Job Satisfaction and Intention to Leave in SME Construction Companies of United Arab Emirates (UAE)

Basma Kashmoola¹, Fais Ahmad² and Yeoh Khar Kheng³

Abstract
This study is of significance in the large diverse SMEs firms in United Arab Emirates (UAE) as it tries to offer thoughts and insights to the higher authorities and decision makers in the SMEs firms to adopt strategies to facilitate employees, maintain their relationship not only with their profession but also with the organization and hence to overcome high turnover and reduce further shortage of qualified employees today and tomorrow. Moreover, this study will also have a significance from the practical aspect as the study is of significance in the SMEs and it attempt to offer thoughts and insights to the higher authorities and decision makers in the SME construction sector to adopt strategies to improve the level of job satisfaction, facilitate employees, maintain their relationship not only with their profession but also with the organization and hence to overcome high turnover and reduce further shortage of qualified employees in the construction firms of United Arab Emirates in the future. This conceptual paper examines the empirical evidence between the relationship of job satisfaction and intent to leave, if any. The study will further validate the relationship of understanding of the workplace and workplace related issues that may have impact on how employees react and respond to their work environment may lead to leave the company in the near future. So far, it is evident that there are many studies had been conducted to examine the relationship between job satisfaction and employees leaving intentions. However, not many studies in the same vein have been fully addressed in small and medium size construction firms in UAE work setting and also most of the studies sampling strategies had focused in industries in developed economies.

INTRODUCTION
Small Medium Enterprises (SMEs) have been a major economic vehicle of both advanced economies as well as economies in transition (Meghana, Asli, Maksimovic, 2011). The Northern Ireland 39th Summit of Great Eight (8) Nations formally endorsed the importance and highlighted the considerable contribution of the SME sector to employment and economic dynamism in the most industrialized countries in the world (G-8 Summit, 2013). United Nations Organizations for Industrial development (UNIDO, 2015) documented the findings of their series of research in different countries and emphasized the major roles of SMEs. Firstly, SMEs play a vital role in development, specifically due to their role in sustaining a broad and diversified private sector and job creation, generation of income and reduction of poverty and provided a significant statistics for SMEs’ performance that make up over 90 per cent of businesses worldwide and account for between 50 to 60 percent of worldwide employment. Secondly, they are considered as key contributors to ensuring long-term social stability as they provide simple opportunities for processing activities that can generate sustainable livelihood. Finally, SMEs are considered a real starting point of entrepreneurship development, innovation and risk-taking behaviour that provides the foundation for long-term growth dynamics and the transition towards larger enterprises (Reynard & Frostier, 2002).

¹ Academic Deputy Director, Sharjah Institute for Heritage, Sharjah- United Arab Emirates
Email: basmawaleed85@yahoo.com
² Associate Professor, College of Business, Universiti Utara Malaysia, 06010 UIUM Sintok, Kedah, Malaysia
E-Mail: fais@uum.edu.my
³ Senior Lecturer, College of Business, Universiti Utara Malaysia, 06010 UIUM Sintok, Kedah, Malaysia
E-Mail: kharkheng@uum.edu.my
According to Middle East Business Intelligence (MEED), the value of Dubai’s construction projects due to be awarded in 2014 recorded a significant increase at USD 22.2bn, reaching almost the 2013 level. The construction sector will benefit from a massive expansion in Dubai’s transport and hospitality sectors with the 2020 tourism strategy aiming to attract 20 million visitors to the emirate by the end of the decade being on track.4. Dubai construction sector witness a great economic acceleration (Emirate NBD Report, 2014). The construction sector is now the fifth largest sector in Dubai’s economy, recording a share of 8.4% of total GDP in Q1 2014. According to the Dubai Statistics Centre (DSC), between 2010 and 2012, the total number of workers in the sector declined at an average of roughly 10% per year to 464,711 workers representing 19.5% of Dubai’s total workforce. However, Holdworth (2010) reported that almost every organization of all sizes and sectors in UAE, have gone through major transitional phases where recession is one of the most fatal viral which has adversely affected. During this recession period, most companies are forced to lower their costs in order to survive (Khan & Ali, 2013; Mahdi, Nor, Zin, Sakat & Naim, 2012).

Khan and Ali (2013) argued based on their findings that an often used strategy in practice to deal with increased expenses is to reduce employee costs by either terminating employees or reduce employee career opportunities. This whole situation gives birth to the most devastating mental state where an employee feels a decline in their job satisfaction.

