PREDICTORS OF TURNOVER INTENTION AMONG EMPLOYEES IN NIGERIA’S OIL INDUSTRY

Oluwafemi, O. J.*
The University of Lagos

Abstract. It has been debated in literature whether context more than disposition predicts organizational outcomes, but the extent to which they predict employee turnover intention has been evaded, whereas beyond theorising, this may have important consequences for employee retention and performance strategy. The predictive roles of contextual (distributive, procedural and interactional justice) and dispositional variables (conscientiousness, agreeableness and emotional stability) on turnover intention among employees in Nigeria’s oil industry were examined. Using cross-sectional survey design and multistage sampling techniques (n = 750) employees comprising 534 (71.2%) males and 216 (28.8%) females with a mean age of 35 years and standard deviation of 6.88 participated in the study. The sampling frame in all 12 out of 32 companies from four clusters that make up Nigeria’s oil industry was formed using quota, proportionate and simple random sampling techniques. Data was collected using validated measures of the study variables combined into a single survey questionnaire. Significant negative relationship was found between contextual variables and turnover intention, and between dispositional variables and turnover intention respectively. Controlling for age and tenure, contextual variables accounted for higher variance in turnover intention ($R^2 = 0.098$; $F (5, 745) = 22.23$, $p < .001$) than dispositional variables ($R^2 = 0.10$; $F (8, 742) = 1.51$, $p < .001$, justifying the assumption of weak effects of dispositional traits in strong situations. Managerial implications of the findings are discussed.

Key words: turnover intention, organizational justice, context, disposition, interaction

1. Introduction

Just like any other construct, labour turnover and turnover intention literature has undergone tremendous evolutionary changes in the past three decades. Prominent research outputs have focused on its conceptualizations, forms, antecedents, consequences, intermediate linkages, mediators, moderators, as well as applications (Mobley, 1977; Mobley, Griffeth, Hand & Meglino, 1979; Bluedorn, 1982; Griffeth & Hom, 1988; Hom & Griffeth, 1995; Griffeth, Hom, Gaertner, 2000; Firth, Mellor & Moore, 2007; Abbasi, Hollman & Hayes, 2008; Amah, 2009; Samad, 2012).

* Business Administration Department, University of Lagos, Akoka, Lagos, email: ooluwafemi@unilag.edu.ng
From practical perspective, actual turnover becomes dysfunctional when an employee leaves voluntarily and the organization’s valuation of such employee remains positive. Another form of actual turnover is considered functional because it leaves the organisation better off; and as such, it is often referred to as “good riddance to bad rubbish”. Although dysfunctional turnover has shown to have severe adverse consequences for organizations, more pervasive and severe consequences are likely to exist with respect to turnover intention (Oluwafemi, 2010; Cappelli, 2000; Griffeth et al., 2000).

Cotton and Turtle (1986) aptly conceptualized turnover intention as an individual’s perceived probability of staying or leaving an employing organization. Hom and Griffeth (1991) also define turnover intention as the relative strength of an individual’s intent toward voluntary permanent withdrawal from an organization. Conceptualizing turnover intention for the purpose of this study implies an employee’s own estimated probability or propensity to quit the employing organization at some near future time (Price, 2001; Hom & Griffeth, 1995).

Turnover and turnover intention appears to be a strategic issue for Nigeria’s oil industry. This is because Nigeria is vastly endowed with high quality natural oil and gas resources. The petroleum sector provides over 20% of Gross Domestic Product, 95% of foreign exchange earnings, and forms about 65% of annual budgetary revenues. Oil and gas serves as the backbone of Nigeria’s economy” (Nickle, 2007). The oil industry is therefore considered to be the strategic springboard upon which Nigeria hopes to achieve its vision 20, 2020. The vision 20, 2020 is aimed at ensuring that Nigeria becomes one of the twenty strongest economies in the world by the year 2020.

It is reckoned that the achievement of this pivotal objective can only be realised through efficient management and retention of human resources of organisations within this strategic sector of Nigerian economy. Efficient management of human resources of the firms in the industry would be achieved through identifying and intervening upon factors that could minimize employees’ turnover intention and enhance their retention and performance (Oluwafemi, 2010).

Over the years turnover intention has been an often preferred proxy construct as a convenient route for studying actual turnover. This is due to the methodological threats to sampling participants who left an organization through dysfunctional turnover. This approach seems more plausible since occurrence of actual turnover could be proactively averted through understanding predictors of turnover intention.

Previous studies have demonstrated that intention to leave an organization consistently correlated with actual turnover (Griffeth, Hom, & Gaertner, 2000). Increasing interest in turnover intention research arose from the fact that it has shown to be a good surrogate indicator of actual turnover (Radzi, Ramley, Salehuddin & Jalis, 2009; Price, 2001; Griffeth, Hom & Geartner 2000; Ajzen 1991). Therefore, early detection of an employee job dissatisfaction through turnover intention measure would be more useful than taking remedial action after actual turnover had occurred. The
conclusion therefore is that if the organization is able to intervene in probable causes of turnover intention, it is likely to be able to proactively nip the problem of turnover in the bud before it exacerbates.

Justification for studying turnover intention and its plausible antecedents is that it could serve as a proactive approach to tracking and tackling likely turnover related problems in an organization. Further, high level of turnover intention among employees, prior to, or even when it does not result in actual turnover, was found to have adverse consequences on contextual performance, work withdrawal among employees, and overall organizational performance (Oluwafemi, 2010; Abbasi, Hollman, & Hayes, 2008).

