

Understanding Workplace Relationships - LMX quality, Turnover intention and employee job satisfaction, Mediating role of Superior Subordinate Communication

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ABSTRACT: Workplace relationship is a very vital phenomenon at the workplace. The relationship between a leader & his subordinates can have a major impact on the performance of the employees. The focus of this research is on the relationship between leader-member exchange (LMX), superior subordinate communication (SSC), Turnover intention with employee job satisfaction. This study explores Leader Member Exchange Theory (LMX Theory), which theorizes when leaders and followers have good exchanges or high quality effective LMX relationships, they share mutual trust, feel better, accomplish more, and the overall unit performance within organization is enhanced. It was hypothesized that LMX would directly influence SSC, and SSC would directly influence employee job satisfaction. It was also hypothesized that turnover intention would directly influence employee job satisfaction. Data derived from a self-administered questionnaire, and this will be distributed to employees working in fast food industry of Kedah Malaysia.

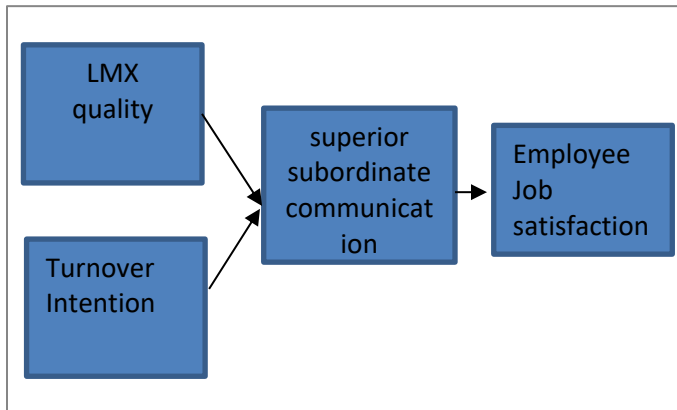
INTRODUCTION AND THEORETICAL FRAMEWORK

One of the most critical organizational relationships is that of superior subordinate, chiefly, because superiors and subordinates continuously interact with one another and engage in behaviors that can impact respect, power, and attitudes towards the organization. The success of the organization primarily depends on employee job satisfaction. A high level of employee job satisfaction, LMX quality, superior subordinate communication and low employee turnover intention play a dynamic role in the prosperity of the organization.

There is a strong relationship between leader/superior subordinate communication, employee turnover intention and employee job satisfaction. Satisfied employees are more likely to stay with the company and become committed and motivated to provide good performance. Enhanced employee satisfaction leads to improved employee retention; and employee stability ensures the successful implementation

of innovative schemes.

Numerous researchers have established the significance of superior subordinate communication as a crucial element in an organization's continuing success (Daniels, Spiker, & Papa, 1997; Kassing, 2008). This is relevant because effective, superior subordinate communication has been linked to a number of positive outcomes, including higher levels of cooperation and employee job satisfaction (Madlock, 2008). The fast food industry is enormous and the bringing economic prosperity which cannot be doubted. They are contributing a lot to the country's GDP. The Malaysian fast food industry has grown rapidly since the 1960's and there are now more than 1000 fast food outlets working in Malaysia. But on the other hand, this industry is facing high turnover rate, which is very alarming for the prosperity and growth of fast food industry.



STATEMENT OF PROBLEM

Superior subordinate communication plays an important role in employee job satisfaction and reducing turnover intention (Hwang & Kuo, 2006). The fast food industry plays a vital role in contributing to Malaysia’s economy. Moreover, human capital problems have consistently occurred in this industry but has often been neglected by researchers. As the industry has more than 100,000 employees, retention of employees is among the most important challenges it faces (Jekanowski, Binkley & Eales, 1997). Therefore, by understanding and improving LMX quality and superior subordinate communication among employees, organizations can control possible causes of labor turnover intention. In addition, many turnover studies which deal with other industries may not be of relevance due to unique features specific to the Malaysian fast food industry. Even though labor turnover can be expected, the fast food industry has rates considerably above average. This turnover phenomenon is epidemic in the industry and this study is designed to fill a gap in the hospitality and fast food literature. Additionally, this study in Malaysian fast food context will significantly contribute to the literature on the importance of intention to leave determinants to predict turnover.

RESEARCH QUESTIONS

- i. Does LMX quality influence job satisfaction of employee in fast food

- ii. Does turnover intention influence job satisfaction of employee in the fast food industry?
- iii. Does superior subordinate communication mediate between LMX quality, turnover intention and job satisfaction of employee in the fast food industry?

RESEARCH OBJECTIVE

- i. To examine the relationship between LMX quality and job satisfaction of employee in the fast food industry.
- ii. To examine the relationship between communication satisfaction and job satisfaction of employee in the fast food industry.
- iii. To investigate the mediating factor of superior subordinate communication between LMX quality, communication satisfaction and job satisfaction of employee in the fast food industry.

