



Working Conditions Relating to Turnover Intention

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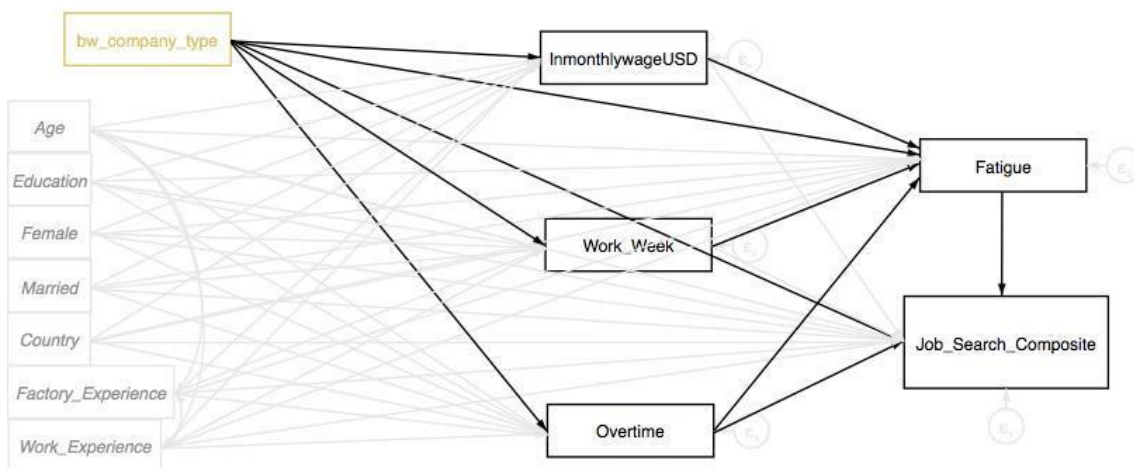
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Key Findings

- Membership in a Better Work factory leads to improved work conditions, such as a higher wage, fewer work hours per week, and overtime pay, which may in turn lead to decreased fatigue and ultimately to decreased turnover intention.
- Being a member of a Better Work factory is directly correlated with less emotional exhaustion and less turnover intention, and being less worried is directly correlated with less turnover intention.
- Better Work factories may decrease workload and worrying by being more compliant with weekly work limits and being more aware of the realistic capabilities of each worker.

Working Conditions and Turnover Intention

Workload, scheduling, and payment procedures are other working conditions in a factory that can impact longer-term outcomes such as worker mental health and turnover intention. Previous literature has evaluated the detrimental impact of excessive work scheduling on long-term worker outcomes, showing larger effects for female workers (Albertsen et al. 2008). The following models will evaluate the relationships between these working conditions, worker mental health, and turnover intention.



Variables of interest:

bw_company_type: Is the worker a member of a Better Work factory? (binary)

lnmonthlywageUSD: Natural log of monthly wage standardized to USD.

Work_Week: Hours worked weekly.

Overtime: Do you get paid for overtime work? (1-Yes, if I work more than 8-9 hours, 2-Yes, after I complete my production target, 3-No, my factory does not pay for overtime)

Fatigue: I feel fatigued when I get up in the morning and have to face another day on the job. (frequencyscale)

Job_Search_Composite: A composite measure of a worker's intention to leave their current job (also known as turnover intention), consisting of thoughts about quitting, moving sectors, or devoting effort to looking for a new job.

The model above examines the relationship between membership in a Better Work factory, monthly wage, weekly hours, overtime pay, fatigue, and turnover intention. *Bw_company_type* is the treatment variable, *lnmonthlywageUSD*, *Work_Week*, and *Overtime* are the mediating variables, *Fatigue* is the short-term outcome variable, and *Job_Search_Composite* is the long-term outcome variable.

Our analysis found a strong significant positive relationship between *bw_company_type* and *lnmonthlywageUSD*, a strong significant negative relationship between *bw_company_type* and *Work_Week*, and a strong significant negative relationship between *bw_company_type* and *Overtime*. Better Work factory employees enjoyed higher wages, decreased weekly work hours, and increased instance of overtime pay. *lnmonthlywageUSD*, *Work_Week*, and *Overtime* all have strong significant relationships with *Fatigue*, where increased wage, decreased work hours, and increased instance of overtime pay are all associated with decreased fatigue. Finally, *Fatigue* has a strong significant negative relationship with *Job_Search_Composite*. Therefore, through the following pathway, membership in a Better Work factory decreases the instance of turnover intention:

bw_company_type → *lnmonthlywageUSD/Work_Week/Overtime* → *Fatigue* → *Job_Search_Composite*

Membership in a Better Work factory leads to many improved work conditions, such as a higher wage, fewer work hours per week, and overtime pay, which may in turn lead to decreased fatigue and ultimately to decreased turnover intention.