The research has also linked turnover intention to lateness, absenteeism, work withdrawal, reduced performance, and poor organisational citizenship behaviour, low commitment, and poor work engagement, poor organizational citizenship behaviour, and invariably declining output (Johns, 1997; Meyer, 1997; Griffeth et al., 2000; Oluwafemi, 2009; 2010; Samad, 2012). Hence, turnover intention is not the sort of attitudes that should be allowed to fester among employees for too long within an organization.

2. Statement of the problem

In the annals of research in organizational behaviour, independent and joint roles of disposition and contextual variables on organizational outcomes have been articulated (Liden & Antonakis, 2009; Staw & Cohen-Charash, 2005; Konovsky & Organ, 1996). Dispositional researchers have for instance contended that important organizational outcomes depend on distinctive and enduring personality characteristics. This is because individuals vary in their responses to the same situation (Spector, 2005; Staw & Ross, 1985).

The essence of the dispositional approach is that individuals possess unobservable mental states or traits in the form of needs, values, attitudes, or personalities that are relatively stable over time and across situations. These traits significantly influence their affective and behavioural reactions to organizational experiences (Davis-Blake & Pfeffer, 1989; Weiss & Adler, 1984). In other words, two individuals in the same situation tend to behave differently because dispositional traits serve as a frame of reference through which people appraise and react to situations using a unique, consistent, and distinctive way of thinking and feeling.

A contrary view by situational researchers posits that a personality is quite often confounded by situational factors (Johns, 2006; Spector, 2005; Davis-Blake & Pfeffer, 1989). In other words, strong situational characteristics may render the effect of disposition negligible or insignificant. Johns (2006) posits that situations vary in their capacity to abet or constrain dispositional effects. Previous research suggests that strong situations tend to constrain dispositional influences and weak situations permit more
latitude or opportunity for expressing dispositional influences (Funder, 2005; Epstein, 1980; Bem & Funder, 1978).

The middle of the road argument posits that people’s attitudes and behaviours result from the interplay of both personal traits and organizational and/or environmental factors (Schwab, 1991; Mischel, 1977). Rousseau and Fried (2001) assert that a set of contextual and dispositional factors when considered together often yield a more interpretable and theoretically interesting result than any of the factors considered in isolation. Johns (2006) also argued that “if we do not understand context, we will not understand person-situation interactions”, which remains a distinctive competence for understanding organizational behaviour.

Beyond the realm of theorizing, there is the need to explore from time to time a valid avenue for establishing whether context more or less than disposition predicts any given organizational outcome (Staw & Cohen-Charash, 2005). The practical value of such research endeavour, in addition to advancing theoretical knowledge, would be to gain clear insight into the direction of intervention in such a criterion for the purpose of improving overall organizational effectiveness.

Preliminary investigation by the researcher reveals that managers’ evaluation of employees’ work attitude and performance in Nigeria’s oil industry is less than desirable. And managers view this situation with concern. The account of the in-depth interview on some managers’ opinion about subordinates’ work attitude and behaviour suggest that, despite the relatively high pay levels employees receive, some employees are not happy about their work experiences within their respective organisations.

Further preliminary investigation also suggests that some employees in Nigeria’s oil industry view the level of injustice they experience within their respective organizations with great concern. Casual observation by the researcher reveals a prevalence of discriminatory reward system as well as unfair interpersonal treatments of subordinates by their managers. Specifically, in most of the organisations, employees complained of restrictive and delayed promotional prospects for employees who believe they have performed well over the appraisal period. They also complained about deliberate stringent and unfair performance evaluation of employees by their supervisors. There are allegations of flagrant disregard for government policy on local content. The “local content bill” is a national policy on empowerment and utilisation of indigenous skills in the technical core and top management levels in the oil industry. On the contrary, there exist inadequate training and career opportunities for indigenous staff at the top management and technical core in most organisations in the industry.

Employees also complained of poor superior-subordinate relationships. Managers are often accused by subordinates of executive high-handedness and arbitrary abuse of authority. There are allegations of unfair and unilateral change in company policies leading to instances of union agitation and resultant widespread apathy for high quality performance amongst workers. On account of this, the study argues that more
employees may be willing to seek employment elsewhere if they are able to find a suitable alternative.

Given the kind of contextual background above, this study reckoned that perceived distributive, procedural and interactional injustice may result in unmet expectations and dissatisfaction with the job and consequently, intention to turnover. In other words, this study proposes that certain unfair workplace experiences, distributive, procedural and/or interactional justice are likely to evoke affective responses which could trigger off employees’ intention to turnover.

The dispositional approach to the study of organizational behaviour underscores the role of individual differences in personality traits from the way individuals tend to respond to the same organizational experiences (Judge, Heller, Mount, 2002; Borman, Penner, Allen, & Motowidlo, 2001; McCrae & Costa, 1991; Digman, 1980). The dispositional approach assumes that an individual’s personality trait is stable over time and consistent across situations. To this end, a great deal of research has sought to determine if certain types of people are more likely (predisposed) to have different attitudes and behave differently from other individuals in the same situation (Barrick & Mount, 2003; Barrick, Mount, & Judge, 2001; Konovsky & Organ, 1996; Barrick & Mount, 1991).

The study is therefore concerned with the basic research questions: what are those salient contextual and dispositional factors that are likely to predict employees’ turnover intention in Nigeria’s oil industry? When and why will a person’s dispositions more or less than contextual factors influence his or her intention to turnover? What implication do the three perceived organizational justice constructs have for managing turnover intention, turnover and employee retention and performance in Nigeria’s oil industry? And what implication do the three dispositional constructs (agreeableness, conscientiousness and emotional stability) have for managing turnover intention in Nigeria’s oil industry?

