The Link between Organizational Culture and Turnover Intention among Employees in Ghana

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Abstract:
In this age of globalization, organizations want to grow and develop in accordance with the demands of the changing environment. As a result, organizations are defining values, mission and vision that create the sense of who they are and what they stand for, as well as developing a workforce who are committed with no intention of leaving the organisation. The purpose of this study was to examine the relationship between organizational culture and turnover intentions in Ghana. The study was quantitative in nature and a cross-sectional survey design was used to obtain data from respondents. Simple random sampling technique was used to select the respondents. Simple regression was used as the main statistical tool for data analyze. The findings of the study indicated an inversely related association between organizational culture and turnover intention. The study recommends that management must develop beliefs, norms and values that all employees can identify with and appreciate at the workplace to retain the human resource.

Keywords: Culture, Turnover Intention

Introduction:
Tharp (2009) asserts that organisational culture is increasingly understood as a company asset that can be used to increase business performance and influence work attitudes. Management are therefore paying attention to its organizational culture, which is a set of values, beliefs, and attitudes among members of the organization (Darmawan, 2013 as cited in Hakim, 2015) in order to develop an organization that has the competitive advantage of value-based. Dwirantwi (2012) describes organizational culture as the attitudes, experiences, beliefs, and values of the organization, acquired through social learning that control the way individuals and groups in the organization interact with one another and with parties outside it. Thus, culture at the workplace, is an invisible but very powerful force that influences the behaviour of people and dictate how they dress, act and perform their jobs. This implies that every organisation has its own unique personality as humans do and is consciously and deliberately cultivated and passed on to incoming employees. The most important thing about culture is that, it is the only sustainable
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point of difference for any organisation (Rick, 2015) as well as the glue that bonds an organization together. An organization’s culture may make that organization more or less an attractive employment prospect to different individuals based on each person’s value structure (Emerson, 2013) as people tend to seek out and self-select organizations that epitomize their personal values and morals. Thus, organisational culture has important effects on the employees behavior such as turnover intention.

Turnover intention is defined by Curtis (2016) as a measurement of whether a business or organisation’s employees plan to leave their positions or whether that organisation plans to remove employees from positions. Turnover intention, like turnover itself can be either voluntary or involuntary. Voluntary turnover intention occurs when the employee perceives another opportunity (that is more pay, more recognition or a more convenient location) as better than his current position. It can also occur when the employee has to leave for health or family reasons. If an employee plans to retire from a position, that’s voluntary turnover intention, too. Voluntary turnover can also be functional or dysfunctional for the organisation (Kimazi & Schope, 2012). Turnover is said to be functional when the employee’s departure benefits the organisation while it is as well easy to replace him/her. It is also functional when the resulting difference in workforce value is positive and high enough to offset the costs of transacting the turnover. On the other hand dysfunctional turnover occurs when the employee’s departure negatively affects the organisation because he/she is considered as highly skilled and a high performer to the extent that it might be difficult to replace him/her. In addition, turnover is dysfunctional when the resulting difference in workforce value is negative or the positive change in workforce value doesn’t offset the costs. Although dysfunctional turnover is associated with a number of negative consequences such as loss of firm specific human capital which employees are said to have accumulated during their employment with that particular organisation, it is also beneficial to the organisation. When departures are related with employees whose performance have burn-out or employees that have developed a negative ideology about the job or the organisation, the continued stay of such employees may affect the motivation and output of the rest of the employees. In this sense, employee departure is considered to be functional based on the assumption that replacements will add more value to the job or the organisation compared to the replaced employee(s). Involuntary turnover on the other hand occurs when the employee leaves the organisation through disengagement, retirement, layoff, death among others (Kimazi & Schope, 2012). Organisational plans to eliminate positions due to economic pressure or downturns in business also constitute involuntary turnover intentions.

**Problem Statement:**

In view of the concept of culture and turnover intention, it has been a concern in the 21st century due to globalization coupled with intense competition in the business environment. Contemporary research has been conducted in the area of organizational culture on several constructs in recent times. Example relationship between organisational culture and turnover intentions (Emerson, 2013; Long, Thean, Ismail & Jusoh, 2012; Kee, 2010) organisational culture and organisational commitment (Boon & Arumgam, 2006; Azadi, Farsani & Farsani, 2013; Hanif, Adil & Ahmed, 2014; Messener, 2013; Naicker, 2008; Griffith-Kranenburg, 2013) as well as organisational commitment and turnover intentions (Sow, Anthony, & Berete, 2015; Ahmed & Nawaz, 2015; Mensah & Kosi, 2016; Gurler, 2015). The above accumulated studies have explored the relationship between culture and various attitudes and behaviors of employees but few studies have looked at the effect on turnover intention among employees that is great worry to employers today. Also most of these studies have been undertaken in the private sectors like educational, financial, manufacturing sector with few studies in the public or government institutions. Thus this study seeks to
In the area of research, this study will add up to extant work in academic literature in the area of organisational culture and turnover intention especially in the African context. Also, it will be among the few empirical studies to investigate the relationship between organizational culture and turnover intentions simultaneously within public institutions. With relevance to practice, management would gain a better picture and understanding of the association between organisational culture and employee’s attitude and behavior. Further, it will allow management to strengthen some of its related weaknesses and capitalize on the relevance of guaranteeing optimum satisfaction and retention of its employees through a favorable culture at the workplace. Lastly, management also benefits from the recommendations and gain a better picture and understanding of the link between culture and turnover intention within the organization.

