AN EMPIRICAL ASSESSMENT OF HOTEL MANAGERS' TURNOVER INTENTIONS: THE IMPACT OF ORGANISATIONAL JUSTICE

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ABSTRACT

A high turnover of managers within the hotel industry has become one of the major concerns to researchers and practitioners. In line with this view, this paper investigates the relationship between organisational justice (OJ) and turnover intentions (TI) among hotel managers. The sample comprised 254 lower and middle-level managers from 26 medium-sized hotels (3 & 4-star) in the Klang Valley. OJ was measured based on the three-dimensional measures of distributive justice (DJ), procedural justice (PJ), and interactional justice (IJ). TI was measured using a five-item scale. It was hypothesized that DJ, PJ, and IJ perceptions were negatively related to TI. Results from the regression analyses revealed that only DJ and PJ have made a significant negative effect on managers' TI. IJ however did not support the proposed relationship. Research findings, limitations, and suggestions for future research are discussed.

1.0 INTRODUCTION

The increasing awareness on employees' turnover in the hotel industry has become a global phenomenon across the western world. Empirical studies consistently showed that excessive employee turnover rate is acknowledged to be the most problematic issue and particularly detrimental to the global hotel industry, which ranged about 60 per cent annually (Birdir, 2002; Carbery, Garavan, O'brien, & McDonnell, 2003**;** Ghiselli, LaLopa, & Bai, 2001; Hinkin & Tracy, 2000). In similar fashion, despite the tremendous development of hotels in Malaysia, the problems of employee turnover is prevailing and remains high in the industry (Hemdi, 2006; Hemdi & Nasurdin, 2003; Zahari, 2004). According to the Malaysian Association of Hotels (2000), the average employee turnover rate was reported to be high as 66 per cent annually for the respective year of 1998/1999. This is further exacerbated, as agreed by many hotel human resource managers, because turnover generally occurs among fresh hospitality graduates, managerial employees, as well as the operational employees (*Malaysian Association of Hotels, 1997*). The traditional constraints such as long working hours, antisocial working hours, low pay, unstable, seasonal employment, low job status also make employment within hotel industry appears unattractive to many (*Malaysian Association of Hotels, 2000*). Thus, it can be said that the Malaysian hotel industry clearly has more volatile labor movement and high labor mobility. These problems also arise and become so rampant in many Asian countries such as Hong Kong, South Korea, Malaysia, Singapore, and Taiwan (Barnett, 1995; Chang, 1996; Khatri, Fern, & Budhwar, 2001). In particular, it has been discovered that managers' turnover rate is significantly higher in the hotel industry compared to other service sector

industries (Carbery *et al*., 2003; Ghiselli *et al*., 2001; Ingram & Brown, 2000). Studies reported that hotel managers' turnover rates in most countries were noted to be high: 129 per cent in Ireland (Carbery *et al*., 2003), 86 per cent in Hong Kong (Lam, Zhang, & Baum, 2001), 58 per cent in Japan, Korea, and Singapore (Khatri *et al*., 2001). Indeed, the issues of managers' TI are prevalent and also expected to exist within the Malaysian hotel industry.

Most recent studies on the predictors of TI within hotel industry were conducted in the western world (Carbery *et al*., 2003; Hinkin & Tracy, 2000; Lam *et al*., 2001; Pizam & Thornburg, 2000), and the findings may not be applicable to the local organisations due to vast economics, social, and cultural environments differences (Cotton & Tuttle, 1986). Further, there exists only limited studies of the Malaysian hotel industry that focuses on the operational and the managerial employees respectively (Hemdi, 2006; Hemdi & Nasurdin, 2003). Currently, to the knowledge of these researchers, no effort has been made to understand how managers' perceptions of fairness on the characteristics of the organisation will influence their behavioural intentions in the Malaysian hotel industry. Previous local studies on TI were conducted merely among operational hotel employees' (Hemdi, 2006; Khalid, 2006), engineers (Nathan, 1998), the armed forces (Toong, 1999), and government doctors (Samad, 2006). Most OJ studies were done in western countries and surprisingly, little research has been undertaken to explain the relationships between OJ and TI (Dailey & Kirk, 1992; Lee, 2000; Price, 2001). Correspondingly, limited justice studies have been done in the Malaysian context and so far and there are focused among lecturers in the higher education institutions (Yusof & Shamsuri, 2006) and manufacturing employees (Samad, 2006). Yusof & Shamsuri (2006) further argued that, OJ can affect not only the organisation's long-term viability but also to determine the nation's economic well-being and its competitiveness globally. Thus, it is noteworthy to mention that the perceptions of OJ can give a huge impact on the employee-organisation relationship. Hence, the understanding of the effects and relationship of OJ on managers' behavioural reactions (TI) are extremely relevant.

