



Work Science programme 180ects

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# BACHELOR THESIS

## MANAGING EMPLOYEE RETENTION IN THAILAND - a quantitative study at a multinational company

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# ABSTRACT

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We approached a multinational manufacturing company that wants to reduce its employee turnover among white collars workers. Thailand's current labour shortage requires an ability to retain employees and a quantitative survey is conducted to measure the perceived job satisfaction. Job Satisfaction is a key component in strive for employee retention. The study identifies and analyzes organizational reasons that contribute to job satisfaction that can contribute to increased employee retention. By investigating perceived job satisfaction amongst white collar worker, aims the study to find factors that are central to employee retention and how the most central factors can be strengthen and developed by the organization. The study creates an understanding of the benefits of employee retention strategies and the results may support the organization in the development of these.

The conclusion is that organizational effort within work design, leadership, social support; development, compensation & benefits, and work-life balance are essential for employee retention. The study indicates that employees' annual development, competitiveness within compensation & benefits and a leader that lives up to the employee's expectations have an influence on the perceived job satisfaction. A continuous effort to increase job satisfaction reduces employee desire of movement. The pros of staying and the risks of leaving the organization increases and the result is an increased opportunity for employee retention

**Key words;** Labour Shortage, Employee Turnover, Employee Retention, Job satisfaction, Multinational Company

# SAMMANFATTNING

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Rapportnivå	C-uppsats
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Titel	Konsten att behålla personal i Thailand - en kvantitativ studie på ett multinationellt företag
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Vi kom i kontakt med ett multinationellt tillverkningsföretag som vill minska sin personalomsättning bland tjänstemän. Thailands rådande arbetskraftbrist ställer krav på en god förmåga att behålla personal och en kvantitativ undersökning genomförs för att mäta den upplevda arbetstillfredsställelsen. Arbetstillfredsställelse ses i tidigare studier som en nyckelkomponent för arbetet med personalbehållning, och vår studie fortsätter i samma riktning. Syftet är att finna och analysera organisatoriska grunder i arbetstillfredsställelse som kan bidra till ökad personalbehållning. Genom att undersöka tjänstemännens upplevda arbetstillfredsställelse kan vi besvara vilka faktorer som är centrala för personalbehållning och hur de mest centrala faktorerna kan stärkas och utvecklas av organisationen. Resultatet ökar förståelsen av fördelarna med personalbehållningsstrategier och kan stödja organisationen i utvecklingen av dessa.

Slutsatsen är att organisationens arbete med Arbetsdesign, Ledarskap, Socialt stöd, Utveckling, Kompensation & Förmåner samt Balansen mellan privat- och arbetslivs är centrala för deras personalbehållning. Studien indikerar även att årlig utveckling hos de anställda, konkurrenskraftiga kompensationer & förmåner och en ledare som lever upp till de anställdas förväntningar har en stark inverkan på arbetstillfredsställelsen. Ett kontinuerligt arbete för ökad arbetstillfredsställelse minskar de anställdas önskan om att byta arbete. Fördelarna med att stanna kvar samt riskerna med att lämna organisationen ökar och resultatet blir en förbättrad möjlighet till personalbehållning.

**Nyckelord:** Arbetskraftbrist, Personalomsättning, Personalbehållning, Arbetstillfredsställelse, Multinationellt företag

## ACKNOWLEDGMENT

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We end this thesis very grateful. Our journey this year is not one that many students get a chance to do. We truly appreciate the opportunity and the experiences and are thankful for the people we have met and the people who have helped us during this process.

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Last but not least we want to thank each other. We made it!

An idea was born, and after 7 months of preparation we finally arrived in Thailand. We look back at all the work we have done and we finish our bachelor thesis for Halmstad University regarding Employee Retention with new knowledge and valuable experiences.

It has been a challenge and we look forward to the next.

Louise Magnusson & Marina Silfverberg

Bangkok, Thailand

2013-05-26



SWEDISH INTERNATIONAL DEVELOPMENT  
COOPERATION AGENCY

# TABLE OF CONTENTS

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<b>1. INTRODUCTION</b> .....	<b>8</b>
1.1 BACKGROUND.....	8
1.2 <i>RESARCH STATEMENT</i> .....	9
1.3 AIM OF THE STUDY .....	10
1.4 PROBLEM .....	10
1.5 SCOPE .....	10
1.6 DISPOSITION .....	10
<b>2. EXPLANATION OF CONCEPTS</b> .....	<b>11</b>
<b>3. THEORETICAL FRAMEWORK</b> .....	<b>12</b>
3.1 EMPLOYEE TURNOVER .....	12
3.2 EMPLOYEE RETENTION .....	13
3.2.1 <i>The cultural aspect of Job embeddedness</i> .....	14
3.4 SUMMARY OF PREVIOUS RESEARCH.....	15
3.5 A MIXED MODEL OF EMPLOYEE RETENTION .....	15
3.6 INDIVIDUAL, ORGANIZATIONAL, SOCIETAL .....	16
3.6.1 <i>The Individual Perspective</i> .....	16
3.6.2 <i>The Organizational Perspective</i> .....	16
3.6.3 <i>The Societal Perspective</i> .....	17
3.6.4 <i>Unstudied components in the mixed model</i> .....	17
3.7.1 <i>Work design</i> .....	18
3.7.2 <i>Leadership</i> .....	18
3.7.3 <i>Social support</i> .....	18
3.7.4 <i>Compensation &amp; Benefits</i> .....	18
3.7.5 <i>Development</i> .....	18
3.7.6 <i>Work-life balance</i> .....	19
3.7.7 <i>The mixed models' scope</i> .....	19
<b>4 METHODOLOGY</b> .....	<b>20</b>
4.1 DESCRIPTION OF METHOD.....	20
4.1.2 <i>Methodical approach</i> .....	20
4.2 COLLECTION OF EMPIRICAL DATA .....	20

4.2.1 Pre- interviews .....	20
4.2.2 The questionnaire .....	20
4.3 ETHICAL CONSIDERATIONS .....	21
4.4 SELCETION OF ORGANIZATION AND RESPONDENTS .....	22
4.5 QUALITY OF THE METHOD .....	22
4.5.1 Data collection .....	22
4.5.2 Processing of collected data.....	22
4.6 METHOD DISCUSSION .....	23
<b>5. RESULTS.....</b>	<b>25</b>
5.1 BACKGROUND VARIABLES .....	25
5.2 JOB SATISFACTION .....	25
5.3 PERCEIVED JOB SATISFACTION.....	26
5.3.1 Work design.....	26
5.3.2 Leadership.....	27
5.3.3 Social support.....	27
5.3.4 Compensation & Benefits.....	28
5.3.5 Development.....	28
5.3.6 Work-life balance .....	29
5.5 DATA ANALYSIS .....	30
<b>6 ANALYSIS.....</b>	<b>32</b>
6.1 WORK DESIGN .....	32
6.2 LEADERSHIP.....	32
6.3 SOCIAL SUPPORT .....	33
6.4 COMPENSATION & BENEFITS .....	33
6.6 WORK-LIFE BALANCE .....	34
6.7 CONCLUSION .....	35
<b>7 DISCUSSION.....</b>	<b>36</b>
7.1 RESULT REFLECTIONS .....	36
7.2 THEORETICAL REFLECTIONS.....	37
7.3 METHOD REFLECTIONS .....	37
7.4 SUGGESTIONS FOR FURTHER RESEARCH.....	38

<b>8 REFERENCES .....</b>	<b>39</b>
APPENDIX 1 – DISTRIBUTION OF RESPONSES .....	41
APPENDIX 2 – COVER LETTER.....	42
APPENDIX 3- QUESTIONNAIRE.....	43

## FIGURES AND TABLES

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<i>Figure 3.1 Mixed model .....</i>	<i>16</i>
<i>Figure 3.2 Mixed models scope.....</i>	<i>19</i>
<i>Figure 5.1 Average of the perceived job satisfaction .....</i>	<i>26</i>
<i>Figure 5.2 Mean values for how employees perceived Work design .....</i>	<i>26</i>
<i>Figure 5.3 Mean values for how employees perceived Leadership .....</i>	<i>27</i>
<i>Figure 5.4 Mean values for how employees perceived Social support .....</i>	<i>27</i>
<i>Figure 5.5 Mean values for how employees perceived Compensation &amp; Benefits .....</i>	<i>28</i>
<i>Figure 5.6. Mean values for how employees perceived Development .....</i>	<i>29</i>
<i>Figure 5.7 Mean values for how employees perceived Work-life balance.....</i>	<i>29</i>
<i>Table 4.1 Operationalizing .....</i>	<i>21</i>
<i>Table 5.1 Distribution of responses, backgrounds variables .....</i>	<i>25</i>
<i>Table 5.2 Ranking of reasons for employee retention .....</i>	<i>30</i>
<i>Table 5.3 Data analysis, Spearman’s correlation test.....</i>	<i>31</i>

# 1. INTRODUCTION

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*This introductory chapter explains the problem and what the aim of this bachelor thesis is. The chapter also gives the reader a context and deeper understanding of the addressed issue.*

## 1.1 BACKGROUND

Thailand has one of the fastest growing economies in the world and is located amidst a booming region in Southeast Asia. Both domestic and foreign companies have rushed to invest in the country known as the “Land of Smiles”. Thailand has enjoyed an abundance of good fortune in the business sector for quite some time (Williams et al, 2007). Despite the positive changes in the country’s economy, the social welfare system is still lacking. Only a small part of the population is covered by, for example, state pension and social security system (Mårtensson, 2013). Thailand has, however, a nine-year obligatory basic education that is free of charge but the percentage of young people who continue to higher education is lower than in most other countries in Southeast Asia, this is causing problem for investors (*ibid*). The growing economy has transformed from the traditionally agricultural nation to a mostly export oriented industrial nation. Thailand's large manufacturing industry is facing growing global competition, especially from low-wage countries such as Vietnam and China. Opportunities to develop the manufacturing business are currently limited by the lack of labour with fairly high level of education (Mårtensson, 2013). The government has acknowledged that they must improve upon conditions of its labour source, for example, the labour laws have been revisited to meet the needs of both domestic and foreign employers and employees (*ibid*).

Despite success in the business sector, Thailand's labour market has had its setbacks. During the Asian crisis in 1997-1998 the unemployment rate rose sharply but has since declined gradually and is now one of the lowest in the world (Daleke, 2011). Thailand’s unemployment rate is 0.83 % comparatively to Sweden 8.8 % (*Tradingeconomics*, 2013). There are plenty of work opportunities in Thailand and the government’s changes are attracting even more investors. Although labour is coming in from countries such as Vietnam and China to saturate the market, there are not enough workers that can meet investors' needs for specific knowledge. Educated workers seem to be slipping away and the consequence is a shortage of labour. This shortage can damage the sustainability of businesses as they confront numerous human resources issues (Gross & Conner, 2006).

In order to establish and maintain a sustainable business in Thailand, companies have to understand more than the Thai business sector and the practices of the developing labour system. They need an understanding of the society and the work culture (Gross & Conner, 2006). The human resource issues such as managing good working relationships, salary and benefits, negotiation procedures, and termination concerns will influence companies’ sustainability in the process of staffing an operation in the fast-paced economy of Thailand, but it seems to be an even bigger problem. The pronounced labour shortage, with few qualified candidates for the many existing job opportunist, can be harmful for companies (*ibid*). Suitable employees are difficult to acquire, making each employee a valuable and critical asset. With the competition for candidates so high and the fact that Thailand is home to less than 1% unemployed workers, companies’ needs to prevent their workers from voluntary leave the organization. Voluntary employee turnover appears when an employee chooses to leave the organization, mostly due to a new job opening (Lee, Mitchell, Sablynski, Burton and Holtom, 2004). In a highly competitive labour market, new attractive job opportunities may more than often occur to the employee. This increases the pressure on companies to retain their valuable resource, their employees.

## 1.2 RESEARCH STATEMENT

We became interested in conducting a study in Thailand and got in touch with a multinational manufacturing company outside Bangkok. The company we contacted told us about their problems regarding voluntary employee turnover among white-collar workers and they experienced the labour shortages as a problem. The voluntary employee turnover rate of 17% among white-collars workers was according to the company too high and became very negative in contrast with the lack of labour, especially the lack of educated workers. The voluntary employee turnover rate for blue-collar workers did not affect the company in the same way. For companies with high employee turnover and difficulties to recruit new qualified personnel, labour shortage can be truly damaging.

