

The Impact Employee Happiness on Turnover Intention: A Case Study of ABC Apparel Manufacturers & Suppliers Company

Abstract: To most citizens, remaining happy is of vital importance, and in most cultures, happiness has been identified to be a highly regarded objective. In any categorization of 'simple' complex feelings, happiness, in the sense of pleasure, occurs. Feeling fulfilled is integral to social existence, and most of the time, most people are apparently moderately content. In comparison to the previously dominant disease paradigm, the emergence of positive psychology in the past decade has legitimized attention to happiness and other positive states, which has overwhelmingly directed attention to disease, depression, stress and related negative experiences and performance. Organizational investigators have been inspired in particular by the drive towards positive thinking and have started to seek positive organizational leadership and good psychological behavior, although there is still controversy about just what these concepts involve and how beneficial they may be. The main objective of this study is to explore the impact of employee satisfaction on the ABC Apparel Manufacturers and Suppliers Company's turnover intention.

Key Index: *Employee Happiness, Turnover Intention*

1. Introduction

Highly happy employees are more productive, engaged and loyal to the company. If employees are satisfied of any company's intention to leave is low. Therefore when employees are satisfied with the job, they perform better and are less inclined to leave the job, and remain relatively in their jobs than their unhappy complements, making employee happiness an important goal for organizations.

Moreover, employee turnover intent refers to an employee's probability of abandoning the current job he / she is doing. (Ngamkroeckjoti.C., Ounprechavanit, P., Kijboonchoo, T., 2012). So Turnover is the process in which employees leave an organization and have to be replaced while it can affect a business' productivity, expenses and overall performance. Each corporation has always been a major consideration about the employee turnover of the staff member, regardless of the location, size or type of business (Long, C. S., Thean, L. Y., Ismail, W. K. W., & Jusoh, A., 2012). If organization can measure its employees' turnover intention, organization can determine the likelihood of their employees leaving their organization which helps an organization to determine where organization can find opportunities to reduce overall turnover. Nevertheless Turnover intention is a measurement of whether an organization's employees plan to leave their positions or whether that organization plans to remove employees from positions.

2. Literature

2.1 Employee Happiness

Employee happiness is a mindset which enable employees to increase their performance and achieve their potential. Employee happiness is not just feeling happy all the time. It is feeling positive about employee work, it is about being enthusiastic to fix difficulties rather than complaining, it is about accepting constructive criticism and frequently trying to improve oneself without feeling pressurized. Happy employees are creative and increase the overall productivity of their organizations. An organization keep their employees happy and their happiness will lead to increased organizational productivity.

Employee happiness is a very important thing to organizational long term success. If an organization wants to grow your business, organization need to have an amazing environment that encourages collaboration, encourages employees to be autonomous, and encourages everyone to achieve organizational goal. Happy employees are encouraging to do best. They spread it all the organization and it is beneficial for success of the organization. Happy employees are coming into work and want to perform their best.

2.2 Turnover Intention

Employee turnover intention is also defined as “individuals’ own estimated probability that they are permanently leaving the organization at some point in the near future” (Mao, H., Hsieh, A., & Chen, C. , 2012). Turnover intention is a common and popular issue in almost all the industries. In the competitive business climate, employees are becoming important assets in the organization. When employees are happy, they give their full commitment to their job. Employees are expected to fulfil organizations’ objectives. Employee turnover was described it as the rotation of workers around the market of labors, between organizations, within different jobs and careers. However, the most important factor is that employee turnover directly influences on employee productivity. Therefore, it leads to economic losses and it greatly reduces job efficiency.

