SOCIALLY RESPONSIBLE HUMAN RESOURCE PRACTICES AND EMPLOYEES' INTENTION TO QUIT: THE MEDIATING ROLE OF JOB SATISFACTION: SPECIAL REFERENCE TO HOTELS IN PASIKUDAH

LANJANA RAVINDRAN

DEPARTMENT OF MANAGEMENT
FACULTY OF COMMERCE AND MANAGEMENT
EASTERN UNIVERSITY, SRI LANKA
2018
ABSTRACT

This study investigates the relationship between socially responsible HR practices and employee's intention to quit, and the mediating effect of job satisfaction on selected hotels in Pasikudah. This study was implemented with three dimensions of Socially Responsible Human Resource Management (SR-HRM), namely Legal Compliance Human Resource Management (LCHRM), Employee-Oriented Human Resource Management (EOHHRM) and General Corporate Social Responsibility Facilitation Human Resource Management (GFHRM). And employees’ intention to quit is as the dependent variable. Job satisfaction functioned as a mediator between the two variables. This study eliminates the empirical knowledge gap in the Pasikudah area regarding this topic.

Using a structured questionnaire the data were collected from 200 employees of six selected hotels in Pasikudah. And the collected data were analyzed by using descriptive statistics, correlation, regression and mediating analyses.

The findings reveal that the socially responsible HR practices and job satisfaction are in high level among the respondents of hotels and employees’ intention to quit is in low level among the respondents. The analyses stated the negative relationship between the socially responsible HR practices and employees’ intention to quit, the strong positive relationship between the socially responsible HR practices and job satisfaction and the strong negative relationship between employees’ intention to quit and job satisfaction. Job satisfaction has been found to cast a partial mediating effect on the relationship between socially responsible HR practices and employees’ intention to quit. This study favours the prospects of a participative and democratic mode of relationship between employees, organizations, and the society through adoption of socially responsible human resource management.

Keywords: Socially responsible HR practices, Employees’ intention to quit, Job satisfaction
TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Acknowledgement</th>
<th>........................................................................................................</th>
<th>I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstract</td>
<td>........................................................................................................</td>
<td>II</td>
</tr>
<tr>
<td>Table of Contents</td>
<td>.......................................................................................................</td>
<td>III</td>
</tr>
<tr>
<td>List of Tables</td>
<td>.......................................................................................................</td>
<td>IX</td>
</tr>
<tr>
<td>List of Figures</td>
<td>.......................................................................................................</td>
<td>XI</td>
</tr>
<tr>
<td>List of Abbreviation</td>
<td>..................................................................................</td>
<td>XII</td>
</tr>
</tbody>
</table>

**Chapter-1 Introduction** ........................................................................................................ 1-8

1.1 Background of The Study ................................................................................................. 1
1.2 Research Problem ........................................................................................................... 3
1.3 Research Questions ......................................................................................................... 4
1.4 Objectives of the Study .................................................................................................. 5
1.5 Significance of the Study ............................................................................................... 5
1.6 Scope of the Study .......................................................................................................... 6
1.7 Organization of Chapters ............................................................................................... 7
1.8 Chapter Summary ............................................................................................................. 8

**Chapter-2 Literature Review** .............................................................................................. 9-20

2.1 Introduction .................................................................................................................... 9
2.2 Socially Responsible HRM and Related Practices ......................................................... 9
2.3 Job Satisfaction ............................................................................................................... 12
2.4 Intention to Quite ......................................................................................................... 13
2.5 Empirical Finding/Studies in Connection with the Research Questions and Objectives. | 15 |
2.6 Hypotheses of the Study ............................................................................................... 16
2.6.1 The Relationship between Socially Responsible HR Practices and Employees’ Intention to Quit ................................................................. 16

2.6.2 The Relationship between Socially Responsible HR Practices and Job Satisfaction ................................................................. 17

2.6.3 Relationship between Job Satisfaction and Employees’ Intention to Quit 18

2.6.4 The Relationship between Socially Responsible HR Practices and Employees’ Intention to Quit with the Mediating Effect of Job Satisfaction 19

2.7 Formation of Conceptual Model based on Literature Review 20

2.8 Chapter Summary ............................................................................................................................................................................. 20

Chapter-3 Conceptualization and Operationalization .......................... 21-26

3.1 Introduction ......................................................................................... 21

3.2 Conceptualization .............................................................................. 21

3.2.1 Conceptual Framework ................................................................. 21

3.3 Socially Responsible Human Resource Management ........................ 22

3.3.1 LC-HRM ....................................................................................... 23

3.3.2 EO-HRM ....................................................................................... 23

3.3.3 GF-HRM ....................................................................................... 23

3.4 Job Satisfaction .................................................................................. 23

3.5 Employees’ Intention to Quit .............................................................. 23

3.6 Operationalization ............................................................................. 24

3.6.1 Summary of Operationalization .................................................... 24

3.7 Theory to Underpin Conceptual Model of the Study ....................... 25

3.7.1 Social Exchange Theory .............................................................. 25

3.8 Chapter Summary ............................................................................. 25

Chapter- 4 Research Methodology ...................................................... 27-37

4.1 Introduction ....................................................................................... 27
5.3.2 Gender .............................................................................................................. 39
5.3.3 Age .................................................................................................................. 40
5.3.4 Education Level ............................................................................................. 40
5.3.5 Working Experience ....................................................................................... 40
5.3.6 Name of the Hotel .......................................................................................... 41

5.4 Data Presentation and Analysis of Research Information ........................................ 41
5.4.1 Univariate Analysis .......................................................................................... 41
  5.4.1.1 Level of Socially Responsible HR Practices ................................................. 42
  5.4.1.2 Level of Job Satisfaction ............................................................................. 44
  5.4.1.3 Level of Employees’ Intention to Quit ....................................................... 45

5.4.2 Bivariate Analysis .......................................................................................... 46
  5.4.2.1 Pearson’s Correlation Analysis .................................................................. 46
    5.4.2.1.1 Correlation Between Socially Responsible HR Practices and
             Employees’ Intention to Quit ...................................................................... 46
    5.4.2.1.2 Correlation Between Socially Responsible HR Practices and Job
             Satisfaction .............................................................................................. 47
    5.4.2.1.3 Correlation Between Job Satisfaction and Employee’s Intention to
             Quit ........................................................................................................ 47
    5.4.2.1.4 Dimensions of SR-HRM Correlation Between Job Satisfaction
             and Employees’ Intention to Quit ............................................................ 48
    5.4.2.2.1 The Impact of Overall SR-HRM Dimension on Employees’
             Intention to Quit ..................................................................................... 48
  5.4.2.3 Mediation Analysis .................................................................................. 50
    5.4.2.3.1 Explore the Mediating Effect of Job Satisfaction in the Relationship
             Between SR-HRM and Employees’ Intention to Quit .................................. 50

5.5 Testing Hypotheses .......................................................................................... 55
  5.5.1 Testing Hypothesis 1 ................................................................................... 55
  5.5.2 Testing Hypothesis 2 ................................................................................... 56