

STRATEGIC TRAINING PRACTICES AND TURNOVER INTENTION: THE MEDIATING ROLE OF ORGANIZATIONAL COMMITMENT

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Abstract

This paper aims at determining the relationships between strategic training practices, turnover intention, and organizational commitment. The study sample comprised 301 employees from universities of medical sciences in Iran. Multiple and simple linear regression and path analysis were used to test the direct and mediated relationships among the variables. The survey results further demonstrated that organizational commitment is a partial mediator between strategic training practices and turnover intention. This study highlights the importance of strategic need assessment in order to foster organizational commitment. These findings have important practical and theoretical implications. Firstly, managers will not be able to foster commitment through human resource practices unless they recognize and appreciate which needs are valued by employees. Secondly, the results provide evidence in favor of managerial interventions aimed at enhancing organizational commitment and, consequently, minimizing the negative effects of an actual turnover in the universities of medical sciences in Iran.

Key Words: *Strategic Training Practices, Organizational Commitment, Turnover Intention.*

JEL Classification: M16 - Business Administration

1. INTRODUCTION

Employee turnover represents a critical problem to an organization in terms of loss of talent, additional employment and training costs (Loi et al., 2006). Organizational commitment has been considered as one of the most important predictors of turnover and intention to leave. It was found that employees who were more committed to their organizations had lower intention to leave than those with lower organizational commitment (Griffeth and Hom, 1995; Igharia and Greenhaus, 1992). Almost every employee in the universities receives some type of training during his or her career (Mahmoodi, 2007). High turnover rate of the universities in Iran causes higher costs and lower service quality. Many empirical research showed that there is a link between human resource management practices and organizational commitment, and that an individual's commitment to an organization can be significantly influenced by organization's managerial practices (Stup, 2006; Roca-Puig et al., 2007; Fiorito et al., 2007). More specifically, studies have been found focusing on: training and organizational commitment (Tanannenbaum et al., 1991; MacDuffie, 1995; Chew and Chen, 2008), salary levels and organizational commitment (Ritzer and Trice, 1969), performance reward contingencies and organizational commitment (Lee, 1971), promotion and organizational commitment (Kanter, 1977) and profit sharing and organizational commitment (Coyle-Shapiro et al., 2002). However, research focusing on the impact of strategic human resource management practices is yet to be found. The concept of strategic human resource management practices is based on the human resource management philosophy that emphasizes the strategic nature of human resource (Guest, 1998). According to Armstrong (2000) the aim of strategic human resource management practices is to generate strategic capability of organization to ensure that it has skilled, committed, and well motivated employees. Unfortunately, how strategic human resource management practices and organizational commitment are related is unclear. Understanding how they are related is essential since strategic human resource management practices have been claimed to affect behavior in the organization (Guest, 1998; Meyer and Allen, 1997; Tanannenbaum et al., 1991). Thus, this study will be addressing this issue. Nevertheless, this paper only explores the relationship between strategic training practices and commitment. In addition, the expanded role of training places continued pressure on strategic human resource management to develop more effective training strategies and to conduct evaluations that demonstrates a return to the organizations from their training investments (Richard et al., 2009). A better understanding of factors that are associated with organizational commitment can be helpful in designing policies

and interventions to increase staff commitment and diminish turnover. There is little knowledge on the relationship between individual-centered needs assessment approach in training and measuring of organizational commitment. In addition, this research examined if organizational commitment mediate the relationship between strategic training practices and organizational commitment. Also, this research adds knowledge to the strategic human resource management literature about individual-centered needs assessment approach in Iran and their relationship to organizational commitment.