PURPOSE OF STUDY

The scope of this study is to explore the extent to which superior subordinate communication and quality in the leader- member exchange influences the member towards employee job satisfaction and help in reducing employee turnover. Despite of the popularity of the topic of organizational communication, there appears to be limited research on, superior subordinate communication, LMX quality, and turnover intention and job satisfaction among fast food industry in Malaysia. The results of this study will help fill in the gaps in understanding what contributes superior subordinate communication, LMX quality, and turnover intention and job satisfaction among employees.

This would help in developing a better communication process in the fast food industry and may indirectly contribute to helping organizations function more effectively. Among the fast food industry, this current research will focus on the front line and back stage workers.

To gain a better understanding of how front line and back stage workers in these organizations perceives their level of satisfaction, it is necessary to measure their level of satisfaction. How the leader interacts with their subordinate, and how they fulfill the desires of subordinates, in strengthening the strong barrier of communication. This is a quantitative study conducted in the fast food industry in Kedah Malaysia.

SIGNIFICANCE OF THE STUDY

The exorbitant turnover rates that exist in the hospitality industry warrant that research should be conducted, prompting this study. Observing the Malaysian fast food industry and its critical problems with regard to employee turnover thus led the researcher to develop this specific study. There exist typical statements when dealing with the employee turnover problem in the hospitality industry (Carbery, Garavan, O'Brien & McDonnell, 2003). As commented by Zeffane (1994), "despite significant research progress there still remains a great deal of confusion as to what might actually cause employees to leave or to remain in their organizations" (p.23). Lee and Mitchell's (1994) study, there is no standard account for why people choose to leave an organization. This turnover phenomenon is epidemic in the industry and this study is designed to fill a gap in the hospitality and fast food literature. Additionally, this is the first such study of the Malaysian fast food context and will significantly contribute to the literature on the importance of intention to leave determinants to predict turnover.

REVIEW OF THE LITERATURE

Superior subordinate communication behaviors are usually referred to as a process and interaction that have been practiced by a superior towards his/her subordinates with an objective to achieve task objectives and to maintain their relationship (Miles, Patrick, & King, 1996). Miles et al. (1996) employ four separate dimensions of superior-subordinate communication behaviors. These dimensions are positive relationship communication, upward

openness communication, negative relationship communication and job-relevant communication. (Bakr & Rowe 2015).

LMX focuses on the quality of the supervisor-subordinate relationship, and the reciprocal social exchanges that build, cultivate, and maintain that relationship. According to LMX theory and research, supervisors may have high-quality relationships with some subordinates (the in-group), characterized by the exchange of quality resources such as information, support, trust, rewards, and effort (Liden, Sparrowe, & Wayne, 1997), or may have low-quality relationships with other subordinates (the out-group), characterized by the absence of quality resource exchanges (Dienesch & Liden, 1986). In low-quality LMXs, employee performance tends to reflect the formal role requirements as specified in the job description (Liden & Maslyn, 1998). However, in high-quality LMX relationships, supervisors get subordinates to help them with various tasks by offering them desirable inducements such as influence and support (Graen & Scandura, 1987). High-quality LMXs can be considered established partnerships, and are characterized by behavioral and emotional exchanges of loyalty and support (Graen & Uhl-Bien, 1995).

Job satisfaction is the collection of feeling and beliefs that people have about their current job. People's levels of degrees of job satisfaction can range from extreme satisfaction to extreme dissatisfaction. In addition to having attitudes about their jobs as a whole. People also can have attitudes about various aspects of their jobs such as the kind of work they do, their coworkers, supervisors or subordinates and their pay (George, Louw, & Badenhorst, 2008).

Turnover is very difficult to predict and questions remain unanswered as to why actually the employees left. Turnover intention refers to an individual's estimated probability to leave his or her current organization at some point in the near future (Brough & Frame, 2004). It is argued that intention to quit is a strong surrogate indicator for actual quitting behaviour (Firth, Mellor, Moore, & Loquet, 2004). Price and Muller (1981) recommended the use of turnover intention over actual turnover because the latter

is more difficult to predict as there are many external factors that affect turnover behaviour.

METHODS AND PROCEDURES

Quantitative approach has been used for this research. A structured questionnaire will be used as an instrument in gathering the required

CONCLUSION

The main objective of this study will to identify determinants of employees' turnover intentions in the fast food industry of Malaysia. Despite an increasing amount of research on labor turnover and employee's intentions to quit their jobs in the hospitality literature, very few have clearly highlighted potential determinants on intent to leave a job in the fast food industry of Malaysia. So, this research will provide a details discussion that how better superior subordinate communication and LMX quality help to increase employee job satisfaction and reduce employee turnover.

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