Against the above background, the employee turnover seems entirely negative as employees are valuable assets that should remain in the organization. In addition to loss of skills, voluntary turnover may also have negative consequences such as direct costs for, example, recruitment, training of new people and lost productivity (Staw, 1980). There are also hidden costs. Much time and effort goes into this process. The organizational community and teams are disrupted, increased workloads and overtime for co-workers and growing dissatisfaction among those who remain in the organization can occur (Staw, 1980; Ronra & Chaiswat, 2009). There are some positive aspects of employee turnover. Researcher has mentioned some benefits of turnover such as: bad staff replaced by better staff, new staff will bring new ideas, increased opportunities for internal career advancement is created, the remaining employees consists of satisfied individuals and reduced absenteeism and avoidance behavior (Staw, 1980). Based on Thailand's situation, with fierce competition among employer looking for new personnel, it appears mainly as a problem. Some turnover may be beneficial but unwanted turnover and labor shortage is not a good combination. We believe that companies must consciously work to increase opportunities for sustainable employees.

Researchers have concluded that job satisfaction and external job alternatives are key components for preventing voluntary employee turnover and the tale is that dissatisfied workers are more likely to leave the organisation (March & Simon 1958 in Bowen & Sihel, 1997). Human recourses specialists often utilize feedback they receive from exit interviews, to find out what is causing dissatisfaction so that they can prevent voluntary turnover from happen again. They are questioning employees who already have decided to leave the organization; why they are leaving and what could be done differently? This is based on the belief that companies need to know why each employee leaves to prevent it from happening (Gioia & Catalano, 2011). This belief is well addressed; for many years the research has focused on people who are leaving the organization and examine the possibilities to prevent dissatisfaction at work (March & Simon 1958 in Bowen & Sihel, 1997).

It's good for companies to know why employees are leaving. We believe, however, that organizations should understand *what* is important for their employees and *why* they choose to stay, if they want know *how* to better retain their employees. Lee et al (1994) supports this belief and are talking about the concept of employee retention. Employee retention refers to all those efforts, done by the organization, which increases the chances for an employee to stay in the organization for a longer time. High employee turnover in addition to shortage of labour and an increasing business sector calls for employee retention. Tom Sorensen (2013, p.1), partner and head of Grant Thornton's Executive Recruitment division in Thailand said "*If you already think it's hard to find people in Thailand, you ain't seen nothing yet, I'm afraid*". This shows the importance of employee retention. Based on the company's problem with employee turnover, we decided that a study on employee retention is an appropriate way to get one step closer to a solution and dedicated our bachelor thesis to this matter.

### 1.3 AIM OF THE STUDY

The aim of this study is to identify and analyze organizational reasons for employee retention among white-collar workers at a multinational manufacturing company in Thailand. The result intends to help the company to better understand the benefits of employee retention strategies and provide indications which can be supportive in the development of these.

### 1.4 PROBLEM

On the basis that employee turnover is negative and that there is - and will continue to be an issue of labour shortage in the country, it appears important for companies to retain their employees. The problem can be broken down into the following main question:

- Which factors within job satisfaction are central for employee retention?

### 1.5 SCOPE

This thesis will be based on the above discussion about employee retention and that employee turnover is a problem. The benefits of employee turnover will therefore not be further examined. The thesis only talks about turnover in the sense of voluntary turnover. We will assume an organizational perspective. The employees' opinions will, however, be the basis of the empirical data. The study is conducted on white collar workers only. This decision is based on the previous discussion about the lack of labor with fairly high level of education and the fact that the company experiences a high voluntary turnover among white collars workers, and not within the blue collar section. As we assume an organizational perspective we intend to only analyze the factors that the company is able to direct influence. The external labor market will be a part of the study for understanding voluntary employee turnover but will not be further examined. It is a small-scale study and both job satisfaction and employee retention is very extensive. This means that the result of the study only intends to give an indication of what is central to employee retention and which factors are most central, in order to perform a reliable study as possible. The study's scope does not extend to analyze differences between groups, or different groups within the selection.

### 1.6 DISPOSITION

1	• <i>Introductory chapter explains the problem and what the aim of this bachelor thesis is. The chapter is also meant to give the reader a context and deeper understanding of the addressed issue.</i>
2	• <i>Explanation of concepts clarifies and explains some common concepts in the thesis</i>
3	• <i>The theoretical framework place our study in a context by presenting previous research undertaken in the study area and in adjacent areas.</i>
4	• <i>The methodology chapter describes our choice of method and how we collect, research, and organize information.</i>
5	• <i>Results of the survey is presented in this chapter</i>
6	• <i>Analysis of the empirical data and the studys' conclusions</i>
7	• <i>Discussion of the results and reflection upon our chose of the theoretical framework and methodology . Suggesstions for further research is presented.</i>

## 2. EXPLANATION OF CONCEPTS

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*The following section clarifies and explains some common concepts in the thesis*

### *LABOUR SHORTAGE*

Labour shortage is, according to market-oriented and economic research, conditions in which there are inadequate qualified candidates/employees to fill the market-place demands for employment (Trendle, 2008)

### *EMPLOYEE TURNOVER*

We use 'turnover' to mean '*voluntary cessation of membership of an organization by an employee of that organization*' (Morell, Clarke & Wilkinson, 2001:220). Voluntary turnover is the turnover that is initiated by employees. We refer to this employee turnover as negative, since the organization, against their will, risk losing valuable staff. (Ronra & Chaiswat, 2009).

### *EMPLOYEE RETENTION*

The word retention means: keeping, maintain. Employee retention refers to, how organizations should work to keep their employees. Retention is a complex concept and there is no single recipe for keeping employees with a company (Chandranshu & Sinha, 2012). Employee retention can also refer to the outcome of how many is retained per year. However, we see employee retention as a strategy, an effort by a business which supports current employees in remaining with the company (Employee retention, n.d.)

### *MULTINATIONAL COMPANIES*

When we refer to multinational companies, we are referring to a company who has several subsidiaries operating as standalone business units in multiple countries (Miroshnik, 2001).

### *WHITE COLLARS WORKERS AND BLUE COLLARS WORKERS*

White collars workers refer to employees or professionals whose work is knowledge intensive, non-routine, and unstructured, often seen at an office. Blue collars refer to employees whose performances are directly related to the output generated by the company, and its end result should be identifiable or be physical. (Blue collar, n.d.; White collar, n.d.)

### *JOB SATISFACTION*

Job satisfaction is the degree to which people like (satisfaction) or dislike (dissatisfaction) their job. Satisfaction (or lack of it) arising out of the employees positive and negative feelings toward his or her work (Spector, 1997).

### 3. THEORETICAL FRAMEWORK

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*The purpose of this section is to place our study in a context by presenting previous research undertaken in the study area and in adjacent areas. In this way, we show the relevance of our study in the chosen field of research.*

Companies do not want to lose valuable employees, and employee turnover can have a huge impact on their business. The reasons for why voluntary turnover occurs are complex and have been a topic for researchers in a variety of disciplines. For basic researches, a central issue has been to understand the reasons for why employees leave an organization voluntarily (Lee & Mitchell, 1994).

Lee and Mitchell (1994) explain, in their research some of the different disciplines in turnover studies. The industrial relations literature, for example, describes how the supply and demand of labour has been comprehensively researched as precursor to employee turnover. Market-oriented researchers have been studying primarily concepts external to the employee, and focused on job alternatives and how such alternative appears. Psychologically-oriented researchers have been studying internal concepts to the employee and focused on job-related perceptions and attitudes. In the organizational behavior literature, however, numerous psychologically based theories attempt to clarify the links among work-related perceptions, job attitudes, intention to quit and actual turnover. In the literature, across the disciplines, the major conceptual underpinning are satisfaction and alternatives, and even after decades of research remains job satisfaction and job alternatives as key concepts (ibid). A company cannot prevent other organizations from attracting employees, but they can, according to following research, create better conditions for their organization to be attractive to employees by addressing reasons to why current employees stay the organization (Lee & Mitchell 2004).

On this basis, our thesis has been limited to mainly involve the factors within the organization that affect the employee's choice to remain. Previous research and theories selected are those which deal with the organization's internal conditions to retain employees. The previous research is based on studies which are carried out in Thailand on Thai employees.

First, we present two theoretical models to explain the possible reasons for voluntary turnover and opportunities for employee retention. We will then suggest a mixed model and explain in detail the various factors that affect organizations' ability to retain employees. These factors are derived from previous research presented below

#### 3.1 EMPLOYEE TURNOVER

Most of the previous research on employee turnover tries to find answers to why people leave the organization, and are often based on March and Simon's model of organizational participation (March & Simon 1958 in Bowen & Sihel, 1997). The model sees turnover as a consequence of two variables. The first one is; (1) Perceived desire of movement, whereat high desire is due to lack of job satisfaction and lack of internal careers opportunities. The other variable, (2) Perceived ease of movement, are due to the number of external job alternatives. These variables can help organizations to predict voluntary turnover. Teeraprasert, Piriyaikul and Khantanapha (2012) carried out a study in Thailand regarding job satisfaction influence on employee turnover. The study is testing March and Simon's theory and focuses on the determinants of job satisfaction which affects employee turnover. The researchers provide the approximately 350 blue collar employees with a self-administrative questionnaire. The result shows that employees' intentions to leave their organization are highly affected by the lack of job satisfaction (Teeraprasert et al., 2012). The focus on dissatisfaction dominates the research field of voluntary turnover and the decision to leave is often

associated with employees being unhappy with their current job and comes across another more attractive opportunity. Companies try to fight dissatisfaction in hope of reducing loss of valuable staff, as many studies would recommend (Lee & Mitchell, 1994; Bowen & Sihel, 1997; Lee & Mitchell, 2004).

Fredric Herzberg and his associates conducted a famous survey of 200 accountants and engineers that laid the foundation for the motivator-hygiene theory from 1959 (Ramlall, 2004). Herzberg's theory indicates that eliminating factors contributing to dissatisfaction does not necessarily increase job satisfaction. Consequently, factors that can create dissatisfaction must be met before factors affecting job satisfaction can be activated (ibid).

Ronra and Chaisawat (2009) conducted their study of employee turnover based on Herzberg's motivator—hygiene theory. They distribute a questionnaire to 356 blue collar workers at 11 different hotels all over Thailand. The result of the findings indicate that factors affecting employees' turnover was inadequate recognition from managers, inadequate salary and benefits that did not meet the employees' needs, salary and responsibilities were not compatible and inadequate career path advancement. In contrast, the factors which influenced employees' job satisfaction were that the employee felt appreciated for completed task and that the company recognized their achievements. The pride to work for the organization, the understanding of how the job aligns with the company's mission and the balance between job and families responsibilities were also seen as important for the employees (Ronra & Chaisawat, 2009). Ronra & Chaisawat (2009) also found the relationship to the manager to have a huge impact on job satisfaction. Hofstede and Hofstede (2005) have examined employees' in different countries and concluded that one of the biggest cultural differences between Sweden and Thailand is "power distance". Power distance indicates that Thai employees are increasingly dependent on their managers than, for example, Swedish employees, who is more independent in the relationship between managers and subordinate. Ronra and Chaisawat's (2009) study concluded that increased understanding of the factors, whether they are said to affect dissatisfaction or satisfaction, will be useful for organizations, in order to manage and maintain their employees.

### *3.2 EMPLOYEE RETENTION*

After March and Simons model of organizational participation, a new focus are finally entering the research field. It becomes more and more relevant to question why employees choose to remain in the organization instead of why they leave. The premise is that voluntary redundancies are a struggle for many organizations. Lee et al (2004) questions organizations' ability to attract and retain employees in order to reduce voluntary turnover and this has shaped their theory of job embeddedness.

