
AFFECTIVE COMMITMENT AS A MEDIATOR: LINKING JOB HOPPING INTENTION TO TURNOVER BEHAVIOUR IN THE BANKING SECTOR

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ABSTRACT

Modernization of banks especially after Basel-1 and Basel-2 Norms has led to a drift in the working of banks and banking sector in India. Opening up of new banks, especially in the private sector, not only raises the standard of professionalism in banking, rather gave a new direction to the adoption of marketing strategies which banks need to hold and continue in order to establish themselves and survive. Similarly, the operations of the bankers demanded for a multi-dimensional approach and merely from being a financial institution meant for accepting deposits and lending loans, banks turned out to be the pioneers in technology adoption and hiring one of the major chunk of tech-savvy and financial knowledge acquainted job aspirants.

KEYWORDS: Basel Norms, professionalism, financial institution, financial knowledge

INTRODUCTION

In India, banks are emerging as the highest job generating agency, ironically, this sector is facing the huge employee retention challenge too. Various studies have been conducted and it is found that retention is directly related to job satisfaction, which is the challenging task to be regularly monitored by the HR department. Thus, higher the job satisfaction is, more the employees will stay and work for a long with the same bank.

Also, various studies have identified that contemporary HRM practices like workforce management, continuous training and development, regular performance appraisal, encouraging team work through quality circles and compensation management has a significant impact on job satisfaction, which permits individual goals to get satisfied too. Human resource management practices are a potentially powerful and dominant lever for shaping the culture of the organization and they are the strong predictors of employee's Job Behavior, Job Satisfaction and Organizational Commitment Levels of managerial employees.

Why banks value their employees

Banks earn with long lasting employees. Those long-tenured employees automatically establish a relationship with the regular customers of banks and hence the “**sense of affection & affiliation**” increases among the customers particularly in respect to bank and the staff both. Retention & staff turnover along with absenteeism, are the critical issues that affect every type of organization especially the bank where most of the work is done by the people & for the people.

Andrew Carnegie, once mentioned “ Take away my factories, my plants; take away my railroads, my ships, my transportation, take away my money; strip me of all of these but

leave me my key employees, and in two or three years, I will have them all again” (Gupta & Srivastava, 2007)¹

Job Hopping Defined

It is a well proven statement that human resource is an indispensable asset for an organisation to achieve both short-term and long-term goals to stop, and, it is only possible if the employees really work hard, show their dedication and commitment and remain open for new things which are required for their career development. But when the employees do not stick to one organisation and frequently shift from one organisation to another for the reason/s, this phenomenon is known as job hopping. The person who does the job hopping is known as ‘job hopper’. As per the Cambridge dictionary, job hopping literally means the “ practice of changing your job very often² .” Webster defines it as ‘the practice of moving from job to job’³. Thus, the job hopper deems to stay at his job for approximately one to two years.⁴

Turnover Intention Defined

People engage themselves in different economic activities to earn their livelihood. For this, they have an option to join different organizations, may be pure service sector like banks or insurance companies; or the blended one like factories, restaurants etc but the length of their service is always undeterminable. They work upto the time they feel ‘comfortable.’ This ‘comfort’ is always a subjective term as the reason of this separation varies from person to person. But one thing that seems to be common in every matter of this differentiation is the ‘intention to leave’ before they decide to leave, which is the result of motivation to take this decision. Various researchers have embarked in their studies regarding this concept and commonly coined the term as “**Turnover Intention.**”

Ngamkroeckjoti, Ounprechavanit & Kijboonchoo (2012)⁵ defines ‘Turnover intention of employees refers the likelihood of an employee to leave the current job he/she are doing .’ Long, Thean , Ismail & Jusoh (2012))⁶ elaborates that ‘every organization regardless of its location, size or nature of business has always given a key concern about Employees’ turnover intention.’ According to Kumar (2011)⁷, ‘staff turnover is a critical human resource issue in all sectors of the economy which affects productivity, product and service quality, and profitability.’ Researchers like Shamsuzzoha and Shumon (2013)⁸ described that ‘turnover has proven to be one of the most costly and seemingly intractable human resource challenges confronting by several organizations globally.’ Jha (2009)⁹ identified that ‘turnover force the organization to incur a huge costs relating to recruitment and selection, personnel process and induction, training of new personnel and above all, loss of knowledge gained by the employee while on job.’

