Muhammad Shahid Nawaz; Faizuniah Pangil

Article
The effect of fairness of performance appraisal and career growth on turnover intention

Pakistan Journal of Commerce and Social Sciences (PJCSS)

Provided in Cooperation with:
Johar Education Society, Pakistan (JESPK)

Suggested Citation: Muhammad Shahid Nawaz; Faizuniah Pangil (2016) : The effect of fairness of performance appraisal and career growth on turnover intention, Pakistan Journal of Commerce and Social Sciences (PJCSS), ISSN 2309-8619, Johar Education Society, Pakistan (JESPK), Lahore, Vol. 10, Iss. 1, pp. 27-44

This Version is available at:
http://hdl.handle.net/10419/188239

Terms of use:
Documents in EconStor may be saved and copied for your personal and scholarly purposes.
You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.
If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

https://creativecommons.org/licenses/by-nc/4.0/
The Effect of Fairness of Performance Appraisal and Career Growth on Turnover Intention

Muhammad Shahid Nawaz (Corresponding author)
School of Business Management, University Utara Malaysia
E-mail: shahidnawaz702@gmail.com

Faizuniah Pangil
School of Business Management, University Utara Malaysia
E-mail: faizun@uum.edu.my

Abstract
Success of an organization is generally based on the efficiency of its human resource. Organizations consider their employees as an important tool for survival in this globalized era. Hence, retaining the best employees is of high concern for most organizations and this issue has become a significant focus of attention for many researchers. For this reason, there is the necessity to investigate the factors which influence the employee turnover intention behavior in the organization, specifically, to determine the effect of human resource development factors (such as salary, training and development, fairness of performance appraisal and career growth including remuneration, growth, promotion speed, professional ability development and career goal progress), on turnover intention. A cross sectional, survey data study was undertaken to analyze the relationships in a sample of 150 full-time faculty members employed in different private universities of Pakistan. Partial Least Square based path modeling was applied to test the hypothesized relationship among the study variables. The findings of this paper revealed that salary and fairness of performance appraisal have a significant negative relationship with turnover intention except training & development. Besides, it was found that out of four dimensions of career growth, only two dimensions, namely promotion speed and remuneration growth, have strong influence on turnover intention. The findings of this paper would be discussed in light of certain limitations. First, in this study researchers decided to include the factors which are related to turnover intention. Secondly, this study has been taken only in one country (Pakistan) therefore, the result may not be applicable in another Asian countries. The study may contribute to the body of knowledge on both human resource and career management. Based on the findings, a number of practical recommendations for organizations, leaders and employees have been provided to guide them to retain employees successfully.

Keywords: remuneration growth, promotion speed, professional ability development, career goal progress, salary, fairness of performance appraisal, training & development and turnover intention.
1. Introduction

Now a day, turnover is a major problem in organizations. Due to employee turnover organizations face two different costs. First is direct cost which include recruitment, selection, placement, loss of time-worked and the second one is indirect cost which includes a reduction of organizational performance. Today, a significant number of employees are leaving their current organizations to work for another because changing jobs is no longer seen as something that is negative and could hinder the advancement of an employee’s career. In fact, remaining with only one employer is now considered as exceptions (Brooks et al., 2005; Rubel & Kee, 2015). As the global economy increasingly becoming knowledge-based, retaining and attracting high quality employees could boost a company’s competitive advantage (Holtom et al., 2008). However, in today’s highly competitive business world, retaining employees is easier said than done. Statistics around the world showed that employee turnover is expected to be higher this decade as compare to previous decade even in developed countries such as United States and the Australia, with about 161.7 million employees had left their jobs (Low, 2013). In addition, Low (2013) also mentioned that the trend is also expected to rise sharply soon in the Asia-Pacific, due to the mix of developed and emerging economies in this region. Similarly, Budhwar and Khatri (2001), also indicated that several Asian countries such as Pakistan, South Korea, Singapore, Hong Kong and Malaysia are also experiencing the same turnover problem. For example, in Malaysia it was reported that the lower unemployment rate in Malaysia make contributions to the job-hopping trend among Malaysians (Long et al., 2014). In fact, according to Tower and Watson (2013), the average yearly employee turnover rate in Malaysia has risen from 12.4% in 2012 to 13.3% in 2013. In another report, it was said that in Indonesia, companies could expect 25.8 percent of their staff anticipated to quit their jobs, whereas the figure is 21.3 percent for China. Hence, employee turnover will continue to be a serious problem that is faced by all organizations around the world and employers need to be creative in handling this problem by identifying the various factors that contributes to it.

