The current issue and full text archive of this journal is available on AFEBI Management and Business Review at: https://journal.afebi.org/index.php/ambr/article/view/731

# TURNOVER INTENTION: INTRODUCTION, TYPES, CAUSES, AND **MEASUREMENTS (A REVIEW)**

## **Hugo Fostin Hokianto\***

Management, Faculty of Economics and Business, Widya Dharma Pontianak University, Indonesia

Turnovei **Intention:** Introduction, Types, Causes, and Measurements (A Review)

#### This study investigates the perceived benefits of entrepreneurial coaching for women in a construction accelerator programme in Gauteng, South Africa. Semi-structured interviews were conducted with 15 women entrepreneurs, and Received thematic analysis was employed to analyse the data. The findings demonstrate that entrepreneurial coaching sessions August 20th 2023 positively impacted women entrepreneurs and their businesses by enhancing self-efficacy, building relationships, Review September 26th 2023

and fostering shifts in vision and entrepreneurial mindset. The programme outcomes for women entrepreneurs included improved technical and innovative building skills, enhanced proficiency in sales, finance, marketing, legal compliance, and overall business growth. The study suggests that programmes supporting women entrepreneurs should prioritise transferring specific skills, such as innovative business modelling, relationship building, visionary capacity development, resilience, and self-efficacy to facilitate business growth. Future research could explore additional areas for entrepreneurial skill development and further investigate the long-term effects of coaching

programmes on women entrepreneurs in the construction industry and post-programme support for the participants.

Publish December 31st 2023

Keywords: Retention, Review, Turnover, Turnover Intention, Turnover Rate.

**Abstract** 



AFEBI Management and Business Review (AMBR)

P-ISSN 2548- 530X E-ISSN 2548-5318

<sup>\*</sup>Corresponding author. Email address: hugofostin12@gmail.com

### INTRODUCTION

The development of Management studies was focused on four different challenges, which are to increase the importance of the manager's role to improve productivity, to focus on workers' recruitment and role requirements, to achieve prosperity for the workers, and to give adequate work condition for productivity (Priyono, 2007, p. 3). Although these challenges were the reason for managers and experts to improve the study of the management field, they also created a foundation for Human Resources Management, as these challenges can relate to the increasing importance of the manager and worker relationship.

Human resources as a study and a role comprise of potential worker's acquisition, development, compensation & benefit, integration, retention, and separation (Mangkunegara, 2022, pp. 2-3; Kasmir & Jakfar, 2020, p. 172). Companies around the world are built and founded because they want to achieve a certain vision and mission that they cannot achieve without others who support the company itself, especially the people working as the drivers to achieve such goals. This is supported by Hunt (in Burkholder, Edwards, & Sartain, 2003, p. 147) who believes that "a great company has four things fulfilled, which consist of being a company that people want to work for, having the right person to work in the first place, give the workers a great start, and give them coaching and reward to sustain commitment and loyalty". The responsibility of the managers and those who lead the people in the company involves ensuring that the workers, referred to as employees, know their roles and responsibilities, involving them in training to add their value to the company, giving them adequate pay, keeping the employee engaged, controlling and ensuring the safety of the employees. Although the responsibility is clear, companies still face an issue where employees are incompetent to fill a role and don't understand their assignments, lack proper training, pay them as little as possible, demotivate employees, and sometimes even ignore their safety because they were deemed unimportant. This creates a high demand for the employees to separate from the company, and it has proven to cause more losses than benefits for the companies.

What happened? This question would be asked when companies start to realize that their best talents are separating themselves from the company, looking for other companies who can treat them better, which causes a lot of harm to the former company. Outlaw (1998, p. 217) first stated that approaching salary, this separation cost ranges from as little as a month's salary to 1.5x the person's annual salary. Outside salary, the harms of separation include increasing costs of recruitment, selection, and training to replace the separated employee, disturbing the workflow of the company (Robbins, Coulter, & Decenzo, 2019, p. 360), in the form of lost output because the need to replace leaving employee, the delay on replacing the said employee, and loss in cost and time to wait for new employees to learn and replace the previous employee with necessary knowledge and skills; additional costs in payroll for leaving employees, the opportunity cost in terms of time used to recruitment, induction, and training (Armstrong, 2009, p. 502), giving a hard time for the company to survive especially in tight times, administrative problems, disrupting the social and communication network, lowering remaining employees' job satisfaction, and lowering the image of the organization (Phillips & Gully, 2015, pp. 30-31). Outlaw (1998, p. 220) also stated that hidden costs such as lower employee morale and lower performance effectiveness, can damage the company more than the direct costs. This phenomenon is called "Turnover", and it is inevitable in every company.

