

Person-Organization Fit and Its Effects on Job Satisfaction and Turnover Intention: The Case of Hotel Employees in Bangkok, Thailand

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Abstract

The objectives of this study were to examine the relationship between person-organization fit and employee turnover intention and the role of job satisfaction in the relationship between person-organization fit and hotel employee turnover intention. The sample included 385 hotel employees in Bangkok, Thailand. The results from the analysis found PO fit to be positively and statistically related to job satisfaction but negatively related to turnover intention. However, job satisfaction does not significantly affect turnover intention. Therefore, the hypothesis on the mediation effect is not supported. The result from the Sobel test performed on SPSS also reconfirmed that there is no mediation effect of job satisfaction on the relationship between PO fit and turnover intention.

Keywords: Person-Organization Fit, Job Satisfaction, Turnover Intention, Hotel Employees

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Introduction

Since the Covid-19 pandemic, employee turnover has been a phenomenon worldwide. The "Great Resignation" in July 2021 occurred when four million Americans quit their jobs. The highest turnover rate was among employees between 30 and 45 years old (US Bureau of Labor Statistics, 2021). While in Japan, 71% of Japanese quit their first jobs within three years (Association of Job Information of Japan, June 2021). The same problem has occurred in Thailand, where the turnover rate has increased by 37.36% since December 2021 (Social Security Insurer Information, Ministry of Labor, 2022). Among other industries, the hotel industry's turnover rate has been significantly higher than that of other industries (US Bureau of Labor Statistics, March 2022).

According to the Thailand National Statistical Office (2021), individuals working in the hotel and food industry comprise 7.1% of the labor force. Most of these employees work over 35 hours and receive an average salary of 10,759.6 Baht per month. Benefits are primarily in terms of things and less of monetary rewards. The unemployment rate is 11.03% of the total unemployment. This unemployment can be explained by the model of job moves, particularly labor turnover (Leighton and Mincer, 1982)

Studies found that job satisfaction is one of the factors that influence employee turnover (Lee et al., 2012; Ali, 2008). Job satisfaction is defined as the affective reactions of employees to a job based on comparing desired outcomes with actual outcomes (Cranny et al., 1992). The level of job satisfaction depends on the level of met work expectations, including an expectation of higher pay, promotion, or autonomy, and the preferences for these factors vary across individuals (Pearson, 1991; Porter and Steers, 1973). When an unmet expectation is large, individuals will experience less job satisfaction and exhibit more withdrawal behaviors (Pearson, 1991).

In addition, job satisfaction is also affected by person-environment fit (PE-fit). According to PE theories, higher satisfaction levels and individual well-being are present when the person and environment are congruent (Carless, 2005; David and Lofquist, 1984; Holland, 1997). In the job satisfaction domain, the two common forms of fits have been studied: person-job fit (PJ fit) or the compatibility between individual and job requirements (Carless, 2005), and person-organization fit (PO fit) or the compatibility between individual cultural preferences and organizational culture (Chen et al., 2016; Cable and Judge, 1997).

Since the hotel industry in Thailand has the highest turnover rate, this study intended to examine whether person-organization fit affects job satisfaction and employee turnover intention.

Research Objective

1. To examine the relationship between person-organization fit and employee turnover intention.
2. To examine the role of job satisfaction in the relationship between person-organization fit and employee turnover intention.

Hypothesis

- H1: Higher perceived person-organization fit will lead to higher job satisfaction.
- H2: There is a negative relationship between person-organization fit in which higher fit results in lower turnover intention.
- H3a: There is a negative relationship between job satisfaction and turnover intention in which higher job satisfaction results in lower turnover intention.
- H3b: Job satisfaction mediates the relationship between subjective person-organization fit and turnover.

Literature Review

Person-Organization Fit

Researchers have been studying different types of fits, including person-vocation fit, person-job fit, person-group fit, and person-supervisor fit. However, most research focused on person-organization fit (Kristoff-Brown et al., 2005). Person-organization fit (P-O fit) refers to the compatibility between individuals and the overall organization; however, more than half of the P-O fit research uses the construct as the congruence between individual and organizational values. Person-organization fit is the compatibility between individual values and the organizational value system (Elfenbein and O'Reilly, 2007; Caldwell and O'Reilly, 1990; O'Reilly et al., 1991; Wilkins and Ouchi, 1983).

