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RELATIONS BETWEEN EMPLOYEE WORK VALUES, EMPLOYEE TURNOVER, AND JOB SATISFACTION IN TOURISM INDUSTRY

While tourism business is actively developed globally, travel agencies do not simply face the problems of utilizing environmental resources and developing new products, but focus on human resource management to become innovative and competitive. For this reason, this study aims to investigate the employee work values, employee turnover, and job satisfaction in travel agencies. Employees in top 10 travel agencies, ranked by Consumer's Foundation, were selected as the research subjects for a survey. With work values as the research focus, the way the relations between work values and job satisfaction affect the model of employee turnover could be acquired from the empirical results. The research outcomes show that the enhancement of work values could affect the promotion of job satisfaction, work values and job satisfaction would directly present negative effects on employee turnover, and job satisfaction has mediating effects on the relations between work values and employee turnover.

Keywords: work values, employee turnover, job satisfaction, tourism industry, travel agency.

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ВЗАЄМОЗВ'ЯЗОК МІЖ РОБОЧИМИ ЦІННОСТЯМИ СПІВРОБІТНИКІВ, ПЛИННІСТЮ КАДРІВ І ЗАДОВОЛЕНІСТЮ РОБОТОЮ У СФЕРІ ТУРИЗМУ

У статті показано, що туристичний бізнес активно розвивається по всьому світу, і туристичні агентства не просто стикаються з проблемами використання природних ресурсів і розробки нових продуктів, але й зосереджуються на управлінні людськими ресурсами, інноваціях і підвищенні конкурентоспроможності. Досліджено робочі цінності співробітників, плинність кадрів і задоволеність роботою в туристичних агентствах. Об'єктом дослідження стали працівники в 10 провідних туристичних агентствах Тайваню, за версією Фонду споживача. Аналіз даних з фокусом на трудових цінностях показав, як взаємозв'язок між трудовими цінностями і задоволеністю роботою впливає на модель аналізу плинності кадрів. Доведено, що покращення параметру трудових цінностей може вплинути на задоволеність роботою; трудові цінності і задоволеність роботою негативно впливають на плинність кадрів; задоволеність роботою має посередницький вплив на взаємозв'язок між трудовими цінностями і плинністю кадрів.

Ключові слова: трудові цінності, плинність кадрів, задоволеність роботою, індустрія туризму, туристичне агентство.

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ВЗАИМОСВЯЗЬ МЕЖДУ РАБОЧИМИ ЦЕННОСТЯМИ СОТРУДНИКОВ, ТЕКУЧЕСТЬЮ КАДРОВ И УДОВЛЕТВОРЕННОСТЬЮ РАБОТОЙ В СФЕРЕ ТУРИЗМА

В статье показано, что туристический бизнес активно развивается во всем мире, и туристические агентства не просто сталкиваются с проблемами использования природных ресурсов и разработки новых продуктов, но и сосредотачиваются на управлении человеческими ресурсами, инновациях и повышении конкурентоспособности.

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Исследованы рабочие ценности сотрудников, текучесть кадров и удовлетворенность работой в туристических агентствах. Объектом исследования стали работники в 10 ведущих туристических агентствах Тайваня, по версии Фонда потребителя. Анализ данных с фокусом на трудовых ценностях показал, как взаимосвязь между трудовыми ценностями и удовлетворенностью работой влияет на текучесть кадров. Подтверждено, что улучшение параметра трудовых ценностей может повлиять на удовлетворенность работой; трудовые ценности и удовлетворенность работой негативно влияют на текучесть кадров; удовлетворенность работой имеет посредническое воздействие на взаимосвязь между трудовыми ценностями и текучестью кадров.

Ключевые слова: трудовые ценности, текучесть кадров, удовлетворенность работой, индустрия туризма, туристическое агентство.