Currently there are more than 1500 academic researches that have been done on employee turnover, but due to the seriousness of this problem, employee turnover is still a vibrant field of research (Raihan, 2012). More research is still needed because even after significant number of research that have been conducted in the context of employee turnover and turnover intention, there is still confusion about what are the actual causes behind the employees intention to leave or stay with a certain organization (Abeysekera, 2007; Tnay et al., 2013). Studies have shown that in different countries turnover have been found to be caused by different reasons (e.g. Chiu et al., 2002; Peretz & Fried, 2012). Even more so, the reasons for employee turnover are also different within the same industry (Peretz & Fried, 2012). Therefore, to understand the employee turnover phenomenon in the wider context, Holtom et al. (2008) called for more studies to be conducted in this area, especially one that is internationally focus.

Employee turnover is one of the major problems in private universities of Pakistan due to tremendous growth of the education industry and high switching of academicians as compared to public universities (Mubarak, 2012; Yusoff & Khan, 2013; Khan et al., 2014). In line with these studies due to high ratio of employee turnover, higher education institutions normally suffered two different costs. First is direct cost, which include recruitment and training cost, selection, placement, loss of time-worked and the second
one is indirect cost which includes reputation of institution, academic consequences and reduction of overall performance of the organization. The main reason is that, it is surprisingly true that most of the private universities of Pakistan don’t have well-established human resource departments, that may cause high employee turnover rate (Bodla et al., 2014). Therefore, it requires more attention of employers and researchers to see the reasons why employees might decide to leave the organization.

2. Gap of the study

Undeniably, many studies have been conducted to see the reasons why employees might decide to leave the organization. For instance, major research on turnover intention has focused on various organizational, demographic, job related and contextual or work attitudes factors as predictors (Raihan, 2012). Among all factors, one important factor which affects employee’s turnover intention is the organizations’ human resource management (HRM) practices (e.g. Chew & Chan, 2008; Deckop et al., 2006), and its various functions such as training (e.g. Cheng, & Waldenberger, 2013), performance appraisal (e.g. Mustapha & Daud, 2013), reward system (e.g. MohdZin et al., 2012) contribute a major portion in decision making for an employee to stay with the same organization or to switch for another job. Therefore, organizational HRM practices are an essential competitive tool for an organization in retaining employees.

Recently majority of the empirical studies was embarked, to study the relationships among performance appraisal, salary, training & development, and turnover intention. Different conclusions have been found for example, researchers claimed that, performance appraisal, salary, training & development has a significant negative effect on employee turnover intention, which confirm that, when an employee perceives better salaries and good training programs for their career development and fair performance management system within the organization, they are less expected to leave the job (Thirapatsakun et al., 2015; Abdulkareem et al., 2015; Naqvi & Bashir, 2015; Kadiresan et al., 2015; Rubel & Kee, 2015). Secondly, some of the studies assure that, salary is not a significant issue for turnover intention (e.g. Griffeth et al., 2000; Budhwar & Khatri, 2001; Kim, 2005), training leads to better skilled and productive employees, who are more employable in other organizations, it implies that training & development has a positive relationship with turnover intention (e.g. Cheng & Waldenberger, 2013; Verhees, 2012), when performance appraisal is based on politics and become biased, then chances to leave or switch the organization by employees got increased (e.g. Aziz et al., 2013; Poon, 2004; Salleh et al., 2013). In line with previous discussion, Harrington and Lee (2015), argued that fair and effective performance appraisal is a vital tool of organizations for a number of human resource development activities such as enhance employee performance and to develop their capabilities, it helps the organization to identify high achievers in order to distribute rewards such as merit pay, promotion that could create psychological contract with its employees. As such, employees who expect fair and effective performance appraisal system will ultimately stay longer in the organization, which means turnover intention would reduce.

