THE RELATION BETWEEN TURNOVER INTENTION, HIGH PERFORMANCE WORK PRACTICES (HPWPS), AND ORGANISATIONAL COMMITMENT: A STUDY AMONG PRIVATE HOSPITAL NURSES IN MALAYSIA

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ABSTRACT

Turnover poses a serious threat in healthcare settings. The scarcity of healthcare professionals and particularly nurses is highlighted as one of the biggest obstacles to achieving health system efficiency and effectiveness. As such, healthcare administrators need to search for ways to retain qualified and competent nurses. This study provides a framework depicting how organisational commitment can mediate the relationship between three forms of high performance work practices (HPWPs) (performance appraisal, compensation, and employment security) and turnover intention. Statistical analysis using partial least squares (PLS) conducted on questionnaire data from 639 staff nurses working in private hospitals in Malaysia revealed that two forms of HPWPs (performance appraisal and compensation) lead to reduced turnover intention via organisational commitment. Finally, the implications of our findings, limitations, and future research suggestions are discussed.

Keywords: high performance work practices (HPWPs), turnover intention, organisational commitment, nurses, private hospitals

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INTRODUCTION

Currently, a shortage of qualified nurses, high turnover rates, and poor retention are ongoing problems for healthcare organisations worldwide (Buchan & Aiken, 2008). Bobbio and Manganelli (2015) have argued that the retention of nurses could be considered as one of the most important challenges for healthcare organisations globally. This high turnover rate has heightened the shortage of nurses (De Gieter, Hofmans, & Pepermans, 2011). Previous studies have highlighted that turnover causes monetary and non-monetary costs for healthcare organisations. Monetary costs are incurred through the hiring process of new employees (Haider et al., 2015), while non-monetary costs are associated with the loss of knowledge and skills (Yamamoto, 2011) and the forfeiture of social capital (Sutherland & Jordaan, 2004). This has led healthcare organisations to experience increased cost and economic losses due to the continuous recruitment of new nurses (Buerhaus et al., 2007). Malaysia, like many other countries, is also facing the problem of a nurse deficit. According to Barnett, Namasivayam, and Narudin (2010), the turnover rate of nurses in Malaysia has soared by more than 50% from the year 2005 (400 nurses) to the year 2010 (1,049 nurses). In addition, as reported by Siew, Chitpakdee, and Chontawan (2011), Malaysia also faces the problem of nurse migration, with an attrition rate of 400 per year, especially to English-speaking countries such as the United Kingdom, the United States, and Australia.

Excessive turnover of healthcare employees and especially nurses is likely to jeopardise the performance of healthcare organisations and the quality of patient service. This is because understaffing interrupts the continuous care of patients (Laschinger, Purdy, Cho, & Almost, 2006). Thus, it can be concluded that since nurses form the bulk of the healthcare workforce within the context of a hospital (Buchan & Aiken, 2008), their exit would have a substantial detrimental impact on a hospital’s performance. As such, there is a need for healthcare administrators to develop programmes and strategies to retain these nurses. For this purpose, it is important to examine the factors that can mitigate turnover among nurses.

An extensive meta-analytic study by Griffeth, Hom, and Gaertner (2000) identified four categories of predictors of turnover from previous literature. These include demographic variables, job satisfaction, organisational factors and work environment factors, job content and external environmental factors, and other behavioural elements. Griffeth et al. (2000) discovered that proximal precursors such as organisational commitment were among the best predictors of turnover. Moreover, a growing body of literature illuminates the fact that the human resource management practices (termed as HRMPs) of an organisation may affect
employees’ turnover intention (Giauque, Resenterra, & Siggen, 2010; Luna-Arocas & Camps, 2008; Pirzada, Hayat, Ikram, Ayub, & Waheed, 2013).

According to Harter, Schmidt, and Hayes (2002), effective HRMPs would be able to amplify the knowledge, motivation, synergy, and commitment of the workforce, resulting in a source of sustained competitive advantage. This line of thought concurs with Morrison (1996), who asserted that how an organisation manages its human resources (as reflected in its HRMPs) establishes the tone and conditions of the employee-employer relationship. Employees’ perceptions and expectations of their employers’ commitment and support towards them (manifested through HRMPs) will shape their feelings towards the organisation (Settoon, Bennett, & Liden, 1996). Employees’ positive perceptions of their firm’s HRMPs will engender a social exchange relationship (Blau, 1964). Within this context, and based on the norm of reciprocity (Gouldner, 1960), employees would be more likely to engage in positive work attitudes and behaviours and less likely to indulge in negative behaviours. From a strategic perspective, Huselid (1995) argued for an effective use of HRMPs due to their positive impact on firm performance. According to Huselid (1995), practices, policies, and procedures relating to human resource management are termed as high performance work practices (thereafter referred to as HPWPs). In his study, Huselid (1995) found that HPWPs have a significant impact on employee outcomes (such as turnover and productivity) and firm performance, particularly financial performance. Based on the aforementioned discussion, it can be concluded that HPWPs are instrumental in fostering positive employee attitudes (such as organisational commitment) and subsequently reducing undesirable behavioural outcomes (such as turnover intention). Thus, it is reasonable to assume that in the context of nursing within the private healthcare sector, the implementation HPWPs would be judged to be an important retention strategy.