Introduction. Because of enhanced economic level and increased income and leisure time in recent years, tourism industry has boomed in Taiwan. Besides, the government policy allowing 3000 Chinese tourists visiting Taiwan per day and the host of The World Games 2009 Kaohsiung and The 21st Summer Deaflympics Taipei 2009, the sustainable operation of tourism industry is imperative for the fact that the number of travel agencies and the service quality of personnel are emphasized. In addition to providing customers with the best service and practicing work responsibility, additional efforts are required for enhancing operational performance of organizations. In other words, the first-line service personnel directly contacting with customers should present organizational citizenship behavior beneficial to organization or others. In this case, human resource has become one of the key assets in an organization. Work values affect an employee evaluating individual work with the preference that employee work values of work performance, development, and selection would present significant effects on the operation of a travel agency. High turnover rate, voluntary or compelled leave of an organization, therefore reveals the increase of personnel costs, including the cost of recruitment and trainings. The cost of turnover could be 1.2-2 times, average 1.5 times, more than the annual salary of the personnel leaving. Besides, it would have negative effects on the retained ones. Consequently, the loss resulted from employee turnover should be emphasized. The factors in work values and job satisfaction affecting employee turnover are worth indepth discussions.

"People" are the key of better service quality and the popular issue in the research on hospitality management. Nonetheless, research on organizational citizenship behavior in tourism industry was not mentioned or concerned till 2000. In this case, the relevant research on organizational citizenship behavior in tourism industry still requires more concerns. Once organizational efficacy and competitiveness are enhanced, organizational citizenship behavior would be important for the development of tourism industry. For this reason, this study aims to discuss the correlations between work values, employee turnover, and job satisfaction in travel agencies.

Literature review

I. Work Values. Wang & Kao (2009) indicated that individual belief and preference to a job could guide actions, create specific behaviors, and become the index of selecting the work that the work awareness and evaluation would be deeply affected. Kuo (2009) considered work values as a subjective judgment which was a part of value

system established by the accumulation of awareness and experiences in the socialization process that the continuous attitude and evaluation bases on specific work and preference would be presented to satisfy the intrinsic demands as well as to guide and affect individual behavior and preferences. Weng (2010) evaluated individual work values and divided them into the dimensions of intrinsic work values, including altruism, independence, creativity, wisdom stimulation, aesthetic perception, achievement, and management, extrinsic work values, including working environment, colleagues, supervision, variety, and extrinsic reward, such as sense of security, reputation, economic reward, and living style. Referring to the classification of Chu (2010), work values were divided into (1) learning growth, referring to an employee giving full play to individual ambition, exerting individual capability, presenting professional autonomy, and being brave in innovation to achieve self-realization, (2) social respect, referring to an employee appearing self-confidence and being affirmed by others, establishing social reputation, and being esteemed by the public, (3) interpersonal interaction, referring to good interaction between employees and members at work and being able to establish harmonious interpersonal relationship, and (4) altruistic experience, referring to an employee being able to receive service experiences from serving others.

II. Employee Turnover. Lin (2006) pointed out employee turnover as the actual action of a desire to leave organization because of organizational problems or better opportunities. Turnover intension was regarded as a psychological idea for other job but not yet really leaving. An employee is likely to evaluate and consider the relevant problems, such as the cost, before a turnover. When the result better corresponded to individual demands, the actual action would be generated. Price (1977) suggested focusing on voluntary turnover, as 1) most turnovers are voluntary, 2) the theoretical structure would be easily understood because of the homogeneity of research subjects, and 3) both non-voluntary and voluntary turnovers appear as decisive factors, but voluntary turnover is more controllable by organization. Aiming at voluntary turnover, Price (1977) proposed a voluntary turnover model showing that employee turnover tends to the dimensions of salary, integration, work communication, formal communication, and centralization. In consideration of the psychological process and the key factors in employee turnover, Chang (2009) proposed an employee turnover structure, containing the dimensions of (1) work competency characteristics, including age, gender, educational background, experience, working year, family income, marital condition, career stage, work performance in the career, and individual-organization coordination, (2) organizational characteristics, including job satisfaction, work involvement, and organizational commitment, and (3) extrinsic factors, such as labor market condition and participation in labor union.