Every organization faces the turnover of employees, some of them leave the organization voluntarily while the organizations fire some of their employees from the organization. The potential adverse impact of attrition on corporations may be attributed to high recruitment costs, training and retention of new workers, replacement search and retention for productivity losses, loss of high performing or highly qualified workers, and disruption of the social and communication system (Chien-Yu Chen, Hsiao-Yen Mao, An-Tien Hsieh, 2012). Abbasi has added the effect of turnover towards the organization is not only term of cost of terminations, recruitment, selection, and advertising but it also reflects the ability of remaining employees to compete their mounting duties or accumulated works in the organization (Yau-De Wang, Conna Yang, 2015). Employee turnover will have a negative influence on an organization, especially in terms of expenses, turnover causes huge cost to an organization. For turnover, organization should set up a new replacement, time management, training, selection, and recruitment. All these variables will cause a huge cost to an organization. So, turnover incurs cost of replacement (Waleed Al-Ali, Ali Ameen, Osama Isaac , Gamal S. A. Khalifa, 2019).

2.3 Employee Happiness and Employee Turnover Intention

When employee are given higher level of happiness at work place then employee turnover intention is reduced. Happy employees are positively related with job and reduce turnovers for better future. Every business owner, manager and supervisor in the country wants to keep their employees happiness. But it’s not as straightforward as it sound (Wu, W., Rafiq, M. and Chin, T., 2017) concluded that in a company, unhappy and irritated workers are likely to demonstrate intent to quit than happy employees and that employees are likely to be devoted and loyal. employee happiness is reflected in three indicators of employee retention: whether employees expect to resign from their jobs in the coming year; whether or not they are currently

looking for a new job; and their commitment to the organization they work for.

Turnover intention occur when employees are unhappy with their job. Regardless of internal and external factors that drive turnover intention, organization should have the best remedy to reduce the number of people leaving (Santhanam, N. and Srinivas, S. , 2019).

3. Objective

- ❖ The investigation of impact of Impact Employee Happiness on Turnover Intention.

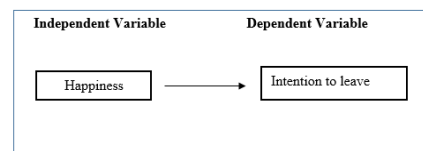
4. Significance of the Study

Since this is a concomitant concern within the organization, Top management of the ABC Company always questions from the HR department regarding high rate of employee turnover and pressurizing them to take necessary actions to decrease the employee turnover. Therefore this research is mainly focus on investigating the impact on employee happiness and Employee Turnover Intention within the company.

5. Conceptual Framework

A conceptual framework is a theoretical structure of assumptions, principles, and rules that holds together the ideas comprising a broad concept. This can be used to find out various relationships between and among variables, dependent variable and independent variables. Therefore the above Conceptual Framework is build up through a present study accordingly.

Figure 1: Conceptual Framework



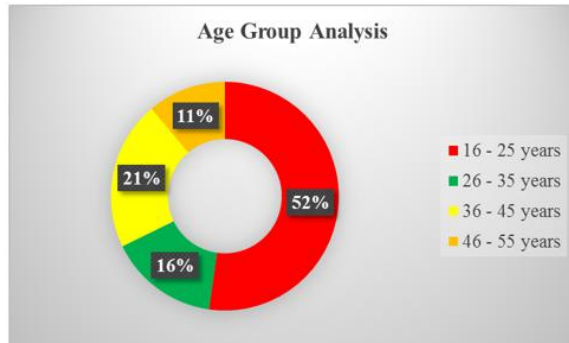
6. Methodology

As a research instruments that used for this research, the both primary and secondary data was used whereas the primary data is mainly gathered by handover a paper based structured questionnaire for Employees who working in Distribution Centres Based and meanwhile the past literature and other sources used as a secondary data. Considering to the Structured Questionnaire, it was consist with 3 sections which include Demographic Factors, Questions related to Retention Strategies and Employee Turnover. Moreover when designing the Structured based questionnaire, the researcher, included open ended Questions for each and every variable, which aim to obtain ideas, suggestions, and grievances occurs which can be regarded as qualitative data.