Turnover has been an important subject to discuss when it comes to managing a company and managing the human workforce behind it. Dessler (2020, p. 320) explains that turnover in accommodation and food industry services is very high, with more than 50% leaving every year, in contrast to turnover in education services with 12% per year. Eversole (in Gilley, et al., 2009, p. 422) further explains that "each industry has different rates of turnover, with an average of 23% of turnover rate, with service organizations as its leading high turnover rate, as much as 56.4% per year", and although turnover varies by the length of the service, areas of expertise and the organization itself (Bechet, 2002, pp. 129-130), employee turnover has been the indicator for organization's employee satisfaction, morale, and motivation (Sears, 2002, p. 164), and the recent rise of company reviews by a current and former employee in websites such as GlassDoor has solidified that less well companies will be avoided when potential talents are looking for companies to work for. Hence, to keep the best employees in the company, a focus on the system for companies to retain their employees is crucial.

One of the causes of turnover is the intention to leave by its employees. The intention to leave a certain company, also known as turnover intention, has been studied numerous times, with theories of turnover and what motivates the employee to leave a company, it remains an unavoidable phenomenon for companies to experience. The foundation of what creates a demand to separate has not fully answered the more complicated and intriguing issue that employees face in the organization. To explain turnover intention, this paper discusses four main points, which are: (1) What is turnover intention? (2) What are the types of turnover? (3) What causes turnover? (4) What measurements are used to measure turnover intention?

#### LITERATURE STUDY

Before understanding turnover intention, it is important to understand why employee turnover matters. Philips and Edwards (2008, p. i) first explained that there are five underlying assumptions about turnover, which include:

- 1. All stakeholders involved in the issue underestimate the true costs of employee turnover.
- 2. The causes of turnover are not sufficiently identified in most organizations.
- The solutions to reducing turnover are sometimes mismatched with the cause, causing to generate unwanted results.
- 4. Preventive measures that are set for turnovers are usually either too much or missing the target wanted.
- 5. A process to measure the success of retention solutions and place a monetary value on managing retention does not exist in most organizations.

These assumptions built the foundation for understanding turnover because even if organizations try their best to prevent turnover from happening, it usually ends up in situations where they are not ready to solve the issues that cause the turnover or they expect too much from reducing turnover they would end up hurting their employees instead.

Turnover, although has been researched and studied numerous times, it is still a phenomenon that will happen to any company, whether they are a small-sized company or a large-scale corporation that is well known worldwide. All organization wants to prevent turnover, but it is inevitable because many factors could lead to turnover in their organization and most HR practitioners would rather minimize the turnover in their organization as low as possible, at least below the standard annual turnover rate, rather than removing all turnover to zero. Although often associated with negative connotations, it is important to remember that there is a positive side of turnover, such as finding a better position with better pay and leaving behind stressful work for the leavers, opportunity for career development from leavers when there is a vacant position for the stayers (Hom, Allen, & Griffeth, 2020, pp. 18, 22), and reduced labor cost as well as removing underqualified employees for the organization (Heneman, Judge, & Kammeyer-Mueller, 2018, p. 690).

The word turnover intention is composed of two separate words, "turnover" and "intention". The word "intention" according to Collins English Dictionary & Thesaurus (2021, p. 2787) is defined as something that is intended, whether it's a plan, idea, or purpose. As straightforward as the definition is, it can't be said the same for "turnover", as the word can refer to other things (such as inventory turnover, etc.), and many authors have attempted to give their definition to turnover in companies. Turnover is described as an occurrence when people leave their jobs (Griffin, 2015, p. 283), a measurement of the percentage of how many employees leave their job and the organization within a set amount of time, by comparing the employees entering and leaving from organization (Hasibuan, 2021, p. 52; Dessler, 2020, p. 320; Eversole in Gilley, et al., 2009, p. 422; Armstrong, 2009, p. 497; Phillips & Edwards, 2008, p. 27; Hunt, 2007, p. 267), and a cutoff act of behavior that as a critical consequence for the person who are leaving and the organization (Porter & Steers in Hom & Griffeth, 1995, p. 4). When describing turnover, the first definition describes the act of leaving but does not describe further the cause of the leave, while the second definition, although the most used definition of turnover, relates to turnover rate, which is the percentage of employees leaving. This leaves the third definition as a proper definition, as turnover is described as a separation with consequence and a subtle hint of the cause in the definition.

