MODELLING OF THE ANTECEDENTS OF STAFF SATISFACTION ON TURNOVER INTENTION IN A MALAYSIAN PUBLIC UNIVERSITY

MOHAMAD HAZEEM BIN MOHMAD SIDIK

MASTER OF SCIENCE

UNIVERSITI MALAYSIA PAHANG
SUPERVISOR’S DECLARATION

We hereby declare that We have checked this thesis and in our opinion, this thesis is adequate in terms of scope and quality for the award of the degree of Master of Science in Technology Management

(Supervisor’s Signature)
Full Name : Dr. Mohd Rashid Bin AB Hamid
Position : Associate Professor
Date :

(Co-supervisor’s Signature)
Full Name : Dr. Abdullah Bin Ibrahim
Position : Professor
Date :
STUDENT’S DECLARATION

I hereby declare that the work in this thesis is based on my original work except for quotations and citation which have been duly acknowledged. I also declare that it has not been previously or concurrently submitted for any other degree at Universiti Malaysia Pahang or any other institutions.

_______________________________
(Student’s Signature)
Full Name : MOHAMAD HAZEEM BIN MOHMAD SIDIK
ID Number : MPE 15003
Date : 7 JULY 2017
MODELLING OF THE ANTECEDENTS OF STAFF SATISFACTION ON TURNOVER INTENTION IN A MALAYSIAN PUBLIC UNIVERSITY

MOHAMAD HAZEEM BIN MOHMAD SIDIK

Thesis submitted in fulfillment of the requirements for the award of the degree of Master of Science

Faculty of Industrial Management
UNIVERSITI MALAYSIA PAHANG

JULY 2017
Dedicated to my parents
ACKNOWLEDGEMENT

First and foremost, I am grateful to Almighty ALLAH for giving me the courage and insight to complete this thesis exactly in time given.

I am grateful and would like to express my gratitude to my supervisor Associate Professor Dr. Mohd Rashid Bin Ab Hamid for his ideas, guidance and his continuous encouragement in completing this research. I am very appreciated the consistent support given since my first day as a master student.

I would also like to thank Prof. Dr. Abdullah bin Ibrahim for giving me the inspiration to progress throughout this study. I am thankful to him for his time that was allocated to me in assisting me in completing my study.

I would also want to express my gratitude to my family members for their support and encouragement in this study.

Next, I would also like to thank all staff in Faculty of Industrial Management and in UMP Advance Education in which helps me a lot in many ways that make my stay at UMP pleasant and unforgettable.

In addition, i would like to express my thanks to all of my friends in their support and guidance in completing this thesis.

Lastly, I would like to express my gratitude to all who is directly or indirectly involved in this study as without their help, this study would never be completed. Only Allah can repay their deeds and reserve them a special place in the heaven.
# TABLE OF CONTENT

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DECLARATION</td>
<td></td>
</tr>
<tr>
<td>TITLE PAGE</td>
<td>i</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENT</td>
<td>ii</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>iii</td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>iv</td>
</tr>
<tr>
<td>TABLE OF CONTENTS</td>
<td>v</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>ix</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>x</td>
</tr>
<tr>
<td>LIST OF SYMBOLS</td>
<td>xi</td>
</tr>
<tr>
<td>ABBREVIATIONS</td>
<td>xii</td>
</tr>
</tbody>
</table>

## CHAPTER 1 INTRODUCTION

1. Background of the Study 1
2. Problem Statements 4
3. Research Objectives 8
4. Research Questions 8
5. Significance of the Study 9
6. Operational Definitions 10
7. Summary of Chapter 11

## CHAPTER 2 LITERATURE REVIEWS

1. Introduction 12
2. Human Resource Study 12
3. Staff Satisfaction 13
4. Previous Studies on Staff Satisfaction 18
5. Underpinning Theories 23
6. Herzberg’s Two-Factor Theory 23
2.5.2 Maslow’s Hierarchy of Needs 24
2.5.3 Expectancy Theory of Motivation 25
2.5.4 Conceptual Model 26
2.5.5 Hypothesis Development 29
2.6 Summary 39