The objectives of this study include the following:

- To investigate whether there exist dispositional bases of turnover intention among employees in Nigeria oil industry.
- To identify of the predictors of turnover intention within the context of Nigeria’s oil industry.
- To underscore the implications of a prevalence of turnover intention among employees of Nigeria’s oil industry.
- To determine whether context more than disposition, or otherwise, predicts an employee’s turnover intention.
- To provide evidence-based rationale for managing turnover intention and retention among employees of Nigeria’s oil industry.
- And to draw conclusion on the implication of the findings for managing employee retention in Nigeria’s oil industry.
The study is significant in terms of its relevance in determining the direction and magnitude of the relationship between the criterion and predictor variables of interest. It also provides a basis for possible intervention on employee retention and performance management. It has the potential to improve fair treatment of employees by managers and improves employees’ perception of fairness in organisational policies, procedures, and programs. The findings would provide useful bases for initiating more effective employee as well as management development programs. It has the potential to bring about improvement in interpersonal skills among managers, and good labour-management relations. It would also support the need for improvement of labour policies and practices in top management.

3. Literature review

Theoretically, turnover intention is anchored upon the theory of reasoned action based on beliefs-attitude-behavioural intention model (Fishbein & Ajzen, 1975). The attitude – intention – behaviour model posits that one’s intention to perform specific behaviour is the immediate determinant of behaviour. The Theory of Reasoned Action (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975) is useful in terms of adequate prediction of intention and behaviour because it encompasses one’s cognitions and judgements (Ajzen, 1991).

According to it, behavioural intention tends to predict performance of an act (e.g., quitting an organisation), unless intent changes prior to performance of an act occur, or unless intention measure corresponds to the behavioural criterion in terms of action, target, context, time frame, and/or specificity. The process model of turnover also argued that since turnover intention represents the last component in a sequence of withdrawal cognitions, it serves as an intermediary between evaluations preceding the decision to turnover (Mobley et al., 1979; Mobley, 1977).

This current study offers a unique view of the reasoned action and planned behaviour theories under circumstances where there exists constraint on action. The mere formation of an intention may be insufficient for predicting behaviour. Circumstances exist in which actual turnover could prove less rewarding to an individual. Modifying turnover intention would therefore offer a better explanation of behaviour.

The theory of planned behaviour (TPB) is essentially an extension of the theory of reasoned action (TRA). Ajzen (1991) extended the TRA to include a measure of perceived behavioural control. Contrary to the basic assumption of the theory of reasoned action, the theory of planned behaviour argued that perceived behavioural control (PBC) tends to influence both intention and behaviour (Armitage, 2001). Situations do arise in real life where employees with intention to turnover may not quit an organisation as predicted by the theory of reasoned action (Oluwafemi, 2010). In such a situation, studying dysfunctional turnover would not be an effective strategy, since occurrence of dysfunctional turnover could be minimised through early detection
of turnover intention. Besides, managing dysfunctional turnover aftermath, apart from being costly to an organisation, may be akin to the proverbial “medicine after death”.

This study primarily examined the prevalence of turnover intention among employees of Nigerian oil industry. Turnover intention among employees by its very nature often exists as a pervasive and imperceptible attitudinal construct. Turnover intention as a latent attitude construct may linger within an organization with its attendant adverse consequences (Oluwafemi, 2010) without necessarily resulting in actual turnover. Previous studies have reported how situational variables and personality traits may predict organizational outcomes such as job satisfaction, job involvement, commitment and organizational citizenship behaviour (Oluwafemi, 2010).

In view of the importance accorded to turnover intention and the reality of the context of Nigeria’s oil industry work environment, a compelling need to establish the relationship between the contextual predictor variables (distributive, procedural and interactional justice) is imperative. Since individuals may also respond differently to the same situation by virtue of their varying dispositional traits (conscientiousness, agreeableness, and emotional stability), it seems logical and research worthy to investigate the role of both context and disposition on turnover intention.

Individual disposition becomes very important in this type of evaluation, because it affects the way individuals describe themselves, perceive their work context, and possibly give expression to their work experiences. To date no known study has examined these antecedents of turnover intention using samples from Nigeria’s oil industry. The study seeks to examine whether turnover intention among employees in Nigeria oil industry is influenced first, by both the contextual and dispositional factors. Second, whether turnover intention is influenced more or less by contextual than individual disposition.

The relationship amongst these study variables, in addition to reasoned action and planned behaviour theories, can be further summed up theoretically using social exchange, equity sensitivity, and affective event theory. Dominant themes in the literature are the relationships between individual needs, values, dispositions and job expectations as well as how met or unmet expectations evoke employee affective response to the job situations manifested in either or both attitudes and behaviours (Steers & Mowday, 1981; Mobley, Griffeth, Hand & Meglino, 1979). The aim is to establish the implication of such relationship for managing employee retention, organizational performance and effectiveness. Previous studies have found that dispositional traits of positive and negative affectivity (PA and NA) were seen as influencing employees’ desire and intention to turnover or remain within an organization (George & Jones 1997; Cropanzano, James, & Konovsky, 1993; Arvey Bouchard, Segal & Abraham, 1989). Previous studies have also implicated traits such as conscientiousness, altruism, civic virtue, sportsmanship, and courtesy (Podsakoff, Mackenzie, Moorman, & Fetter (1990). Others only examined conscientiousness and agreeableness (Elanain, 2007; Barrick & Mount, 2003; Barrick, Mount & Judge, 2001; Konovsky & Organ, 1996; Barrick & Mount, 1991). Huseman, Hartfield and Miles (1985) argued that agreeableness and conscientiousness are established dispositional
variables that relate to several other organizational outcomes such as commitment and job satisfaction. In order to expand the scope of knowledge in this domain, sufficient ground exists to suggest that other plausible dispositional factors such as emotional stability in addition to agreeableness and conscientiousness may predispose employees to respond to organizational experiences differently thereby predicting variation in employees’ intention to quit their organisation.

