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EFFECT OF PERSON-ENVIRONMENT FIT ON TURNOVER INTENTION.
THE ROLE OF ORGANISATIONAL COMMITTEMENT AND
ORGANIZATIONAL IDENTIFICATION.

Dr. Pardeep Bawa Sharma
Associate Professor of Marketing
University School of Business, Chandigarh University, India
Contact: +91-9878995315. Email: drpardeepbsharma@gmail.com

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**Keywords: Person-Environment Fit, Turnover Intentions, Organizational Commitement,
Organizational Identification**

Abstract

The purpose of this paper is to examine the effect of Person-Environment fit (PEF) on turnover intention (TIN) through organizational commitment (OCM) and organizational identification (OID) of nurses in multispecialty hospitals in Punjab (Chandigarh and Mohali) province of India. Data were collected from 269 nurses of 4 multispecialty hospitals in early 2020. Structured equation modelling (SEM) was used to test how POF explains TIN through OCM and OID. Results reveal that POF affects TI and OCM and OID mediates between this relationship. Results have multiple implications for hiring teams at these multispecialty hospitals and hospitals in general. Hiring teams must try to access the level of compatibility between the individual and work environment in order to make sure that the chances of that individual as employee go down to a substantial extent to part ways with organization in normal circumstances. The organization as a whole should create a work environment where individuals identify with the organization and are committed towards it. POF in conjunction with OID and OCM can drastically reduce TIN which is an antecedent to actual turnover.

I. INTRODUCTION

Employee turnover (ETO) is one of the key factors that slows the organizational growth. Not only the growth but it is proved as a significant contributor to the total cost of the organization. Organizations world over spent mindless resources in making sure that the attrition rate is under control. But it

continues to be a factor that HR teams spend a substantial amount of their energy and resources managing it. One way to reduce turnover is to hire those people who are compatible with the work environment. The closest phenomenon that is an indicator of the compatibility between the individual and work environment is PEF. It is conceptualized as an extent to which both match with each other. Unfortunately in healthcare sector in India this assessment is confined to partially assess whether or not a potential employee has what it takes to perform that job which is just a small part of whole PEF phenomenon. PEF is proved to lead to an array of organizational outcomes including TIN.

PEF has four distinct facets namely P-O fit (POF), P-J fit (PJF), P-S Fit (PSF) and P-G fit (PGF). Review of existing studies has revealed that PEF is explored in relation to organizational outcomes in the form of one or more facets of PEF. In other words PEF as a whole hasn't been explored concerning its relation with organizational outcome including TIN. It calls for a study to explore its relationship with TIN. Pilot study revealed that nurses were apprehensive about disclosing any information about their relationship with their supervisors so out of 4 facets of PEF, P-S wasn't taken as a component of PEF.

OCM is conceptualized as "how much an individual is committed towards his/her organization". In other words to what an extent he/she may go out of the way to support the organization. OCM has been linked to TIN in an array of work and cultural setups. Similarly OID is a similar but concept in the sense that it is another organizational outcome. It is conceptualized as "how much one identified himself/herself with the organization:.

Nurses constitute 66% of total healthcare resource in India. Their significant role in healthcare delivery is beyond any doubt. Their role is very significant in achieving goals related to sustainable development (SDG) and millennium development goals of the United Nations (MDG). OCM and OID have in the recent past been explored in relation to PEF and TIN but to the author's best of knowledge there is very less work in the context of nurses with a framework that author wish to explore in local cultural setup. So it calls for a comprehensive study on nurses. We chose to conduct it on nurses in multispecialty hospitals in an India setup (To major cities in Punjab province in India).

Indian Health care Industry

Indian healthcare industry is not only confined to hospitals but it is composed of health insurance, medical instruments, clinical testing and trials, medical tourism, telemedicine etc. Some key features of Indian healthcare industry are as below

- a) 80% of the total market is composed of hospital industry which is growing at a CAGR of 16-17%. By 2023 it is expected to reach at a level of \$132 bn.
- b) Indian medical tourism market which is another part of Indian healthcare market is not an exception and it is expected to reach to a level of \$7-8 bn by the end of year 2020 from the present level of \$3 bn.