III. Job Satisfaction. Wang (2009) regarded job satisfaction as the attitude to a company, work, colleague, and working environment. Jerald and Robert (1995) considered job satisfaction as the general attitude of an employee to work; i.e., individual reflection of awareness, emotion, and evaluation of work. Relevant research presented various explanations and viewpoints on job satisfaction. Having realized the definitions of job satisfaction, the factors in job satisfaction would also need to be understood. Shih (2010) regarded the factors in job satisfaction as work itself, salary, supervisors, working partners, promotion, and entire satisfaction. Wang (2010) considered

them as employee characteristics, such as working years, age, educational background, position, economic ability, and organizational commitment. Lin (2009) concluded the factors as salary welfare and working environment, while Chang (2009) listed internal marketing, gender, educational background, working years, and salary. Referring to Wang (2010), this study proposed the following dimensions for job satisfaction, namely: 1) working environment, including working condition, material condition, and social environment, 2) work reward, including salary, promotion, and appraisal from supervisors, 3) work itself, such as work values and sense of achievement, and 4) colleague relationship the relationship — between employee and others inside and outside organization.

IV. The correlations between work values, employee turnover, and job satisfaction.

Huang (2010) argued that job satisfaction was proportional to work values of employees and related to turnover rate. When employees were not satisfied with work, they were likely to be absent and possibly to resign. Turnover intention was the cognitive precursor of the actual turnover behavior. In other words, both work values and job satisfaction were the precursors of employee turnover intention, where job satisfaction presented larger effects and work values appeared remarkably positive effect on job satisfaction. Wang (2009) pointed out the employees with higher age, work values, and job satisfaction showing lower turnover intention that employee turnover intention could best explain the possibility of turnover, while work values, job satisfaction, and turnover intention could better explain the possibility of turnover. Dissatisfaction, absence, complaints, and turnover of employees were correlated (Chu, 2010). The research showed that working years, position, job satisfaction, and work values of employees have significant differences on predicting an employee permanently holding a position. In the research, work values and job satisfaction revealed notable positive correlations, while work values and job satisfaction presented significantly negative correlations with employee turnover. Wang & Kao (2009) proved the remarkably negative correlations between job satisfaction and employee turnover that the more dissatisfaction of an employee, the higher intention of leaving the working environment. Price (1977) indicated that the awareness of work values would determine job satisfaction and the level of job satisfaction could decide the probability of retaining or leaving organization; the interaction between job satisfaction and work values could affect employee turnover. In this case, the possibility of employee turnover caused low job satisfaction.

Based on the above domestic and international research, this study proposed the following hypotheses:

H1: Work values present significant positive effects on job satisfaction.

H2: Job satisfaction has remarkably positive effects on employee turnover.

H3: Work values show notably positive effects on employee turnover.

H4: Job satisfaction reveals mediating effects on the relations between work values and employee turnover.

Research method

I. Research framework. According to domestic and international research on work values, employee turnover, and job satisfaction, the research framework was proposed to discuss the correlations between them.

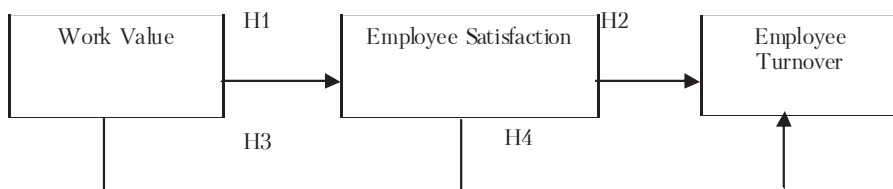


Figure 1. Research framework

II. Basic information on the sample. The employees in top 10 travel agencies, ranked by Consumer's Foundation, were selected as the research subjects, including SET Tour, Phoenix Tours, Hon Thai Travel, Lion Travel, Everlight Travel, Cola Tour, Life Tour, Hi-Lite Tour, Skylark Travel, and Ming Tai Travel. The evaluation items for a ranking include: 1) pre-tour service; 2) leader service; 3) local tour guide service; 4) reasonable tour fee; 5) itinerary; 6) accommodation; and 7) food and beverages. Total 480 questionnaires were distributed. Having deducted 134 invalid ones, total 346 valid copies were retrieved, with the retrieval rate of 72%. For statistical strictness, the retrieved and non-retrieved samples among the travel agencies were compared. The result presented below the significance of 0.05, therefore, there is no significant difference ($\chi^2 = 8.24$, $P = 0.17 > 0.05$). The sampling therefore did not demonstrate an error.

Analysis and discussion.