Despite all the arguments that highlight the importance of salary, training & development and performance appraisal on turnover intention, studies related to these variables has few shortcomings. For instance, first one is inconsistency between the relationship of salary, training & development, performance appraisal and turnover intention needs further research to better understand the relationship. Second shortcoming is that majority
of the studies related to these variable carried out in the western context and mainly focuses on the banking sector, retailing sector and public sector. However, studies on academia are excluded in the context of Pakistan. So that’s why, current empirical study conducted in an Asian context specifically on Pakistani context as opposed to western context.

Other than that, studies that link various HRM practices and turnover intention are vast. However, there is still one HRM practice that has not been given adequate attention, and that is career management practice. Career management is a practice whereby organizations provide career planning workshops, training, mentoring, career counseling and fair performance management system to their employees that could create psychological contract with its employees (Schnake et al., 2007; Harrington & Lee, 2015). Studies that link career management and turnover intention are not many (e.g. Schnake, et al., 2007; Guan et al., 2015), while all of them agree that turnover intention is less among employees who work for organizations that are perceived to help employees with career management. Career management practices is important because it argued that employees are very much concerned about their career stage and the possibility of career growth whether in the organizations they are currently working for or in other organizations (Karavardar, 2014). Furthermore Karavardar (2014) also argued that to retain employees, organization should focus on career growth and career concerns policies that could create psychological contract with its employees. As such, employees who expect progress and growth in their career will ultimately stay longer in the organization, which means turnover intention will become less.

Nonetheless, before it can be safely concluded that career management practices could indeed be beneficial to reduce turnover intention among employees, there is a need to determine whether employees turnover intention are affected by their career growth and career stage concern or not. Currently available research that relate career growth to turnover intention a quite a few, and some of them are the study by Nouri and Parker (2013), Weng and Hu (2009), Weng and McElroy (2012). Recently a study conducted by Li and Ding (2014) and Yang et al. (2015), to see the influence of career growth on turnover intention. Unfortunately, result of these studies failed to confirm the four dimensional model of career growth. Thus, the findings of these studies suggest that career goal progress and professional ability development have been more important than remuneration growth and, promotion speed.

In 2009, Weng and Hu suggested that, the professional growth of employees would be attracted by remuneration growth, promotion speed, professional ability development and career goal progress. This implies that these four dimensions of career growth is all together a feature of employee’s efforts to acquiring new skills and making progress towards their career objective’s in return the organization’s role is to reward these efforts, by promotions and salary increases. However, (e.g Weng & McElroy, 2012, Li & Ding, 2014, and Yang et al., 2015), were not able to confirm this four dimensional model. Thus, the model suggested by Weng and Hu (2009) need to be tested further.

Despite all the arguments that highlight the importance of career growth on turnover intention, studies that link these two variables are limited in numbers. Nevertheless, the literature has so far been focusing on career growth have two shortcomings. First, in past some of the studies indicate inconsistency between the relationship of career growth and turnover intention. Secondly, scholars have traditionally focused on western
organizations, even though career growth practices highly needed by a Pakistani organization particularly academia with different context.

2.1 Hypothesis and Framework Development

In the light of recent discussed literature review and based on social exchange theory, this paper proposed following hypothesis.

H1: Salary has significant negative influence towards turnover intention.

H2: Fairness of performance appraisal has significant negative influence towards turnover intention.

H3: Training & development has significant negative influence towards turnover intention.

H4: Career Growth (remuneration growth, promotion speed, professional ability development and career goal progress) has significant negative influence towards turnover intention.