Having briefly introduced the problem, the focus of this paper is to investigate the relationship between OJ and TI among lower and middle-level hotel managers. Although a great deal of research has addressed the issues of TI, there still remain gaps in the examination of the predictors of TI among managerial employees as most literature highlighted a bias towards studying the non-managerial populations (Carbery *et al*., 2003). It is worth noting that very little research has investigated the managers' perceptions of fairness towards the organisation and its influence on their behavioural intentions in the Malaysian hotel industry. Consistent with this notion, a better understanding of the factors which lead to hotel managers' intentions to quit becomes increasingly relevant. In addition, to what extent does the hotel managers' perceptions of organisational fairness will influence their behavioural intentions (TI) to leave the organisation has not yet been explored. This unexplored independent variable of OJ focusing on the influence of DJ, PJ, and IJ in TI studies among hotel managers within the Malaysian context warrants a further investigation.

2.0 LITERATURE REVIEW
2.1 Turnover Intentions

TI is defined in several ways due to diverse definitions but share a common term in the scholarly literature. It refers to an individual's perceived probability of staying or leaving an employing organisation (Cotton and Tuttle, 1986). Hellman (1997) defined TI as the behavioural intentions illuminating an individual's intention to leave or stay and considered as the primary antecedent to actual turnover behaviour. Meanwhile, Hom and Griffeth (1995) referred TI as a conscious and deliberate willfulness of an individual towards voluntary permanent withdrawal from the organisation. Empirical studies on turnover have shown that TI is the best immediate predictor of actual turnover behaviour (Griffeth, Hom & Geatner, 2000; Price, 2001; Hemdi, 2006; Samad, 2006). This relationship is further supported by the attitude-behaviour theory, which holds that an individual's intention to perform a specific behaviour is the immediate determinant of the actual behaviour (Ajzen & Fishbein, 1980). Indeed, there is a strong and significant positive relationship between TI and the actual turnover (Lambert, Hogan, & Barton, 2001; Mor Barak, Nissly, & Levin, 2001; Price; 2001; Samad, 2006). In the review of antecedents to turnover, Mor Barak *et al*. (2001) further argued that many studies have used TI rather than actual turnover as the work outcomes due to: 1) Employees typically make conscious decision before actually quitting their jobs and 2) It is more practical to inquire employees of their intention to quit in a cross sectional study rather than actually tracking them down via longitudinal study to see if they have left their organisation. For these reasons and consistent with previous researchers (Lambert *et al*., 2001; Mor Barak *et al*., 2001; Hemdi, 2006; Samad, 2006), TI is the criterion variable in this study since it has been recommended as a proxy in measuring actual turnover (Price, 2001). Thus, following Hom & Griffeth (1995) definition, TI is clearly defined as the hotel managers' behavioural intentions to leave or quit from their particular organisation.

2.2 Organisational Justice and Turnover Intentions

Research on OJ has grown up in the psychological literature over the past 40 years. OJ refers to the perceptions of fairness and evaluations of treatment received in the organisation (Cropanzano & Greenberg, 1997). On another perspective, Moorman (1991) viewed OJ as concerned with the ways in which employees determine whether they have been treated fairly in their jobs and the ways in which those determinants influence other work-related outcomes. Consistent with Niehoff and Moorman (1993), there are three-dimensional views of the OJ concept that evolved over time namely: (1) DJ (fairness of the outcomes that employee receives); (2) PJ (fairness of the procedures used to determine those outcome allocation decisions) and (3) IJ (fairness of communications or interpersonal treatment that accompanies organisation formal procedures). These are further elucidated as follows:

DJ refers to the employees' perception of fairness in the workplace by comparing their inputs/outcomes received from the organisation (Niehoof & Moorman, 1993). As noted by Greenberg (2001)**,** DJ highlights the employees' response towards the fairness of the treatment or distribution of rewards (pay, promotions, and etc.) received from the organisation. In general, DJ is more important in predicting personal-level outcomes such

