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An Analysis of Employee Turnover in a Selected Multi-unit Retail Institution

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AN ANALYSIS OF EMPLOYEE TURNOVER
IN A SELECTED MULTI-UNIT RETAIL INSTITUTION

AN ANALYSIS OF EMPLOYEE TURNOVER
IN A SELECTED MULTI-UNIT RETAIL INSTITUTION

A dissertation submitted in partial
fulfillment of the requirements for the degree of

Doctor of Philosophy

by

Stephen Coleman Garrott, B.S., M.B.A.
Murray State University, 1965
Murray State University, 1968

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University of Arkansas

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Chapter I

INTRODUCTION

Management scientists and practitioners have attempted for years to examine and solve the problems of employee turnover. However, evidence thus far denotes that their efforts have met with little success. During the 1960's, for example, the national quit rate rose from 1.3 to 2.4 quitters per hundred people employed.¹

Retail employee turnover has been and continues to be a problem for the retail industry. It has been an accepted fact that the retailing industry has a high rate of turnover among its employees. One author reported that turnover rates of 35.5 percent for full-time employees and 99.4 percent for part-time employees were not uncommon in retail chain organizations.² Another author noted in a survey of 183 supermarkets that the average annual turnover was 30 percent for full-time hourly employees and 110 percent for part-time employees.³

Excessive quit rates not only reduce employee productivity but, due to the related costs, place a considerable drain on company profits.

¹U.S. Bureau of Labor Statistics, Monthly Labor Review, LXXXIV, No. 3 (March, 1971), Table 15, p. 98.

²Jerry Levine, "Labor Turnover," Personnel Administration, XII (November-December, 1970), p. 32.

³B. W. Marion and S. E. Trieg, "Job Orientation--A Factor in Employee Performance and Turnover," Personnel Journal, XXXVIII, No. 9 (October, 1969), p. 799.

After a brief survey of the literature and interviews with various managers of major retail organizations, it was apparent to the researcher that employee turnover was a serious and costly problem of the retail industry.

Statement of the Problem

Employee turnover has been a significant problem confronting major retail organizations for a long time. National turnover rates categorized by "types of business," consistently rank "retail services and distribution" among the highest. For example, the 1973 Administrative Management Society Turnover Survey computed the retail turnover rate at 25 percent as compared to manufacturing rates of 16 percent.⁴

When an employee leaves a store, the manager is faced with a number of problems. First, the manager must find a suitable replacement and train him in a reasonable period of time. Second, the manager must insure that the department or area affected maintains sales at its former level. Third, and possibly most important, employee turnover increases the operating costs of the organization. If the quit rate of a store is high, the managers must contend with a constant problem of replacement and training.

As was previously stated, high turnover rates increase the operating costs of the firm. The exact amount of the increased cost

⁴David Dailey, "1973 AMS Office Turnover Survey" Management World, XX (October, 1974), p. 3.

is difficult to ascertain because the "cost of turnover" is many times partially included in other costs or expenses. For example, the vacating employee may cause increased direct labor costs due to the inefficiency of the new replacing employee and a possible increase in the supervisory work load in the department or area. This decreases the productivity of the department and increases the direct labor expense.

One author suggested that the costs to retail organizations per turnover range from \$78.16 to \$134.11.⁵ Other studies, pertaining mainly to non-retail turnover, place a greater cost for each termination. One study suggested that when all direct and indirect expenses are calculated, the cost per termination can range between \$500 to \$5,000.⁶ The full cost of labor turnover is not routinely calculated and reported by many companies. Allan C. Janoff suggested that firms should use a cost control chart to more accurately analyze employee turnover and replacement costs. He stated that a labor turnover cost control chart would be useful to the firm to denote labor turnover expense areas which could be reduced and to more accurately budget expected expense areas.⁷ Thus, as labor costs rise due to greater entrance wage rates,

⁵Levine, "Labor Turnover", p. 32.

⁶F. F. Fournies, "The Real Reasons People Quit," Administrative Management, XXX (October, 1969), p. 44.

⁷Allan C. Janoff, "Reducing Labor Turnover Costs," CPA Journal, XLV, No. 11 (November, 1975), p. 75.

employee orientation, and other labor related costs, the problem to retailing becomes even more significant.

Retail firms which experience high turnover rates due to voluntary quitting are not only reducing their employee efficiency, but they are also reducing their competitive positions as well. If the quitters remain in the retailing industry, the company that gains the employees gets a trained employee at another company's expense. Ray A. Killian approached the problem of retail employee turnover from another viewpoint. He noted that high turnover rates cause inconsistency in the customer's perception of the firm. For example, if the firm experiences a 25 percent employee turnover rate, the customer has one chance in four of getting a new salesperson who may not be yet adequately or fully trained in the procedures of the store. Killian further noted that not all employee turnover should be viewed as detrimental to the organization. There will be some firm initiated separations, employee deaths, illness, and retirement. Also, some employee turnover tends to generate fresh and new ideas for the organization.⁸

Even though it is generally agreed that some turnover is beneficial to the firm, excessive labor turnover is commonly recognized as being disruptive to the organization, resulting in decreased employee morale and increased labor costs.

⁸"Increasing Store Efficiency," Stores, National Retail Merchants Association, New York (June, 1975), p. 12.

Justification of the Study

This study was related to employee turnover, which is a serious problem confronting retailing organizations. Judging from the existing treatment of employee turnover by one large southeastern retail organization,⁹ it was apparent to the researcher that attempts to determine the reasons for the terminations had not been adequately or fully pursued in all cases. Also, there existed very little significant research related to employee turnover in the retailing industry.

The potential value of this research would be to provide some insights into the variables that influence employee turnover for Southern Stores and possibly other retail stores. By identifying some real and meaningful reasons for employee turnover, retail organizations will be in a better position to cope with the problem.

The Study Approach

The approach of this study was to (1) statistically examine the employee turnover of a large retail organization, (2) determine whether the reasons for termination as noted by the managers/supervisors were valid (i.e. most managers had a hypothesis or "reason" for quits), (3) examine the post-termination procedure of the firm to determine whether it is a reliable tool for obtaining turnover reasons

⁹For purposes of clarity and continuity, the author will refer to the retailing organization utilized in the research as Southern Stores. It was requested by the participating organization that its name not appear in the study.

and identifying "problem areas" within the organization, and (4) examine the personal characteristics of short-term and long-term quitters.

Definition of Terms

Throughout the study various terms will be utilized. Some of these terms will have meanings denoted by the author which are essential to the understanding of this study. These definitions are as follows:

1. Employee turnover. This term denotes the number of individuals who voluntarily terminated their employment with Southern Stores. For the purpose of this study, the term will not be inclusive of those individuals who were terminated by the initiation of the company (i.e. transferred, fired, reduction in work force, etc.). This term will also exclude "unavoidable" terminations such as retirement, death, and disability.

2. Quits. This term will refer to employee turnover as was previously defined.

3. Turnover rate. For the purpose of this study the turnover rate will be calculated as follows:

$$\frac{\text{Total voluntary separations}}{\text{Average annual employment}} \times 100$$

4. Quit rate. This is the official term of the United States Bureau of Labor Statistics used to denote the calculation of the "Turnover rate" as was previously defined.

5. Short-term quitters (quits). This term refers to those employees who terminated their positions with Southern Stores in ninety (90) calendar days or less following their date of hiring.

6. Long-term quitters (quits). This term will denote those employees who terminated their positions in 365 calendar days (one year) or more following their date of hiring with Southern Stores.

Scope of the Study

This study was directed toward employee turnover in a selected retailing organization. This study was not an attempt to evaluate the individual managers or units of the organization, but was an attempt to view the problem objectively and place it in the proper perspective to the organization. Individuals or specific store units utilized in the research will not be named but will be referred to by a code number.

The retailing organization that graciously assisted in this study wished to remain anonymous. To comply with this request, the author used a fictitious name, as was previously noted, to refer to the organization.

Limitations of the Study

Due to the nature of the study the author encountered and imposed several limitations on the research. These limitations were as follows:

1. Very little secondary data was available relative to employee turnover in retailing. Also, virtually no secondary data existed in relation to employee turnover in specific retailing organizations.

2. Due to company and federal regulations, specific employee data was limited.

3. There seemed to be a lack of uniformity in the analysis and calculation of employee turnover in the selected retailing organization.

4. Since a case approach was utilized in the research, the author imposed certain limitations on the time span and the geographic region incorporated. The specific criteria that was used in the study will be presented in a more comprehensive manner in a following section.

Hypotheses

The following hypotheses were tested in this study:

1. People do not always tell the company their true reasons for terminating their employment.

2. Management does not always have a true perception of why employees voluntarily terminate.

3. Short-term quitters terminate for different reasons than long-term quitters.

4. Employees who quit before obtaining another position terminate for different reasons than those who find a new position before they terminate.

5. The demographic characteristics of sex, marital status, and age can be used to predict whether an applicant is a potential short-term or long-term employee.

Plan of Presentation

A review of the literature which provided the background for the study will be presented in Chapter II. In Chapter III, the methodology incorporated in the research will be presented. In this chapter, the research plan, the mail survey, and the methods of analysis will be discussed.

The findings denoted from the analysis of the data that was utilized in the research will be presented in Chapters IV and V. The findings will then be applied to test the hypotheses presented in the study. The first and second hypotheses will be analyzed in Chapter IV. The third, fourth and fifth hypotheses will be analyzed in Chapter V. Also in these chapters, a discussion of the termination procedures of Southern Stores will be included as it is appropriate to the findings. These chapters will also present some of the "comments" obtained from the questionnaires that were returned by the respondents to the mail survey. These sample comments provide a correlary to the findings and gave further insights to the results of the statistical analysis.

In Chapter VI, additional findings derived from the collection of the data will be presented. These findings are not directly related to the evaluation of the hypotheses in the study. But, they are intended to give the reader some additional insights into the problem of employee turnover as related to the specific case analyzed.

In the final chapter, a summation of the results of the study will be presented. This chapter will also include the conclusions, recommendations, and implications that were derived from the research.

Chapter II

REVIEW OF THE LITERATURE

Even though earlier studies have provided valuable information, employee turnover is still a serious problem. It was noted in the review of the literature that little published research exists in relation to employee turnover in the retailing industry. Most of the literature examined employee turnover in relation to a specific industry, usually manufacturing oriented. A store manager of Southern Stores suggested that the lack of turnover data in retailing results from the fragmented nature of the industry and the reluctance of retailers to openly admit to the magnitude of the problem.

According to Gordon C. Inskeep, interest in employee turnover "ebbs and flows."¹⁰ Employee turnover becomes an important issue during periods of economic expansion and manpower shortages. Frederick J. Gaudet charted the number of articles that were published on employee turnover. He found that during the period between 1915 and 1958, interest shown in the subject ranged from a high of ninety-four articles in 1918 to a low of one article in 1933. Gaudet notes that

¹⁰Gordan C. Inskeep, "Statistically Guided Employees Selection: An Approach to the Labor Turnover Problem," Personnel Journal, XXXIX, No. 1 (January, 1970), p. 15.

in more recent years, there have been between ten and twenty articles published annually related to employee turnover.¹¹

Most prior studies have been fairly narrow in scope, examining only one particular factor that might be the cause of employee resignations. When a particular study discovered a plausible relationship existed between employees' leaving and a suspected cause, the impression was given that only this factor need be controlled in order to correct the situation. This false idea could be a possible reason as to why the manager sometimes views the problem to be beyond his control. This conviction was confirmed in the interviews the author conducted with various retail store managers. They "hypothesized" that most turnover was a phenomena externally related to the organization.

Past studies analyzing employee turnover tended to concentrate on three areas: (1) the overall business environment; (2) company personnel and management procedures; and (3) the employee.

In 1957 Sidney Goldstein showed that on an overall basis the quit rate has a direct relationship to business activity and an inverse relationship to the unemployment rate. Goldstein's study indicated that when business activity is high and the unemployment rate is low, the quit rate rises.¹² Vladimar Storkov and Robert Ramon also noted

¹¹ Inskip, "Statistically Guided...", p. 15.

¹² Sidney Goldstein, "An Economic Appraisal of Aggregate Labor Turnover in Manufacturing, (unpublished Ph.D. dissertation, The American University, 1957) cited in University Microfilms, Dissertation Abstract International (The Humanities and Social Sciences, Vol. 17, 1708), Ann Arbor: University Microfilms, 1957, p. 1688.

a correlation between economic activity and the quit rate. They found that between 1963 and 1966 the quit rate for wage and salaried manufacturing employees rose from an average monthly rate of 1.4 to 2.6 workers per hundred.¹³

In a 1973 study of turnover in manufacturing industries, Fred Fry noted an inverse relationship of unemployment to quits. However, he concluded that the quits were less closely related to economic conditions during periods of low growth than during periods of expansion. He also found that lay-off rates were inversely related to quits. Overall, Fry concluded that it was management policies such as layoff decisions and working conditions, not economic conditions, that were the major factors contributing to turnover.¹⁴

Other studies have shown that companies can do a great deal to control their resignation rates. Coffey, in a study of 197 industrial firms in the Chicago area, revealed that companies can alter their environment, thus reducing resignation rates. The study noted that by using various controls and techniques such as fringe benefit packages,

¹³Vladimar Storkov and Robert Raimon, "Determinants of Differences in the Quit Rate Among Industries," American Economic Review, LXIII, No. 5 (December, 1968), p. 1293.

¹⁴Fred L. Fry, "More on the Causes of Quits in Manufacturing," U.S. Bureau of Labor Statistics, Monthly Labor Review, LXXXVI, No. 6 (June, 1973), p. 48.

weighted application forms and post-exit interviews, some firms actually reduced their turnover rates.¹⁵

Many studies direct the problem of turnover to management's treatment and orientation of the employee. Many firms, especially retailing oriented companies, utilize the "Theory X" style of management. This assumes the average worker dislikes work and will avoid it. Management must coerce, control, and direct the employee toward the company's goals. This theory also purports that the average employee wants security and prefers to avoid responsibility. "Theory Y" represents a contrasting style of management. This theory assumes people will exercise self-direction and control in the achievement of the organization's objectives.¹⁶

Rensis Likert conducted a study in which he found production costs to be higher when management utilized "Theory X." Associated with these higher production costs was employee turnover.¹⁷ In another study Fleishman and Harris supported Likert's conclusions. They found that

¹⁵Edward Coffey, "Labor Turnover: Its Control and Importance to Management," (unpublished Ph.D. Dissertation, University of Illinois, 1963) cited in University Microfilms, Dissertation Abstract International, Vol. 2412, No. 196, p. 5048.

¹⁶Douglas McGregor, The Human Side of Enterprise, (New York: McGraw-Hill Company, Inc., 1960), pp. 33-34.

¹⁷Rensis Likert, "Patterns in Management," General Management Series #6, AMA, Inc., 1955, quoted in E. A. Fleishman, Studies in Personal Industrial Psychology (Homewood, Illinois: The Dorsey Press, Inc., 1961), pp. 348-349.

when management was production oriented and neglected people, turnover rates and grievances increased.¹⁸

Even in light of these findings the quit rate has continued to rise in the past decade. Thus, either companies ignored the findings of Likert and others or turnover is a result of more than simply improper supervision.

In 1954, a study by Kerr and Smith concluded that wages and supervision were the most important reason for employee resignations.¹⁹ In another study, Kahl obtained similar findings. He surveyed executives of over 100 Wisconsin businesses during 1966-1967. The results of the study indicated that the average employee quit was due to frustration. This frustration, he stated, was due to the employee lacking the knowledge of what was expected of him and dissatisfaction with wages. Kahl also noted that other factors causing quits were inadequate training and defects in selection and orientation of employees.²⁰

Another factor for turnover purported by the literature is management's lack of communication with the employee. Kilwein concluded that at the time of employment there is a lack of understanding between the employer and the employee. He stated that many times the employee does

¹⁸E. A. Fleishman and E. F. Harris, "Patterns in Leadership Behavior Related to Employee Grievances and Turnover," Personal Psychology (Spring, 1962), p. 55.

¹⁹W. A. Kerr and F. J. Smith, "Employee Grievances Analyzed," Personnel and Guidance Journal (December, 1954), p. 222.

²⁰K. L. Kahl, "What's Behind Employee Turnover," Personnel (September-October, 1968), pp. 53-54.

not really understand the job or working conditions. Also, the employee often has a mistaken impression about the job and the conditions. When the employee realizes his mistakes, he quits.²¹

In another study, Benton analyzed turnover in a firm whose wages and conditions were assumed to be above the local averages. He traced the cause of turnover to the supervisors' performance in the orientation of new employees. There was a relationship between supervisors who did not properly inform employees about their new jobs and the working environment and resignations of the new employees. It should be noted that Benton did not mention how he arrived at his conclusion and what other causes, if any, he analyzed.²²

Marion and Trieb followed the studies of Kilwen and Benton by analyzing the relationship of the orientation of new personnel and their subsequent resignation or success with the firm. In a study of supermarket employees, the authors isolated job orientation as an independent variable in the cause of turnover. They found that the manager and the immediate supervisor could reduce employee dissatisfaction by carefully orienting the employee to his new job and his work environment. Marion and Trieb suggested that job orientation must take place at the store level, and that

²¹John H. Kilwein, "Turnover as a Function of Communication During Employment Procedure," Personnel Journal, XXXXI (October, 1962), p. 458.

²²Lewis R. Benton, "Why New Employees Quit," Supervisory Management, XIV, No. 1 (January, 1967), pp. 13-14.

a well developed program could have an effect on employee performance, satisfaction, and turnover.²³

Scott in a more recent study, confirmed the findings of Kilwein, Benton, and Marion and Trieb. After a review of the literature, he noted that evidence indicated a relationship between job expectancies and turnover. Scott reviewed studies on turnover of a manufacturing firm, a supermarket, and a life insurance company. It was found that turnover rates were significantly reduced when the firms initiated new procedures, including a detailed orientation interview to acquaint new employees with what would be expected of them. Thus, he concluded that a firm's failure to correct unrealistic expectations, due to the inadequacy of a company's orientation program, results in excessive turnover and unnecessary expense.²⁴

Even though Scott and others assumed the pay and working conditions were not the primary causes, other studies have attempted to show that these factors are indeed related to employee turnover. Kilbridge, in a study of two midwestern manufacturing firms, attempted to determine the relationship between repetitive work and employee turnover. The findings were mixed. In one plant repetitive jobs experienced higher turnover rates. In the other firm turnover rates were similar for all the types of

²³B. W. Marion and S. E. Trieb, "Job Orientation--A Factor in Employee Performance and Turnover," Personnel Journal, XXXXVIII, No. 9 (October, 1969), p. 831.

²⁴Richard D. Scott, "Job Expectancy--An Important Factor in Labor Turnover," Personnel Journal, LI, No. 5 (May, 1972), p. 361.

work. Thus, Kilbridge did not firmly identify repetitiveness of work as a primary cause of turnover.²⁵

Research also seems to be inconclusive concerning the relationship of pay and employee turnover. Jacobson's study noted that managers of retail operations purported that salary and working conditions were the primary causes of employee dissatisfaction. On the other hand, employees cited lack of belongingness and lack of understanding of personal problems by the supervisor as the primary causes.²⁶

Snelling noted that when money is the key factor in a job change, and not just a convenient excuse, it is usually a matter of necessity. He concluded that often the employee is guilty of not revealing new financial burdens to his employer. Just as often, the employer is guilty of complete disregard of the employee's changing money needs.²⁷

Another study found a relationship between low levels of earnings and employee turnover. Armknecht and Early found lower paying industries tended to have higher turnover rates. It was noted that the study included only the years when economic expansion was being experienced; thus, employees had a higher probability of locating a

²⁵Maurice D. Kilbridge, "Turnover, Absence, and Transfer Rates as Indicators of Employee Dissatisfaction with Repetitive Work," Industrial and Labor Relations Review, XV, No. 1 (October, 1961), p. 22.

²⁶Howard B. Jacobson, "A Motivating Store Environment," Stores (October, 1970), p. 16.

²⁷Robert O. Snelling Sr., "Seven Ways to Turn Off Turnover," Nation's Business, LVIII, No. 10 (October, 1970), p. 58.

higher paying job.²⁸ Also, it was usually found that it was lower paying industries which employ the "Theory X" style of management. As was noted previously, the management style could be the cause of employee dissatisfaction resulting in increased turnover.

Parsons obtained yet another conclusion in relation to wages and the quit rate. In a study of 27 manufacturing firms, he analyzed quits in a ten-year period from 1959 to 1968. Parsons concluded that changes in a worker's own wage rates had no systematic affect on the quit rate. He hypothesized that because of informational time lags, the changes in wage rates of firms other than the worker's does not significantly affect his decision to stay or quit. Parsons concluded that the rate of quits in the firms studied were related to factors such as fluctuations in job openings, industry demand, and the season of the year.²⁹

In a study of employee turnover in hospitals, it was found that a hospital paying an average of \$50 higher per month per job class actually experienced a higher turnover rate than other hospitals in the area. The study noted that, in a post-termination interview, only 15 to 20 percent of employees who had quit cited salary as a reason for leaving.³⁰ The authors

²⁸Paul A. Armknecht and John F. Early, "Quits in Manufacturing: A Study of Their Causes," Monthly Labor Review, U.S. Bureau of Labor Statistics, LXXXV, No. 11 (November, 1972), p. 34.

²⁹David O. Parsons, "Quit Rates Over Time: A Search and Information Approach," American Economic Review, LXIII, No. 6 (June, 1973), p. 401.

³⁰D. L. Howell and G. T. Stewart, "Labor Turnover in Hospitals," Personnel Journal, LIV, No. 12 (December, 1975), p. 637.

actually confirmed the results of previous studies in that management orientation to the employee was a key factor in termination.

It must be recognized that many of the previous studies relied on what the resigning employees stated at the time of termination, and their answers may have been a source of bias. McNaughton found that respondent bias may occur when people are interviewed at the time they resign. In a study of turnover in a manufacturing facility, he found that 52 percent of the workers interviewed admitted giving other than true reasons for leaving at the time they left. Upon leaving, most workers simply gave polite excuses such as "a job with more money" or "family moving."³¹

Estes obtained similar results in a study of three Houston, Texas firms--an insurance company, a department store, and a manufacturing firm. Through the use of questionnaires, he found that the firms varied in their success in attempting to obtain true reasons for quitting. The insurance company was the most successful, obtaining true reasons 76 percent of the time. The department store and the manufacturing firm were less successful, obtaining true reasons 52 percent and 22 percent respectively. Thus, as Estes noted, if management is not careful in

³¹Wayne L. McNaughton, "Poor Supervision Makes Workers Quit, Though They Won't Say So," Business Week, No. 1412 (September 22, 1956), p. 105.

their attempt to secure valid reasons for employee quits, the information is not very useful.³²

In a 1969 study of turnover in a retail chain organization, Levine also supported the conclusion of McNaughton and Estes that employees tend to bias the reasons they give to the firm at the time they quit. He found in questionnaires mailed to employees who had terminated voluntarily that their responses to "reasons for quitting" in the questionnaire did not, in most cases, match the reasons stipulated in the employee's personnel file.³³ Levine's study also showed the feasibility of using a post-termination questionnaire as a reliable tool for management in obtaining true reasons for employee resignations. He selected a sample of the individuals who returned post-termination questionnaires and he then conducted personal interviews. He noted that all the individuals interviewed gave identical reasons for termination in the personal interview as they had done prior in the post-termination questionnaire.³⁴

As was noted previously, much research has been concentrated on the areas of the business environment and management policies

³²J. E. Estes, "A Study of the Effectiveness of the Exit Interview in Determining the Causes of Labor Turnover" (unpublished Ph.D. Dissertation, The University of Texas, 1960), cited in University Microfilms, Dissertation Abstract International, Vol. 2412, p. 5048.