Combining the definition of the word "turnover" and "intention", it can be defined as the intention of a person to leave the organization, resulting in potential consequences borne by both parties in the future. Although it is possible to define a term by describing each word of a term and combining them into a definitive term, authors also have tried to describe turnover intention as:

- 1. "An occurrence when a person terminates their employment with their current organization and chooses another organization" (Ployheart, Schneider, & Schmitt, 2006, p. 174).
- 2. "The probability of someone changing their job in the near time is a conscious and intentional decision (Tett & Meyer in Saridakis & Cooper, 2016, p. 113).
- 3. "The likelihood of someone separating from the company in the future" (Saridakis & Cooper in Goldstein et al., 2017, p. 497).
- 4. "The employee's act of voluntary severance from the current employment ties with the company" (Mobley & Price in Hom, Allen, Griffeth, 2020, p. 3; Mobley in Saridakis & Cooper, 2016, p. 28; Mobley in Hom & Griffeth, 1995, p. 4).
- 5. "Resignation is caused by the employee's desire to submit the resignation letter to the company" (Hasibuan, 2021, p. 211).

Although similar, it could be argued that each definition, whether the word-by-word definition or the authors mentioned, fulfilled the "turnover" aspect (the act to leave) and the "intention" aspect (the idea to act something), with each adding a new characteristic of the term.

Turnover
Intention:
Introduction,
Types,
Causes, and
Measurements
(A Review)

#### RESEARCH METHODOLOGY

This research is a descriptive qualitative research, with a literature review as its research method. Descriptive has been described by Supriyanto & Maharani (2013: 7) as research that describes the characteristics of a situation that are being observed. Qualitative has been described by Chang (2014: 30) as a research that uses narrative words to answer the research questions that have been posed. Literature review is a method of research that involves books, articles, web pages, documents, and many others to be reviewed as a way to assist in answering research questions.

#### RESULT AND DISCUSSION

#### **Types Of Turn Over**

Although low turnover seems optimal, it is important to understand that it is also best to approach optimal turnover instead of the lowest turnover possible. It has been established before that there is a positive aspect of turnover in an organization. The question would be, how turnover can be adjusted to benefit the business? Optimal turnover is described by Phillips and Gully (2015, p. 357) as the turnover level that creates the highest long-term productivity and improvements in the business. The focus on optimal turnover instead of the lowest possible turnover level can create a higher return on investment (ROI) for the business. Hence in determining optimal turnover, it is best to understand the types of turnover that exist in a business.

The research on employee turnover has established that turnover has three different types, which are voluntariness, avoidability, and functionality (Hom, Allen, & Griffeth, 2020, pp. 3, 6-7; Morrell in Saridakis & Cooper, 2016, p. 28; Phillips & Gully, 2015, p. 358). These establishment types are based on the development of turnover from time to time, with theories proposed by many experts to describe turnover, the causes that trigger turnover, the proper measurement of turnover, and the "ideal" turnover for companies. The first theory of turnover was established by March and Simon with the "Theory of Organizational Equilibrium" in 1958, they mentioned that as long as the employees have fulfilled their needs (usually pay), they will remain motivated to contribute to work, which in turn stays in the company (Hom, Allen, & Griffeth, 2020, p. 72). Although at the time this is not obvious, this is the earliest concept of the "voluntariness" aspect of turnover, which means that employees that are not fulfilled their needs will be motivated to leave. Another type of turnover, which are "Avoidability", proposed by Abelson in 1987 suggests that turnover can be caused by controlled and uncontrollable factors, hence by measuring it, organizations can precisely determine the severity of turnover, and more accurately forecast avoidable turnover (Hom, Allen, & Griffeth, 2020, p. 7). Lastly, the "functionality" type of turnover was first mentioned by Dalton et al., in 1979 and 1981, which approached turnover from the perspective that turnover can have a positive impact if it is desirable, for instance by removing poor-performing or overpaid workers, an organization can prevent stagnation and enhance their performances instead of gaining disadvantage by reduced employee (Hom, Allen, & Griffeth, 2020, p. 6)

Voluntariness is the most common type of turnover, simply because it's easy to explain and to represent a company's profile. In voluntariness turnover, there are two categories of turnover, which are voluntary turnover and involuntary turnover. Voluntary turnover is described as employees who choose to quit their jobs and depart from their organizations for various reasons (Phillips & Gully, 2015, p. 358; Phillips & Edwards, 2008, p. 60; Hunt, 2007, p. 267). In contrast, Involuntary turnover is described as employees being asked by the organization to leave or let go from their jobs (Phillips & Gully, 2015, p. 358; Hunt, 2007, p. 267). Voluntary turnover is usually initiated by the employees, hence it is usually tied to resignation, while involuntary turnover is usually initiated by the employers, hence it is usually tied to the termination. Heneman, Judge, and Kammeyer-Mueller (2018, p. 692) also further split the category into two types, voluntary turnover can be split into avoidable turnover and unavoidable turnover, and involuntary turnover can be split into discharge, which involves separating individual employees due to performance or discipline problems; and downsizing, which involves reducing groups of employees as a part of a restructuring or cost-reduction program.

Another type of turnover proposed is avoidability turnover. Avoidability turnover approaches the question of "Could the turnover be prevented?" (Morrell in Saridakis & Cooper, 2016, p. 29), emphasizing the perspective of whether it is possible to prevent turnover altogether, rather than looking at who is initiating the turnover. Avoidability turnover can be categorized into two things, as avoidable turnover, is described as turnover that the employers can prevent or avoid (Abelson in Hom, Allen, & Griffeth, 2020, p. 7; Heneman, Judge, & Kammeyer-Mueller, 2018, p. 692; Phillips & Gully, 2015, p. 358; Phillips & Edwards, 2008, p. 60), or as unavoidable turnover, described as turnover that the employers cannot prevent (Heneman, Judge, & Kammeyer-Mueller, 2018, p. 692; Phillips & Gully, 2015, p. 359). The importance of avoidability turnover would be reflected by the avoidability matrix, with each matrix describing if the turnover is fit or false and the result of the matching between thought and actual events. Figure 1 displays the avoidability matrix

		Turnover Reality			
		Avoidable	Unavoidable		
Turnover Expectation	Avoidable	Fit	Unfit		
		Prevention Focus	False Prevention		
	Unavoidable	Unfit	Fit		
		False Control	Control Focus		

Turnover
Intention:
Introduction,
Types,
Causes, and
Measurements
(A Review)

Source: Morrell in Saridakis & Cooper, 2016, p. 30.

Avoidability turnover would be more difficult to prove as employees may misrepresent why they are leaving (Hom, Allen, & Griffeth, 2020, p.7), hence when measuring avoidability turnover, it is usually combined with voluntariness turnover, creating the desire-control matrix. The matrix can be seen in Figure 2.

Figure 1: Avoidability Matrix

Controllable					_
	Bad Turnover		Good Turnover		
	Key Role	✓	Key Role		
	Good Performer	✓	Good Performer		
	Retainable	~	Retainable	~	
Uncontrollable	ucontrollable Unfortunate Turnover		Good '	Turnover	_
	Key Role	~	Key Role	<b>✓</b>	
	Good Performer	✓	Good Performer	✓	
	Retainable		Retainable	<b>✓</b>	
	Undesirable		retalilable		Desi

Figure 2: Desire-Control Matrix

Source: Sears, 2002, p. 170.

Sears (2002, p.170) explained the above matrix, described below:

- Undesirable-controllable: Good employees leave for reasons that the company could have done something about.
- Undesirable-uncontrollable: Good employees leave for reasons beyond the employer's control.
- Desirable-controllable: Bad employees leave through dismissal or performance-based restructuring.
- Desirable-uncontrollable: Bad-performance employees leave for their reasons

The last type of turnover is functionality. Functionality turnover emphasizes the description of turnover that has positive aspects as well, not just the negative aspects. Functionality turnover means keeping productive employees and replacing unproductive employees with productive ones (Morrell in Saridakis & Cooper, 2016, p. 32), creating a long-term benefit for the organization. Functionality turnover can be divided into two categories, which are functional turnover, defined as turnover as a result of poor performance from the employees (Phillips & Gully, 2015, p. 358; Phillips & Edwards, 2008, p. 62); and dysfunctional turnover, defined as turnover on effective performing or high performing employees (Phillips & Gully, 2015, p. 358; Phillips & Edwards, 2008, p. 62). This type of turnover purely relies on performance, and it is a solid choice of turnover type to measure how effective the organization is.

### **Causes of Turn Over**

When an employee decides to quit their job and leave their company, it is important to understand that they have a reason to quit. Causes or factors that lead someone to quit their job can be revealed by a few things such as post-exit questionnaires, exit interviews (Caruth, Caruth, & Pane, 2009, p. 290), and workplace analysis. Each company must have different issues with their employees, but when it comes to the reasons, they will have similar reasons to quit their jobs.

Outlaw (1998, pp. 213-217) and (Caruth, Caruth, & Pane (2009, p. 289) first described the factors that led employees to leave their job, which, Sears (2002, pp. 168-169) further explained and detailed the reason which triggers employees to quit. The factors described are:

- 1. Inadequate compensation and benefits, which causes unfulfilled basic needs, lack of competitive salary to keep them, and tendencies to back away from the job with no benefit packages insuring them. External factors such as labor market conditions can change the competitiveness for the salary of roles.
- 2. Poor communication; unclear understanding of the job, unspoken expectations, and rumors about the company or the position encourage them to leave the company. The lack of a formal complaint system can also further demotivate employees to stay.
  - 3. Poor selection or mismatching; the wrong person at the wrong job at the wrong time can cause harm to the company and create an initiative for other employees to leave.

- 4. Lack of training for employees; hiring competent employees at the time would fill the role for the company, but as time progresses, they also need development to learn new skills and further be useful for the company. Undeveloped employees will only add more negatives than positives.
- 5. Negative workplace environment; employees want a feeling of belonging and a positive community that creates a positive work climate, where employees feel valued and respected. This can affect the company image, and if the company image is positive, employees tend to stay at the company.
- 6. Lack of recognition; also known as lack of success, a recognition for a person who has done their job well with reward effort and direct appreciation can make them feel needed in the company. Lack of opportunity and advancement can also deter employees from staying at the company.
- 7. Unfair treatment; acts such as favoritism, can create a perception that only certain people are rewarded or punished, causing the employees to distrust their employers and their company. Low employee morale can also be caused by unfair treatment.
- 8. Lack of challenge in work; monotonous, boring, and unchallenging work, makes the employee feel unexcited and become effortless when working.
- 9. Lack of job security; no company can guarantee a life of employment, but companies changing from time to time due to mergers downsizing, acquisitions, etc., create a perception that they are threatened by their job security.
- 10. Family/work conflicts and personal problems, where an unawareness of employees to fulfill their personal life can deter their relationship between work and personal or family issues

Previous research will prove whether these factors are impactful towards the intention of employees to leave a company, by using turnover intention as the main variable to be tested. Hidayati and Saputra (2021) researched the relationship between compensation, communication, toward turnover intention, which resulted in a negative relationship when connected with turnover intention. Elburdah (2022) analyzed the relationship between recruitment and training, which resulted in a positive relationship when preventing turnover intention. Rony and Jelita (2023) also prove that bad training can reduce turnover intention, as the research resulted in a negative relationship when training is poor resulting in higher turnover intention. Yunita and Putra (2015) researched whether work environment and organizational fairness can affect turnover intention, which resulted in a negative relationship between work environment and organizational fairness against turnover intention. Utama and Sintaasih (2015) analyzed work satisfaction and work-family conflict towards turnover intention, which resulted in work-family conflict having a positive relationship, meaning it can cause turnover to go higher if the work-family conflict persists, and work satisfaction can reduce turnover intention. Waspodo, Handayani, and Paramita (2013) analyzed whether job satisfaction can reduce turnover intention, which resulted in a negative relationship between job satisfaction and turnover intention, meaning that high job satisfaction will lower turnover intention. Audina and Kusmayadi studied whether job insecurity affects turnover intention, which resulted in a positive relation that boosts turnover relation if the employee feels that they are easily replaced.

Additionally, Eversole (in Gilley et al., 2009, p. 422) adds that "depending on the situation, employees leave because of bad relationships or dynamics with their managers and supervisors, organizations with an older workforce will cause turnover due to retirement, and organizations with the younger workforce will cause turnover because of less loyal to a company and often change jobs". Besides the reason stated by Outlaw, Eversole also explained that unengaged employees, and showing little value to employees can cause a turnover. Sears (2002, p. 169) added that under a study on lowering turnover based on demographics, early-career employees (under 30 years old) are influenced by career advancements, mid-career employees (30-50 years old) are influenced by career management, and professional satisfaction, and late-career employees (more than 50 years old) are influenced by job security. Sears also added that external factors such as economic and industry conditions can affect turnover, even though they have a low impact on turnover (2002, pp. 166-167.

### **Measurements of Turn Over**

### Turnover Rate

Before measuring a person's motivation to leave an organization, organizations need to start measuring the turnover rate their organization has experienced. The turnover rate has been described previously as a measurement in percentage of how many employees leave their jobs and the organization within a set amount of time, by comparing the employees entering and leaving the organization. The analysis of turnover requires measuring types of turnover, identifying reasons for employees to leave, and the costs and benefits of turnover (Heneman, Judge, & Kammeyer-Mueller, 2018, p. 695). The turnover rate has the purpose of giving an understanding of how many employees have left the organization and could be used as forecasting based on information gained from the result of measurement for human resource planning (Tyson, 2006, p. 118).