7. Findings and Discussion

7.1 Demographic Analysis

Figure 2: Age Analysis

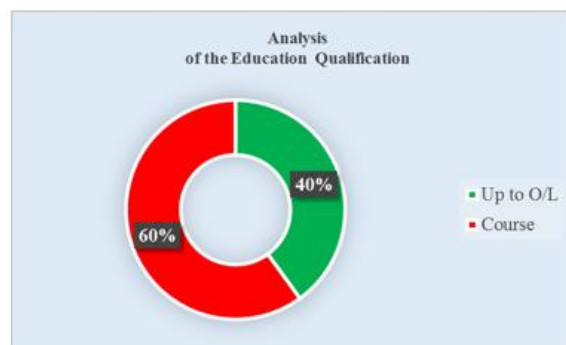


The above figure shows the age category of the respondent's sampled population for this study. From the sampled obtained, 52.20% of the respondents were belongs to 16 - 25 years age range; which is meant most of the employees who works as the machine operators of the ABC Company are too young and 21.10% is felt to 36 – 45 years age range; which is meant that this category of ages' employees plays important works at the ABC Company. Further 15.60% is felt to 26 - 35 years age range and balance of 11.10% is felt to 46 - 55 years age range. Anyone whose age more than 49 years cannot be found; this highlights matured and old employees are relatively fewer in the ABC Company. Overall picture shows that young employees relatively playing important tasks than matured and old employees in the ABC Company. 36 - 45 years age range is relatively high due to economic difficulty faced employees are in this age range.

Figure 3 :Marital Status Analysis

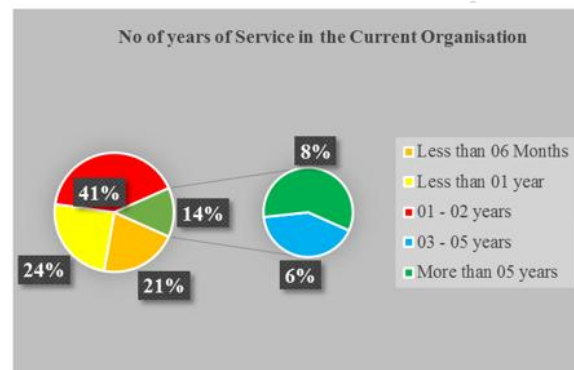
The above figure shows the Civil / Marital Status of the respondents sampled for this study. From the sampled population obtained, 70.00% of the respondents are unmarried and balance 30.00% workers are married. But any Divorced and Widowed apparel employees are not in the sampled population. This is good signal for towards strong family relationship. Further marital status is depending on the age of the employees. This organization has too young employees who are unmarried.

Figure 4: Analysis of Education Qualification



The above figure shows the Education Qualification of the respondents sampled for this study. From the sampled population obtained, 60.00% of the respondents are educated up to G.E.C (O/L) and balance 40.00% workers have completed a course. But G.E.C (A/L) or Degree holding apparel employees are not in the sampled population. This is due to sewing department machine operators do not need high level of education background.

Figure 5: No of years in Service



The above figure shows that the Evaluations in Service Period of the employees who are working in the ABC Company. From the sampled population obtained, 41.10% of the respondents have 01 – 02 years' service experience. 24.4% of the respondents have less than 01 year (06 Months – 01 Year) service experience. 21.10% of the respondents have less than 06 months' service experience. Balance 07.80% and 05.60% of the respondents have more than 05 years and 03 – 05 years' service experience respectively. This picture highlights that most of the machine operators have relatively low working experience and some this this is due to high employment turnover.