In addition, the linkage between HPWPs, organisational commitment, and turnover intention can be viewed through the lens of Fishbein and Ajzen’s (1967) model of beliefs-attitudes-behavioural intentions. According to Fishbein and Ajzen (1967), a person’s intentions, in the final analysis, are a function of certain beliefs about an object, which in turn influence the person’s attitude towards the object. The assumption is that the more favourable a person’s attitude is towards the object, the more the person will intend to perform positive behaviours and the less he or she will intend to perform negative behaviours with respect to that object. Within the context of the present study, employees’ beliefs regarding the organisation (in the form of perceptions about the organisation’s HPWPs) will lead to positive attitudes towards the organisation (in the form of organisational commitment), which in turn lead to behavioural intentions (in the form of reduced turnover intention).
Although past studies have identified an array of factors associated with nurse turnover, most of them have focused on work-related factors such as high job demand, perceived autonomy at work, support from superiors or peers, and job satisfaction (Han, Trinkoff, & Gurses, 2015). Yin and Yang (2002) identified factors such as stress, staff shortages, leadership style and relations, opportunities for advancement, and rigidity of administration as having significant correlations with turnover among nurses. Despite the importance of HRMPs in influencing employee outcomes, little attention has been given to such practices and particularly HPWPs in predicting turnover intention among nurses. Within the healthcare setting, Ha, Kim, Hwang, and Lee (2014) in their study on care workers in nursing homes in Korea examined the direct and indirect effects of five HPWPs on turnover intention, with organisational support and commitment as mediators. In their study, HPWPs were analysed in the aggregate as a system instead of individual practices.

In addition, prior work on turnover intention among nurses has concentrated on the direct predictors of turnover intention and turnover, with little emphasis on the mechanism by which HPWPs affect turnover intention. Additionally, issues on organisational commitment and turnover intention have been largely explored in countries such as the United States (Lynn & Redman, 2005), Canada (Lum, Kervin, Clark, Reid, & Sirola, 1998), and Australia (Parry, 2008). In fact, Liu et al. (2012) surmised that most studies on nurses’ turnover intention come from developed Western countries. As such, in view of increasing globalisation, a study on turnover intention among nurses in Malaysia, a developing country in Southeast Asia, would definitely help expand the extant literature. Thus, the first objective of this study is to examine the direct effects of HPWPs on nurses’ turnover intention in Malaysia. Furthermore, since organisational commitment has been recognised as a salient predictor of turnover intention (Griffeth et al., 2000) and given that this construct has been recommended by Meyer, Stanley, Herscovitch, and Topolnytsky (2002) to be explored across cultures for a more in-depth understanding of the concept globally, our second objective is to posit organisational commitment as the mediator in the relationship between HPWPs and turnover intention among Malaysian nurses. By doing so, we will be able to better understand the nexus between HPWPs, organisational commitment, and turnover intention.

REVIEW OF LITERATURE

Turnover Intention

Turnover is basically the course by which employees leave their current jobs with an organisation, and the organisation then substitutes them with new employees; this
Turnover intention, HPWPs, and organisational commitment

process can be conceptualised as being either voluntary or involuntary (Greyling & Stanz, 2010). Involuntary employee turnover occurs through the process of termination initiated by the organisation, while voluntary turnover occurs when the process of termination is initiated by the employee (Greyling & Stanz, 2010). However, it can be hard to measure actual turnover; thus, many researchers rely on employee turnover intention to represent actual turnover (Park, Boyle, Bergquist-Beringer, Staggs, & Dunton, 2014). Moreover, the phase that leads to actual turnover is turnover intention, and it is known to be a strong predictor of actual turnover (Bryant & Allen, 2013). Hence, the utilisation of the turnover intention concept in explaining actual turnover is deemed appropriate.

Nursing turnover has been found to be a key problem that makes management of the nursing workforce a challenge for the healthcare sector. According to Waldman, Kelly, Aurora, and Smith (2004), turnover among healthcare personnel impacts the healthcare organisation negatively in areas such as hiring, training, and productivity. This is because valuable talents will be moving to competing entities (Stovel & Bontis, 2002). In addition, turnover does not only impact one individual but also negatively affects the remaining employees in an organisation. A study by Bae, Mark, and Fried (2010) reported that nursing units with moderate levels of turnover were likely to have lower levels of work group learning compared to those without turnover. Curtis and Wright (2001) revealed that high turnover can damage quality and customer services, which provide the foundation for competitive advantage, thereby hindering organisational survival and growth. Hence, given the rise in nursing shortage, understanding the antecedents of turnover intention is critical to healthcare organisations.