³³Levine, "Labor Turnover", p. 36.

³⁴Levine, "Labor Turnover", p. 36.

and procedures as factors influencing employee turnover. However, consideration must be given to the people themselves. Some people quit because they are not inclined toward long-term employment. Studies directed toward this aspect of turnover have tended toward the concept of identification of long-term employees and short-term employees.

Fleishman and Berniger attempted to distinguish long-term employees from short-term employees through the use of a weighted application form. They compared the characteristics of sixty long-term employees to those of sixty short-term employees who had resigned. Through the use of frequency tables, they found that certain personal characteristics could be used to differentiate the employees. These characteristics were age, address, marital status, type of employment of spouse, number of languages spoken, typing ability, and number of outside interests. Simple arbitrary weights were assigned to each characteristic and a weighted application form was developed, tested, and approved.³⁵

Stanbury also used personal characteristics in an attempt to identify individuals who were potential quitters. He examined the characteristics of 411 workers who had resigned and separated them into two groups. One group was the uncontrollable quitters. These were the employees who would have quit regardless of the action the

³⁵E. A. Fleishman and Joseph Berniger, "Using the Application Blank to Reduce Office Turnover," Personnel, XXXVII (October, 1960), pp. 35-36.

organization might have taken. The controllable group was comprised of those who would have stayed if some factor such as salary or type of work could have been changed. He studied the 128 people identified as controllable quitters and from the data ascertained three significant characteristics: (1) 68 percent were in the lowest job levels while only 36 percent of all the company's employees were at this level, (2) these quitters were under 25 years of age, and (3) this group had superior scores on a test that was administered at the time of hiring.³⁶

Stanbury's article did not attempt to ascertain the characteristics of the 283 people in the uncontrollable group. This was the group that left for no apparent reason. If they could have been identified at the post-hire interview, the company's turnover rate might have been significantly reduced.

Stanbury agreed with the finding of Fleishman and Berniger on the characteristic of age. Both studies concluded that age is a significant factor. Fleishman and Berniger stated that individuals under 30 were in the quit group.³⁷ Stanbury's quit group included everyone under the age of 25.³⁸

³⁶William F. Stansbury, "What Causes Clerical Turnover," Personnel Journal, XXXXVIII, No. 12 (December, 1969), pp. 978 and 980.

³⁷Fleishman and Berniger, "Using the Application...", p. 41.

³⁸Stansbury, "What Causes Clerical...", p. 980.

Inskeep, in his study of eight southern garment plants, compared the personal characteristics of 848 female long-term employees to 1027 female quitters. Through the use of various statistical techniques, he selected characteristics that were related to longevity of employment. These characteristics were age when hired, home ownership, prior work experience, and level of education.³⁹ Inskeep agreed with the others that personal characteristics have significance and he also agreed with Stansbury that applicants 25 years of age or younger are more likely to be short-tenured employees.

Robbins also concluded that personal characteristics affect employee longevity. His study on management procedures and personal characteristics covered five western Arkansas plants, and showed that the characteristics that could be used to predict tenure were age, marital status, and sex. Robbins found that the under 30 single males quit more frequently than any other age group. Robbins' review of the management procedures showed that managers needed to be trained in human relations; exit interviews needed to be used more effectively; and orientation programs and job training programs needed to be expanded or installed.⁴⁰

³⁹Inskeep, "Statistically Guided...", p. 21.

⁴⁰Raymond Robbins, "An Analysis of High Labor Turnover in Expanding Industrial Labor Market," (unpublished Ph.D. Dissertation, The University of Arkansas, Fayetteville, 1969), p. 71.

Robbins study did go further than other studies as he concentrated on more than just one factor. A company trying to identify and solve its turnover problem must examine not just one factor but all possible causes. Calvasina, in a later study, examined one company's turnover problem over a definite period of time rather than concentrating on one particular cause over a wide range of companies at a particular point in time. He purports that it is only through an overall approach that a company can effectively interpret and reduce its overall turnover rate.⁴¹ Calvasina's research suggested that turnover problems are unique to the individual organization. Thus, such factors as business environment, manpower policies and procedures, and the characteristics of the employees themselves contributing to turnover of a particular firm may not apply to other firms.

Although diverse in their findings and conclusions, the review of the literature noted that all the authors recognized that employee turnover is a serious and costly problem to the organization. In a recent article, Lawler suggested that possibly the problem is serious enough to warrant government intervention. He purports that firms should publicly report on the quality of their work life e.g.--their rates of turnover, absenteeism, alcoholism, etc. Then after measurable

⁴¹Richard V. Calvasina, "Case Study Analysis of an Expanding Industrial Concern's Labor Turnover," (unpublished Ph.D. Dissertation, The University of Mississippi, 1973), p. 163.

standards are developed, the organization would be subject to fines if they produce a negative social outcome.⁴²

In summation, the review of the literature noted that very little research on employee turnover was directed toward the retailing industry. The studies that were noted tended to be fairly narrow in scope concentrating on one specific element such as salary or employee orientation. The research developed in this study, utilizing a case approach, will attempt to contribute to literature by examining turnover in a retailing organization from an overall approach. By testing the hypotheses, perhaps it will be possible for the management to apply the findings of this study in the following ways:

- (1) To be able to put the problem in a more realistic perspective in terms of cost and magnitude.
- (2) To more effectively direct managerial action toward the reduction and control of employee turnover.

⁴²Edward E. Lawler III, "Should the Quality of Work Be Legislated?" The Personnel Administrator, XXI, No. 1 (January, 1976), p. 17.

Chapter III

RESEARCH METHODOLOGY

This chapter will introduce and explain the research methodology used in conducting this study. The chapter will also include a discussion of the research plan, questionnaire design, data collection procedure, and method of analysis employed in analyzing the data and testing the hypotheses stated in an earlier chapter.

Research Design

The study utilized both secondary and primary data. The initial step in the research plan was a review of the literature. This was to provide a survey of the previous findings and research in the area of employee turnover with specific emphasis directed toward the retailing industry.

The next step in the research plan was the selection of a major multi-unit retailing organization to provide a basis for the primary research utilized in the study. It should be noted that this step presented the researcher some difficulty as most major retailing organizations were reluctant to permit access to their files for the purpose of academic research. After several discussions, Southern Stores consented to allow the researcher access to the data required to conduct the research.

Southern Stores granted the researcher access to the files of the terminated employees as long as several conditions were observed.

The files were not to be removed from the store or photographically reproduced in any manner. These files were located in the individual units of a nine-store district located in the southeastern region of the United States. The district encompassed six cities located within a three state area. The stores were given code numbers from 1 through 9 and were located in the states of Alabama, Georgia, and Florida.⁴³ The names of the stores and their corresponding cities were omitted upon the committee's request to avoid possibility of the actual identification of Southern Stores.

Each store was a full-line operation of Southern Stores merchandising soft goods, hard goods, and (with the exception of one store) operating automotive service centers.

Southern Stores maintained an active file on their terminated employees, both voluntary and company-initiated, for a period of seven years from the date of termination. This file contained information such as the employee's last known address, date of hire, marital status, age, pay rate, promotion record, and date and reason of termination. This information was summarized on a computer work sheet. A sample copy of this work sheet is shown in Appendix A.

From the work sheet the researcher was able to ascertain whether the individual had voluntarily terminated and the reason for the termination

⁴³This code number will be utilized throughout the study for the purpose of individual unit identification.

as noted by the personnel manager/supervisor. From the work sheet the researcher was also able to identify the employee as a part-time or full-time employee.

The completion of the review of the store files resulted in 1217 employee records which met the criteria of the research. The number of employees and the corresponding store numbers are listed below:

<u>Store No.</u>	<u>Terminations</u>
1	48
2	154
3	150
4	67
5	112
6	337
7	203
8	68
9	78

Instrument Design

The researcher utilized two questionnaires to obtain the primary data for the study. The first questionnaire was administered in a personal interview with each store personnel manager or supervisor at the time of the store visitation. A sample of this questionnaire is found in Appendix A. The main purpose of these interviews was to obtain the personnel manager's views on employee turnover and the various methods they employed to reduce the problem.

The second survey instrument used in the research was a single-page questionnaire mailed to 1217 terminated individuals obtained from the review of the stores' files. A sample of this questionnaire is included in Appendix A. The number of individuals who fit the criteria of the research was within a range that the universe could be utilized rather than employing sampling techniques.

This questionnaire was designed to survey eight topic areas in relation to the parameters of the research. It was designed so that it could be photographically reduced to a single 8½" by 11" sheet. It was felt that it would enhance the return rate of the questionnaire if it was limited to a single page. This conclusion was also based on the characteristics of the universe surveyed. These individuals were primarily high school graduates and semi-skilled workers.

The questionnaire was also designed to be answered in a relatively short period of time by using primarily "yes-no" responses or a choice selection on a semantic differential. It was felt that this would enhance the return rate of the survey instrument. According to Erdos, the appearance of a questionnaire and the number of pages influence the return rate. He noted that questionnaires that appear to "look easy" achieve significantly higher response rates.⁴⁴ Space was also given to allow the respondent to expand or give an additional response to the questionnaire.

⁴⁴Paul L. Erdos, Professional Mail Surveys (New York: McGraw-Hill Book Company, Inc., 1970), p. 256.

Each questionnaire that was mailed was coded with an identification number. This code number served several purposes. First, it denoted the individual store unit with which the terminated employee was associated. Second, it allowed the researcher to cross reference the respondent to the demographic data obtained from the review of the store files. This code number also denoted which individuals were not still located at the address given in the files.

The questionnaire was accompanied by a cover letter. A copy of the cover letter used is presented in Appendix A. The cover letter attempted to disguise the fact that Southern Stores was the only participant in the study. It was felt that this would help reduce respondent bias that might occur if the respondent thought the questionnaire originated from Southern Stores.

In an attempt to further enhance the return rate from the universe, a self-addressed, stamped envelope accompanied the questionnaire. A copy of the return envelope is found in Appendix A. It was hoped that the utilization of this type of return envelope and the corresponding address would further disguise the participation of Southern Stores in the research.

The Mail Survey

A total of 1217 questionnaires were initially mailed. The mailings were divided into three groups composed of three stores each. Each group was mailed in two week intervals to allow for a more efficient handling and recording of the returns.

Of the 1217 questionnaires initially mailed, 411 were returned as "undeliverable" for various reasons such as "moved--no address", "deceased", or "insufficient address." Each of these returns were then checked against the current telephone directory of the corresponding city. If a more current address was found, the questionnaire was re-mailed. This resulted in a reduction of the "undeliverable" mailings from 411 to 369. No attempt was made to continue the re-mailing process after the second mailing due to time and cost considerations. It should be noted that the "undeliverable" rate of 30.3 percent was not unexpected due to the time span used in the research and the nature of universe, such as many young and single individuals.

Eight hundred and forty-eight questionnaires were not initially returned as "undeliverable." Therefore, the researcher assumed these questionnaires were correctly delivered. Of the 848 questionnaires assumed delivered, a total of 284 were completed and returned in the time frame allotted by the researcher. This number of returns resulted in a net return rate of 33.5 percent. The net return rates on an individual store basis are listed in Table 1 on page 33.

Due to the nature and purpose of the questionnaire and the characteristics of the universe surveyed, the net return rate of 33.5 percent was gratifying to the researcher. Also, the researcher was especially pleased with the responses to the "comments" section of the questionnaire. Many of the respondents utilized this space, the margins, and even the reverse of the questionnaire to make additional remarks or further

Table 1

Net Questionnaire Return Rates Per Store

Store Number	Gross Mailing	Net Mailing (Less: Undeliverable)	Questionnaires Returned	Net Return Rate
1	48	35	16	45.7%
2	154	117	41	35.0%
3	150	104	28	26.9%
4	67	50	14	28.0%
5	112	77	32	41.6%
6	337	225	87	38.7%
7	203	141	36	25.5%
8	68	49	15	30.6%
9	<u>78</u>	<u>50</u>	<u>15</u>	<u>30.0%</u>
Total	1217	848	284	33.5%

elaborate on a specific point. In several cases, the respondents even attached additional pages after using all of the available space to note additional comments. These comments will be included in the following chapters of the study where appropriate.

In addition to the primary data gathered through the methodology previously discussed, selected secondary data sources and literature review information will be utilized when applicable to the analysis of the data. This will be for the purpose of facilitating the clarification and interpretation of the survey results.

Plan of Analysis

The demographic data related to the 1217 individuals initially obtained from the store visits was coded and punched on a deck of data cards. The responses to the questionnaires were also coded and punched on a second deck of data cards. This was to facilitate the handling of the data obtained from the two sources. A third deck of cards was developed by combining the responses to the questionnaires with the corresponding demographic profiles of the related individuals.

The methods of analysis contained herein were facilitated through the use of computer programs available in the SPSS (Statistical Package for the Social Sciences) package compiled by Norman H. Nie.⁴⁵

⁴⁵Norman H. Nie, Statistical Package for the Social Sciences (New York: McGraw-Hill, Inc., 1975).

The first objective of the analysis of the data will be to examine the frequency characteristics of the variables under investigation. Frequency distributions and other descriptive statistics will be computed by individual stores and by a total of all stores. This will be to measure any significant differences in the demographic data between the individual store units. Also, the demographic characteristics of the respondent group will be compared to the characteristics of the total number of individuals surveyed. This will be for the purpose of denoting the representiveness of the respondent group to the total group surveyed.

The next objective of the data analysis will be to examine the hypotheses that were presented in a previous section of the study. The first and second hypotheses will be examined in Chapter 4. The analysis technique employed will be crosstabulation to test the relationship of the criterion variables that were utilized. The crosstabulation will provide a display of the relationship of the following sets of reasons given for terminations:

1. Reasons for terminations given to the personnel manager/supervisor by the employees at the time they quit.
2. Reasons for terminations given to the researcher by the former employees in the questionnaire.
3. Reasons for terminations by the employees given to the researcher by the personnel managers/supervisors in the personal interview.

The third, fourth, and fifth hypotheses will be examined in Chapter 5. The primary analysis technique that will be utilized is discriminant analysis. The purpose of this technique will be to

statistically distinguish differences or similarities between two or more groups of cases. For example, one objective is to determine if people who quit before obtaining another job terminated for different reasons than people who had secured another job before they terminated their employment with Southern Stores. Other statistical tests will also be utilized to analyze component parts or sub-areas of the hypotheses previously presented.

Chapter IV
ANALYSIS OF DIFFERENTIALS IN
REASONS FOR TERMINATION

This chapter will present the findings of the research in relation to the first two hypotheses that were presented in a preceding section of the study. These two hypotheses are closely related; however, due to the nature and source of the data, they will be treated as separate entities in this chapter.

Termination Evaluation Procedure of Southern Stores

This section will present a review of the procedure used by Southern Stores to determine the reason(s) why the employees voluntarily terminated their positions. The reason was determined in a personal interview at the time of the employee's resignation or notice of resignation. Several of the personnel managers/supervisors acknowledged the existence of a formal in-store exit interview questionnaire available in the personnel manual. However, none of the personnel managers/supervisors admitted in the interview that they used this questionnaire. They stated that the interview was usually a brief and informal meeting with the exiting employee.

When the reason was determined for the termination, it was then coded conforming to the code numbers listed in Exhibit 1 on the following

page. The code number was then recorded on the employee's computer work sheet as was previously noted. As was also discussed in a previous section, the researcher was concerned with only those employees who had a termination code of 30-36, as noted in Exhibit 1. This designates a resignation or voluntary termination by the employee.

Demographic Characteristics of the Terminated Employees

The purpose of this section is to familiarize the reader with some of the descriptive characteristics of the terminated employees surveyed. These characteristics of the employees will be summarized at this point, but a store-by-store comparison to the total and the respondent group will be presented in Appendix B.

Male-Female. Of the 1217 individuals who voluntarily left their employment with Southern Stores, 59.2 percent were female and 40.8 percent were male. Several of the individual stores had a higher female to male ratio but most of the units conformed to the over-all ratio. The ratio of females to males in the respondent group also conformed closely to the total individuals surveyed. Of the 284 respondents, 64.1 percent were female and 35.9 were male.

Marital Status. At the time of their resignation, 38.8 percent of the total group surveyed were single and 61.2 percent were married. The individual store units adhered closely to this overall percentage with the exception of Store No. 4 which had only 20.9 percent of single

Exhibit 1

 TERMINATION CODES⁴⁶

<u>Code</u>	<u>Reason</u>
<u>Temporary Separation</u>	
09	Governmental leave--leave granted to an active associate to work for the Government
11	Military leave (more than 31 days)
12	Leave of absence for personal reasons (school, travel, etc.)
13	Maternity leave (associate intends to return to work)
14	Leave because of ill health (associate intends to return to work)
15	Contingent transfer
<u>Company Initiated Separation</u>	
20	Temporary reduction in force--end of season, temporary employment, temporary layoff of regular associates
25	Permanent reduction in force--elimination of job, closing of store or Company unit
<u>Resignations (Associate Initiated)</u>	
30	Resignation because of dissatisfaction with present position or any other aspect of the employment situation
31	Resignation for better pay and/or opportunity outside the Company
32	Resignation to change hours or shifts of work
33	Resignation to change type of work or vocation--self employment, entering field requiring special qualifications (e.g. nursing), or other vocational change
34	Resignation because of family obligation--marriage, stay at home, care of children, etc.
35	Pregnancy--associate does not intend to return to work
36	Personal reasons--resignation due to (a) illness, (b) moving to another city, (c) transportation difficulties, (d) school, (e) other personal reasons
<u>Retirement or Death</u>	
40	Early retirement (age 60 or 55 with 15 years in pension plan)
41	Retirement at mandatory age 60--for profit sharing associates

<u>Code</u>	<u>Reason</u>
42	Retirement at mandatory age 65-- for non-profit sharing associates
43	Involuntary early retirement (due to closing of store or Company unit)
44	Death
<u>Summary Dismissal</u>	
50	Violation of Company rules (failure to obey rules, instructions, misuse of Company property)
51	Material falsification of any Company document
52	Willful misconduct
53	Job abandonment--absent from work without notice, associate does not bother to return to work or give notice
<u>Discretionary Dismissal</u>	
70	Neglect of duty (work unsatisfactory, work attitudes poor)
71	Excessive tardiness and/or excessive absences
72	Inability to meet Company standards
73	Total permanent disability
74	Expiration of sick leave benefits (ref. 6620 Personnel Manual)

employees. The respondent group again was related to the total group with a ratio of 41.9 percent single and 58.1 percent married.

Age When Terminated. Of the 1217 individuals, the range of ages at the time they terminated their employment was from 16 to 63 years of age. The mean age of this group was 28.3 years, the mode of the distribution was 20 years, and the median was 24.4 years. The questionnaire respondents closely matched these statistics. The mean age was 29.1 years, the mode was 18 years, and the median age was 24.5 years. The range of ages in the respondent group was from 17 to 62 years of age.

Number of Days Employed. Through the use of a modification in the computer frequency program, the number of days the employee worked for Southern Stores was computed. The range of days employed by members of the total group surveyed was from 2 to 6984 days. When categorizing the individuals into short-term and long-term quitters as was previously defined, 34 percent terminated in 90 days or less while 28 percent worked for more than 360 calendar days.

The respondent group was also quite similar in this category. The number of days employed ranged from 9 to 6984 days. Of this group, 27 percent terminated in 90 days or less and 35 percent retained their positions for 360 calendar days or more.

Reasons for Quitting Southern Stores. The reasons for voluntary terminations or resignations of the 1,217 individuals as recorded by Southern Stores on the employee work sheets are summarized below:

<u>Code (Reason)</u>	<u>Absolute Frequency</u>	<u>Percentage</u>
30	76	6.2
31	286	23.5
32	30	2.5
33	125	10.3
34	91	7.5
35	17	1.4
36	<u>592</u>	<u>48.6</u>
	<u>1,217</u>	<u>100.0</u>

The reasons for quitting as recorded by Southern Stores for the respondent group are summarized below:

<u>Code (Reason)</u>	<u>Absolute Frequency</u>	<u>Percentage</u>
30	25	8.8
31	89	31.3
32	7	2.5
33	24	8.5
34	17	5.9
35	5	1.7
36	<u>117</u>	<u>41.3</u>
	<u>284</u>	<u>100.0</u>

After applying the test for comparing two observed percentages, all variables of the sample fell within three standard errors of the proportions of the corresponding percentages of the two groups.⁴⁷

Therefore, it was assumed that the proportions of the respondents and the proportions of the 1217 individuals utilized were basically the same.

The purpose of this section was to give the reader some insight into the demographic characteristics of the 1217 individuals utilized in the research. The corresponding demographic characteristics of the respondent group was also presented to denote the representiveness of the respondent group to the total employees who terminated.

Analysis

As was noted in the review of the literature, several studies have been conducted in an attempt to determine the validity of employee-stated reasons for quitting. The studies have shown that individuals tend to bias their answers when questioned at the time of termination.

⁴⁷ Z test for comparing two observed percentages:

$$s_{\text{Differences}} = \sqrt{\frac{PaQa}{na} + \frac{PbQb}{nb}}$$

$$z = \frac{\text{after \%} - \text{before \%}}{s \text{ difference}}$$

Source: Harper Boyd Jr., Ralph Westfall, and Stanley F. Stasch, Marketing Research, 4th ed. (Homewood, Illinois: Richard D. Irwin, Inc., 1977), pp. 437-348.

The studies also purported that bias answers occurred from 22 percent to 78 percent of the time depending on the termination situation and the job type.

Levine noted that employees tended not to give valid reasons for quitting when they left a large retailing organization.⁴⁸ The shortcoming of his study, however, was that he held the position of Manager of Training for the organization he researched. Therefore, the true bias possibly was even higher than he reported.

Hypothesis Number 1

The first hypothesis to be analyzed was stated as follows:

People do not always tell the company the true reasons for quitting.

The first step to test the hypothesis was to record and tabulate the coded reasons noted on the employee computer work sheets by Southern Stores. As was previously discussed, the researcher was concerned with only those individuals who had a termination code of 30-36. This designates a resignation or voluntary termination by the employee.