I. Confirmatory Factor Analysis.

(1) Dimensions in work values. The dimensions proposed by Chu (2010) were utilized for the measures of work values in this study. With factor analysis, 4 factors were abstracted, including learning growth (Eigen value = 2.842, $\alpha = 0.88$), social respect (Eigen value = 2.366, $\alpha = 0.82$), interpersonal interaction (Eigen value = 1.758, $\alpha = 0.86$), and altruistic experience (Eigen value = 1.423, $\alpha = 0.80$). The cumulative explained variance of the 4 factors achieved 86.847%. The estimates of the parameters achieved statistical significance, showing the proper explanation of the factors. Regarding the rule of fit, both GFI = 0.923 and AGFI = 0.911 were less than 0.05, and both CFI = 0.946 and NFI = 0.957 were larger than 0.9, the confirmatory model was ideally acceptable.

(2) Dimensions in employee turnover. The dimensions proposed by Chang (2009) were utilized for employee turnover in this study. With factor analysis, 3 factors were abstracted, including work competency characteristics (Eigen value = 2.165, $\alpha = 0.83$), organizational characteristics (Eigen value = 1.735, $\alpha = 0.85$), and extrinsic factors (Eigen value = 1.212, $\alpha = 0.84$). The cumulative explained variance achieved 80.864% and the estimates of the parameters achieved statistical significance, showing the proper explanation of the factors. In regard to the rule of fit, both GFI = 0.935 and AGFI = 0.942 were larger than 0.9, RMSR = 0.021 less than 0.05, and both CFI = 0.933 and NFI = 0.961 were larger than 0.9, the confirmatory model was ideally acceptable.

(3) Dimensions in job satisfaction. The dimensions proposed by Wang (2010) were used for job satisfaction in this study. With factor analysis, 4 factors were abstracted, including working environment (Eigen value = 3.334, $\alpha = 0.80$), work

reward (Eigen value = 2.762, $\alpha = 0.83$), work itself (Eigen value = 2.131, $\alpha = 0.81$), and colleague relationship (Eigen value = 1.776, $\alpha = 0.90$). The cumulative explained variance achieved 82.845%, showing the proper explanation of the factors. Regarding the rule of fit, both GFI = 0.919 and AGFI = 0.926 were larger than 0.9, RMSR = 0.034 less than 0.05, and both CFI = 0.951 and NFI = 0.979 larger than 0.9, the confirmatory model was ideally acceptable.

Based on the above analyses, the overall fit and the reliability and validity of the dimensions achieved significance. With literature review and confirmatory factor analysis, the dimensions were preceded linear structure analyses.

II. LISREL Model. This study applied LISREL model to analyse, in which the estimation applied maximum likelihood estimation (MLE). The correlation matrix of the samples was utilized as the data for LISREL Model, Fig. 2.

