

## **AN EMPIRICAL ANALYSIS ON THE FACTORS INFLUENCE EMPLOYEE TURNOVER INTENTION IN BANKING SECTOR: EVIDENCE FROM PENANG, MALAYSIA**

Arvindraj Naidu Nagarajah, Jaya Kumar Shanmugam\*

*Faculty of Business and Management, Aimst University  
Batu 3 1/2, Jalan, Bukit Air Nasi, 08100 Bedong, Kedah, Malaysia*

\*Corresponding author: [jayakumar@aimst.edu.my](mailto:jayakumar@aimst.edu.my)

### **Abstract**

This research is about to explore factors that impact employee's turnover intention in banking sector in Penang. High employee turnover rate may not just affect the corporation's goals, it leads to negative effect. There are a few factors anticipate impacting the employee's turnover intention which are distributive justice, compensation, job stress and job satisfaction. The underpinning theory for this study determines on two factor theory (Motivator-Hygiene). A sum of 150 bank employees from various banks in Penang, Malaysia were chosen, and questionnaires were disseminated to them. The outcomes indicate that there is a positive connection between all factors and employee's turnover intention. All variables have an impact towards employee's turnover intention. This investigation helps the bank management to recognize the potential factors that impact their staff to resign from the present place of employment. A few proposals and recommendations for further research are also consider toward the end of this research.

**Keywords:** Distributive justice, employee turnover, job satisfaction, compensation, job stress

*Article History: - Received: 29 July 2021; Accepted: 3 March 2022; Published: 30 April 2022  
© by Universiti Teknologi MARA, Cawangan Negeri Sembilan, 2022, e-ISSN: 2289-6368*

### **Introduction**

In this new era no corporation can be continue their success until they manage this employee turnover issue productively. High employee turnover rate may not just affect the corporation's goals, it leads to negative effect. For example, increment enrollment cost, decrease product standard, and so on. There can be many explanations on every turnover. Consequently, all corporations should discover their worker's turnover aims to manage the turnover rate. This examination depends on the elements that impact employee turnover intention in banking locality in Penang. This exploration profoundly advantage to the corporations to discover the reasons for employee turnover and takes legitimate actions to overcome it. Additionally, turnover intention is the probability or decisions of a worker to leave the place of employment as intentionally or unintentionally from current company to another company. The Star (2021) noticed that the turnover rate in Malaysia had increased to 17.4% in 2020. One of the primary purposes behind Higher Acquisition Rate in the Malaysian financial administration are laborers who feel that the Malaysian economy will remain sustain regardless of the undetermined worldwide economy. The highest turnover rate was recorded by financial administration is 18.3%. Malaysia recorded the second most turnover rate at 6.0% and the third will be at 9.5% in 2015 among Southeast Asian nations contrasted with 12.2% in 2014, reflecting uncertainty economic conditions in Malaysia (Letchumanan et al., 2017). Consequently, there is an increase in turnover rates which more than five years from 2009 to 2015 as per statistics as shown in Figure 1.

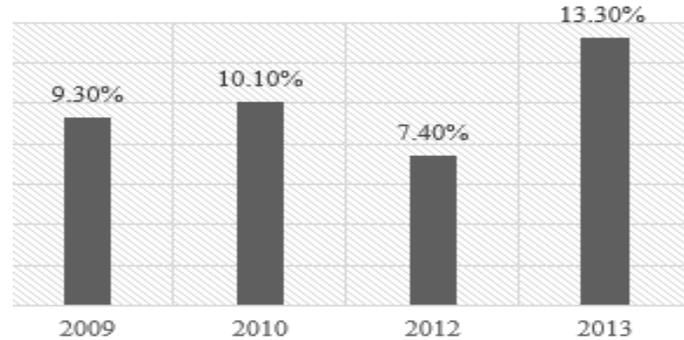


Figure 1. Statistics of Malaysian Financial Service Sector Turnover Rate

### Literature Review

#### Distributive Justice

In a study which carried out by Khan et al., (2018) in Peshawar district around 180 respondents were partaken. The study was focused on distributive justice towards employee turnover intention. The outcome shows that there is an opposite connection between distributive justice and employee turnover intention. This imply that employee turnover is rely on distributive justice. Thus, there might be neither justice nor equity in remuneration provided among staff in the specific bank. Nevertheless, this outcome is unable to conclude on Malaysian circumstance and further studies should be conducted. In another similar study conducted by Akram et al., (2016) to analyze the connection among job satisfaction and distributive justice. The study was carried out in various private banks together with 53 respondents. Findings of the study indicate a positive connection between distributive justice and job satisfaction. It clarified that the private banks can sustain through distribute equal justice to the staff to overcome the turnover rate. Kassim and Ibrahim (2016) characterize distributive justice as laborers belief of justice in the distribution of human resource. Distribution justice define as a justice that alludes to laborers belief on equity at workplace by contrasting their outcomes from the corporation. Practically, distributive justice is contemplating as more serious as it relates with labours assumptions about personal outcomes such as work satisfaction and compensation. Additionally, there are some employees which compare their effort, interest and dedication towards the rewards or return from their corporation to determine the fairness.