Dispositional traits serve as a frame of reference through which a person appraises and reacts to a situation using consistent and stable ways of thinking, feeling and behaving. An investigation of the predictive role of other plausible traits on turnover intention, under prescribed prevailing situations, would make worthwhile practical research endeavour (Staw & Cohen-Charash, 2005; Funder 2005). The assumption that context or disposition act as stronger predictors of employee turnover intention could also have a useful practical implication for management and organisational development as well as psychological intervention and employment selection in the oil industry.

**Disposition and work context in Nigeria’s Oil Industry**

According to Chiu and Francesco, (2003) dispositional traits are defined as a frame of reference through which a person appraises and reacts to situations using consistent and stable ways of thinking, feeling, and behaving. Dispositional factors refer to employees’ cross situational stable and consistent mental and physical personality characteristics that predispose an individual to respond to organizational cues in a given manner (Costa & McCrae, 1992). The essence of the dispositional approach is that individuals possess stable traits that significantly influence their affective and behavioural reactions to organizational experiences across situations (Davies-Blake & Pfeffer, 1989).

Over the years one of the most popular findings in personality literature is the influence of the Big Five personality traits on organisational outcomes. For instance, high conscientiousness and low neuroticism (emotional stability) have been found to be consistently related to job performance and other organisational outcomes (Wood, Lievens, Fruyt & Wille, 2013; Judge, Heller & Mount, 2002; Hurtz & Donovan, 2000).

Although previous studies have emphasised agreeableness and conscientiousness (Saucier & Goldberg, 1996), there is good reason to believe that three of the Big Five traits (agreeableness, conscientiousness and emotional stability) are more closely related to turnover intention in this current study, the exception being extraversion and openness to experience. The study assumes that these two traits may have unclear directional influence on affective reactions like turnover intention. For instance, openness to experience may predispose an individual to feel the good and the bad organisational experiences more deeply with its attendant unclear directional influence on affective reactions (DeNeve & Cooper, 1998).

A conscientious individual tends to be purposeful, achievement focused, thorough and responsible. High scorers tend to be more involved in work with greater likelihood
of obtaining intrinsic satisfaction. Such individuals tend to perform better than low scorers and are likely to be liked by the manager, supervisors and other employees alike. Such individuals compared to a less conscientious worker may be less likely to form intention to turnover. Thus, the study proposed significant negative relationship between employees’ turnover intention and conscientiousness (H1).

Also, an individual who is high on agreeableness is essentially friendly cooperative, and as a result may be less likely treated in an unjust manner. Besides the fact that he/she tends to be liked by others, he or she would likely view perceived injustice in a less critical manner than a low scorer because they tend to get along with others in a pleasant satisfying relationship. Such individual may respond to organizational experiences in a less critical or confrontational manner and may be less inclined towards intention to turnover than a less agreeable individual. Thus, the study proposed significant negative relationship between employees’ turnover intention and agreeableness (H2).

Similarly, an emotionally stable individual generally tends to worry less about the events and situations around him or her. An emotionally stable individual would be less likely to worry about unfair work experiences because he/she tends to perceive the world as riddled with imperfections. Such individuals may react to perceived injustice in a less critical manner and less likely to develop intention to turnover. On the other hand, a neurotic individual tends to experience more negative life events in their organisations and thus may react with intention to turnover more than emotionally stable individuals. In view of the foregoing assertion, a significant negative relationship between employees’ turnover intention and emotional stability is hypothesised (H3).

One criticism of the dispositional approach is the assumption of situationism, the idea that situational variables matter more than disposition in determining how people behave. The emphasis on the fact that the social environment, rather than personality disposition, serves as a determinant of people’s attitude and behaviour, often tends to confound the role of disposition. Empirically, the situational viewpoint serves as the first reaction to the conventionally low correlations found between measures of personality and behaviour (Carver & Sheier, 1996).

Organizational Context as Strong Situations

Cappelli and Sherer (1991) defined organizational context as the surroundings associated with a phenomenon which helps to illuminate rather than obviate the phenomena of interest. The context consists of stimuli or cues within the environment of an individual which may influence the attitude and behaviour of the individual in question. In other words, the context would often exert a constraint or opportunity for attitude and behaviour in the organizational setting. More often than not, association between measures of personality and behaviour may be weak. The truth is that the argument of the dispositional approach that individuals possess stable traits that could lead to cross-situational consistency in their behaviour suggests that individuals may not adapt easily to different types of situations. It is therefore logically correct to claim that
the ability of an individual to adapt to given organizational experiences, while another individual is unable to adapt to the same situation, suggests the need to investigate the relationship of disposition to turnover intention under such circumstances.