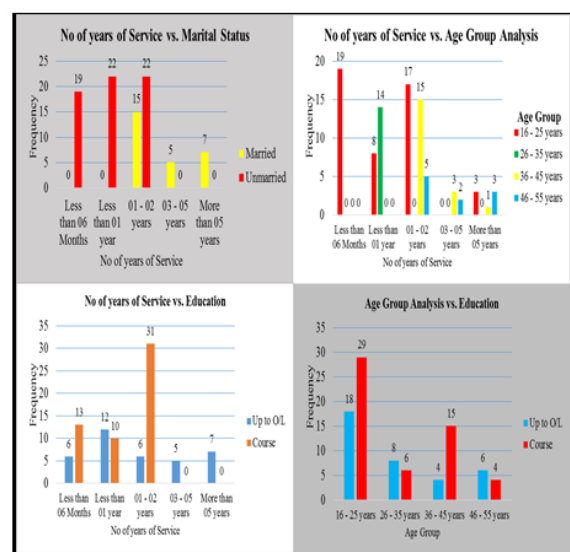


Figure 6 Analysis of Bar chart Demographic Factors

7.2 Reliability Test

In determining a research instruments, reliability and validity are essential considerations. Reliability is the extent that, over several samples, the method generates the same results. Validity measures the degree to which, (Gujarati and Porter 2009), the instrument calculates what it was meant to measure. The study conducts "Cronbach's Alpha" for the drivers of "Employee Satisfaction" as well as drivers of "Turnover Intention" to assess the reliability and validity of this study".

Figure 7: Reliable Analysis

Reliability Statistics	
Cronbach's Alpha	N of Items
.708	07

Reliability Statistics	
Cronbach's Alpha	N of Items
.768	16

16 Employee Satisfaction independent variables give a value of 0.768 for Cronbach's Alpha. If the drivers are accurate, the value of Cronbach's Alpha should exceed 0.700. For the sound strength analysis, the value of Cronbach's Alpha (0.768) indicates adequate value. The value for Cronbach's Alpha is 0.708 for the 07 independent variables of the Turnover Intention drivers. It indicates adequate value with sound intensity for the analysis.

7.3 Regression Analysis

Figure 8 Regression Analysis

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.126 ^a	.016	.005	.635
a. Predictors: (Constant), Employee Happiness				

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.572	1	.572	1.416	.037 ^b
	Residual	35.516	88	.404		
	Total	36.088	89			
a. Dependent Variable: Turnover Intention						
b. Predictors: (Constant), Employee Happiness						

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.930	1.041		3.775	.000
	Employee Happiness	-.336	.282	-.126	-	.037
					1.190	
a. Dependent Variable: Turnover Intention						

As per the model summary, the specified independent variable describes the total variance of the ABC Company's Employee Turnover Intention by 01.60 percent, resulting in an overall significance of less than 0.05 due to the P-value of the ANOVA table (0.037). Furthermore, for one unit of change in the independent or predictor variable, regression coefficients reflect the mean change in the response variable while keeping other predictors constant in the model. Nevertheless, Employee Satisfaction has a major effect on the ABC Company's Employee Turnover Intention at 05.00 percent significance level, according to the regression outcomes. Researchers may conclude that there is an effect on employee satisfaction and turnover intent, according to the study.

8. Conclusion

The primary purpose of the research study was to determine the impact of employee happiness on employee turnover intention who were machine operators in sewing department at ABC Company. In order to gather information a questionnaire was prepared and administered within 90 machine operators who were in the sewing department. Researcher selected 90 machine operators through using simple random sampling technique.

The researcher mainly focused impact of employee happiness as the independent variable and employee turnover intention considered as the dependent variable.

According to the Spearman rank-order correlation analysis, the Employee Happiness is negatively correlated with on Employee Turnover Intention of the ABC Company at 05.00% level of significance. The meaning of this is; there is a relationship between employee happiness and turnover intention. Further the Employee Happiness is weak negatively correlated on the Employee Turnover Intention of the ABC Company. Researcher can say there is an impact between employee happiness and turnover intention according to the analysis. The selected independent variable is explained the total variation of the Employee Turnover Intention of the ABC Company by 01.60% and which results overall significance due to P-value of ANOVA table is less than 0.05. According to the regression results; the Employee Happiness have a significant impact on the Employee Turnover Intention of the ABC Company at 05.00% level of significance.

