

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