H4a: Remuneration growth is negatively related with turnover intention

H4b: Promotion speed is negatively related with turnover intention

H4c: Professional ability development is negatively related with turnover intention

H4d: Career goal progress is negatively related with turnover intention

Figure 1 depicts the research framework that shows human resource development factors such as salary, performance appraisal, training & development, career growth are independent variables. Similarly, career growth has four dimensions for instance; career goal progress, professional ability development, promotion speed and remuneration growth. Specifically, this study proposed that human resource development factors such as salary, performance appraisal, training & development and four dimensional career growths have negative effect on employees’ turnover intention.
3. Methodology

3.1 Sample and Demographic Profile

The respondents for this study are full-time faculty members working at various private universities, mainly located in Punjab Pakistan. According to Educational Statistics of Pakistan (2013-14) report, there are 64 private universities established countrywide. However, only 18 private universities located in the Punjab were selected for the present study by employing cluster sampling technique as mentioned in Appendix A. There are about 7912 faculty members working as full-time in these 18 private universities, and represent the total population of the study.

In determining an appropriate sample which could produce a reliable results for the study, Hair et al., (2011) suggested that good sample size for statistical analysis at least 10-20 times more than variables is needed. Additionally, Hair et al. (2011, 2014) recommended that minimum sample size for PLS analysis is about 200 respondents. Hence, total of 260 questionnaires were distributed personally to the full time permanent faculty member of universities to ensure enough data can be collected for analysis. Out of 260, 170 study questionnaires have been returned. Thus, only 150 questionnaires were complete for further analysis, while 20 of them were rejected because the major part of the questionnaire was left as blank. The distribution and collection of questionnaires were carried out in period of five months from November, 2014 to March, 2015.
A total of 150 Pakistani employees responded to the questionnaire. The SPSS 20 software has been used to obtain the demographic information of the respondents. In summary, the major part of the respondents are less than 30 years (54%), are male (64%), are married (50%), are equipped with Master degree (73%), have work experience 1-3 year (36%), and holding Lecturer position in the organization (61%).

3.2 Measurement

The questionnaire used to measure all the study variables included in this study have been adapted from previous researchers with appropriate modification that is suitable for the sample. The survey questionnaires were consisting of mainly two components. First component comprised of several Likert-type scale items, and the second component described the demographic information of the faculty members (the respondents) of this study. The Likert scale has been employed to determine, how strongly, the respondents agrees or disagree with a particular statement (Sekaran, 2003). The aim of a 7-point Likert scale is to offer respondent’s with more options/choice and to capture variability in a more better way with respect to their attitude’s and feeling’s (Hinkin, 1995). To measure salary, a 5-items scale by Tessema and Soeters (2006) was adopted; to measure training & development, a 3-items scale by Delery and Doty (1996) was adopted and to measure performance appraisal a 3-items scale by Chang (2005) was adopted. For career growth (remuneration growth, promotion speed, professional development and career goal progress) a 15 items scale by Weng and Hu (2009) was employed. Lastly, turnover intention has been measured with 5 items used by Lumet al. (1998) and Wayne et al. (1997).

3.3 Techniques for Data Analysis

This paper employed structural Equation Modeling (SEM) Path analysis technique, to test the hypothesized relationships between independent and dependent variables by using SmartPLS 2.0 software (e.g. Ringle et al., 2005). In 2007, Le and Wu argued that “Path analysis is an extension of multiple regressions because it involves various multiple regression models or equations that are estimated simultaneously”. In multiple regression analysis it is assumed that the dependent variable is directly affecting all the independent variables. This paper followed the steps which were given by Henseler et al. (2009) to conduct path analysis:

- Assessment of measurement model
- Measurement of structural model

First step of path analysis is the assessment of the measurement model which determines the individual item reliability and validity. With regard to individual item reliability and validity, researchers examined loading and cross loadings of all items of the study variables to point out any problem which serve as a pre-requisite for measurement model. After execution of assessment of measurement model this paper would move towards second step which is the measurement of structural model. According to Hair et al. (2014) structural model gives an inner modeling analysis of the direct relationship between the constructs of the study and their t-values are the path coefficient. As per rule of thumb by Hair et al. (2014), if t – value greater than 1.64 is considered to be as significant at 10%, this is further used for making decisions on the proposed hypothesis.
4. Data Analysis and Results

4.1 Assessment of the Measurement Model

To determine measurement model, discriminant validity, convergent validity, and reliability of the measurement of construct have been examined by using SmartPLS 2.0 (Ringle et al., 2005).