Using a qualitative and quantitative methodology, workers at different companies was questioned if they have experienced something that led them to consider leaving their jobs, but workers who already left were also examined, for comparison (Lee et al, 2004). The results showed that the causes of voluntary employee turnover are not always linked to the work itself. After further investigation it was found that employees who feel a sense of connection to their community and are embedded in a social network through the organization are less inclined to leave their job voluntarily. Job embeddedness is negatively related to intent to leave and following turnover. More importantly, these relationships remain significant, but small in effect, after other factors such as job satisfaction is controlled (ibid).

The Job Embeddedness theory can be described as a spider's web of factors, both within and outside of work, which anchors the individual to the organization. This anchoring makes the individual more likely to remain in the organization through three different reasons;

- (1) Links; interactions with other people, groups or organizations, for example, friends -, teams -, work -, and hobbies.
- (2) Sense of fit; how well the employee perceives to fit in the organization and how well the organization fits in the employee's life.

- (3) Sacrifices; reflects on what the employee must give up when leaving the current job, for example, different types of benefits-, friendship-, status and appreciation (Lee et al, 2004, Tanova & Holtom, 2008;; Jiang, Liu, McKay, Mitchell & Lee, 2012). A person who has many links, a high sense of fit is likely to experience greater sacrifice. This means that a person with strong roots in the organization is more likely to have fewer thoughts about leaving even when problems occurs (Lee et al, 2004).

### *3.2.1 The cultural aspect of Job embeddedness*

Jiang, Liu et al (2012) bring up a new perspective of the job embeddedness theory, the cultural aspect. They indicate that the relationship between job embeddedness and employee turnover can be diverse due to context. Previous studies have suggests that contextual factors can be divided into,

- (1) Societal, job embeddedness may vary in different countries, due to cultural differences,
- (2) Organizational, job embeddedness may vary in different organizations, e.g. public, private and non-government organizations, and
- (3) Individual (Jiang et al., 2012).

People are different and values different things in life. Chompookum (2004) fund that Thai workers highly values a sense of security, which can be found through, for example, good benefits, accurate salary and development opportunities. Others highly value balance between work and personal life. The Work-life balance has a close relationship to the fact that Thailand is probably the most Buddhist culture, about 95 % in Asia (Hagren, 2013). As Buddhist, Thais often believes in the middle path and seeking balance in one's life (Chompookum, 2004). Chompookum (2004) stated in a study that in order to recruit, motivate and retain the best Thai workers, organizations needs to understand the culture and should desire to create links, and a sense of fit, between the person and the organization.

According to Jiang et al (2012), the job embeddedness theory has been used in studies all over the world. The theoretical question are in many studies whether job embeddedness can be used to predict turnover effects in different cultures and the most studied societal aspect has been the different between collectivism and individualism.

Individualism and collectivism is essential cultural characteristics of a country and which might affect the strength of the link between job embeddedness and employee turnover (Hofstede & Hofstede, 2005, Jiang et al., 2012). The distinctions between the two cultural characters are the relationship between the individual and others (Hofstede & Hofstede, 2005; Jiang et al, 2012). Hofstede and Hofstede (2005) explain individualism and collectivism as the degree to which individuals are expected to choose between their own or the group's interests. The individualistic society and workplace is structured on terms that you are expected to take care of yourself and that individual performance should be rewarded with an individual salary or bonus. In collectivist societies and workplaces people are integrated to feel a strong cohesion to the group and emphasize teamwork, team bonus and so on (ibid).

The relationship between employers and employees in collectivist countries resembles a family relationship because there is a duty of loyalty to each other. Sweden is according to Hofstede and Hofstede's study (2005) a very individualistic country in comparison to Thailand. In individualistic countries, people tend to have weaker relationships with other people and experience higher self-concern, compare to people from collectivist countries that tend to develop and value closer relationships with others; it makes them more susceptible to develop a sense of belonging.

Based on these differences, Jiang et al (2012) suggest that the negative relationship between job embeddedness and voluntary turnover may be stronger in collectivist countries. Workers from collective countries say devote plenty of personal time and effort to establish and maintain strong relationships (Hofstede & Hofstede, 2005).

The conclusion is according to Jiang et al (2012) that workers from collectivistic countries, such as Thailand, should respond strongly to job embeddedness.

### *3.4 SUMMARY OF PREVIOUS RESEARCH*

Previous research shows, regardless of perspective and theory, that satisfied employees are more likely to remain in the organization than those who are dissatisfied (Lee et al., 1994; Lee et al., 2004; Ronra & Chaisawat, 2009; Jiang and Lui et al., 2012). What satisfies and what dissatisfies may be caused by different factors, and may be diverse due to individuals, organizations and societal.

Tanova and Holtom (2008) are questioning March and Simon's theory of organizational participation as well as Lee and Mitchell's job embeddedness. Their studies indicates that the originally turnover model, where desirability of movement and ease of movement are regarded as significant predictors of voluntary turnover, receives empirical support. Their study also shows that the new focus on employee retention – the job embeddedness theory – explains important amount of variance above and beyond the role of March and Simon's factors. In summation, they suggests that is not only about the individual's job satisfaction and the external opportunities in the labour market, but also job embeddedness - the links, the sense of fit and the sacrifices the employees are perceived that are affecting employee turnover and opportunities for employee retention.

Based on our study scope, we find many similarities with previous research. Questioning how organizations can work to reduce employee turnover is nothing new. Based on the previous research that supports both March and Simon's theory, and Lee and Mitchell's, we choose to design a model that combines the two. We do not exclude any of the two most successful theories in hope of better analyze organizational factors' importance for employee retention. We do however renounce Herzberg's theory, though a division of the factors affecting job satisfaction, whether they reduce dissatisfaction or increase satisfaction, does not feel necessary to our purpose, since both needs to be fulfilled for retention opportunities (Ramlall, 2004). We support this renounce with the study of Ronra and Chaisawat (2009), who stated that no matter which camp the factors comes from are they as important in order to maintain employees. Given our study's cultural context, we have chosen to involve the concept of societal, organizational and individual perspective, a division that is not emphasized in the original models. Because of these perspectives our study differs from previous research and may therefore potentially provide new knowledge.

### *3.5 A MIXED MODEL OF EMPLOYEE RETENTION*

Influenced by March and Simon's model of organizational participation and Lee and Mitchell's job embeddedness theory (1994), we suggest a mixed model, aiming to

- (1) Analyze factors within job satisfaction to show how important they are for employee retention and,
- (2) Show the relevance of employee retention so that the organization can strengthen and develop those factors that strongly contributes to retention opportunities.

To gain a deeper understanding how to retain employees, it is important to identify the factors that influence job satisfaction since the relationship between satisfaction and employee turnover is very strong (Teeraprasert et al, 2012). The previous research, as presented earlier, concluded several reasons that are of great importance among Thai workers to prevent employee turnover and increase retention. These reasons have been categorized into different factors in the mixed model under the variable "Job satisfaction". The mixed model suggests that job satisfaction affects the desirability of movement. High job satisfaction equals low desirability of movement; low job satisfaction equals high desirability of movement. The desirability of movement in relation to the ease of movement, which is primarily determined by the labour market, affects the outcome. The employee weighs pros and cons, risks and opportunities to make a decision about the future in the organization, this decision will decided whether employee turnover or retention occurs. The concept of Lee and Mitchell's theory of job embeddedness is emphasized by the strength of the relationship between job satisfaction and the employee. This relationship makes the employee more likely to remain in the organization as it reflex's up on the pros and cons, risks and opportunities. Jiang et al (2012)

and Lee et al (2004) indicate that the relationship between job embeddedness and employee turnover- and retention can diverse due to context. We will therefore take the individual, organizational and societal perspective on job satisfaction into consideration.

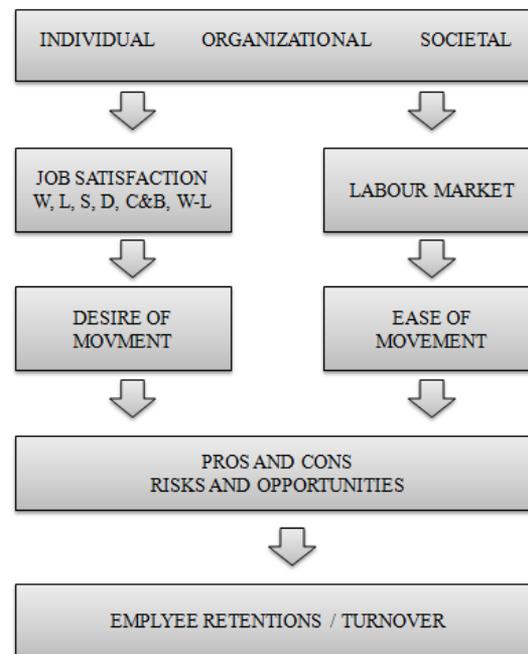


Figure 3.1.Mixed model.

### 3.6 INDIVIDUAL, ORGANIZATIONAL, SOCIETAL

We have in previous research presented studies indicating factors which more or less affect job satisfaction and its impact on employee turnover. However, we believe that these factors both originate from and are influenced by three different dimes named, individual, organizational and societal, by Jiang et al (2012). The perspective of individual, organizational and societal should be seen as integral to each other, since they influence each other.

#### 3.6.1 The Individual Perspective

The individual affects job satisfaction. Spector's definition (1997) makes reference to job satisfaction as directly linked to the individual's experience, it is the individual who determines the degree of job satisfaction. The level of satisfaction arises out of the interaction of positive and negative feelings towards the work – the perceived of this interaction is highly individual (ibid). People are different and therefore can job satisfaction within an organization vary, although all employees may be exposed to the same factors.

#### 3.6.2 The Organizational Perspective

Job satisfaction is an important factor for the organization success, as related to employee retention and employee turnover (Ronra & Chaisawat, 2009). The organization has a difficulty to prevent turnover due to outside factors associate to the situation in which someone leaves the organization for reasons that are primarily non related to the current work. In common cases, this involves moving away or resigns when a spouse or family is relocated (ibid). The organization can to high extend control and influence the internal factors, those that are work related, such as recruitment, management and compensation and benefit packages. The organization can also to some extend affect the employees private life. Ronra and Chaisawat (2009) quoted that job satisfaction is correlated to life satisfaction

which means that people who satisfied with life will tend to be satisfied with the job and people who satisfied with job will tend to satisfied with their life. Organizations can affect the private life through, for example, accurate compensation, benefits such as health insurance, pensions, and recruit co-workers that become friends.

### 3.6.3 *The Societal Perspective*

The society affects job satisfaction. Societal refers to a nation's culture and can be explained as the collective programming of the mind which distinguishes people from each other (Hofstede & Hofstede, 2005). People are different and culture is one way of established that difference. The societal forms an individual and affects job satisfaction through mostly religious beliefs-, status symbols, - traditions, - attitudes, - motivations, values- and norms. Societal may also affect the organization and its ability to maintain job satisfaction. According to Miroshnik (2001) a business, that strives for sustainability, needs to understand the societal; the nations' culture.

In Thailand, you do not have a word that corresponds with the English term 'culture' instead you describe design, food and dance, and so on (Williams et al, 2007). Nevertheless there are certain aspects of Thai society that everyone recognizes as 'culture' (ibid). The Thai word *sánúk* means fun and anything worth doing – even work should have an element of *sánúk*. At work this means that Thais like to approach situations with a sense of playfulness. Most Thais believe strongly in the concept of *saving face*, which means; avoiding confrontations and endeavoring not to embarrass yourself or other people. The ideal face-saver does not bring up negative topics in a conversation, laugh when someone falls down just to save face on behalf of the person undergoing the mishap – thus, it's the best possible face for almost any situation (Williams et al, 2007).

All *relationships* in Thai society - are governed by connections between '*big person*' and '*little person*'. Based on social rank; defined by age, - wealth, - status and personal, - political power you get categorized. Some example of '*automatic*' big person-status includes, for example, adults, managers and teacher. In this relationship is it important that the '*little person*' show a degree of obedience and respect, and in return are the '*bigger person*' obligated to care for or sponsor (Williams et al, 2007). Miroshnik (2001) also talks about '*cultural blindness*', which means that businesses established in another country sometimes chooses to ignore the fact that a nation's culture and societal affects both the company and its employees. Lockwood (2007) believes that it is important for organizations to be aware of the differences between countries, regions and cultures when companies create strategies for employee retention. In Canada, for example, career opportunities and Work-life balance is considered to be the most important for an employer while in India it is the organization's reputation as an employer.