II. LITERATURE REVIEW

Theory of PEF

PEF deals with finding a match between an individual and his work environment. (Velez and Moradi, 2012; Kristof, 1996; Kim and Kim, 2013) conceptualized it as “to what degree an employee and his/her work environment match”. A right fit results when an individual has what it takes to be in a specific work culture and environment. Individuals as well as organizations are unique in their own ways. It is somehow difficult to find a match between the two. But if there is a match to an extent which is to be there to be considered as a right match, is proved to lead to key organizational outcomes (Velez and Moradi, 2012; Judge and Zapata, 2015; Mostafa and Gould-Williams, 2014). There are distinct components of PEF which are POF, PJF, PSF and PGF that are compatibility of an individual values with of organization, job, supervisor and group/team he is part of respectively (Kristof-Brown et al., 2005; Kristof-Brown, 2000; Greguras and Diefendorff, 2009; Hinkle and Choi, 2009). Researchers operationalized PEF in multiple ways that are

1. A match between individual’s characteristics and that of the organization (Cable and DeRue, 2002).
2. A match between individual’s characteristics and that of the individuals in the same work setup (Posner, 1992).
3. A match between individual’s needs and work culture, work setup and work structure (Vancouver et al., 1994).
4. A match between individual’s personality and that of an organization’s (Werbel and Johnson, 2001).

Relationship between PEF and TIN

Individuals are more likely to work and stay in organizations that may provide them with a conducive work environment in which they are able to best demonstrate their work skills and capabilities (Netemeyer et al., 1997). This is very similar to the concept of PEF which is an assessment of how much an organization contribute in terms of support in fulfillment of needs of that individual (Turban and Keon, 1993; Bowen et al., 1991).

TIN is conceptualized as a step before an individual actually part ways with the organization and is assumed as a cautioning and is widely researched as a

precondition and an assessment of actual employee turnover (Brown and Peterson, 1993; Meyer and Allen, 1984). In other words it is a propensity to leave an organization for another organization and happens before an individual leave the organization for real (Price, 1977).

The relationship between PEF and TIN is embedded in ASA model (Schneider, 1987) that deals with forecasting one's discontent with the organization in the absence of a variety of factors which results in felling of discomfort and separation due to deterioration in degree of compatibility between him and his work setup (Hom and Kinicki, 2001; Zheng et al., 2014). A wide body of work has shown PEF positively explaining TIN which eventually leads to an employee quitting an organization (Babakus et al., 2010; Thompson et al., 2015).

Relationship between PEF and OCM

OCM is conceptualized in a number of ways. For instance a propensity to believe in organizational characteristics and a willingness to go beyond one's abilities to achieve organizational goals (Mowday et al. 1979). As per (Mowday et al. (1979) an employee who is committed towards his/her organization will have following characteristics

1. An exhibition of a persistent faith in organization irrespective of the challenges being faced as a result of shortcomings in any part of organizational setup.
2. A willingness to accept the objectives of the organization as their own despite even in the absence of resources to achieve them.
3. To go beyond the usual effort to make sure organization achieves its goals even in the absence of necessary support to do it.

PEF is widely explored in relation with a variety of work outcomes. One of the most significant outcomes is assumed as OCM (Greguras and Diefendorff, 2009). Study found that PEF which is a match between employee values and characteristics and work environment leads to OCM. This match is between all those values and characteristics that are essential to instill a feeling like commitment in employees (Chuang and Lin, 2005). Another study found that OCM is positively associated with different facets of PEF (Krisof-Brown et al. 2005). The study further explained that fresh employees' those right values are significant precondition to OCM that are used in assessing the match between the individual and his work environment.