#### Job Stress

As stated by Akther et al., (2017), stress has existed since classical days, yet it was never terrible than this 21st century. Work stress is characterized as a physical risk and psychological reaction that happens when the job duties does not coordinate with the capability of a worker. Work stress can cause to serious injurious and trauma. Work stress is considered an unmanaged awful practice where there is no appropriateness between the worker and the management. Capable and healthy workers are essential for the sustainability of a corporation. Shukla and Sinha (2013) additionally interpret stress as a human's environmental changes or tension among people and the surroundings. The findings of Husain et al., (2015) to examine the correlation between employee turnover intention and work stress. The study was done in Bahawalpur, Pakistan among various banks. Surveys were dispersed among 160 respondents and the motivation of the examination and questions were disclosed to the respondents. The study's findings show a link between job stress and the intention of employee turnover. According to the findings, job stress stands for more than 36.0 percent of the intention to quit current organizations. This demonstrate that representatives are confronting stress while managing their responsibility at the specific banks. It can be concluding that this may unfavorable to the specific banks which may prompt employee turnover.

### **Job Satisfaction**

As per Islam and Rahman (2016), job satisfaction is a motivation towards an individual in workplace. In view of the study that carried out by Islam and Rahman in 2016 to analyze the connection among job satisfaction and worker turnover intention. It was conducted in a few banks in Bangladesh and 76 respondents were participated. The outcome shows a strong connection between job satisfaction and worker turnover intention. This imply that workers who works in that specific banks are prioritize on work satisfaction. The bank workers might leave their workplace because of no satisfaction in their present work environment. Job satisfaction is a solace feeling perceived by a staff when there is a similarity between what the employees expects and the outcome from his job (Devi and Nagini, 2013). According to Chen et al., (2014) to analyze the connection between work satisfaction and turnover intention. The experiment was conduct among dental specialists in emergency clinics in Taiwan, around 29 medical clinics were chosen and 473 surveys were spread. Only 175 questionnaires are reasonable out of 473 which is 37%. The findings reveal there is a link between job satisfaction and turnover intention. The higher the level of job satisfaction, the lesser employee turnover rate. Furthermore, the administration of the 29 clinics should realize on employee turnover rate because of job dissatisfaction among workers. There are several characteristics of job satisfaction such as remuneration, work benefits, advancements, organizational goals, and regulations. Additionally, in a situation if an employee is happy with his current job, the turnover choices are less (Husain et al., 2015). Job satisfaction is the platform to identify and maintain skillful workers in the company. Nonetheless, when satisfaction into dissatisfaction, the level of work satisfaction can be identified. Workers who are satisfied with their current work environment will be more stable and engage either during the time of planning or enhance the productivity or quality of a company. Remuneration, advancement, miscellaneous allowances, rules & regulations and colleague attitudes will influence the satisfaction of workers (Letchumanan et al., 2017).

### **Compensation**

As indicated by Rusdi et al., (2015) all types of rewards and compensations obtain by workers are connected with their capabilities. Compensation can come in both financial and nonfinancial forms. Pay rates, bonuses, and other benefits received in the form of material or monetary compensation are all included in monetary compensation. Non-monetary compensation can take the shape of job progression and other rewards that aren't tangible or monetary in nature. Remuneration, incentives, and other benefits are all elements that influence whether or not employees stay at their current job. Moreover, Silaban and Shah (2018) convey that compensation mean something else between different individuals. Essential compensation is needed to retain the skillful workers. Compensations can be divided into several types such as the direct monetary settlement as pay rates, bonus, commissions and allowances. Next will be indirect monetary settlement as personal protection and amusement in organization. Third will be non-cash benefits that cannot be effortlessly determined such as adaptable working hours, joyful working environment and more. Chew et al., (2016) point out that great recompense and benefits can be said to lead to work fulfillment and commitment to the organization, subsequently lessening profit. The alluring pay has been detailed as contradicted to profit and stipend over the adjustment of rates has been organized as high compensation maximize the employee's self-interest, pushing a better level of fulfillment. In a research conducted by Silaban and Syah in 2018 to analyze the relationship between employee turnover intention and compensation. The research conducted among representatives in Ciputra Clinic CitraGarden City West Jakarta, 120 surveys were disseminated but as it were 105 were returned by the respondents. The result show that there's a strong relationship among employee turnover intention and compensation. In this way, workers who work at the specific healing center are emphasize more on stipend to contribute more in their working environment. The company ought to consider that the appropriate or greater remuneration will reduce employee turnover intentions.