The next step was to utilize the questionnaire to determine the reason(s) why the employee terminated. The questionnaire was partially designed to attempt to determine the true or actual reasons for termination. It was felt by the researcher that the true or actual reasons could be obtained by this method because of several factors. First, some time lapse had occurred between the date of termination and the receipt of

⁴⁸Levine, "Labor Turnover", p. 35.

the questionnaire. This would possibly eliminate some of the immediate impact of the termination. Second, the cover letter which accompanied the questionnaire was disguised in an attempt to remove the bias that might have occurred if the respondent directly related the questionnaire to Southern Stores. Finally, Levine found that his post-exit questionnaires, which were mailed to former employees yielded identical answers to a follow-up personal interview with a sample of the respondents utilized in his study.⁴⁹

Crosstabulation. The data are presented in the form of cross-tabulation. This technique utilizes a joint frequency distribution of cases according to two or more classificatory variables. It provides a display of cases by their position on two or more variables through the use of contingency table analysis.⁵⁰

The following sets of cases (reasons) were utilized to facilitate the crosstabulation:

1. The reasons noted on the employee computer work sheet for the respondent group.
2. The reasons given by the respondents on the questionnaire utilized by the researcher.

To facilitate the handling of the crosstabulation, both sets of reasons were sub-classified. On the employee computer work sheets, the code numbers 34, 35, and 36 are very closely related as they denote specific personal reasons or family obligations rather than job related reasons.

⁴⁹ Levine, "Labor Turnover", p. 36.

⁵⁰ Nie, (SPSS), p. 218.

The questionnaire contained twelve specific reasons both personal in nature and job related. The purpose of the sub-classification was to group the reasons of both sets into homogeneous groups for a more meaningful comparison.

The coded reasons used by Southern Stores were sub-classified into the following:

<u>Code</u>	<u>Reason(s)</u>
30	Employment conditions
31	Better pay opportunity elsewhere
32	Changed hours or shifts
33	Changed type of work or vocation
37	(34, 35, 36) personal reasons and family obligations

The reasons from the questionnaire were sub-classified into the following:

<u>Factor</u>	<u>Reason</u>
1	Dissatisfied with supervisors, fellow employees, job duties, employment conditions
2	Better pay, fringe benefits, opportunity and security elsewhere, better pay opportunity elsewhere
3	Dissatisfied with hours or shifts
4	Changed type of work or vocation
5	Moved or spouse transferred, personal or family reasons, left to attend school, transportation problems.

Reasons for quitting. If the Company's exit interview system is to be effective in collecting the true reasons why people are quitting, the accuracy of the reasons would be essential. This accuracy will be investigated by comparing the correspondence between the reasons for termination

given to Southern Stores during the exit interview and to the researcher on the post-exit research questionnaire.

Tables 2 through 6 classify the terminated employees according to their responses during the exit interview and on the research questionnaire. The responses were reduced to a two-way classification for each reason analyzed. This two-way classification consisted of the following:

1. The reason being analyzed given to Southern Stores in the exit interview (yes) and the other reasons given to Southern Stores (no).
2. The reason being analyzed given to the researcher on the questionnaire (yes) and the other reasons given on the questionnaire.

For the interested reader, a more complete classification of the responses is presented in Appendix C.

It should be noted at this point that the respondent to the questionnaire was not limited to a single response in regards to his decision to terminate. As was previously noted, the reasons on the questionnaire were sub-classified to more closely correspond to the exit interview form of Southern Stores. But, due to the possibility of multiple responses each reason is compared on an individual basis and not on a reason-to-reason comparison.

The first reason to be analyzed was quits related to "employment conditions" as noted to Southern Stores and to the researcher by the terminating employee. The results of the crosstabulation classification for the reason "employment conditions" is presented in Table 2 on the following page.

TABLE 2

RESPONSES OF 284 TERMINATING EMPLOYEES
 FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS
 GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH
 QUESTIONNAIRE REGARDING THE INFLUENCE OF EMPLOYMENT
 CONDITIONS ON THE RESIGNATION DECISION.

Indicate Employment Conditions On Research Questionnaire					
	Yes	No	Total	Row Total Percentage	
Indicated Employment Conditions During Exit Interview	Yes	15	10	25	8.8%
	No	90	169	259	91.2%
	Total	105	179	284	100.0%
	Column Total Percentage	37%	63%	100%	

The table denotes that 25, or 8.8 percent, of the 284 respondents told Southern Stores that employment conditions was one of the influencing factors behind their termination decision. Of the 284 respondents, 105, or 37 percent, noted employment conditions as being an influencing factor on the questionnaire. Of the 25 individuals who told Southern Stores "yes" to employment conditions, only 15 responded to the questionnaire in the same manner. From the viewpoint of Southern Stores, this represented 60 percent accuracy while 40 percent noted a different reason for the termination decision to the researcher.

Again, it should be noted at this point that the respondent to the questionnaire was not limited to a single response. Therefore, this is a significant difference in that the respondent to the questionnaire actually had four responses to the question that would have been coded as employment conditions. A "no" response indicated the employee noted a reason completely different than employment conditions to the researcher.

The second reason analyzed by crosstabulation was quits relative to better pay, opportunity, or security elsewhere from Southern Stores. The results of the crosstabulation classification of this factor are presented in Table 3 on page 50.

Of the 284 respondents to the questionnaire, 150, or 52.8 percent, noted this variable as a contributing factor in their termination decision. Eighty-nine terminators, or 31.3 percent, gave this reason to the personnel manager during the exit interview. Sixty-nine of the 89

TABLE 3

RESPONSES OF 284 TERMINATING EMPLOYEES
 FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS
 GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH
 QUESTIONNAIRE REGARDING THE INFLUENCE OF BETTER
 PAY, OPPORTUNITY, OR SECURITY ELSEWHERE ON THE RESIGNATION
 DECISION.

Indicated Better Pay, Opportunity, Security Elsewhere in Research Questionnaire				
	Yes	No	Total	Row Total Percentage
Indicated Better Pay, Opportunity, Security Elsewhere During Exit Interview	69	20	89	31.3%
No	81	114	195	68.7%
Total	150	134	284	100.0%
Column Total Percentage	52.8%	47.2%	100%	

individuals, or 77.5 percent, also noted this factor to the researcher on the questionnaire. However, 20 individuals, or 22.5 percent, indicated a different reason to the researcher for termination other than employment conditions.

The third reason analyzed was quit decisions influenced by the employee being "dissatisfied with hours or shifts". The crosstabulation classification related to this reason is presented in Table 4 on the following page.

The table shows that 7 respondents, or 2.5 percent of the total, indicated to Southern Stores their decision to terminate was influenced by this factor. Eighty-nine, or 31.3 percent, of the 284 respondents noted this was an influencing factor in their decision to terminate on the questionnaire. Of the 7 respondents who noted this factor to Southern Stores, 6, or 85.3 percent, indicated to the researcher that this was a factor that influenced their decision to leave their employment with Southern Stores.

The fourth reason analyzed was quits in relation to a "change in the type of work or vocation" by the employee. The crosstabulation classification of this factor is presented in Table 5 on page 53.

Sixty-one respondents, or 21.5 percent, noted on the research questionnaire that this was a contributing factor in their decision to leave their employment with Southern Stores. Twenty-four of the 284 respondents told Southern Stores during the exit interview this was the reason why they decided to terminate. Of these 24 individuals, 9 or

TABLE 4

RESPONSES OF 284 TERMINATING EMPLOYEES
 FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS
 GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH
 QUESTIONNAIRE REGARDING THE INFLUENCE OF BEING
 DISSATISFIED WITH HOURS OR SHIFTS ON THE
 RESIGNATION DECISION.

		Indicated Dissatisfied with Hours or Shifts on Research Questionnaire			
		Yes	No	Total	Row Total Percentage
Indicated Dissatisfied With Hours or Shifts During Exit Interview	Yes	6	1	7	2.5%
	No	83	194	277	97.5%
	Total	89	195	284	100.0%
Column Total Percentage		31.3%	68.7%	100%	

TABLE 5

RESPONSES OF 284 TERMINATING EMPLOYEES
 FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS
 GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH
 QUESTIONNAIRE REGARDING THE INFLUENCE OF CHANGING
 TYPE OF WORK OR VOCATION ON THE RESIGNATION DECISION.

		Indicated Change Type of Work or Vocation on the Research Questionnaire			
		Yes	No	Total	Row Total Percentage
Indicated Change Type of Work or Vocation on Research Question- naire	Yes	9	15	24	8.5%
	No	52	208	260	91.5%
	Total	61	223	284	100.0%
	Column Total Percentage	21.5%	78.5%	100%	

37.5 percent, noted this factor both to Southern Stores and to the researcher. However, 15 employees, or 62.5 percent, noted a reason other than "change type of work or vocation" on the questionnaire.

The final factor or reason for quitting by the employee to be analyzed was terminations related to "personal reasons or family obligations". The results of the crosstabulation classification of this reason is presented in Table 6 on page 55.

The table denotes that 110, or 38.7 percent, of the 284 respondents noted on the research questionnaire that this factor contributed to their decision to terminate their employment with Southern Stores. One hundred thirty-nine of the 284 respondents told Southern Stores during the exit interview that personal reasons or family obligations constituted their reason for termination. Of these 139 individuals, 84 or 60.4 percent, noted this factor or reason to both the researcher and Southern Stores. But, 55 of the 139 respondents indicated to the researcher that their decision to terminate was caused by a factor other than personal or family reasons.

A summary of the results of the comparisons of the responses to the exit interview to the questionnaire responses is presented in Table 7.

As can be seen from Table 7, the respondents to the questionnaire gave the researcher a different answer than he or she rendered to Southern Stores with a variance of 14.3 to 62.5 percent depending on the reason. Those individuals who changed type of work or were

TABLE 6

RESPONSES OF 284 TERMINATING EMPLOYEES
 FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS
 GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH
 QUESTIONNAIRE REGARDING THE INFLUENCE OF PERSONAL
 REASONS OR FAMILY OBLIGATIONS ON THE
 RESIGNATION DECISION.

		Indicated Personal Reasons Or Family Obligations on the Research Questionnaire			
		Yes	No	Total	Row Total Percentage
Indicated Personal or Family Reasons During The Exit Interview	Yes	84	55	139	48.9%
	No	26	119	145	50.1%
	Total	110	174	284	100.0%
Column Total Percentage		38.7%	61.3%	100%	

TABLE 7

COMPARISON OF YES RESPONSES TO REASONS
FOR TERMINATION ON THE EXIT INTERVIEW OF SOUTHERN
STORES AND THE YES RESPONSES ON THE
RESEARCH QUESTIONNAIRE

	"Yes" On Exit Interview	"Yes" to Questionnaire	"No" to Questionnaire	Percentage Differences In Responses
Employment Conditions	25	15	10	40.0
Better Pay/Opportunity	89	69	20	23.5
Dissatisfied with Hours	7	6	1	14.3
Change Type of Work	24	9	15	62.5
Personal or Family Reasons	139	84	55	39.6

dissatisfied with employment conditions seem to have the greatest degree of variation in their responses to the exit interview and the post-exit research questionnaire.

Hypothesis No. 2

The second hypothesis to be analyzed was stated as follows:

Management does not have a true perception of why employees voluntarily terminate.

To test the hypothesis the researcher conducted personal interviews with the nine personnel managers/supervisors whose store units were utilized in the study. One purpose of the personal interviews was to determine the perception the personnel managers had as to why people quit Southern Stores.

The responses of the personnel managers were recorded on a semantic differential as shown in the personnel manager's questionnaire in Appendix A. The reasons listed in the questionnaire correspond to the reasons obtained in the mail questionnaire utilized by the researcher. To facilitate the analysis, comparisons are made on an individual store basis. Since a single response is being compared to proportions of responses of a group, the comparisons will be made through the use of bar charts and frequency distributions to denote relative differences or similarities. A summary of the frequencies of the reasons (responses) given by the terminating employees to the researcher by each store is presented in Appendix D.

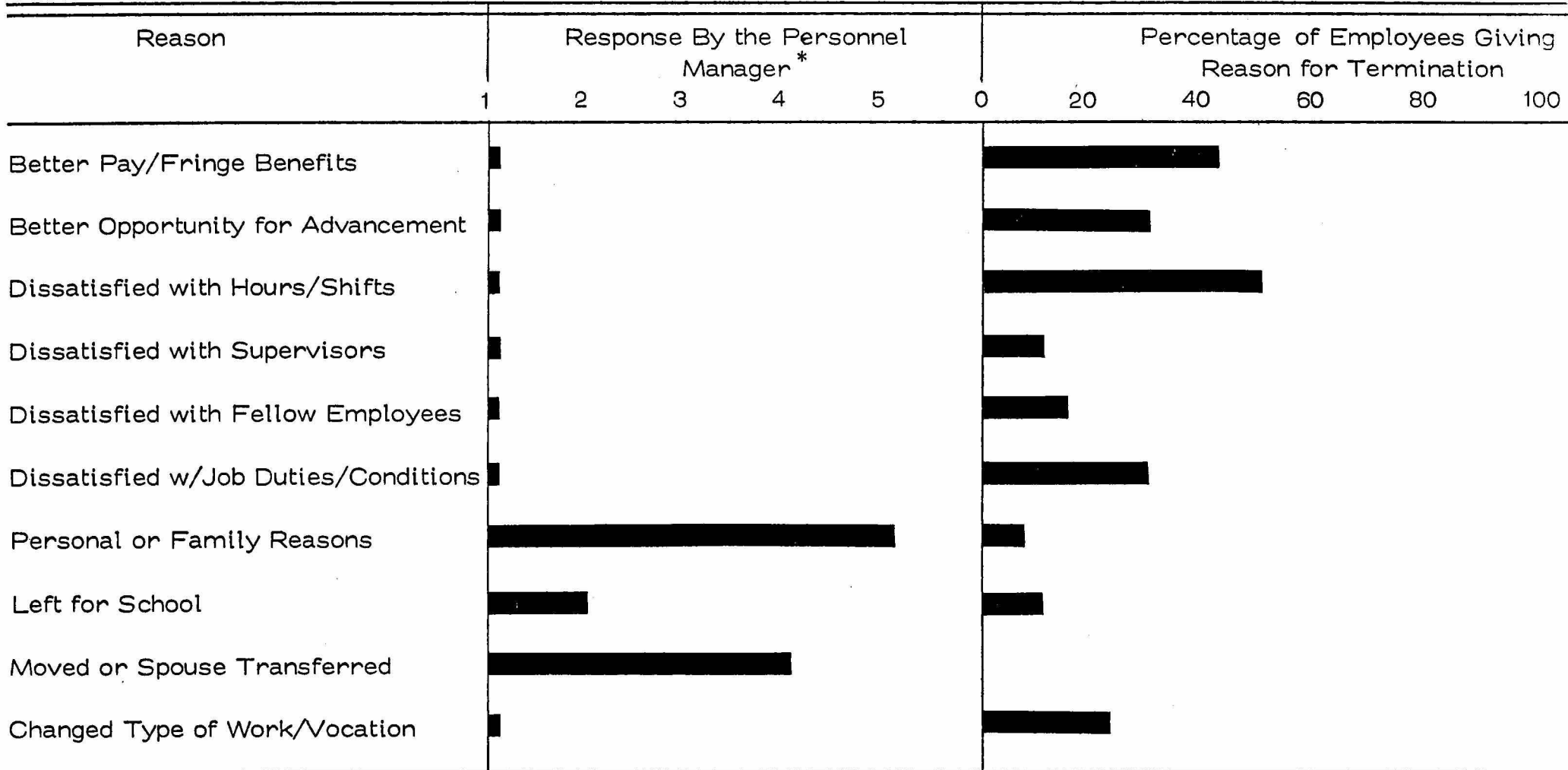
Store No. 1. The comparison of the responses of the personnel manager and the reasons for the voluntary terminations from the research questionnaires are presented in Table 8 on the following page.

The reasons given for quitting by the personnel manager of Store No. 1 denoted that reasons related directly to the internal management of the store unit such as pay, hours and shifts, supervisors, and job conditions ranked very low as factors for employee resignations. The personnel manager noted that most of the terminations were related to family and personal reasons and to employees leaving the area.

A frequency distribution of the 16 individuals who responded to the research questionnaire from Store No. 1 indicated that reasons related to the management of the unit were major contributors to their decision to quit. For example, 43.8 percent of the respondents noted better pay as a contributing reason while 50 percent noted they were dissatisfied with their hours or shifts. The reasons ranked high by the personnel manager were not confirmed by the questionnaire responses from the employees. The personnel manager stated that personal reasons and employees moving were significant causes while only 6.3 percent of the employees noted personal reasons and no respondent noted moving as a contributing factor for their termination decision. Another area of discrepancy was quits due to changing the type of work. The personnel manager stated that this was not a significant factor while 25 percent of the responding employees ranked this as a contributing factor.

TABLE 8

A COMPARISON FOR STORE 1 OF THE REASONS FOR TERMINATION
 GIVEN BY 16 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

Store No. 2. Table 9 on the following page presents the comparisons of the personnel manager's responses to the reasons noted by the terminated employees for Store No. 2. The personnel manager noted that most of the terminations were related to better opportunity or pay, hours or shifts, and dissatisfied with fellow employees. The other reasons were given relative low rankings by the personnel manager.

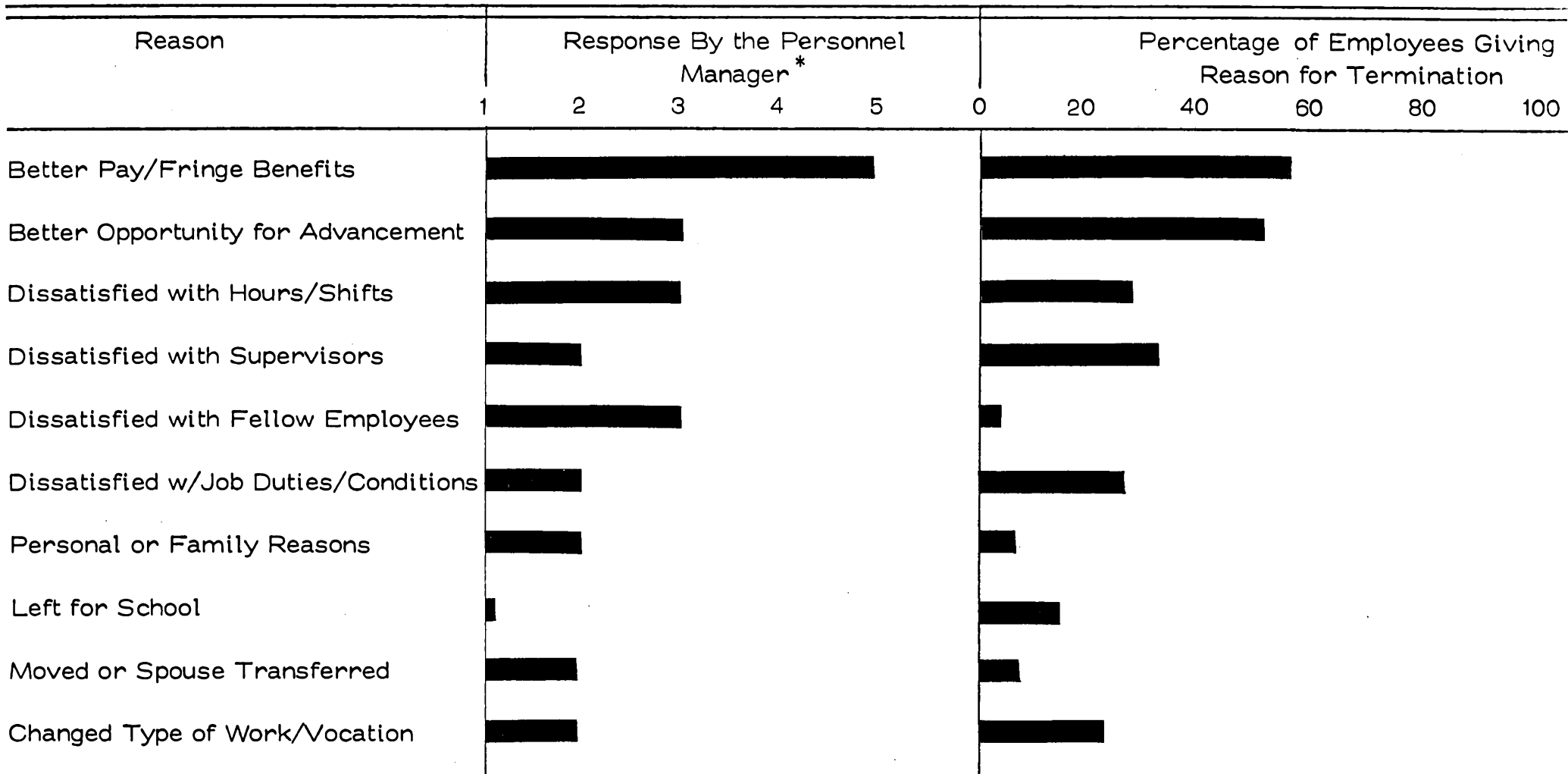
A comparison of the distribution of the reasons given by the 41 employees who responded to the questionnaire from Store No. 2 indicated that the personnel manager had a basically accurate conception as to why his employees were terminating with the exception of the employees being dissatisfied with their fellow employees. This reason was noted by only 4.9 percent of the responding employees to the survey.

Store No. 3. The comparisons of the reasons given by the personnel manager and by the terminated employees to the research questionnaire is presented in Table 10 on page 62.

The personnel manager cited better pay, opportunity elsewhere, hours, dissatisfaction with fellow employees, and quits to change the type of work as the major factors that rendered terminations from his store unit. This was basically confirmed by the research questionnaires with the exception of the employees quitting to change the type of work and being dissatisfied with fellow employees. Only 2, or 7.1 percent, of the respondents noted they terminated because of dissatisfaction with fellow employees and only 2 noted they quit to change the type of work.