as pay satisfaction (Linda & Ping, 1996; Sweeney & McFarlin, 1993) and job satisfaction (Samad, 2006; Yusof & Shamsuri, 2006). DJ was also found to have a significant negative influence on TI (Aryee & Chay, 2001; Dailey & Kirk, 1992; Lee, 2000; Loi, Ngo, & Foley, 2006). PJ reflects the extent to which employee perceived that the outcome allocation decisions have been fairly made in relation to the organisation's formal procedures and treatment given in enacting those procedures (Moorman, 1991). These procedures not only offer employee's control over the outcomes they received but also to ensure those outcomes obtained to be fair. Past research indicated that PJ may have strong effects on organisational outcomes such as affective commitment (Khatri, *et al*., 2001; Samad, 2006; Tremblay, Sire, & Balkin, 2000; Yusof & Shamsuri, 2006). Additionally, studies found that PJ is significantly related to TI (Khatri *et al*., 2001; Dailey & Kirk, 1992). IJ, on the other hand, refers to the fairness of the employees' perceive when they have been communicated in a sensitive and respectful manner and are treated with courtesy and dignity in their organisational practices (Cohen-Charash & Spector, 2001). IJ has been commonly associated with personal-level outcomes such as supervisory relationships (Cropanzano, Prehar, & Chen, 2002), organisational citizenship behaviour (Niehoof & Moorman, 1993), job satisfaction (Masterson, Lewis, Goldman, & Taylor, 2000), and job performance (Cropanzano *et al*., 2002). A recent OJ study by Hubbell and Chory-Assad (2005) confirmed that IJ has a significant and negative relationship with TI.

Empirical evidence revealed that OJ has a significant influence on employees' work attitudes and behaviours (Colquitt, Conlon, Wesson, Porter, & Ng, 2001; Kernan & Hanges, 2002; Shaw, Wild, & Colquitt, 2003). In particular, studies constantly showed that OJ negatively influences TI (Aryee & Chay, 2001; Khatri *et al*., 2001; Loi *et al*., 2006). In view of the fact that most prior justice research were done in western countries, to date, limited local studies have been undertaken in understanding the influence of different aspect of organisational fairness on employees' work-related outcomes (Samad, 2006; Yusof & Shamsuri, 2006). This is further exacerbated as scant attention is given to the hotel managers' perceptions of OJ on TI within the Malaysian context. Given such concerns regarding fairness in the hotel organisation, this study focuses on the predictive role of OJ on TI. Following Niehoof & Moorman (1993) definition, OJ in this study is clearly defined as the hotel managers' perceptions of fairness of treatment received from their organisation. Therefore, based on these empirical considerations and consistent with the discussions made on the aforementioned related literature, it can be hypothesised that:

H1: There is a negative relationship between perceptions of OJ and TI.

H1a: There is a negative relationship between perceptions of DJ and TI.
H1b: There is a negative relationship between perceptions of PJ and TI.
H1c: There is a negative relationship between perceptions of IJ and TI.

3.0 THEORETICAL FRAMEWORK
3.1 Conceptualisation of Study Variables

Having identified the variables in the reviews of the relevant literature, the criterion variable of interest in this study is "TI" and the predictor variable is the "OJ dimensions". The theoretical framework is illustrated in Figure 1.
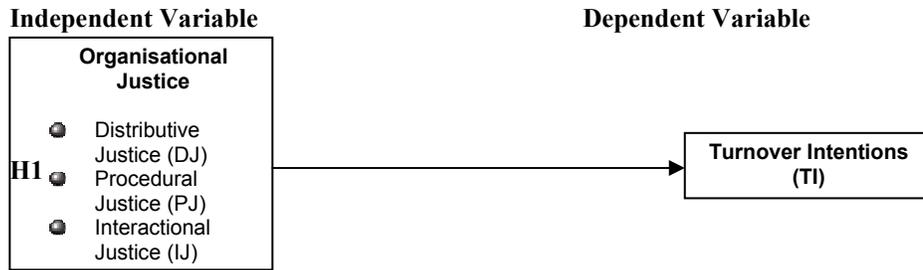
Independent Variable   **Dependent Variable**

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Organisational
    Justice
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H1
- Distributive Justice (DJ)
- Procedural Justice (PJ)
- Interactional Justice (IJ)

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Turnover Intentions
       (TI)
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Figure 1: The Theoretical Framework of Hotel Managers' Turnover Intentions

4.0 METHODOLOGY
4.1 Samples

Participants in this study consisted of lower (supervisor) and middle-level hotel managers (line/outlet managers). A total of 600 questionnaires (mini booklet form) were initially mailed to the respective human resource managers of 26 medium-sized hotels (3 & 4-star) located in the Klang Valley. Specifically, a mail survey questionnaire was employed. In view of the fact that the survey is not under researcher's supervision, cooperation with the human resource managers is vital for internal access and direct distribution of questionnaires to the managers. The human resource managers were told to randomly distribute the questionnaires to the managers associated with two major operating departments; room department (front office and housekeeping) and food and beverage department (production and service). Respondents were given two weeks for completion. Data entry began as soon as the completed questionnaires were returned directly to the researcher via mail using the self-addressed envelopes provided. In total, 281 questionnaires (47%) were returned. However, only 254 usable questionnaires (42%) were coded and analysed.

