

FACTORS RELATING TO TURNOVER INTENTION OF MEDICAL SALES REPRESENTATIVES OF BDSH THAILAND LTD.

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Abstract: *This research aims to study whether job satisfaction in terms of Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards, Operating Conditions, Coworkers, Nature of Work, and Communication has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd. The questionnaire was used as a research instrument to collect data. The data was collected from all 230 medical sales representatives in BDSH Thailand Ltd. Pearson's correlation analysis was used to test the research hypotheses. The results of this research revealed that turnover intention had a very low positive relationship with pay, promotion, and contingent rewards of medical sales representatives in BDSH Thailand Ltd. In addition, supervision, fringe benefit, operating procedures, coworkers, nature of work, and communication did not have a relationship with turnover intention of medical sales representatives. This finding contrasts with many previous research studies which found a strongly negative relationship between job satisfaction and turnover intention. This may be because of the characteristic of medical sales representatives in BDSH Thailand may different from other jobs. Medical sales representative in BDSH Thailand face pressure from their job requirement for volume of minimum sales per month. Therefore, Pay, Promotion, and Contingent reward may not be the factors that influence their intention to leave the company.*

Keywords: *Job Satisfaction, Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards, Operating Conditions, Coworkers, Nature of Work, Communication, Turnover Intention*

1. INTRODUCTION

BDSH Thailand Ltd. provides services to clients and suppliers with insights into logistics and services to extend the market. BDSH is a company that supports a client's company which plans to expand in both an existing and new market. BDSH has a potential to connect supplier to supplier and client to client in order to create value-added products. BDSH Thailand Ltd. has been acknowledged by clients and suppliers for a long time with more than 380 clients and suppliers both local and international. BDSH Thailand Ltd. is separated into 4 business sectors. Each represents the expertise in the fields: dairy products, supplementary products, industrial products, and technological products. The company offers the marketing service to take care of the whole business as supporter (from operation to the selling process). This research focuses merely on medical sales representatives who are under the marketing department in BDSH Thailand Ltd. This is because the medical sales representative works in the marketing department and needs to achieve a monthly sales target in order to get an incentive to compensate with the lower salary. There is a high turnover rate of medical sales representatives in BDSH Thailand Ltd. In every recruitment period, half of medical sales representatives resign within one year and less than 25% of these employees work longer than 3 years. Due to the said circumstances, the factors contributing to the turnover intention of medical sales representatives in BDSH Thailand Ltd should be addressed so that BDSH Thailand Ltd. would

be able to prepare and understand how to retain their staff (medical sales representatives) with the company. BDSH Thailand Ltd. would also be able to develop more profound knowledge on their employees. Based on previous research studies of Wei (2009), Chen et al. (2004), Chiu and Francesco (2003), Park and Kim (2009), job satisfaction and turnover intention of staff are related each other. Therefore, this research study aims at identifying a relationship between job satisfaction and turnover intention of medical sales representatives in BDSH Thailand Ltd.

2. LITERATURE REVIEW

2.1 Job Satisfaction

Job satisfaction is the degree in which an employee feels towards different attributes of her/his job (pay, promotion, supervision, fringe benefits, contingent rewards, operating conditions, co-workers, nature of work and communication) which will determine one's work performance. As stated by Spector (1997), "Job satisfaction is simply how people feel about their jobs and different aspects of their jobs." Schermerhorn (1993) defines job satisfaction as an affective or emotional response towards various aspects of an employee's work. The author emphasizes that likely causes of job satisfaction include status, supervision, co-worker relationships, job content, remuneration and extrinsic rewards, promotion and physical conditions of the work environment, as well as organizational structure. On the contrary, Rue and Byars (1992) refer to job satisfaction as an individual's mental state about the job. Robbins et al. (2003) add that an individual with high job satisfaction will display a positive attitude towards their job, and the individual who is dissatisfied will have a negative attitude towards the job. This definition is expanded by Greenberg and Baron (1997) who define job satisfaction as an individual's cognitive, affective and evaluative reactions toward their jobs. Sempene Rieger and Roodt (2002) conclude that job satisfaction is an individual's personal assessment of conditions prevalent in the job, thus evaluation occurs on the basis of factors which they regard as important to them. Job satisfaction measurement refers to the tendency for an employee to be more or less satisfied with various facets or aspects of the job (Johns, 1988). Cherrington (1994) refers to the various aspects or facets of the job as the individual's attitude about their pay, the work itself-whether it is challenging, stimulating and attractive, and the supervisors – whether they process the softer managerial skills as well as being competent in their job satisfaction. Three well-known job satisfaction measurements are the Job Descriptive Index (JDI), the Job Satisfaction Survey (JSS) and the Minnesota Satisfaction Questionnaire (MSQ).