Relationship between PEF and OID

OID is conceptualized as to what extent one considers an organization as his own and presents it as himself (Cheney and Tompkins, 1987; Rousseau, 1998). For example when an employee addresses his organization like "we have introduced a new product" instead of "ABC (name of the company) has introduced a new product", he very much identifies with that organization. OID in relation to PEF has gained a steady momentum in past 20 years. There are a

number of studies that have explored OID in relation to PEF. For instance OID is found to be explained by one of widely explored facet of PEF which id POF (Ashforth, 1997). Another study (Cable and DeRue, 2002) found these two variables strongly associated where POF was proved to be positively associated with OID. Some more studies (Vogel and Feldman 2009; Kim et al., 2013; Song and Chathoth 2011) also found results on the same lines concerning relationship between these two variables. Other facets of PEF are not explored in relation to OID in comparison to POF but there are some studies (Cable and DeRue, 2002; Dawis et al., 1968; Cai et al., 2018) that found OID related to PJF in the same way it is related to POF.

On the basis of review of literature following objectives have been framed

1. To study the relationship between PEF and TIN through OID and OCM.

- H₁: POF leads to OID.
- H₂: PJF leads to OID.
- H₃: PGF leads to OID.
- H₄: POF leads to OCM.
- H₅: PJF leads to OCM.
- H₆: PGF leads to OCM.
- H₇: POF negatively leads to TIN.
- H₈: PJF negatively leads to TIN.
- H₉: PGF negatively leads to TIN.

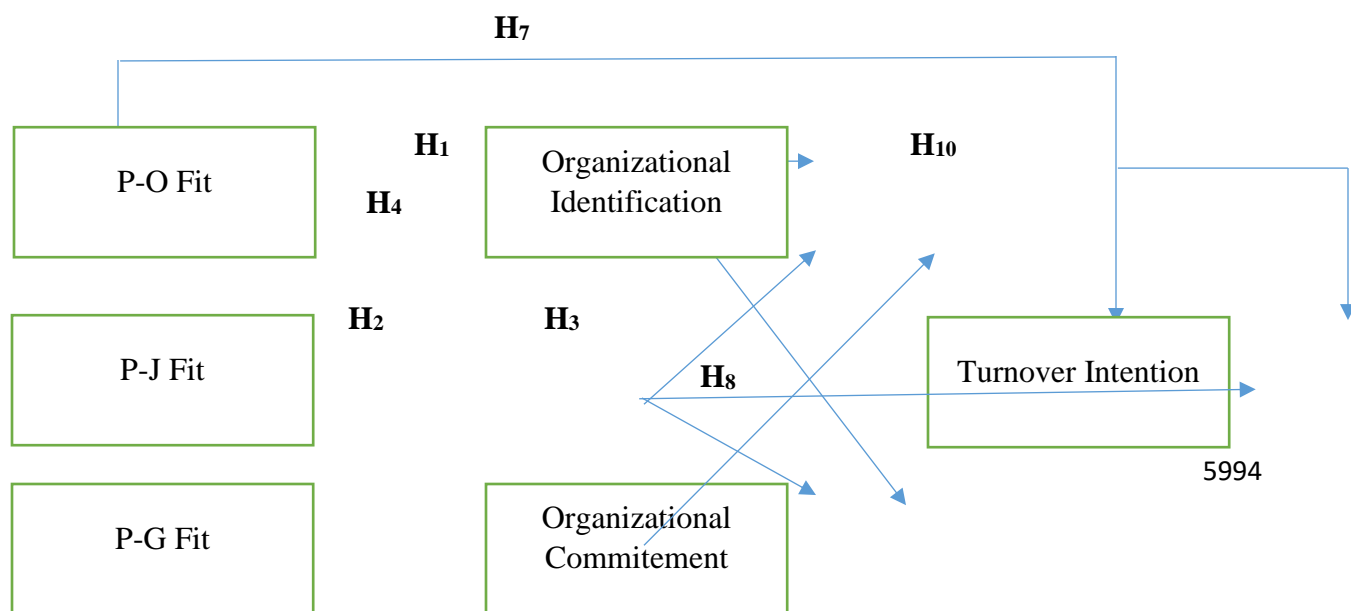
2. To study the relationship between OID and TIN.

