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Retaining qualified employees is a substantial element of the military's human resource function. The long-term retention of employees has increased in importance as a result of the military's technological modernization. The extensive high-cost training required of today's sailor and the decrease in the size of the military's active forces have made long-term retention critical to the military mission. In any environment in which retention is a primary goal, an essential first step in controlling attrition is the development of an in-depth understanding of the employee turnover decision process. To this end, the purpose of this study is two fold. First, the current study expands the body of knowledge pertaining to the specific turnover decision processes followed by employees. A better understanding of these processes will allow employers to ascertain the types of events that initiate the turnover process as well as differences between the decision processes followed by individuals who leave the organization and those who choose to stay. Second, through an analysis of employee decision processes, the study identifies specific types of employer intervention which could ultimately result in a reduction in turnover. In an effort to assist human resource managers' overall assessment of employee turnover, the results of the study also provide additional guidance on the impact economic consequences have on the decision to quit and for distinguishing between controllable and uncontrollable turnover.				
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FINAL TECHNICAL REPORT

GRANT #: N00014-01-1-0917

<u>PRINCIPAL INVESTIGATORS</u>: Dr. David P. Donnelly (e-mail: daviddonnelly@ccmail.nevada.edu) and Dr. Jeffrey J. Quirin (email: jeffrey.quirin@wichita.edu)

INSTITUTION: Kansas State University

GRANT TITLE: A Comprehensive Model of the Employee's Turnover Decision Process

AWARD PERIOD: 1 June 2001 - 30 September 2002

<u>OBJECTIVE</u>: The objective of the current study is to expand the body of knowledge pertaining to the specific turnover decision processes followed by employees. A better understanding of these processes will allow employers to ascertain the types of events that initiate the turnover process as well as differences between the decision processes followed by individuals who leave the organization and those who choose to stay. A second objective is to identify specific types of employer intervention that could ultimately result in a reduction in turnover. The final objective is to provide additional guidance on the impact economic consequences have on the decision to quit and for distinguishing between controllable and uncontrollable turnover.

APPROACH: In an attempt to replicate and extend the comprehensive, voluntary turnover model developed by Lee and Mitchell (1994), the current study utilized a survey and interview methodology to document the decision processes followed by individuals who have admittedly either quit or considered quitting their jobs within the past year. A sample of 84 useable responses was collected. All respondents were interviewed. All subjects allowed their interviews to be taped. Each taped interview was analyzed by two independent researchers and used to identify the various stages of the decision process being used by the subject. A follow-up survey was then sent to each subject. The survey was used to validate the researchers' interpretations of the original interview. All follow-up surveys were reconciled with the original interpretations. A database identifying all relevant factors associated with the decision processes used as well as relevant demographic information was developed. Yin's (1994) multiple case design pattern matching technique was then used to analyze response data.

ACCOMPLISHMENTS (throughout award period): The researchers identified and received participation agreements from approximately 100 individuals that met the research criteria. Of the 100 agreed participants, 84 useable responses were collected. A database identifying all relevant factors associated with the decision process used and relevant demographic information was developed. This database was then utilized to ascertain the types of events that initiate the turnover process as well as differences between the decision processes followed by individuals who leave the organization and those who choose to stay.

CONCLUSIONS: Findings support the voluntary turnover model developed by Lee and Mitchell (1994). Employees who left their employers followed one of the four decision processes predicted by the model. Employees who remained employed also followed one of the four theoretical decision paths. The data further suggest that employer intervention, economic consequences, and the existence of "offers in hand" all play important roles in the turnover decision process. However, the true impact of such constructs is dependent upon the distinct decision path initiated by the employee. Additionally, respondents indicated that gender differences contributed to their initial consideration of the turnover decision process.

SIGNIFICANCE: The output of the research project will improve our understanding of the employee's turnover decision process. Specifically, the results of the project will enable a better understanding of the factors that influence employees' decisions to quit and/or remain employed within the organization. The findings identify a variety of decision process paths used by a sample of individuals who have either quit or considered quitting their jobs within the past year. Because the research study includes an analysis of the decision processes followed by both those who have quit and those who have stayed, information provided in the research report will be especially useful to employers who have encountered high employee turnover and are in search of specific intervention efforts to combat further attrition. It is expected that the current study will lead to future research projects that will address how job expectations and employer intervention impact the turnover decision process. Ultimately, this line of research will provide results that can be used by all employers to construct and monitor employee retention programs and/or modify existing retention policies

<u>PATENT INFORMATION</u>: Not applicable.

AWARD INFORMATION: None to date.

REFEREED PUBLICATIONS (for total award period): None to date.

BOOK CHAPTERS, SUBMISSIONS, ABSTRACTS AND OTHER PUBLICATIONS (for total award period):

Donnelly, D. and J. Quirin. "A Comprehensive Model of the Employee's Turnover Decision Process." Presentation of preliminary results and analysis at Military Personnel Research Science Workshop, June 2002.

Donnelly, D. and J. Quirin. "A Comprehensive Model of the Employee's Turnover Decision Process." Currently under review for presentation at the American Accounting Association (AAA) Annual Meeting, August 2003.

Although a specific journal for a manuscript stemming from this research project has yet to be determined, it is likely that a journal possessing an organizational behavior emphasis will be targeted.