2. REVIEW OF THE LITERATURE

2.1 Strategic training practices

Strategic human resource management researchers define human resource management practices such as training as the types of activities that affect behavior of individuals in their efforts to formulate and implement the strategic needs of the organization (Huselid et al., 1997; Becker et al., 1996; Deery et al., 1994; Guest, 1987; Iles et al., 1990; Meyer and Allen, 1997). Tannenbaum et al. (1991) found a strong positive correlation between commitment and employees' motivation for training. Also, employees exposed to more training opportunities are likely to exhibit higher levels of commitment (Meyer and Allen, 1991). In a relationship between organizational commitment and training a sample of the numerous possible antecedents that have been explored include perception, and benefits such as career, job related, personnel (Mathieu and Martineau, 1997), satisfaction (Tannenbaum et al, 1991), self-efficacy (Saks, 1995), social support (Fecteau et al, 1995), facilities, materials and equipments (Gomez-Mejia et al., 1995). Although a variety of studies have been reported recently examining certain aspects of commitment and training, from a strategic approach it is admittedly limited. The findings do provide some support for the argument that strategic training practices are designed to foster organizational commitment and reduce turnover intention. This strategic approach to training is an implication of a strategic human resource management practice that involves abandoning the mindset and practices of "personnel management" and operational issues and focusing on strategic issues Mello (2002:100). Therefore, from the employee's point of view, training is a character of the employers' commitment to their staff (Storey and Sisson, 1993). Organizational commitment is positively related to the employee's attitude towards training and training motivation (Carlson et al., 2000). According to Blau (1964), "Social exchange... refers to voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do in fact bring from others". As a result, in the present study, it is

theorized or hypothesized that industries' managers can influence work related attitude such as organizational commitment through the maintenance of the strategic training, reduce turnover intention and enhance effectiveness. One of the most important keys to developing successful training programs in organizations is strategizing the training. This involves needs assessment (Mello, 2002). Although needs assessment involves three levels of analysis such as organization, task, and personal, in this research it was theorized that the more precisely managers can influence organizational commitment through individual level of needs assessment of strategic training. Because this level of needs assessment considers the people to be committed, only analyzing individual needs shows a lack of adequate planning and strategizing on the part of organization (Anthony et al., 1999). In addition, it is thought that highly committed organizations use strategic training practices to make more informed decisions with good consequences. This requires an analysis of levels of knowledge, personal growth, motivation to learn (Hicks, 1984) and personnel attitude that play a role in determining trainability (Noe and Schmitt, 1986). Iranian hospitality industries are organizations that rush to provide training solutions to their problems such as turnover intention, low interest to learn, and lack of support, without adequately assessing personal needs. Training needs assessment is a tool that helps them create a superior workforce. Furthermore, strategic human resource management practices are concerned with longer-term people issues (Armstrong, 2000) and within this framework it is necessary to consider long-term strategies of training. For example, it should provide appropriate support, and it would be necessary to address personal attitude and motivation to learn within the organizations to ensure participation and perceived support. However, organizations can also achieve immediate improvements in performance and result if short-term management approach applies effective training (Thomas, 2000)

2.2 Organizational commitment

According to Meyer and Allen (1991), the three states are as follows: "(commitment) refers to the employee's emotional attachment to, identification with, and involvement in the organization. Employees with a strong affective commitment continue employment with the organization because they want to do so. Normative commitment reflects a feeling of obligation to continue employment. Employees with a high level of normative commitment feel that they ought to remain with the organization. Finally, continuance commitment refers to an awareness of the costs associated with leaving the organization. Consequently, for this study we want to focus on this aspect of commitment in Meyer and Allen's three-component commitment model.

2.3 Turnover intention

A great deal of research has been conducted that attempts to link employee attitudes (e.g., organizational commitment) with behavioral factors (e.g., turnover intention) (Zhao et al., 2007). In fact, organizational commitment plays a central role in the turnover literature. Two recent meta-analyses conducted by Griffeth et al. (2000) and Meyer et al. (2002) confirm that organizational commitment is well established as an important antecedent of withdrawal behaviors. They also showed that intention to leave is an important antecedent to actual turnover. Committed employees have been found to be less likely to leave an organization than those who are uncommitted (Angle and Perry, 1981). As we discussed earlier, affective organizational commitment refers to the employee's emotional attachment, as well as identification with and involvement in the organization, it is likely that committed employees may therefore remain because they wish to maintain their membership in order to facilitate organizational goals (Suliman and Iles, 2000). Although, a more recent research conducted by Hsu (2009) showed no significant relationship between organizational commitment and turnover intention, most researchers have found a significantly negative relationship between organizational commitment and turnover intention (Addae et al, 2006; Zhao et al., 2007; Pare and Tremblay, 2007). It seems to be logical to expect that commitment will affect intention to quit, and thus we hypothesize that:

Hypothesis 1: strategic training practices will be positively related to organizational commitment.

Hypothesis 2: organizational commitment will significantly and negatively influence turnover intention.

Hypothesis 3: organizational commitment will mediate the relationship between strategic training practices and turnover intention.