4.2 Measurements

The predictor variable of OJ was measured using a 20-item instrument (Niehoof and Moorman, 1993). The justice scale consists of three dimensions measuring perceptions of DJ, PJ and IJ using 5, 6, and 9-items respectively. The criterion variable, TI was measured via 5-item scale adapted from Hom and Griffeth (1995). Responses to all items were made on a 7-point Likert scale format ranging from (1) "Strongly Disagree" to (7) "Strongly Agree".

4.3 Method of Analyses

Prior to hypothesis testing, confirmatory factor analysis (CFA) was initially undertaken for the study variables using a covariance matrix as input to test (confirm) the prespecified relationship and to evaluate the distinctiveness of the measures used in this study. The research hypotheses were subsequently tested using hierarchical multiple regression analysis. The five main demographic variables such as age, gender, marital status, education level, and organisational tenure were found in previous researches to affect TI (Hemdi, 2006; Lambert *et al*., 2001; Price, 2001). Given the potential impact of these

demographic factors on the dependent variable, these personal variables were statistically controlled in all regression analyses conducted.

5.0 RESULTS
5.1 Respondent's Profile

The sample profile for this study is shown in Table 1.

Table 1: Respondents' Profile

Demographic Variables	Categories	Frequencies	Percentage (%)
Gender	Male	175	68.9
	Female	79	31.1
Marital Status	Single	108	42.5
	Married	132	52.0
	Widower/Widow	1	0.4
	Divorce	13	5.1
Education Level	SPM/STPM	54	21.3
	Certificate	29	11.4
	Diploma	129	50.8
	Bachelor Degree	42	16.5
Organisational Tenure	Less than 6 months	4	1.6
	6 months – 1 year	17	6.7
	2 – 3 years	84	33.1
	4 – 5 years	59	23.2
	More than 5 years	90	35.4
	Mean	**SD**	**Min.**	**Max.**
Age (Years)	32.27	6.38	20	51

From Table 1, it can be observed that the mean age of the respondents was 32.3 years (SD = 6.38), where the age ranged between 20 to 51 years. Regarding gender, a total of 175 (68.9%) respondents were males while 79 (31.1%) were females. Majority of the respondents were married (52.0%) while others were single (42.5%), widower/widow (0.4%), and divorce (5.1%). In terms of education, most respondents had their educational qualification up to Diploma level constituting a total of 129 (50.8%) respondents. The remaining respondents had SPM/STPM (21.3%), Certificate (11.4%), or a Bachelor Degree (16.5%). As for organisational tenure, 4 (1.6%) respondents had less than 6 months working experiences in their current hotel, 17 (6.7%) respondents signified they have work between 6 months to 1 year, 84 (33.1%) have worked between 2 to 3 years, while 59 (23.2%) respondents have worked between 4 to 5 years, and the remaining 90 (35.4%) respondents signified they have work in their current hotel for more than 5 years.

5.2 Confirmatory Factor Analysis of the Study Variables

Prior to hypotheses testing, the data were initially submitted for assessment of CFA, using a covariance matrix as input. The main purpose of conducting CFA using LISREL 8.80 is to test (confirm) a prespecified relationship and to evaluate the distinctiveness of the measures used in this study (Jöreskog & Sörbom, 2006). The internal consistency of the

factors was subsequently examined using the Cronbach's alpha values. For the assessment of the measurement model using CFA, a total of 25-items were identified among the study variables. In particular, the 20-items of OJ construct have led to the identification of three dimensions: 5-items reflecting OJ, 6-items measuring PJ and 9-items relating IJ (Niehoof & Moorman, 1993). Meanwhile, the 5-items measuring TI were identified (Hom & Griffeth, 1995).