### 3.6.4 *Unstudied components in the mixed model*

The mixed model of employee retention suggests that employee turnover or retention is the result of an employee's desire or ease of movement. As key concepts, job satisfaction and the labour market affects the perceived desire- and perceived ease of movement.

Low job satisfaction increases employee's willingness to change their work situation. Willingness to move can also be satisfied internally by offering good career paths. Unless the organization can address the need for changed work situation there is a great risk that the employee will be looking around for other, external, opportunities. The ease of movement measures how many opportunities the employees feel they have to get a new job. High labour shortage allows ease of movement to be higher even before the employee has evaluated the market (Bowen & Sihel, 1997). When the desire of movement occurs and the employee has recognized its ease of movement, comparisons between the two occurs. The employee weighs the pros and cons of the current labour situation, risks and opportunities to leave and then take a decision. The more pros and the more risks with leaving the organization there is, the harder it

will be to take the final decision to leave according to the job embeddedness theory (Lee et al, 2004). An employee with few linkages between organizational and personal life, low sense of fit in the organization, is expected to have easier to leave. An employee with many links and a high sense of belongingness experiences greater sacrifices and are more likely stay in the organization Lee et al, 2004). The decision after consideration of the desire to move, and the ease of moving will result in either voluntary employee turnover or employee retention for the company (March and Simon, 1958 in Bower & Sihel, 1997).

### 3.7 JOB SATISFACTION

Job satisfaction is the contentment or lack of it, arising out of interplay of employee's positive and negative feelings toward his or her work and is in previous research seen as a key component affecting voluntary employee turnover (Lee & Mitchell, 1994; March & Simon, 1958 in Bower & Sihel, 1997). The level of job satisfaction is determined by the individual, but there are factors shown to influence more or less. In the previous research a wide range of reasons for turnover and retention, origin from job satisfaction, was discussed (Chompookum, 2004; Ronra & Chaisawat, 2009). We choose to categorize all the different reasons we found into six factors. We named the factors, Work design, Leadership, Social support, Development, Compensation & Benefits, and Work-life balance. These six factors aims to examine the perceived of job satisfaction for increased employee retention.

#### *3.7.1 Work design*

Employees' feeling regarding work itself, how the work is organized for example; that the amount of work is reasonable and that the employee have accurate tools and recourses to meet the demands affects the perceived job satisfaction Work tasks needs to be perceived as meaningful to the employees and they also needs to feel appreciation from the organization (Ronra & Chaisawat, 2009).

#### *3.7.2 Leadership*

Employees' feelings regarding their manager (Ya-Anan & Bunchapattanasukda, 2011). Dissatisfaction with immediate manager can directly affect the retention of an employee. Manger support, coaching and feedback, and regular reviews and recognition of performance are often highly valued by employees (Ronra & Chaisawat, 2009; Ya-Anan & Bunchapattanasukda, 2011)

#### *3.7.3 Social support*

The importance of Social support in the workplace has proven to be of great importance. This support should come from booth colleagues and superiors. Good relationships are an important link to tie the employee to the organization (Lee et al., 2004; Ronra & Chaisawat, 2009)

#### *3.7.4 Compensation & Benefits*

Employees' feeling regarding their compensation and benefit packages are seen as a foundation in job satisfaction. The Compensation & Benefits must address the employee's needs and the employees must also feel that they are fairly paid for the work they perform when compared to similar job at different companies (Ronra & Chaisawat, 2009) But money is not all; adequate recognition and praise for doing a good job are seen as beneficial, as proven in many non-governmental companies (Ya-Anan & Bunchapattanasukda, 2011).

#### *3.7.5 Development*

Internal growth opportunities, potential for advancement, career development and the perceived chance to grow within the organization are often discussed as part of job satisfaction. How the employees perceive the company's

training opportunities and quality of training is important. Both training and career opportunities needs to be adequacy, available and address the employees' needs and expectations (Ronra & Chaisawat, 2009)

### 3.7.6 Work-life balance

How the employees feels regarding the balance between work and personal life and encompasses issues are essential factor in job satisfaction, perhaps maybe more in some nations' cultures (Ronra & Chaisawat, 2009). Organizations that manage to help their employee preserve a healthy balance and that enjoy a high satisfaction level in this area might experience higher employee retention. Ronra and Chaisawat (2009) stated that job satisfaction is correlated to life satisfaction which means that people who are satisfied with life will tend to be satisfied at work and people who satisfied at work will tend to be satisfied with their life.

### 3.7.7 The mixed models' scope.

The mixed model is a conceptual model based on two leading theories of employee turnover and employee retention research. Our study, as small-scaled, does not involve the entire model. We assume the organizational perspective and chose to take a closer look at the elements of job satisfaction within the organization's control. Previous research reveals that job satisfaction and external options are the key concepts in the process that leads to either turnover or retention, but not the only once. This means that the other components found in the model is important, although not examined. Furthermore, this means that the model does not incorporate all possible reasons for employee retention. From previous research, we have categorized the results into six factors; Work design, Leadership, Social support, Development, Compensation & Benefit, Work-life balance. These factors intends to measure job satisfaction in relation to employee retention.

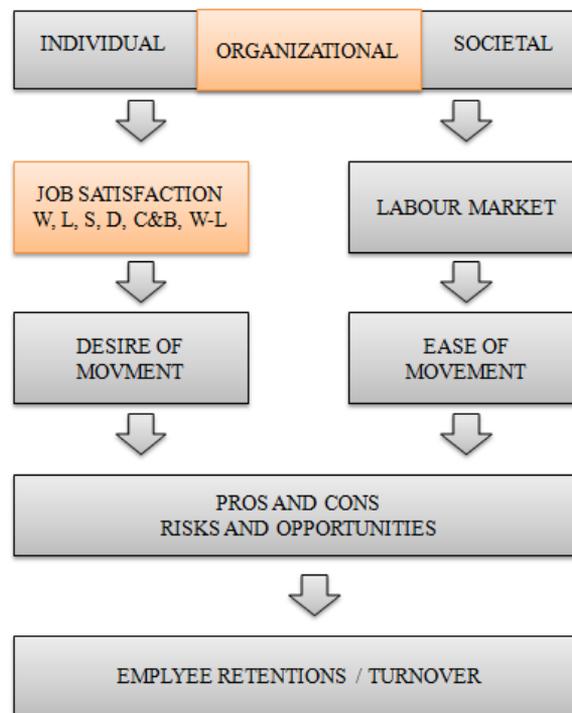


Figure 3.2 The mixed models' scope

## 4 METHODOLOGY

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*In this chapter we describe our choice of method. We also describe how we collect, research, and organized the information, as well as critique of the sources.*

### *4.1 DESCRIPTION OF METHOD*

The research was based on a quantitative method carried out through a questionnaire (Denscombe, 2009). The choice of methodology was based on the fact that the results intended to help the company to better understand the benefits of employee retention. The results should, however, only provide indications and therefore reflect the entire selection and not focus on in-depth understanding of few respondents' point of view (see. Denscombe, 2009, for an introduction of qualitative methodology). By measuring the frequency of certain responses and generalize the results to our selection, we could show indication of central factors in job satisfaction. These indications were interpreted as important for employee retention.

The study was conducted in Thailand, which means a different cultural context than what we are used to. A quantitative method was chosen in order to reduce the impact of cultural differences. In a context where "saving face" is rooted in the culture, it was important that respondents felt confident to speak their minds. A questionnaire can be answered without revealing the interviewee's identity and was a way to minimize both the cultural and linguistic barriers.

#### *4.1.2 Methodical approach*

By using an inductive approach, we analyzed the collected data from pre- interviews and let the theory emerge from these (Thomas, 2006). A disadvantage of this approach is that we looked for findings that assume to be important and may therefore overlook some important details. In our study, we considered that it was important to gain an understanding of Thailand and our problem area and then develop theory. This minimizes the risk that we identify issues that are in line with the Swedish culture.

### *4.2 COLLECTION OF EMPIRICAL DATA*

#### *4.2.1 Pre- interviews*

We held three pre-interviews. We chose to conduct these personal interviews because they were easy to accomplish and we wanted to increase our understanding of the Thai labour market and thus have a source of these perceptions (Denscombe, 2009). The first two interviews were held in Sweden. Our first respondent had recently been active in the Thai labour market. The second interview was held with another Thai who six months earlier moved to Sweden from Thailand for continue working within the multinational company we examined. The last interview was held with the company's general manager at the factory in Thailand. These three interviews helped us with the definition and selection of previous research and scope of the survey. In the beginning of our journey in Thailand we visited our contact at the company. We were given a tour and greeted the rest of the staff who were at the office. After spending seven days at the office, the questionnaire was sent out by email from the HR manager.

#### *4.2.2 The questionnaire*

The questionnaire was designed from the theoretical framework and the questionnaire was divided into six different variables; *Work design, Leadership, Social support, Compensation & Benefit, Development and Work-life balance*

and *Work design*. The variable *others*, intended to measure for instance how the respondents value the factors. Through operationalizing the variables, questions and statements took form (Ejlertsson, 2005), see table 4.1. In order to examine how the respondents perceive the organizations efforts in the field of job satisfaction; we designed a number of statements which the respondents had to take under consideration. The respondents were asked to specify how they perceive the statements on their current workplace.

<b>Factor</b>	<b>Question</b>
Workdesign	6, 10, 11,16
Leadership	7, 8, 12,
Social support	9,13-15
Compensation and Benefit	22- 26, 28,29
Development	17- 21, 23,
Work- life balance	27- 29
Other	30-34

*Table 4.1, Operationalizing.*

The background questions were: *Gender; Marital status; How many years have you been working for the multinational company; Do you have children; For how long would you like to stay in your current role* The background variables purpose was to give an introduction to the questionnaire but also to support the description of our respondents. The study does not aim to find and analyze differences within the selection. In order to ensure that we did not miss some important information, we performed a Kruskal – Wallis test (see 4.5.2 Processing of collected data).

The questionnaire was based on a five-point Likert scale (Denscombe, 2009). We coded the scale reverse. This means that negativity increases with the scale. The scale was valued from 1 to 5. It is a grading scale where 1 implied "strongly agree" and 5 implied "strongly disagree" in between was 2, 3 and 4. We thought that the respondents shouldn't be forced to take a stand and '3' implies neither to agree nor to disagree (Ejlertsson, 2005). The reverse coding was a decision based on the selection. They were, according to the General Manager, accustomed to that form of scale. To minimize misinterpret, it was used in our questionnaire as well, and will be presented in a reversed scale in the result chapter. Majority of the questions in the survey was closed-ended questions. To give the respondent space and opportunity to express themselves in their own words, we decided to supplement with some opened questions (Ejlertsson, 2005; Denscombe, 2009). To reduce the risk of asking leading questions, that can distort the results towards reflect our way of perceiving things and not the respondents, we decided to supplement some of the questions with an open option "comments" (ibid). There the respondent could compose replies that suited him the best. The language of the questionnaire was adapted and respondents had the opportunity to answer in Thai.

### **4.3 ETHICAL CONSIDERATIONS**

The purpose of the survey and our presence was informed to the respondents by the General Manager. The respondents also received information about the ethical principles, such as, it's optional to participate and the responses will be kept confidential. By adapting the background questions, according to our estimates and discussion with the General Manager, we protected respondents from being identified in the material.

#### *4.4 SELCETION OF ORGANIZATION AND RESPONDENTS*

In the initial phase of this study, we contacted the multinational company and requested permission to conduct our study at their office in Thailand. By receiving an MFS (Minor Field Study) scholarship, we got the opportunity to visit Thailand for two months, between 31<sup>st</sup> of March and 26<sup>th</sup> of May 2013 to conduct our study.

The organization involved in the study belongs to a multinational company that operates in more than 170 countries. With over 23,000 employees and global leader in their industry, we saw an opportunity to make an impact. Since the study is primarily funded by SIDA; Swedish international development cooperation agency, we sought a partnership with a company whose core values and sustainability commitment met our criteria. The organization contacted suited our requirements profile and we contacted one of the company's manufacturing plants in Thailand. Through dialogue with our contact at the company we decided to accomplish the survey on white collar. The target population of white collars workers refers to the 48 employees who were currently working for the organization.