3. THEORETICAL FRAMEWORK

Theoretical framework (Figure 1) describes the variables in the conceptual Model. The model suggests organizational commitment as dependent variable and strategic training practices as independent variable. In addition, it is anticipated that the relationship between strategic training practices and organizational commitment will be mediated by organizational commitment. These relations are based on review of the literature that tends to support this conceptual model.

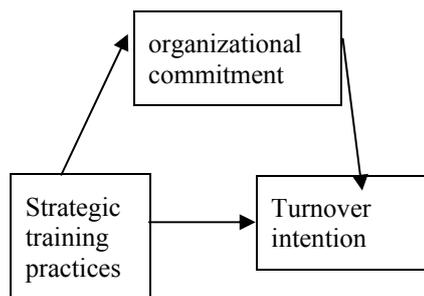


Figure 1. Conceptual framework

4. METHODOLOGY

4.1. Sample and procedures

Four universities of medical science were places of conducting this study. According to the data released by Health Information Management (2 Dec, 2009), there were nine universities of medical sciences listed in the Webometric Ranking of Top Iranian Medical Universities and out of them, only four universities were top Iranian Medical universities. Sampling frame consisted of non-academic employees in the administrative unit of these universities. The sites for this study are four universities of medical sciences in Iran. The four universities were (1) Isfahan university, (2) Tehran university, (3) Iran university, and (4) Mashhad university of medical sciences. Sample has two features. First, it is practical. Second, it produces more reliable result (Salkind, 2000). In addition, it comprises selected members to represent the population views of a particular topic. There were approximately 2400 non-academic employees from 500 non-academic employees in the each administrative department of these universities. Then the Krejcie and Morgan (1970) formula is undertaken to determine the sample size of the study. The calculation using the 0.05 confidence demonstrates that the sample size for this study was 334. Of 400 employees selected for the sample, 325 employees returned their questionnaires. After deletions of 24 unusable missing cases, the final data set consisted of 301 respondents for an overall response rate of 75.25 percent. The university response rate for each of the four universities varied between 68 percent and 92 percent.

4.2 Measurements

All question items in the survey questionnaire were measured on a five-point Likert scale (1 = strongly disagree; 5 = strongly agree).

Motivation to learn: motivation to learn scale by Noe and Schmitt (1986) comprises 7 items and the internal consistency reliability for this dimension was 0.88. A study by Bartlett (1999) has revealed that Noe and Schmitt's motivation to learn measure is applicable for health-care workers and administrators. He found that the internal consistency reliability for the motivation to learn with Alpha Cronbach value 0.87. In this study, the motivation to learn is reported to have a high reliability of measurement ($\alpha = 0.85$) which is above the minimum recommended value of 0.7 DeVellis(2003).

Perceived support: perceived support Scale by Seyler (1997) comprises 12 items and the Alpha Cronbach for supervisor support and peer support scales to be 0.86 and 0.83 respectively. In this study, the reliability for this domination was 0.88, which is higher than the 0.86 and 0.83 reported by Seyler (1997).

Training attitude: measures for this dimension are drawn from existing research instruments Strategic Assessment of Readiness for Training Weinstein et al. (1994). This five-item subscale from this instrument is used to measure attitudes held by individuals toward strategic training. Internal consistency reliability for these dimensions was 0.88 as reported by Weinstein et al. (1994). A study by Seyler (1997) showed the internal consistency reliability for the training attitudes with Alpha Cronbach value 0.82. In this study training attitudes is reported to have a high reliability of measurement ($\alpha = 0.80$) which is above the minimum recommended value of 0.7 DeVellis (2003). Organizational commitment: organizational commitment refers to an emotional bonding to the organization. Employees with a large emotional attachment to the organization can not leave their organization (Meyer et al., 1993). In this study, 6-item scale was adopted Meyer and Allen (1997). In this study, organizational commitment measurement is adopted from sub dimensions of organizational commitment Scale by Meyer and Allen (1997). They reported organizational commitment with Alpha Cronbach value 0.85. In this study, we obtained an Alpha Cronbach of 0.89.

Turnover intention: turnover intention scale by Sanders and Roefs (2002) comprised 7 items and the Alpha Cronbach for five dimensions were 0.76. In this study turnover intention is reported to have a high reliability of measurement ($\alpha = 0.85$).

4.3. Statistical methods

Descriptive statistics, which include frequencies, percentages, means, standard deviations and intercorrelations among the main variables, are used to present the main characteristics of the sample. In addition, Pearson product-moment correlation, multiple regression analysis, path analysis for mediation, and Simple linear regression were used for data analysis.