Previous studies have established that dispositional effects are likely to be the strongest in relatively weak situations and the weakest in relatively strong situations (Epstein, 1980; Bem & Funder, 1978). Personality characteristics are essentially predispositions to behave in a certain distinct and consistent way across situations. However, predisposition to behave in a certain way can be overwhelmed by contextual factors (Rollinson, Broadfield, & Edwards, 1998). Therefore, there is a need for researchers to cautiously distinguish between weak and strong situations when investigating the predictive value of personality and situational measures on important organizational outcomes.

According to Rollinson et al., (1998) strong situations present individuals in an organization with easily discernible cues about appropriate behaviour such that most people tend to interpret situational cues in the same way. Therefore, the incentive to behave in the same way becomes strong in that the situation tends to override existing personality disposition. In such circumstances, significant personality measures could be deemed good predictors of behaviour. However, in weak situations cues about what constitutes appropriate responses are more ambiguous so that people tend to make various interpretations of organizational context. In other words, an individual may find it much more difficult to draw on prior experience as a guide to what constitutes appropriate behaviour. Thus, the incentive to behave in a predictable manner becomes weak so that even finer nuances of disposition tend to become poor predictors of behaviour. Drawing strength from the foregoing argument, predicting employee turnover intention from individual dispositions and organizational context of firms in the oil industry presents a challenging and interesting research endeavour.

**Justification for the choice of contextual variables**

Contextual variables in this study refer to employees’ perception of the organizational situation with respect to their perception of distributive, procedural, and interactional justice measures. Organisational justice has shown to have behavioural and attitudinal consequences (Cloquit, Scott, Judge, & Shaw, 2006). There remains a great deal of variation in how individuals react to fair and unfair organisational experiences (Cohen-Charash & Spector, 2001; Colquit, Conlon, Wesson, Porter & Ng, 2001; Cropanzano, Byrne, Bobocel & Rupp, 2001). Distributive justice refers to the extent to which relevant others within an organisation have equal chance of receiving equal outcomes or reward regardless of differentiating characteristics such as age, gender, race, or ethnic orientation among them. If an individual perceives fairness in the distribution of rewards and assignment of tasks, he is more likely to perceive the organisation as a better place to work since rewards commensurate with employees’ effort. Thus, the study proposed that **significant negative relationship exists between employees’ turnover intention and perceived distributive justice** (H4).
Procedural justice refers to the fairness of the process, means or procedure used to achieve an outcome. This is exemplified by an organisation’s laid down guidelines for achieving means and ends. It entails providing employees with clear communication line with respect to how decisions are made, and the procedures for arriving at those decisions, or how policies are formulated, and how to seek clarification when in doubt. If an individual perceives fairness in the procedures for arriving at organisation rules, regulations, plans, policies, etc., the individual employee is more likely to perceive the organisation as a better place to work. Thus, the study also proposed that significant negative relationship exists between employees’ turnover intention and perceived procedural justice (H5).

Interactional justice refers to the fairness of interpersonal treatment subordinates received from superiors in their day-to-day work interactions. High scorers on perceived interactional justice tend to perceive interpersonal treatment by managers as equitable and fair. They tend to perceive that supervisors and managers treat them with dignity and personal respect. When managers are humane and treat subordinates fairly and ethically, subordinates tend to develop more favourable work attitude. If an individual perceives fairness in the manager’s interaction with him/her as well as other employees, he or she is more likely to see such managers as the best kinds of bosses to work with and less likely to develop intention to turnover. Following this assertion, it is hypothesized that significant negative relationship exists between employees’ turnover intention and perceived interactional justice (H6).

Possible Interaction of Context and Disposition

An interaction simply implies that the same set of cues in a given context affect some people in one way and others in a different way to produce various outcomes. Empirically, an interaction effect occurs when the effect of a predictor on the criterion depends on the level of a second predictor (Brace, Kemp & Snelgar, 2012; Pallant, 2007). For instance, at the simplest level of analysis the influence of interactional justice on turnover intention may be different for employees who are high and low on agreeableness, or, emotionally stable and unstable individuals to produce differences in their intention turnover.

According to Funder (2005), the claim that behaviour is best conceptualized as the result of interaction between the person and the situation has attained the status of truism in organisational research. The dispositional approach alone, though very useful in describing individual differences, has been inadequate and less successful in explaining these differences. Similarly, seemingly small changes in the situation can have major psychological importance even for the same individual. Therefore a combination of both dispositional and contextual variables provides a much clearer understanding of relationships among predictor and criterion variables. Therefore it is hypothesized that contextual factors more than dispositional factors will significantly predict turnover intention of employees in Nigeria’s oil industry (H7).
The interactional view explicitly recognizes that situations vary in cues, reward, opportunities and constraints, and that people differ in cognitions, abilities, motivation and personality. Failure to find cross-situational reliability in the observation or prediction of behaviour does not necessarily imply problems with the validity of measures or theories. Rather, it suggests that the complex interaction between people and situations has not been fully explained (Chatman, 1989). Funder (2005) argued that it is easier for a researcher to find robust main effects than replicable two-way and higher-order interactions. It does not imply that person-situation interactions are not important, rather it cautions that interaction effects may not be expected to be ubiquitously strong, easy to find, or replicable. Indeed, as difficult as it may be, the interaction effect should be of greater interest to researchers than are the main effects (Howell, 2002), since it provides a clearer explanation of the roles of, say, context contingent upon that of disposition or vice versa.