Table 2 depicts the iteration process that took place in getting the perfect-fit model of OJ and TI construct. It can be seen that, the initial model of DJ had a perfect fit and no additional modification was required (GFI = 1.00, RMSEA = 0.000). Although the initial model of PJ indicated an acceptable GFI, conversely, the RMSEA was high indicating possibility of improved fit for the measurement model (GFI = .86, RMSEA = 0.225). Jöreskog and Sörbom (2006) suggested that only one item can be altered at a time to avoid excessive model modification and this iterative process continued until the model parameters and key fit indices met the recommended criteria. In line with this view, the model tested in iteration 1 was done by dropping item PJ1 since the R^2 value was the lowest ($R^2 = 0.19$) and the result showed that the RMSEA value did not improve. Item PJ2 was subsequently dropped in iteration 2 due to low R^2 value ($R^2 = 0.38$) and the model showed a significant improvement with a perfect model fit (GFI = 1.00, RMSEA = 0.000). The initial model of IJ had the acceptable GFI of 0.74, but a relatively high RMSEA of 0.235. The model resulting from iteration 1 showed a perfect fit (GFI = 0.98, RMSEA = 0.010) when item IJ4 was dropped due to lowest R^2 value ($R^2 = 0.30$). On TI construct, the initial model had a poor fit with an acceptable GFI of 0.94 and a considerably high RMSEA of 0.159. Item TI1 was dropped in iteration 1 due to lowest R^2 value ($R^2 = 0.33$) and the result finally showed a perfect model fit (GFI = 1.00, RMSEA = 0.000).

Table 2: Description of Modification Process of Unidimensionality and Convergent Validity of the Organisational Justice and Turnover Intentions Factors

	Items	GFI	RMSEA
Initial Model of Distributive Justice	DJ1, DJ2, DJ3, DJ4, DJ5	1.00	0.000
Initial Model of Procedural Justice	PJ1, PJ2, PJ3, PJ4, PJ5, PJ6	0.86	0.225
☻ Iteration 1	PJ2, PJ3, PJ4, PJ5, PJ6	0.90	0.227
☻ Iteration 2	PJ3, PJ4, PJ5, PJ6	1.00	0.000
Initial Model of Interactional Justice	IJ1, IJ2, IJ3, IJ4, IJ5, IJ6, IJ7, IJ8, IJ9	0.74	0.235
☻ Iteration 1	IJ1, IJ2, IJ3, IJ5, IJ6, IJ7, IJ8, IJ9	0.98	0.010
Initial Model of Turnover Intentions	TI1, TI2, TI3, TI4, TI5	0.94	0.159
☻ Iteration 1	TI2, TI3, TI4, TI5	1.00	0.000

Table 3 depicts the final constructs used in OJ and TI variables. The final constructs instrument resulted in a total of 21-items.This comprised 17-items measuring respondents' perceptions of OJ and followed by 4-items measuring TI. Specifically, 3-items (PJ1, PJ2, and IJ4) were eliminated from the OJ constructs whereas only 1-item (TI1) was eliminated from TI construct. As previously mentioned, these items were eliminated from further analyses due to lowest R^2 value. Anchored in Hair *et al*. (2006) rule of thumb, a construct should be reflected by a minimum of three items. Consistent with this notion, all constructs

contain an adequate number of items and none were excluded in this study. It is evident that no modification was required to restating the initial hypotheses. Therefore, the three dimensional measures of OJ, the unidimensional measure of TJ were included in the hypotheses testing.

Table 3: Organisational Justice-Turnover Intentions

Abbreviated Label	Actual Scale Item
Organisational Justice Items	
Distributive Justice	
DJ1	Fair work schedule
DJ2	Fair pay level
DJ3	Fair workload
DJ4	Fair rewards
DJ5	Fair job responsibilities
Procedural Justice	
PJ3	Accurate and complete information
PJ4	Clarifies decisions and additional information
PJ5	Consistent job decisions
PJ6	Challenge or appeal job decisions
Interactional Justice	
IJ1	Treats with kindness and consideration
IJ2	Sensitive to personal needs
IJ3	Concern employee rights
IJ5	Discusses the implications of job decisions
IJ6	Adequate justification for job decisions
IJ7	Sense explanations on job decisions
IJ8	Clear explanations on job decisions
IJ9	Treats with respect and dignity
Turnover Intentions Items	
TI2	Plan to leave as soon as possible
TI3	Actively look for a new job next year
TI4	Often think of quitting current job
TI5	Leave as soon as can find better job

5.3 Reliability and Validity Analysis

After the evaluation of the model, the measurements of each construct were assessed for its reliability and validity as these factors can influence the quality of the obtained data. The reliability coefficient for each measure was initially examined by computing the Cronbach's alpha values. The items included in the test are based on the results of the earlier CFA conducted. As shown in Table 4 below, the initial reliability estimates for the OJ dimensions of DJ, PJ, and IJ were 0.89, 0.83, and 0.93 respectively. The dependent variable of TI had an excellent reliability coefficient of 0.91. Generalising from the results and concur with Hinton *et al*.'s (2004) minimum alpha score range of 0.50 to 0.70, the Cronbach's alpha values for the internal consistency of all study variables were considered high and acceptable.