Before determining the convergent validity, the researcher examined loading and cross-loadings of all items of the study variables to point out any problem which serve as a prerequisite for measurement model. As argues by Hair et al. (2014), convergent validity is obtained when the factor loadings of all the constructs higher than 0.5 and no loading of any item from other construct have higher loading than the one which think to measure. Regarding this study concerned out of 31 items, 25 items have their loading above than 0.5 as shown Table 1.
The Table 1 which is following given below poses the average variance extracted, composite reliability and Cronbach's alpha values of all study variables. According to (Fornel and Larcker, 1981; Hair et al., 2014) the composite reliability should be accepted at least 0.70 and AVE should be at 0.50. As shown in Table 1 which is given below, all the constructs have high reliability and their average variance extracted (AVE) is greater than cut off point of 0.50 which is indication of reliability of the measurement model. This paper calculated Cronbach's Alpha value to find out the internal consistency of the data. According to George and Mallery (2003), which provide the rule of for deciding the value alpha; “α> 0.9- Excellent, α< 0.8- Good, α< 0.7- acceptable”. As for as this study
concerned Table 1 indicates that all constructs have Cronbach's Alpha value more than 0.6. So this is the indication of all the variables in the study have a good consistency.

Furthermore, discriminant validity was examined to assure the external consistency of the model, based on the correlation between the latent variables. As shown in Table 2 the correlations among all constructs are lower than square root (AVEs) of each constructs which are bolded in diagonal.

Table 1: Results of Measurement Model

<table>
<thead>
<tr>
<th>Construct</th>
<th>Item</th>
<th>Loadings</th>
<th>Cronbachs Alpha</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Career growth</td>
<td>CGP1</td>
<td>0.743</td>
<td>0.638</td>
<td>0.804</td>
<td>0.577</td>
</tr>
<tr>
<td></td>
<td>CGP2</td>
<td>0.741</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CGP3</td>
<td>0.794</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PAD1</td>
<td>0.927</td>
<td>0.819</td>
<td>0.917</td>
<td>0.847</td>
</tr>
<tr>
<td></td>
<td>PAD2</td>
<td>0.913</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PS1</td>
<td>0.711</td>
<td>0.644</td>
<td>0.795</td>
<td>0.564</td>
</tr>
<tr>
<td></td>
<td>PS2</td>
<td>0.732</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PS3</td>
<td>0.807</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>RG1</td>
<td>0.866</td>
<td>0.740</td>
<td>0.884</td>
<td>0.792</td>
</tr>
<tr>
<td></td>
<td>RG2</td>
<td>0.913</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>PA1</td>
<td>0.937</td>
<td>0.838</td>
<td>0.906</td>
<td>0.764</td>
</tr>
<tr>
<td></td>
<td>PA2</td>
<td>0.734</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PA3</td>
<td>0.936</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>SA2</td>
<td>0.867</td>
<td>0.778</td>
<td>0.871</td>
<td>0.692</td>
</tr>
<tr>
<td></td>
<td>SA3</td>
<td>0.779</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SA4</td>
<td>0.847</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training &amp; development</td>
<td>TD1</td>
<td>0.787</td>
<td>0.632</td>
<td>0.803</td>
<td>0.576</td>
</tr>
<tr>
<td></td>
<td>TD2</td>
<td>0.711</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD4</td>
<td>0.777</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover intention</td>
<td>TI1</td>
<td>0.827</td>
<td>0.800</td>
<td>0.863</td>
<td>0.560</td>
</tr>
<tr>
<td></td>
<td>TI2</td>
<td>0.637</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TI3</td>
<td>0.811</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TI4</td>
<td>0.658</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TI5</td>
<td>0.788</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 2: Discriminant Validity of the Variables