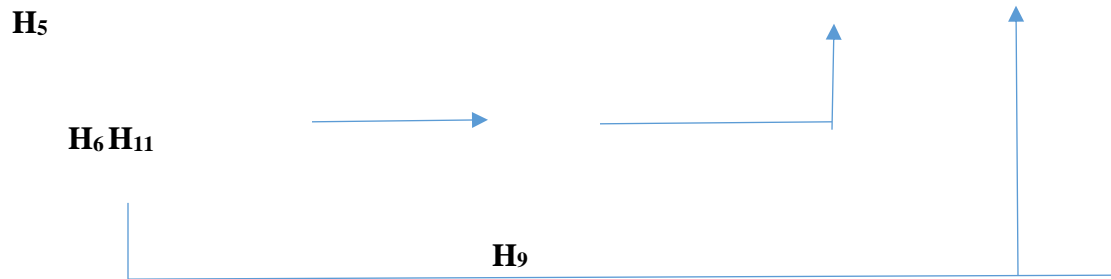
H₁₀: OID negatively leads to TIN.

3. To study the relationship between OCM and TIN.

H₁₁: OCM negatively leads to TIN.

Figure 1: Hypothetical Model





III. Methodology

Sample

Data was collected from 269 nurses of 4 multispecialty hospitals with at least one year of experience in two major cities namely Chandigarh and Mohali of Punjab province of India in early 2020.

Measure

Data were collected on five point Likert scale from 1-5 with 1 as “strongly disagree” and 5 as “strongly agree”. For measuring PEF the three facets of it namely POF, PJF and PGF were utilized. For measuring POF and PJF, a 7 and 3 item scale respectively by (Cable and DeRue, 2002) was used. P-G fit was measured through supplementary and complementary fit. A perceived value congruence scale by (Cable and DeRue, 2002) was used. Complementary fit was measured using (Shin, 2008) and (Cable and DeRue, 2002). For measuring OCM For measuring OID For measuring TIN

Data Analysis

Hypothetical and measurement models were tested using IBM SPSS AMOS 20.0. Following a two-step approach measurement model was evaluated using confirmatory factor analysis (CFA) and then using structural equation modelling (SEM) proposed model was tested.

Results

To check whether or not multiple items under each construct adequately measure these constructs, confirmatory factor analysis was used to examine multi item validity and reliability. It was followed by estimation of path coefficients (standardized) for proposed model. Refer to table 1 for results

Table 1: Composite Reliability

Constructs	Composite Reliability
POF	0.783
PJF	0.824
PGF	0.791

OID	0.756
OCM	0.777
TIN	0.729

Content validity is assumed to be achieved of the fact that all scales used to measure constructs in the study are adopted from existing established scales. As per threshold value of 0.6 proposed by (Bagozzi and Yi, 1988) we can infer that the internal consistency is more than adequate (0.729 - 0.824). The author didn't use Cronbach's Alpha as it is as a measure of internal consistency and reliability is considered as less constraining as an index (Homburg & Giering, 2001).

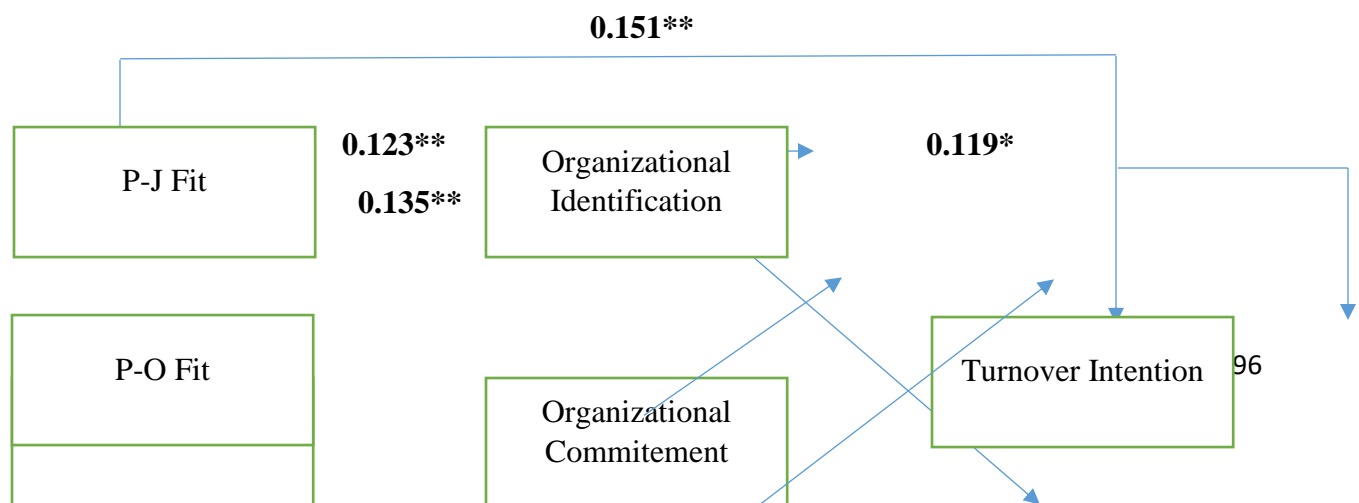
Discriminant validity was assumed to be established on account of correlation estimates well under 1 and square roots of all AVEs being less than inter construct correlations (Fornell and Larcker, 1981).