This research study examines the empirical evidence between the relationship of job satisfaction and intent to leave, if any. The study will further validate the relationship of understanding of the work place and work place related issues that may have impact on how employees react and respond to their work environment may lead to leave the company in the near future.

The implication of this study however is limited to the selected SMEs operating in UAE and particularly in Dubai. This study is of significance in the large diverse SMEs firms as it tries to offer thoughts and insights to the higher authorities and decision makers in the SMEs firms to adopt strategies to facilitate employees, maintain their relationship not only with their profession but also with the organization and hence to overcome high turnover and reduce further shortage of qualified employees in the construction firms in the future.

PROBLEM STATEMENT

Firms in UAE witnessed a global competition; a growing number of firms began realizing the need for larger markets, which would allow them to rely on economies of scale in production and product development as well as lowering production costs to be more competitive. However, recently construction companies and real state of SMEs sector of Dubai, reported that they have a combine shortfall of skilled staff of up to 500,000 (Workforce Planning Study, 2014). The shortage of workforce in the industry is one of the major causes of unfair distribution of work load and also an unjust compensation and reward system in the overall industry (Annual Investment Meeting, 2015). Zurn et al (2005) also argued that supply and demand of workforces is also one of the crucial predictor factors for job satisfaction and may lead to quit their job or opt for migration.

According to the latest Towers Watson’s Global Workforce Study (GWS, 2013), work-related stress and money continue to weigh on the minds of UAE employees more than their global peers. Consequently, companies run the risk of low employee productivity and financial performance. (GWS, 2013). The study showed that 42 percent feel excessive pressure from their job, while 56 per cent are insecure about the future of their finances. Only a few employees (30 per cent) feel their company supports policies that promote staff health and well-being, 12 per cent less than the global average. As a result, employee loyalty in the UAE is falling, with almost half of employees (44 per cent) believing they are likely to leave
their company within the next two years and a further 31 per cent are unsure if they can stick to their current job.

While examining the various factors that may affect employees intention to leave, many research findings confirmed that job satisfaction caused the highest variance on to leaving intentions (Shropshire & Kadlec, 2012; Chen, 2007). To get the deeper analysis of the job satisfaction and its impact on employee’s intention to leave, many researchers argued that there were many facets of job satisfaction that may cause the leaving intentions and therefore job satisfaction has been considered a variables composed of multiple factors (Westlund & Hannon, 2008). In an academic literature, unarguably Westlund and Hannon (2008) work has been regarded one of the seminal conceptual research, where he examined the relationship of leaving intentions with the nine (9) multifaceted variables of job satisfaction. From the discussion so far, it is evident that there are many studies had been conducted to examine the relationship between job satisfaction and employees leaving intentions. However, not many studies in the same vein have been fully addressed in small and medium size construction firms in UAE work setting and also most of the studies sampling strategies had focused in industries in developed economies (Murrar & Hammad, 2013, Ghani, 2014). Therefore, it is believed to be a gap in the literature in the context of the job satisfaction and intent to leave in SME construction firms.

This study would academically contribute to the body of knowledge in the area of job satisfaction and intention to leave, where a huge gap had been found in the literature that there were little studies directly examined the relation between job satisfaction and intention to leave relationship in organizations operating in MENA region (Albaladejo, 2002, Stevens, 2016). “Hence the study will attempts to further validate the relationship of understanding of the work place and work place related issues that may have impact on how employees react and respond to their work environment may lead to leave the company in the near future.

LITERATURE REVIEW

Job Satisfaction

Despite its wide application in scientific research, as well as in everyday life, there is still no general agreement regarding what job satisfaction is. In fact there is no final definition on what job represents. However, some of the most commonly cited definitions on job satisfaction are analysed in the text that follows:

Job satisfaction is defined as the “emotional feelings as well as the behavioral expression for a job. The feeling is influenced by some job related factors such as pay, different types of benefits, recognition, working condition, relation with co-worker and supervisors, and others” (Yilmazel, 2013).

Hoppock (1935) defined “job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say “I am satisfied with my job”. According to this definition, although job satisfaction is under the influence of many external factors, it remains something internal that has to do with the way how the employee feels. That is job satisfaction presents a set of factors that cause a feeling of satisfaction.