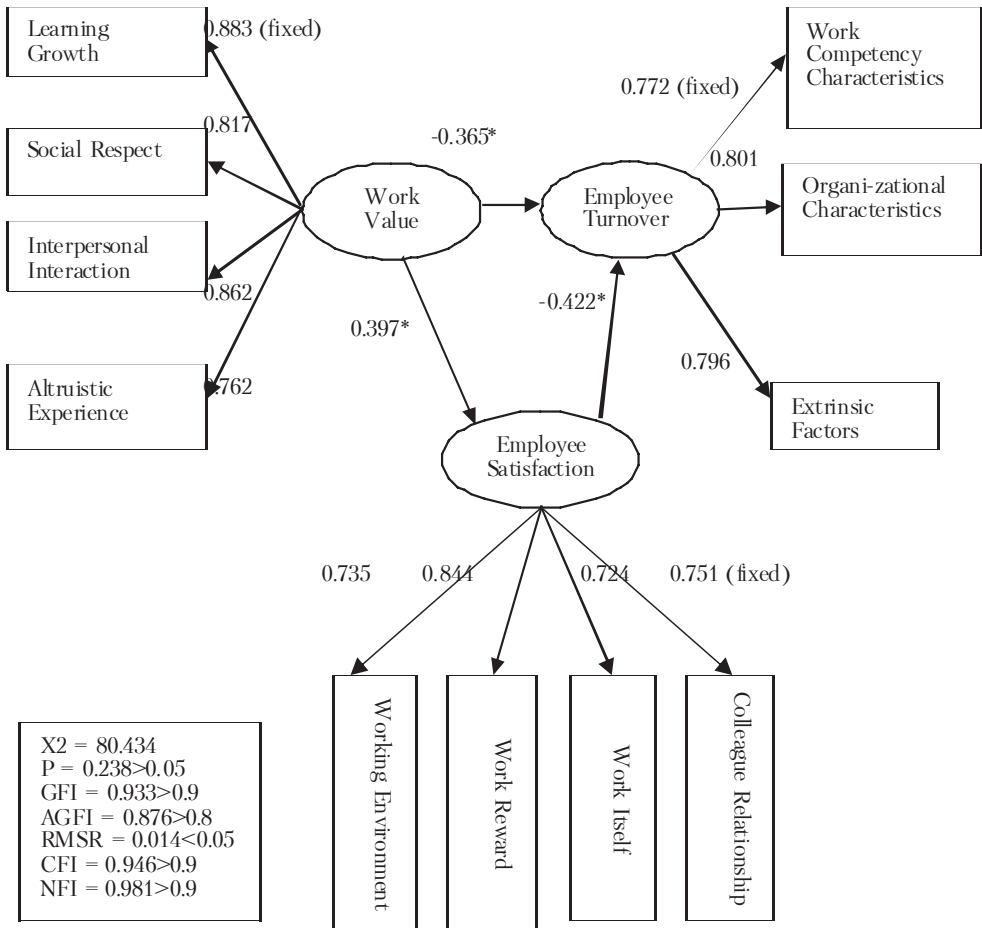


Figure 2. LISREL Model analysis

In terms of basic fit, 3 variables achieved the requirement of the rule, $\lambda > 0.5$, showing the good explanation of the dimensions. Regarding the intrinsic fit, H1–H3 achieved the statistical significance (standard significance 0.05), Fig. 2. Regarding the

overall fit, $\chi^2 = 80.434$ and $P = 0.238 > 0.05$ presented the deniability of the hypotheses that the model was not ill fit; $GFI = 0.933$ was higher than the rule of 0.9 that it was acceptable; $AGFI = 0.876$ approached 0.9, which was larger than 0.8 proposed by Joreskog & Sorbom (1993) and Tan (2001); $RMSR = 0.014$ was less than 0.05, which was considered the less the better; $CFI = 0.946 > 0.9$ stood for the model being acceptable; and $NFI = 0.981$ was larger than the requirement of 0.9. In conclusion, the structural model was acceptable, Fig. 2.

Conclusion. Regarding the results of LISREL, several points were proposed in this study. In terms of basic fit being the emphases of the dimensions, the key factors in the research dimensions could be observed. When λ was increased, the effect was large; contrarily, it would be less emphasized. In work values, learning growth (parameter value = 0.862) presented the most emphasis in the factors, showing that employees in travel agencies focused on presenting individual ambition, exerting individual ability, having professional autonomy, and being brave in innovation at work to achieve self-realization. In employee turnover, organizational characteristics (parameter value = 0.801) show the most emphasis, so job satisfaction, work involvement, and organizational commitment would be taken into account when considering turnover. In job satisfaction, work reward (parameter value $\lambda = 0.844$) revealed the most emphasis, showing that salary, promotion, and appraisal of supervisors were the key factors. Apparently, employees did not simply consider the economic reward, but also the promotion.

In terms of intrinsic fit, the relations between variables were discussed. The parameter values of all dimensions were positive, Fig. 2, revealing the positive correlations. In other words, when employees presented more work values, job satisfaction would be enhanced, employee turnover would be reduced. Furthermore, the correlations between job satisfaction and employee turnover was more significant, Fig. 2, where the parameter value $\beta = -0.422$ was the highest, showing the great impact of job satisfaction on employee turnover. The result corresponded to the findings of Huang (2010) that work values and job satisfaction were the precursors of employee turnover intention and job satisfaction shows the most effects. As a result, the significant relations between H1, H2, and H3 were agreed in this study. Moreover, in the structural model, work values would further affect employee turnover through job satisfaction. Apparently, job satisfaction was the mediating variable between work values and employee turnover, H4 was agreed.

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