TABLE 9

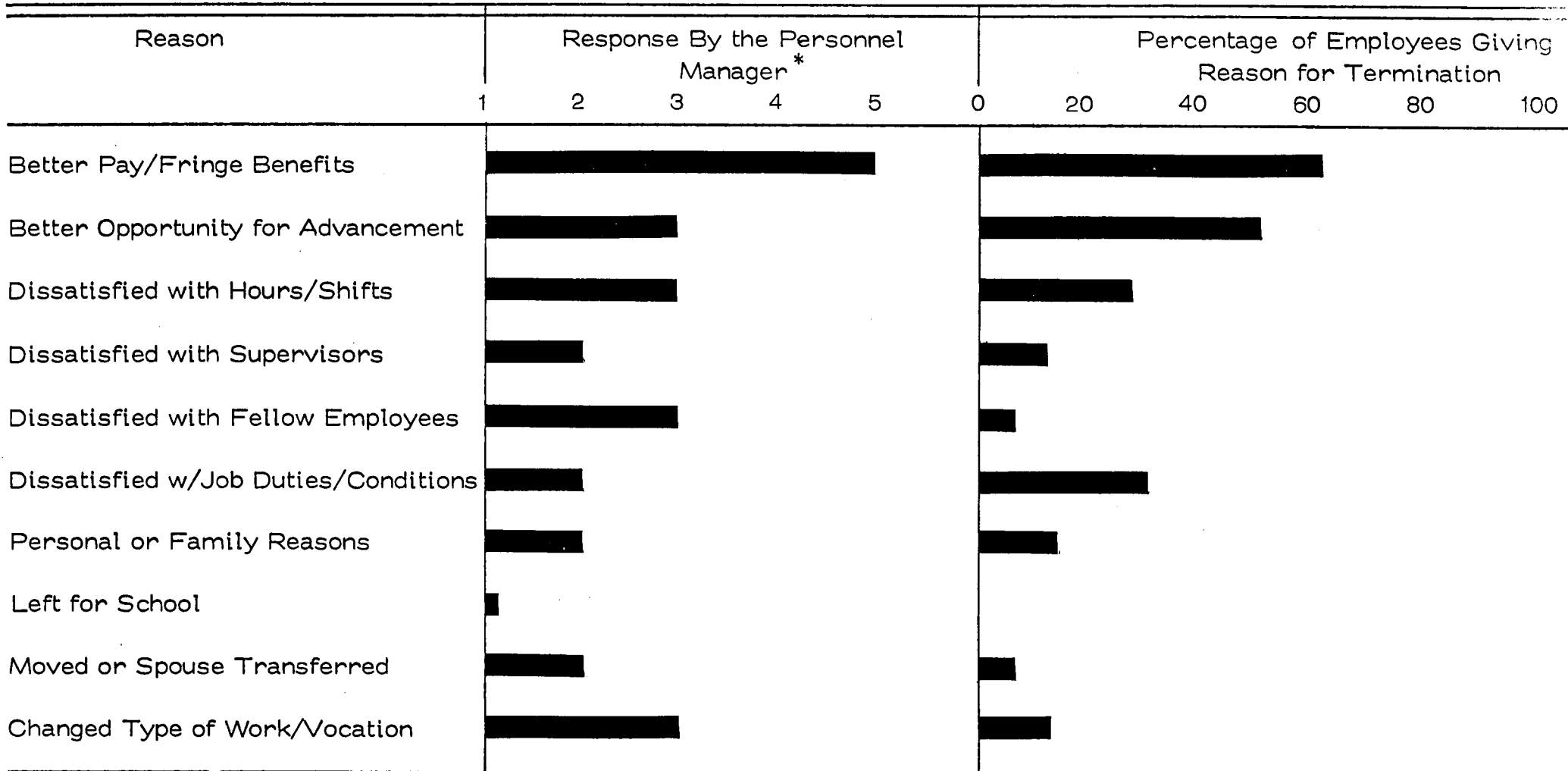
A COMPARISON FOR STORE 2 OF THE REASONS FOR TERMINATION
 GIVEN BY 41 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

TABLE 10

A COMPARISON FOR STORE 3 OF THE REASONS FOR TERMINATION
 GIVEN BY 28 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

Store No. 4. Table 11 on the following page denotes the comparisons of the reasons for termination by the personnel manager and the employees of Store No. 4.

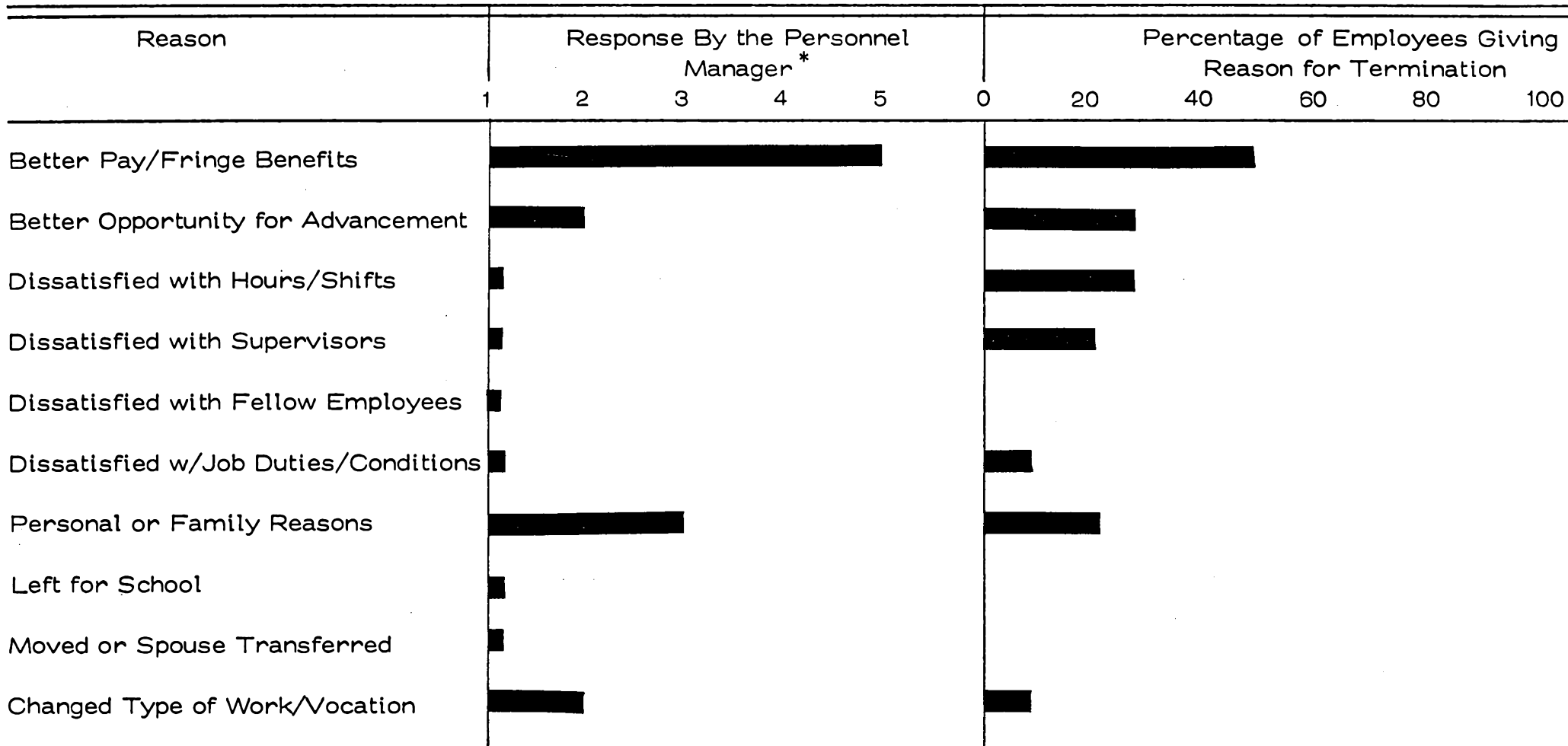
The personnel manager noted that better pay or opportunity elsewhere and resignations due to family obligations were the two primary factors for terminations by the employees of his store unit. A comparison to the employees' responses indicated that 50 percent terminated for better pay or opportunity elsewhere and 21.4 percent of the employees indicated they quit their position with Southern Stores because of family or personal reasons. The respondents also indicated that dissatisfaction with hours and supervisors contributed to their decision to quit while the personnel manager stated that these were not significant factors.

Store No. 5. The responses of the personnel manager as compared to the reasons for the voluntary terminations by the employees of Store No. 5 are presented in Table 12 on page 65.

The personnel manager of Store No. 5 noted that the most important factor causing terminations was resignations influenced by the decision to change the type of work or vocation. The comment was made during the personal interview with the personnel manager that in numerous cases an individual was trained by Southern Stores and then left for another type of job. The effect was that Southern Stores was incurring training expenses for other firms. He further noted that this was especially the case when the employee was trained with specific skills

TABLE 11

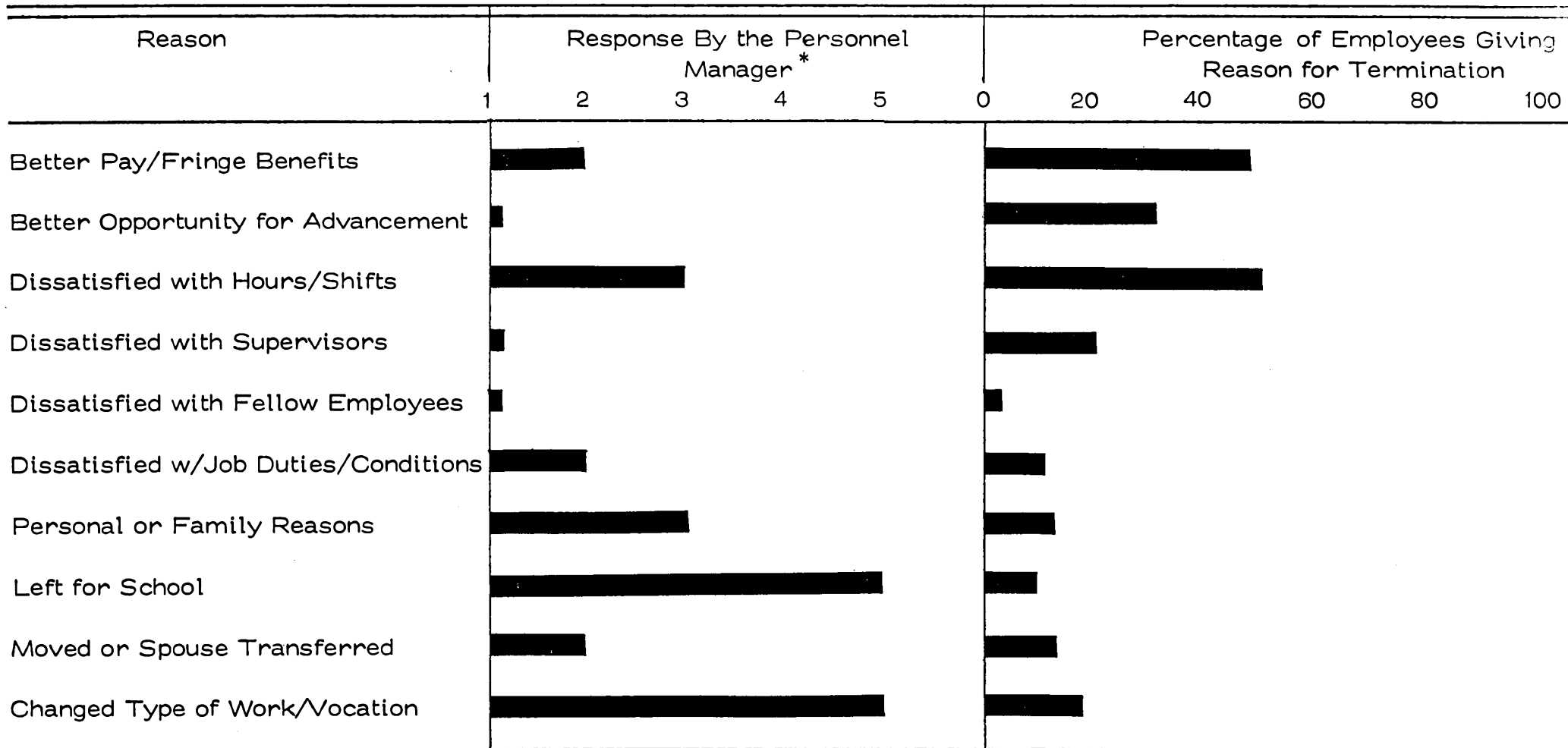
A COMPARISON FOR STORE 4 OF THE REASONS FOR TERMINATION
 GIVEN BY 14 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

TABLE 12

A COMPARISON FOR STORE 5 OF THE REASONS FOR TERMINATION
 GIVEN BY 32 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

such as clerical work, computer operations, or repair and installation.⁵¹ The personnel manager also cited hours or shifts, personal reasons, and employees leaving for school as major causes of employee resignations.

The respondents to the questionnaire confirmed that hours or shifts were a significant reason for termination. The respondents also noted that better pay and advancement opportunity contributed significantly to their decision to quit. But, of the 32 respondents, only 9.4 percent indicated they left to attend school and only 4, or 18.4 percent, noted they changed their type of work.

Store No. 6. The responses of the personnel manager and the reasons for the voluntary terminations from the respondents to the research questionnaire are presented in Table 13 on the following page.

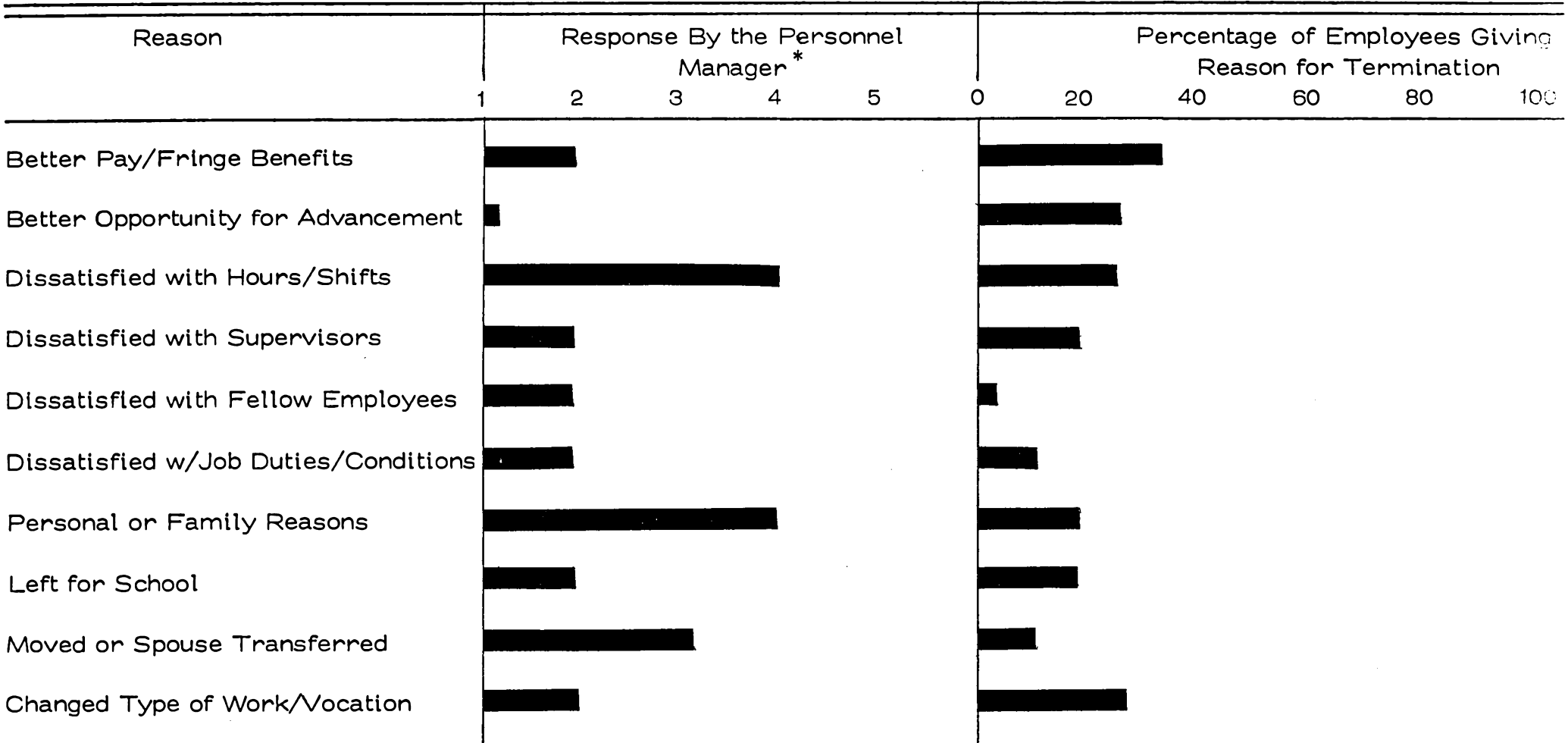
The personnel manager of Store No. 6 responded that most of the terminations were related to employees who desired changes in their hours or quit because of personal reasons. Moved or spoused transferred was also cited by the personnel manager as a significant factor for termination.

Of the 87 respondents to the questionnaire, voluntary terminations, 25.3 percent indicated that they quit because of dissatisfaction with hours and only 19.5 percent cited personal reasons. The major discrepancy was quits because of lack of opportunity for advancement. The

⁵¹ Statement by the Personnel Manager in a personal interview, Store No. 5, Southern Stores, July 17, 1975.

TABLE 13

A COMPARISON FOR STORE 6 OF THE REASONS FOR TERMINATION
 GIVEN BY 87 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

personnel manager noted that this was not a significant factor but 26.4 percent of the respondents cited this as a reason for their quit decision.

Store No. 7. The comparison of the reasons noted by the personnel manager and the terminated employees of Store No. 7 is presented in Table 14 on the following page.

The personnel manager of Store No. 7 noted that substantial terminations from his unit were the result of employees who quit for better opportunity elsewhere or moved from the area. The personnel manager also noted pay, hours, job duties or conditions, and personal reasons as contributing factors.

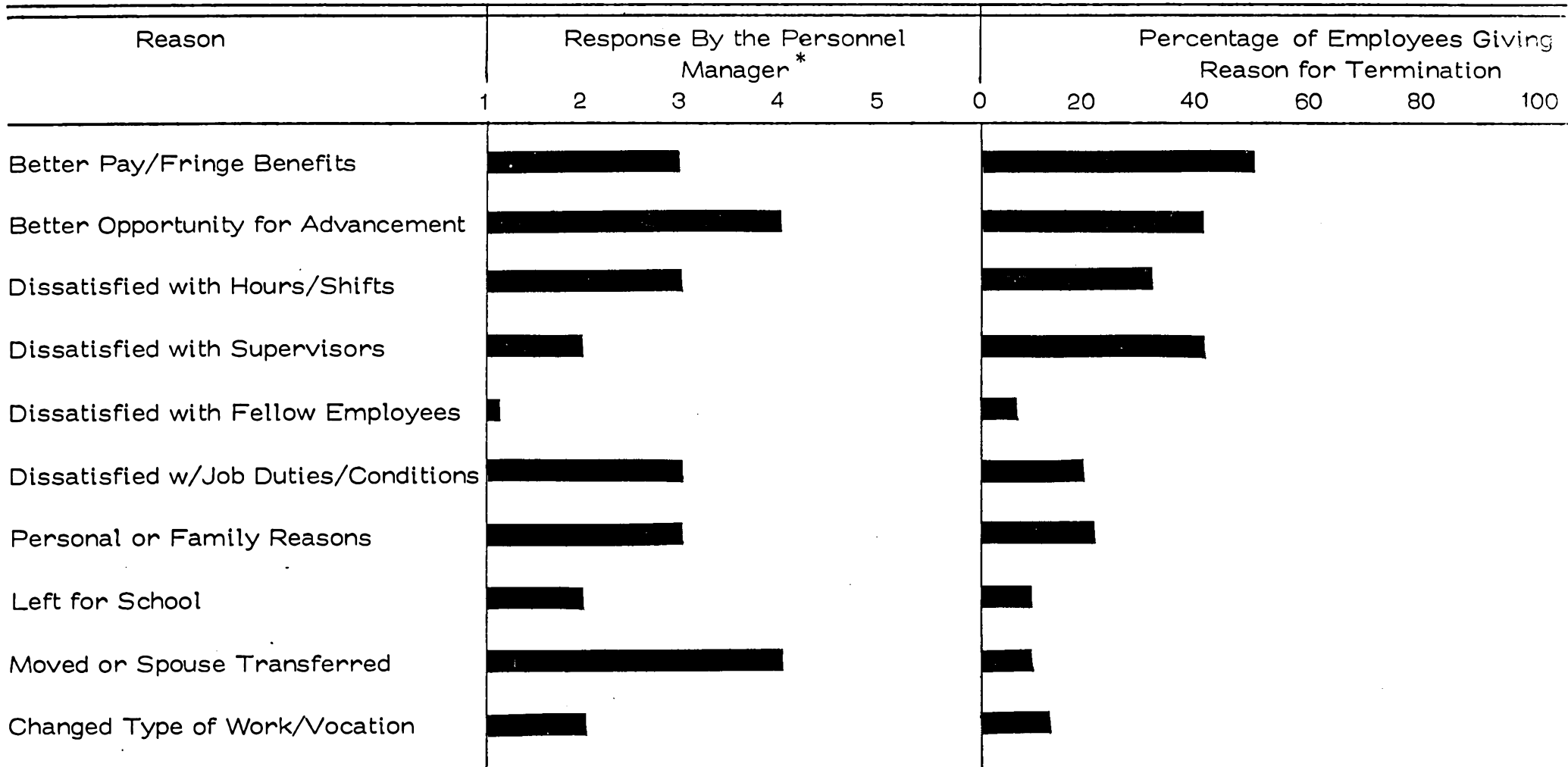
The 36 employees who responded to the questionnaire basically supported the reasons noted by the personnel manager. The one major exception was resignations caused by the employee moving or spouse being transferred. The personnel manager ranked this reason high but only 8.3 percent of the respondents cited this as a reason for termination.

Store No. 8. Table 15 on page 70 represents the reasons for terminations as perceived by the personnel manager compared to the reasons noted by the exiting employees for Store No. 8.

The personnel manager responded that quits for better opportunity elsewhere, dissatisfaction with hours or shifts, and moved or spouse transferred were the major factors producing employee terminations from his store unit. Better pay, job conditions, and personal reasons were also cited as significant factors by the personnel manager.