5. RESULTS

Table 1. Descriptive statistics of strategic training practices, organizational commitment, and turnover intention

Variable	Mean	Standard deviation	Minimum value	Maximum value
Strategic Training	2.9578	.47948	1.00	4.13
Organizational commitment	3.9131	.57050	2.17	4.50
Turnover intention	2.0570	.59236	1.29	4.14

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

Table 1 gives mean standard deviation, minimum value and maximum value of the variables.

Table 2 shows a matrix of correlations of the variables used in this study. Table 2 shows that strategic training practices including motivation to learn, perceived support, and training attitudes are positively and significantly related with organizational commitment (0.565**, 0.511**, 0.568**, $p < 0.05$).

Table II. Correlations between strategic training practices and organizational commitment

No	Variables	1	2	3	4
1	Motivation to learn	1.00			
2	Perceived support	.534**	1.00		
3	Training attitudes	.635**	.487**	1.00	
4	organizational commitment	.565**	.511**	.568**	1.00

In order to test the first and second hypothesis, multiple regression analysis was employed. Results of preliminary analyses confirmed that all the assumptions of multiple regressions were met (i.e. Normality, Linearity, and Multicollinearity by checking variable inflation factor and condition index). This examination did not reveal any violation in conducting the multiple regressions. Table 3 shows that the model tested is significant ($P < 0.05$). The regression analysis accounted for 32% change is caused by strategic training practices to organizational commitment which is dependent variable. Value of beta also shows the positive rates of change by dependent variable (0.302) with both independent variables are significant (0.000). Strategic training practices are said to influence turnover intention in two ways: (a) by exerting a direct effect on turnover intention and (b) by exerting an indirect effect on turnover intention by affecting organizational commitment. In this approach two causal steps recommended by Baron and Kenny (1986): (a) independent variable must affect the dependent variable and mediator (b) mediator must effect to the dependent variable. The result of three equations is presented in Table 4. As can be seen from the table, strategic training practices affects the turnover intention ($\beta = .565, p < .05, CI_{95} = .561, .784$) in the first equation. Strategic training practices is found to be significantly related to the organizational commitment ($\beta = .471, p < .05, CI_{95} = .420, .647$). The mediator (organizational commitment) is found to significantly influence to turnover intention ($\beta = .509, p < .05, CI_{95} = .441, .629$).

Table III. Regression analysis

R	R2	Adjusted R	Std. Error	F	Sig.
of the Estimate					
0.565	0.319	0.317	0.4415	140.287	0.000
Model independent variable standardized coefficients					
			Beta	t	sig.
		(constant)		9.775	0.000
		Strategic training	0.302	4.703	0.000

Predictors: (Constant), strategic training practices (motivation to learn, perceived support, and training attitudes)

Dependent variable: organizational commitment

However, strategic training practices remains highly significant in the equation 3 ($\beta = .325$, $t = 7.159$) and indicates no perfect mediation is found. Therefore the tested null hypothesis is supported. But the Beta value of strategic training practices in the third equation has been diminished by .240 (.565- .325). It implies that the inclusion of organizational commitment in the equation 3 has reduced the effect of strategic training practices to turnover intention. Hence, organizational commitment is partially mediating the relationship of strategic training practices on turnover intention.

Table IV. The mediation effect on the relationship of strategic training practices on turnover intention

Estimator	Equation 1 (dependent= Turnover intention)		Equation 2 dependent= commitment		Equation 3 dependent= Turnover intention	
	<i>B</i>	<i>t</i>	β	<i>t</i>	β	<i>t</i>
Independent Strategic training	.565**	11.844	.471**	9.230	.325**	7.159
Mediator: commitment					.509**	11.206

On top of that, bivariate and partial correlation tests are adopted to examine the mediating nature of organizational commitment (see Table 1 and Table 5). The result of bivariate correlation shows that the correlation ($r = .565$) between Strategic training practices and turnover intention is significant ($p = .00$). However when organizational commitment is controlled, the magnitude of the correlation coefficient reduces from .565 to .383. Therefore, this finding supports the result of the three-step process pertaining to the partial mediation role of organizational commitment. The simple mediation model is illustrated in Fig. 2. The indirect effect of strategic training practices on turnover intention is .240 ($.471 \times .509$) and its direct effect is .325. The total effect coefficient is .565 (.240 +.325). The model also indicates 42.5% (.240 /.565) of the effect of strategic training practices on turnover intention is mediated through organizational commitment. And 57.5% (.325/.565) is the direct effect of strategic training practices on turnover intention when organizational commitment is controlled. To determine the significance of indirect effect, Mackinnon *et al.* (1998) Distribution of Product is used. The result indicates the indirect effect value is 103.43 which are above than the critical value of 2.18. In another words, there is a significant indirect effect of strategic training practices on turnover intention via organizational commitment at the alpha value of .05.