### **Employee Turnover**

Tall swapping of representatives to another company can cause elevated adverse effects on the specific company (Letchumanan et al., 2017). Concurring to Dwomoh et al., (2012) work turnover is the rate of the

populace of company representatives who have stopped amid the period being look at isolated by the normal populace of workers in that company amid the period. Concurring to Kassim and Ibrahim (2016), in them consider of turnover within bank workers found that the turnover rate is expanded within the managing an account division of Malaysia and bank workers. Have regularly changed their employments. Besides, compelling activities ought to be taken by bank to control their staff turnover rate along with make strides their organizations execution level. Banking industry is well knowing with tall exceptional errand at hand and strict work schedule to the specialists to take after with it which can be a cause for increment of turnover rate. Therefore, high turnover may not as it were affect the organizations execution within the market it moreover expanded enlistment and improvement costs of specialists.

### **Theoretical Background**

According to Herzberg (1968) a two-factor theory (Motivator-Hygiene) and appears fulfillment and disappointment comes from distinctive variable bunches (inspirations) and cleanliness variables. Advancements, openings for individual development, acknowledgment, re-contruction On the opposite, disappointment is credited to work-around circumstances, such as workplace environment, compensations, security, connections among others, and not the job themselves alluded to as cleanliness variables. Expectancy theory by Vroom's, puts the preface that workers will propose a few task and commitment comparable to what they anticipate to get in return. The emolument structure of the Commission employments this hypothesis to permit representatives to win as much cash as they need to be based completely on their work execution. Guarantee laborers are frequently looking towards the future compensation increments and work advancement that can possibly ensure they work difficult to realize individual objectives. On the off chance that laborers get small stipend and no development prospects in return for their commitment, they might as it was wrought to discover modern managers. Adams and Freedman's theory (1965) energizes the use of value rules to decide reasonableness, there are a few other arrangements of the arrangements that have been distinguished, such as likenesses and necessities. What individuals stress almost isn't the outright arrange of the result but whether the result is reasonable. Adams and Freedman (1965) proposes a way to decide whether a reasonable result is to calculate the proportion of a person's commitment or input such as instruction, encounters and information to one's results and after that compare that proportion with another comparison. Agreeing to Qureshi et al., (2012) portray that representative turnover purposeful may be a cognizant and purposefulness choices of a representative to take off an organization. Maybe, no standard structure for comprehension the worker turnover prepare. Representative turnover characterized as changes of staffs around the worker showcase, around companies, assentions and callings (Sattar and Ahmed, 2014).

### **Research Framework and Hypothesis Development**

Figure 2 presents the study's conceptual framework, which is based on the literature review's findings on the relationships between the various variables. The conceptual framework above has a relationship with the subordinate variable. For more briefly, job stress, job satisfaction, compensation and distributive justice are anticipated to have a relationship with the employee turnover intentions. Through the previous research of Akhtar et al., (2016), the analysts have been examined around work fulfillment and compensation towards turnover eagerly to distinguish the relationship between the factors. In another past inquire about of Letchumanan et al., (2017), the analysts have been examined almost work push, authority strengthening conduct, organization culture, organizational equity and work fulfillment towards turnover purposeful to look at the relationship between the factors.

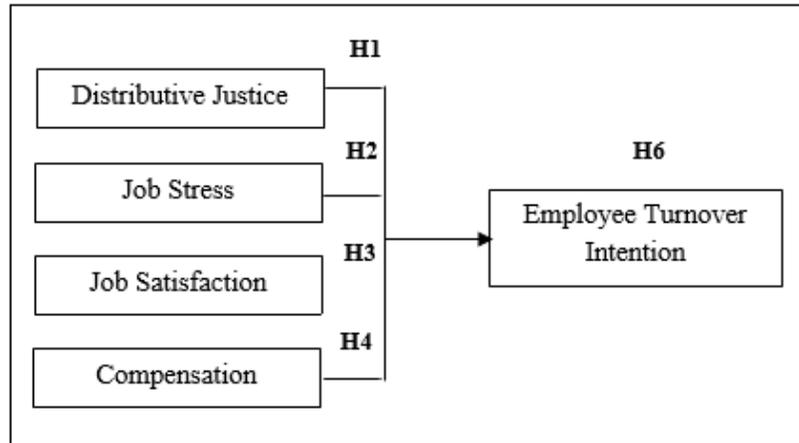


Figure 2. Research Framework

According to Khan et al., (2018), inquire about result appears a converse relationship between distributive equity and representative turnover purposeful. In another investigate by Akram et al., (2016), the result demonstrates a positive relationship between distributive equity towards work fulfillment. Gul et al., (2015) investigate result appears that there's a reverse relationship towards distributive equity and representative turnover purposeful. At any rate, some researchers get a strong relationship and some researchers gets an inverse relationship from their investigation. As per present changes in economical sector, changes of working environment and to analyze the later impact calculate for representative turnover purposeful the underneath speculation has developed.