4. Method

A cross sectional and multivariate survey design was employed to investigate the relationship that exists between several predictors and criterion variable of interest in the study (Tabachnick & Fidel, 1983). Nigeria oil industry is the setting for the study. It covers all registered multinational, indigenous oil companies, independent oil companies, as well as oil services companies. Multistage sampling techniques were used. Cluster sampling was used to select from a total of thirty two (32) listed companies in the industry and categorised into four clusters (using Department of Petroleum Resources; DPR classification). Proportionate sample size was then used to select from each cluster the number of companies in a cluster relative to the entire thirty two listed companies in the industry relative to the sample size. The ratio obtained was used to prorate the number of participants that were drawn from each cluster. The second step consists of random selection of companies from each cluster. This was done by determining the number of companies from each cluster using the ratio of cluster sample size to the total sample size to select the sampled companies by balloting.

On the whole, a total of 12 out of 32 companies were randomly selected through ballot. Participants were required to complete a survey questionnaire anonymously and return through appointed representatives in each of the selected companies. The study considers only permanent employees of these companies. The estimated number of permanent employees in Nigeria’s oil industry is approximately 38,000 (Fajana, 2005) including administrative and technical/professional categories. Considering recent development in the sector, it is assumed that the figure has grown to 44,500 at a 2.5 percent annual growth rate. Participants include only permanent employees such as junior cadre, supervisory, lower and middle management levels in the organisations of study. The choice of permanent employees is influenced by the fact that the study is interested only in the employees in direct employment relationship with the oil company in question. The oil industry is no doubt currently dominated by contract staff
who could have been included since they may be more prone to turnover intention. However, contract employees provide services under different management policies whose context does not reflect the typical oil industry employment contract. A total of one thousand two hundred questionnaires were administered in 12 out of 32 firms selected using quota sampling. And a total of 750 employees from the oil sector participated in the study. This yielded a response rate of 62.5 percent.

**Measures**

A survey questionnaire made up of existing standardized scales was employed to accumulate data on the various constructs of the study. Section A comprises demographic information such as age, gender, organizational designation, tenure in the current organization, status in the organization, length of career in the industry, etc. Section B consists of turnover intention construct which was measured using the 3-item scale developed by Mobley, Griffeth, Hand, and Meglino (1979), using Mobley, (1977) conceptualisation. It has a 5-point Likert scale response format ranging from strongly agree (1) to strongly disagree (5). The score above the mean on this scale implies that respondents measured high on turnover intention. Its reliability coefficient is .94.

The dispositional factors which consist of three of the five dimensions of the 44-item Big Five Factors developed by Costa and McRae (1992) were used. These three of the five dimensions of the Big Five factors, namely, conscientiousness (9 items), agreeableness (9 items), and emotional stability (8 items) relevant to the criterion variable of interest were included in the study. The resultant 26-item measure of three subscales from the Big Five factor model was scored on a 5-point Likert scale ranging from (1) strongly disagree to (5) strongly agree, then validated and administered to respondents. Three items in each of the subscales were reverse-scored. The score above the mean on these subscales indicates that the respondent is high on conscientiousness and agreeableness. The coefficients of alpha for the sub-scales are (0.87), (0.85) and (.92) for Conscientiousness, Agreeableness and Emotional Stability respectively.

Organisational justice perception was tapped using two dimensions of organizational justice constructs. The first scale is the 6-item measure for distributive justice by Price and Mueller (1986) with alpha co-efficient of 0.96. The second scale is a 12-item measure by Moorman (1991) for procedural justice (6-items) and interactional justice (6-items). The alpha coefficients for the two subscales are .89 and .88 respectively. The resultant 18-item organizational justice was all measured on a 7-point Likert-type from (1) strongly disagree to (7) strongly agree. The score above the mean on each sub-scale indicates a high degree of distributive, procedural, and interactional justice respectively as perceived by participants about their job situations. Cronbach alpha obtained from the pilot study is .84 for distributive justice, .90 for procedural justice, and .82 for interactional justice respectively.
5. Result

The socio demographic characteristics of the study consist of 534 (71.2%) males and 216 (28.8%) females. Also 511 (68%) are married, 138 (18.4%) single, 81 (10.8%) divorced and 20 (2.67%) are widow/er. Participants’ age ranges from twenty two (22) years to fifty four (54) years, with the mean age of 35.13 years, S.D = (7.06); mean employment tenure was 6.5 years and S.D of 5.52; 78.2% of the participants had a minimum of bachelor’s degree. Two hundred and eighty eight (288; 38%) performed core technical duties and four hundred and sixty two (462; 62%) were engaged in support services in these organizations.

Hypotheses one to six were tested using Pearson product moment correlation statistical analysis as presented in Table 1. The result of Hypothesis One showed significant negative correlation between distributive justice and turnover intention (r = - .23; p < .05), meaning that as participants’ perception of distributive justice increases, their intention to turnover decreases accordingly. The result of Hypothesis Two showed significant negative correlation between perceived procedural justice and turnover intention (r = - .14; p < .05), which means that as participants’ perception of procedural justice increases, their intention to turnover decreases.