9. Recommendations

Happy employees are more creative, innovative and dedicated than their unhappy counterparts. And, they're more likely to stick around long-term. The benefits of having a happy workplace with the overall improvement to coworkers' lives of organization, making awake upgrades to organizational culture is a no-brainer. When employees

are happy they don't intend to leave their organization, they try to stay their organization as long as possible.

As per the results generated from the analysis, there was a significant impact of employee happiness on turnover intention. There are various practices that can be implemented to maintain employee happiness and that would be able to increase turnover intention. The organizations can develop employee happiness programs that involve the benefits for the employees and employers.

For enhancing employee happiness organization can measure the happiness of workplace through surveys. Organization can implement job satisfaction surveys because of that organization can identify what are the areas they have been dissatisfied and organization can get proper solution for them. Organization can get a pulse of your employee population and the current climate by asking some key questions such as: "would you recommend working here to your friends and family? Why or why not? Do you have fun at work? Do you feel recognized?" These responses will help you outline your strongest and weakest areas within your culture. Thorough surveys organization can determine the level of employee happiness and get necessary action for Improve employee happiness.

Enhancing good organizational culture is very important thing to keep employee happy. For that organization can do a lot of things. Great to employees is very important things to make employee happy, a little hello goes a long way in the workplace. Employees of organization want to feel and be happy, giving them a little push in the morning with a big old smile, they motivate to doing their job and they feel their worth to the organization and they motivated to stay in the organization. Deliver praise and recognition is also important to make employee happy. By offering consistent praise and recognition, employees will be excited and eager to contribute to company-wide initiatives. Another thing to making employee happy is making work life balance priority. Make it known that work/life balance is a priority by offering unlimited vacation days, discounts on surrounding health and wellness programs, or childcare options. Offering incentives that improve an employee overall quality of life show that you care about their wellbeing. Encourage workplace wellness is also important. As "living a well life" has become integrated into people's daily lives, working professionals are not just hoping, but expecting, their employers to provide wellness practices in the workplace. Whether through food, physical exercise or mindfulness tactics, incentivizing wellness is a brilliant idea. Hire happy personalities is also important. It's important to create a happy workplace to get a person that brings laughter to the workplace and will improve productivity and motivation for the whole office as that happy, optimistic outlook is contagious.

Salary is a very important thing to make employees happy. Every employees should be paid fair salary. Organization should consider about salaries of employees and as a

recommendations organization can modify current salary scale plan according to the market rates and as well as organization can implement salary grading system according to the service period. Furthermore organization can introduce a monthly based performance allowances for all employees. Those all leads to employees become happy employees in the organization.

Another thing is to become happy employees, considering their health. It is very important to retain employee a long time considering their healthy. Healthy employees are beneficial to any organization. As a recommendation organization can implementation of a health camp programme on monthly basis.

Organization can introduce a counseling system within the company. In today's fast-paced corporate world, there is virtually no organization free of stress or stress-free employees. The employees can be stressed, depressed, suffering from too much anxiety arising out of workplace related issues like managing deadlines, meeting targets, lack of time to fulfill personal and family commitments, or bereaved and disturbed due to some personal problems. Organization can introduce a counseling system within the organization.

Employees like to reward about their work. They motivate to do their work well because if the organization reward their work. Organization can conduct award ceremony for employee performance to encourage the employees.

COMPETING INTERESTS DISCLAIMER:

Authors have declared that no competing interests exist. The products used for this research are commonly and predominantly use products in our area of research and country. There is absolutely no conflict of interest between the authors and producers of the products because we do not intend to use these products as an avenue for any litigation but for the advancement of knowledge. Also, the research was not funded by the producing company rather it was funded by personal efforts of the authors.

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