

# Determinant Factors of Turnover Intention: A case study of Air Conditioning Company in Bangkok, Thailand

Chittipa Ngamkroeckjoti<sup>a</sup>, Phattarapon Ounprechavanit<sup>b</sup>, and Thongdee Kijboonchoo<sup>c</sup>

**Abstract --** This study aims to help a Thai air conditioning company to understand the turnover intention of employees based on their perception towards the company. Turnover intention revealed the likelihood of leaving the current job by an employee. If turnover rate of skilled professionals was high, the organization might lose the human capital, such as skill, knowledge, and trained human resources to his competitors. Thus, turnover of these individuals incurred both replacement costs and a competitive loss. This research studied factors influencing employees' turnover intention. A total of 400 questionnaires were distributed in an Air Conditioning Company located in Bangkok. Census survey was adopted. The influences of perception, job satisfaction, and turnover intention were identified through structural equation modeling (AMOS). The casual relationships among perception, job satisfaction, and turnover intention were also confirmed.

**Keywords –** Service quality perception, job satisfaction, turnover intention, air conditioning, Thailand

## I INTRODUCTION

IN 2010, about 90% of new office buildings were fitted with air conditioning. This indicated the tendency appeared in renovation and maintenance of the air conditioning industry [9]. A competitive advantage is to hire skillful employees in order to increase production efficiency. However, it is hard to satisfy employees and also ensure their loyalty. Employees continually change their expectations. Therefore, a company tries to maintain their loyalty by sustaining their interest and improving satisfaction. Employees' recognition is crucial.

The most important organizational objective is employees' job satisfaction. The organization successfully satisfies customers' needs if so far as their workers feel satisfied with their jobs [26].

Job satisfaction is vital for profitability and success while turnover is a loss of output, productivity and growth manpower to determine a company's success. This research relates the perception of service quality (comprising Tangibles, Reliability, Responsiveness, Assurance, and Empathy) provided by an Air Conditioning company in Bangkok [19], job satisfaction, and turnover intention.

<sup>a</sup> Chittipa Ngamkroeckjoti is full-time faculty at the Graduate School of Business, Assumption University, Thailand (corresponding author email: helen10th@gmail.com).

<sup>b</sup> Phattarapon Ounprechavanit is MBA candidate from Graduate School of Business, Assumption University, Thailand

<sup>c</sup> Thongdee Kijboonchoo is full-time senior faculty at the Graduate School of Business, Assumption University, Thailand.

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## II LITERATURE REVIEW

### A. Service Quality

[18] defined satisfaction on service quality provided to employees' perception and expectation. [19] proposed service quality in five dimensions: - *Tangibles* were illustrated as visible facilities, equipment, building, and location; *Reliability* was the capability to carry out the assured service reliably and accurately; *Responsiveness* was the company support by enthusiastic gesture to help its employees, such as insurance, commission, and training programs; *Assurance* was the knowledge and politeness of the learning hosts or staff and their ability to communicate trust and confidence; and *Empathy* was the caring and, exclusive attention of the company for its employees. This study examines service quality perception of employees in an air conditioning company in Bangkok.

### B. Factors Affecting Employee Satisfaction

Fringe benefits include compensation, wages, salary, allowances, pension, and holidays. Fringe benefits can demand less tax than wages; they increase job satisfaction. Fringe benefits were seen as the best motivator for an employee to perform better at work. Employees perhaps receive another fringe benefit or promotion to convince an employee to stay with the company [2].

[21] found that doctors in Russia felt satisfied with clinical freedom, well paid, have less excessive technical intervention, and less positive relationships with patients and co-workers. [28] found that employees' satisfaction was a crucial variable to explain about common feelings and thinking of employees regarding their job and place of work. Therefore, expectations on workplace and attitude towards jobs could measure employee satisfaction. Job satisfaction was a part of the scope to which one's needs are satisfied. [22] found that factors that led to job satisfaction were called "motivators": achievement, recognition, the work itself, responsibility, and progression. Factors led to job dissatisfaction are called "hygiene" factors and include "administrative procedure, supervision, salary, interpersonal relations, and working conditions".

[10] found the relationship between job satisfaction and national culture from European Employees. It indicated that cross-national job satisfaction study considering the potency of national culture should be much better on performance assessment. People from different cultures should be evaluated in relation to their capability and national culture to gain better job satisfaction. [1] found in the pharmaceutical industry that organizational culture had