<table>
<thead>
<tr>
<th></th>
<th>CGP</th>
<th>PA</th>
<th>PAD</th>
<th>PS</th>
<th>RG</th>
<th>SA</th>
<th>TD</th>
<th>TI</th>
</tr>
</thead>
<tbody>
<tr>
<td>CGP</td>
<td>0.760</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PA</td>
<td>0.170</td>
<td>0.874</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PAD</td>
<td>0.523</td>
<td>0.225</td>
<td>0.920</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PS</td>
<td>0.505</td>
<td>0.162</td>
<td>0.658</td>
<td>0.751</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RG</td>
<td>0.644</td>
<td>0.150</td>
<td>0.332</td>
<td>0.348</td>
<td>0.890</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SA</td>
<td>0.308</td>
<td>0.169</td>
<td>0.118</td>
<td>0.293</td>
<td>0.280</td>
<td>0.832</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TD</td>
<td>-0.294</td>
<td>-0.176</td>
<td>-0.227</td>
<td>-0.302</td>
<td>-0.338</td>
<td>-0.538</td>
<td>0.759</td>
<td></td>
</tr>
<tr>
<td>TI</td>
<td>-0.370</td>
<td>-0.307</td>
<td>-0.389</td>
<td>-0.497</td>
<td>-0.412</td>
<td>-0.363</td>
<td>0.368</td>
<td>0.748</td>
</tr>
</tbody>
</table>

4.2 Assessment of Structural Model

After execution of assessment of measurement model this paper would move towards second step which is the measurement of structural mode. In measurement of structural model t-values were calculate for making decisions on the proposed hypothesis. Likewise, blindfolding procedure was employed to determine the predictive capacity of the model.

4.2.1 Hypothesis Testing

In PLS, structure model gives inner modeling analysis of the direct relationship among the constructs of the study and their t-values as for as path coefficients. As argued by Henseler and Fassott (2010), the path coefficient is same like standardized beta coefficient and regression analysis. Where beta values of the coefficient of the regression and t-values are examined to decide on the significance. Following the rule of thumb by Hair et al. (2014), bootstrapping method was performed (with 500 sampling iterations for 150 cases / observations) to obtain beta values of the coefficient of the regression and t-values which greater than 1.64 is considered to be as significant, which is further used for making decisions on the purposed hypothesis.

The basic purpose of this study here to focused firstly on model evaluation with an examination of direct relationships and secondly tests the hypothesized relationships among the constructs through the structural model. In this study four (4) hypothesis which have direct relationships were tested, out of four (4) three (3) were proven to be supported except one which is training and development were not supported. Table 3 which is given below explains the direct effect of every latent variable, on the dependent variable.

Table 3 which is given below found that salary has a significant negative relationship with the turnover intention (β = -0.140, T-value = 1.72). Fairness of performance appraisal has a significant negative relationship with turnover intention (β = -0.179, T-value = 2.56). Furthermore, under four dimension of career growth two dimension are significant such as promotion speed with (β = -0.311, T-value = 2.63) and remuneration growth with (β = -0.229, T-value = 2.28) and two (2) dimensions are insignificant named as career goal progress (β = -0.070, T-value = .652 and professional ability development β = -0.066, T-value = .276) with turnover intention. Summariy, in this study four (4) hypothesis which have direct relationships were tested, out of four (4) three (3) were
proven to be supported except one which is training and development was not supported. Table 3 which is given below explains the direct effect of every latent variable on the dependent variable.

**Table 3: Summary of Hypothesis Testing**

<table>
<thead>
<tr>
<th>NO</th>
<th>Hypothesized Path</th>
<th>Path coefficient</th>
<th>Standard Error (STERR)</th>
<th>T-Value</th>
<th>P-Value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CGP -&gt; TI</td>
<td>0.070</td>
<td>0.108</td>
<td>0.652</td>
<td>0.258</td>
<td>Not supported</td>
</tr>
<tr>
<td>2</td>
<td>PA -&gt; TI</td>
<td>-0.179</td>
<td>0.070</td>
<td>2.563</td>
<td>0.006</td>
<td>Supported</td>
</tr>
<tr>
<td>3</td>
<td>PAD -&gt; TI</td>
<td>-0.066</td>
<td>0.112</td>
<td>0.596</td>
<td>0.276</td>
<td>Not supported</td>
</tr>
<tr>
<td>4</td>
<td>PS -&gt; TI</td>
<td>-0.311</td>
<td>0.118</td>
<td>2.630</td>
<td>0.005</td>
<td>Supported</td>
</tr>
<tr>
<td>5</td>
<td>RG -&gt; TI</td>
<td>-0.229</td>
<td>0.100</td>
<td>2.288</td>
<td>0.012</td>
<td>Supported</td>
</tr>
<tr>
<td>6</td>
<td>SA -&gt; TI</td>
<td>-0.140</td>
<td>0.081</td>
<td>1.724</td>
<td>0.043</td>
<td>Supported</td>
</tr>
<tr>
<td>7</td>
<td>TD -&gt; TI</td>
<td>0.095</td>
<td>0.083</td>
<td>1.155</td>
<td>0.125</td>
<td>Not supported</td>
</tr>
</tbody>
</table>

