

ARTICLE

Explaining municipal civil servants' voluntary turnover intentions: Where and why do civil servant go in times of austerity?



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Received 7 January 2016; accepted 2 July 2017

Available online 31 July 2017

JEL CLASSIFICATION

J69;
L39;
M52

KEYWORDS

Intention to leave;
Post-exit
destinations;
Turnover intentions;
Municipal civic
servants;
Voluntary job
turnover intentions

Abstract This study reports Dutch local government civil servants' intention to voluntarily leave their current position for various post-exit destinations in times of austerity. It is concluded that local government civil servants' intention to leave to public sector destinations is determined by their superiors' quality of leadership (with job satisfaction fully mediating this relation), perceived job security and work-life balance issues (with job satisfaction mediating these relations). For private sector destinations, leadership quality (mediated by job satisfaction) explains intention to leave.

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1. Introduction

The academic literature has since a couple of decades studied the phenomenon of turnover (or, inversely, retention) intentions and behaviours in public administration (Cho & Lewis, 2012; Lee & Jiminez, 2011; Lee & Whitford, 2007; Meier & Hicklin, 2008; Moynihan & Landuyt, 2008;

Selden & Moynihan, 2000; Steijn, 2003). Many studies focus on intention to leave of relatively scarce or specialized employees such as nurses (Homburg, Van der Heijden, & Valkenburg, 2013; Van der Heijden, Dam, & Hasselhorn, 2009) or ICT professionals (Kim, 2005). This article reports on a study of general municipal civil servants' intention to leave their current position or organization in the Netherlands. There are a number of circumstances or features that justify this particular study, and makes it different from existing studies reported in the literature.

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First of all, this study does not explain an employee's more general intention to leave, but rather seeks to explain an intention to leave for specific post-exit destinations (such as other municipalities, other public sector organizations, private sector organizations including consultancy firms), with possibly various determinants accounting for various post-exit destinations.

Second, many turnover studies report on turnover intentions of relatively specialized employees in tight market conditions, resulting in labour shortages. This particular study inversely reports on civil servants' intention to leave in a context of both austerity as well as increasing work loads. These circumstances result from the implementation of the so-called 3-D decentralization programme (Allers & Steiner, 2015), in a context in 2013 in which municipalities had to compensate for a general deficit of 2.7 billion euros, reductions in budgets resulting from decentralizing budgets of 2.9 billion euros, and miscellaneous deficit-reducing measured of 0.5 billion euros, accounting for a total budget cut of 17% of net expenditures and decentralization tasks (Allers, Steiner, Hoeben, & Geertsema, 2013; Allers & Steiner, 2015).

Third, this study addresses the issue of performance-related (merit) pay in the public sector. The academic literature, as well as policy practice talks about positive and negative consequences of performance-related pay. In this study, it is explicitly analysed whether there is a relation between preference for performance-related pay and turnover intentions to specific post-exit destinations, thus adding to the general debate.

Fourth, the focus is on explaining public sector employees that may or may not decide to leave a particular type of public sector organizations, that is, municipalities in the Netherlands. Municipalities are an important employer in the local labour market. All municipalities taken together are the largest employer in the Dutch public sector, accounting for more than 50% of all public sector employment (excluding educational institutions, defense and policing) (Allers et al., 2013).

In sum, the research question for this study is how envisaged municipal civil servants' post-exit destinations can be explained. The article is structured as follows. In the next section, we report on a literature review on turnover intentions in the public sector and derive and formulate various hypotheses. We then report on the data used and the design of the empirical study of turnover intentions of local government employees working for middle-sized municipalities in the Netherlands, and report on the choice of measures (operationalisations) used. Subsequently, we report the empirical findings and test a model of how various determinants may influence turnover intentions to specific post-exit destinations. We end the article with conclusions and implications of the findings for research and HRM practice.

2. Literature review and hypothesis

2.1. Management and leadership

One of the most recurrent themes in explanatory studies of employees' turnover intentions is the role of management and leadership. A substantive argument for this expectation

is that supervisors with adequate leadership skills and management qualities provide social support for employees facing stress and uncertainties in their work (Homburg et al., 2013; Nissly, Barak, & Levin, 2008; O'Driscoll & Beehr, 1994; Van der Heijden et al., 2009), which may prevent these employees from leaving the organization. For this study, we hypothesize that employee perceptions of management and leadership qualities impact on their intention to leave the organization, and this expectation is formulated in [Hypothesis I](#).

Hypothesis I. The more satisfied employees are with management and leadership quality, the less is their 'intention to leave'.

2.2. Pay and benefits

An intuitively appealing and empirically validated determinant of intention to leave is satisfaction with pay and benefits (Cho & Lewis, 2012; Homburg et al., 2013; Lee & Jiminez, 2011; Lee & Whitford, 2007; Llorens & Stazyk, 2011; Moynihan & Landuyt, 2008; Pitts, Marvel, & Fernandez, 2011; Steijn, 2003; Van der Heijden et al., 2009). Pitts et al. (2011) note that the impact of satisfaction with pay and salaries dampens throughout the career, with young employees being very sensitive towards displaying an intention to leave as a result of dissatisfaction with pay and benefits, and more mature employees not reacting to dissatisfaction with pay and benefits by means of considering leaving the organizations. For the explanation, we hypothesize that satisfaction with pay and benefits negatively impacts on employees' intention to leave. This relation is formulated in [Hypothesis II](#).

Hypothesis II. The more satisfied employees are with pay and benefits, the less is their intention to leave.

2.3. Career development opportunities

Kellough and Osuna (1995) reported that organizations with greater room for promotion tend to display lower turnover (Homburg et al., 2013; Iverson & Pullman, 2000; Selden and Moynihan, 2000). The hypothesis that career development opportunities reduce intention to leave, has received mixed empirical support, and hence various interpretations. Curry, McCarragher, and Dellmann-Jenkins (2005) report that meeting employee expectations results in retention, whereas Ito (2003) argues that investment in development opportunities increases candidates' employability, possibly increasing the likelihood that they will opt for extramural career opportunities (Kim, 2005).

In this article, we conceptualise career development opportunities as an employee's individual perception of chances for individual promotion and development (rather than a feature of HRM policies), and we follow the line of reasoning that an employee that faces career development opportunities is more likely to stay than an employee that does not (since the latter may be more tempted to consider leaving the organization). This line of reasoning is expressed in hypothesis III.

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