Once the construct reliability has been established, the instruments validity was next assessed. In testing validity, the construct validity is highlighted in this study which deals with the accuracy of the measurement. According to SteenKamp and Van Trijp (1991), the criteria for achieving construct validity is by checking the unidimensionality of the measure which refers to the existence of a single construct underlying a set of measures.

For the purpose of this study, unidimensionality analysis was done by identifying the measurement model for each construct and CFA is run for all constructs. A comparative fit index (CFI) value above 0.90 for the model implies that there is a strong evidence for unidimensionality (Hair *et al*., 2006). Consequently, all scales for the study variables had a CFI value exceeding 0.90.

Convergent validity on the other hand, defined as the extent to which a new measure of a specific construct "converge" with other similar measures (Zikmund, 2003). Specifically, when there is a high correlation between a measure and other measures that are believed to measure the same construct, convergent validity is obtained. Each item in a scale can also be treated as a different approach to measure the same construct. In this study, convergent validity can be assessed using the normed fit index (NFI) in CFA. As further recommended by Hair *et al*. (2006), the NFI value above 0.90 signifies a strong convergent validity. Indeed, all scales had an NFI value ranging from 0.90 to 1.00. Therefore, this implies for a reasonably strong indication of convergent validity. The CFI and NFI values for all scales are summarised in Table 4.

Table 4: Unidimensionality and Reliability Indices for the Study Variables

Variables	Number of Items	Cronbach's Alpha (α) (Before)	Items Deleted	Cronbach's Alpha (α) (After)	Comparative Fit Index (CFI)	Normed Fit Index (NFI)
Organisational Justice						
Distributive Justice	5	0.89	-	0.89	1.00	0.96
Procedural Justice	6	0.88	2	0.83	1.00	1.00
Interactional Justice	9	0.95	1	0.93	1.00	0.98
Turnover Intentions	5	0.92	1	0.91	1.00	1.00

Note. *N = 254*

5.4 Descriptive Statistics

The descriptive statistics and the correlation among the study variables (predictor and criterion variable) are shown in Table 5.

Table 5: Mean Scores, Standard Deviations and Pearson Correlations Matrix for Study Variables

Variables	Mean (*M*)	Standard Deviation (*SD*)	1	2	3	4
1. Distributive Justice	5.23	1.05	-			
2. Procedural Justice	5.39	0.89	0.68**	-		
3. Interactional Justice	5.54	0.79	0.72**	0.83**	-	
4. Turnover Intentions	2.85	1.64	-0.58**	-0.46**	-0.43**	-

Note. *N = 254, *p < 0.05; **p < 0.01, All items used a 7-point Likert scale with (1=strongly disagree to 7=strongly agree)*

As portrayed in Table 5, the respondents' perceptions of OJ were found to be relatively high; DJ (*M=5.23, SD=1.05*), PJ (*M=5.39, SD=.89*), and IJ (*M=5.54, SD=.79*). These mean scores were obtained by averaging the scores for the 5, 6, and 9 items identified under the DJ, PJ and IJ dimensions respectively resulting from the CFA. The level of TI experienced by the respondents were relatively low (*M=2.85, SD=1.64*). This mean value was gauged by averaging the scores for the 4 items associated with one's intention to leave.

As depicted from Table 5, all study variables were significantly intercorrelated. Correlations among OJ dimensions were significantly large, ranging from $r = .68$ (*p < 0.01*) to $r = .83$ (*p < 0.01*). Accordingly, the correlations between DJ and PJ ($r = .68, p < 0.01$), IJ ($r = .72, p < 0.01$), and between PJ and IJ ($r = .83, p < 0.01$) were considered large. The correlations between OJ dimensions and TI were negative and significant ranging from $r = -.43$ (*p < 0.01*) to $r = -.58$, (*p < 0.01*). DJ had a much stronger correlation with TI compared to PJ and IJ. From the intercorrelation results, it also can be said that no serious multicollinearity exists among the study variables as the strength of the correlations was all below .90 (Hair *et al.*, 2006).