Affective commitment:

The word affection is always welcome even in the common parlance. It is a feeling and expression of bond irrespective of any relation; but if there is an affection certainly the relation nurtures.

Similarly the relation of an employee and the (employer) bank flies to the new heights if there is an affection between employees and the bank. It's an old saying “ if you share a bond, the relation will be long lasting.” The word commitment is a promise that is kept by the

parties concerned, may it be the faith, or the expectation of the service to each other. The banks gain when employees are committed to their work, the branch, their bank and sometimes, their job too.

It is the success story of any bank. It showcase how much the employees really want to stay in a particular bank. The same appeared when the employees gathered to resist the privatization of public sector banks in the recent past. The way those past SBOP or SBI employees gathered, clearly displayed their relation with their parent institution. They still affiliate them with the old building of SBOP in Patiala even after a number of years have passed since its merger in SBI. This is what an organization think can beyond imagination.

Affective commitment is the first type of organisational commitment and it starts on the part of employees first. It expresses that employee really want to take their job. It is a typical identification of employees who wrap themselves in the achievement of organisational goals and feel that they are best fit in the bank and the bank to is also satisfied with their work. Employees feel valued and hence they act as brand ambassadors for their banks in every walk of professional life. Above all, they feel associated and proved to be the assets for the bank.

Objective of the study

1. To study and find that affective commitment mediates relationship between motivational factors (intrinsic motivational factors and extrinsic motivational factors) and turnover intention.
2. To study and find that affective commitment mediates relationship between motivational factors (intrinsic motivational factors and extrinsic motivational factors) and job hopping behaviour.

Scope of the study

1. The study covers all types of banks irrespective of their distinction on the basis of ownership (Public and Private), Scheduled and non-scheduled banks, co-operative banks etc
2. Both male and female bankers are considered as the respondents.
3. The respondents considered are the professionals working on the different levels of the bank.
4. The study is a professional bank employee centric study working at a specific managerial level. Hence ministerial staff is not taken into account.
5. Only the bank professionals working and present physically in the banks are considered for the study purpose.
6. The study considers the respondents majorly from Urban Areas only. 7. The popular banks like HDFC, ICICI, SBI, PNB, Canara Bank, Indian Overseas Bank are taken into consideration.

DATA COLLECTION

The study is designed to identify the intrinsic and extrinsic motivational factors that effect the banking professionals and lead them to rise an intention to hop the job and displays the behavior to continuous job hopping. Since the role of every factor is different for different

employees and even differ on many demographic aspects but the study inclines to find the relationship of such extrinsic and intrinsic motivation factors with the intention to employee turnover and job hopping behavior. Also, at the same time the role of job satisfaction is worth considerable and one cannot similarize the responses and behavior of a satisfied and dissatisfied employee even in the common paralance of life. Adding the role of affection in form of affective commitment as a significant part and parcel of the organizational commitment seems to have an effect on the turnover intention and consequently on job hopping behavior of the employees of the banks.

Responses were sought through total 512 questionnaires were duly and completely filled in personal presence, equally from respondents of each city. 500 of them were found to be valid and complete in all respects. Thus the universe of the study are all the respondents from the cities of Ludhiana, Jalandhar, Patiala, Bathinda and Chandigarh and the sample taken is distributed equally among the cities.

Convenience Sampling method was used to collect the data from the respondents spotted at various bank branches of Patiala, Ludhiana, Bathinda, Jalandhar and Chandigarh.