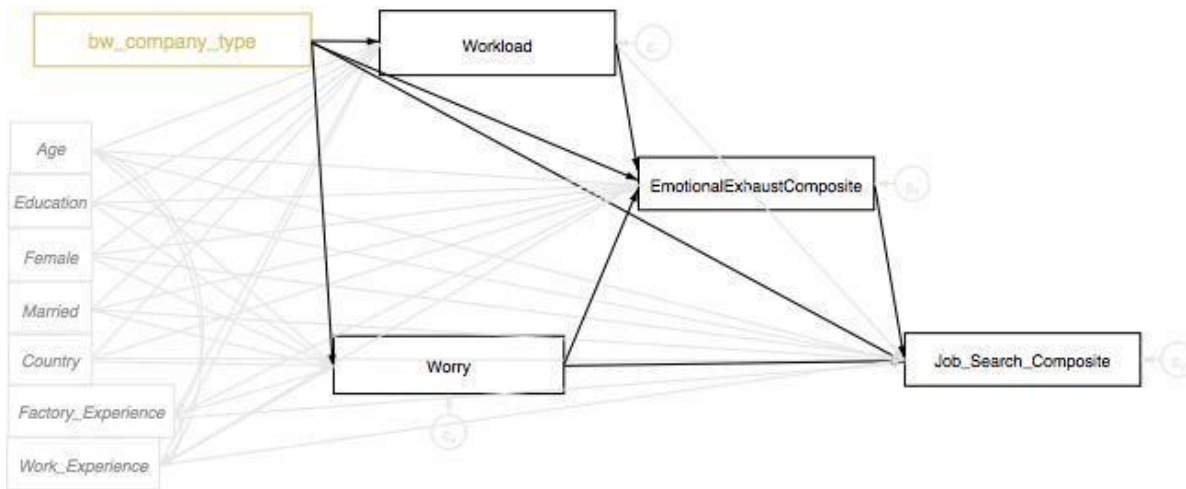
There are also significant direct effects between *bw_company_type* and *Fatigue*, *bw_company_type* and *Job_Search_Composite*, and *Overtime* and *Job_Search_Composite*. These direct effects may also help strengthen the effect of the pathway above.

All significant relationships are highlighted below. All relationships have a p-value less than .01, with the exception of the relationship between *lnmonthlywageUSD* and *Job_Search_Composite*, which has a p-value less than .05.

Model 1:

	1	2	3	4	5
VARIABLES	InmonthlywageUSD	Work_Week	Overtime	Fatigue	Job_Search_Composite
bw_company_type	0.0949*** (0.00931)	-2.431*** (0.344)	-0.152*** (0.0128)	-0.268*** (0.0452)	-0.0896*** (0.0201)
InmonthlywageUSD				-0.296*** (0.0633)	-0.0564* (0.0288)
Work_Week				0.00638*** (0.00167)	-0.00122* (0.000740)
Overtime				0.134*** (0.0469)	0.135*** (0.0225)
Fatigue					0.123*** (0.00572)
Age	0.00522*** (0.000876)	-0.0262 (0.0326)	0.000117 (0.00122)	-0.0162*** (0.00418)	-0.00730*** (0.00185)
Country	0.387*** (0.00956)	12.07*** (0.355)	-0.00708 (0.0133)	-0.144*** (0.0553)	0.0250 (0.0245)
Factory_Experience	0.000650 (0.00129)	-0.0413 (0.0477)	0.00768*** (0.00179)	0.0315*** (0.00611)	0.00219 (0.00275)
Education	-0.00220 (0.00512)	-0.144 (0.189)	0.00471 (0.00706)	0.0536** (0.0242)	0.0694*** (0.0107)
Female	-0.0413*** (0.0121)	-0.407 (0.445)	-0.00458 (0.0168)	0.117** (0.0572)	-0.145*** (0.0260)
Married	-0.0122 (0.0121)	0.690 (0.445)	-0.0168 (0.0167)	-0.0236 (0.0570)	-0.0744*** (0.0255)
Work_Experience	0.00111 (0.00121)	-0.0914** (0.0450)	-0.00559*** (0.00169)	-0.0107* (0.00577)	-0.00589** (0.00256)
Constant	4.656*** (0.0370)	41.37*** (1.363)	1.314*** (0.0512)	4.095*** (0.353)	2.012*** (0.162)
Observations	6,521	6,521	6,521	6,521	6,521
Standard errors in parentheses					
*** p<0.01, ** p<0.05, * p<0.1					

Cognitive Load and Turnover Intention



Variables of Interest:

bw_company_type: Is the worker a member of a Better Work factory? (binary)

Workload: How heavy was your workload during the last month? (1-Often not enough to keep me busy, 2-Sometimes not enough, 3-Just the right amount, 4-Sometimes too much, 5-Entirely too much for me to handle)

Worry: I often worry about finishing everything I have to do. (agreescale)

EmotionalExhaustComposite: A composite measure of emotional exhaustion, consisting of the frequency at which a worker feels fatigued or frustrated by their job.