#### *4.5 QUALITY OF THE METHOD*

##### *4.5.1 Data collection*

The cover letter was a template from Central Michigan University, see appendix 3, and the HR-manager sent it out together with a link to the questionnaire to the selection. Two reminders were sent out during the 7 days the questionnaire were available. We considered it was a good way to reach out to the selection because they spend the majority of their workday stationed at computers (Denscombe, 2009).

The questionnaire was handed out to 48 respondents, and 32 of them answered. It is a response rate of 67% and 33% of non-response, the distribution of missing data external selection has come to our cognizance (Ejlertsson, 2005), the internal loss is presented in appendix 2. It was public holiday, Songkran, during the time the survey was available. We do not know how many of that 33 % that made a conscious choice not to participate and how many who did not have an opportunity to participate. The disadvantage of low response rate is that we have no idea how those who did not participated differs from those who responded (Denscombe, 2009). We established that women were under-represented in our study. Through a non-response analysis, we found that 53% of the women chose not to participate in the survey and 24% men. There is however nothing that indicates that men value other factors within job satisfaction. This has been supported by previous research in which no study has taken account of the background variables. Therefore, we assume that it has not affected the representativeness of the population.

##### *4.5.2 Processing of collected data*

The web platform collected the results from the questionnaire electronically, and the responses were later transferred to a statistics program. The open questions were analyzed qualitatively by a categorization. When all the data were recorded, we used descriptive statistics to produce mean and standard deviation. This gave us a clear overview of the material. Why we chose to present our result in mean was because it is a widely known statistical test. The aim of this study is not to describe in detail the experience of job satisfaction. The aim is to measuring the experience and find out which factors are correlated to job satisfaction; the mean was used to give the reader a presentation and introduction of the statements and the factors. The mean value needs to be supplemented with a measure of variability. We chose to use the standard deviation. Standard deviation is a measure of the average deviation from the mean of a series of statements (Djurfeldt, Larsson & Stjärnhagen, 2010). The mean is sensitive to extreme values and those can be found in our study, therefore, we presented the standard deviation in order not to mislead the reader (see chapter 5).

We decided to use the following analyzes:

*Index* is used when you want to use several variables as indicators of a larger phenomenon. In our study, we asked several statements whose answers are indicators of a factor. Compared to using a single question, as an indicator, has a composite index the advantage of smoothing out random variations in individual response (Djurfeldt, Larsson & Stjärnhagen, 2010). Those indexes we have done were;

- (1) Statements → Factor; all statements intended to measure a specific factor was converted into an index.
- (2) Factors → Job Satisfaction; all factors are intended to measure job satisfaction and were converted into an index.

*Spearman rho correlation* is a test used to examine the association between two variables. This method yields a correlation coefficient based on a ranking technique in which a small difference between the variables is desirable. As the correlation increases, the smaller the rating difference there is. The result of the test shows if there is a correlation between the two variables examined or not (Djurfeldt, Larsson & Stjärnhagen, 2010). In our study this means that the higher the value spearman's rho ( $r=$ ) assumes the stronger correlation between statements- and factors and job satisfaction. The value will in our study always be between 0 and positive 1.0. This means that if *variable 1* tends to increase when *variable 2* increases, the Spearman correlation coefficient is positive and the correlation is strongest closest to 1.0. (Djurfeldt, Larsson & Stjärnhagen, 2010). The test is conducted on (1) statements and job satisfaction and (2) factors and job satisfaction.

*Kruskal-Wallis* is a test used to compare differences between groups (Djurfeldt, Larsson & Stjärnhagen, 2010). The backgrounds variable (see Appendix 3, q.1-5) enabled us to compare the differences between those variables and employee responses on the q.34, ranking of reasons for employee retention (see Appendix 3). There were no significant correlations in the *Kruskal – Wallis* test and are therefore not presented in the study. This does not mean that differentials can't occur. The lack of correlation may be due to the small-scale study. Background variables are used to provide a description of the respondents rather than the purpose of comparison.

#### 4.6 METHOD DISCUSSION

We are aware of that through a qualitative approach we had been able to obtain a deeper understanding of the problem area. We had been able to ask supplementary questions during the interviews and intercept valuable aspects (Denscombe, 2009). But, the quantitative method allowed us to include more respondents in our sample and thus it gave us a more representative result. And we believe that it would be difficult to get honest answers with a qualitative approach, because of the cultural barriers.

Regarding the quality of the study, there are two types of measurement that are usually used when measuring the quality of the study; *reliability* and *validity* (Eljertsson, 2005). The thesis has tried to procure reliability by using a web survey. Data collection was done electronically. This eliminates effectively the human factor that inevitably arises when people need to read the responses in the questionnaires and manually enter this into the computer (Denscombe, 2009) which could affect the study's reliability. By using a web survey, we had no personal impact on the respondents' answers, which means that they probably would respond in the same manner if someone else conducted the study (Eljertsson, 2005). Within the organization, we doubt that repeated measurements provide the same results, as the employees' needs and priorities probably changes. The importance of job satisfaction factors appears sustainable.

The *Validity* of the study has also been taken into account. To maintain a high validity, the questions in questionnaire are carefully designed. This has been made to ensure that the questionnaire really fulfilling its aim. By using a pilot study, we tried to procure validity. Ten of our relatives were asked to answer the survey; the purpose was to find inaccuracies and if the respondents in the pilot study considered the questions easy to understand. The questionnaire has also been discussed with our supervisor and with a language consultant. These actions have hopefully improved the validity of the study.

## 5. RESULTS

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*This chapter presents the results of the survey and it based on the factors that are presented in the material. Initially under each theme, we present informants' perceptions, focusing on capture the variations inherent in the material. We then highlight the causes that are considered central for the employees in terms of employee retention. It's important to notify that the scale is reversed – which means that the lower the value, the more positive results.*

### 5.1 BACKGROUND VARIABLES

Gender-, Length of employment-, Marital status-, Children and Retention plan are those backgrounds variables found in the survey. These are presented below to give the reader an overview of the respondents.

Background variable	Distribution of responses				
<b>Gender</b>	<b>Man</b>	<b>Woman</b>			
X=	26	7			
<b>Length of employment</b>	<b>&lt; 1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>5-10 years</b>	<b>&gt;10 years</b>
X=	6	5	10	7	4
<b>Marital Status</b>	<b>Married</b>	<b>Single</b>			
X=	14	18			
<b>Children</b>	<b>Yes</b>	<b>No</b>			
X=	12	21			
<b>Retention Plan</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>3-4 years</b>	<b>&gt;4 years</b>	
X=	9	10	3	10	

*Table 5.1 Distribution of responses, backgrounds variables, unit: frequency.*

There were a total 33 participants in the study. A majority of the respondents were men, only 7 women participated, equivalent to 26 men. Length of employment was spread between participants, from 6 relatively new recruits to 4 veterans. There was a good balance between respondents marital status; 18 of them were singles, and 14 were married. The question about parenting, whether they have children or not showed that 12 have and 21 of the respondents don't have children. A matter of retention plans was asked; for how long would you expect to stay in your current role? This question reinforces the need to investigate opportunities for employee retention. Entire 9 people could see themselves leave their current role within 1-2 years and 10 within 2-3 years.

### 5.2 JOB SATISFACTION

We report in section 5.3, the perception of the factors that affects job satisfaction. These factors are; Work design, Leadership, Social support, Development, Compensation & Benefits, Work-life balance. Nevertheless, to give an overall picture of the perceived job satisfaction illustrates figure 5.1 the means values.

## Job satisfaction

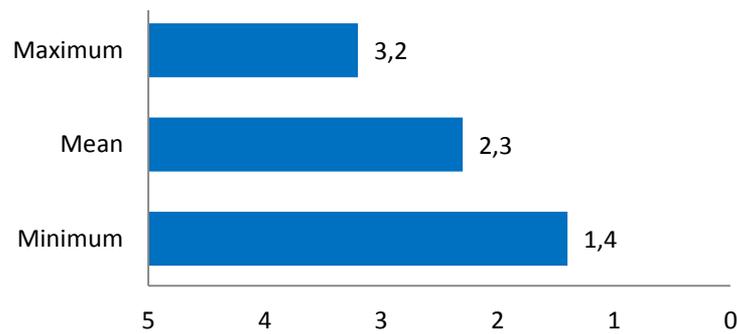


Figure 5.1 Mean values for how employees perceived job satisfaction. 1 implies “strongly satisfied” and 5 implies “strongly dissatisfied”. Std. Deviation 0.38

The mean value was 2.3, no participant has a lower value than 3.2 and the most positive value was 1.4 (see. statistical concepts, appendix 1 for introduction of mean and standard deviation). This result indicates that our selection is satisfied with their work situation, but there are rooms for improvements.

### 5.3 PERCEIVED JOB SATISFACTION

This section presents the statements mean value in a bar chart. The mean value is calculated for each statement to facilitate comparison. The distribution of responses is presented in Appendix 1 for each statement. The results will not be analyzed in this section, since we only want to give a description of how the factors perceives. Results will instead be data analyzed in section 5.5.

#### 5.3.1 Work design

Three statements measured Work design to find out how this job satisfaction factor was perceived. The respondents had to take these under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in figure 5.2.

## Work design

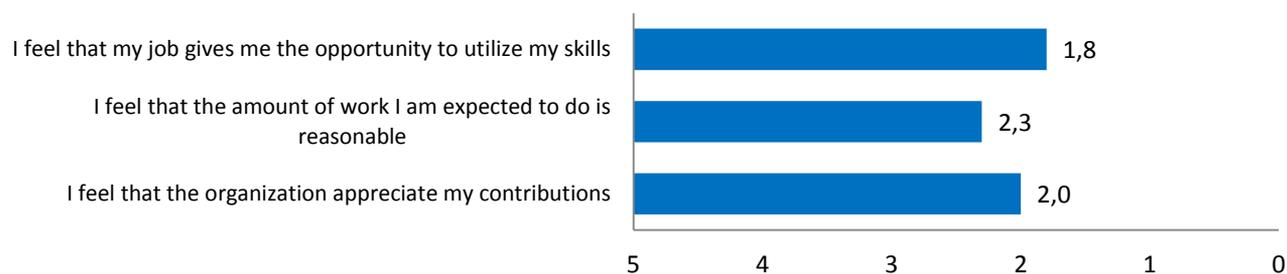


Figure 5.2 Mean values for how employees perceived Work design. 1 implies “strongly agree” and 5 implies “strongly disagree”. Std. Deviation 0.40

The result showed that all statements were perceived as no higher than 2.3 and no lower than 2.0. This result shows that respondents felt that the organizations appreciate their contributions and that they could utilize their skills. There were mixed opinions regarding whether the amount of work assigned were reasonable, and this statement got the highest mean, which shows that within Work design, this statement were perceived as the most unsatisfied.

### 5.3.2 Leadership

Four statements measured Leadership to find out how this job satisfaction factor was perceived. The respondents had to take these under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in figure 5.3.



Figure 5.3 Mean values for how employees perceives Leadership. 1 implies “Strongly agree” and 5 implies “strongly disagree”. Std. Deviation 0.45

The results showed that all statements were perceived no higher than 2.2 and no lower than 1.9. The mean indicates that the respondents feel that their manager fulfills the requirements they have for a good leader. The result shows also that the respondents feel that their manager provides them with enough assistants to develop in their professional role.

### 5.3.3 Social support

Four statements measured Social Support to find out how this job satisfaction factor was perceived. The respondents had to take these under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in Figure 5.4.