According to Kristof (1996), P-O fit consists of objective and subjective components. Objective P-O fit is based on assessing individuals and organizational values. In contrast, subjective P-O fit is based on individual perception and judgement of how well their values match organizational values (Judge and Cable, 1997).

Job Satisfaction

Job satisfaction is typically an employee's affective reactions toward a job when comparing desired with actual outcomes (Cranny et al., 1992). Generally, job satisfaction is a construct consisting of both intrinsic and extrinsic job aspects (Howard and Frick, 1996). Porter and Steers (1973) suggested that employee job satisfaction depends on the level of met work expectations. Employees have

different expectations in their work: for example, work environment (Thanthikul and Sittivarongchai, 2017). When considerable unmet expectations are significant, they will have less job satisfaction and will exhibit withdrawal behavior (Pearson, 1991).

Person-environment fit theories posit that the congruence between the individual and environment yields positive responses, including job satisfaction. The research found individuals to be more satisfied with their jobs when they experienced person-organization fit (Chen et al., 2016; Mete et al., 2016). Colquitt, Lepine, and Wesson (2021) suggested that employees will be more satisfied when their jobs provide what they value. According to the Value-percept theory, job satisfaction depends on a person's perception of what a job provides as something the person values. Dissatisfaction occurs when there is a big gap between what employees want and what employees have.

Turnover Intention

Studies in turnover intention define the construct similarly, as a planned behavior of leaving employed organizations (Fishbein and Ajzen's, 1975), with consciousness and willingness (Tett and Meyer, 1993). Employees use turnover as a coping strategy as they want to leave the current situation (Petriglieri, 2011). In his unpublished paper, Roodt (2004) developed the Turnover Intention Scale (TIS) consisting of 15 items with a newer version of 6 items that were later validated by Bothma and Roodt (2013) with the attempt to differentiate between affective and cognitive domains. Empirical studies found a relationship between turnover intention and the actual behaviour of turnover (Cohen et al., 2015; Byrne, 2005; Hendrix et al., 1998; O'Reilly et al., 1991).

Research studies found the relationship between turnover and person-organization fit (Alniaçik et al., 2013; Meyer et al., 2010; O'Reilly et al., 1991). O'Reilly et al. (1991) investigated the relationship between person-organization fit, job satisfaction, and turnover. Questionnaires were distributed to respondents: first-year MBA students, new and senior accountants for a longitudinal study, certified public accountants, and middle-level managers. The results showed that person-organization fit predicts job satisfaction (a year after) and actual turnover (after two years). In the service industry, Tepeci and Bartlett (2002) found that person-organization fit explained job satisfaction and behavioral intentions, including Intent to quit. The study by Jung and Yoon (2013) showed similar results in a negative relationship between turnover intention and organizational service orientation.

Job satisfaction is one of the predictors of turnover intention (Mahdi et al., 2012; Moore, 2002; Tan, 1998). Asim (2019) developed an instrument to measure job satisfaction and turnover intention to investigate the relationship between the two constructs. Four hundred questionnaires were distributed to nurses in Karachi, Pakistan. The finding showed that different satisfaction facets, such as organizational policies and strategy, negatively affected turnover intention. Mahdi et al.

(2012) studied the relationship between intrinsic satisfaction (Work value) and extrinsic job satisfaction (Working conditions). They suggested that intrinsic Job Satisfaction has a more substantial influence on Turnover Intention.