*H1: There's a noteworthy relationship between employee turnover intention and distributive justice in banks.*

Agreeing to Purohit (2016), the result of his research show that there's a positive relationship between work push and representative turnover. Husain et al., (2015) conduct research and the result of appears a positive relationship between work stretch and representative turnover deliberate. In another ponder of Qureshi et al., (2012), the results show that there's a positive relationship between work push and worker turnover deliberate. The underneath theory has been created due to the monetary related status of organization, changes in turnover intention and to analyze the variables that impact representative turnover.

*H2: There is a noteworthy relationship between employee turnover intentions and job stress in banks.*

In an examination about of Islam and Rahman (2016) stadies, the result shows a positive relationship between work fulfillment and representative turnover deliberate. Chen et al. (2014) conduct a research, the result appears that there's a positive relationship among work fulfillment and turnover deliberate. In another inquire about of Husain et al., (2015), the result indicates that there's a positive relationship between work fulfillment and worker turnover purposeful. Be that as it may, due to the enhancement in innovation, current changes in financial matters, monetary status of organization and to distinguish current components that impact employee turnover purposeful the underneath speculation has been created.

*H3: There's a noteworthy relationship between employee turnover intention and job satisfaction in banks.*

According to the investigation of Sattar and Ahmed (2014), the result show there's an inverse relationship between remuneration and representative turnover. In another consider of Purohit (2016), the result demonstrates that there's a powerless relationship between recompense towards worker turnover. Candra et al., (2018) conduct a research, the result appears a reverse relationship between emolument and turnover purposeful among workers. Moreover, based on current working environment, innovation change, modern

development in organization and changes in financial matters the underneath speculation has created to analyze current components that impact worker turnover.

*H4: There is a noteworthy relationship between employee turnover intention and compensation in banks.*

## Methods

### Sample & Data Collection

The population is the sum of a large number of objects, subjects, or things that fit into a numerical preparation (Marwat et al., 2016). The participants in this study are all bank workers. The research participants are identified using a simple sampling approach. The most accessible target demographic to participate in the sampling procedure is simply determined. The most accessible target demographic for this study is simply recognised using the sampling procedure. The questionnaire is distributed as far as feasible by the researcher.

### Measurement Development

The survey questions will be graded on a five-point Likert scale, with 1 denoting strong disagreement, 2 denoting disagreement, 3 denoting slightly disagreement, 4 denoting agreement, and 5 denoting strong agreement. The questionnaire is divided into six (6) sections and has 28 questions. Beginning with demographic data (section 1), employee turnover intentions (section 2), distributive justice (section 3), job stress (section 4), job satisfaction (section 5) and remuneration (section 6), (section 6). Section 1 has many questions that offer demographic information about the respondents, such as gender, age, job experience, and educational level. Section 2 consists of four questions about the likelihood of employee turnover. The questions were modified from Olusegun (2013) and Qureshi et al., (2012). Section 3 consists of four issues about distributive justice, which were derived from Al-Zu'bi (2010). Section 4 includes four questions about job stress, which were modified from Qureshi et al., (2012). Section 5 contains four questions about job satisfaction that were adapted from Chen et al., (2013) and Husain et al., (2013). Section 6 consists of four compensation-related questions modified from Adeoye (2014).

### Analysis Method

The goal of demographic analysis is to look at the respondents' fundamental information, such as their education level, gender, age, and job experience. Demographic analysis was provided in section A of the questionnaire for the respondents in this study. The Pearson coefficient test is used to determine how strong a connection exists between two variables. The Pearson r correlation coefficient is a nonparametric equations measure that is commonly utilised for two random variables (Wang, 2012). The correlation coefficient value might define a connection as weak, moderate, or high. Most studies agree that a coefficient value of 0.1 indicates an inconsequential association, whereas a value of >0.9 indicates a very strong relationship. The correlation coefficient is a number that ranges from -1 to +1, with 0 indicating no relationship between two variables. As the coefficient approaches the absolute value of 1, the connection continuously grows or diminishes (Schober et al., 2018). To determine the link between the independent and dependent variables, a multiple regression test was used. The following is the study's equation:

$$\begin{aligned} \Psi &= \beta_0 + \beta_1 + \beta_2 + \beta_3 + \beta_4 + \varepsilon \\ \Psi &= \beta_0 + \beta_{DJ} + \beta_{JSA} + \beta_{JS} + \beta_C + \varepsilon \end{aligned}$$