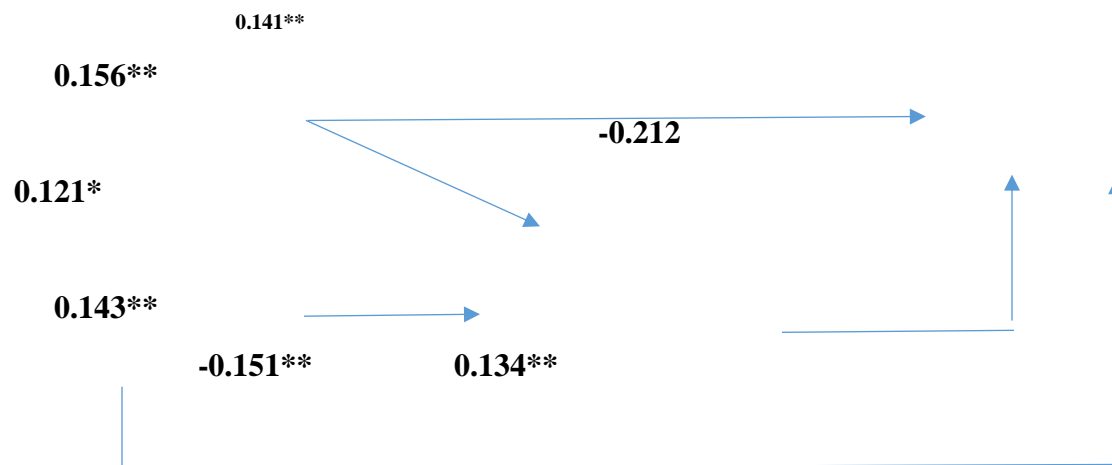
Table 2: Correlation (Latent Variables) and AVE

	POF	PJF	PGF	OID	OCM	TIN	AVE
POF	1						0.672
PJF	0.645	1					0.676
PGF	0.687	0.712	1				0.682
OID	0.681	0.662	0.632	1			0.719
OCM	0.664	0.698	0.782	0.619	1		0.677
TIN	0.701	0.612	0.667	0.634	0.666	1	0.651

To assess validity of the model goodness of fit indices were used. 66.4%, 59.2% and 61.3% of the variance was explained by in TIN by POF, PJF, PGF respectively whereas 54.9% and 60.8% of the variance in TIN is explained by OID and OCM. 64.5%, 57.5% and 60.2% of the variance in OID and OCM is explained by POF, PJF and PGF respectively. So it can be inferred that there is a good fit between data and model as all major indices came within range [$\chi^2 = 345.103$; GFI = 0.613; CFI = 0.587; TLI = 0.872; NFI = 0.875; RMR = 0.031; RMSEA = 0.031].