5.5 Hypothesis Testing

To test the formulated hypothesis, a hierarchical multiple regression analysis was undertaken. Specifically, a two-step hierarchical regression was conducted to test the relationship between OJ and TI. From the hypothesis, three-sub hypotheses were developed comprised of the three dimensional measures of OJ (DJ, PJ and IJ). The criterion variable relates to TI. The five main demographic variables (age, gender, marital status, education level, and organisational tenure) were statistically controlled and entered into the first step of the regression equation. For the second step, all three model variables concerning dimensions of OJ were entered. Table 6 summarised the regression results.

Table 6: Results of Hierarchical Regression of Perceptions of Organisational Justice on Turnover Intentions

Predictors	Model 1 Std. β	Model 2 Std. β
CHAPTER TWO Step 1: Control Variables		
Age	-0.11	-0.12
Gender[a]	0.19**	0.05
Marital[b]	-0.02	0.03
Education Level	-0.10	-0.11
Organisational Tenure	0.21**	0.12
CHAPTER THREE Step 2: Model Variables		
Organisational Justice:		
◑ Distributive Justice		-0.56**
◑ Procedural Justice		-0.26**
◑ Interactional Justice		0.15
R^2	0.07	0.45
Adj. R^2	0.05	0.43
R^2 Change	0.07	0.38
F-Change	3.49**	55.01**

Note: *$p < 0.05$, **$p < 0.01$; Dummy Coded, [a]male = 1, female = 0; [b]unmarried = 0, married = 1.

As can be observed from Table 7, the control variables managed to explain 7.0 % of the variance in TI ($R^2 = 0.07$, *F-Change = 3.49, p < 0.01*). Of the five control variables, only respondents' gender ($\beta = 0.19$, *p < 0.01*) and organisational tenure ($\beta = 0.21$, *p < 0.01*) was significantly related to TI. Adding the three model variables relating to OJ, the R^2 increased to 0.45. This indicated that OJ was able to explain an additional of 38% (R^2 *Change = 0.38, p < 0.01*) of the observed variations on TI and above the effects of demographic variables. Of the three OJ dimensions, only two dimensions namely DJ and PJ were significantly and negatively predict TI. Indeed, DJ had the most impact on the prediction of TI ($\beta =- 0.56$, *p < 0.01*), and followed by PJ ($\beta =- 0.26$, *p < 0.01*). In other words, DJ was found to be more influential in explaining the variation in TI. Conversely, the IJ dimension (H1c) had no significant relationship with TI. In sum, these findings only support for H1a and H1b. Thus, the hypothesis is partially supported.

6.0 DISCUSSIONS

This study aimed to examine the predictors of managers' TI in the Malaysian hotel industry. Particularly, the purpose of this study was to determine the influence of hotel managers' perceptions of OJ on TI. The results confirmed that, of the three OJ dimensions, only DJ and PJ were significantly and negatively related to TI. Nevertheless, the perceptions on PJ showed an insignificant relationship with TI.

Results proved that DJ has a significant negative influence on TI, as hypothesized. This relationship is consistent with the findings of Aryee & Chay (2001) and Lee (2000). From this study, it could be said that if the managers feel contented in what they receive compared to those of a referent other, they are more likely to be productive and remain with the organisation. Indeed, managers who perceived fair prospects of different work outcomes particularly with regards to pay satisfaction, work schedule, workload, rewards and job responsibilities may view their current organisation as favorable and might not see outside alternatives as attractive. Thus, the result implied that hotel managers who perceive a higher level of DJ are less likely to have the intention to leave their current organisation. Similarly, PJ appeared to be significantly and negatively predicts on TI as hypothesized. This finding is in incongruence with Khatri *et al*. (2001). The finding from this study indicates that high perceptions of fairness of the formal decision-making procedures would influence the managers to stay in the organisation. In other words, managers are more accepting decisions that results from a guaranteed fair procedural treatment by their organisation. PJ can be assessed in terms of the fairness and consistency of the organisation's policies and practices received by the managers. For example, if the management of the hotel clarifies and applies consistent job decisions, allows managers to challenge or appeal job decisions and gives unbiased information upon request, they would evaluate procedures made by the organisation to be fair. Hence, when managers have high perceptions of PJ in their organisation, they are less likely to experience TI.