Empirical Reviews:

Organizational culture has been found to have an effect on organizational behavior and may be proposed as a potential moderator of voluntary turnover. (Kessler, 2014). The relationship between organizational culture and turnover intention has therefore been debated over the years. Some studies have indicated a positive relationship (Dwivedi, Kaushik & Luxmi, 2013; Kee, 2010) whilst others have reported a negative relationship respectively. For instance, Kee (2010) in a study of the relationship between selected organizational culture and employees’ turnover intentions showed that all four selected organization culture, that is job challenge, teamwork, innovation and fairness have a significant and weak negative relationship with employees’ turnover intention in that particular organization. Results also showed there was no difference between selected respondents from different demographic characteristics (gender, age and education) level in term of their turnover intention.

Another study by Jacobs and Roodt (2008) investigated organisational culture of hospitals to
predict turnover intentions of professional nurses. The result of the study established a significant negative correlation between organisational culture and turnover intentions as knowledge sharing, organisational commitment, organisational citizenship behaviour and job satisfaction, as well as various demographic variables contributed to nurses’ turnover intentions. Similarly, Yeun & Han (2015) examined the causal relationships between nurses’ organizational culture and turnover intention in South Korea. The study reported that innovative and relational organizational cultures were found to have an indirect negative effect on nurse turnover intention through the mediating factors of workplace bullying and work burnout. The finding of the study suggests that nurses’ perceived work environment was found to shape their feelings towards their jobs, which in turn affected the organization as a whole. In addition, a study on organizational culture and turnover intention in international information technology firms in Sri Lanka by Haggalla (2017) established that Clan Culture correlated negatively with turnover intentions and this meant that employees who perceived their firms’ organizational culture as clan are expected to be more satisfied which in turn results in less turnover intention. Also, Khaola (2015) explored the influence of culture traits and their imbalance on employee job satisfaction and turnover intentions. In his findings, all culture traits (adaptability, mission, consistency and involvement) explored were inversely related to turnover intentions, suggesting that the perception of higher culture traits corresponded with lower employee turnover intentions and vice versa.

Despite empirical studies that maintained a negative correlation, there seems to be an opposing perspective on this relationship. Aldhuwaihi & Shee (2015) in an empirical study on organisational culture and employee turnover in Saudi Arabia found that organisational culture types (excluding market culture) significantly influenced turnover intention of bank employees, while job satisfaction and organisational commitment significantly mediated this relationship. In an Indian context Dwivedi, Kaushik & Luxmi (2013) examined the impact of organisational culture on turnover intentions in the BPO Sector. A survey of three strata comprising 15 BPO units in and around Chandigarh was used to explore the interaction. The result of the study indicated that the more the BPO employees perceive organizational culture in terms of openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimenting positively, the less likely they intend to quit. In addition, the role of organizational commitment (affective, normative and continuance) in organizational culture and turnover intentions was found not to be a perfect mediation type rather a partial mediation.

In summary, extant studies have reported that a supportive culture reduces turnover intention. Also, the extent of teamwork, innovation and fairness affect one’s intention to leave or stay in an organization. In view of the above empirical studies, the researcher support studies that have indicated a negative relationship between organisational culture and turnover intention. This study wants to gauge the negative relationship between organizational culture and turnover intentions among employees in Economic and Organised Crime Office.

**Research Hypothesis:**

Based on the above empirical study, this study formulated the hypothesis to be tested in the target organization

H1: Organisational culture will be negatively related to turnover intentions

**Methodology:**

Quantitative method was employed as a result of the philosophical basis this study was grounded on (that is positivism). Bhattachjee (2012) indicated that quantitative method ensures objectivity in interpretation of responses through a standardized measure. This study adopted a non-experimental design of cross-sectional survey since data were collected from samples chosen from the population to discover the interrelations between the variables.
The population for this study consisted employees of Economic and Organised Crime Office. Simple random was employed to allow all employees to have an equal chance of been selected. In EOCO, a total nationwide population is 419 employees. From Krejcie and Morgan’s (1970) table, a sample size of 201 is a good representation of the 419 target population. Thus, two hundred and one (201) employees were sampled from around the country.