Historically, there are few measures to calculate the turnover rate. The traditional method of calculating the turnover rate, named as "Labour Turnover Index" are described below (Heneman, Judge, & Kammeyer-Mueller, 2018, p. 695; Armstrong, 2009, p. 498; Caruth, Caruth, & Pane, 2009, p.321; Tyson, 2006, p. 119):

(1) 
$$\frac{\text{Number of Leavers in a Year}}{\text{Average Numbers of Employees}} \times 100\%$$

### **Equation 1 – Labour Turnover Index**

Although this index is the most common and often used, the problem with this turnover rate index is that it can be highly distorted with abnormal organization employment patterns (Tyson, 2006, p. 119). This is further explained by Armstrong (2009, p. 498) that the index could be misleading and can cause inaccurate forecasts and inappropriate actions taken. Hence, an improved version of the index called the "Stability Index" is used to calculate the turnover rate, which is defined as below (Armstrong, 2009, p. 498; Tyson, 2006, p. 119):

(2) 
$$\frac{\text{Number of Employees Working a Year or More}}{\text{Number of Employees Employeed Previous Year}} \times 100\%$$

#### Equation 2 – Stability Index

This index is used to indicate an employee's tendency to remain within the company for a longer service year. The weakness of this index is that index does not reveal vastly different situations that exist in a company or department that has a longer-serving employee with another that has short-serving employees (Armstrong, 2009, p. 499).

Hasibuan (2021, p. 50) argued that to establish the number of employees needed in a company for a year, instead of focusing solely on the turnover rate, a scientific method was proposed to determine the employees needed for the year, by adding the sum workload analysis, absenteeism index, and labor turnover index. Hasibuan's labor turnover index is described as follows:

$$(3) \qquad \frac{\Sigma(\text{Accepted employees-Leaving Employees})}{\frac{1}{2}\Sigma(\text{Employees at the beginning of the year} + \text{Employees at the End of the Year})} \times 100\%$$

### Equation 3 – Hasibuan's Labour Turnover Index

Tyson (2006, p.119) explained that sophisticated results can be obtained using actuarial/statistical techniques, hence the attempt to measure turnover intention using cohort analysis through the Markovian Wastage Rate to attempt to understand the expectation of service and surviving population (stayers). An example of the table with interpretations and the equations for the cohort analysis are as follows:

Length of Service (Year)	Employees at the start of the period (Stayers)	Leavers	Central Wastage Rate	Markovian Wastage Rate	Mean Strength
0	500	100	0.222	0.200	450
1	400	150	0.462	0.375	325
2	250	100	0.500	0.400	200
3	150	50	0.400	0.333	125
4	100	100	2	1	50
5	0	0	0	0	0
Total	0	500	0	0	1150

**Table 1.**Example of Cohort Analysis

Expectation of Service =  $1150 \div 500 = 2.3$  Years

People surviving for 3 years =  $150/500 \times 100\% = 30\%$ 

Source: Smith et al. in Tyson, 2006, p.120. The table is simplified and the number is not based on any real data

Mean Strength at Current Year

#### **Equation 4 – Central Wastage Rate**

(5)  $\frac{\text{Number of Leavers in the Current Year}}{\text{Number of the Stayers in Current Year}} \times 100\%$ 

### Equation 5 - Markovian Wastage Rate

(6) Stayers in Current Year + Stayers in Next Year

### Equation 6 - Mean Strength

The results of the above table give a clear image of the expected employee service, by dividing the number of total mean strength and total leavers at the end, resulting in the expected year for how long a worker generally stays at a company. The table above also gave an insight into the population of employees staying at a company, for instance, the number of employees population at a certain year would be explained by the number of stayers in the said year divided by the number of stayers at the beginning of the year.

After calculating the turnover rate of a company in a year, it is then recommended to measure employees' turnover intention to find out how much employees want to leave the said company. This measure must be calculated because although turnover can be caused by the intention of the employees or the employers, turnover by companies is usually determined not by the employee's intention, but rather by other measurements that can convince employers to terminate an employee. Performance reviews, Key Performance Indicators, Rapport, Work regulation, and even testimony from other employees about an employee can determine whether the organization wants the employee to stay or leave. To determine an employee's intention to leave, it is common to use a questionnaire consisting of questions or statements to find out an employee's opinion. There are three measurements for turnover intention, which are Mobley's Turnover Intention, TIS-6, and TESS (Turnover Events Shocks and Scale).