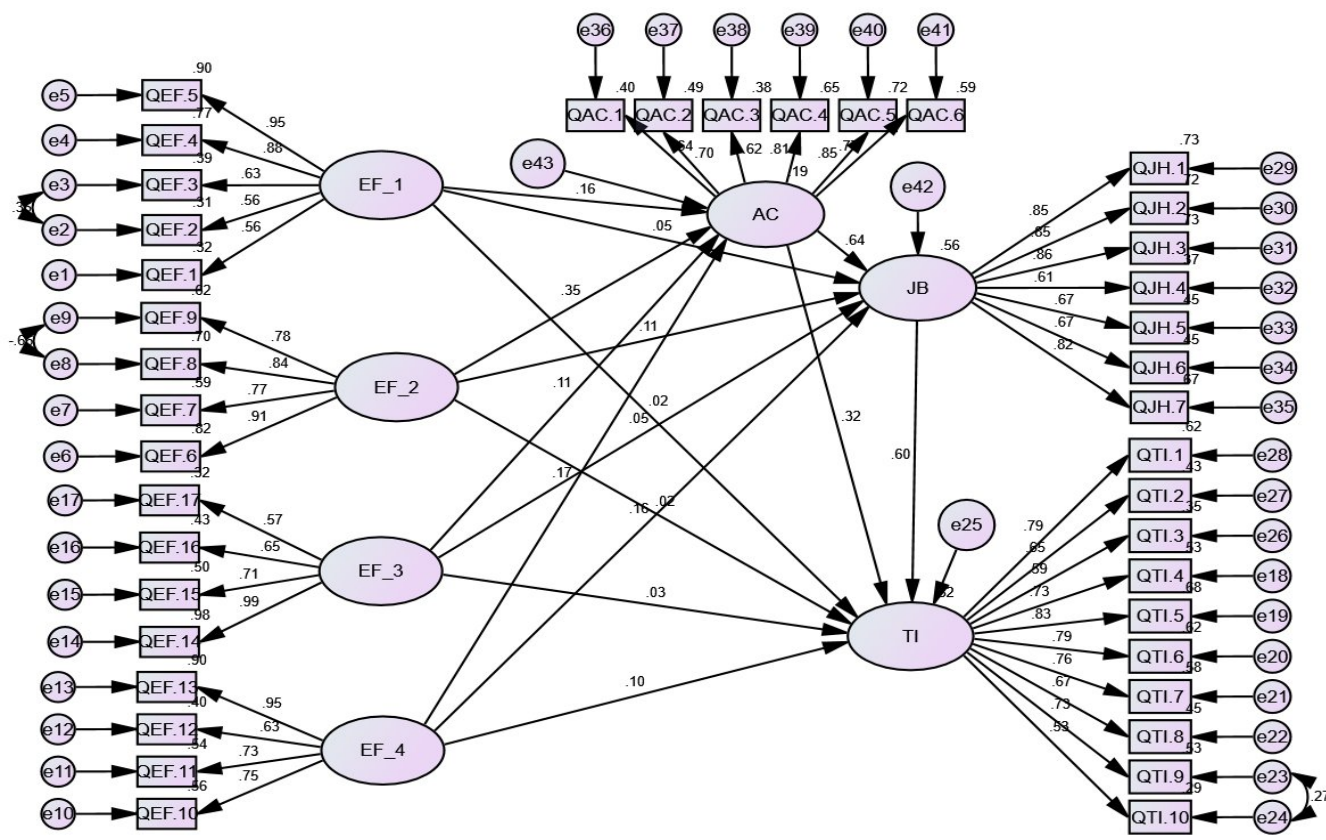
The data is analysed by exporting the responses in Ms Excel Sheet and then to SPSS software for the analysis. The first segment of data analysis includes exporting the responses to MS Excel in order to code it. Then these coded responses are exported to SPSS for analyzing the data

Data analysis and Interpretation

An attempt is made to study and find that affective commitment mediates relationship between motivational factors (intrinsic motivational factors and extrinsic motivational factors) and turnover intention. To study and find that affective commitment mediates relationship between motivational factors (intrinsic motivational factors and extrinsic motivational factors) and job hopping behaviour. The attempts to find out how affective commitment mediates relationship between motivational factors and turnover intention and job hopping..For this purpose the analysis is conducted in two parts , **In first part** of analysis its attempted find out how affective commitment mediates relationship between extrinsic motivational factors (coworker relationship, work environment, salary and Promotion policy) and turnover intention and job hopping. And in part B we tried to find out how affective commitment mediates relationship between intrinsic motivational factors (work life balance, Social Security and safety, Advancement and Achievement) and turnover intention and job hopping

Model-

I



Modelling the mediation effect of affective commitment between extrinsic motivational factors (intrinsic motivational factors and extrinsic motivational factors) and turnover intention and job hopping

The above figure represents the proposed model in affective commitment mediate the relationship between 4 variables of motivational factors and turnover intention. Each variable is represented as the oval box with defined name within it, and arrows with number on it, represents the standardized regression weights for the connected variables.