High Performance Work Practices (HPWPs)

The concept of HPWPs was essentially derived from human resource management (HRM), in which employers encourage employees to contribute to organisational processes because employees are recognised as vital drivers towards organisational success (Gould-Williams & Davies, 2005). According to Karatepe and Vatankhah (2014), HPWPs are human resource activities that are regarded as performance enhancing. A number of practices have been widely linked to HPWPs. Some of the practices identified include recruitment and selection (Huselid, 1995; Tang & Tang, 2012), compensation (Huselid, 1995; Tang & Tang, 2012), performance appraisal (Armstrong-Stassen & Schlosser, 2010; Tang & Tang, 2012), training (Haider et al., 2015; Tang & Tang, 2012), participation and empowerment (Tang & Tang, 2012), employment security (Delery & Doty, 1996), and career development opportunities (Delery & Doty, 1996). The availability of HPWPs increases the knowledge, skills, and abilities of employees and motivates them to
enhance their performance and remain with their organisation (Rhoden, Ralston, & Ineson, 2008). The presence of HPWPs sends a powerful signal that organisations pay utmost attention to human capital for improving service delivery and productivity (Tang & Tang, 2012). Of the various HPWPs, performance appraisal, compensation, and employment security have been identified as having a salient influence on turnover intention (Ikramullah, Shah, Khan, ul Hassan, & Zaman, 2012; Somani & Khowaja, 2012). In addition, these practices have been found to affect organisational commitment based on evidence gathered by researchers (Anvari, Amin, Ahmad, Seliman, & Garmsari, 2011; Bekele, Shigutu, & Tensay, 2014; Erdogan, 2003; Ikramullah, Shah, ul Hassan, Zaman, & Khan, 2011; Imran, Majeed, & Ayub, 2015; Khan, Nawaz, Aleem, & Hamed, 2012; Muhammad & Abdullah, 2016; Nawab & Bhatti, 2011; Pillay, 2009; Salleh, Amin, Muda, & Abdul Halim, 2013). Hence, the following discussion will focus on these three practices.

**Performance appraisal**

Performance appraisal refers to a series of managerial activities through which organisations seek to assess employees and develop their competencies, enhance their performances, and distribute rewards (Fletcher, 2001). According to Ahmed, Mohammad, and Islam (2013), performance appraisal plays an important role in continuous improvement. Performance appraisal is crucial because it enables the organisation to control and develop its employees, involve employees in setting organisational goals, reward employees for their performance, and improve organisational performance through frequent communication and feedback (Haynes & Fryer, 2000). Indeed, performance appraisal also has a substantial role in enhancing employees’ commitment towards the organisation (Armstrong-Stassen & Schlosser, 2010).

**Compensation**

Compensation refers to the remuneration and reward system used to motivate employees (Milkovich & Newman, 2005). Employees are rewarded based on the value of the job, level of personal contributions, and performance (Milkovich & Newman, 2005). Compensation is important to attract, retain, and motivate employees to contribute to the organisation (Philips & Fox, 2003). Moreover, compensation offers an opportunity for security, autonomy, recognition, and improved self-worth (Hoyt & Gerloff, 1999). An organisation needs to provide adequate compensation as expected by its employees since the employees have contributed their time, efforts, energy, and labour in helping the organisation achieve its goals and objectives (Adeniji & Osibanjo, 2012).
Employment security

Employment security in this study relates to job security. According to Delery and Doty (1996), job security refers to the extent to which an employee perceives that he or she could stay with the job over an extended period of time. Davy, Kinicki, and Scheck (1997) defined job security as the perceived stability and continuance for one’s job or its features in the future. Van Vuuren and Klandermans (1994), on the other hand, provided a more holistic conceptualisation of job insecurity. According to the authors, job insecurity can be viewed from two perspectives. First, beliefs about job insecurity are based on the estimated likelihood of one’s total job loss as a result of organisational downsizing, mergers, and reorganisation. Second, job insecurity may relate to one’s feelings of threats to job features such as introduction to new technology, new methods, and job redesign. Many scholars agree that job or employment security is important in influencing employees’ attitudes and behaviours (Parnell & Crandall, 2003). In fact, it has been shown that perceptions of job insecurity lead to lower job satisfaction and reduced organisational commitment (Cheng & Chan, 2008).