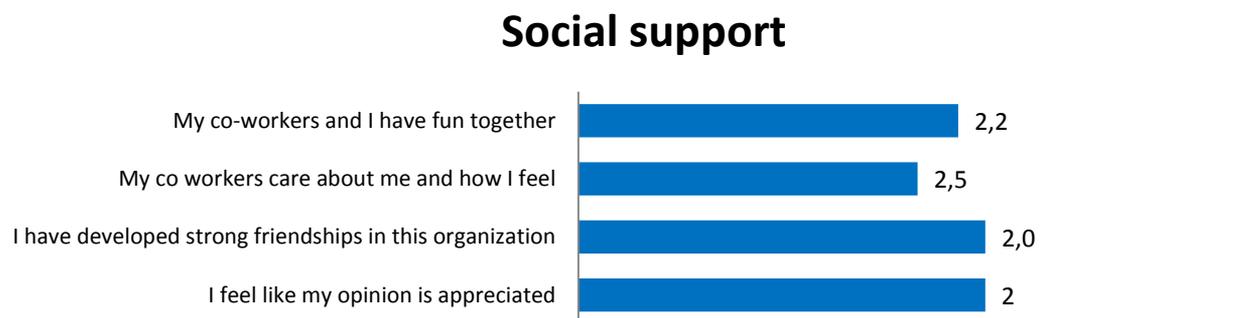


Figure 5.4 Mean values for how employees perceived Social support. 1 implies” strongly agree” and 5 implies” strongly disagree”. Std. Deviation 0.49

The respondents were neither fully satisfies nor dissatisfied with the Social support in the organization. All the statements had no higher than 2.5 and no lower than 2.0. The respondents were least satisfied with the perceived care from co-workers and most satisfied with those friendships that has developed within the organization and they felt

that their opinion is appreciated. In addition to the statements, we ask what the respondents would miss *if* they were to leave the organization. The majority will miss their co-workers, their friendships and cohesion of the organization.

### 5.3.4 Compensation & Benefits

Five statements measured Compensation & Benefits to find out how these job satisfaction factors were perceived. The respondents had to take these under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in Figure 5.5.

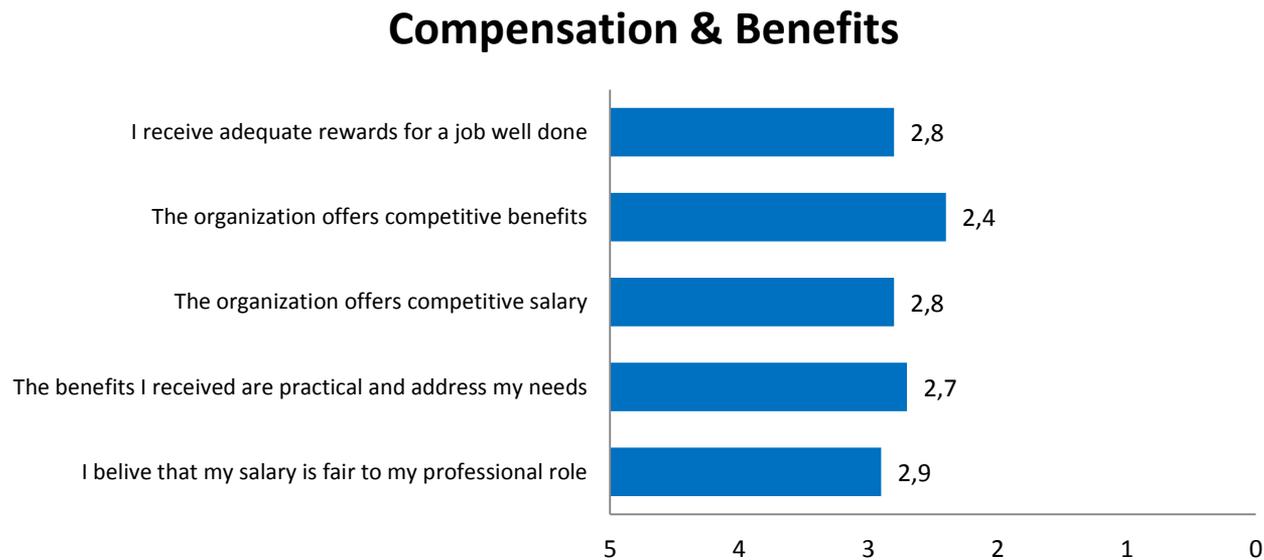


Figure 5.5 Mean values for how employees perceived Compensation & Benefit. 1 implies " Strongly agree" and 5 "strongly disagree". Std. Deviation 0.75

The result showed that all statements were perceived as no higher than 2.9 and no lower than 2.4. This shows that respondent's are neither fully satisfies nor dissatisfied. The mean shows that the general opinion about the fairness of salary could be improved and were the statements that are least satisfied. The competitive of benefits got, however, the highest value. Some of the respondents were not fully satisfied with what they received. 6 of the respondents *disagreed* that the organization offers competitive salary. In another statement regarding whether benefits are practical and address their needs there were 9 respondents who *disagreed*.

### 5.3.5 Development

Three statements measured Development to find out how this job satisfaction factor was perceived. The respondents had to take these under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in figure 5.6.

## Development

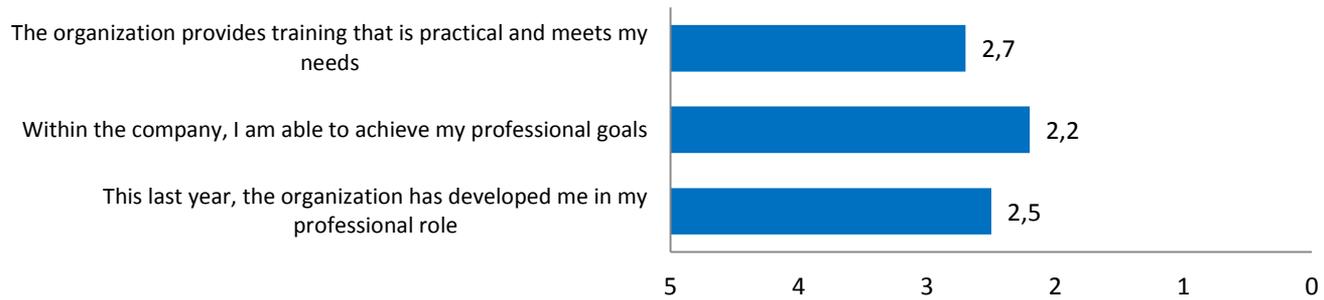


Figure 5.6. Mean values for how employees perceived Development, 1 imply” Strongly agree” and 5 imply” Strongly disagree”. Std. Deviation 0.77

The result showed that all statements were perceived as no higher than 2.7 and no lower than 2.2. This shows that respondent’s are neither fully satisfies nor dissatisfied. The mean shows that the general opinion about the annual development could be improved as the result showed tendencies of dissatisfaction. 3 of the respondents felt that they could not at all achieve their professional goals in the organization, but there were 11 who agreed and 9 who strongly agreed that this was possible.

In one of our open questions, we asked about the expectations when applied for a position at a multinational company. Among the answers dominated development opportunities, the most prominent was the desire to learn English.

### 5.3.6 Work-life balance

Two statements measured Work-life balance, together with some open questions, to find out how this job satisfaction factor was perceived. The respondents had to take the statements under consideration and state which answer that best agreed with their opinion. The statements and the mean of the answers are presented in figure 5.7.

## Work-life balance



Figure 5.7 Mean values for how employee’s perceived Work-life balance. 1 implies” Strongly agree” and 5 implies” strongly disagree”. Std. Deviation 0.76

The respondents were neither fully satisfies nor dissatisfied with the efforts within Work-life balance in the organization. Both statements had no higher than 2.5 and no lower than 2.4. The Work-life balance could benefit from some improvements. There were mixed opinions, from strongly agree to strongly disagree, whether they considered that the organization helped to improve their Work-life balance enough and whether they felt that the

ability to maintain a healthy balance. In addition to the statements, we asked: *What does the organization do that helps you in your personal / family life?* We received 24 answers. The majority emphasized benefits as the primary assistance from the company. The benefits that created balance the most considered; Health insurance, Long holiday and annual leaves, Competitive salary.

### 5.5 DATA ANALYSIS

We ask the respondents to rank different reasons to way they were still working in the organization. In table 5.2 below, we present the distribution of responses in percent for all the statements ranked as top three.

Reasons for employee retention	1	2	3
due to good management and leadership	24,2	18,2	12,1
due to good co-workers and social support	6,1	18,2	12,1
due to good compensations and benefits	12,1	24,1	15,2
due to good career and development opportunities	24,2	9,1	18,2
due to satisfying job position and work tasks	0	6,1	30,3
due to the ability to balance work- and private life	18,2	15,2	6,1
due to the status my work gives me	3	0	0
due to other reasons	6,1	3	0

Table 5.2 Ranking of reasons for employee retention 1= the main reason. Percent %

The results showed that good management and leadership; good career and development opportunities; good compensation and benefits was according to the majority of respondents preferences the main reasons to way they still works in the organization. A data analysis was required to determine if there are correlation between these reasons and job satisfaction. In the theoretical framework, we have described the six factors; Work design, Leadership, Social support, Development, Compensation & Benefits, and Work-life balance as well as discussed their affects on employee's job satisfaction. In order to review whether these factors have a correlation with job satisfaction, and to analyzes the employees ranking, we performed a Spearman's' rho correlation test. The test result provides an indication of the relationship between the statements and job satisfaction as well as the factors and job satisfaction, and must therefore not be viewed as definitive values. (0→ +1) indicates a stronger or perfect correlation between variable 1 (statement or factors) and variable 2 (job satisfaction).

In the table 5.3, we present all the results, including the results for each statement that measures the factor. All factors received a positive value. The test indicates what is most central for employee retention among our selection by show signs of how strong the statements and factors are correlated with job satisfaction. This helps us understand *which* factors and *what within* each factor that the organization should consider when developing employee retention strategies.

Factors	Statements	$r =$
	I feel like the organization appreciate my contributions	0,4
	I feel that the amount of work I am expected to do is reasonable	0,3
	I feel that my job gives me the opportunity to utilize my skills	0,3
<b>Workdesign</b>		<b>0,5</b>
	My manager provides me with enough assistant to develop in my role	0,4
	My manager fulfills the requirements I have for a good leader	0,7
	I feel that my opinion is appreciated	0,4
	I receive enough recognition or praise for doing good job	0,4
<b>Leadership</b>		<b>0,7</b>
	I have developed strong friendships in this organization	0,3
	My co workers care about me and how I feel	0,6
	My co-workers and I have fun together	0,2
	I feel that my opinion is appreciated	0,4
<b>Social Support</b>		<b>0,5</b>
	This last year, the organization has developed me in my professional role	0,7
	Within the company, I am able to achieve my professional goals	0,4
	The organization provides training that is practical and meets my needs	0,6
<b>Development</b>		<b>0,7</b>
	I believe that my salary is fair to my professional role	0,6
	The benefits I received are practical and address my needs	0,6
	The organization offers competitive salary	0,5
	The organization offers competitive benefits	0,7
	I receive adequate rewards for a job well done	0,4
<b>Compensation &amp; Benefits</b>		<b>0,7</b>
	The organization provides enough to meet the demands of my personal and family life	0,4
	I am able to maintain a healthy balance between my work life and personal life	0,3
<b>Work-life balance</b>		<b>0,4</b>

Table 5.3 Data analysis, Spearman's correlation test.  $r =$  spearman's rho's value; the correlation is strongest closest to 1.0.

Spearman's correlation test shows that all factors had values of no less than  $r = 0.3$ , which is interpret as a sign of strong correlation with job satisfaction. The more positively participants perceived factors, the higher job satisfaction they experienced

Leadership, Development and Compensation & Benefits interprets as the strongest correlation with job satisfaction and as the most central for employee retention. These results tell us that there is a stronger correlation between these factors and job satisfaction than among the others factors; Social support, Work design and Work-life balance.

The statements are interpreted in the same way. All statements had a values of no less than  $r = 0.2$ , and the majority no less than  $r = 0.3$ . The more positively participants perceived statements, the higher job satisfaction they experienced. Annual development, competitive benefits and a leader that fulfils employee's expectations has the strongest correlation to job satisfaction within the most central factors and are therefore important for employee retention strategies.

## 6 ANALYSIS

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*In this chapter we analyze the empirical data together with the theoretical framework. This section is an analysis of all factors in order to answer our research questions and meet the aim of the study.*

As presented in the results, 19 of the respondents (59%) intend to leave their position within three years. According to our mixed model the employees evaluate pros and cons of the current work situation, as well as risks and opportunities to leave the organization and current position. Desire to move can be satisfied internally by offering good career paths. If the organization can not address the desire of movement there is, according to our mixed model, see figure 3.2, a great risk that the employee will be seeking other, external, opportunities.