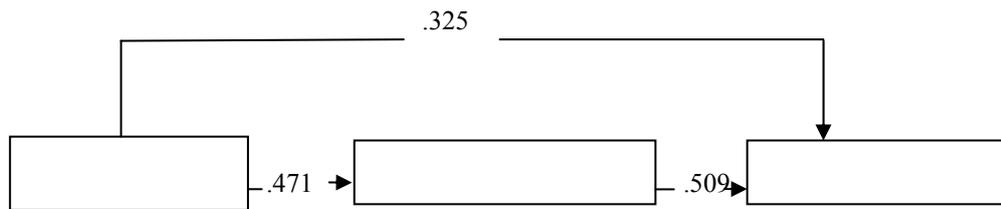


Figure 2. Simple mediation model for strategic training practices on turnover intention

The result of simple linear regression coefficient is presented in Table 5. The results show that the simple linear regression coefficient of the independent variables that are entered into the regression model and R (.865) was the correlation of the organizational commitment and turnover intention, and R Square was .748. The result suggest that 75 per cent of the variance (R squared) in turnover intention has been significantly explained by the organizational commitment, as shown by the F value of 886.930 ($p < .000$) substantiating the forth hypothesis. The result clearly illustrated that employees who were more committed to their universities had lower turnover intention than those with lower organizational commitment. Nonetheless, the negative relationship between turnover intention and organizational commitment suggests that the higher the level of organizational commitment the lower would be the intention to leave.

Table V. Partial Correlation of strategic training practices on turnover intention

Variable	Turnover intention (dependent)
Strategic training and controlled by organizational commitment	.383**

Table VI. Regression analysis

R	R2	Adjusted R	Std. Error of the Estimate	F	Sig.
0.865	0.748	0.747	0.2979	886.930	0.000
Model independent variable standardized coefficient t sig.					
Beta					
(constant)				46.723	0.000
commitment		0.865		-29.781	0.000

: Predictors: (Constant) organizational commitment

Dependent variable: Turnover intention

6. DISCUSSION

The purpose of this study was to measure the relationship between strategic training practices and organizational commitment of non academic staff in Iran. After interpretation of results, our H1 is sustained as there is a significant relationship is found between strategic training practices and organizational commitment. However, limited studies have been conducted so far, particularly on the relationships of strategic training practices on organizational commitment. It should be noted that universities employees put great emphasis on psychological contract, which in turn significantly affects their emotional bond toward their employing university. However, this result has not been previously described in other studies. One plausible explanation is that, when employees are presented the useful and beneficial actions by the organization they may recognize high- quality exchange relationships and a feel of strong bonding to their organizations. Because of the previous research has been conceptual (Aggarwal and Bhargava, 2009) it is difficult to compare the findings of this research with the findings of other research within the strategic human resource management field. Analysis of data relating to H3 found that organizational commitment and turnover intention are significantly and negatively correlated. Regressing the variable on turnover intention yielded that it is a significant explanatory variable of turnover intention. These findings confirm theorization that the degree employee's emotional attachment increases if the degree of likely to leave an organization decrease and vice versa.

7. LIMITATIONS, FUTURE RESEARCH, AND CONCLUSIONS

The main hypothesis of this study was to investigate the mediating effect of organizational commitment on the relationship between strategic training

practices and turnover intention of non academic staffs in the universities of medical sciences in Iran. The relationships between strategic training practices, organizational commitment, and turnover intention have not been investigated in one integrated model in Iran. Thus, the study contributes to filling this gap. Although the findings raise important considerations about the strategic training practices that may affect organizational commitment, there are a number of limitations that should be noted. The generalizability of the results may be limited because the research was conducted in organizations in the universities of medical sciences in Iran. While it is arguable that they should be relevant to other similar occupations, this may have biased our results.

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