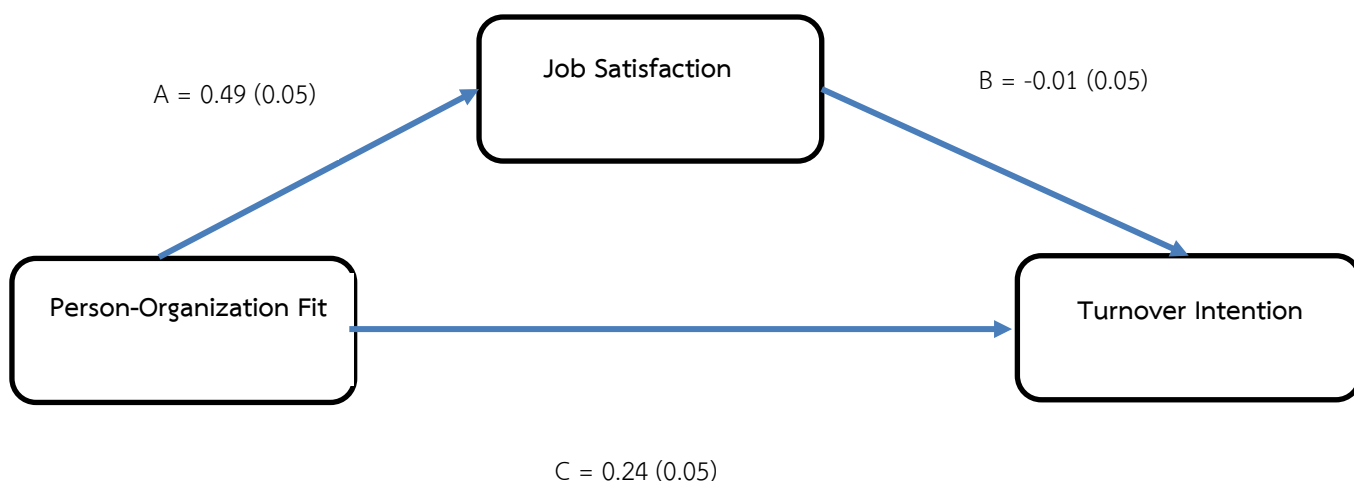


Figure 1 Conceptual Framework

Research Methodology

Research Design

This study was designed as quantitative research to study the effects of Person-Organization Fit and Job Satisfaction on Turnover Intention.

Population and Samples

In this study, the population includes employed hotel employees in Thailand. A hotel employee is an individual performing work related to hotel maintenance and servicing guests. According to the Thai National Statistics Office (December 2021), the number of employed persons aged 15 to more than 60 years in the hotel and food service industry is approximately 2,671,500.

Since the population mentioned above includes employees from all types of accommodations and food services, the sample size for this study is calculated using Cochran (1963) for a large or unknown population at 95% Confidence Interval. The sample size is 385 hotel employees. Using opportunity sampling, the data were collected at three or more stars in Bangkok, Thailand.

Research Instrument

The questionnaire was created with the following measurements.

1. Subjective person-organization fit—adapted from Judge and Cable (1997). The example of items includes “To what degree do your values, goals, and personality ‘match’ or fit this organization and the current employees in this organization?” and “Do you think the values and

'personality' of this organization reflect your values and personality?" ($\alpha = 0.80$). The response will be 7-point Likert Scale from 1 = not at all to 7 = completely.

2. Job satisfaction— includes ten items adapted from Generic Job Satisfaction (Macdonald and MacIntyre, 1997). Examples of the items include "I get along with supervisor", "I feel good about my job", and "I feel good about working at this company." The response is based on a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

3. Turnover intention—includes six items adapted from the Turnover Intention Scale (TIS) by Bothma and Roodt (2013). Examples include "How often have you considered leaving your job?" and "How often are you frustrated when not given the opportunity at work to achieve your personal work-related goals?" The response is based on a 5-point Likert scale, which ranges from 1 (Never) to 5 (Always); 1 (Very satisfying) to 5 (Totally dissatisfying); and 1 (Highly unlikely) to 5 (Highly likely).

Internal consistency reliabilities (Cronbach's alpha) for raw scales were calculated. The scale reliabilities for the dependent variable of turnover intention and different independent variables were generally high (0.73 to 0.92), with the lowest for subjective PO fit and the highest for job satisfaction. It indicated that employees answered the items consistently for the scales. It is justified to combine the items into composite measures for these variables. Then, alphas were calculated with each item in a scale deleted. The researcher had decided not to delete any items from the scales because deleting items did not change the value much from the prior results, as it only minimally increased to test whether each item is attributed to the same groups, the intra-class correlation coefficients (ICC (1)) were calculated to assess the consistency of measurements. ICC (1) ranged from 0.71 to 0.90, with the lowest for subjective PO fit and the highest for job satisfaction, indicating high similarity between items from the same groups.

Data Collection

The researcher created a Google form with questions prepared in the questionnaire. The link from the Google form was emailed to human resource personnel at three-star, four-star and five-star hotels in Bangkok. The link was distributed to currently employed participants with a two-week completion period in May 2022.

Data Analysis

Descriptive statistics, including means and standard deviation, were analyzed. Multiple regression analysis and mediation analysis (Baron & Kenny's (1986) steps and Sobel Test) were used to determine the contributions of the control and independent variables in explaining dependent variables.