Vroom (1964) in his definition on job satisfaction focuses on the role of the employee in the workplace. Thus he defines job satisfaction as “affective orientations on the part of individuals toward work roles which they are presently occupying” (Vroom, 1964). One of the most often cited definitions on job satisfaction is one given by Spector (1997), which read like “job satisfaction has to do with the way how people feel about their job and its various aspects. It has to do with the extent to which people like or dislike their job”. That’s why job satisfaction and job dissatisfaction can appear in any given work situation. The definition of Spector (1997) indicated that job satisfaction is a multifaceted dimension of a particular job and hence one needs to understand the different facet/aspects of the job which may cause satisfaction or dissatisfaction. The following section covers the theoretical aspect of job satisfaction concept and the theoretical insights of the various definitions.
Table 1.1 Definitions of job satisfaction widely used for theoretical insights

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Year</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hoppock</td>
<td>1935</td>
<td>Job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say</td>
</tr>
<tr>
<td>Vroom</td>
<td>1964</td>
<td>Affective orientations on the part of individuals toward work roles which they are presently occupying</td>
</tr>
<tr>
<td>Spector</td>
<td>1997</td>
<td>Job satisfaction has to do with the way how people feel about their job and its various aspects</td>
</tr>
</tbody>
</table>

Most of the studies on job satisfaction have been looking into a single facet of job satisfaction, i.e. did not focus on composite facets of job satisfaction (Boles, Wood & Johnson, 2003). Churchill (1974) succinctly argued that to measure the job satisfaction, one must consider numerous organizational characteristics in evaluation to get the broader and accurate measure of employee beliefs and attitudes. Because these factors or characteristics related to individual has its relative importance, that is, if an employee may mention that he/she is very happy and satisfied with his/her wages, work environment, promotion etc. but is actually dissatisfied with some other aspect of work such as the actual work itself (Minakshi & Jain, 2013).

Factors which cause satisfaction and dissatisfaction from the job for employees are extensively discussed in the two-factor theory (1959) and job characteristics theory (1976). Based on the framework of the both theories, Wood, Chonko, and Hunt (1986) and Purani & Sahadev (2007), argued that to accurately measure the determinants of “job satisfaction”, a number of characteristics of the job may need to be evaluated if one hopes to obtain a gamut of employee beliefs and attitudes about their job. These characteristics or facets may not be of equal importance to every individual.

Heinen et al. (2013) acknowledged that characteristics of the work setting, professional identity, job satisfaction, and burnout are the most persuasive factors that influence nurses’ decision to remain or to quit their job. Earlier research shows that turnover in nursing is a logical consequence of nurses' job dissatisfaction. Pasaoglu & Tonus (2014) identified nurses’ job satisfaction at low level during the first 5-years. They also stated that nurses’ job satisfaction usually increase along with their increased working experience in hospitals.

**Intentions to Leave**

As a research topic, intention to leave is of interest to many researchers in psychology, management and workplace environments (Al-Dossary, Vail, & Macfarlane, 2012; Almalki, FitzGerald, & Clark, 2012). Intention to leave is influenced by a substantial number of identified factors, such as co-workers’ job embedding and job search behaviors (Robson, & Robson, 2016; Felps et al., 2009).

Tuzun and Kalemci (2012) explain that many studies show that intention to quit is a good predictor of actual turnover, therefore making it essential for organizations to investigate and understand the reasons behind turnover intention and how to control or minimize them. Robyn and Robyn and Du Preez (2013) also explain that the main important reason for investigating employee’s intention to leave in any organization is to assist the human resource department take a proactive approach to the organization’s retention strategies and try by all means to decrease the turnover intention.

Kar & Misra (2013) identify turnover intention as a type of withdrawal behavior that is associated with under-identification with work. They further assert that turnover or intention to quit is the employee’s conscious and deliberate willingness to leave the organization and it is regarded as the last in a sequence of withdrawal cognitions.

Employee turnover is divided into voluntary and involuntary. Voluntary turnover is the initiative of the employee to leave the organization for good, and involuntary turnover refers to the organization that take dismissal acts towards their employees (Hongvichit, 2015).

In involuntary turnover, companies secure the initiative, and are generally dismiss unqualified staffs who do not meet the requirements of the organization. However, Mobley, Griffeth, Hand and Meglino (1979)
identified that for more than 60 years of history for employee turnover intentions studies, employee turnover intentions could be defined as “employees voluntarily choose to leave the organization or occupation”. In this pivotal research, voluntarily intention to leave has been used as a mechanism to understand the consequence of the employee’s job satisfaction. The researchers succinctly argued that in any organization, one of the greatest concerns is the employee turnover. Therefore, it is now become a significant academic and industrial research in the domain of organizational behavior and human resource management that how effectively one can predict and control the employees intention to leave (Hongvichit, 2015; Jamilah, 2009).