Organisational Commitment

Organisational commitment has been defined in many ways. Mowday, Steers, and Porter (1979) defined organisational commitment as reflecting an individual’s identification and involvement in an organisation. According to Mowday et al. (1979), organisational commitment is a unidimensional construct, characterised by (a) a strong belief in and acceptance of the organisation’s goals and values, (b) a willingness to exert considerable effort on behalf of the organisation, and (c) a strong desire to remain in the organisation. Mowday et al.’s (1979) definition of organisational commitment reflects one’s affective response towards the employing organisation, which concurs with the attitudinal approach to commitment. O’Reilly and Chatman (1986) expanded this conceptualisation and suggested that the attachment between an employee and the organisation could be manifested in three forms: compliance, identification, and internalisation. Allen and Meyer (1990) later identified three forms of commitment: affective, continuance, and normative commitment. Despite the many dimensions of commitment that have been investigated, Meyer et al. (2002) asserted that the affective approach to organisational commitment as in the definition developed by Mowday et al. (1979) is the most acceptable conceptualisation of organisational commitment. Thus, in the context of the present study, Mowday et al.’s (1979) definition will be used.
The Relationship between Performance Appraisal and Turnover Intention

Perceptions of fair performance appraisal were significantly and negatively related to turnover intentions (Konovsky & Cropanzano, 1991). It is essential that employees be evaluated fairly to prevent them from being dissatisfied and leaving the organisation (Guchait & Cho, 2010). This is because performance appraisals that are biased increase an employee’s turnover intention (Ahmad & Lemba, 2010). This point of view concurs with Dailey and Kirk (1992), who found that effective performance appraisal and planning systems contributed to employees’ perceptions of fairness, which in turn, encouraged them to consider remaining with the organisation. Thus, it is hypothesised that:

H1: Performance appraisal will be negatively related to turnover intention.

The Relationship between Compensation and Turnover Intention

A number of empirical findings have shown that compensation is vital in reducing turnover intention and increasing retention (Chew & Chan, 2008). Employees have expectations that their skills, knowledge, and experience will be properly reflected in a compensation system (Long, Perumal, & Ajagbe, 2012). Unless the total compensation programme is perceived as internally fair and externally competitive, employees are likely to leave their organisation (Schuler & Jackson, 2005). This is because employees will only stay with their organisation if they are satisfied with their organisation’s compensation system (Munsamy & Venter, 2009). Thus, it is hypothesised that:

H2: Compensation will be negatively related to turnover intention.

The Relationship between Employment Security and Turnover Intention

Researchers have found that employment security is one of the most important factors for organisational commitment and low turnover intentions (Somani & Khowaja, 2012). A study by Parnell and Crandall (2003) confirmed that perceptions of employment security have a strong negative relationship with turnover intention. In a similar vein, other researchers such as De Cuyper, Bernhard-Oettel, Bernston, Witte, and Alarco (2008) have demonstrated that employment security is negatively related to turnover intention. Sverke, Hellgren, and Näswall (2006) asserted that when employees perceive the existence of employment insecurity, they will become less motivated to stay with their organisation and more likely to have high turnover intention. Thus, it is hypothesised that:

H3: Employment security will be negatively related to turnover intention.
The Relationship between Performance Appraisal and Organisational Commitment

Past studies have demonstrated that when employees perceive that their performance appraisal is fair, they will be more committed to their organisation (Ikramullah et al., 2011; Bekele et al., 2014). Performance appraisal will correspondingly lead to improvement in organisational communication, thus leading to increased organisational commitment among employees (Erdogan, 2003). In their study, Salleh et al. (2013) found that performance appraisal was able to predict employees’ organisational commitment. Thus, it is hypothesised that:

H4: Performance appraisal will be positively related to organisational commitment.

The Relationship between Compensation and Organisational Commitment

Fair and attractive compensation signals an employer’s support in that employee contributions are valued, and the welfare of employees is cared for. From the perspective of social exchange (Blau, 1964), such support is likely to trigger employees’ feelings of obligation to reciprocate the employer. As such, compensation increases should enhance employee commitment to the employing organisation. Employees who are generally satisfied with their salary are more likely to be highly committed to the organisation and do not display intention to leave the organisation (Luna-Arocas & Camps, 2007). Previous studies (Anvari et al., 2011; Muhammad & Abdullah, 2016; Nawab & Bhatti, 2011) have shown that compensation has a significant and positive effect on organisational commitment. Thus, it is hypothesised that:

H5: Compensation will be positively related to organisational commitment.

The Relationship between Employment Security and Organisational Commitment

Employment security is an important factor that directly affects employees’ level of organisational commitment (Imran et al., 2015). A study by Pillay (2009) in South Africa showed that employment security served as an important determinant of nurse retention. In addition, the findings by Khan et al. (2012) revealed that employment security results in greater organisational commitment among employees. Thus, it is hypothesised that:

H6: Employment security will be positively related to organisational commitment.
The Relationship between Organisational Commitment and Turnover Intention

Studies have found that organisational commitment is negatively associated with turnover intention (Liou & Cheng, 2010). This view is supported by Dixit and Bhati (2012), who reported that employees who are committed to their organisations are less likely to leave because they are known to perform better and put forth more effort towards the success of the organisation. Lee, Kim, and Yoon (2011) conducted a quantitative study to examine the discriminating factors of turnover intention among 210 Korean nurses from six hospitals. According to the results of their study, nurses who scored high for turnover intention reported lower scores for organisational commitment. Thus, it is hypothesised that:

H7: Organisational commitment will be negatively related to turnover intention.