Regression Weights						
Dependent Variables	Independent Variables	Unstandardized	Standardized	S.E.	C.R.	p-value
AC	Coworker Relationship	0.153	0.161	0.045	3.416	.0001*
AC	Work Environment	0.182	0.353	0.025	7.171	.0001*
AC	salary	0.056	0.111	0.023	2.485	0.013*
AC	Promotion Policy	0.116	0.167	0.032	3.573	.0001*

Job Hopping	Coworker Relationship	0.052	0.049	0.038	1.352	0.176
Job Hopping	Work Enviornment	0.063	0.11	0.022	2.878	0.004* *
Job Hopping	salary	0.026	0.046	0.02	1.336	0.182
Job Hopping	Promotion Policy	0.127	0.163	0.029	4.426	.0001* *
Job Hopping	Affective Committment	0.724	0.644	0.064	11.381	.0001* *
Turnover intention	Promotion Policy	0.073	0.098	0.021	3.489	.0001* *
Turnover intention	Salary	0.014	0.027	0.014	1.041	0.298
Turnover intention	Work Enviornment	0.014	0.025	0.016	0.876	0.381
Turnover intention	Co worker relationship	0.019	0.019	0.027	0.71	0.478
Turnover intention	AC	0.337	0.315	0.052	6.525	.0001* *
Turnover intention	JH	0.573	0.602	0.05	11.488	.0001* *

The parameter estimates, as well as the standard errors, critical ratios and significance values for all paths in the model are displayed in the above table. For the evaluation of structural paths the t-value was used in combination with the significance of the regression (beta coefficient). For the path to be considered statistically significant, t- value (C.R.) needs to be greater than ± 1.96 at 5% significance level (or greater than ± 1.645 at a 10% significance level or greater than ± 2.58 at a 1% significance level). All the paths were found to be significant, with the exception of job hopping and coworker relationship, job hopping and salary, turnover intention and work environment, turnover intention and salary as the p-value is coming out to be greater than 0.05. The significant results give evidence to support the conceptual model developed for this study. There are all positive as well as negative pathways were found in the model, as zero variable was found to have negative impact on motivation. The model shows that variable affective commitment has a highly significant positive impact ($\beta = 0.724$) on job hopping followed by turnover intention ($\beta = .337$). The model also shows that job hopping has also a positive impact on turnover intention with ($\beta = .0573$).

Total Effect									
	AC		JB			TI			
	Unstand dized coefficien t	Standardi zed coefficien t	p- value	Unstand ardized coefficie nt	Standar dized coeffici ent	p-value	Unstandardi zed coefficient	Standardiz ed coefficient	p-value
Salary	0.056	0.111	0.037	0.067	0.117	0.035	0.072	0.132	0.013
Promotion policy	0.116	0.167	0.01	0.211	0.271	0.01	0.233	0.314	0.01
Work Environment	0.182	0.353	0.01	0.195	0.337	0.01	0.186	0.339	0.01
Co-worker Relationship	0.153	0.161	0.017	0.162	0.152	0.01	0.164	0.161	0.01
AC				0.724	0.644	0.01	0.751	0.703	0.01
JH							0.573	0.602	0.01

The above table exhibits the total effect of variables related to extrinsic motivational factors such as co-worker relationship, work environment, promotion policy and salary on turnover intention, job hopping and affective commitment. As shown by the figures of the above table the variables co-worker relationship, work environment, promotion policy and salary, has significant impact on affective commitment with p value less than 0.05. For job hopping again all these variables have significant impact with p value<0.05..and at last for turnover intention all the four variables ie co-worker relationship, work environment, promotion policy and salary has p value less than 0.05 thus have a significant impact..

Direct Effects									
	AC			JB			TI		
	Unstand ardized coefficient	Standardi zed coefficie nt	p- value	Unstand ardized coefficient	Standardi zed coefficie nt	p- value	Unstand ardized coefficient	Standardi zed coefficie nt	p- value
Salary	0.056	0.111	0.037	0.026	0.046	0.288	0.014	0.027	0.375
Promotio n Policy	0.116	0.167	0.01	0.127	0.163	0.01	0.073	0.098	0.01
Work Enviorn ment	0.182	0.353	0.01	0.063	0.11	0.032	0.014	0.025	0.366
Co worker relations hip	0.153	0.161	0.017	0.052	0.049	0.287	0.019	0.019	0.504
AC				0.724	0.644	0.01	0.337	0.315	0.01
JB							0.573	0.602	0.01