Hongvichit (2015) opined that research on intention to leaves show that turnover intention is the most direct antecedents of employee turnover behavior, thus, can predict employee turnover behavior. Therefore, intentions determine people’s action or behavior (Ghani, 2014; Alam & Jamilah, 2009; Igbaria & Greenhaus 1992; Ajzen & Fishbein, 1980). Kalliath and Beck (2001) argued that this notion of intentions to leave does have an implication to the organizational context, because if an employees or group of employees exhibit this behavior, then, the actual rate of turnover will increase and this may cause an immediate short to long term negative impact in overall organizational performance.

Employees’ intention to leave can be considered as normal choices made concerning present organization ((Henry, Thibeli, & Darroux, 2013; Steers & Mowday, 1981). The stimuli of intention to leave the organization can be characterized as individual and organizational.

Individual Stress Factors: Increasing level of stress may cause the employee to take the decision to leave (Sheridan & Abelson, 1983). Stress also has been proven to influence indirectly the intention to leave (Bedian & Armenakis, 1981). Job stress causes dissatisfaction which in turn leads to the intention to leave. Consequently, Elangoven (2001) discovered direct and indirect relationship between stress and intention to leave among students. He found that even though there is circular relationship among studied variables e.g. job satisfaction and commitment, never the less certain stressful job characteristics may directly affect individuals decision to leave.

Demographic characteristics: Many studies highlighted the literature on employees in terms of demographic characteristics and turnover intention (Bell, Rajendran, & Theiler, 2012). According to Hayes, O’Brien-Pallas, Duffield, Shamian, Buchan, Hughes, Laschinger and North (2012), employees’ demographic characteristics have been advanced in many models as predictors of withdrawal. One of these demographic characteristics is age. In literature, age has been a moderating variable presenting positive relationships (Byrd, et al., 2000; Mitchell, et al., 2000; Robinson, Porporino, & Simourd, 1997) as well as negative (Ford, 1995).

In addition, Lambert (2006) discovered that gender, tenure, and education level of employees significantly influenced employee turnover intention. Women had higher turnover intent than men; Lambert (2006) accredited this to job characteristics which involved more masculinity. Asf As for tenure, Becker (1960) stated that with increasing tenure, employees intention to leave diminishes as employees “sunken cost” increased i.e. employees became more devoted to the organization. Perhaps tenure has adjacent relationships with age. Last but not least, people with greater educational level were found to display greater turnover intention than those with lesser educational level. People with greater educational level observed higher external job opportunities.

Organizational factors: Role ambiguity and role conflict: Role ambiguity is a consequence of low clarity about the definition of role expectations, and the requirements or methods to complete work related tasks (Rizzo, House, & Lirtzman, 1970). Role conflict arises due to the incompatibility of demands and expectations from the role, where compatibility is measured on the basis of conditions that impact role performance (Rizzo, House, & Lirtzman, 1970). Role conflict is considered more intense in jobs that require theoretical thinking and decision-making (Robson, & Robson, 2016: Menon & Aknilesh, 1994). Role ambiguity and role conflict both can cause an employee to consider leaving the organization. Role ambiguity and role conflict may lead to faster depletion of employees personal resources; nevertheless the employee will strongly try to preserve those resources with intent to use them where they can find job clarity (Hobfall, 2001). In addition, Keller (1975) found that role conflict and ambiguity are negatively
related to perceptions of opportunity related to promotions. Thus, lack of growth opportunities for employees may eventually lead them to search for other jobs.

Career anchors: Organizations are interested to provide internal career incentives in order to reduce employees’ intent to leave (Hsu et. al., 2003). Internal career anchors refer to an individual’s self-concept, the psychological attractions that serve to guide his or her career and are realized in terms of indirect incentives, such as job security, location, and autonomy (Simons, & Buitendach, 2013).

CONCLUSIONS
Job satisfaction represents one of the most complex areas facing today’s managers when it comes to managing their employees. In this study a context of the study in SMEs of UAE and Dubai has been discussed and later a holistic review of the two important construct has been presented 1) intention to leave, and 2) job satisfaction. Literature reviews on the two areas concluded that despite many studies have been empirically proved that job satisfaction and intention to leave are negatively associated with each other, no or very limited evidence are available to know that how the factors or attributes of these two are related to the construct of job satisfaction and intention to leave.

REFERENCES