#### **Mobley's Turnover Intention**

Mobley's turnover intention, also known as Mobley's Turnover Process Model, is one of the most well-known theories in the field of turnover. Mobley's theory is a response to Locke's turnover theory that connects job satisfaction and turnover, instead of looking at job satisfaction, Mobley focuses on current job evaluation to determine turnover through the series of intermediate linkages (Hom, Allen, & Griffeth, 2020, p. 76; Hom & Griffeth, 1995, p. 56).

Turnover intention is determined by three indicators, those are:

- 1. Thinking of Quitting
- 2. Intention to Search for Alternatives
- 3. Intention to Ouit

#### **Turnover Events And Shocks Scale (Tess)**

Turnover Events Shocks and Scale (TESS) is considered to be a more recent attempt to measure turnover intention. TESS redefined turnover intention because it mainly focuses on shocks, first developed and described by Lee & Mitchell's Unfolding Model (in Hom, Allen, & Griffeth, 2020, p. 102; Grotto et al. in Goldstein et al., p. 448; Hom & Griffeth, 1995, p. 83) as specific events that trouble people to make a deliberate judgment about their job and perhaps considering to quit from the job. The definition itself builds the foundation for TESS, for Griffeth et al. (in Hom, Allen, & Griffeth, 2020, p. 108) improved Lee & Mitchell's theory by focusing on events that convinced people to leave, instead of significant or stressful events. TESS is considered to have a different approach to measuring turnover intention, compared to previous measurements, because it views the "reasons" for a person wanting to leave their job, instead of the "characteristics" of a person to leave their job.

TESS was conceptually organized into three major categories, which are (Purl et al. in Hom, Allen, & Griffeth, 2020, p. 108; p. 110-112):

- 1. Personal Factors
- 2. Work Related (including Mistrust, Work-Conflict, Opportunity Lost, and Missing Rewards)
- 3. Outside Opportunity

#### **CONCLUSION**

In conclusion, this paper has reviewed the main points the paper wants to accomplish. The research results in few key takeaways, such as:

- 1. Turnover intention is defined as the probability that a person may want to leave their organization or their job.
- 2. Turnover Types are categorized as voluntariness (whether the turnover is caused by the employee's motivation or the employer's decision), avoidability (whether the turnover can be prevented or not), and functionality (whether the turnover causes benefit or detriment for the company).
- 3. Turnover is caused by many factors, including internal factors (inadequate pay, lack of challenge and job security, unfair practices, negative workplace environment, conflict with employer or other personnel) and external factors (family or personal conflict, economic factors).
- 4. Turnover can be measured, either by turnover rate measurements which measure how many employees are leaving (and entering) during a period, and turnover intention measurements which measure the current condition of employees and whether they are thinking about either leaving or staying at the company.