Job_Search_Composite: A composite measure of a worker's intention to leave their current job (also known as turnover intention), consisting of thoughts about quitting, moving sectors, or devoting effort to looking for a new job.

The model above examines the relationship between Better Work factory membership, workload, worrying, emotional exhaustion, and turnover intention. In this model, *Workload* and *Worry* serve as the mediating variables, *EmotionalExhaustComposite* functions as the short-term outcome variable, and *Job_Search_Composite* functions as the middle-term outcome variable.

Cognitive load is the level of mental effort expended by a person, with high cognitive load often resulting from task demands or time pressure (see, e.g., Blessum, Lord, and Sia 1998). *Workload* and *Worry* serve as measures of cognitive load because they ask a worker to gauge how pressured they feel by the demands of their job. Our analysis found a strong significant negative effect of *bw_company_type* on *Workload* and *Worry*, meaning those in Better Work factories tended to have a lighter workload and worried less, resulting in an overall decreased cognitive load. We also found a significant positive relationship between *Workload* and *EmotionalExhaustComposite* as well as between *Worry* and *EmotionalExhaustComposite*, meaning that workers who had a heavier workload and workers who worried about finishing everything they have to do were more emotionally exhausted than those with lighter workloads who did not worry. In addition, there is a strong significant positive relationship between *EmotionalExhaustComposite* and *Job_Search_Composite*, meaning that those who were more

emotionally exhausted were more likely to have turnover intentions. We theorize that a possible system may exist in the following pathway:

bw_company_type → *Workload/Worry* → *EmotionalExhaustComposite* →
Job_Search_Composite

Better Work workers may be less likely to have intentions to leave their jobs by virtue of having a lighter workload and worrying less, thus being less emotionally exhausted. Better Work factories may decrease workload and worrying by being more compliant with weekly work limits and being more aware of the realistic capabilities of each worker.

There are also strong significant direct relationships between *bw_company_type* and *EmotionalExhaustComposite*, *bw_company_type* and *Job_Search_Composite*, and *Worry* and *Job_Search_Composite*. This means that being a member of a Better Work factory is directly correlated with less emotional exhaustion and less turnover intention and that being less worried is directly correlated with less turnover intention. These direct connections work to further the system highlighted above.

All significant relationships are highlighted in the table below. All coefficients have a p-value less than .01.

Model 2:

VARIABLES	1	2	3	4
	Workload	Worry	EmotionalExhaustComposite	Job_Search_Composite
bw_company_type	-0.0579**	-0.133***	-0.246***	-0.0868***
	(0.0235)	(0.0253)	(0.0333)	(0.0191)
Workload			0.310***	-0.00718
			(0.0190)	(0.0111)
Worry			0.384***	0.0980***
			(0.0175)	(0.0104)
EmotionalExhaustComposite				0.171***
				(0.00751)
Age	-0.00288	0.00793***	-0.0181***	-0.00782***
	(0.00222)	(0.00239)	(0.00314)	(0.00180)
Country	0.827***	0.328***	-0.387***	-0.0583***
	(0.0243)	(0.0261)	(0.0375)	(0.0216)
Factory_Experience	0.00611*	0.00617*	0.0249***	0.00136
	(0.00325)	(0.00350)	(0.00460)	(0.00268)
Education	0.109***	0.0508***	-0.00483	0.0650***
	(0.0129)	(0.0139)	(0.0184)	(0.0105)
Female	-0.000633	0.105***	0.0508	-0.156***
	(0.0305)	(0.0328)	(0.0432)	(0.0252)
Married	-0.0492	0.0411	-0.0633	-0.0728***
	(0.0305)	(0.0327)	(0.0431)	(0.0248)
Work_Experience	0.00518*	-0.00945***	-0.00689	-0.00533**
	(0.00307)	(0.00331)	(0.00433)	(0.00249)
Constant	1.223***	1.870***	1.571***	1.631***
	(0.0933)	(0.100)	(0.136)	(0.0787)
Observations	6,521	6,521	6,521	6,521
Standard errors in parentheses				
*** p<0.01, ** p<0.05, * p<0.1				

Works Cited

Albertsen, Karen, Guðbjörg Linda Rafnsdóttir, Asbjörn Grimsmo, Kristinn Tomasson, and Kaisa Kauppinen. "Workhours and worklife balance." *Scandinavian Journal of Work, Environment and Health* 34, no. 5 (2008): 4-21.

Blessum, Kenneth A., Charles G. Lord, and Tiffany L. Sia. "Cognitive Load and Positive Mood Reduce Typicality Effects in Attitude-Behavior Consistency." *Personality and Social Psychology Bulletin*, 24, no. 5 (1998): 496-504.