The Relationship between Performance Appraisal and Turnover Intention Mediated by Organisational Commitment

Fairness in performance appraisal leads employees to be more committed to the organisation and to limit their thinking of quitting their job (Ikramullah et al., 2012). Hence, the intensity of performance appraisal effectiveness is essential in encouraging an employee to stay with the organisation and prevent turnover intention (Smith & Rupp, 2002). Consequently, it can be concluded that employees’ perception of the performance appraisal activities is imperative since it determines employees’ acceptance and subsequently their commitment to the organisation (Akhtar & Khattak, 2013). Since performance appraisal has been known to directly affect organisational commitment and turnover intention (Ikramullah et al., 2012), and organisational commitment is a key determinant of turnover intention (Griffeth et al., 2000), it is reasonable to assume that organisational commitment will mediate the relationship between performance appraisal and turnover intention. Hence, the following hypothesis is postulated:

H8: Organisational commitment will mediate the relationship between performance appraisal and turnover intention.

The Relationship between Compensation and Turnover Intention Mediated by Organisational Commitment

According to Kim (2014), compensation has been reported to be negatively related to turnover intention. Other studies on turnover have also demonstrated
that compensation is a critical antecedent of employee turnover (Gustafson, 2002). Compensation also serves as a motivator for an employee to be committed to the organisation and enhances retention (Moncarz, Zhao, & Kay, 2009). From the aforementioned discussion, it is reasonable to assume that organisational commitment will mediate the relationship between compensation and turnover intention. Hence, the following hypothesis is postulated:

H9: Organisational commitment will mediate the relationship between compensation and turnover intention.

The Relationship between Employment Security and Turnover Intention Mediated by Organisational Commitment

A study by Ramay (2012) revealed the existence of a positive relationship between employment security and organisational commitment. In addition, an employee who perceives that his or her employment is secure will be more likely to have higher organisational commitment (Akpan, 2013). Evidence from prior studies (De Cuyper et al., 2008; Parnell & Crandall, 2003; Somani & Khowaja, 2012; Sverke et al., 2006) seems to suggest the potential role of commitment as a mediating mechanism linking employment security to turnover intention. Thus, the following hypothesis is postulated:

H10: Organisational commitment will mediate the relationship between employment security and turnover intention.

Figure 1. Research framework

METHODOLOGY

Sample and Procedures

The participants in this study were staff nurses from large private hospitals in Malaysia. The authors contacted the managers of 44 such hospitals (APHM,
2016), and only 9 agreed to participate. Proportionate sampling was employed whereby survey questionnaires were distributed in proportion to the number of staff nurses in each hospital via the “drop-off” and “pick-up” method. A total of 770 questionnaires were distributed. Respondents were given two weeks to complete the questionnaire. After the specified period, a total of 639 questionnaires were collected and found to be useable for further analysis.

**Instruments**

Performance appraisal (5 items) and compensation (6 items) were adapted from Chuang and Liao (2010). The items for performance appraisal include: “In this hospital, performance appraisals provide employees feedback for their personal development.” The items for compensation include: “On average, the pay level (including incentives) of employees in this hospital is higher than that of its competitors.” Employment security was measured using 4 items adapted from Zhang, Wan, and Jia (2008). The items for employment security include: “Employees can expect to stay with this hospital for as long as they wish.” Organisational commitment was measured using 3 items adapted from Mowday et al. (1979). The items for organisational commitment include: “I would accept almost any type of job assignment in order to keep working for this hospital.” Turnover intention was measured using 3 items adapted from Cohen (1998). The items for turnover intention include: “I think a lot about leaving this hospital.”

The response format was based on a 5-point Likert scale (1 = strongly disagree to 5 = strongly agree). Partial least squares (PLS) (Ringle, Wende, & Will, 2005) modelling was used in testing our hypotheses. According to Henseler, Ringle, and Sinkovics (2009), the interpretation of a PLS model occurs in two stages: the measurement model and the structural model. Specifically, the quality of the measurement model was estimated by assessing its reliability (item reliability and internal consistency), validity (convergent validity and discriminant validity), and collinearity (variance inflation factor). Subsequently, the structural model focused on the relationships between the exogenous variables and the endogenous variables. The structural model was appraised based on the significance of the path coefficients and \( R^2 \) values.
RESULTS

Respondents’ Profile

As expected, women form the bulk of our sample (91%). A majority of the respondents (82.3%) were diploma holders. The average age for the sample was 29.5 years. In addition, the respondents’ average job tenure and organisational tenure were 4.9 years and 5.3 years, respectively. The mean scores and standard deviations (SD) for our study variables were 3.57 for performance appraisal (SD = 0.63), 3.35 for employment security (SD = 0.67), 3.10 for compensation (SD = 0.75), 3.40 for organisational commitment (SD = 0.74), and 3.30 for turnover intention (SD = 0.94).