Previous research has evaluated the impact of job satisfaction on voluntary employee turnover and concluded that it is a key component for employee retention. Our result indicates that all factors have a correlation to job satisfaction, and the strength varies between them. We believe it's important to be aware of these factors' impact and to discuss their strength. As proposed in the mixed model for employee retention; the organization should work to improve job satisfaction factors to enhance the possibilities of retaining employees for a longer period.

### 6.1 WORK DESIGN

Work design correlation measure with job satisfaction is  $r=0,4$  and the statement: *I feel like the organization appreciates my contribution* has the strongest correlation among the statements aimed to measure the factor. This comes as no surprise. One of Ronra and Chaisawat's (2009) conclusions were that; if reasons, here categorized to Work design, is perceived positively, it can increase the perception of job satisfaction. The result indicates the importance of a management that appreciates and encourages employees' contributions to the business and acknowledges their work (ibid). The mean value of the statement, as presented in the result chapter tells us that the majority of respondents feel that the organization appreciates their contributions. *I feel that my job gives me the opportunity to utilize my skills* and *I feel that the amount of work I am expected to do is reasonable*; shows indication of the importance to both make sure that employees are able to do their best and balance the workload. Insufficient tools and resources to handle the daily work were seen as a contributing factor to employee turnover in the study of Ronra and Chaisawat (2009). For greater job satisfaction, Work design must be under control. This increases the opportunities for employee retention.

### 6.2 LEADERSHIP

Positively perceived leadership contributes to higher job satisfaction,  $r=0.7$ . Within this factor, there was primarily one statement that stood out; *My manager fulfills the requirements I have for a good leader*. Managers should meet the requirements and expectations that the employees have on 'a good leader'. There are indications that this will increase the employee's job satisfaction. In this organization the mean value shows that the respondents perceive that their manager fulfills their requirements, thus employee retention. Leadership is interpreted as one of the most central factors for employee retention (see. table 5.3). This indicates that it's a factor that the organization must continually work with. Good management and good leadership should contribute to retention of employees. Strategies within this factor can be done despite economical contractions, and are proven to be very effective in non-profit organizations, as a supplement for compensation and benefits (Ya Ana and Bunchapattanasukda, 2009).

The importance of good leadership is also discussed in the societal aspect of our mixed model. We discuss that managers of the Thai culture are assigned the 'big person' status (Williamson et al, 2007). In this relationship, it is

important that the 'little person' shows obedience and respect in return of care and support (ibid). Thai employees are increasingly dependent on their managers (Hofstede & Hofstede, 2005). And therefore it is important that the managers are aware of that Thai people are integrated to feel a strong cohesion to the group (ibid). It gives the manager a chance to emphasize teamwork, team bonus and so on (ibid). This cultural understanding may explain why leadership has one of the strongest correlations with job satisfaction.

The statement: *I feel that my opinion is appreciated*, received a lower result in relation to the other statements within leadership. Previous research supports the importance of the organization's appreciation. It appears that insufficient attention from the manager may increase employee turnover and that management needs to value opinions from employees (Ronra & Chaisawat, 2009). Thais have, according to the societal aspect, a strong belief in the concept of 'saving face', which means that they prefer avoid confrontation and negative topics in a conversation (Williamson et al, 2007). This may explain the lower correlation between the statement and job satisfaction.

### 6.3 SOCIAL SUPPORT

Social supports correlation value of  $r = 0.5$  indicates that good Social support leads to higher job satisfaction. Previous research has clearly announced that Social support from both co-workers and managers is important for job satisfaction. Lee and Mitchell et al (2004) base their theory, job embeddedness, on the links that social support can create. Our result shows clear sign of correlation between job satisfaction and the statements. The discussion about collectivist countries need to create and maintain strong relationships and Thai culture's willingness to accept situations with a sense of playfulness supports the results values for *I have developed strong friendships in this organization* and *My co-workers and I have fun together* (Hofstede & Hofstede, 2005; Williamson et al, 2007). *My co-workers care about me and how I feel* turned out to have the strongest correlation among the statements within Social support. Collectivist countries assume to have a certain sense of family relationship, as it arises naturally to show responsibility and loyalty towards each other (Hofstede & Hofstede, 2005). The statements mean value was found to be the highest, respondents were least satisfied with in Social support. Therefore, we consider it important that the company enables their employees to establish and maintain strong relationships (Hofstede & Hofstede, 2005).

The part of the questionnaire, which included qualitative open questions, clarifies that the majority will miss their co-workers, their friendships and cohesion of the organization if they would leave the organization. This suggests that Social support among our respondents has a strong connection to 'sacrifice' in the job embeddedness model. Accordance to the mixed model of employee retention, Social support may have a strong influence when it comes to evaluation of pros and cons. It appears important that the organization understands the social relations and provide opportunities to strengthen and maintain these relationships. In our study, Social support may not have strongest support, but it appears to have a strong influence when it comes to pros and cons, which also can affect employee retention in some extend.

### 6.4 COMPENSATION & BENEFITS

Compensation & Benefits shows signs of strong correlation with employees' perceived job satisfaction.  $r = 0.7$  indicates that good compensation and benefit packages affects job satisfaction very positive. That salary and benefits are seen as fundamental in job satisfaction is understandable and perhaps even more in a country as Thailand. The lack of social security systems and given the country's competitive labour market, it is essential that the organization offers competitive compensation and benefits (Mårtensson, 2013; Ronra & Chaisawat, 2009). Chompookum (2004)

had a theory that Thai workers value a high sense of security which will primarily come from salary, benefits and job security. The statement which received the strongest correlation was: *The organization offers competitive benefits and enhances* Chompookum (2004) argument. In our study, it appears that benefits must also be practical and address the employees' needs. The result indicates that the salary was the most important benefit the company could offer. The mean value of this factor also indicates that the employees are not fully satisfied with the current remuneration package.

## 6.5 DEVELOPMENT

Development is another factors which results shows signs of a strong correlation with job satisfaction  $r = 0.7$ . Ronra and Chaisawat (2009) describes in their study that inadequate career paths have an impact on job satisfaction. The statement; *within the company, I'm able to achieve my professional goals*, point toward a strong correlation, which suggests that even our study supports the importance of career paths. *This last year, the organization has developed me in my professional role*, was one of the statements that showed signs of strong correlation with job satisfaction. Mean value of 2.5 suggests room for improvement since the correlation indicate that annual development contributes to higher job satisfaction. Development has been discussed in previous research as a factor affecting job satisfaction but its importance is emphasis in our study.

The statement; *the organization provides training that's practical and meets my needs* indicates a high correlation to job satisfaction. That offered training should be adequate, accessible and properly addressed to the employees' needs are in line with previous research (Ronra & Chaisawat, 2009). The same reasoning is applicable to the Development. The organization should offer opportunities for development of high quality that are well addressed to the employee's needs. This may influence their job satisfaction positively. *Within the company, I am able to achieve my professional goals* is a statement that gets support in our study, when correlated with job satisfaction. The results indicate that job satisfaction increases when employees perceive that the organization is in line with their career goals and provides suitable career paths. Ronra and Chaisawat (2009) concluded that inadequate career paths contribute to increased employee turnover. In contrast, should attractive career paths be able to increase employee retention. This suggests a need to investigate and communicate the development opportunities that exist within the organization.

## 6.6 WORK-LIFE BALANCE

Work-life balance  $r = 0.4$  had the lowest correlation with job satisfaction among the factors. Knowledge of the Thai culture, where about 95% belongs to a Buddhist religion, which has a belief in the middle path and seeking balance in one's life, and results from previous research that showed a strong correlation, we believed in a slightly stronger correlation (Chompookum, 2004, Hagren, 2013). The statements; *The organization provides enough to meet the demands of my personal- and family life* and *I am able to maintain a healthy balance between my work life- and personal life*, showed signs of a positive correlation with job satisfaction. The mean value of the two statements showed that there is room for improvements.

Since only two questions aimed to measure the factor we supplemented with open questions. Respondents' comments in the open questions enhance work-life balance and its tendency to higher job satisfaction. The result showed that respondents perceive that the organization helps them find balance mainly through Compensation & Benefits. This finding indicates that work-life balance can be found in more factors. We believe that the balance may be integrated into all factors, with the support of the Buddhist faith, which is constantly seeking balance in all situations.

## 6.7 CONCLUSION

*Which factors within job satisfaction are central for employee retention?*

Within the concept of job satisfaction all six factors; Work design, Leadership, Social support, Development, Compensation & Benefits, and Work-life balance receives empirical support. All factors are therefore to be seen as central for employee retention and should be strengthened and developed in order to establish sustainable employee retention strategies. The result points out that Leadership, Development and Compensation & Benefit seems to be the most central factors, and should therefore be a priority.

### *Development*

Our study points out that *annual development* were an important influence on the employees' perceived job satisfaction. It also requires that the employees develop within their professional role for them to feel that they can *achieve their professional goals within the organization*. The result shows that the ability for employees to achieve their goals are correlated to job satisfaction and since annual development got the strongest correlation, the organization should benefit from annually *offer development opportunities that are practical and well addressed to the employees needs*.

### *Compensation & Benefits*

The organization is located amidst a context with labour shortage and should therefore strive towards good knowledge of the labour market and their industry. This knowledge can help them to offer *competitive benefits* as well as *competitive salaries*. Meanwhile, it's a balance between not jacking up salaries and benefits, but still offer enough that is perceived as *fair in relation to the work performed* and can stand up against other companies.

### *Leadership*

Our study indicates that Leadership is of high importance to employee retention and that it's essential to job satisfaction that *managers lives up to expectations that employees have on their leader*. In Thailand, based on the culture, the organization should understand the hierarchy and the relationship between managers and employees. Therefore it's important to have managers with a leadership style that fits into the social and cultural settings.

## 7 DISCUSSION

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*In this chapter we discuss the results and reflect upon our choice of the theoretical framework, methodology and its impact on the study. We also discuss the study's strength and limitation. To end this chapter, we give suggestions for further research.*

### 7.1 RESULT REFLECTIONS

All factors; Work design, Leadership, Social Support, Development, Compensation & Benefit and Work-life balance finds support in our study and this result is in line with previous research (see. Theoretical framework chapter 3). One reasonable explanation is that we chose to categorize the results from several studies conducted within the research field in Thailand on Thai employees into six main factors. What differs from previous research is the rank of importance among these factors. Previous research emphasizes Compensation & Benefits, Leadership and Social Support. Our empirical study indicated that Leadership, Development and Compensation & Benefits have a strong statistical correlation and points out to be the most central factors within job satisfaction thus for employees retention strategies.

The importance of Development stands out and emphasizes more in our study than in previous research. This difference may be due to various selections of participants, as previous research mainly focuses on blue collars- or low educated workers. Participants in our study are educated white-collar workers and we first thought that Development could therefore differ from the previous studies done on blue-collar workers. According to Hennequin (2007) are blue-collar workers not often the object of career studies. The belief that those with low levels of education have, or even wish to have, development opportunities and careers is not very widespread (ibid). Some researchers think that blue-collar workers do not want to have a career and models of development and career success rest on white-collar hypotheses (Thomas, 1989 in Hennequin, 2007). This aspect may explain why we found Development to be more enhanced in our study, simply because it's not really seen as an important job satisfaction factor for blue-collar workers. Hu, Kaplan and Dalal (2010) stated that the differences between white- and blue-collar workers may be due to different interpretation of concepts. For instance, findings that white-collar workers are more satisfied with their work duties than blue-collar workers is usually interpreted by researchers to mean that the objective characteristics of work (e.g., level of control, autonomy) result in greater satisfaction with the work itself (ibid). According to Hu, Kaplan and Dalal (2010) job satisfaction researchers should therefore not simply assume that blue-white-collar workers have identical perceptions of the satisfactions factors. This statement may explain why some of our factors were ranked differently than previous research, not only Development. Some workers are more satisfied with their co-workers than are others (Hu, Kaplan & Dalal, 2010). In previous research receives Social Support what seems to be a stronger support than in our study. There an assumption that all workers evaluate their co-workers using a similar frame or along the same dimensions (ibid). A finding that white- versus blue-collar employees rates their satisfaction with co-workers differently suggests that these two groups of workers actually experience and form judgments about their co-workers in different ways (Hu, Kaplan & Dalal, 2010). Co-workers don't have to be less important for white-collar workers job satisfaction, based on the previous discussion it may be due to different interpretation from researchers of what within the different factors that are seen as satisfactory. In our study are Social Support not the strongest correlation to job satisfaction. This result may be due to our interpretation of studies on blue-collar workers; on the other hand, our participants responded in open-ended questions that they would miss their co-workers the most if they would leave the organization.