TABLE 14

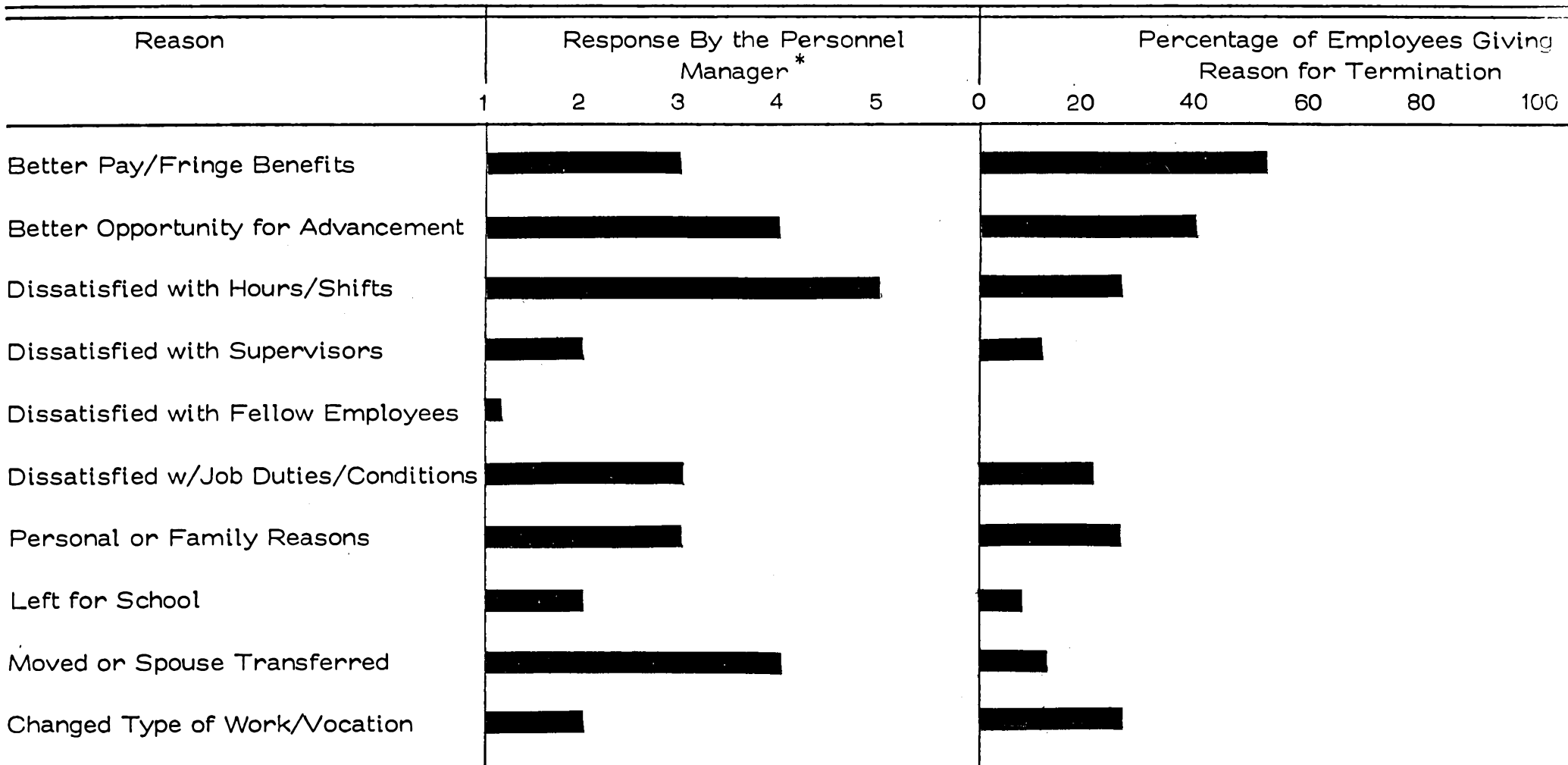
A COMPARISON FOR STORE 7 OF THE REASONS FOR TERMINATION
 GIVEN BY 36 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

TABLE 15

A COMPARISON FOR STORE 8 OF THE REASONS FOR TERMINATION
 GIVEN BY 15 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES



*(1 = least important, 5 = most important)

The respondents to the questionnaire noted that pay and opportunity for advancement were significant variables in their decision to terminate. However, of the 15 respondents, only 2, or 13.3 percent, noted that they quit because they moved or their spouse was transferred.

Store No. 9. The comparison between the responses of the personnel manager and the exiting employees of Store No. 9 is presented on the following page.

The personnel manager indicated that the major contributing factor for employee resignations was dissatisfaction with hours or shifts. The next contributing factor was resignations to achieve better pay. But, the personnel manager stated in the interview that due to the inner-city location of the store, employees tend to quit more because of hours or shifts.⁵² But, the responses to the questionnaire showed that employee quits were influenced more predominantly by pay than hours or shifts. The employees also seem to terminate more because of dissatisfaction with the supervisors than the personnel manager anticipated.

Summary

The first segment of the chapter reviewed the termination procedures utilized by Southern Stores to determine the reasons why employees voluntarily terminated their positions. The second segment of the

⁵²Statement by the Personnel Manager in a personal interview, Store No. 9, Southern Stores, August 4, 1975.

TABLE 16

A COMPARISON FOR STORE 9 OF THE REASONS FOR TERMINATION
 GIVEN BY 15 EMPLOYEES WITH THE RELATIVE IMPORTANCE ASSIGNED BY
 THE PERSONNEL MANAGER TO THE REASONS ON THE
 RELATED RESEARCH QUESTIONNAIRES

Reason	Response By the Personnel Manager *					Percentage of Employees Giving Reason for Termination				
	1	2	3	4	5	0	20	40	60	80
Better Pay/Fringe Benefits	[Bar from 1 to 3]					[Bar from 0 to 50]				
Better Opportunity for Advancement	[Bar from 1 to 1]					[Bar from 0 to 35]				
Dissatisfied with Hours/Shifts	[Bar from 1 to 5]					[Bar from 0 to 25]				
Dissatisfied with Supervisors	[Bar from 1 to 2]					[Bar from 0 to 40]				
Dissatisfied with Fellow Employees	[Bar from 1 to 2]					[Bar from 0 to 5]				
Dissatisfied w/Job Duties/Conditions	[Bar from 1 to 1]					[Bar from 0 to 25]				
Personal or Family Reasons	[Bar from 1 to 1]					[Bar from 0 to 20]				
Left for School	[Bar from 1 to 2]					[Bar from 0 to 15]				
Moved or Spouse Transferred	[Bar from 1 to 1]					[Bar from 0 to 20]				
Changed Type of Work/Vocation	[Bar from 1 to 2]					[Bar from 0 to 35]				

*(1 = least important, 5 = most important)

chapter presented the demographic characteristics of the terminated employees utilized in the research. These characteristics were presented by an individual store and a total store basis. The characteristics of the respondents to the mail questionnaire were also reviewed in the chapter.

The next segment of the chapter presented the analysis of the first two hypotheses of the study. The analysis of the first hypothesis showed employees who voluntarily terminate a position tend to bias their quit reasons to an organization during exit interviews. Utilizing the response (reason) category incorporated by Southern Stores in their exit interview, the research mail survey denoted a differentiation in responses from 14 to 63 percent depending on the specific reason. Therefore, the organization was not getting valid reasons from a significant number of terminating employees during their present exit interview system.

The second hypothesis was examined to show that the personnel managers who participated in the research did not seem to have a true perception of the factors that influenced voluntary employee turnover. In general, the personnel managers perceptions did not correspond to the responses of the terminated employees with the exception of the personnel manager of Store No. 2. A review of the correlated responses of the employees and the personnel managers showed no concrete pattern in uniformity from store unit to store unit. One possible exception was the quit "dissatisfied with hours or shifts." Four of the 9 personnel managers interviewed were not in agreement with the employees as to the influence of this variable on the exit decision.

The third, fourth, and fifth hypotheses will be presented in Chapter V. This chapter will concentrate on the analysis of the data in relation to the characteristics of the employees who terminated Southern Stores and their quit decision.

CHAPTER V

ANALYSIS OF QUIT BEHAVIOR AND DEMOGRAPHIC CHARACTERISTICS OF TERMINATED EMPLOYEES

The analysis in the preceding chapter presented some insights as to the discrepancies in perceptions related to terminations by both the employer and the employee. The next three hypotheses to be examined will be related to the data obtained on the exiting employees themselves.

The primary statistical technique that will be utilized to test these hypotheses will be discriminant analysis. For the purpose of continuity and clarity, the following section will briefly present a discussion of the form, criteria, and utility of discriminant analysis.

Discriminant Analysis

As a statistical tool for the researcher, discriminant analysis has two primary functions. One purpose of discriminant analysis is to statistically distinguish between two or more groups of cases. Specifically, discriminant analysis attempts to classify objects into two or more mutually exclusive categories based upon one or more predictor variables.⁵³

Once a set of variables is found which provides satisfactory discrimination for cases with known group memberships, a discriminant function can be derived which will permit the classification of new cases with unknown group memberships.⁵⁴ For example, if characteristics are

⁵³Donald G. Morrison, "On The Interpretation of Discriminant Analysis," Journal of Marketing Research, VI, (May, 1969), p. 156.

⁵⁴Nie, SPSS, p. 436

found which did well in predicting whether an individual is a short-term or long-term employee, they can be used to predict the potential longevity of an applicant or new-hire.

The second purpose of discriminant analysis is to identify the variables which contribute significantly to the discrimination or differentiation.⁵⁵ For example, if short-term and long-term employees were asked to give the reasons they terminated, discriminant analysis would aid the researcher in determining which reasons contributed most significantly to the quit decisions of the two groups.

The mathematical objective of discriminant analysis is to weight and linearly combine the discriminating variables in such a way so that the groups are forced to be as statistically distinct as possible.⁵⁶

These discriminating variables measure the characteristics which are expected to cause the groups to differ. The result of the linear combination of the discriminating variables is called the discriminant function.⁵⁷

In discriminant analysis, it is possible to obtain two related sets of coefficients for a discriminant function. The coefficients obtained by using the original data are called non-standardized coefficients. The non-standardized coefficients are used for classification purposes since

⁵⁵Ibid, p. 435.

⁵⁶Ibid, p. 435.

⁵⁷Ibid, p. 435.

discriminating variables are not usually available in standardized form. These non-standardized coefficients do not, however, reflect the relative importance of the variables since they have not been adjusted for the measurement scales and variability in the original variables.

The coefficients obtained using standardized discriminating variables are called standardized coefficients. When standardized coefficients are used, the magnitude of each coefficient reflects the relative contribution of the associated discriminating variable in the discriminant function.

As has been shown in the previous section, the concepts and purposes which are the basis for discriminant analysis are relatively simple and straight forward. But, the calculations involved are often much more complex than indicated in the discussion. Normally, however, a researcher working with discriminant analysis will utilize some type of computer program. For the purpose of this study, the researcher made use of the discriminant analysis program and its subroutines contained in the Statistical Package for Social Sciences. (SPSS). The format for the computer program and the subroutines used in the research are presented in Appendix E.

Hypothesis Number 3

The third hypothesis to be researched in the study was stated as follows:

Short-term quitters terminate for different reasons than long-term quitters.

As was previously discussed, the researcher was able to obtain the time span of employment of the employees of Southern Stores that were used in the study. For the purpose of analysis, these employees were categorized into short-term quitters and long-term quitters. The short-term quitters terminated within 90 days of their hiring. The long-term quitters were employed by Southern Stores for a period of 360 days or longer. Those who were employed between 91 through 359 days were eliminated to assure a differential in time span.

These categories correspond somewhat to the view of Price in his study of turnover. He stated that employees go through three "phases" as their employment time span with the firm increases. These three phases are as follows:

- (1) The period of induction crisis--the period during which a certain number of casualties result from the mutual interaction between the firm and the entering employees.
- (2) The period of differential transit--the period during which those who have survived learn the ways of the company and discover how far they can go.
- (3) The period of settled connection--those who have survived the first two periods⁵⁸ that take on the character of permanent employees.

Price further suggested that the employees may terminate in any of the three stages but his perceptions of the firm and reasons for termination change as he moves through the stages.

⁵⁸James L. Price, The Study of Turnover (Ames, Iowa: The Iowa State University Press, 1977), p. 125.

There are many citations in the literature in regards to the correlation between the length of employment and turnover rates. As was noted by Price, there are numerous studies supporting the negative relationship between lengths of service and an employee's propensity to terminate his employment.⁵⁹

The purpose of the evaluation of this hypothesis was not to examine the differences in the quit rates of the different groups. The purpose was, however, to determine if there were differences in the reasons for voluntary terminations by employees with a short length of service as compared to employees with considerably longer lengths of service.

To test the hypothesis, the researcher utilized the discriminant analysis program contained in SPSS as was previously discussed. Through the utilization of this program and its subroutine, the variables (reasons) and their relative contributions to the quit decision of the short-term quitters and the long-term quitters were identified.

By utilizing the chi-squares test incorporated in the program it was determined that there was a significant difference in the responses to the "reasons for quitting" on the questionnaire between the short-term and the long-term quitters. The chi-square value of 22.66 at 12 degrees of freedom indicated that the groups were different at the .95 level of confidence.

As was stated previously, the purpose was not to simply denote a difference in the two groups to test the hypothesis. It was more

⁵⁹Ibid., p. 27.

relevant to denote specifically how the two groups were differentiated relative to their reasons for terminating employment with Southern Stores.

This difference (discrimination) can best be explained by the use of the standardized coefficients computed by the discriminant analysis program subroutine. As was noted in the discussion of discriminant analysis, these standardized coefficients reflect the relative contribution of each variable. The larger the coefficient, the more influence that particular variable has upon determining the predicted assignment. The particular coding process used in the discriminant program yielded positive coefficients to denote short-term relationships and negative values to denote long-term relationship. Therefore, the larger the positive or negative value, the larger the relative magnitude or contribution of the discriminating variable.

Table 17 ranks the reasons (variables) given to the researcher on the questionnaire relative to the corresponding standardized coefficient computed for each reason in the discriminant analysis program. The table denotes that short-term quitters (positive values) exhibited not only different reasons for termination, but also different directions of quitting philosophies than long-term quitters (negative values). The listing of the standardized coefficient for all the reasons used in the survey is presented in Appendix E.

As can be seen from Table 17, "left to attend school" had a significant relationship to the short-term quitters. This would be understandable due to the summer hires utilized by Southern Stores. Even though this reason had a standardized coefficient of .5446, only 12 percent of the 284 respondents noted this as a factor for their termination.

In relation to the job-oriented reasons for termination, the short-term quitters seemed to feel that their employment with Southern Stores was not as secure as positions elsewhere. Of the 284 individuals surveyed, 22.8 percent indicated "more security elsewhere" influenced their quit decision. Also, this reason, with a standardized coefficient of .4457, was a more significant factor of short-term quitters than of long-term quitters.

Responses to the open-ended question on the questionnaire supported this statistical analysis. Some of the comments from the short-term quitters were:

"I was told not to discuss my salary with anyone else or I could lose my job with. . ."

"I had to have an operation but the personnel manager said that a job possibly wouldn't be available after I was cleared by my doctor."

"I found. . .to be caught up in the hierarchy act, e.g., if you didn't play the game you were gone."

"The resentment of the older employees (50 and over) is enough to discourage the best of us. I wanted a job I could stay and retire but I didn't have a chance at. . ."

Another job related reason that influenced the short-term quitters was termination due to the employee being "dissatisfied with job duties

TABLE 17

RANKING OF DISCRIMINANT FUNCTION COEFFICIENTS OF
REASONS DISCRIMINATED FOR SHORT-TERM AND LONG-TERM
QUITTERS

Short-Term Quitters		Long-Term Quitters	
<u>Reason</u>	<u>Std. Coefficient</u>	<u>Reason</u>	<u>Std. Coefficient</u>
Left to Attend School	.5446	Dissatisfied With Super- visors	-.7744
More Security Elsewhere	.4457	Better Pay--Fringe Benefits Elsewhere	-.4867
Dissatisfied with Job Duties/ Employment Conditions	.2155	Moved or Spouse Transferred	-.1898
Transportation Problems	.2152	Changed Type of Work or Vocation	-.1096

or employment conditions." This reason was noted by over 25 percent of the 284 respondents but seemed to have a stronger influence on the short-term quitters as exhibited by a standardized coefficient of .2155.

Many of the open-ended responses on the questionnaire by the short-term quitters supported this analysis. A sample of the comments related to this termination reason are:

"I felt like I was qualified for more responsibilities than what I received so I left."

"Did not like to work in dirty stock room to get automotive parts while wearing clean dress clothes."

"I needed someone to familiarize me with my duties. The job had a tremendous amount of tension for not understanding completely what you were supposed to do."

"They tried to show me how to run the cash register in about 2 minutes. No one seemed to care about what I was supposed to do."

"Was trained to do the buying and afterwards was called into the office and told I'd be doing something else."

"Given duties I was not qualified or trained for and was expected to complete them like an expert."

"I was a cashier in men's clothing. I was allowed to do nothing but cashier, yet required to look busy at all times."

The final variable (reason) that seemed to have some influence on short-term resignations was "transportation problems." This variable exhibited a standardized coefficient of .2152; however, "transportation problems" were only noted by 4.6 percent of the respondents as a reason for termination. This would understandably be a reason

affecting short-term quitters as people whose service longevity had increased would most likely have solved their transportation problems.

Long-term quitters exhibited different influencing variables that affected their termination decision. As can be seen in Table 16, the strongest influencing variables were related to the job environment or situation.

The reason "dissatisfied with supervisors" seemed to have the strongest influence on this group. This variable had a standardized coefficient of $-.7744$ and was noted by 21.6 percent of the 284 respondents. Again, in this case, the responses to the open-ended question by the long-term quitters clearly supported this finding. A sampling of these responses found the following comments:

"Very poor manager. . . didn't live up to his word."

"The supervision and management of the store I felt had no trust in the ability of the worker."

"I left because. . . was poorly organized and did not know how to supervise personnel."

"Very poor management, manager tried to be a big bully. Immediate supervisors had teachers pets."

"I found it difficult to work for the manager of the store. I pride myself in being able to get along with people. He was an exception."

"My immediate supervisor could not bring herself down to our level or one of a person who occasionally made an error."

"My supervisors were out of contact with what was going on in the department."

"The management did not seem responsive and was insensitive to the employees."

"My department manager took out her personal problems on me, so I quit."

These comments represent only a sampling of the responses to the questionnaire, as was previously stated. It should also be noted that these comments did not solely represent the comments from any one individual store unit. But, a review of the comments did tend to lead to the assumption that management and supervision were stronger influences in some stores as compared to the others. However, it was not the purpose of this research to make evaluations on the individual management and supervision of Southern Stores.

Better pay and fringe benefits elsewhere was another job related reason which seemed to influence the termination of long-term employees. This factor had a standardized coefficient of $-.4867$ and was noted by 47.5 percent of the respondents as being a contributing factor to their quit decision. As in the case of the previous reason, the comments on the questionnaire related to this variable were numerous. A sampling of these comments were:

"The salary was the main reason I quit. I received a 15 cents raise in two years which I thought was unfair."

"I left. . . to go to . . . (competitor). The pay was much better and working conditions are more pleasant."

"Only the top management made money at. . ."

"They hired inexperienced people at a higher wage than the regular employees were receiving."

"I left after two years and after no raise."

From the analysis of the data, pay and fringe benefits was one of the primary factors which influenced quit decisions by the employees of Southern Stores. However, the employees with more longevity seemed to be more cognizant of this condition. New employees are usually hired at current wage (minimum or scale) rates. But, as the comments from the questionnaire suggest, pay or salary increases seemed to be difficult to obtain or were inconsistent.

The findings are consistent with many empirical studies of the relationship between pay and turnover. As was noted by Price, these studies support the contention that "successively higher amounts of pay will produce successively lower amounts of turnover."⁶⁰ He also stated that this proposition is more relevant to non-professionals than to professionals.

The two other non-job related reasons tended to somewhat influence the quit decision of long-term employees. These were "moved or spouse transferred" and "changed type of work or vocation." The former reason had a standardized coefficient of $-.1897$ but was only given as a factor by 10 percent of the 284 respondents. The latter reason had a standardized coefficient of $-.1096$ but was noted by 21.5 percent of the respondents.

⁶⁰Price, The Study of Turnover, p. 68.

From the analysis, other reasons were found to be contributing factors to the employee's quit decision regardless of his longevity. One job related reason that was noted by both short-term and long-term employees was "better opportunity for advancement elsewhere." This reason was given by 31.3 percent of the 284 respondents as a factor that influenced their decision to terminate. But, its relatively low standardized coefficient of .0873 suggested that it was an influencing factor related to both groups. The following comments sampled from both short and long-term quitters support this finding:

Short-term comments:

"I was asked several times for a position with more responsibility but never got it."

"I was hired for an opening in management training and it never happened."

"Was not room for advancement in the department."

"There is very little chance for advancement unless you have worked for. . .for a long time."

Long-term comments:

"Offered me a management position--the manager kept putting me off."

". . . kept promising advancement which I never saw."

"I was not advanced once after I had proven myself qualified and capable of handling my job."

"As a salesman, I consider the job a dead end. Management did not come from the sales force but was employed as such."

The analysis of the data and the comments suggests that the employees studied perceived advancement opportunities to be minimal at Southern Stores regardless of their length of employment. A number of research studies emphasize the relationship between opportunity for advancement and employee turnover. Fry stated that lack of opportunities in an organization influence employee turnover more than pay.⁶¹ None of the studies reviewed were related to the retail industry but they did concentrate on the semi-skilled and skilled category of workers. The findings in this research add further credence to the hypothesis purported by many researchers that "pay and opportunity are the most frequently noted determinants of employee turnover."⁶²

Two other job related reasons that influenced quit decisions of both short-term and long-term employees were "dissatisfied with fellow employees" and "dissatisfied with hours or shifts." The first of these reasons had a standardized coefficient of only $-.0386$ with 5.6 percent of the respondents noting this as a factor in their quit decision.

The second reason, "dissatisfied with hours or shifts," had a standardized coefficient of only $-.0229$. This also suggested that this factor did not significantly influence the short-term group more than the

⁶¹Fred L. Fry, "A Behavioral Analysis of Economic Variables Affecting Turnover," Journal of Behavioral Economics, No. 2 (March, 1973), p. 288.

⁶²Price, The Study of Turnover, p. 82.

long-term group. However, this factor was noted by 31.1 percent of the 284 respondents which would suggest it was a major influencing variable in total employee terminations.

To further support the findings in regards to hours or shifts, the following comments were sampled from both short and long-term quitters who responded to the questionnaire:

Short-term quitters:

"Hours were cut from 40 to 34 per week meaning less pay to live on."

"I was promised 36-40 hours per week but frequently got 20-30 hours. . . . ridiculous!"

"I would work 3 hours one day and 101 hours the next day."

"Working hours were frequently changed with little or no notice."

"Did not like to work split-shift hours."

Long-term quitters:

"Had to work a 6-day work week constantly."

"I was hired to work days only, but then I was told I had to work nights."

"I was dissatisfied about working evenings and weekends all the time."

"Too many nights and Saturday work with very little pay."

"I feel if . . . is interested in keeping their employees, they would change their policy about working nights and weekends. That's why I quit!"

The comments presented again represent a cross-section of the stores utilized in the study. However, as can be seen from the preceding

comments, the dissatisfaction with the hours or shifts worked seemed to be oriented in different directions when comparing short-term and long-term employees. The short-term employees reported facing hour reduction problems while the long-term employees were confronted with nights and Saturday hours.

One final observation from the analysis of the data was terminations due to personal or family problems. This factor had a standardized coefficient of only $-.0043$ and was noted as a contributing factor by only 17.6 percent of the respondents. However, as was shown in a previous chapter, the personnel managers ranked this reason as a very significant reason or influencing factor of voluntary employee turnover.

The foregoing analysis suggests, therefore, that Hypothesis Number 3 can be accepted. The data suggested that employees with different degrees of longevity voluntarily terminate for different reasons. The analysis of the data also suggested that some factors affect the decision to terminate by the employees regardless of their length of service.

Hypothesis Number 4

The fourth hypothesis to be tested in the study was stated as follows:

Employees who quit before obtaining another position terminate for different reasons than those who find a new position before they terminate.

Matilla purports that "one-half and perhaps two-thirds of those who quit obtain a prospective job before they quit."⁶³ Of the 284 respondents to the questionnaire, 145 indicated that they had a new job before they terminated their employment with Southern Stores. This represented 51.1 percent of the respondents and supported the findings of Matilla. A summation of the percentages who responded in the affirmative to this question on the questionnaire is presented in Appendix F.

The purpose of the analysis of the data in relation to the fourth hypothesis was to determine if those who found another job prior to their termination quit for different reasons than those who did not obtain a subsequent position. Other research has suggested that people who quit after obtaining another job do so for reasons that are somewhat more job-oriented than those who do not find another position.⁶⁴ This research, however, does not specifically give what specific reasons influenced those quit decisions.