Surprisingly, the IJ was found to have insignificant relationship with TI. This finding was contrary with the recent work of Hubbell and Chory-Assad (2005), who found that if managers' perceived fairness and quality of communication received in their organisation, they are less likely to leave the organisation. One possible explanation for this unexpected finding is managers in this sample may perceived the interpersonal treatment they received

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to be unfair (e.g. treated with dishonesty and disrespect) and, in turn, they are progressively to seek more alternative options of better job position through external labor market. Specifically, as the external labor market becomes more attractive, managers' tended to engage more in job-search behaviours, reflecting increased intentions to leave the organisation. Another explanation is that there may be a lack of interpersonal relationship between the managers and the top management. Hotel managers in this study may not have a close interaction with the top management since their job descriptions are more performing on operational tasks which require high customer contact and less supervision from the management (Dittmer, 2002). In addition, the "culture" or the "nature" of high job mobility among employees in the hotel industry as reported by Iverson and Deery (1997) also could be one of the reasons as managers in this sample continuously seek for better job promotions and job security.

The overall findings of this study support previous researches on the relationship between OJ (DJ and PJ) and TI (Aryee & Chay, 2001; Khatri *et al*., 2001; Loi *et al*., 2006). Consistent with this notion, the result implies that hotel managers who have higher perceptions towards fairness of the outcomes received (DJ) and fairness to the procedures used to determine the outcomes (PJ), would be less likely to have the intention to leave their organisation. Loi *et al*.'s (2006) study on practicing solicitors in Hong Kong approved that the perceptions of fairness of treatment received in the organisation are crucial factors in affecting employees' intention to leave or not to leave their organisation. They found that both DJ and PJ have significant impacts on employees' intention to leave. On the hotel sample, this finding contradicts with Lee (2000) study who reported that the perceptions of DJ was found to be negatively related to managers' TI, whereas PJ was positively associated with TI. He further argued that most middle-level hotel managers only necessitate for better pay or rewards, regardless of fairness in their organisation's procedures. In simplest terms, even if managers are guaranteed with fair procedural treatment, they are more likely to leave the organisation.

7.0 CONCLUSIONS

Based on the aforementioned discussion, it can be concluded that the perception of fairness of rewards allocation and procedures received in the organisation prompts managers to reciprocate with their behavioural intentions. It is logical to predict that when managers' perceived that they are treated fairly in terms of outcome and procedures, they tend to stay in their current organisation and do not have the intention to seek for a fairer alternative. Even though it is not hypothesized, the results highlighted that the perceptions of DJ is found to have a strong impact on TI compared to PJ. This is in accordance with Roberts *et al*. (1999) and Rahim *et al*. (2001) who reported that DJ was more important predictor in managers' behavioural intentions than PJ. On demographic factors, only managers' gender and organisational tenure had a significant relationship with TJ. It was observed that, most male managers' who have high or low perceptions of OJ may have the intention to leave their organisation. Additionally, the longer the managers stayed in their particular organisation, the higher their TI.

From the managerial point of view, the findings from this research suggest that the relevant hotel authorities concerned with reducing TI among their managers should be consistent

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and focus their attention in providing adequate fairness in terms of reward allocation, formal procedures, and interpersonal treatment that fosters a positive employee-organisation relationship. It is hoped that the research findings may offer some insights to the hotel organisation in Malaysia to better understand on how to retain their valuable managers in attempting to reduce TI. In addition, this paper can make some useful contributions to the body of knowledge on the existing turnover literature to theorizing about the influence of managers' perceptions of OJ on TI with regards to the current Malaysian scenario. It is worth mentioning that OJ (DJ and PJ) played vital role in predicting managers' TI as such perceptions of organisational fairness, in turn, will reduce managers' likelihood of quitting the organisation.

Several limitations of the study were also identified. The first limitation of this study relates to the sample, which derived from managers within one particular industry alone (3 & 4-star medium-sized hotels) located in a particular region of the country. Thus, the findings obtained may not be generalized to other samples across different regions or industries. The use of a larger sample within the same industry or from other industries would improve generalizability of the findings. Second, this study is limited in its scope and given that there may be other organisational factors (e.g. psychological contract violation, organisational politics, etc.) that influence managers' TI. It is also suggested that the general conceptual model relating beliefs-attitudes-behavioural intentions relationship (Fishbein & Ajzen, 1967) can be utilized to predict the hotel managers' TI in the Malaysian setting and thus future research might consider the mediation effect of affective commitment (attitudes) in the OJ (beliefs) and TI relationship (behavioural intentions). Indeed, researchers who interested in this area are recommended to explore these elements in future research. Finally, given the cross-sectional nature of this study, a typical limitation of cross-sectional studies is the constraint of their ability to prove a cause-effect relationship between the predictor variables and the criterion variables. Hence, it is suggested that future research should consider experimental or longitudinal approach and use other additional behavioural outcomes of OJ such as organisational citizenship behaviour, organisational trust and organisational commitment.

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