**TABLE1:** Mean, Standard Deviation and Zero Order Correlation Matrices Showing Relationship Amongst the Variables in the Study

<table>
<thead>
<tr>
<th>Variables</th>
<th>MEAN</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. TI</td>
<td>8.50</td>
<td>3.95</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. DSTJ</td>
<td>21.99</td>
<td>7.34</td>
<td>-.23**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. PRDJ</td>
<td>23.60</td>
<td>7.08</td>
<td>-.14*</td>
<td>.43**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. INTJ</td>
<td>25.20</td>
<td>5.56</td>
<td>-.13**</td>
<td>.37**</td>
<td>.48**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. CSCN</td>
<td>28.77</td>
<td>3.92</td>
<td>.05</td>
<td>.08*</td>
<td>-.01</td>
<td>.21**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. AGBR</td>
<td>28.84</td>
<td>4.08</td>
<td>.05</td>
<td>.11**</td>
<td>.08*</td>
<td>.16**</td>
<td>.44**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>7. EMST</td>
<td>23.74</td>
<td>4.23</td>
<td>-.05</td>
<td>.16**</td>
<td>.15**</td>
<td>.17**</td>
<td>.33**</td>
<td>.36**</td>
<td>1</td>
</tr>
</tbody>
</table>

**Correlation is significant (p<.01), *Correlation is significant (p<.05), 2-tailed**


The result of Hypothesis Three also showed significant negative correlation between perceived interactional justice and turnover intention (r = - .13; p < .05), which means that as participants’ perception of interactional justice increases their intention to turnover decreases. Hypothesis Four stated that participant’s dispositional traits, conscientiousness will have significant negative relationship with participants’ turnover intention. This was tested using Pearson r correlation statistics as presented in Table 1. The results of Hypothesis 4 show no significant relationships between conscientiousness (r = .05; p > .05) and participants’ turnover intention, meaning
that an increase or a decrease in participants’ level of conscientiousness does not lead to a decrease in participants’ turnover intention. The results of Hypothesis Five show no significant relationships between participant level of agreeableness \((r = .05; p > .05)\), and participant turnover intention, which means that an increase or a decrease in agreeableness does not lead to any decrease in turnover intention. The results of Hypothesis Six, however, indicate a significant relationship between emotional stability \((r = -.05; p < .05)\) and participants’ turnover intention. This implies that, of course, like in all such situations, participants who are emotionally unstable also scored high on turnover intention compared with the participants who are emotionally stable.

The study employed hierarchical regression analysis to predict how much variance in turnover intention is accounted for by contextual variables and the dispositional variables after having controlled for the effects of age and tenure. This procedure consists of three steps; in step one, the study controlled for age and company tenure. This explains 0.16; \(F (2, 748) = 6.25, p < .001\) of the variance in turnover intention. Step two determines how much variation in turnover intention is accounted for by entering first the contextual variables (distributive, procedural, and interactional justice in group), the total variance explained as a whole was \(R^2 = .098; F (5, 745) = 22.23, p < .001\). The third step determined how much more variance in turnover intention resulted from adding the group of dispositional variables (conscientiousness, agreeableness, and emotional stability in a group). The total variance explained as a whole was \(R^2 = .10; F (8, 742) = 1.51, p < .001\). This indicated a very marginal increase due to inclusion of dispositional variables. In the final model, procedural, justice and dispositional variables were statistically insignificant in their independent contribution to total variance in turnover intention.

In order to further evaluate the ability of both the contextual and dispositional variables to predict turnover intention, a usefulness analysis was carried out on Table 2. A usefulness analysis makes use of hierarchical regression to examine a predictor’s contribution to the variance in the criterion beyond another predictor’s contribution. Thus, the key issue for consideration in usefulness analysis for this study is as follows: when the possible effect of the age, tenure, and dispositional factors are controlled for, will the effects of the contextual factors still result in a significant amount of variance in turnover intention?

From the result of hierarchical multiple regression analysis in Table 2, Model 1, \(R^2\) of 16% variance in turnover intention was accounted for by the control variables of age and organisational tenure. In Model 2 indication \(R^2\) of 9.8% was due to inclusion of the contextual variables. Model 3 shows only marginal increase of .02% with \(R^2\) of 10% variance in turnover intention accounted for by the dispositional variables. Therefore, Hypothesis Seven which states that contextual factors more than dispositional factors will significantly predict turnover intention of employees in Nigeria’s oil industry was confirmed. In other words, the contextual factors provide strong situation accounting for weak effect in the relationship of the dispositional factors with the criterion turnover intention.
6. Discussion of findings

From the contextual perspective, the study found that as participants’ perception of distributive, procedural, and interactional justice increases, their intention to turnover decreases respectively. These findings reveal that fairness in distribution of rewards, implementation of organizational policies and procedures, as well as the prevailing superiors’ styles of interaction with subordinates were found to be more important determinants of employees’ intention to stay with their organization than dispositional variables. This is consistent with earlier studies which reported significant relationship between predictors and other similar criterion.
variables (Almalki, FitzGerald, & Clark, 2012; Rupp, 2011; Cropanzano & Rupp, 2008). From the dispositional perspective, the study found that participants who were emotionally unstable also scored higher on turnover intention than participants who were emotionally stable. This implies that emotionally stable individuals tend to remain on their job unlike emotionally unstable people. However, an increase or a decrease in participants’ level of conscientiousness and agreeableness does not lead to a significant decrease in their intention to turnover. Overall, both contextual and dispositional factors accounted for significant variance in employees’ turnover intention. However, contextual factor accounted for higher variance in employee turnover intention than dispositional factors thus justifying the assumption of “weak effects in strong situation”.

In practical terms, organizational injustice was found to have grave consequences for employees’ intention to turnover. The significant negative relationship found between the three forms of organizational justice and employee turnover intention suggests that when employees perceive their organizational context/situation as unfair and unjust, they are equally likely to have a high intention to turnover. Preliminary investigation suggests that some employees in Nigeria’s oil industry view the injustice experienced within their respective organizations with great concern. Also, consistent with the findings of Ozer and Günluk (2010), there exists a prevalence of discriminatory reward. A heightened incidence of unfair interpersonal treatment also exists amongst managers and their employees of different organizations in the industry.