The statistical technique utilized to test the fourth hypothesis was discriminant analysis. This allowed the researcher to see whether the reasons evaluated contributed significantly to either group of quitters or were related to both groups indiscriminantly. The coding process again used in computer analysis for the discriminant analysis routine yielded

⁶³Peter Mattila, "Job Quitting and Frictional Unemployment," American Economic Review (March, 1974), p. 235.

⁶⁴Howell and Stewart, p. 626.

positive coefficients for the group that located another job prior to their quit decision. Negative coefficients were obtained for the group that did not secure future employment before their decision to quit.

Table 18 ranks the reasons given to the researcher on the questionnaire by the values of the standardized coefficients computed for reasons discriminated as to location of a future position. A complete ranking of the standardized coefficients of all the reasons that were discriminated as to the location of another job is presented in Appendix E.

Table 18 suggests that those who left after locating another position terminated for reasons more oriented to the job than for non-job related reasons. Those who left with the condition of having another job seemed to feel the new position would afford better pay and fringe benefits than Southern Stores. This is evidenced by the standardized coefficient of .4238 for this reason. Of the 284 respondents to the questionnaire, 107, or 73.8 percent, denoted better pay and fringe benefits elsewhere as a contributing factor in their quit decision. Of the 139 respondents who indicated that they did not obtain another position, only 28, or 21.4 percent, noted this reason as a factor for quitting.

The reason "change type of work or vocation" also had a positive standardized coefficient (.1944) which indicated it somewhat influenced the quit decision of those who quit after finding another position. One interesting statistic revealed by the data was that of the 284 respondents only 61, or 21.1 percent, indicated that they quit to change their

TABLE 18

RANKINGS OF DISCRIMINANT FUNCTION COEFFICIENTS OF
REASONS DISCRIMINATED ON LOCATION OF ANOTHER JOB
PRIOR TO THE QUIT DECISION

Located Another Job Prior to Quit		Did Not Locate Another Job Prior to Quit	
<u>Reason</u>	<u>Std. Coefficient</u>	<u>Reason</u>	<u>Std. Coefficient</u>
Better Pay--Fringe Benefits Elsewhere	.4238	Moved or Spouse Transferred	-.3553
Changed Type Work or Vocation	.1944	Personal/Family Reasons	-.3521
Better Opportunity for Advancement Elsewhere	.1868	Left to Attend School	-.2763
Transportation Problems	.1440	Dissatisfied With Employment Conditions	-.1526

type of position. This did not support the remarks presented in the questionnaires with the store personnel managers that many people left their employment simply because they do not enjoy retail oriented work.

Another job related factor that somewhat influenced the decisions to quit by those who located another position before they terminated was "better opportunity for advancement elsewhere." Of the 145 individuals in the category, 83 or 57.2 percent, indicated this reason as a factor in their quit decision. This compares to only 23, or 20.8 percent, of the 139 respondents who indicated that they did not have another job prior to their termination. This is again evidenced by the standardized coefficient of .1868 which denotes this factor as being related to the former group.

Table 18 also suggests that those who terminated before finding another position tended to identify reasons that were non-job related. The reasons "moved or spouse transferred," "personal or family reasons," and "left to attend school," had negative standardized coefficients of $-.3553$, $-.3521$, and $-.2763$ respectively.

The job related reason "dissatisfied with employment conditions" had a standardized coefficient of $-.1526$. Even though this variable is a fairly weak discriminator; it suggests that possibly some employees were dissatisfied with the conditions at Southern Stores to the extent they terminated before finding future employment.

One additional finding correlated to the hypothesis was related to the question on the questionnaire which asked "would you return to your former job at Southern Stores at the current wage rate?" Of the group

who responded positively to finding another job before they quit, only 15.2 percent indicated they would return. However, 24.3 percent of those who did not find another job prior to their termination indicated they would return.

Thus, the data suggested support for the acceptance of the fourth hypothesis in the study. Employees who quit for job related reasons tend to secure future employment before terminating their position with Southern Stores. This group also seemed less willing to return to their former position. The employees who terminated for non-job related reasons did not tend to seek additional positions prior to their quit decisions and seemed to be more willing to return to Southern Stores.

Hypothesis Number 5

The fifth and final hypothesis to be researched in the study was:

The demographic characteristics of age, sex and marital status can be used to predict whether an applicant is a potential short-term or long-term employee.

The review of the literature purported that previous studies had attempted to utilize personal characteristics of individuals to identify potential short-term or long-term employees. These studies utilized various techniques such as weighted application forms, frequency tables, and factor analysis to determine the characteristics and their influence on the longevity of employees.

The review of the literature also denoted that the studies did not seem to coincide in all aspects. But, they did find some personal

characteristics, such as age, that could be used as identifying variables with various degrees of success. For example, age was found to be an influencing factor. But, the specific age was not agreed upon in the studies. One study found 25 years or under to be an influencing factor of short-term quitters while another study denoted 30 years and under as being the significant age.⁶⁵

All of these studies concentrated on manufacturing-oriented organizations. The purpose of the test of this hypothesis was to determine if a selected group of retailing employees could be categorized into potential short or long-term employees based on certain demographic characteristics obtainable from the initial application form.

As stated in the hypothesis, the demographic characteristics considered to be discriminating variables were age, sex, and marital status. Previous studies used a similar or expanded list of characteristics such as race, weight, home ownership, education, and others. However, the application form of Southern Stores did not allow the researcher access to a wide range of personal data. Education was included on the application form but was omitted from consideration because it exhibited little variation. In the group of employees used in the study (non-managerial employees), a high school education was a job requirement and only a few had some, if any, post high school education. Further educational data, such as grade point averages, was unobtainable from the records.

⁶⁵See the review of the literature, pp. 23-24.

The method of analysis used to test the hypothesis was again discriminant analysis. As was shown in the discussion of this technique, one principal objective of discriminant analysis was to classify objects or cases into categories based upon one or more predictor variables.

In the testing of the hypothesis, the original data list of employees secured from the files of Southern Stores was used. Of the 1217 individuals obtained from the files, 418 were classified as short-term quitters and 347 were as long-term quitters based on the number of days they were employed.

Through the utilization of the discriminant analysis program incorporated in the SPSS, the first procedure was to determine if the characteristics of the short-term and the long-term employees were significantly different. The results were verified to be statistically different (.99 + confidence interval based on a chi-square value of 65.5 with 3 degrees of freedom). Therefore, it was concluded that there was a difference in the characteristics between the short-term and long-term employees.

The next procedure was the classification of the individuals into the group they best "fit" based on the discriminant function computed from the demographic characteristics measured. As was previously shown, if the discriminant analysis computation yields a positive coefficient value in a two group set, the case in question is assigned to one group. Conversely, if the value is negative, the case is assigned to the other group.

The results of this classification process for the 765 cases observed are presented in Table 19 on the following page. Of the 418 individuals known to be short-term employees, the use of discriminant analysis correctly predicted 318 cases or 76.1 percent of this group. Of the 347 individuals known to be long-term employees, 179 or 51.6 percent were correctly classified. As can also be seen from the table, the prior probability of correctly classifying an individual by random selection would be 54.7 percent for the short-term employees and 45.3 percent for the long-term employees. Thus, the interaction of age, sex, and marital status yielded approximately a 23 percent improvement over chance in classifying potential short-term employees and a 6.3 percent improvement in classifying potential long-term employees. Overall, the statistical technique correctly classified 497 cases or 64.9 percent of the total observations. Ideally, a personnel manager would desire correct classification in 100 percent of the cases. However, the 64.9 percent of correct classification did yield an average of 14.9 percent over chance in determining the potential longevity of an employee.

From the analysis of the data, it was also found that the interaction of the personal characteristics permitted the derivation of a "decision tree" type model. This model denotes the relationship between sex, age, and marital status which depicts the likelihood of an employee having a short or long-term tenure.

The development of the model is again based on the concept of determining to which group any one case should be assigned in a two-group set based on positive or negative discriminant function scores.

TABLE 19

CLASSIFICATION RESULTS OF SHORT-TERM AND LONG-TERM
 QUILTS BASED ON THE DISCRIMINANT VARIABLES OF SEX,
 MARITAL STATUS, AND AGE WHEN HIRED

Group	No. of Cases	Cases Correctly Classified	Cases Incorrectly Classified	Prior Probability	Improvement Over Random Chance Selection
Short-Term Quitters	418	318 (76.1%)	100 (23.9%)	54.7%	21.4%
Long-Term Quitters	347	179 (51.6%)	168 (48.4%)	45.3%	6.3%

No. of Cases Correctly Predicted--64.9

Thus, breakpoint predictor values can be determined by computing characteristic values that cause the discriminant function score to equal zero.

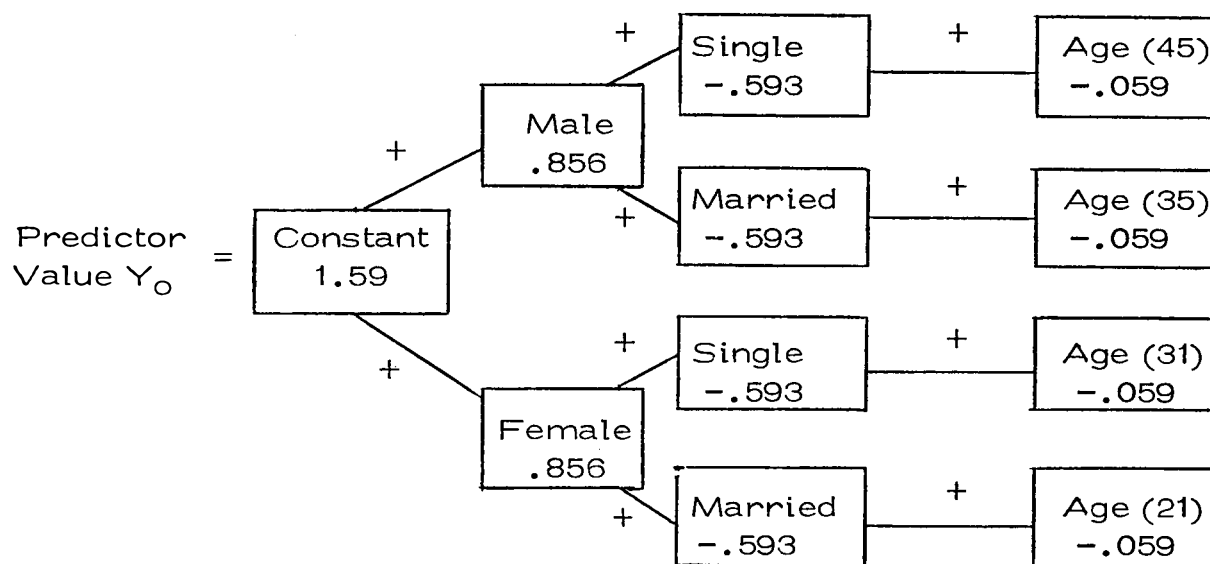
The use of sex, marital status, and age as characteristics are somewhat unique in the fact that there are two dichotomous variables (sex, marital status) and one continuous variables (age). Since sex and marital status were represented by either a one (1) or two (2) in the coding process, they can be treated as "givens." This leaves only age as the free variable. Therefore, by using the unstandardized discriminant functions, as was previously discussed, it was possible to adjust the free variable (age) with the possible combinations of the given variables (sex and marital status) to derive at a predictor value (discriminant function score) of zero. Thus, any value below this point would assign a case to one group and above this point to the other group.

The equation around which the model is constructed is:

$$\text{Predictor Value } Y = 1.59 + \text{Sex } (.856) + \text{Marital Status } (-.593) + \text{Age } (-.059)$$

From this equation it was possible to develop a "decision tree" type model which visually demonstrates all the possible combinations of sex, marital status, and age which would result in a zero (breakpoint) predictor value. This null value is indicative of the age breakpoint between the short and long-term employees when related to their sex and marital status. Any decrease in age below this value would lead to a prediction of a short-term employee. Conversely, any increase in age above this value would lead to a prediction of a long-term employee.

Therefore, by the application of the demographic data to the unstandardized coefficients in the equation, the following values were obtained which rendered the predictor value Y_0 equal to zero. The results of the application of the demographic data to the equation are shown in the following model:



From this model, the following combinations of sex, marital status, and age tend to predict a short-term employee or a long-term employee:

Short-term:

1. Single males below the age of 45.
2. Married males below the age of 35.
3. Single females below the age of 31.
4. Married females below the age of 21.

Long-term:

1. Single males above the age of 45.
2. Married males above the age of 35.
3. Single females above the age of 31.
4. Married females above the age of 21.

This model is somewhat unique to the literature in one aspect. Previous studies have also determined specific ages as a predictor characteristic. But, the findings of most previous research denotes one specific age to be a variable for both male and female employees alike. The findings from this research suggests, however, that males and females exhibit different characteristics to longevity in relation to age.

The review of past studies denotes this factor was not significantly considered. These studies would examine a group of workers and then demonstrate that certain personal characteristics could be used to distinguish between potential short-term and long-term employees. The results of the study of Southern Stores indicated that the personal characteristics used to classify potential short-term employees from long-term employees must be separated by sex.

One recent study, however, also noted that males and females should be separated for analysis purposes. This study of a southern manufacturing firm noted that married males under the age of 29 are potential short-term employees. But, the study was inconclusive in regards to the age breakpoint for females.⁶⁶

⁶⁶Calvasina, p. 142.

The evidence suggests, therefore, that the fifth hypothesis in the study can be accepted. Through the use of discriminant analysis as a classificatory technique, the personal characteristics of sex, marital status, and age can be used to predict employee longevity. While not an accurate predictor in 100 percent of the cases observed, the technique did yield correct classifications that resulted in an improvement over random chance selection. This was especially evident in regards to the short-term quitters. Also, from the computation, the actual combinations of sex, marital status, and age that denoted a short-term or a long-term quitter were obtained.

Chapter VI

ADDITIONAL FINDINGS

The purpose of this chapter is to provide an extension to the data used to test the preceding hypotheses. This data and findings are presented to further enlighten the reader to some additional aspects of employee turnover in relation to the specific case analysis. Three additional findings will be briefly discussed. These findings relate to the turnover rates, the comparison of the employee's present job to his job at Southern Stores, and the responses by the personnel supervisors/managers to specific personnel management techniques.

Turnover Rates

The turnover rates for Southern Stores were computed on an annual basis for the 2 year time span incorporated in the study. This time span was from the beginning of 1973 to mid 1975.

As was noted previously, employee turnover rates in retailing were reported to range between 35 to 99 percent for full time employees. The data from the nine stores sampled of Southern Stores found turnover rates to fall within and, in some cases, below this range. Stores numbered one through five in the research were located in cities with a population of under 150,000 and the store sizes ranged from 25,000 to 75,000 square feet. Stores numbered six through nine were located in a major city with a population in excess of 500,000 and the store sizes ranged from 38,500 to 125,000 square feet.

As shown in Table 20 on the following page, the turnover rates for all the stores studied were from 14.8 percent to 66.3 percent. The average turnover rate for the nine store group increased from 34.3 percent in 1973 to 39.3 percent in 1974 and then decreased to 28 percent in 1975. It should be noted that the year 1975 reflected a period when unemployment rates were beginning to rise. According to the U.S. Department of Labor, the aggregate average unemployment rates for 1973, 1974, and 1975 were 4.9 percent, 5.6 percent, and 8.5 percent respectively.⁶⁷

The turnover rates for the smaller cities were somewhat less than the larger city. In 1973 the average turnover rate for the smaller cities was 29.3 percent as compared to 40 percent for the larger cities. In 1974 the average turnover rate for the smaller cities was 33.5 percent as compared to 46 percent for the larger city. In 1975 the turnover rate in small cities decreased to 17.6 percent while the large city decreased to 39.8 percent. This differentiation reflects the possibility of fewer job opportunities or alternatives in smaller cities in a period of rising unemployment.

Comparison of Present Employer to Southern Stores

Each respondent to the mail questionnaire was asked to rate his or

⁶⁷ Monthly Labor Review (U.S. Department of Labor, Bureau of Labor Statistics, May, 1978), p. 79.

TABLE 20
 TURNOVER RATES FOR NINE RETAIL UNITS
 OF SOUTHERN STORES FOR THE YEARS
 1973, 1974, AND 1975*

Store No.	1973	1974	1975
1	**	50.6	17.6
2	25.3	28.2	20.7
3	32.3	25.8	14.8
4	43.9	30.5	14.9
5	53.5	66.3	21.1
6	47.5	60.7	59.8
7	44.1	38.0	26.3
8	19.8	24.5	39.6
9	32.9	50.6	16.5
Mean	34.3	39.3	28.0
Range	33.7	41.8	44.4
Smaller Cities	29.3	33.5	17.6
Larger City	40.0	46.0	39.8

* 1975 represented $\frac{1}{2}$ year--rate adjusted to reflect annual rate

**New store--not open in 1973

her former employer (Southern Stores) in comparison to their present or past employers. The respondent was asked to rate eight items using a semantic differential. (See question number 5 of the mail questionnaire in Appendix A). Table 21 shows the percentages of respondents who rated Southern Stores "below average" and "poor" to comparable employers. Thus, a low percentage in Table 21 indicates a larger proportion of the respondents rated Southern Stores as "average" or "above." A relatively high percentage, for example 51.9 percent, indicates a smaller proportion of former employees rated Southern Stores "below average" or lower in comparison to other employers. A complete ranking of the percentages of the responses to the various items can be found in Appendix F.

According to Herzberg, an employee remains with an employer because of both motivational factors and maintenance factors. According to his Motivational-Maintenance Model, factors such as the possibility of growth, responsibility, advancement, and recognition are motivational factors. Status, supervision, job security, and salary are maintenance factors.⁶⁸ The questionnaire included motivational factors under the categories of opportunity for advancement, acceptance of ideas, and enjoyment of work. The maintenance factors included in the questionnaire were working conditions, supervisors, salary, prestige, and job security.

⁶⁸ Keith Davis, Human Behavior at Work, 4th edition, (New York: McGraw-Hill Book Company, Inc., 1972), p. 59.

TABLE 21
 PERCENTAGE OF FORMER EMPLOYEES WHO RATED
 SOUTHERN STORES AS BELOW AVERAGE TO PRESENT
 OR COMPARABLE EMPLOYERS

Criteria	All Stores	Small Cities	Large City
Working Conditions	7.4	6.9	7.8
Supervisor	21.1	22.1	20.3
Salary	45.0	51.9	31.2
Opportunity for Advancement	54.9	62.2	48.4
Acceptance of Ideas	35.9	29.2	41.8
Enjoyment of Work	23.2	26.0	20.9
Prestige	33.4	35.1	32.0
Job Security	27.9	35.9	20.9

The data in Table 21 reveals that those who quit tended to rank Southern Stores below average in respect to these motivational factors. For example, 54.9 percent of the respondents rated opportunity for advancement below average or poor at Southern Stores. Another motivational factor, acceptance of ideas, was rated below average by 35.9 percent of the individuals.

The data in Table 21 also suggests that former employees also tended to rank some of the maintenance factors below average or poor when compared to other employers. Salary, for example, was rated below average or lower by 45 percent of the respondents. Supervisor, prestige, and job security were ranked below average by 22.1 percent, 35.1 percent, and 35.9 percent of the respondents respectively.

One maintenance factor, however, was ranked very favorably by the former employees. Working conditions (lighting, noise, equipment, etc.) were rated below average or lower by only 7 percent of the individuals. In other words, most of the respondents rated their former retail employer average or above in physical working conditions.

Perhaps a more meaningful comparison would be between the smaller cities and the larger city. Those working in smaller cities seemed to be more critical of their former employer in regards to salary, opportunity for advancement, enjoyment of work, and job security. The perceivable lack of opportunities for advancement is understandable for those in the small cities which normally have smaller

store units. Those working in the larger city were more critical of their former employer's acceptance of ideas.

Responses by Personnel Supervisors/Managers to Personnel Techniques

As was previously discussed, the researcher conducted a personal interview with the individual in charge of personnel at each of the store units incorporated in the study. One question was directed to the extent of utilization of the following personnel practices by these personnel supervisors/managers: employee orientation, employee counseling, performance evaluation, and the exit interview. These are all techniques discussed in the personnel manual of Southern Stores and were accessible to the personnel supervisors/managers.

The researcher used four categories to measure the extent to which each technique was used by the nine individuals interviewed. Table 22 represents the number of personnel supervisors/managers who responded to each category for each of the managerial techniques.

It was assumed that the responses to the use of these techniques would be basically positive. However, as shown in Table 22, the exit interview was used only occasionally by more than 50 percent of the personnel supervisors/managers interviewed.

All of the supervisors/managers interviewed remarked that the exit interview was a useful tool, but several believed that they tended to receive untruthful answers from the terminating employee.

TABLE 22

UTILIZATION OF PERSONNEL TECHNIQUES BY NINE
RETAIL PERSONNEL MANAGERS OF SOUTHERN STORES

Technique	Never	Seldom	Occasionally	Frequently
Employee Orientation				9
Employee Counseling			2	7
Performance Evaluation			1	8
Formal Exit Interview			5	4

Summary

The preceding data represented some additional descriptive data obtained from the research. This data was not directly related to the hypotheses tested in the study. The purpose of presenting these additional findings was to give the reader additional insight into the problem of employee turnover as related to this specific retail case analysis.

Chapter VII

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

The purpose of this study was to examine the problems of voluntary employee turnover of a major retailing organization. Studies related to employee turnover in manufacturing organizations dominate the literature. The purpose of this chapter is to present a summary of the study, the conclusions drawn from the research, and the recommendations based on the findings of the study.

The following discussion of the results of the study will be divided into three sections. First, a summary of the study will be presented. Second, a summary of the findings and conclusions related to the hypotheses will be presented. Finally, a discussion of the conclusions and recommendations will be presented.

Summary of the Study

To accomplish this investigation, a case study of a major retailing organization in the southeastern region of the United States was employed. This case study involved the collection and analysis of data from employees who voluntarily terminated from a selected group of stores within the Southern Stores organization.

The data consisted of: (1) the demographic profiles of 1,217 employees who terminated during the time span of the research; (2) responses to questionnaires completed by 284 of the terminated employees

utilized in the study; and (3) responses to a questionnaire completed by the personnel supervisor/manager of the store units incorporated in the research.

The examination of the problem of employee turnover in the major retailing organization was divided into five specific areas. These areas of investigation were:

1. The evaluation of the effectiveness of the company's "exit interview" system to determine if the reasons given for termination are accurate.
2. The evaluation of management's perception of employee turnover and why employees leave their employment with the company.
3. The examination of the reasons given by employees who terminated after a short tenure as compared to employees with a relatively long tenure to determine if there are differences in the reasons for termination.
4. The examination of the reasons of employees who obtained another job before they quit as compared to employees who terminated before they found future employment.
5. The examination of the personal characteristics of sex, marital status, and age to determine if these variables could be used to denote a potential short-term or long-term employee.

To facilitate this investigation, several statistical techniques and computer programs were utilized by the researcher. The predominant techniques used to perform the analysis were crosstabulation and discriminant analysis.