Findings

1. Descriptive statistics found that the sample consisted of 78.6% females and 21.4% males. The mean for age, tenure, and income are 37 years, eight years, and 39,285 baht. The data also showed that most samples are rank-and-file employees (42.9%), with 92.9% receiving a bachelor's degree while only 7.1% received a master's degree. A bachelor's degree is essential for rank-and-file positions in the hotel industry. Most received incomes between 30,001 – 40,000 and 50,001 – 60,000 (28.6% each). The sample included 42 employees from front office (10.7%), 14 employees from food and beverage (3.6%), 42 employees from kitchen (10.7%), 28 employees from accounting (7.1%), 28 employees from human resource (7.1%), 14 employees from purchase (3.6%), 28 employees from other departments (7.1%) and the majority of 154 employees from sales and marketing (39.3%).

Mean scores were calculated for each scale. The mean score of 3.44 suggested that average employees are likely to quit their jobs. The mean scores of 3.90 on job satisfaction and 3.63 on subjective PO fit suggested that employees are moderately satisfied with their jobs and perceive their culture as fitting with organizational culture.

2. Correlation coefficients are indicators of the direction and strength of the relationship between variables (Cohen et al., 2015). For example, generation is moderately and positively correlated with preferences for innovation, attention to detail, PO fit, job satisfaction and turnover intention ($r = 0.16, 0.18, 0.28, 0.15, 0.29$ with $p < 0.00$). That is, the younger generation prefer innovation and attention to detail culture and is associated with a high value on PO fit, job satisfaction, and turnover intention. Position showed a positive significant relationship with PO fit, suggesting that the higher the position of employees, the more likely they will experience PO fit ($r = 0.22, p < 0.001$). However, the higher the position, the less likely they will be satisfied with their job ($r = -0.17, p < 0.001$).

Consistent with the prior study, PO fit is positively and statistically related to job satisfaction and turnover intention ($r = 0.43$, and $-0.22, p < 0.001$), indicating that the more employees perceived as having their culture congruence with organizations, the higher job satisfaction they will experience and it is less likely they will decide to quit their jobs. On the contrary, the relationship between job satisfaction and turnover intention is shown to be inconsistent with prior research. The result found no relationship between the two variables.

3. The mediation analysis used a four-step approach (Baron and Kenny, 1986). The result from regression analysis supported hypothesis 2. It showed a negative significant relationship between PO fit and turnover intention ($\beta = -0.24, p\text{-value} < 0.001$), suggesting that the more employees perceived their culture preferences fitted with the culture of organizations, the less likely they will quit their jobs. The result from regression analysis supported hypothesis 2, which showed

a positive significant relationship between PO fit and job satisfaction ($\beta = 0.49$, p-value < 0.001 respectively). It indicated that the more employees perceived as having their cultural preferences fit with the organisation's culture, the more likely they would be satisfied with their jobs.

However, the result from regression analysis did not support hypothesis 3a, in which job satisfaction was not significantly affected by turnover intention. According to MacKinnon, Fairchild, and Fritz (2007), if one of the relationships in steps 1, 2, and 3 was not significant, it was usually concluded that there is no mediation effect; thus, hypothesis 3b on mediation effect was not supported. The result from the Sobel test performed on SPSS also reconfirmed that there was no mediation effect of job satisfaction on the relationship between PO fit and turnover intention ($Z = -0.20$, p-value > 0.10).

Discussion

The results from the study found PO fit to be positively related to job satisfaction but negatively related to turnover intention. When analyzing the relationship between job satisfaction and turnover intention, the result in this study contradicted previous research on turnover intention. It showed that job satisfaction did not affect turnover intention. According to Barron and Kenny (1986), there is a mediation effect if there are significant relationships between PO fit and turnover intention, Job satisfaction and turnover intention, and between PO fit and job satisfaction. Therefore, the relationship did not show a mediation effect in this study.

Theoretically, job satisfaction is negatively related to turnover intention. In other words, the higher the employees perceived as having person-organization fit, the higher their job satisfaction and the lower their turnover intention would be. Also, employees with higher job satisfaction would be less likely to quit the organization. In this study, the turnover intention is likely influenced by other internal and external factors such as possible job opportunities, organizational commitment, career growth, and the labor market (Dewi and Nurhayati, 2021; Albalawi et al., 2019; Tett and Meyer, 1993).

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