We employed Harman’s single factor test to detect the existence of common method bias in a survey (Podsakoff & Organ, 1986). For this test, all the variables were loaded into exploratory factor analysis, which examined the unrotated factors to determine the number of factors that account for the variance in the variables (Greene & Organ, 1973). Harman’s single factor test in this study showed that five distinct factors accounted for 61.24% of the variance, with the first factor capturing only 29.52% of the variance in the data. Thus, it can be concluded that common method bias was not a major concern in this study.

Measurement Model Results

Factor loadings, composite reliability (CR), and average variance extracted (AVE) were computed to gauge convergence validity. As shown in Table 1, all indicators have loadings ranging from 0.637 to 0.958, which exceeded Hair, Anderson, Babin, and Black’s (2010) minimum cut-off value of 0.5. As such, these items were retained. Likewise, all latent constructs demonstrated adequate convergent validity, with AVE values ranging from 0.527 to 0.751. Meanwhile, the CR values for the latent variables (ranging from 0.816 to 0.899) were above Hair et al.’s (2010) threshold value of 0.7, suggesting significant homogeneity. Therefore, the measurement model is considered to be reliable and display sufficient convergent validity.

The discriminant validity of our measurement model was assessed by the heterotrait-monotrait (HTMT) ratio of correlations between the study variables. Our results as depicted in Table 2 indicate that the values ranged from 0.085 to 0.676. Since the HTMT values in this study did not exceed 0.90 as suggested by Gold, Malhotra, and Segars (2001), it can be inferred that discriminant validity has been established.
### Table 1
**Measurement model**

<table>
<thead>
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<th>Constructs</th>
<th>Question items</th>
<th>Loadings</th>
<th>AVE</th>
<th>CR</th>
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<td>0.751</td>
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<td></td>
<td>T12</td>
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<td></td>
<td>T13</td>
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<tr>
<td></td>
<td>OC3</td>
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### Table 2
**Heterotrait-monotrait ratio (HTMT)**

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<th>Employment security</th>
<th>Organisational commitment</th>
<th>Performance appraisal</th>
<th>Turnover intention</th>
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<tr>
<td>Employment security</td>
<td>0.676</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational commitment</td>
<td>0.483</td>
<td>0.345</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>0.664</td>
<td>0.565</td>
<td>0.524</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover intention</td>
<td>0.119</td>
<td>0.097</td>
<td>0.323</td>
<td>0.085</td>
<td></td>
</tr>
</tbody>
</table>
Collinearity issues were diagnosed prior to hypothesis testing to avoid bias in estimating the path coefficients. To do this, we initially computed the variance inflation factor (VIF) based on the effects of the predictor variables (performance appraisal, compensation, and employment security) on organisational commitment. We then proceeded to estimate the VIFs based on the effects of the three aforementioned predictor variables and organisational commitment on turnover intention. As can be observed from Tables 3 and 4, collinearity is not a serious problem among the predictors in our model since all VIFs and tolerance values were below Hair, Hult, Ringle, and Sarstedt’s (2016) threshold value of 5.

Table 3
Collinearity assessment of predictors on organisational commitment

<table>
<thead>
<tr>
<th>Model 1 (Constant)</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance appraisal</td>
<td>1.479</td>
</tr>
<tr>
<td>Compensation</td>
<td>1.644</td>
</tr>
<tr>
<td>Employment security</td>
<td>1.428</td>
</tr>
</tbody>
</table>

Table 4
Collinearity assessment of predictors on turnover intention

<table>
<thead>
<tr>
<th>Model 1 (Constant)</th>
<th>VIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance appraisal</td>
<td>1.575</td>
</tr>
<tr>
<td>Compensation</td>
<td>1.714</td>
</tr>
<tr>
<td>Employment security</td>
<td>1.429</td>
</tr>
<tr>
<td>Organisational commitment</td>
<td>1.272</td>
</tr>
</tbody>
</table>

From our measurement model (see Figure 2), the $R^2$ values for organisational commitment and turnover intention were 0.214 and 0.119, respectively, suggesting that 21.4% of the variance in organisational commitment and 11.9% of the variance in turnover intention can be explained by appraisal performance, compensation, and employment security.
Figure 2. Measurement model of the study