Summary of the Findings

In relation to the areas considered in the study, the following section will present the findings used to either support or reject the specific hypotheses presented.

Hypothesis No. 1. The evaluation of the truthfulness of the reasons for quits was facilitated by comparing the responses given to the personnel managers/supervisors to those given to the researcher on the mail questionnaire. The analysis of the data, through the use of crosstabulation, indicated that in a high proportion of the cases there was a difference in the responses to the personnel manager/supervisor and the researcher.

The following reasons for termination were evaluated to test this hypothesis:

1. Employment conditions
2. Better pay, opportunity, and security elsewhere
3. Dissatisfied with hours or shifts
4. Changed type of work or vocation
5. Personal or family reasons

As can be seen in Table 7 on page 56, the employees used in this case analysis tended to give the personnel manager and the researcher different responses for all of the above reasons with the exception of "dissatisfied with hours or shifts." The table shows that different responses were given to the personnel manager and the researcher from 14.3 to 62.5 percent of the time.

The greatest differentiation was when the employee terminated to "change type of work or vocation." In this case, 62.5 percent of the employees who terminated for this reason indicated different factors to the researcher. For those who terminated for "better pay, opportunity, or security elsewhere," 40 percent did not note this reason for quitting in both interviews. However, it was also found that if the employees terminated because of "dissatisfaction with hours or shifts" they indicated this reason to both the personnel manager and the researcher in 85.3 percent of the cases.

Therefore, the evidence suggested that strong support can be given to the hypothesis that employees do not always give the firm the true reason for their termination decision. The evidence further suggested that certain reasons tended to cause more bias by the employee than others when he or she quits his job.

Hypothesis No. 2. The second hypothesis tested the proposition that management did not have an accurate perception of the reasons the employees of their firm voluntarily terminated. To test the hypothesis, the questionnaire responses of each individual store personnel supervisor/manager were compared to the responses obtained from the questionnaire mailed to the store's former employees. Frequency distributions were used to compare the relative differences or similarities of the responses.

In most of the nine store cases, the primary reasons given for employee resignations by the personnel manager/supervisor were not confirmed by the questionnaires. Several of the personnel managers

had a basic conception of why the employees were leaving but did not have a true perception of the relative magnitude of the reason. It should again be noted that the analysis of the data showed that the correspondence between the personnel managers and the employees differed between the various store units. That is, several personnel managers had more accurate perceptions than others. As was also noted in Chapter IV, one personnel manager exhibited a high degree of accuracy in his perception as to why the employees terminated his store unit.

Hypothesis No. 3. The third hypothesis evaluated the differences in quit behavior of employees with various degrees of longevity with the organization. To test the hypothesis, the terminated employees used in the study were categorized into short-term quitters and long-term quitters. These categories were based on the employee's length of employment with Southern Stores as obtained from the personnel files. Discriminant analysis was used to determine if differences existed in the reasons for termination between the short-term and the long-term employees.

The results of the analysis indicated that short-term quitters tended to terminate for reasons that were partly non-job oriented and partly job oriented. The non-job related reasons which seemed to influence the short-term quitters were "leaving to attend school" and "transportation problems." Two job related reasons also tended to influence the quit decision of the short-term employee. The first was the apparent dissatisfaction with the job duties and the overall employment conditions.

The second was that the short-term quitter felt his or her position was accompanied by a lack of job security.

The evidence indicated that the long-term quitters also terminated for reasons that were both job and non-job oriented. However, the specific reasons were different from those which influenced the short-term employee. "Dissatisfaction with supervision" was one factor that strongly influenced the quit decision of the long-term employee. "Better pay elsewhere" also significantly influenced the quit decision of this group of quitters. Most studies indicated that pay is a major determinant of turnover. This study also indicated that pay is a reason for turnover; however, it is correlated to the employee's length of employment. The non-job related reasons that somewhat influenced long-term resignations were when the employees moved or decided to change their type of work or vocation.

The data also supported the contention of past studies that opportunity for advancement as perceived by the employee is a major determinant of turnover. This reason was noted by a large percentage of the respondents and appeared to influence the quit decisions of the short-term and long-term quitters alike.

Thus, the analysis of the data purported the acceptance of the third hypothesis in the study. The evidence suggested that employees with different degrees of longevity with the organization voluntarily terminated for different reasons. The analysis also suggested that some reasons affected the termination decisions regardless of the length of employment.

Hypothesis No. 4. The fourth hypothesis evaluated the quit behavior of another category of employees. Specifically, this category was employees who terminated before finding another job as compared to those who did not locate another position before they quit. Discriminant analysis was again used to facilitate the analysis of the data.

The research indicated that these two groups of terminated employees quit for different reasons. The employees who located another job before they left Southern Stores noted basically job oriented reasons as influences in their quit decisions. The employees who did not locate another position before they terminated seemed to be influenced primarily by non-job related reasons.

Therefore, the evidence supported the acceptance of the fourth hypothesis. Employees who terminate after finding another position do so for different reasons than the employees who terminate before finding another job.

Hypothesis No. 5. The fifth and final hypothesis tested the proposition that certain personal characteristics which can be obtained from the employee's application form can be used to predict an individual's potential longevity. The personal characteristics evaluated were sex, marital status, and age.

Through the application of chi-square analysis, it was found that short-term and long-term quitters exhibited different personal characteristics. By the application of discriminant analysis, it was found that a prediction (classification) of a short-term or long-term employee

could be made that yielded an improvement over random chance selection. However, the prediction rate was significantly more successful with the short-term quitters than with the long-term quitters.

From the analysis, the various combinations of the personal characteristics which denoted a potential short-term or long-term employee were derived. As in previous studies, age was found to be a determinant of potential longevity. However, it was also found that the age which affects longevity must be correlated to the individual's sex and marital status.

Therefore, based on the analysis of the data, the fifth hypothesis should be accepted. The combination of certain personal characteristics of an individual can, with limited success, be used to predict whether he or she is likely to be a short-term or long-term employee.

Conclusions

The five hypotheses tested in the study were all supported by the evidence. The following conclusions were obtained by the analysis:

1. Employees tended to bias the true reason(s) they gave to the organization at the time of termination of their employment. The present exit interview system did not obtain an accurate representation of the basis of employee resignations. Furthermore, those who held personnel management responsibility with the individual store units did not exhibit an accurate conception of why the employees were leaving the organization. Based on the reasons the personnel managers/supervisors

gave in the research questionnaire, their perceptions as to factors that influenced employee turnover were, for the most part, inaccurate.

2. Both internal and external environmental factors of the firm contribute to the problem of employee turnover. However, these factors influence an employee's quit decision in different magnitudes as his or her longevity with the organization increases. Certain factors seem to influence the employee in the earlier stages of his or her employment somewhat differently than those employees with increased lengths of employment.

3. Employees who are dissatisfied with internal factors in the organization were inclined to procure other employment before their actual termination action. Conversely, those employees who terminated before finding future employment seemed to be influenced more by non-job oriented factors.

4. Certain personal characteristics can be used to predict the potential short or long-term employees in a group of applicants with a limited degree of success.

Recommendations

The research findings suggested that some changes are needed at the individual store levels in regards to the problem of employee turnover. The personnel managers/supervisors interviewed in the collection of the data all noted that employee turnover was one of their

major problems. Yet, most of these individuals had limited cognizance of the problem beyond the point of simply its recognition.

The first recommendation would be a more systematic effort to illicit the true reason(s) for termination from the employee. One technique might possibly be the implementation of a more effective exit interview system. This would include a simplistic post-exit questionnaire mailed to the former employee within a reasonable time lapse after leaving the organization. With the inclusion of an effective cover letter, the former employee might exhibit less bias in stating his or her rationale for quitting. This technique, if properly used, would also enhance the chances of goodwill between the firm and the former employee.

After the reasons are obtained, either at the time of termination or in a post-exit interview, a classification process should be implemented. The reasons obtained could be classified and categorized by length of service, department, supervisor, or any other criteria deemed necessary. This would aid in the determination of the core or basis of the problem area.

Next, based on the responses from the mail questionnaire used in the research, the individual store units should place a greater amount of emphasis on employee orientation. This is especially significant in the earlier stages of the individual's employment. This would enable the personnel manager to more readily identify potential problem areas before they cause an employee resignation. As was noted in numerous

comments on the questionnaire, many employees were induced to terminate by a lack of orientation and established goals by management.

One possible approach to a more effective employee orientation program would be the adoption of a management control system. According to one author, the following procedures could be incorporated into an effective management control system (MCS):⁶⁹

1. The demands (goals) and rewards of the company should be clearly defined. These goals must be within the realistic parameters of the goals and capacities of the employees.
2. Management should then implement a system of keeping the employee informed of his or her success in meeting the firm's goals also being cognizant of their personal goals. One purpose of this evaluation would be to ascertain what each employee wants from his job and to inform the employee of what the organization desires from him.
3. Management should develop and encourage an effective upward channel of communication so that the employee feels he can more adequately voice his feelings, wants, and attitudes. This channel of communication should also provide for an effective method of candid and constructive feedback to the employee.

This basic form of a management control system could be implemented at the individual store level of Southern Stores with a minimum of effort

⁶⁹ John Todd, "Management Control Systems: A Key Link Between Strategy, Structure and Employee Performance," Organizational Dynamics, AMACOM, (Spring, 1977) p. 73-74.

and expense. All of the personnel managers surveyed noted that they incorporated a performance evaluation in their activities (although few seemed sure of the use of its results).

The personnel managers could define the goals of the organization in the initial orientation with the employee. This should coincide with the identification of the employee's personal goals relative to his position with the company. Through subsequent performance evaluations, the personnel manager could evaluate the employee's performance in relation to his personal and the organization's goals. This evaluation should also be the basis for the employee's wage increases, promotions, or other motivating rewards. It should again be stressed that candid feedback is essential both from the employee and management.

It is recognized that no system would be totally effective in eliminating employee turnover, especially in the retailing industry. But, as was clearly evident in the analysis of the data in the research, a significant proportion of employee quits could have possibly been avoided by a more effective scheme of employee orientation on the part of Southern Stores or the individual store units. This was confirmed by Jacobson in his study of the factors that motivate retail store employees. He noted that the employees indicated the most important factors of motivation were appreciation of work well done, being "in" on things, and a sympathetic understanding of personal problems.⁷⁰

⁷⁰Jacobson, "A Motivating Store Environment," p. 16.

Implications

The case study of Southern Stores was limited to only a portion of the store units within the organization. The techniques used in the study could be used in the evaluation of other store units or groups to determine if the conclusions derived are regional in nature or apply to the entire organization. Also, this study may provide future access to data from other retail organizations to determine if the areas evaluated in the study were representative of the retailing industry in general.

It is hoped by the researcher of this study that the findings will exhibit to other retailing organizations that academic research can be undertaken that will not violate the confidentiality of internal policies or operations. This access to data could be beneficial to both the retailing industry and the academic community alike.

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APPENDICES

APPENDIX A

EMPLOYEE COMPUTER WORK SHEET

BASIC PAYROLL AND PERSONNEL DATA

	COL.01	02	03	04	05	06	07	08	09	10	11	12	13
LINE 03--	SOC. SEC. NO. FIRST 3 DIGITS	SOC. SEC. NO. SECOND 2 DIGITS	SOC. SEC. NO. LAST 4 DIGITS	DATE BORN MO. DAY YR.	DATE HIRED MO. DAY YR.	POSITION CODE	PRL OR GRADE	SALARY PLAN NO. 1 MO. 3 NO. 2 ANN. 4	PAY PERIOD WK. 1 MO. 2 SEMI-MO. 3	EXEMPT. 1 NON EXEMPT. 2	REG. BY: 1 PT. 2 ON CALL 3 YEAR. 4	APPRAISAL CODE 1-5	MINORITY CODE * ENTER AT HIRE ONLY
LINE 04--	PAY RATE ** HRLY=4 DECIMALS MO'LY & ANN=2	NOT INCENT=0 MGT. P. 5. =1 INCENT =2	INCENTIVE % 4 DECIMALS	INCR: MERIT=1 PROM=2 OTHER=3	AMT. RATE INCR. 4 OR 2 DECIMALS	EFF. INCR. DATE MO. DAY YR.	HOURS/WEEK TENTHS	NO. EXEMPT FEDERAL	NO. EXEMPT STATE A	NO. EXEMPT STATE B	FEMALE=1 MALE=2	MARR=1 SING=2	JOBS PROG. CODE

PAYROLL CONTROL	DATE LAST PROCESSED MO. DAY YR.
PROCESSING VALIDITY CODES FOR PAYROLL CONTROL USE	

POSITION TITLE	TOTAL EARNINGS ADJUSTMENT %	PAY RATE RANGE MIN. MID. MAX.	INCENTIVE RANGE % MIN. MID. MAX.	RELATION TO RANGE (DO NOT FILL IN)
NEW		NEW	NEW	
PRESENT		PRESENT	PRESENT	

REMARKS:

BENEFITS DATA

LINE 05--	BENEFITS PAY RATE SUBSTITUTE-4 DEC.	CONTR. TERM LIFE NO. 0. YES. 1. NO. 2	SUPL LIFE INS DEDUCTION	SAVINGS & P'S % 00:02:04:06:08:10	SAVINGS & P'S ACCT. 1:2:3: (REG.=4)	BOND DEDUCTION	RECUR DED. CODE	RECUR DED. \$ OR %	FREE INS=1 NO INS=2
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STATUS AND MISCELLANEOUS DATA

LINE 06--	STATUS CHANGE MO. DAY YR.	STATUS CHANGE SEE CODE BELOW	GARCO	DATE MADE REG MO. DAY YR.	RES. STATE CODE NO.	RES. STATE W/H %	RES. LOCAL CODE NO.	RES. LOCAL W/H %	1ST SHIFT=1 2ND=2. 3RD=3	INDICATOR B	PENSION PLAN ELIG.=1
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STATUS CHANGE CODES

01-REHIRE 02-REINSTATEMENT 03-RECLASSIFICATION 04-CHANGE IN PRL OR CLASS, SALARY TYPE, PAY PERIOD, EXEMPTION STATUS, OR REGULAR PART-TIME STATUS	Temporary Separation 11-MILITARY LEAVE (OVER 31 DAYS) 12-LV. ABS., PERS. REASONS 13-MATERNITY LV., RETURN INTENDED 14-LV. ABS., ILL HEALTH 15-CONTINGENT TRANSFER	Company Initiated Separation 20-TEMP. REDUCTION IN FORCE 25-PERMANENT REDUCTION IN FORCE Resignation 30-DISSATISFIED WITH EMPL. COND. 31-BETTER PAY OR OPTY. OUTSIDE	Resignation 32-CHANGE HOURS OF WORK 33-CHANGE TYPE OF WORK 34-FAMILY OBLIGATION 35-UNFINANCIAL DIFFICULTY 36-OTHER PERSONAL REASONS	Retirement or Death 40-PART. RETIREMENT 41-MANDATORY AGE RED. P.R. ASSOC. 42-MAND. AGY 95+ ON P.R. ASSOC. 43-UNEMP. EARLY RES. STORE CLOSING 45-DEATH	Summary Dismissal 50-VIOLATION OF CO. RULES 51-MATL. FALS. OF CO. DOC. 52-UNWILLING COMPLIANCE 53-JOB ABANDONMENT	Discretionary Dismissal 70-NEGLECT OF DUTY 71-EXCESSIVE TARDINESS OR ABSENCE 72-NOT MEETING COMPANY STANDARDS 73-TOTAL-PERMANENT DISABILITY 74-EXPIRATION SICK LV. BENEFITS 80-FAILURE TO RETURN FROM LEAVE 90-TRANSFER
---	---	---	---	---	--	---

S = THIS STORE/OFFICE P = PERIOD TO DATE Q = QUARTER TO DATE Y = YEAR TO DATE

PAYROLL EARNINGS DATA

LINE 07--	SQ NOT SUBJECT TO PENCO	SY VACATION EARNINGS	ANNUAL EARN FOR BENEFITS TO NEAREST DOLLAR	DATE TO POSITION	% WITHHOLD EXEMPT STATE	% WITHHOLD EXEMPT LOCAL	RESERVED	RESERVED	RESERVED	RESERVED	RESERVED	
LINE 08--	SQ GROSS EARN.	SQ FICA SICK EARN.	SQ FIT SICK EARN.	SQ FICA SICK HOURS	SQ FIT SICK HOURS	SQ TIPS	SQ TOTAL HOURS	SQ VO SUI WAS WORKED	SQ DISABIL. PAY	SINGLE TAX STATUS		
LINE 09--	SQ WITHHOLD FEDERAL COMBINED	SQ WITHHOLD STATE	SQ WITHHOLD LOCAL	SQ PENCO DEDUCTED	SQ MEAL ALLOWANCE	SQ WITHHOLD RES. LOCAL	SQ SUI DEDUCTED	LTO NS. RANGE MO. 0-1 YES-1	SUPL. LIFE INS NO. UNITS	MEDICAL-DENTAL INS. 2 D.G. 15	ESOP DEMO \$25-\$50 \$ 1-1000	WORKMAN'S COMP. CODE
LINE 10--	PREV. STORES A/AB_E PAY FICA	PREV. STORES TAXABLE PAY SUI	SY FICA SICK EARNINGS	VACATION HOURS TAKEN THIS YR	VACATION HRS ACCR'D LAST YR	SY GROSS EARNINGS	SY TOTAL HOURS	SY LAST 1 TOTAL HRS.	SY NO. S. WAS WORKED	SY HOLIDAY EARNINGS		
LINE 11--	P.S. EFFECT. INCREASE DATE MO DAY YR	ALL STORES THIS YR. PENCO EARN.	RECUR. DEDUCT BALANCE	BOND BALANCE	SP OVERTIME EARNINGS	SP REGULAR EARNINGS	SP REGULAR HOURS	SP OVERTIME HRS	FIRST PHONE OUT-0 IN=9 EXTENS			

EST. DATE OF RETURN	ASSOC. REC. DISABILITY BENEFIT YES <input type="checkbox"/> NO <input type="checkbox"/>
MANAGER	DATE
APPROVAL	DATE
NEW MANAGER	DATE
PERSONNEL DEPT.	DATE

JOB QUIT QUESTIONNAIRE

Troy State University
Troy, Alabama

1. What was your position at the _____ ? _____

2. What type of job did you obtain after you left _____ ? _____

3. Was your new job similar to the one you quit at _____ ? yes no

4. Did you locate another job before you quit? yes no

5. How would you rate _____ on the following aspects when compared to your present employer or other employers for which you have worked? (Please Check)

	Excellent	Slightly Above Average	Average	Slightly Below Average	Poor
Working conditions (lighting, noise, equipment, etc.) . . .	_____	_____	_____	_____	_____
Your immediate supervisors . . .	_____	_____	_____	_____	_____
Salary (for a person with your job skills).	_____	_____	_____	_____	_____
Opportunity for advancement.	_____	_____	_____	_____	_____
Acceptance of ideas.	_____	_____	_____	_____	_____
Enjoyment of work.	_____	_____	_____	_____	_____
Prestige	_____	_____	_____	_____	_____
Security	_____	_____	_____	_____	_____

6. How do you rate your present job as compared to your former job at _____ ?
 Excellent___ Above Average___ Average___ Slightly Below Average___ Poor___

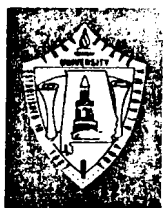
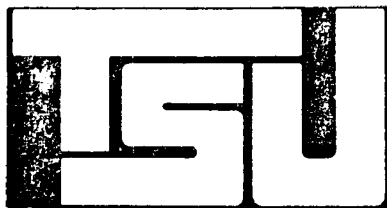
7. Please check the major reason or reasons you resigned from _____ .
 (Please use the space below to make any additional comments that you feel would be useful to the survey.)

- _____ Better pay and/or fringe benefits elsewhere
- _____ Better opportunity for advancement elsewhere
- _____ More security elsewhere
- _____ Changed type of work or vocation (became nurse, fireman, joined military, etc.)
- _____ Moved or spouse transferred
- _____ Personal or family reasons (illness, stay at home with children, etc.)
- _____ Left to attend school
- _____ Transportation problems
- _____ Dissatisfied with hours or shifts
- _____ Dissatisfied with supervisor(s)
- _____ Dissatisfied with fellow employees (personality conflicts)
- _____ Dissatisfied with job duties or employment conditions: (Please comment in more detail)

Other reasons or comments: _____

8. If you were now offered the job you quit at _____ at the current rate of pay, would you return to your old job? yes no

Note: If more space is needed for your comments, use the reverse side of this questionnaire.



THE TROY STATE UNIVERSITY SYSTEM

FOUNDED 1887
SCHOOL OF BUSINESS AND COMMERCE
TROY, ALABAMA 36081
Phone: (205) 566-3000

Dear

As part of my doctoral degree I am conducting a survey to determine some of the reasons why people voluntarily leave their jobs with large retail firms such as Sears, J. C. Penney Company, Montgomery Ward, and others. In your case, the _____ included your name as a former employee who had left their employment.

I would appreciate it if you would take a few minutes to complete the enclosed questionnaire. A self-addressed, stamped envelope has been provided for you to return the questionnaire. The questions are brief and are only directed toward your former employment with _____. The _____ and the other retail firms will not see the survey results. The survey will be used only in my research.

You will notice a small number at the top of the questionnaire. This is so that I will know who responded so that no follow-up letters will be sent to you if the questionnaire is returned. Please do not put your name on the questionnaire.

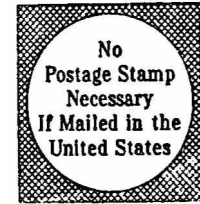
It is vital that a large number of the questionnaires be returned in order for the survey to be meaningful. Your response is essential for me to complete this research. I would be grateful if you will complete the questionnaire and return it to me promptly.

Thank you for your participation in the survey.

Sincerely,

Steve Garrott
Professor of Retailing
Troy State University
Troy, AL 36081

QUESTIONNAIRE RETURN ENVELOPE



BUSINESS REPLY ENVELOPE
First Class Permit No. 47 Troy, Alabama 36081



STEVE GARROTT
TSU Retail Employee Survey
Box 69 TSU
Troy, Alabama 36081

PERSONNEL MANAGER QUESTIONNAIRE

1. What is the approximate population of your city (or metropolitan area)?

2. What special conditions in the local labor market in your area seem to have an influence on employee quits?

3. What techniques do you utilize to compute and/or analyze employee turnover?

4. Do you use the exit interview technique?

_____ almost always _____ frequently _____ seldom _____ never

To what extent do you feel this technique is valid?

5. In terms of relative magnitude, in what occupations are your quit rates the highest among permanent employees?

6. In terms of relative magnitude, in what departments are your quit rates the highest among permanent employees?

7. What is your estimate of the percentage of your positions filled by rehiring former employees? _____%

Personnel Manager (Cont.)

8. Do you have persons on your staff who devote most of their time to in-service training of new employees?

_____yes _____number _____no

9. What is the estimated cost to your firm for the training of a new employee? \$ _____

What is this cost based upon?