$\Psi$  = Employee Turnover Intention,  $\beta_1$  = Distributive Justice  
 $\beta_2$  = Job Stress,  $\beta_3$  = Job Satisfaction,  $\beta_4$  = Compensation

Figure 3. Multiple Regression Equation

### Result and Discussion

The researcher sent 150 questionnaires to different bank personnel in Penang, Malaysia. The output of the SPSS version 25 programme was used to acquire all of the results. The study of demographic factors for male and female. Male respondents made up 44.2 percent of the total, while female respondents made up 51.9 percent. There were 69 men and 81 women who responded. As a result, females outnumbered males in terms of respondents. Table 1 illustrates the age distribution of the respondents, ranging from under 30 to 45 years old. It is divided into five categories: under 30 years, 30-34 years, 35-39 years, 40-44 years, and 45 years and over. There are eight responders under the age of 30. (5.1%). 30 people between the ages of 30 and 34 took part in the survey (19.2%). 39 people between the ages of 35 and 39 took part in the survey (25%). 47 respondents (31.1%) are between the ages of 40 and 44, and 26 are beyond the age of 45. (16.7%). The bulk of the respondents were between the ages of 40 and 44, with a minority under the age of 30. Table 3 displays the respondents' employment experience frequencies. Working experience ranges from five years to twenty-one years and more. 18 responders have less than 5 years of work experience (11.5%). 26 respondents have 6-10 years of work experience (16.7%). Following that, 41 respondents had 11-15 years of work experience (26.3%). 36 respondents (23.1%) have worked for between 16 and 20 years, while 29 respondents have worked for more than 21 years (18.6%). The majority of responders have 11-15 years of work experience, while the minority have less than 5 years. The frequency of respondents with the greatest degree of education. Higher education, diplomas/certificates, bachelor's degrees, and master's/postgraduate degrees are the four categories. 27 (17.3%) respondents are high school graduates, 52 (33.3%) respondents have a diploma or certificate, 56 (35.9%) respondents have a bachelor's degree, and 15 (9.6%) respondents have a master's or postgraduate degree. The majority of responders have a bachelor's degree, whereas just a small percentage have a master's or postgraduate degree.

Table 1. Demographic Analysis

Demographic	Details	Frequency	Percentage
Gender	Male	69	44.2
	Female	81	51.9
Age	Below 30 years	8	5.1
	30-34 years	30	19.2
	35-39 years	39	25.0
	40-44 years	47	30.1
	45 years and above	26	16.7
Working Experience	5 years and below	18	11.5
	6-10 years	26	16.7
	11-15 years	41	26.3
	16-20 years	36	23.1
	21 years and above	29	18.6
Education Background	Higher school	27	17.3
	Diploma/Certificate	52	33.3
	Bachelor's Degree	56	35.9
	Master/Postgraduate	15	9.6

Table 2 shows that all variables are significant at 0.000. According to Schober et al., (2018), a correlation value of 0.1 indicates a very weak association, while a value of >0.9 indicates a very strong link; the relationship strengthens as the value increases from 0.5 to 0.9. The correlation value for work satisfaction is 0.706, indicating a strong link between employee turnover intention and job happiness. The correlation value of distributive justice is 0.822, indicating that it has a significant influence on the likelihood of

employee turnover. Salary has a correlation value of 0.847, indicating a high link between employee turnover and compensation. Job stress has a correlation value of 0.865, indicating that it has a significant influence on the likelihood of employee turnover.

Table 2. Pearson Correlation

		<b>Job Stress</b>	<b>Distributive Justice</b>	<b>Compensation</b>	<b>Job Satisfaction</b>	<b>Employee Turnover Intention</b>
<b>Job Stress</b>	Pearson Correlation	1	0.644	0.636	0.744	0.706
	Sig.(2-tailed)		0.000	0.000	0.000	0.000
	N	150	150	150	150	150
<b>Distributive Justice</b>	Pearson Correlation	0.644	1	0.867	0.804	0.822
	Sig.(2-tailed)	0.000		0.000	0.000	0.000
	N	150	150	150	150	150
<b>Compensation</b>	Pearson Correlation	0.636	0.867	1	0.809	0.847
	Sig.(2-tailed)	0.000	0.000		0.000	0.000
	N	150	150	150	150	150
<b>Job Satisfaction</b>	Pearson Correlation	0.744	0.804	0.809	1	0.865
	Sig.(2-tailed)	0.000	0.000	0.000		0.000
	N	150	150	150	150	150
<b>Employee Turnover Intention</b>	Pearson Correlation	0.706	0.822	0.847	0.865	1
	Sig.(2-tailed)	0.000	0.000	0.000	0.000	
	N	150	150	150	150	150

Adjusted R square value has a value of 0.816 according to the model summary. The independent and dependent variables have been aligned into this framework, and a comprehensive analysis has been performed. The R square score is .821, indicating that the study's framework is very practical as shown in Table 3.

Table 3. Model Summary

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
<b>1</b>	.906	.821	.816	.12720

The unstandardized B value for each component is shown in Table 4. With a score of 0.359, job stress is the leading cause of employee turnover. Compensation, which is .282, comes in second and has a significant influence on employee turnover. The unstandardized B value of distributive justice is 0.145, while work satisfaction is 0.078, both of which are poor and contribute to employee turnover intention, among other things. At 0.000, job stress and compensation are crucial. Job satisfaction is not significant at 0.061, which is higher than the threshold of significance of 0.05, and distributive justice is not significant at 0.052. Job happiness and distributive justice have no significant impact on employee turnover intention.

Table 4. Coefficient Analysis

Model	Unstandardized B	Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
(Constant)	0.509	0.121		4.223	0.000
JS	0.078	0.041	0.100	1.891	0.061
DJ	0.145	0.074	0.148	1.962	0.052
C	0.282	0.066	0.322	4.237	0.000
JSA	0.359	0.063	0.412	5.725	0.000

Table 5. Hypothesis Summary

No	Hypothesis	Accepted / Rejected
1	There is a significant relationship between distributive Justice and employee turnover intention in banks.	Accepted
2	There is a significant relationship between job stress and employee turnover intention in banks.	Accepted
3	There is a significant relationship between job satisfaction and employee turnover intention in banks.	Accepted
4	There is a significant relationship between compensation and employee turnover intention in banks.	Accepted

### Discussion

This discussion will give you a sneak peek at the conclusions and findings on the following factors that influence employee turnover: The results of this study are based on the information obtained from the research question and the replies to the completed questionnaires. It will also look at the researcher's commentary based on the present research findings and past studies. It was discovered that there is a substantial link between distributive justice and employee turnover intention, based on the hypothesis (H1) that was created. It may be concluded that distributive justice is a significant factor influencing employee turnover intentions in Penang's banking industry. Employees in the banking sector in Penang like to work in an environment where they are treated fairly. Khan et al., (2018) performed a prior study in the Peshawar region to investigate the link between distributive justice and employee turnover intention and found a negative correlation. In comparison to employees in the Peshawar region, Malaysian employees are anticipated to get distributive justice from their bosses at work. The findings of this study are corroborated by earlier research done by Akram et al., (2016), which found a favourable link between distributive justice and economic justice. In a prior study done in Khost et al., (2015), the connection between distributive justice and employee turnover intention was shown to be inverse. At Khost et al., (2015), there is a sense of fairness in the workplace that benefits the employees; as a result, the employees may believe that distributive justice is not a major issue in their decision to leave.

It was discovered that there is a strong link between job stress and employee turnover intention, according to the hypothesis (H2) that was created. Job stress contributes more to the framework than other elements that impact employee turnover. As a result, personnel in the banking industry in Penang, Malaysia, place a high value on a stress-free work environment and attempt to manage with stress. According to Purohit (2016) previous research to investigate the link between job stress and employee turnover in the Indian banking sector. As a consequence of the study's findings, there is a positive correlation between employee turnover and job stress, and it can be concluded that bank workers in India are stressed at work. Husain et al., (2015) studied the link between job stress and employee turnover intention across different bank employees in Bahawalpur, Pakistan in a previous study. The findings show a link between job stress and

the likelihood of employee turnover. Furthermore, in order to decrease the rate of staff turnover in the banking industry, bank management should use new techniques to alleviate employee stress. Qureshi et al., (2012) investigated the connection between job stress and employee turnover intention in Pakistan and found that there is a positive correlation. It may be concluded that employees in the banking industry in a variety of nations experience stress while doing their job duties, and they want management to find a practical way to decrease it.

It was discovered that there is a substantial link between work satisfaction and employee turnover intention, based on the hypothesis (H3) established. Job satisfaction has become a deciding factor for bank employees in Penang, Malaysia to stay with the same company. Employee turnover will be low if there is high job satisfaction among employees in the company. A study from Islam and Rahman (2016) investigated the link between work satisfaction and employee turnover intention in different Bangladeshi banks in a previous study. The findings reveal a link between work satisfaction and the likelihood of employee turnover. Bangladeshi bank workers likewise prefer to work in a happy environment. As a result, bank executives must be more aware of and concerned about how to increase employee work satisfaction. It can be backed up by a previous study done by Chen et al., (2014), which looked at the link between work satisfaction and turnover intention in Taiwan and found a favourable correlation. However, a prior study on the relationship between turnover intention and job satisfaction in Pakistan by Akhtar et al., (2016) found an inverse relationship. This demonstrates that as an employee's work happiness drops, the likelihood of their leaving increases.