#### Reference

- Armstrong, M. (2009). Armstrong's Handbook of Human Resources Management Practice (11th Ed.). London: Kogan Page.
- Audina, V., & Kusmayadi, T. (2018). PENGARUH JOB INSECURITY DAN JOB STRESS TERHADAP TURNOVER INTENTION (Studi Pada Staff Industri Farmasi Lucas Group Bandung). *Jurnal Sains Manajemen & Akuntansi*, 10(1), 85-101.
- Bechet, T. P. (2002). Strategic Staffing: A Practical Toolkit for Workforce Planning. New York: AMACOM.
- Bothma, C. F., & Roodt, G. (2013). The Validation of the Turnover Intention Scale. SA Journal of Human Resource Management, 1-12.
- Burkholder, N. C., Edwards, P. J., & Sartain, L. (2003). *On Staffing: Advices and Perspectives from HR Leaders*. Hoboken: John Wiley & Sons, Inc.
- Caruth, D. L., Caruth, G. D., & Pane, S. S. (2009). Staffing the Contemporary Organization: A Guide to Planning, Recruiting, and Selecting for Human Resource Professionals (3rd. Ed). Westport: Praeger.
- Chang, W. (2014). *Metodologi Penulisan Ilmiah: Teknik Penulisan Esai, Skripsi, Tesis, & Disertasi untuk Mahasiswa*. Jakarta: Penerbut Erlangga.
- Dessler, G. (2020). Human Resources Management (16th. Ed). London: Pearson.
- Elburdah, R. P. (2022). PENGARUH REKRUTMEN DAN PELATIHAN TERHADAP TURNOVER NTENTION KARYAWAN PT. DWI KARYA KREASINDO JAKARTA SELATAN. *Jurnal Ilmiah Semarak*, *5*(1), 62-69.
- Gilley, A., Gilley, J. W., Quatro, S. A., & Dixon, P. (2009). *The Praeger Handbook of Human Resource Management (Volume 1 & 2)*. Westport: Praeger.
- Goldstein, H. W., Pulakos, E. D., Passmore, J., & Semedo, C. (2017). *The Wiley Blackwell Handbook of the Psychology of Recruitment, Selection and Employee Retention*. Chichester: John Wiley & Sons.
- Griffin, R. W. (2015). Fundamentals of Management (8th Ed.). Boston: Cengage Learning.
- Hasibuan, H. S. (2021). Manajemen Sumber Daya Manusia. Jakarta: PT Bumi Aksara.
- Heneman III, H. G., Judge, T. A., & Kammeyer-Mueller, J. D. (2018). *Staffing Organizations (9th Ed.)*. Colombus: Pangloss Industries.
- Hidayati, S. N., & Saputra, S. D. (2018). Pengaruh Kepemimpinan, Kompensasi, Komunikasi, dan Motivasi Kerja terhadap Turnover Intention, Pegawai dengan Kepuasan Kerja sebagai "Variabel Antara". *Jurnal Maksipreneur*, 7(2), 162-173.
- Hom, P. W., & Griffeth, R. W. (1995). Employee Turnover. Cincinnati: South-Western College Publishing.
- Hom, P. W., Allen, D. G., & Griffeth, R. W. (2020). *Employee Retention and Turnover: Why Employees Stay or Leave*. New York: Routledge.
- Hunt, S. H. (2007). Hiring Success: The Art of Science and Staffing Assessment and Employee Selection. San Fransisco: Wiley.
- Kasmir, & Jakfar. (2020). Studi Kelayakan Bisnis (Edisi Revisi). Jakarta: Predanamedia Group.
- Mangkunegara, A. A. (2022). Manajemen Sumber Daya Manusia Perusahaan. Bandung: PT Remaja Rosdakarya.
- Outlaw, W. (1998). Smart Staffing: How to Hire, Reward, and Keep Top Employees for Your Growing Company. Chicago: Kaplan Publishing
- Phillips, J. J., & Edwards, L. (2008). Managing Talent Retention: An ROI Approach. San Fransisco: Pfeiffer.

Turnover Intention: Introduction, Types, Causes, and Measurements (A Review)

- Phillips, J. M., & Gully, S. M. (2015). Strategy Staffing (3rd. Ed). Harlow: Pearson Education.
- Ployheart, R. E., Schneider, B., & Schmitt, N. (2006). *Staffing Organizations: Contemporary Practice and Theory (3rd ed.)*. New Jersey: CRC Group.
- Priyono. (2007). Pengantar Manajemen. Geluran: Zifatama Publisher.
- Robbins, S. P., Coulter, M., & Decenzo, D. A. (2019). *Fundamentals of Management (11th ed.)*. Harlow: Pearson. Rony, Z. T., & Jelita, D. (2023). PENGARUH PENGEMBANGAN KARIER DAN PELATIHAN KERJA
- TERHADAP TURNOVER INTENTION PEGAWAI. Jurnal Akuntansi dan Pajak, 24(1), 1-10.
- Roodt, G. (2004). Turnover Intentions. Unpublished Document. Johannesburg: University of Johannesburg.
- Saridakis, G., & Cooper, C. L. (2016). *Research Handbook on Employee Turnover*. Cheltenham: Edward Elgar Publishing.
- Sears, D. (2002). Successful Talent Strategies. New York: AMACOM.
- Supriyanto, A. S., & Maharani, V. (2013). *Metodologi Penelitian Manajemen Sumberdaya Manusia: Teori, Kuesioner, dan Analisis Data.* Malang: UIN-Maliki Press.
- Tyson, S. (2006). Essentials of Human Resource Management (5th Ed.). Oxford: Butterworth-Heinemann.
- Utama, D. G., & Sintaasih, D. K. (2015). PENGARUH WORK FAMILY CONFLICT DAN KEPUASAN KERJA TERHADAP KOMITMEN ORGANISASIONAL DAN TURNOVER INTENTION. *E-Jurnal Manajemen Unud*, 4(11), 3703 3737.
- Waspodo, A. A., Handayani, N. C., & Paramita, W. (2013). PENGARUH KEPUASAN KERJA DAN STRES KERJA ERHADAP TURNOVER INTENTION PADA KARYAWAN PT. UNITEX DI BOGOR. *Jurnal Riset Manajemen Sains Indonesia*, 4(1), 97-115.
  - Yunita, N. K., & Putra, M. S. (2015). PENGARUH KEADILAN ORGANISASI DAN LINGKUNGAN KERJA TERHADAP TURNOVER INTENTION. *E-Jurnal Manajemen Unud*, *4*(5), 1166-1185