The above table exhibits the direct effect of variables related to extrinsic motivational factors such as co-worker relationship, work environment, promotion policy and salary on turnover intention, job hopping and affective commitment. As shown by the figures of the above table

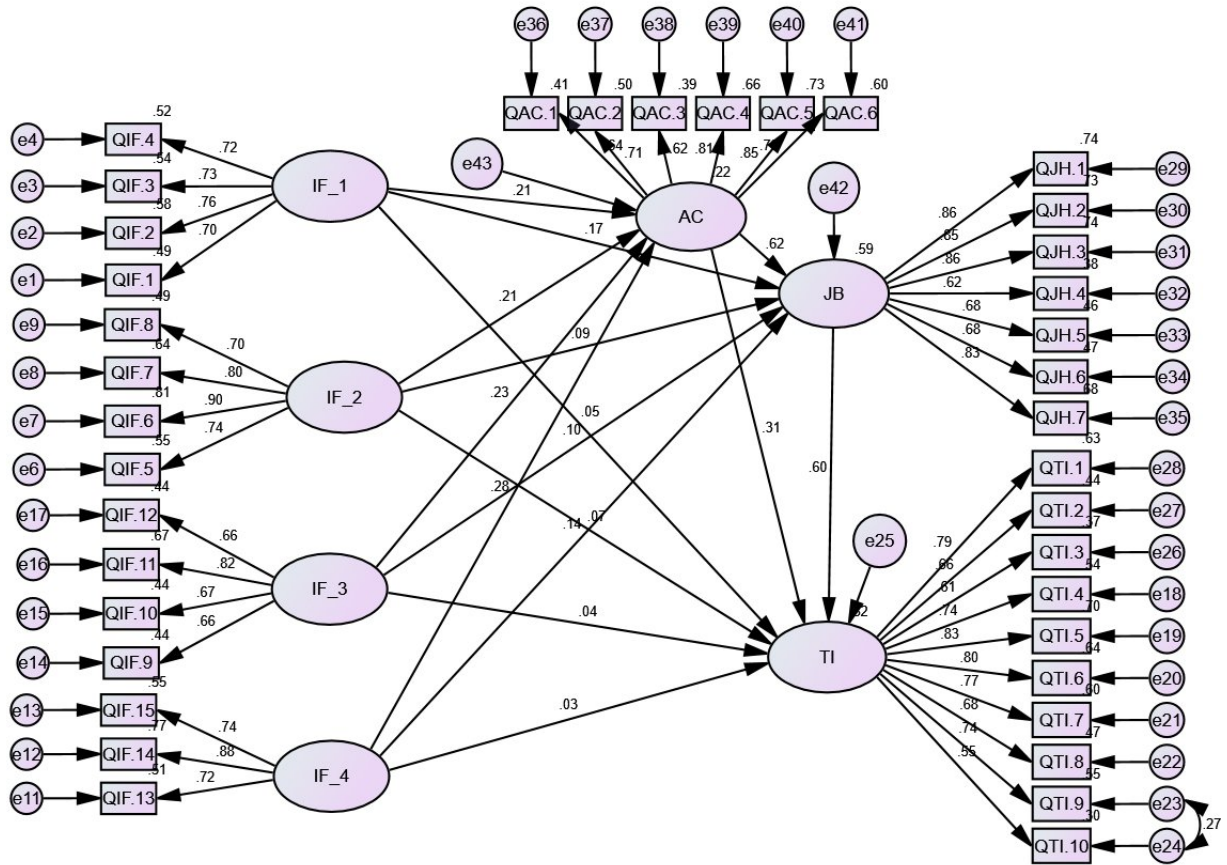
the variables co-worker relationship, work environment, promotion policy and salary, has significant impact on affective commitment with p value less than 0.05. For job hopping variables promotion policy and work environment have significant impact with p value<0.05 and co-worker relationship and salary have not any direct significant impact with p value>0.05. At last for turnover intention we found that promotion policy has direct significant impact with p value less than 0.05 where as other variables i.e co-worker relationship, work environment, salary have p value more than 0.05 thus have no significant impact..