It was discovered that there is a strong link between remuneration and employee turnover intention, according to the hypothesis (H4) that was developed. Employees in the banking industry desire to be compensated well by the management as a reward for their contributions. This is corroborated by earlier study done by Silaban and Syah (2018) in west Jakarta, which looked into the link between remuneration and employee turnover intention. According to the findings, there is a positive link between salary and the likelihood of employee turnover. To avoid employee turnover, the company should think about how to provide equitable remuneration to its employees. Sattar and Ahmed (2014) performed another study in Bahawalpur district to examine the link between remuneration and employee turnover in the banking sector. However, the findings reveal a shaky link between pay and employee turnover. It is reasonable to anticipate that, as a result of the economy's stability, employees will not expect excessive remuneration from management. Purohit (2016) performed another study among bank workers in India to investigate the link between salary and employee turnover. The findings reveal a shaky link between salary and employee turnover. The bank workers may believe that salary is not a major influence in their decision to leave; nevertheless, they may be satisfied with their current compensation and their expectations may differ.

### **Conclusion and Recommendations**

The findings of this study suggest that banking executives pay greater attention to a number of factors that impact employee turnover. In this study, two characteristics, job stress and remuneration, were found to have a greater impact on employee turnover intentions. To address the issue of turnover in their businesses, bank management should develop new practises and strategies depending on the causes. Employees will be more likely to stay with their present employment if new laws and regulations that favour them are implemented. Employee wellness initiatives should be organised by bank management in order for workers to feel less stressed at work. Employees must receive proper training on how to execute their work tasks in order to enhance employee satisfaction. Employees' job tasks should be reconsidered for rearrangement by management to ensure that they do not burden or cause stress and anxiety at work. Employee turnover always has a negative influence on all businesses. As a result, staff turnover has become one of the most pressing issues in most businesses. Since then, a slew of prior studies has shed light on the different elements that impact employee turnover intentions. This research also identifies a number of factors that impact employee turnover in the banking industry. According to the findings of this study, all of the elements of distributive justice, job stress, job satisfaction, and remuneration have a positive association with employee

turnover intention in Penang's banking industry. Based on the data, it can be stated that the study's objectives were met. This survey gives bank executives a comprehensive picture of the elements that impact employee turnover intentions.

#### Acknowledgment

This research is a part of the Bachelor of Business Administration dissertation submitted to the University of Sunderland. This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors. Special gratitude to Dr. Jaya Kumar Shanmugam, main supervisor, and full support with endless encouragement to successfully publish this article.

#### References

- Adam, J. S. and Fredman, S. (1976). Equity Theory Revisited: Comments and Annotated Bibliography. *Advances in Experimental Social Psychology*, 9, 43–90.
- Adeoye, A. O. (2014). The Influence of Compensation Management on Employee's Leadership Role in Insurance Sector: Nigeria Experience. *Mediterranean Journal of Social Sciences*, 5(27), 342–352.
- Akther, S., Akter, S., and Uddin, MD. K. (2017). Factors Influencing Job Stress in Privatized Banks of Bangladesh. *Sona Global Management Review*, 11(1), 1–17.
- Al-Zu'bi, H. A. (2010). A Study of Relationship between Organizational Justice and Job Satisfaction. *International Journal of Business and Management*, 5(12), 102–109.
- Akram, U., Khan, M. K., Yixin, Q., Bhatti, M. H., Bilal, M., Hashim, M., and Akram, Z. (2016). Impact of Organizational Justice on Job Satisfaction of Banking Employees. *European Journal of Business and Management*, 8(16), 55–63.
- Akhtar, N., Awan, A. W. A., Anwar, M. A., Saeed, S., Ali, S., and Qurban, M. (2016). Impact of Job Satisfaction & Remuneration on Turnover Intention: A Survey of (Private) Schools of (Okara) Pakistan. *International Review of Management and Business Research*, 5(2), 653–675.
- Candra, D. M., Hana, S. W. L., and Wulandari, D. (2018). Compensation and Turnover Intention in Coal Mining Support Companies in South Kalimantan. *International Journal of Scientific & Technology Research*, 7(4), 201–205.
- Chen, M., Su, Z., Lo, C., Chiu, C., Hu, Y., and Shieh, T. (2018). An Empirical Study On the Factors Influencing the Turnover Intention of Dentists in Hospitals in Taiwan. *Journal of Dental Sciences*, 9, 332–344.
- Chew, H. G., Ng, K. Y. N., and Fan, S. (2016). Effects of Alternative Opportunities and Compensation on Turnover Intention of Singapore PMET. *International Journal of Humanities and Social Sciences*, 10(3), 720–728.
- Devi, V. R., and Nagini, A. (2013). An Investigation of Factors Influencing Job Satisfaction of Employees in Banking Sector of India. *International Journal of Research in Organizational Behavior and Human Resource Management*, 1(3), 107–115.
- Dwomoh, Dr. G., and Korankye, T. (2012). Labour Turnover and Its Impact on Performance of Banks in Ghana. *European Journal of Business and Management*, 4(7), 201–207.
- Gul, H., Rehman, Z., Usman, M., and Hussain, S. (2015). The Effect of Organizational Justice on Employee Turnover Intention with the Mediating role of Emotional Exhaustion in the Banking Sector of Afghanistan. *International Journal of Management Sciences*, 5(4), 272–285.