CHAPTER 3 RESEARCH METHODOLOGY 40

3.1 Introduction 40
3.2 Research Design 40
3.3 Instruments From the Secondary Data 42
3.4 Population and Sampling 42
3.5 Statistical Techniques for Data Analysis 45
  3.5.1 Descriptive Statistics 45
  3.5.2 Normality 45
  3.5.3 Outliers 45
  3.5.4 Correlation Analysis 46
  3.5.5 Common Method Variance (Bias) 46
3.6 Structural Equation Model (SEM) 47
  3.6.1 Partial Least Squares-Structural Equation Model (PLS-SEM) 48
  3.6.2 PLS-SEM Algorithm 50
3.7 Assessment of Measurement Model 51
  3.7.1 Internal Consistency 51
  3.7.2 Indicator Reliability 52
  3.7.3 Convergent Validity 52
  3.7.4 Discriminant Validity 52
3.8 Assessment of the Structural Model (Inner Model) 54
  3.8.1 Path Coefficients 55
  3.8.2 Coefficient of Determination ($R^2$ Values) 55
  3.8.3 Effect Size ($f^2$) 56
  3.8.4 Blindfolding and Predictive Relevance ($Q^2$) 56
3.9 Summary 57
CHAPTER 4 DATA ANALYSIS AND RESULTS

4.1 Introduction 58
4.2 Data Screening and Preliminary Analysis 59
  4.2.1 Missing Data Analysis 59
  4.2.2 Outlier 59
  4.2.3 Data Normality 60
  4.2.4 Collinearity 60
  4.2.5 Common Method Bias 63
  4.2.6 Non-response Bias 63
4.3 Respondents and Demographic Profiles 64
4.4 Assessment of Measurement Model 65
  4.4.1 Indicator Reliability 65
  4.4.2 Internal Consistency and Composite Validity 68
  4.4.3 Convergent Validity 68
  4.4.4 Discriminant Validity 70
4.5 Assessment of Structural Model 73
  4.5.1 Path Coefficients 73
  4.5.2 Hypothesis Testing 76
  4.5.3 The Coefficient of Determination ($R^2$) 78
  4.5.4 The $f^2$ Effect size 79
  4.5.5 Predictive Relevance ($Q^2$) 79
4.6 Summary 80

CHAPTER 5 DISCUSSIONS AND CONCLUSIONS 81

5.1 Introduction 81
5.2 Summary of the Findings 81
5.3 Discussion of the Findings 83
  5.3.1 Relationship of Leadership on Staff Involvement, Workload, Self-Development, Working Environment, Communication 83
  5.3.2 Relationship of the Antecedents of Staff Satisfaction 86
  5.3.3 The Impact of Staff Satisfaction on Turnover Intention 89
  5.3.4 Finalised Model and Its relation to Underpinning Theory 90
5.4 Significant Contribution of the Research
   5.4.1 Contribution to Theory
   5.4.2 Contribution to Practice
5.5 Limitations
5.6 Future Research Directions
5.7 Concluding Remarks

REFERENCES

APPENDICES

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Questionnaire</td>
</tr>
<tr>
<td>B</td>
<td>Missing value</td>
</tr>
<tr>
<td>C</td>
<td>Harman’s Single Factor Test</td>
</tr>
<tr>
<td>D</td>
<td>Demographics of the Respondent</td>
</tr>
<tr>
<td>E</td>
<td>Staff Faculties</td>
</tr>
<tr>
<td>F</td>
<td>Descriptive Analysis</td>
</tr>
</tbody>
</table>
LIST OF TABLES

Table 1.1 Interviews with UMP staff 7
Table 2.1 Constructs of staff satisfaction 18
Table 2.2 Maslow’s Hierarchy of Needs 24
Table 3.1 Indicators of staff satisfaction in UMP 43
Table 3.2 The Assessment of Reflective Measurement Model 54
Table 3.3 Significant level for t-test 55
Table 3.4 The Criteria for Structural Test 57
Table 4.1 Test of Normality 60
Table 4.2 Correlation Analysis 62
Table 4.3 Variance Inflation Factor and Tolerance 63
Table 4.4 Outer Loading of Indicator 66
Table 4.5 Cross-Loading examination of construct (after the deletion of several items) 67
Table 4.6 Convergent Validity Assessment 69
Table 4.7 Fornell and Larcker 1981’s Discriminant Validity Test 71
Table 4.8 HTMT Result 72
Table 4.9 Hypotheses Testing 76
Table 4.10 Predictive Relevance ($Q^2$) 80
Table 5.1 Summary of research findings 82
### LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1.1</td>
<td>Staff Dissatisfaction and Turnover Intention in Asia</td>
<td>3</td>
</tr>
<tr>
<td>Figure 1.2</td>
<td>UMP Staff Satisfaction Index by Year</td>
<td>5</td>
</tr>
<tr>
<td>Figure 2.1</td>
<td>Venn diagram of staff satisfaction</td>
<td>22</td>
</tr>
<tr>
<td>Figure 2.2</td>
<td>Basic Expectancy Model</td>
<td>25</td>
</tr>
<tr>
<td>Figure 2.3</td>
<td>Conceptual Framework</td>
<td>27</td>
</tr>
<tr>
<td>Figure 2.4</td>
<td>Hypothesised Model</td>
<td>38</td>
</tr>
<tr>
<td>Figure 3.1</td>
<td>Research Process</td>
<td>40</td>
</tr>
<tr>
<td>Figure 3.2</td>
<td>Systematic Procedure for Applying PLS-SEM</td>
<td>49</td>
</tr>
<tr>
<td>Figure 3.3</td>
<td>Reflective and Formative Outer Models</td>
<td>51</td>
</tr>
<tr>
<td>Figure 4.1</td>
<td>The Assessment of Structural Model (Inner Model)</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>On The Hypothesised Framework</td>
<td></td>
</tr>
<tr>
<td>Figure 4.2</td>
<td>Bootstrapping of structural model (Inner Model)</td>
<td>75</td>
</tr>
<tr>
<td>Figure 4.3</td>
<td>$R^2$ Square Adjusted</td>
<td>78</td>
</tr>
<tr>
<td>Figure 4.4</td>
<td>$f^2$ effect size from exogenous construct to endogenous construct</td>
<td>79</td>
</tr>
</tbody>
</table>
LIST OF SYMBOLS