2.1.1 Job Satisfaction Survey

In the research study of Spector (1985), the job satisfaction survey was used to measure job satisfaction of employees who are working as medical sales representatives in BDSH Thailand Ltd because of its availability and ease of use. Also, it has already been adopted and accepted by various previous researchers who confirmed its validity. Medical sales representatives are considered as a combination between service and product work. Spector's survey (1985) and the JSS were originally developed for using with human work, especially the work that requires skill of people to communicate or contact with customers in order to provide information and prepare after sales-service. However, it is applicable to all organizations (Spector, 1994). The norms provided include a wide range of organization types in both private and public sectors.

The Job Satisfaction Survey or the JSS contains 36 items which include nine facet scales to assess employee attitudes about the job and aspects of the job. Each facet is assessed with four items. A summary of rating scale format is used, with six choices per item ranging from "strongly disagree" to "strongly agree". The nine facets are Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance-based rewards), Operating Procedures (required rules and procedures), Co-workers, Nature of Work, and Communication.

2.2 Job Satisfaction and Turnover intention

Turnover intention is an employee intention to voluntarily change jobs or companies (Schyns, et. al., 2007). Moreover, Lambert et al. (2001) speculated that employee turnover can be predicted using comprehensive measures of job satisfaction. The higher job satisfaction is, the lower employee turnover will be. Moreover, research shows that the relationship between job satisfaction and actual employee turnover is moderated by intentions. Schwepker (2001) noted that positive and statistically significant relationships have been reported in dozens of studies exploring leaving intentions and actual leaving behavior. In other words, intention to leave a job is an immediate precursor to actual leaving. For this reason, turnover intention has been incorporated into most employee turnover models in the published literature. Turnover intention is defined as an employee's liability to find a new job with another employer in the following year (Park, and Kim, 2009).

2.3 Conceptual Framework

The conceptual framework of this research is developed based on Wei (2009). Nine facets of job satisfaction are derived from the Job Satisfaction Survey (JSS) of Spector (1985).

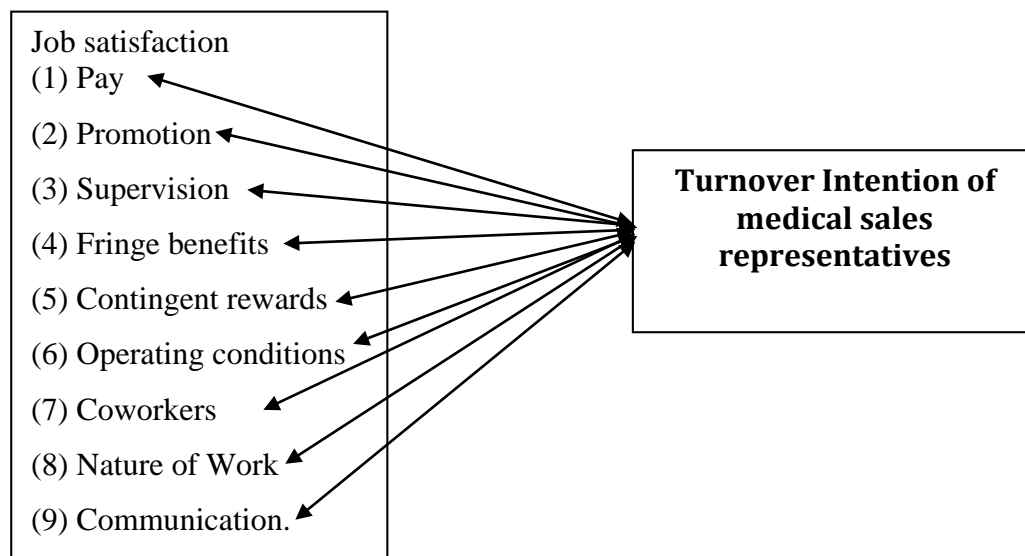


Figure 1: Conceptual Framework of this study

Generally, it is accepted that job satisfaction and employee turnover intention are inversely related (Raddaha et al., 2012; Park and Kim, 2009; Sang et al., 2009; Wei, 2009; Chen et al., 2004; Chiu and Francesco, 2003; Poon, 2004; Lin, 2003).