Herzberg, F. (1968) One More Time: How Do You Motivate Employees? *Harvard Business Review*, 46, 53–62.

Husain, Mr. S. W., Siddique, A., Ali, A. A., Ali, M. R., and Akbar, M. (2015). Causes of Employee Turnover Intention: A Study on Banking Industry of Pakistan. *International Interdisciplinary Journal of Scholarly Research*, 1(2), 6–19.

Islam, MD. R., and Rahman, T. (2016). Relationship between Job Satisfaction, Organizational Commitment and Turnover Intention among Bank Employees: A study on selected Banks of Bangladesh. *Scholar Journal of Business and Social Science*, 2(1), 7–18.

Kassim, M. A. M., and Ibrahim, H. I. (2016). Relationship between Distributive Justice, Procedural Justice, Conflict Management Styles and Affective Commitment: A Study among Bank Employees in Northern Malaysia. *Journal of Management*, 47, 15–27.

Khan, J. A., Afsheen, S., Jan, Dr. S., and Tariq, M. (2018). The impact of Organizational Justice and Organizational Commitment on Turnover in the Employees of Allied Bank Peshawar Region. *Journal and Business and Tourism*, 4(1), 27–37.

Khost, P. H., Lohe, D. R., & Sweetman, C. (2015). Rethinking and Unthinking the Graduate Seminar. *Pedagogy*, 15(1), 19–30.

Letchumanan, T., Apadore, K., and Ramasamy, M. (2017). Factors Influence Turnover Intention in Commercial Banks Malaysia: A Theoretical Model. *Innovative Journal of Business and Management*, 6(3), 13 – 21.

Marwat, M. K., Islam, S. Z. U., and Khattak, H. (2016). Motivators, Constraints and Benefits of Participation in Sport as Perceived by the Students. *International Journal of Science Culture and Sport*, 4(3), 284–294.

Olusegun, S. O. (2013). Influence of Job Satisfaction on Turnover Intentions of Library Personnel in Selected Universities in South West Nigeria. *Library Philosophy and Practice (e-journal)*, 1–22.

Purohit, A. (2016). Employee Turnover Rates- Causes and Effects- Banking Sector. *Journal of Information, Knowledge and Research in Business Management and Administration*, 4(1), 102–107.

Qureshi, M. I., Jamil, R. A., Iftikhar, M., Arif, S., Lodhi, S., Naseem, I., and Zaman, K. (2012). Job Stress, Workload, Environment and Employees Turnover Intentions: Destiny or Choice. *Archives Des Sciences*, 65(8), 230–241.

Rusdi, M., S. Hubeis, A. V., Affandi, M. J., and Dharmawan, A., H. (2015). Literature Review of Factors Causing Employee Turnover in Indonesian Banking. *The International Journal of Business & Management*, 3(5), 318–323.

Sattar, S., and Ahmed, S. (2014). Factors Effecting Employee Turnover in Banking Sector. *Developing Country Studies www.iiste.org*, 4(3), 110–115.

Schober, P., Boer, C., and Schwarte, L. A. (2018). Correlation Coefficients: Appropriate Use and Interpretation. *International Anesthesia Research Society*, 126(5), 1763–1768.

Silaban, N., and Syah, T. Y. R. (2018). The Influence of Compensation and Organizational Commitment on Employees' Turnover Intention. *Journal of Business and Management*, 20(3), 1–6.

Shukla, S., and Sinha, Dr. A. (2013). Employee Turnover in Banking Sector: Empirical Evidence. *IOSR Journal of Humanities and Social Science*, 11(5), 57–61.

The Star, (28 November 2021). Has the 'Great Resignation' hit Malaysia? Retrieved on 24 February 2022 from: <https://www.thestar.com.my/news/focus/2021/11/28/has-the-great-resignation-hit-malaysia>

Wang, J. (2012). On the Relationship between Pearson Correlation Coefficient and Kendall's Tau under Bivariate Homogeneous Shock Model. *International Scholarly Research Network*, 1–7.