Indirect Effects						
	JB			TI		
	Unstandardize d coefficient	Standardize d coefficient	p-value	Unstandardize d coefficient	Standardize d coefficient	p-value
IF_3	0.041	0.071	0.037	0.057	0.106	0.032
IF_4	0.084	0.107	0.01	0.16	0.215	0.01
IF_2	0.131	0.227	0.01	0.173	0.314	0.01
IF_1	0.11	0.104	0.017	0.144	0.143	0.01
JB				0.415	0.388	0.01

The above table exhibits the indirect effect of variables related to extrinsic motivational factors such as co-worker relationship, work environment, promotion policy and salary on turnover intention, job hopping and affective commitment. As shown by the figures of the above table the variables co-worker relationship, work environment, promotion policy and salary, has significant total and indirect impact on job hopping with p value less than 0.05 and again for turnover intention all the four variables i.e co-worker relationship, work environment, promotion policy and salary have p value less than 0.05 thus have a significant total and indirect impact..

Model Fit Summary	
	Model-I
CMIN	1587.18
DF	722
Chi-Square	2.198
GFI	0.861
AGFI	0.842
CFI	0.933
IFI	0.933
TLI	0.928
RMSEA	0.049
PCLOSE	0.688

The measurement model exhibited an acceptable model fit of the data(CMIN=1587.18,df=722 ; $p < 0.001$; CMIN/df=2.19(<5) ; CFI=0.933; TLI= 0.928, IFI=0.933, GFI=0.861 AGFI= 0.842;; PClose= 0.688 and RMSEA=0.049). All the indicators are loaded, with very high significance, on the latent variables. The values of the fit indices indicate a very good fit of model with data. Overall , the measurement model confirms to the four factor structure.



Modelling the mediation effect of affective commitment between intrinsic motivational factors (intrinsic motivational factors and turnover intention and job hopping

The above figure represents the proposed model in affective commitment mediate the relationship between 4 variables of intrinsic motivational factors and turnover intention. Each variable is represented as the oval box with defined name within it, and arrows with number on it, represents the standardized regression weights for the connected variables.

Regression Weights						
Dependent Variables	Independent Variables	Unstandardized	Standardized	S.E.	C.R.	p-value
AC	Work life balance	0.137	0.211	0.033	4.212	.0001**
AC	Social Security and	0.157	0.209	0.036	4.36	.0001**

	Safety					
AC	Advancement	0.197	0.231	0.044	4.532	.0001**
AC	Achievement	0.2	0.284	0.036	5.563	.0001**
JH	Work life balance	0.125	0.171	0.028	4.408	.0001**
JH	Social Security and Safety	0.074	0.087	0.031	2.399	.016*
JH	Advancement	0.097	0.101	0.037	2.615	.009**
JH	Achievement	0.114	0.143	0.031	3.695	.0001**
JH	AC	0.697	0.618	0.062	11.201	.0001**
TI	Achievement	0.025	0.033	0.022	1.141	0.254
TI	Advancement	0.04	0.044	0.027	1.508	0.132
TI	Social security and safety	0.054	0.066	0.022	2.406	.016*
TI	Work life balance	0.034	0.048	0.021	1.63	0.103
TI	AC	0.334	0.309	0.051	6.526	.0001**
TI	JH	0.575	0.6	0.051	11.328	.0001**

The above table exhibits the parameter estimates, standard errors, critical ratios and the significance values for all the paths within the model. In assessing the structural paths t-value was applied together with the significance of the regression (beta coefficient). For the path to be considered statistically significant, t- value (C.R.) needs to be greater than ± 1.96 at 5% significance level (or greater than ± 1.645 at a 10% significance level or greater than ± 2.58 at a 1% significance level). All the paths were found to be significant, with the exception of Turnover intention and achievement, Turnover intention and work life balance as the p-value is coming out to be greater than 0.05. The significant results provide evidence confirming the conceptual model proposed for this study. There are all positive pathways were found in the model, as zero variable was found to have negative impact on motivation. The model shows that variable affective commitment has a highly significant positive impact ($\beta = 0.697$) on job hopping followed by turnover intention ($\beta = .334$). The model also shows that job hopping has also a positive impact on turnover intention with ($\beta = .0575$)

Total Effect			
	AC	JB	TI

	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue
Achieve ment	0.197	0.231	0.01	0.234	0.244	0.01	0.241	0.261	0.01
Advance ment	0.2	0.284	0.01	0.254	0.319	0.01	0.238	0.312	0.01
Social Security & Safety	0.157	0.209	0.01	0.183	0.216	0.01	0.211	0.26	0.01
Work Environ ment	0.137	0.211	0.01	0.221	0.301	0.01	0.207	0.294	0.01
Affectiv e Commit ment				0.697	0.618	0.01	0.735	0.68	0.01
Job Hopping							0.575	0.6	0.01