2.4 Research Hypotheses

H1: Job satisfaction (pay) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H2: Job satisfaction (promotion) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H3: Job satisfaction (supervision) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H4: Job satisfaction (fringe benefits) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H5: Job satisfaction (contingent rewards) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H6: Job satisfaction (operating conditions) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H7: Job satisfaction (coworkers) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H8: Job satisfaction (nature of work) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

H9: Job satisfaction (communication) has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

3. METHODOLOGY

A self-administered questionnaire was conducted to determine whether job satisfaction has a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd. To measure job satisfaction of medical sales representatives in BDSH Thailand Ltd., JSS of Spector (1985) which contains 36 items were applied. Five items of turnover intention are based on Wei (2009). The respondents were asked to rate their agreement by using a 5-point Likert scale ranging from “Strongly agree” (5) to “Strongly disagree” (1). Target population is employees working as medical sales representatives in BDSH Thailand Ltd. There were 230 medical sales representatives in BDSH Thailand Ltd as updated in 2015. Data was collected at a specified time from the entire population.

The assistant human resource manager in BDSH rendered assistance in distributing and collecting questionnaires because assistant manager meets every staff in BDSH at least once a month. Assistant manager distribute questionnaire to each sales representative leader who need to have a meeting with manager and then let the team leader to spread the questionnaire to member of their team. If any sales representative did not finish the questionnaire, leader would ask to complete questionnaire before collect questionnaire back. After the questionnaire was done, team leader would collect and send questionnaire back to assistant manager. A total number of completed, returned questionnaire was 230 sets. Mean evaluation was used to determine the level of agreement on job satisfaction and turnover intention. The hypothesis of this research was tested using Pearson Correlation.

4. RESULTS AND DISCUSSION

Medical sales representatives in BDSH Thailand Ltd. were mostly single female aged between 19 to 29 years old. Mostly, the respondents graduated with a Bachelor's degree with working experience around 5 years. This maybe because most of medical sales representative in BDSH Thailand need to have at least a Bachelor's degree or above to contact and work with professionals such as doctors and pharmacists. Based on the results of the mean evaluation, the agreement levels of job satisfaction facets could be separated into two levels: Strongly agree and agree. The Pay factor was the only factor rated as Strongly Agree. The other factors belonged to agree level including promotion, supervision, fringe benefits, contingent rewards, operating procedures, coworkers, nature of the work, and communication. The average mean score of turnover intention belonged to the agree level.

At the significant value less than 0.05, there was a very low positive correlation between job satisfaction with promotion and turnover intention of medical sales representatives in BDSH Thailand Ltd., $r = 0.259$, $n = 230$, $p = 0.000$, between job satisfaction with pay and turnover intention, $r = 0.258$, $n = 230$, $p = 0.000$, and between job satisfaction with contingent rewards and turnover intention, $r = 0.166$, $n = 230$, $p = 0.012$. Furthermore, supervision, fringe benefits, operating procedures, coworkers, nature of work, and communication did not have a relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd.

The results of the study showed that turnover intention of medical sales representatives working in BDSH Thailand had a very low positive relationship with job satisfaction with Pay, Promotion, and Contingent Rewards, meaning that if BDSH Thailand increases the level of medical sales representatives' job satisfaction in terms of Pay, promotion, and contingent rewards, turnover intention is likely to increase. This finding contrasts with many previous research studies which found a strongly negative relationship between job satisfaction and turnover intention (Dole and Schroeder, 2001; Lin, 2003; Chiu, and Francesco, 2003; Chen, et al., 2004; Park and Kim, 2009; Poon, 2004; Sang et al., 2009; Wei, 2009; Raddaha, et al., 2012; and Mihelič, 2014). This may be because characteristic of medical sales representatives in BDSH Thailand may different from other jobs. Medical sales representative in BDSH Thailand face pressure from their job requirement for volume of minimum sales per month. Therefore, Pay, Promotion, and Contingent reward may not be the factors that influence their intention to leave the company.

5. CONCLUSION

The results of the research study showed that pay, promotion and contingent rewards have very low relationship with turnover intention of medical sales representatives in BDSH Thailand Ltd. while the remaining facets of job satisfaction including supervision, fringe benefits, operating procedures, coworkers, nature of work, and communication have no relationship with turnover intention. Therefore, the recommendations for BDSH Thailand are to identify what medical sales representatives truly want in order to reduce their turnover intention.

There are certain limitations in this research, which future research are recommended to address. The data collection in this study was limited to only medical sales representatives in BDSH Thailand Ltd., making the results quite limited in scope. Future research might replicate this study in other departments in BDSH Thailand or other companies. Additionally, this research was focused only on the relationship between job satisfaction and turnover intention. There was also a very low positive correlation between job satisfaction and turnover intention of medical sales representatives in BDSH Thailand Ltd. The Further research may study a correlation between turnover intention and other factors such as organizational commitment (Cheung and To, 2010), and job involvement (Rotenberry and Moberg, 2007). Qualitative research using group discussions or interviews to obtain in-depth data to better understand attitudes of sales representatives of BDSH Thailand is recommended.

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