$\beta$  Path Coefficient

$\alpha$  Cronbach Alpha

D  Omission Distance

$f^2$  The effect size

$k$  Number of exogenous construct

$i$  Row element

$j$  Column element

$N$  Number of indicator

$R^2$  Coefficient of Determination

$Q^2$  Predictive Relevance

$t$  Statistic result of t-test

$p$  Significance level

$n$  Sample size

$r$  Correlation

$<$  Is less than

$>$  Is more than
LIST OF ABBREVIATIONS

AIU    Audit and Integrity Unit
BPA    Academic Management Office
CBSEM  Covariance Based Structural Equation Model
COMM   Communication
EAP    Employees Assistance Program
FKM    Faculty of Mechanical Engineering
FIM    Faculty of Industrial Management
FIST   Faculty of Industrial Sciences and Technology
FKASA  Faculty of Civil Engineering and Earth Resources
FSKKP  Faculty of Computer Systems and Software Engineering
FFKSA  Faculty of Chemical and Natural Resources Engineering
FTEK   Faculty of Engineering Technology
FKEE   Faculty of Electrical and Electronics Engineering
HEI    Higher Education Institute
HR     Human Resource
HRM    Human Resources Management
HTMT   Heterotrait-Monotrait Ratio
IPS    Institute of Postgraduate Studies
JP&I   Research and Innovation Department
JPPH   Properties Development and Management Department
JHKK   Corporate Affairs and Quality Department
JJIM   Department of Industry and Network
JHEAA  Department of Academic Affairs and International
JHEPA  Student Affairs and Alumni Department
KRA    Key Resources Area
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEAD</td>
<td>Leadership</td>
</tr>
<tr>
<td>PBMSK</td>
<td>Centre for Modern Languages and Human Sciences</td>
</tr>
<tr>
<td>PTMK</td>
<td>Centre for Informational Technology and Communication</td>
</tr>
<tr>
<td>PKP</td>
<td>Student Health Department</td>
</tr>
<tr>
<td>PLS</td>
<td>Partial Least Square</td>
</tr>
<tr>
<td>PIMPIN</td>
<td>Islamic Centre and Human Development</td>
</tr>
<tr>
<td>QOW</td>
<td>Quality of Work life</td>
</tr>
<tr>
<td>SEM</td>
<td>Structural Equation Model</td>
</tr>
<tr>
<td>SI</td>
<td>Staff Involvement</td>
</tr>
<tr>
<td>SD</td>
<td>Self-Development</td>
</tr>
<tr>
<td>SS</td>
<td>Staff Satisfaction</td>
</tr>
<tr>
<td>TI</td>
<td>Turnover Intention</td>
</tr>
<tr>
<td>US</td>
<td>United States</td>
</tr>
<tr>
<td>UAE</td>
<td>UMP Advanced Education</td>
</tr>
<tr>
<td>UMP</td>
<td>Universiti Malaysia Pahang</td>
</tr>
<tr>
<td>USIM</td>
<td>Universiti Sains Islam Malaysia</td>
</tr>
<tr>
<td>UCU</td>
<td>University and College Union</td>
</tr>
<tr>
<td>VCO</td>
<td>Vice Chancellor Office</td>
</tr>
<tr>
<td>W/L</td>
<td>Workload</td>
</tr>
<tr>
<td>WE</td>
<td>Working Environment</td>
</tr>
</tbody>
</table>