Figure 2. SEM Results





* $p < 0.01$; ** $p < 0.05$

SEM results show that POF, PJF and PGF positively and significantly leads to OID [($\beta_1 = 0.123$, $t = 2.573$; $p < 0.05$); ($\beta_1 = 0.156$, $t = 2.656$, $p < 0.05$); ($\beta_1 = 0.141$, $t = 3.621$; $p < 0.05$)] respectively so it is inferred that H₁, H₂ and H₃ are accepted. Similarly POF, PJF and PGF positively and significantly leads to OCM [($\beta_1 = 0.135$, $t = 2.962$; $p < 0.05$); ($\beta_1 = 0.121$, $t = 3.432$; $p < 0.05$); ($\beta_1 = 0.143$, $t = 2.997$; $p < 0.05$)] respectively so it is inferred that H₄, H₅ and H₆ are accepted. Also POF, PJF and PGF negatively and significantly leads to TIN [($\beta_1 = -0.151$, $t = 2.856$; $p < 0.05$); ($\beta_1 = -0.212$, $t = 3.445$; $p < 0.05$); ($\beta_1 = -0.156$, $t = 2.999$; $p < 0.05$)] so it is inferred that H₇, H₈ and H₉ are accepted. H₈ and H₉ are accepted as well so that mean OID leads to TIN and OCM leads to TIN [($\beta_1 = -0.119$, $t = 2.743$; $p < 0.05$); ($\beta_1 = 0.134$, $t = 2.831$)] respectively.

Table 3: Inter Construct Effect (Bootstrapping Results)

Total Effect	Standardized Path Coefficients (Effect Size)	p-Vaules
POF	-0.448	0.049
PJF	-0.29	0.029
PGF	-0.35	0.012
Direct Effect		
POF	-0.229	0.023
PJF	-0.103	0.044
PGF	-0.156	0.023
Indirect Effect		
POF	-0.219	0.034
PJF	-0.187	0.046
PGF	-0.194	0.032

Direct effect of POF, PJF and PGF on TIN are found to be significant. Similarly in case of indirect effect of POF, PJF and PGF on TIN with combined effect of OID and OCM is also found to be significant. On account of direct and indirect effect off POF, PJF and PGF being found significant on TIN it is inferred that total effect of POF, PJF and PGF are found significant. Refer table 3 for details.

Table 4: Individual Mediation Effect of OID and OCM

Individual Mediation Effect	Standardized Path Coefficients (Effect Size)	<i>p</i> -Vaules
POF-OID-TIN	-0.46	0.023
POF-OCM-TIN	-0.41	0.004
PJF-OID-TIN	-0.53	0.032
PJF-OID-TIN	-0.33	0.043
PGF-OID-TIN	-0.43	0.039
PGF-OID-TIN	-0.38	0.036

Bootstrapping (macro) results show that OID significantly mediates between POF-TIN, PJF-TIN and PGF-TIN. Similarly OCM significantly mediates between POF-TIN, PJF-TIN and PGF-TIN.

V. DISCUSSION

Results reveal that PEF is a significant phenomenon that leads to OID and OCM. Also PEF negatively leads to TIN. In other words we may say that individuals with an upright alignment with their work environment not only are more committed towards the organization, identify well with the organization and don't contribute to any turnover intention. So it becomes important to assess the compatibility between the individuals and their work environment at the time of hiring so that only those people are hired who can easily commit themselves to the organization and identify with the organization in such a way that they have a belief that they and organization are one entity. Results also reveals that OID and OCM don't positively lead to TIN. These results are in line with the previous results in the sense that the individual who commit themselves to the organization are less likely to have turnover intentions in normal circumstances and are less likely to leave. Same is the case with OCM that suggests that individuals who believe that they are and organization are one entity and less likely to part their ways and these employees will have a better average stay in any organization as compared to those who don't identify with the organization.

VI. LIMITATIONS

A part of PEF is a dynamic phenomenon so it should be explored over a period of time. So there is a good scope to carry out the same study in the same setup

as longitudinal design to see how PEF in relation to TIN, OID and OCM vary over time. The generalizability of the study can be an issue as only 3 out of 4 facets were explored in relation to these organizational outcomes.

VII. CONCLUSION

It is needless to say that the compatibility of nurses with their work environment must be assessed at the time of hiring in order to make sure that they are going to show a good level of commitment and identify with not only their organization but with their patients also. Nursing should not be seen as a mere job as hardly there are jobs that need compassion along with requisite skills. Assessing compatibility will serve at least two purposes. One there will be a better chance to hire right nurses. Second the cost of behavioural training will go down drastically and third their intention to leave will be very low in a profession where attrition is more than the industry average.

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