Structural Model Results

Bootstrapping results (see Table 5) indicate that performance appraisal, compensation, and employment security were unrelated to turnover intention. Thus, H1, H2, and H3 were unsupported. On the other hand, performance appraisal and compensation were positively and significantly related to organisational commitment, which provides support for H5 and H6. Surprisingly, employment security has no relationship with organisational commitment. Thus, H7 was unsupported. Organisational commitment was also found to be negatively and significantly related to turnover intention. Therefore, H4 was supported. In examining the indirect effects, organisational commitment was found to be a significant mediator in the relationships between performance appraisal and turnover intention, and between compensation and turnover intention, thereby, supporting H8 and H9. Nevertheless, organisational commitment did not mediate the relationship between employment security and turnover intention. Therefore, H10 was unsupported.
Table 5
Hypothesis testing results

<table>
<thead>
<tr>
<th>Relationships</th>
<th>Hypothesis</th>
<th>Path</th>
<th>Beta value</th>
<th>Standard error</th>
<th>t-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>H1 PA → TI</td>
<td>0.072</td>
<td>0.047</td>
<td>1.525</td>
<td>Not supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H2 C → TI</td>
<td>-0.059</td>
<td>0.053</td>
<td>1.117</td>
<td>Not supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H3 ES → TI</td>
<td>0.114</td>
<td>0.051</td>
<td>2.226</td>
<td>Not supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H4 OC → TI</td>
<td>-0.358**</td>
<td>0.044</td>
<td>8.185</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H5 PA → OC</td>
<td>0.275**</td>
<td>0.044</td>
<td>6.303</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H6 C → OC</td>
<td>0.234**</td>
<td>0.050</td>
<td>4.722</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H7 ES → OC</td>
<td>0.028</td>
<td>0.049</td>
<td>0.569</td>
<td>Not supported</td>
<td></td>
</tr>
<tr>
<td>Indirect</td>
<td>H8 PA → OC → TI</td>
<td>-0.098**</td>
<td>0.019</td>
<td>5.137</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H9 C → OC → TI</td>
<td>-0.084**</td>
<td>0.021</td>
<td>3.982</td>
<td>Supported</td>
<td></td>
</tr>
<tr>
<td></td>
<td>H10 ES → OC → TI</td>
<td>-0.010</td>
<td>0.018</td>
<td>0.558</td>
<td>Not supported</td>
<td></td>
</tr>
</tbody>
</table>

Note: ** p < 0.01; Bootstrapping (n = 5000); C = compensation; ES = employment security; OC = organisational commitment; PA = performance appraisal; TI = turnover intention

Table 6
Summary of results

<table>
<thead>
<tr>
<th>Latent construct</th>
<th>Organisational commitment</th>
<th>Turnover intention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Path coefficients (β)</td>
<td>Effect size (f²)</td>
</tr>
<tr>
<td>Performance appraisal</td>
<td>0.275** 0.065</td>
<td>0.072 0.004</td>
</tr>
<tr>
<td>Compensation</td>
<td>0.234** 0.042</td>
<td>-0.059 0.002</td>
</tr>
<tr>
<td>Employment security</td>
<td>0.028 0.001</td>
<td>0.114 0.010</td>
</tr>
<tr>
<td>Organisational commitment</td>
<td>– –</td>
<td>-0.358** 0.115</td>
</tr>
</tbody>
</table>

Note: ** p < 0.01

An assessment of effect size (f²) is vital to supplement the statistical significance of our results. Effect size assesses the strength of the relationship between the latent variables (Wong, 2013). It shows how much an exogenous latent variable contributes to an endogenous latent variable’s R² value. In this study, we applied Cohen’s (1988) rule of thumb whereby f² values of 0.02, 0.15, and 0.35 represent small, medium, and large effects of the exogenous latent variable on the endogenous variable. As can be seen in Table 6, the effect size of the predictor variables on turnover intention in the structural model is small. Specifically, organisational commitment represents the only exogenous variable that has a significant impact (β = -0.358; p < 0.01) on the endogenous variable (turnover intention). This
relationship exhibited a medium effect size ($f^2 = 0.115$). Meanwhile, employment security, performance appraisal, and compensation have no significant effects on turnover intention. However, both performance appraisal ($\beta = 0.275; p < 0.01$) and compensation ($\beta = 0.234; p < 0.01$) have significant effects when organisational commitment serves as the endogenous variable. These relationships displayed medium effect sizes. On the other hand, employment security has no significant effect on organisational commitment. In addition, the blindfolding procedure reveals that our model has predictive relevance since the observed values ($Q^2$) for organisational commitment (0.147) and turnover intention (0.072) were above zero in accordance with Henseler et al. (2009).