4.2.2 Predictive Relevance of the Model

This study further employed blindfolding procedure to test the predictive capacity of the model. Predictive relevance is denoted by \( Q^2 \). According to Hair et al. (2011, 2014) \( Q^2 \) value is obtained by using the blindfolding to assess the parameter estimates and also assess how values are built around the model. The results were retrieved from the blindfolding output of PLS through the variable score out of which cross validated redundancy extracted. These cross validated redundancy analyze the capacity of the model in order to predict the endogenous variable’s and also explains the quality of the model. Table shows the construct cross validated redundancy. \( Q^2 \) shows the predictive relevance of 0.21 for the TI (Turnover intention) which shows that this model have predictive relevance. In line with recommendation of Hair et al. (2014) if \( Q^2 \) value is greater than zero (0) the model has a predictive relevance for reflective endogenous latent variable.

**Table 4: Result of predictive Relevance of the Model**

<table>
<thead>
<tr>
<th>Q² Test</th>
<th>SSO</th>
<th>SSE</th>
<th>1-SSE/SSO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1510</td>
<td>1192.8836</td>
<td>0.21</td>
</tr>
<tr>
<td>TI</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Discussion and Conclusion

Generally, the first major purpose of this study is to examine the relationships between human resource development factors which are salary, performance appraisal, training & development and also the four dimensions’ of career growth with employee’s turnover intention. The results of the statistical analysis provide the evidence that, two human resource development factors e.g. salary and performance appraisal do influence turnover intention except training & development. Other than that, out of four dimensions of career growth, only, promotion speed and remuneration growth have a significant relationship with the turnover intention.
Hence, based on statistical result, this paper concluded that if employees perceived higher salaries, fair and just appraisal system and high career growth within the organizations, they become positively attached with organization and chances to quit the organization will minimized. So, it is the strong support from the findings of this study that salary, performance appraisal and career management practices such as career growth absolutely influence turnover intention. It also indicates that failure to implement these factors might be one of the reasons organizations were not much more successful in reducing employee turnover.

Unfortunately, in relation to human resource development factor the finding of current study indicated that, training & development don’t have a significant impact on the turnover intention, so compared to some previous researches, which showed that, training & development has a significant and negative effect on turnover intention. Therefore, several studies supports the finding of current study, who claimed that, training & development has no significant effect on employee’s turnover intention, as well as, organizational commitment. For example; Verhees (2012) which implies that, training could lead to more turnover intentions because, employees with better skills are more ‘employable’ in other institutes. Looking behind the reasons in the light of literature, training and development only enhance the capability of each employee, but that skill only helps the employees to work for an organization more accurately to avoid any mistakes, but benefits for employee regarding career path still sat behind, rewards and performance evaluation of employees has been unseen by the organization.

Secondly, majority of institutes, provide training to their employee’s in order to achieve much better and superior results. On the other hand, training may also lead towards employee’s turnover intentions, the main reason is that, better skilled employees are more employable in other institutes. This argument has also been validated by the human capital theory of Becker (1962).

The second objective of this study was, to determine the influence of the four dimensions of career growth (which are: remuneration growth, professional ability, promotion speed, development and career goal progress) on the turnover intention of the employee’s. In general, previous studies (Weng & McElroy, 2012, Li & Ding, 2014, and Yang et al., 2015), analyze this variable as a composite variable and indicated that, career growth has a significant and negative effect on turnover intention, which means that, more the opportunities for career growth the lesser the intention to leave. However, in this current study, each dimension of career growth was examined separately.