The above table exhibits the total effect of variables related to intrinsic motivational factors such as work life balance, Social Security and safety, Advancement and Achievement on turnover intention, job hopping and affective commitment. As shown by the figures of the above table the variables work life balance, Social Security and safety, Advancement and Achievement, has significant impact on affective commitment with p value less than 0.05. For job hopping again all these variables have significant impact with p value < 0.05..and at last for turnover intention all the four variables work life balance, Social Security and safety, Advancement and Achievement has p value less than 0.05 thus have a significant impact..

Direct Effects									
	Affective Commitment			Job Hopping			Turnover Intention		
	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue	Unstandar dized coefficien t	Standar dized coeffici ent	p- val ue
IF _3	0.197	0.231	0.01	0.097	0.101	0.033	0.04	0.044	0.083
IF _4	0.2	0.284	0.01	0.114	0.143	0.011	0.025	0.033	0.494
IF _2	0.157	0.209	0.01	0.074	0.087	0.029	0.054	0.066	0.025
IF _1	0.137	0.211	0.01	0.125	0.171	0.01	0.034	0.048	0.11

A C				0.697	0.618	0.0 1	0.334	0.309	0.0 1
JB							0.575	0.6	0.0 1

The above table exhibits the direct effect of variables related to intrinsic motivational factors such as work life balance, Social Security and safety, Advancement and Achievement as on turnover intention, job hopping and affective commitment. As shown by the figures of the above table the variables work life balance, Social Security and safety, Advancement and Achievement has significant impact on affective commitment with p value less than 0.05. For job hopping all the factors have direct effect significant impact with p value < 0.05. At last for turnover intention we found that work life balance and social security and safety has direct significant impact with p value less than 0.05 where as other variables i.e advancement and achievement that have p value more than 0.05 thus have no significant impact..

Indirect Effects						
	Job Hopping			Turnover Intention		
	Unstandardiz ed coefficient	Standardiz ed coefficient	p- value	Unstandardiz ed coefficient	Standardiz ed coefficient	p- value
IF_3	0.137	0.143	0.01	0.201	0.218	0.01
IF_4	0.14	0.175	0.01	0.213	0.279	0.01
IF_2	0.109	0.129	0.01	0.158	0.194	0.01
IF_1	0.096	0.13	0.01	0.173	0.246	0.01
JB				0.4	0.37	0.01

The above table exhibits the indirect effect of variables related to intrinsic motivational factors such as work life balance, Social Security and safety, Advancement and Achievement, job hopping and affective commitment. As shown by the figures of the above table the variables work life balance, Social Security and safety, Advancement and Achievement, has significant total and indirect impact on job hopping with p value less than 0.05 and again for turnover intention all the four variables ie work life balance, Social Security and safety, Advancement and Achievement have p value less than 0.05 thus have a significant total and indirect impact..

Model Fit Summary	
	Model-II

CMIN	1291.709
DF	649
Chi-Square	1.99
GFI	0.877
AGFI	0.86
CFI	0.943
IFI	0.943
TLI	0.938
RMSEA	0.045
PCLOSE	0.995

The measurement model exhibited an acceptable model fit of the data (CMIN=1291.709,df=649 ; $p<0.001$; CMIN/df=1.99(<5) ; CFI=0.943; TLI= 0.938, IFI=0.943, GFI=0.877 AGFI= 0.86; PClose= 0.995 and RMSEA=0.045). All the indicators are loaded, with very high significance, on the latent variables. The values of the fit indices indicate a very good fit of model with data. Overall, the measurement model confirms to the four factor structure.

CONCLUSION

Variables like work life balance, Social Security and safety, Advancement and Achievement, has significant total and indirect impact on job hopping. Also, variables like co-worker relationship, work environment, promotion policy and salary, has significant impact on affective commitment. Direct effect of variables related to intrinsic motivational factors such work life balance, Social Security and safety, Advancement and Achievement as on turnover intention, job hopping and affective commitment. As shown by the figures of the above table the variables work life balance, Social Security and safety, Advancement and Achievement has significant impact on affective commitment. Thus, to generate the affective commitment, HR department has to be continuously vigilant and engaging so as to retain the workforce to the maximum.

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