10. Please describe the extent to which your store engages in employee orientation?

11. What is the greatest problem you face in recruiting new employees?

12. Do you believe that your employee turnover rates are higher for female than male employees? _____yes _____no

13. Please check the category which indicates the extent to which your store has utilized the following personnel techniques. (Check one in each series)

	<u>Never</u>	<u>Seldom</u>	<u>Occasionally</u>	<u>Frequently</u>
Employee Orientation	_____	_____	_____	_____
Employee Counseling	_____	_____	_____	_____
Performance Evaluation	_____	_____	_____	_____
Exit Interview	_____	_____	_____	_____

Personnel Manager (Cont.)

14. Rate the following factors as causes of voluntary employee quits:
(1 = least important, 5 = most important) (Circle one in each series)

Better pay/fringe benefits elsewhere	1	2	3	4	5
Better opportunity for advancement	1	2	3	4	5
Dissatisfied with hours or shifts	1	2	3	4	5
Dissatisfied with supervisors	1	2	3	4	5
Dissatisfied with fellow employees	1	2	3	4	5
Dissatisfied with job duties/ employment conditions	1	2	3	4	5
Personal or family reasons	1	2	3	4	5
Left for school	1	2	3	4	5
Moved or spouse transferred	1	2	3	4	5
Changed type of work or vocation	1	2	3	4	5

Other--please specify _____

APPENDIX B

TABLE 23

PERCENTAGES OF MALE AND FEMALE QUITTERS FROM
SOUTHERN STORES AS COMPARED TO THE PERCENTAGES
OF THE RESPONDENT GROUP

	Total (1217)	Store Number									Respondent Group (284)
		1	2	3	4	5	6	7	8	9	
Female	59.2	72.9	56.5	58.0	73.1	63.4	59.1	46.8	77.9	57.7	63.7
Male	40.8	27.1	43.5	42.0	26.9	36.6	40.9	53.2	22.1	42.3	35.9

TABLE 24

PERCENTAGES BASED ON MARITAL STATUS OF 1217 QUITTERS
OF SOUTHERN STORES COMPARED TO PERCENTAGES OF
MARITAL STATUS OF RESPONDENT GROUP

	Total Stores (1217)	Store Number									Respondent Group (284)
		1	2	3	4	5	6	7	8	9	
Single	38.8	39.6	43.5	25.3	20.9	36.6	43.0	42.4	39.7	44.9	41.9
Married	61.2	60.4	56.5	74.7	79.1	63.4	57.0	57.6	60.3	55.1	58.1

TABLE 25

MEASURES OF CENTRAL TENDENCY FOR THE AGES OF 1217
 QUITTERS FROM SOUTHERN STORES COMPARED TO AGES OF
 THE RESPONDENT GROUP

Characteristic	Total Stores (1217)	Store Number									Respondent Group (284)
		1	2	3	4	5	6	7	8	9	
Mean	28.3	29.3	27.0	29.0	28.3	27.3	28.3	28.4	27.1	31.0	29.2
Mode	20	19	18	23	18	20	19	18	19	17	18
Range	16-63	18-54	17-51	17-59	17-54	17-63	17-62	17-58	16-58	17-61	17-62
Median	24.4	26.8	22.8	25.6	24.2	23.4	24.4	24.8	22.5	27.5	24.5

TABLE 26

RANGE OF DAYS EMPLOYED FOR 1217
 QUITTERS FROM SOUTHERN STORES AND
 COMPARED TO RANGE OF RESPONDENT GROUP

	Range of Days Employed
Total Stores (1217)	2-6984
Store No. 1	12-1488
Store No. 2	11-3712
Store No. 3	2-4064
Store No. 4	2-6984
Store No. 5	4-2563
Store No. 6	4-6558
Store No. 7	8-4879
Store No. 8	12-1892
Store No. 9	2-4524
Respondent Group (284)	9-6984

TABLE 27

THE PERCENTAGES OF REASONS GIVEN TO SOUTHERN STORES
FOR TERMINATION BY 1217 EMPLOYEES COMPARED TO REASONS
GIVEN BY PERCENTAGES OF REASONS GIVEN BY RESPONDENT GROUP

Reason Code*	Total Sample (1217)	Store Number									Respondent Group (284)
		1	2	3	4	5	6	7	8	9	
30	6.2%	12.5%	1.3%	20.0%	4.5%	4.5%	5.6%	5.4%	0.0%	0.0%	8.8%
31	23.5	31.3	31.2	18.0	13.4	44.6	31.2	8.4	29.4	6.4	31.3
32	2.5	2.1	1.9	2.0	7.5	2.7	2.7	.5	0.0	6.4	2.5
33	10.3	0.0	2.6	14.7	29.9	1.8	8.3	2.5	11.8	46.2	8.5
34	7.5	2.1	6.0	4.0	19.4	14.3	10.7	0.0	13.2	11.5	5.9
35	1.4	0.0	1.3	.0	3.0	2.7	1.5	0.0	5.9	0.0	1.7
36	<u>48.6</u>	52.1	61.0	40.7	22.4	29.5	43.0	83.3	39.7	29.5	<u>41.3</u>
Total	100.0%										100.0%

*Code Legend:

30-Employment conditions
31-Better pay/opportunity
32-Hours or shifts

33-Change type of work
34-Family obligations
35-Pregnancy

36-Personal reasons

TABLE 28

PERCENTAGE OF SHORT-TERM AND LONG-TERM
 QUITTERS FROM SOUTHERN STORES COMPARED TO
 PERCENTAGES OF RESPONDENT GROUP

	Total Stores (1217)	Store Number									Respondent Group (284)
		1	2	3	4	5	6	7	8	9	
Short Term Quitters	34%	33%	26%	37%	28%	41%	39%	37%	18%	33%	28%
Long Term Quitters	28%	15%	40%	26%	35%	18%	22%	27%	42%	33%	34%

APPENDIX C

TABLE 29

RESPONSES OF 284 TERMINATING EMPLOYEES FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH QUESTIONNAIRE REGARDING THE INFLUENCE OF EMPLOYMENT CONDITIONS ON THE RESIGNATION DECISION.

		Indicated Employment Conditions on Research Questionnaire			Row Total Percentage
		Yes	No	Total	
Responses During Exit Interview	Employment Conditions	15	10	25	8.8%
	Better Pay/ Opportunity	30	59	89	31.3%
	Change Hours or Shifts	5	2	7	2.5%
	Change Type of Work or Vocation	7	17	24	8.5%
	Personal/Family Reasons	48	91	139	48.9%
	Total	105	179	284	100.0%
	Column Total Percentage	37%	63%	100%	

TABLE 30

RESPONSES OF 284 TERMINATING EMPLOYEES FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH QUESTIONNAIRE REGARDING THE INFLUENCE OF PAY, OPPORTUNITY, OR SECURITY ELSEWHERE ON THE RESIGNATION DECISION.

		Indicated Better Pay, Opportunity Elsewhere on Research Questionnaire			
Reason		Yes	No	Total	Row Total Percentage
Responses During Exit Interview	Employment Conditions	10	15	25	8.8%
	Better Pay/ Opportunity	69	20	89	31.3%
	Change Hours or Shifts	3	4	7	2.5%
	Change Type of Work or Vocation	17	7	24	8.5%
	Personal/Family Reasons	51	88	139	48.8%
	Total	150	134	284	100.0%
	Column Total Percentage	52.8%	47.2%	100%	

TABLE 31

RESPONSES OF 284 TERMINATING EMPLOYEES
FROM SOUTHERN STORES CLASSIFIED ACCORDING TO
REASONS GIVEN DURING THE EXIT INTERVIEW AND ON THE
RESEARCH QUESTIONNAIRE REGARDING THE INFLUENCE OF
BEING DISSATISFIED WITH HOURS OR SHIFTS ON THE
RESIGNATION DECISION.

		Indicated Dissatisfied with Hours or Shifts on Research Questionnaire			
Reason		Yes	No	Total	Row Total Percentage
Responses During Exit Interview	Employment Conditions	9	16	25	8.8%
	Better Pay/ Opportunity	31	58	89	31.3%
	Change Hours or Shifts	6	1	7	2.5%
	Change Type of Work or Vocation	8	16	24	8.5%
	Personal/Family Reasons	35	104	139	48.9%
	Total	89	195	284	100.0%
	Column Total Percentage	31.7%	68.7%	100.0%	

TABLE 32

RESPONSES OF 284 TERMINATING EMPLOYEES FROM SOUTHERN STORES CLASSIFIED ACCORDING TO REASONS GIVEN DURING THE EXIT INTERVIEW AND ON THE RESEARCH QUESTIONNAIRE REGARDING THE INFLUENCE OF PERSONAL REASONS OR FAMILY OBLIGATIONS ON THE RESIGNATION DECISION.

		Indicated Personal or Family Reasons on Research Questionnaire			
Reason		Yes	No	Total	Row Total Percentage
Responses During Exit Interview	Employment Conditions	5	20	25	8.8%
	Better Pay/ Opportunity	13	76	89	31.3%
	Change Hours or Shifts	1	6	7	2.5%
	Change Type of Work or Vocation	7	17	24	8.5%
	Personal/Family Reasons	84	55	139	48.9%
	Total	110	174	284	100.0%
	Column Total Percentage	38.7%	61.3%	100.0%	

TABLE 33

RESPONSES OF 284 TERMINATING EMPLOYEES
FROM SOUTHERN STORES CLASSIFIED ACCORDING TO
REASONS GIVEN DURING THE EXIT INTERVIEW AND ON THE
RESEARCH QUESTIONNAIRE REGARDING THE INFLUENCE OF
CHANGING TYPE OF WORK OR VOCATION ON THE
RESIGNATION DECISION.

Reason		Indicated Change Type of Work on Research Questionnaire			Row Total Percentage
		Yes	No	Total	
Responses During Exit Interview	Employment Conditions	0	25	25	8.8%
	Better Pay/ Opportunity	28	61	89	31.3%
	Change Hours or Shifts	2	5	7	2.5%
	Change Type of Work or Vocation	9	15	24	8.5%
	Personal/Family Reasons	22	117	139	48.9%
	Total	61	223	284	100.0%
	Column Total Percentage	21.5%	78.5%	100.0%	

APPENDIX D

TABLE 34

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
16 TERMINATED EMPLOYEES OF STORE NO. 1

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	7	43.8
Better Opportunity For Advancement	5	31.3
Dissatisfied With Hours/Shifts	8	50.0
Dissatisfied With Supervisors	2	12.5
Dissatisfied With Fellow Employees	3	18.8
Dissatisfied With Job Duties/Emp. Cond.	5	31.3
Personal or Family Reasons	1	6.3
Left for School	2	12.5
Moved or Spouse Transferred	0	0.0
Changed Type of Work or Vocation	4	25.0

TABLE 35

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
41 TERMINATED EMPLOYEES OF STORE NO. 2

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	24	58.5
Better Opportunity For Advancement	22	53.7
Dissatisfied With Hours/Shifts	11	26.8
Dissatisfied With Supervisors	14	34.1
Dissatisfied With Fellow Employees	2	4.9
Dissatisfied With Job Duties/Emp. Cond.	11	26.8
Personal or Family Reasons	4	9.8
Left for School	7	17.1
Moved or Spouse Transferred	5	12.2
Changed Type of Work or Vocation	10	24.4

TABLE 36

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
28 TERMINATED EMPLOYEES OF STORE NO. 3

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	18	64.3
Better Opportunity For Advancement	15	53.6
Dissatisfied With Hours/Shifts	8	28.6
Dissatisfied With Supervisors	4	14.4
Dissatisfied With Fellow Employees	2	7.1
Dissatisfied With Job Duties/Emp. Cond.	9	32.1
Personal or Family Reasons	5	17.9
Left for School	0	0.0
Moved or Spouse Transferred	2	7.1
Changed Type of Work or Vocation	4	14.4

TABLE 37

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
14 TERMINATED EMPLOYEES OF STORE NO. 4

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	7	50.0
Better Opportunity For Advancement	4	28.6
Dissatisfied With Hours/Shifts	4	28.6
Dissatisfied With Supervisors	3	21.4
Dissatisfied With Fellow Employees	0	0.0
Dissatisfied With Job Duties/Emp. Cond.	1	7.1
Personal or Family Reasons	3	21.4
Left for School	0	0.0
Moved or Spouse Transferred	0	0.0
Changed Type of Work or Vocation	1	7.1

TABLE 38

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
32 TERMINATED EMPLOYEES OF STORE NO. 5

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	14	48.3
Better Opportunity For Advancement	11	34.4
Dissatisfied With Hours/Shifts	16	50.0
Dissatisfied With Supervisors	7	21.9
Dissatisfied With Fellow Employees	1	3.1
Dissatisfied With Job Duties/Emp. Cond.	4	12.5
Personal or Family Reasons	5	15.6
Left for School	3	9.4
Moved or Spouse Transferred	4	12.5
Changed Type of Work or Vocation	6	18.8

TABLE 39

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
87 TERMINATED EMPLOYEES OF STORE NO.6

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	31	35.6
Better Opportunity For Advancement	23	26.4
Dissatisfied With Hours/Shifts	22	25.3
Dissatisfied With Supervisors	17	19.5
Dissatisfied With Fellow Employees	5	5.7
Dissatisfied With Job Duties/Emp. Cond.	12	13.8
Personal or Family Reasons	17	19.5
Left for School	16	18.4
Moved or Spouse Transferred	10	11.5
Changed Type of Work or Vocation	23	26.4

TABLE 40

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
36 TERMINATED EMPLOYEES OF STORE NO.7

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	18	50.0
Better Opportunity For Advancement	15	41.7
Dissatisfied With Hours/Shifts	12	33.3
Dissatisfied With Supervisors	15	41.7
Dissatisfied With Fellow Employees	2	5.6
Dissatisfied With Job Duties/Emp. Cond.	7	19.4
Personal or Family Reasons	8	22.2
Left for School	3	8.3
Moved or Spouse Transferred	3	8.3
Changed Type of Work or Vocation	4	11.1

TABLE 41

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
15 TERMINATED EMPLOYEES OF STORE NO. 8

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	8	53.3
Better Opportunity For Advancement	6	40.0
Dissatisfied With Hours/Shifts	4	26.7
Dissatisfied With Supervisors	2	13.3
Dissatisfied With Fellow Employees	0	0.0
Dissatisfied With Job Duties/Emp. Cond.	3	20.0
Personal or Family Reasons	4	26.7
Left for School	1	6.7
Moved or Spouse Transferred	2	13.3
Changed Type of Work or Vocation	4	26.7

TABLE 42

SUMMARY OF THE FREQUENCIES OF REASONS
GIVEN ON THE RESEARCH QUESTIONNAIRE BY
15 TERMINATED EMPLOYEES OF STORE NO.9

Reason	Frequency	Percentage of Total
Better Pay/Fringe Benefits Elsewhere	8	53.3
Better Opportunity For Advancement	5	33.3
Dissatisfied With Hours/Shifts	4	26.7
Dissatisfied With Supervisors	6	40.0
Dissatisfied With Fellow Employees	1	6.7
Dissatisfied With Job Duties/Emp. Cond.	4	26.7
Personal or Family Reasons	3	20.0
Left for School	2	13.3
Moved or Spouse Transferred	3	20.0
Changed Type of Work or Vocation	5	33.3

APPENDIX E

SPSS PROGRAM FORMAT AND SUBROUTINE PROGRAMS

```

RUN NAME          GARROTT
INPUT FORMAT      FIXED(F4.0,2X,F1.0,1X,F1.0,1X,8F1.0,1X,F1.0,
                  4X,12F1.0,3X,F1.0,2X,F1.0,2X,F1.0,2X,F3.0,
                  2X,F4.0,2X,F2.0,2X,F4.0,2X,F2.0,2X)
VARIABLE LIST     GAR01 TO GAR33
N OF CASES        1217
INPUT MEDIUM      CARD
VAR LABELS        GAR01,STORE AND EMPLOYEE ID/
                  GAR02,WAS NEW JOB SIMILAR TO JOB YOU QUIT/
                  GAR03,DID YOU LOCATE ANOTHER JOB BEFORE QUIT/
                  GAR04,WORKING CONDITIONS/
                  GAR05,YOUR IMMEDIATE SUPERVISORS/
                  GAR06,SALARY/
                  GAR07,OPPORTUNITY FOR ADVANCEMENT/
                  GAR08,ACCEPTANCE OF IDEAS/
                  GAR09,ENJOYMENT OF WORK/
                  GAR10,PRESTIGE/
                  GAR11,SECURITY/
                  GAR12,RATE PRESENT JOB COMPARED TO FORMER JOB/
                  GAR13,BETTER PAY-FRINGE BENEFITS ELSEWHERE/
                  GAR14,BETTER OPP FOR ADVANCEMENT ELSEWHERE/
                  GAR15,MORE SECURITY ELSEWHERE/
                  GAR16,CHANGED TYPE OF WORK OR VOCATION/
                  GAR17,MOVED OR SPOUSE TRANSFERRED/
                  GAR18,PERSONAL OR FAMILY REASONS/
                  GAR19,LEFT TO ATTEND SCHOOL/
                  GAR20,TRANSPORTATION PROBLEMS/
                  GAR21,DISSATISFIED WITH HOURS OR SHIFTS/
                  GAR22,DISSATISFIED WITH SUPERVISORS/
                  GAR23,DIS WITH FELLOW EMP-PERSONAL CONFLICTS/
                  GAR24,DIS WITH JOB DUTIES-EMPLOY CONDITIONS/
                  GAR25,RETURN TO FORMER JOB AT CUR PAY RATE/
                  GAR26,SEX/
                  GAR27,DATE OF TERMINATION OF JOB/
                  GAR28,MARITAL STATUS/
                  GAR29,EMPLOYEE POSITION/
                  GAR30,DEPARTMENT/
                  GAR31,REASON FOR QUITTING-SPAN/
                  GAR32,NUMBER OF DAYS EMPLOYED/
                  GAR33,AGE WHEN TERMINATED
VALUE LABELS      GAR02 TO GAR03 (0)NO RESPN (1)YES (2)NO/
                  GAR04 TO GAR12 (1)EXCEL (2)SL AB AVG (3) AVE
                  (4)SL BL AVG (5)POOR
                  GAR13 TO GAR24 (0)NO REAS (1)VAL REAS/
                  GAR25 (0)NO RESPN (1)YES (2)NO/
                  GAR26 (1)FEMALE (2)MALE/
                  GAR28 (1)SINGLE (2)MARRIED (3)WID-DIV/
                  GAR31 (30)EMP COND (31)PAY-OPP (32)CHG HRS
                  (33)CHG JOB (34)FAM OBLG (35)PREG (36)PER REA
CROSSTABS         TABLES=GAR31 BY GAR21
CROSSTABS         TABLES=GAR31 BY NWVAR1
CROSSTABS         TABLES=GAR31 BY NWVAR2
CROSSTABS         TABLES=GAR31 BY NWVAR3
CROSSTABS         TABLES=GAR31 BY GAR16
FACTOR            VARIABLES = GAR04 TO GAR11/
FACTOR            VARIABLES = GAR13 TO GAR24/

```

```
DISCRIMINANT   GROUPS = GAR03(1,2)/
DISCRIMINANT   GROUPS=GAR32(1,2)/VARIABLES=GAR13 TO GAR24/
DISCRIMINANT   GROUPS=DAYSEMP(1,2)/VARIABLES=SEX,MARSTAT,AGEHIRE/
STATISTICS     ALL
FREQUENCIES    GENERAL=GAR02 TO GAR33
FREQUENCIES    GENERAL=SEX TO AGETERM
READ INPUT DATA
FINISH
```

TABLE 43

RANKING OF DISCRIMINANT FUNCTION COEFFICIENTS
OF REASONS DISCRIMINATED FOR SHORT-TERM
AND LONG-TERM QUITTERS

Reasons	Standardized Coefficients
Left to attend school	.5446
More security elsewhere	.4457
Dissatisfied with employment conditions	.2155
Transportation problems	.2152
Better opportunity for advancement	.0873
Personal or family reasons	-.0043
Dissatisfied with hours or shifts	-.0229
Dissatisfied with fellow employees	-.0386
Changed type of work or vocation	-.1096
Moved or spouse transferred	-.1898
Better pay and/or fringe benefits	-.4867
Dissatisfied with supervisors	-.7744

TABLE 44

RANKING OF DISCRIMINANT FUNCTION COEFFICIENTS
OF REASONS DISCRIMINATED ON LOCATION
OF ANOTHER JOB PRIOR TO THE QUIT DECISION

Reasons	Standardized Coefficients
Better pay and/or fringe benefits	.4239
Changed type of work or vocation	.1945
Better opportunity for advancement	.1862
Transportation problems	.1441
Dissatisfied with hours or shifts	.0222
More security elsewhere	.0036
Dissatisfied with supervisors	-.0871
Dissatisfied with employment conditions	-.1526
Dissatisfied with fellow employees	-.1593
Left to attend school	-.2763
Personal or family reasons	-.3522
Moved or spouse transferred	-.3554

APPENDIX F

TABLE 45

RESPONSES OF 284 FORMER EMPLOYEES OF
SOUTHERN STORES TO SELECTED QUESTIONS ON THE
RESEARCH QUESTIONNAIRE

Question	Frequency (Percentage)			Total
1. Was your new job similar to one you quit at (Southern Stores)?	51 (18.0%)	190 (66.9%)	43 (15.1%)	284
2. Did you locate another job before you quit?	145 (51.5%)	115 (40.5%)	24 (8.5%)	284
3. Would you return to (Southern Stores) if offered back your old job?	57 (20.1%)	217 (76.4%)	10 (3.5%)	284

TABLE 46

RANKING OF 284 QUITTERS REGARDING EMPLOYMENT
ASPECTS OF SOUTHERN STORES AS COMPARED TO PRESENT
OR MOST RECENT EMPLOYER

Employment Aspect	Frequency (Percentage)						Total
	Excellent	Slightly Above Average	Average	Slightly Below Average	Poor	No Response	
Working Conditions (lighting, equipment, etc.)	65 (22.9)	68 (23.9)	123 (43.3)	10 (3.5)	11 (3.9)	7 (2.5)	284
Your Immediate Supervisors	57 (20.1)	54 (19)	103 (36.3)	27 (9.5)	33 (11.6)	10 (3.5)	284
Salary (for a person with your job skills)	15 (5.3)	15 (5.3)	116 (40.8)	60 (21.1)	71 (24.9)	7 (2.5)	284
Opportunity for Advancement	7 (2.5)	25 (8.8)	82 (28.9)	68 (23.9)	88 (31.0)	14 (4.9)	284
Acceptance of Ideas	15 (5.3)	34 (12.0)	117 (41.2)	48 (16.9)	54 (19.0)	16 (5.6)	284
Enjoyment of Work	51 (18.0)	62 (21.8)	97 (34.2)	31 (10.9)	35 (12.3)	8 (2.8)	284
Prestige	2 (8.1)	37 (13.0)	113 (39.8)	47 (16.5)	48 (16.9)	16 (5.6)	284
Security	29 (10.2)	49 (17.3)	114 (40.1)	30 (10.6)	49 (17.2)	13 (4.6)	284