DISCUSSION

The present study examined the effects of HPWPs (consisting of performance appraisal, compensation, and employment security) on turnover intention among nurses working in Malaysian private hospitals. In addition, organisational commitment was explored as a mediator in the relationship between HPWPs and turnover intention. Our statistical results provided mixed findings. Specifically, HPWPs have no direct effects on turnover intention. This surprising finding may be attributed to the characteristics of our sampled nurses. On the average, the respondents in this study have been working as nurses in their respective hospitals for approximately five years. In such a situation, it is reasonable to assume that they would be accustomed to the human resource practices of their employing hospitals, which may lead to feelings of contention. As such, beliefs about these practices may not be able to have any significant impact on their turnover intentions. In addition, as asserted by Colling (1997), the image of nursing as a helping and noble profession may in itself be intrinsically rewarding to nurses. In fact, the discovery by Hee, Kamaludin, and Ping (2016) concerning Malaysian nurses revealed that they start to turn to intrinsic rewards when they understand the needs of the hospital. Under such circumstances, the existence of HPWPs may not affect nurses’ intention to leave the organisation.

On the other hand, HPWPs and especially performance appraisal were found to positively affect organisational commitment in concordance with prior studies (Bekele et al., 2014; Ikramullah et al., 2011; Salleh et al., 2013). Likewise, compensation has a positive influence on organisational commitment, which supports previous works (Anvari et al., 2011; Muhammad & Abdullah, 2016; Luna-Arocas & Camps, 2007; Nawab & Bhatti, 2011). In addition, the study results provided support for the positive impact of organisational commitment on turnover intention in line with the findings of other researchers (Dixit & Bhati, 2012;
Turnover intention, HPWPs, and organisational commitment

Lee et al., 2011; Liou & Cheng, 2010). This study has also provided evidence on the mediating role of organisational commitment in the relation between HPWPs and turnover intention, consistent with the work of Ha et al. (2014).

IMPLICATIONS

The results of the current study have implications for theory and practice. At the theoretical level, the present study has enriched the commitment and turnover literature. Specifically, the present study has provided evidence for the direct and indirect relationships between HPWPs, organisational commitment, and turnover intention. Our results verified the applicability of the social exchange theory (Blau, 1964) and the norm of reciprocity (Gouldner, 1960), and concurred with Fishbein and Ajzen’s (1967) model of beliefs-attitudes-behavioural intentions within the context of the private healthcare industry of Malaysia.

From the practical perspective, it is evident from the findings that since organisational commitment is able to reduce turnover intention, and given the nursing shortages experienced by the Malaysian healthcare industry, hospital authorities concerned with encouraging greater organisational commitment among their nursing workforce need to provide adequate support to their employees. This could be achieved through more HPWPs. Perceptions of the extent to which the organisation offers HPWPs pertaining to performance appraisal and compensation were found to significantly and positively affect organisational commitment. With regard to performance appraisal, employers may need to train nursing supervisors to enable them to objectively and accurately evaluate the job performance of their subordinates. Effective performance management activities will be able to motivate employees to become more committed. Similarly, attractive compensation packages should be provided to nurses since fair and equitable remunerations would enhance their judgement about organisational support, resulting in greater commitment to the employing organisation.

Limitations and Future Research Suggestions

As with all studies, there are limitations to this research. First, the cross-sectional nature of this study limits our ability to make causal inferences. Bias could occur because the study investigated both exogenous and endogenous variables at the same time. Thus, a longitudinal approach taken in future could cross-validate the current findings and provide additional support regarding the causality of the HPWPs-organisational commitment-turnover intention linkage. Second, our data came from staff nurses working in large private hospitals in Peninsular Malaysia.
To increase the generalisability of the findings, there is a need for future researchers to expand the sample to include nurses working in public hospitals. Third, only three HPWPs were investigated in this study. Given that HPWPs encompass a number of effective practices for managing people (Delery & Doty, 1996), future studies should consider other practices such as selective hiring (Pfeffer, 1998) and employee participation (Harel & Tzafrir, 1999). Finally, other attitudinal constructs in addition to organisational commitment may act as potential mediators in the relation between HPWPs and turnover intention. Future researchers may want to incorporate other mediating variables such as trust in management (Whitener, 2001) and job satisfaction (Poon, 2004), which may better explain the hypothesised relationships.

CONCLUSION

This study revealed that HPWPs indirectly affect turnover intention via organisational commitment. Specifically, the findings from the current study suggest that nurses’ perceptions of the extent of the implementation of HPWPs by their employing hospitals serve as direct predictors of their commitment to those institutions. In addition, commitment was found to be critical in reducing turnover intention. Of the three practices, performance appraisal and compensation were found to be significant in influencing nurses’ turnover intention. These results imply that private hospitals should actively apply HPWPs, especially competitive remunerations and objective performance appraisal systems, for nurses to enhance their commitment to the work organisation, which in turn, results in a reduction in their turnover intention. In sum, the implementation of HPWPs by hospital administrators is important in reducing nurses’ turnover intention, which will eventually contribute to patients’ satisfaction through the continuity of nursing care, devotion of greater efforts, and provision of high-quality healthcare services.

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