

Why do unhappy employees stay? "Job embeddedness" factors can impact the decision

February 8 2016



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It should come as no surprise that employees who are unhappy with their jobs are more likely to seek employment elsewhere, but what about those who stay?

A Rutgers University–Camden management scholar says they aren't just making the best of a bad situation. They're "embedded" in their jobs, and employers can use that as leverage to retain workers.

"There are factors outside of the job and outside of employees' attitudes about their job that require some people to make a longer term commitment," says Oscar Holmes IV, an assistant professor of management at the Rutgers School of Business—Camden.



Those factors include location, home ownership, a spouse's employment status, relationship status, job benefits and perks, community involvement, and friendly relationships with co-workers.

"They can be powerful factors that can determine the level of commitment a person has to an organization and how long they might stay with an organization," Holmes says.

Even in a poor working environment, "Many employees don't want to lose those other ties," he says.

The construct is known as job embeddedness—the connections employees have to their job, co-workers, and the community—and it's common in people who are collectivist in nature. That is, people who are likely to put a group's interest ahead of individual interests.

Generally, American employees don't think that way—Holmes says they're individualistic—but job embeddedness is playing a larger role in employees' decisions to stick around or bail out. Holmes says this could work out in an employer's favor, as they can promote embeddedness to retain employees.

"For example, some companies may offer free or reduced memberships to country clubs, chambers of commerce, gyms, and theatres, as well as have delayed vesting schedules on compensations and retirement packages," Holmes says. "Likewise, some companies offer assistance with the purchase of homes because people who purchase homes are more likely to stay longer in a particular location than people who just rent."

Tuition remission programs and other <u>professional development</u> opportunities are also used as incentives to embed people within organizations.



The Rutgers–Camden scholar says the upside of retaining unhappy an employees are lower turnover costs, greater retention of skilled employees who may be difficult to replace, and the chance to maintain some institutional knowledge for a longer period of time.

"Although there is a correlation between an employee's happiness and their work performance, it is still quite possible that employees can be unhappy and still perform superbly at work, so just because an employee is unhappy at work doesn't necessarily mean that he or she will perform any worse than a happy employee," he says.

However, Holmes warns that unhappy employees are more likely to engage in counterproductive work behaviors—like wasting resources, incivility, and substance abuse—that can be disruptive to the workplace.

Researchers like Holmes are now using embeddedness to explain employee turnover.

"Even when people have positive attitudes about their job, researchers can predict which are likely to turnover more quickly if they do not have strong embedded ties," he says.

As part of a recent research project, Holmes examined job embeddedness in South Africa, where collectivism is held in high regard. However, some South African employees are ignoring job embeddedness and group allegiances to do what they determine is best for them, including leaving a job for a new one, a challenge for South African businesses trying to thrive in a highly competitive global market.

Holmes's article "What's Culture Got To Do With It? Examining Job Embeddedness and Organizational Commitment and Turnover Intentions in South Africa" was published last year in the *Africa Journal of Management*, and he also presented his work during the Doctoral/Junior



Faculty Consortium and Professional Development Workshop at the Third Biennial Conference of the Africa Academy of Management in Nairobi in January.

More information: Ian O. Williamson et al. What's culture got to do with it? Examining job embeddedness and organizational commitment and turnover intentions in South Africa, *Africa Journal of Management* (2015). DOI: 10.1080/23322373.2015.1056649

Provided by Rutgers University

Citation: Why do unhappy employees stay? "Job embeddedness" factors can impact the decision (2016, February 8) retrieved 11 May 2024 from https://phys.org/news/2016-02-unhappy-employees-job-embeddedness-factors.html

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