Specifically, in most of the companies sampled for the study, employees complained of restrictive and delayed promotional prospects, deliberate stringent and unfair performance evaluation of employees by managers and supervisors, flagrant disregard for government policy on local content resulting in inadequate training and career opportunities for indigenous staff compared with their expatriate counterparts, and complaints of poor supervisory and superior-subordinate relationships. Managers are accused of nepotism, executive highhandedness and abuse of authority. There exists allegation of unfair and unilateral change in company policies leading to instances of union agitation with a resultant widespread apathy for quality performance amongst others. In other words, context, i.e., unfair distribution of rewards, poor policies and poor implementation of organizational policies and procedures, inept managerial styles, and poor interaction with subordinates were found to be significant and more important determinants of employees’ turnover intention than disposition: employees’ personal traits of conscientiousness, agreeableness, and emotional stability.

Managerial implication of the findings

Employee retention has become an important priority in human resource management agenda (Torrington, Hall & Taylor, 2005). Under the general ambit of performance management, an effective retention management initiative must seek strategies to ensure that organization is able not only to hire, but keep enough
employees, not only physically but cognitively, with important knowledge, skill, ability and other characteristics that will ensure its success (Heneman & Judge, 2006). Therefore, retention management must be based on a thorough analysis of an organization’s turnover and turnover intention in line with plausible causal factors. This current study underscores why managers should care about turnover intention.

In line with recent studies, interactional injustices perceived by employees about their bosses, unfair distribution of reward incentives and responsibility, inability of managers to entrench due process in organizational policies and procedures will not only erode employees’ quality of working life, but also aggravate employees’ intention to quit and reduce organizational effectiveness (see also: Kumar & Eng, 2012; Amah, 2009; Firth, Mellor & Moore, 2007).

Reducing turnover intention will minimize turnover and, of course, work withdrawal (Oluwafemi, 2010). The results of this study demonstrate that intention to turnover among employees will diminish, and rather than stay and withdraw from work, they will be willing to stay and be committed to their organization when they perceive that rewards are fairly distributed and policies and procedures are clear and consistently applied, and interaction between superior and subordinates is cordial, fair and just.

In conclusion, this study sought to determine relevant contextual variables that predicted turnover intention on one hand, and to ascertain if certain people are more predisposed to intention to turnover than others given the same context, on the other hand. Also, the study sought to determine whether situational factors more than individual disposition predict turnover intention among employees from Nigeria oil industry. Similarly to previous findings, dispositional variables were found to be weakly but significantly correlated to intention to turnover. Individual differences in agreeableness, conscientiousness, and emotional stability less than situational factors predicted employees’ turnover intention.

Barring the limitation of cross sectional survey design, the study incorporates both idiographic and nomothetic assessment of individual and organizational measures as predictors of employees’ turnover intention. The idiographic assessment ensures that relevant measures across people and organizations are represented in the study, while the nomothetic assessment ensures that person and situation factors were compared. In addition, the statistical design obviates how strong or weak the situation is. Hierarchical multiple regression revealed relative and marginal contribution of contextual variables over dispositional variables. In conformity with interactional study paradigm, organizational context in this study evidently presents strong situations to individual employees. Thus, this study validates the assumption of weak effect of disposition in strong context. The intensity of distributive, procedural and interactional injustices perceived by employees in Nigeria’s oil industry confounds the proposition or justification for dispositional basis of intention to turnover.
Concluding remarks

The emphasis of this study is on identifying various measures that can be employed to improve fair employment practices, eliminate discriminatory policies, procedures and practices, improve employees’ retention in order to enhance overall corporate performance. In order to improve employee retention and performance, important outcomes such as a non-discriminatory reward system, timely promotions, regular salary review, adequate overseas trainings, open and fair appraisal system should be followed. These measures will improve the overall quality of work life of employees (Almalki, FitzGerald, & Clark, 2012). Also, the procedures used to make critical organizational decisions must be reviewed in order to ensure that they are just, fair, non-discriminatory and participatory. Supervisors must also be ethical, honest and empathic, consider employees’ point of view, and respect the rights of their employees. It is also important to sponsor training programs that teach and sensitize managers to be morally just, fair and ethical in their day to day conduct and interaction with subordinates. Also, appropriate behavioural intervention strategies to improve employee retention must be introduced in the training programmes for these organizations. Organizations and their managers must recognize the need for psychological tools in employment selection. For instance, individuals scoring high on conscientiousness, agreeableness and emotional stability may be better disposed to remain in an organization barring similar situational experiences.

Limitations

This study promising as it is for Nigeria oil industry is not without some limitations. Cross-sectional, self-report, same source data were employed for correlation analysis, and as such there is a likelihood that the design limits strong causal inferences about the study variables. This could arise from validity of effect size due to random responding (Credé, 2010). However, beyond correlation analysis done for the study data, further regression results confirmed a reasonable and significant degree of causal relations. Nevertheless, a study incorporating the use of longitudinal design could improve the ability to make stronger causal statements than were found in this current study. Concern might also arise about interaction effects of one variant of justice over another, say distributive justice over interactional justice. Since interaction terms are not independent of main effects in regression analyses, this study relied on Cohen and Cohen (1983) suggestion that researchers should test simple main effect models before considering more complicated interactive models.

References