From the societal point of view, Thailand's economic development may also affect the desire to develop, but this is only a speculation, based on the rising interest in high educated workers from new investors.

## 7.2 THEORETICAL REFLECTIONS

In the background and research statement, we describe voluntary turnover in relation to high labour shortage as very negative. Previous research and theories provides insights on how to decrease the effect of turnover through employee retention. When we look back at the results, we believe that the choice of theories and previous research are accurate and well supported, this may be a result of our inductive approach. We have throughout the process reflected up on the choice of theories and previous research. We believe that more research on white collars workers could benefit our study. Due to cultural differential between us and the respondents we chose to priorities studies from Thailand on Thai workers, and in those studies mainly blue collar workers are represented. This gap can, however, support our study's relevance. Previous research from Thailand combined with Western dominated theories were chosen to enrich the study. We have assumed the leading theory of employee turnover studies and the leading theory of employee retention studies. This has enabled us to suggest a mixed model that in a simplified way, show the importance of job satisfaction for employee retention and how the individual, the organization and the society as well as the labour market can influence.

The mixed models aim is to better explain the decision-making than the theories can do separately, but also contributed to a more in-depth analysis. The analysis has benefited from the mixed model as we have been able to involve the organizational and societal aspect, perspectives none of the original models illustrates. The disadvantage of the mixed model is that we can lose the essence of the individual theories. The advantages of mixed model have been highlighted and we believe they are dominant. The results have contributed to increased understanding of the need for employee retention and will be helpful in the development of employee retention strategies.

## 7.3 METHOD REFLECTIONS

The study was conducted on one specific organization and its employees. In relation to the scope of the study and its small size allows our methodology us not to generalize the findings outside the organization. Instead, others can view the study's conclusions as guidelines towards better understanding of the benefits to retain employees. The employees' needs and priorities can change over time and therefore the factors can be valued differently if a study is conducted again. We believe, however, that the importance of our six job satisfaction factors is sustainable. Their affect on employee retention has received support throughout studies as well as in ours. The study may inspire other organizations to improve their employee retention strategies. The studies relevance for other companies is supported by its alignment with previous research.

Previous research did not mention any difference between employee's genders, marital status or age. They were some of our backgrounds variable and we thought that it would be interesting for our research. The backgrounds variables allowed us to compare the differences between the variables and employee responses. But there were no significant correlations and therefore not presented in the study. This does not mean, however, that differentials can occur. The lack of correlation may be due to the small-scale study, and that we can not predict how the loss of 33% would angle the result differently.

Through the inductive approach, we collected information about our problem area with an open mind. We created a bigger picture of the problem area by adding theories and models on the subject. This has finally allowed us to create a new model that aims to analyze factors within job satisfaction and show the relevance of employee retention. The General Manager, who was our contact at the company, contributed partly to our pre understanding through the pre-interview. That means that the organization has had an impact on our choice of theories. But, we emphasize the importance of taking the General Manager's view into account. Since we assume an organizational perspective, it was essential to know what the organization perceives as problems in the area of employee turnover to be able to suggest a study on employee retention.

#### 7.4 SUGGESTIONS FOR FURTHER RESEARCH

Further research in the area of employee retention is necessary. Majority of previous research is focused on employees who choose to leave the organization instead of the employee that still remains. We believe that more researchers need to enhance the focus on why employees stay to create a more sustainable labour. We believe that further research may contribute to develop uncomplicated models that organizations can use in their employee strategies and thus actively work with employee retention. Organizations will then be able to work more effectively with employees they want to retain instead of devote time to employees that already has decided to leave. Our hope is that this study can be used as a starting point for more research in the area for employee retention. There are many aspects of the study that can be interesting to look deeper into. Our suggestion for further research is to investigate the most central factors that appeared from our study: Development, Leadership and Compensation & Benefits. Appears these three factors the most central in other contexts, such as different sectors, organizations or countries? Other suggestions for further research are to study how individuals perceive their job satisfaction and value factors over time. A comprehensive comparison of background characteristics would be interesting, for example: has position and seniority any impact on different factors influence on employee retention?

All factors in our study found support, but because the importance of the various factors differs from previous research, we call strongly for researchers to further pursue this issue, for example by carrying out qualitative studies to assess these potentially different interpretations of factors between blue- and white-collar workers.

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## APPENDIX 1 – DISTRIBUTION OF RESPONSES

Question	Strongly agress	2	3	4	Strongly disagree	Fall out	1+2
I feel like the organization appreciate my contributions	3	25	4	0	0	1	88 %
I feel that the amount of work I am expected to do is reasonable	2	22	6	2	0	1	75 %
I feel that my job gives me the opportunity to utilize my skills	12	17	1	2	0	1	90 %
My manager provides me with enough assistant to develop in my role	9	20	3	1	0	0	90 %
My manager fulfills the requirements I have for a good leader	5	20	7	1	0	0	78 %
I feel like my opinion is appreciated	4	24	2	2	0	1	87 %
I receive enough recognition or praise for doing good job	2	24	7	0	0	0	81 %
I have developed strong friendships in this organization	5	24	2	2	0	0	90 %
My co workers care about me and how I feel	1	17	11	4	0	0	56 %
My co-workers and I have fun together	3	23	5	2	0	0	81 %
This last year, the organization has developed me in my professional role	2	17	8	1	3	2	59 %
Within the company, I am able to achieve my professional goals	3	23	4	2	0	1	81 %
The organization provides training that is practical and meets my needs	5	12	5	9	1	1	53 %
I belive that my salary is fair to my professional role	1	13	7	8	2	2	44 %
The benefits I received are practical and address my needs	4	12	7	7	2	1	50 %
The organization offers competitive salary	1	13	12	4	2	1	44 %
The organization offers competitive benefits	2	19	6	4	0	2	66 %
I receive adequate rewards for a job well done	1	12	13	5	1	1	40 %
The organization provides enough to meet the demands of my personal and family life	4	15	6	7	0	1	59 %
I am able to maintain a healthy balance between my work life and personal life	4	19	4	3	2	1	72 %

*Appendix 1. The percentage shown in column "1 +2" is a clarification of the distribution of responses. It presents how many of respondents who answered either 1 or 2 on the statements.*

## APPENDIX 2 – COVER LETTER



Dear Participant

We are students at Halmstad University in Sweden. For our final project, we are examining the ability of an organization to retain its employees.

Because you are a member of the [REDACTED] organization, we are inviting you to participate in this research study by completing the attached web survey. The following questionnaire will require approximately 30 minutes completing.

We value confidentiality for you to feel free to express your opinions. In order to ensure that all information will remain **confidential**, please do not include your name or any other information that can be traced back to you.

If you choose to participate in this project, please answer all questions as honestly as possible and complete the questionnaires no later than Friday 19th of April.

Participation is strictly voluntary, but your opinion is very important to be able to provide valuable information about what makes you continue to work at [REDACTED]. The data collected will provide useful information of how to increase [REDACTED]'s ability to retain employees.

Thank you for taking the time.

If you require additional information or have any questions, please contact us at

[REDACTED]

[REDACTED]

Sincerely,

Louise Magnusson and Marina Silfverberg

## APPENDIX 3- QUESTIONNAIRE

**Job Satisfaction**

**1. Gender**

**2. How long have you been employed within the company?**

Less than 1 year

1-3 years

3-5 years

5-10 years

more than 10 years

**3. For how long would you expect to stay in you current role?**

1-2 years

2-3 years

3-5 years

5 and more years

Comments

**4. Marital Status**

**5. Do you have children?**

## Job Satisfaction

How to answer the questionnaire:

Please select the answer that best agrees with your opinion.

### 6. When performing my role I mostly prefer to:

- work in a group
- work on my own

Comments

### 7. My manager provides me with enough assistance to develop in my role

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

### 8. My manager fulfills the requirements I have for a good leader

- 1. strongly agree
- 2
- 3
- 4
- 4. strongly disagree

Comments

### 9. I feel like my opinion is appreciated

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

## Job Satisfaction

**10. I feel like the organization appreciate my contributions**

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

**11. I feel that the amount of work I am expected to do is reasonable**

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

**12. I receive enough recognition or praise for doing good job**

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

## Job Satisfaction

### 13. I have developed strong friendships in this organization

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

### 14. My co-workers care about me and how I feel

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

### 15. My co-workers and I have fun together

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

## Job Satisfaction

How to answer the questionnaire:

Please select the answer that best agrees with your opinion.

**16. I feel that my job gives me the opportunity to utilise my skills**

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

**17. This last year, the organization has developed me in my professional role**

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

**18. I feel that the organization encourages me to take initiative and act decisively**

- 1. strongly agree
- 2
- 3.
- 4.
- 5. strongly disagree

Comments

## Job Satisfaction

**19. Within the company, I am able to achieve my professional goals**

1. strongly agree  
 2  
 3  
 4  
 5. strongly disagree

Comments

**20. I would like to have more responsibility in my professional role**

1. strongly agree  
 2  
 3  
 4  
 5. strongly disagree

Comments

**21. The organization provides training that is practical and meets my needs**

1. strongly agree  
 2  
 3  
 4  
 5. strongly disagree

Comments

## Job Satisfaction

How to answer the questionnaire:

Write your response in the comment box below the question or select the answer that best agrees with your opinion.

### 22. I believe that my salary is fair to my role

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

### 23. The benefits I received are practical and address my needs

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

### 24. The organization offers competitive salary

- 1. strongly agree
- 2
- 3
- 4
- 5. strongly disagree

Comments

## Job Satisfaction

### 25. The organization offers competitive benefits

- 1. strongly agree
- 2.
- 3.
- 4.
- 5. strongly disagree

Comments

---

### 26. I receive adequate rewards for a job well done

- 1. strongly agree
- 2.
- 3.
- 4.
- 5. strongly disagree

Comments

---

## Job Satisfaction

How to answer the questionnaire:

Write your response in the comment box below the question or select the answer that best agrees with your opinion

**27. The organization provides me with enough flexibility and support to meet the demands of my personal and family life**

1. strongly agree
- 2.
- 3.
- 4.
5. strongly disagree

Comments

**28. What does the organization do that helps you in your personal / family life?**

**29. I am able to maintain a healthy balance between my work life and personal life**

1. strongly agree
- 2.
- 3.
- 4.
5. strongly disagree

Comments

## Job Satisfaction

How to answer the questionnaire:

Write your response in the comment box below the question or select the answer that best agrees with your opinion

**30. What were your expectations when you applied for a job in a multinational company?**

**31. Which are your main reasons for continue working for this multinational company?**

**32. If you were to resign from this organization - What would you miss the most?**

**33. I'm proud to work at this multinational company**

1. strongly agree
- 2.
- 3.
- 4.
5. strongly disagree

Comments

## Job Satisfaction

Here are a number of statements about what you considers important.

Please select the answer that best agrees with your opinion.

**34. Please rank (1-8) the following reasons to why you enjoy working in a multinational company.**

**1 = the main reason to why you are still working in the organization**

<input type="text"/>	due to good management and leadership
<input type="text"/>	due to good co-workers and social support
<input type="text"/>	due to good compensation and benefits
<input type="text"/>	due to good career and development opportunities
<input type="text"/>	due to satisfying job position and work tasks
<input type="text"/>	due to the ability to balance personal life with professional life
<input type="text"/>	due to the status my work gives me
<input type="text"/>	due to other reasons

**35. Do you have any final comments? Write them in the comment box below.**

<input type="text"/>
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Managing Employee Retention in Thailand  
- a bachelor thesis sponsored by SID A