In relation to career growth dimensions, it was found that, only promotion speed and remuneration growth has a significant effect on turnover intention. As hypothesized, the relationship is negative. This finding showed that an opportunity for promotions is very important decision consideration whether to stay or leave a certain organization. This is also true for remuneration growth, whereby the study merely confirms that people will have no intention to leave organizations that provides a lot of salary increment within a short time of period. In short, people will leave the organizations if they perceive that opportunities for better salary or/and better positions are higher in other organizations as compared to their current organizations. It is human nature to want and need better standards of living, and higher salary and position enables this.
Nonetheless, it is interesting that, career goal progress and professional ability development has no significant impact on turnover intention. It would be expected that, if the organization provide employee with a good or high position within that organization (i.e. an indicator of career progression), one would be more loyal to that organization and attention to leave the organization will be minimize. The findings of this study didn’t confirm this premise. It seemed that even though one has already been given a promotion, if he is offer a better position in another organization, it is not known whether they will stay or leave the organization. Providing the employee’s with number of development opportunities did not guarantee that, they will have less intention’s to leave the organization.

6. Practical Implication

Based on the findings of this paper, it is more important for the organizations to overcome the issue of employee’s turnover intention, organization must needs to introduce positive human resource practices and career management practices like career growth in form of promotion speed and remuneration growth to their employees, employees observe these practices as the gratitude of their struggles, therefore, employees will be less enthusiastic to quite the organization. Other than that, organization also must provide career development programs for accommodating employee’s career needs and also provide career growth opportunities to satisfy their expectations

Other than that, Organizations should focus on two fold a retention strategy which includes pro career building and anti-career blocking which focuses on career management practices at one end and removal of career blockage, on the other hand, might have some adverse effects. The understanding is that if the career progression of employees is relatively close to the external job market in terms of attractiveness then the employees probably will stay with that organization and it is less likely for them to leave the organization.

7. Limitations and Future Study Directions

The statistical findings of this study will be discussed in the light of possible limitations. Firstly, in this study, researcher decided to include salary, performance appraisal, training and development and career management practices such as career growth. Future research in searching of other career management practices such as; career concerns, career commitment as intervening variables that influence the turnover intention of employee’s. Secondly, career management practices might be relevant for all employees in the universities. This population only includes permanent lecturers, which are reasonable sample for testing hypothesis of this study. Furthermore, this study has been taken only in one country (Pakistan) therefore, the result may not be applicable in another Asian countries.

REFERENCES


**Appendix A: List of Universities included in the Sample**

<table>
<thead>
<tr>
<th>Sr No.</th>
<th>University Name</th>
<th>Sr No.</th>
<th>University Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ali Institute of Education</td>
<td>10</td>
<td>Qarshi University Lahore</td>
</tr>
<tr>
<td>2</td>
<td>Beacon house National University, Lahore</td>
<td>11</td>
<td>The Superior College Lahore</td>
</tr>
<tr>
<td>3</td>
<td>Global Institute Lahore</td>
<td>12</td>
<td>University of Central Punjab Lahore</td>
</tr>
<tr>
<td>4</td>
<td>Hijvery University, Lahore</td>
<td>13</td>
<td>University of Lahore, Lahore</td>
</tr>
<tr>
<td>5</td>
<td>Imperial College of Business Studies, Lahore</td>
<td>14</td>
<td>University of Management and Technology, Lahore</td>
</tr>
<tr>
<td>6</td>
<td>University of Management Sciences, Lahore</td>
<td>15</td>
<td>Forman Christian College, Lahore (university status)</td>
</tr>
<tr>
<td>7</td>
<td>Leads University Lahore, Lahore</td>
<td>16</td>
<td>Lahore Garrison University, Lahore</td>
</tr>
<tr>
<td>8</td>
<td>Lahore School of Economics Lahore</td>
<td>17</td>
<td>University of South Asia Lahore</td>
</tr>
<tr>
<td>9</td>
<td>Minhaj University Lahore</td>
<td>18</td>
<td>National College of Business Administration and Economics Lahore</td>
</tr>
</tbody>
</table>