Standardized questionnaires were the principal instrument used to evaluate the research objectives and hypotheses in this study. Organizational Culture Assessment Instrument (OCAI) developed by Cameron & Quinn (1999) was adapted and edited to measure existing culture in the organisation. The instrument has been widely used in articles and journals, as such, found to be effective in organizational culture change and on identification of culture types related to organizational effectiveness. Items have been used by Choi, Seo, Scott & Martin (2010) in their study which yielded a 0.79 to 0.92 alpha value. Also, the reliability coefficient for the scale is reported to be 0.67 in a study by Elemary (2013). Some of the items are “The organization is like an extended family where people share a lot of themselves”. A Likert Scale from 1 (strongly disagree) to 5 (strongly agree) was used to measure the responses. Cohen and Golan (2007) turnover intention scale was adapted. The standardized scale included items such as “I think a lot about leaving this organization; as soon as it is possible, I will leave this organization”. Primary data was gathered with the aid of a structured questionnaire in retrieving first-hand information from respondents in EOCO. Questionnaires were distributed to employees (respondents) at the head office and by post to the regional offices for commencement of data collection. Linear regression was the statistical tool to measure the effect culture has on turnover intention. In the conduct of this study, key ethical considerations were observed; first, respondents’ informed consent was solicited and were briefed on the purpose of the study by the researcher. Second, privacy of respondents was strictly observed. Third, to guarantee confidentiality and anonymity, certain sensitive questions like the names of the respondents, religious background and telephone numbers were excluded in the demography.

**Data Analysis Results:**

**Summary of Simple Regression Analysis of the relationship organisational culture and turnover intentions**

<table>
<thead>
<tr>
<th>Variables</th>
<th>β</th>
<th>R²</th>
<th>t</th>
<th>F</th>
<th>P-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>OC-TI</td>
<td>-0.748</td>
<td>0.560</td>
<td>-15.261</td>
<td>212.894</td>
<td>.000</td>
</tr>
</tbody>
</table>

*Note: N=185, p < .05, Adjusted R² = .558 OC means Organisational Culture, TI means Turnover Intentions*

The result in table indicates an indirect influence of organisational culture on turnover intention. It revealed a significant negative relationship between organisational culture and turnover intention ($\beta = -0.748$, $t=-15.261$, $p=0.00$). This means that organisational culture decreased employees’ intention to quit. Thus, the predicted hypothesis organisational culture is negatively related to turnover intention was supported. Also, an $R^2$ value of 0.560 means that organisational culture explains 56% of the variation in turnover intention.

The hypothesis stated that organisational Culture will be negatively related to Turnover Intention which was supported after data collection. Thus, the study established a significant negative relationship between organisational culture and turnover intention ($\beta = -0.748$, $p<.000$). The findings of this study implies that, well structured policies, norms and beliefs within the culture pattern of the organisation would cause the decision of employees to leave an organisation decrease. This result supports Jacobs and Roodt (2008) study which reported a significant negative relationship between organisational culture and turnover intention. The authors ascribed the negative relationship between the variables to knowledge sharing, organisational commitment, organisational citizenship behaviour...
and job satisfaction, as well as various demographic variables.

In addition, Kee (2010), Yeun & Han (2015), Haggalla (2017), also found a negative relationship between organisational culture and turnover intention irrespective of the sector the organisation was operating. These studies explained that the work environment in terms of the culture prevailing at the organisation shape the feelings of employees and their decision to leave or stay. Further, the current study confirmed Khaola (2015) study which reported that explored the influence of culture all culture traits (adaptability, mission, consistency and involvement) explored were inversely related to turnover intentions, suggesting that the perception of higher culture traits corresponded with lower employee turnover intentions. Hence, to reduce turnover intentions, organisational culture must be improved.

Nevertheless, the current findings conflict with some studies that reported a positive relationship between organisational culture and turnover intention. For instance, Dwivedi, Kaushik & Luxmi (2013) established that the more employees perceive organizational culture in terms of openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimenting positively, the less likely they intend to quit. Also, Aldhuwaihi & Shee (2015) reported that organisational culture types (excluding market culture) significantly influenced bank employees to stay.

Conclusion, Recommendation and Future Studies:

This study was conducted to examine the associations between organisational culture and turnover intentions. Findings revealed that organisational culture and turnover intention was reported to be significantly negative in this research. This implied that as knowledge sharing, organisational citizenship behaviour and organisational support increased the intention to quit the organisation decreased. The study recommends that, organisations must develop beliefs, norms and values that all employees can identify with and appreciate. This will enable employees develop a sense of belongingness which will make them committed to the organisation and subsequently decrease their intention to quit. Second, there should be a learning culture, job involvement and beneficial exchanges so that employees will always have the desire of staying with the organisation. Lastly, the norm of reciprocity between employers and employees must be created as the relationship will evolve over time into trusting, loyal, and mutual commitments. Future studies should expand the study by incorporate potential moderators like job satisfaction in future studies. Also, comparative study (public and private sector) can also be explored in future studies.

References:


