

## **Study of Job Embeddedness among Bank Employees Based on Socio Demographic Characteristic**

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**ABSTRACT :** This study aims to attempt a new construct called job embeddedness. This study was involved descriptive data on the level of job embeddedness employees in a bank based on gender, age, marital status, and tenure. It is a key factor in understanding why employees stay in the organization. A total of 330 employees in bank X participated in this study. Data was collected from a questionnaire that consisted of a scale of job embeddedness. The design of this study was quantitative descriptive with SmartPLS application. The result shows that 57,57% of participants were categorized as moderate, 40% low, and 2,42% high. The implication of this study is to contribute to understanding the level of embeddedness based on demographic data to identify the needs of the employee and the organization's needs.

**KEYWORDS:** job embeddedness, employee, bank, demographic, descriptive study

### **I. INTRODUCTION**

An organization's success depends on the dedication of their employees as valuable assets to achieving the goals and developing sustainability in the long run. Severe and significant challenge for most organizations is employees quitting their job, causing various direct expenses such as recruitment and selection costs. Over the years, numerous studies have described factors determining why employees quit their jobs and leave the organization. The research has often focused on the job satisfaction, organizational commitment etc, that drive someone to quit work (Crossley, Jex, Bennett, & Burnfield, 2007). However, Mitchell, Holtom, Lee, Sablinski, & Erez (2001) introduced job embeddedness as a new construct, that focused on the factors that influence employee retention. Instead of asking, "why do employees quit?" the theory of job embeddedness addresses the question, "why do the employees stay?". Though according to Allen (2006), job embeddedness is important to understand the reason and makes employees stay at their job.

Job embeddedness was developed by Mitchell, Holtom, Lee, Sablinski, & Erez (2001) to explain broadly the things that cause employees to stay in their job as retention. Moreover, in the lens of job embeddedness theory, the employees were embedded because of the relationship between employees with organization (on the job embeddedness) and community (off the job embeddedness). The six aspects of job embeddedness used to evaluate *job embeddedness* among employees are links-organization, fit-organization, sacrifice organization and, links-community, fit community and, sacrifice community. First, Link organization describes formal and non-formal relationships of employees with other people and with the activities in the organization itself. Such as relationships with supervisors and co-workers and being a team member. The indicator of this aspect supports each other in completing some work, directed by the supervisor in completing work, getting the chance to share an opinion in a meeting, and getting appreciation or rewards from the supervisor for their performance.

Second, Fit organization describes employee's perceived compatibility or comfort with the organization or the environment. Several indicators, such as career path or fee in the organization, can fulfill the employee's expectations. They are placing employees in the jobs according to their skills and knowledge, placing work locations as employee's want, transparency of the promoted system, and other facilities that support the employee's well-being. Third, Sacrifice organization describes the perceived costs of material or psychological benefits that may be forfeited by leaving that job or the organization. The indicator, such as feeling worried about not getting comfortable work if they work at another company. The employee feels that the salary or other benefits elsewhere are less significant than in the organization where he is currently working. Fourth, Link Community describes an employee's relationship with others and community activities. Community refers to people both around and outside the company. For example, people who live near the company will get sports facilities provided by the company. The indicator is about employees who feel happy to be where they live right now, individuals who actively participate in the activities in their neighborhood, and people around their homes who are willing to help each other.

Fifth, Fit Community describes employee's perceived compatibility or feeling of comfort with the size of the city where they work, climate, the facility provided by the company, and also politics. The indicators feel comfortable with the employee's work location not far from where he lives. The employee feels happy and likes the location where they currently work, the residence and the facilities. Sixth, Sacrifice organization describes the perceived community or psychological benefits that may be forfeited by leaving that job or the organization. The indicator, employees are worried that their new community will make them uncomfortable, feel afraid that their security will be in danger, and find it difficult to get people around who can help them when needed.

Mitchell, Holtom, Lee, Sablinski, & Erez (2001) found that job embeddedness has minimized employee withdrawal risk. Moreover, high job embeddedness of the employees shows a low counterproductive work behavior, creates a high engagement, and brings up a better ability to craft jobs. Because of that, several studies describe job embeddedness with demographic characteristics such as gender, marital status, age, tenure, etc. Schwartz (1989) found that women are twice as likely as men to quit their jobs. Abelson (1987) analyzed that older person, who is married, and have tenure, and/or have children in need of care are more likely to stay than to leave. On the other hand, Cohen (1995) found that younger employees are more likely to take a risk at the beginning of their careers. They can accept the position provided by the company, but when those better jobs are available, they will move on to other Jobs. Ornstein, Cron, and Slocum (1989) have discovered that employees who enter the adult ages are more willing to relocate than any other group. Moreover, compared with those in relatively stable periods, individuals in transitional periods usually reevaluate their life goals and values of their life. They are trying to build up a better life structure. Then, they in earlier stages have a more difficult time adapting to their environment. Therefore, they may be more prepared to leave a company or actively to look for other career opportunities when they feel less embedded in their organizations. This study analyzes job embeddedness based on socio-demographic characteristics among bank employees: gender, age, marital status, and tenure. Study results can be presented to the management team in a company to understand the level of job embeddedness in the company and develop a solution or make some improvements. It can also serve as a guide for the following researchers interested in employee retention to apply and develop further in other organizations.

## II. RESEARCH DESIGN

**Instrument :** Job embeddedness was measured with a questionnaire that has 21 items with validity and reliability test using the SmartPLS application. This instrument is arranged by six aspects of job embeddedness from Mitchel, Holtom, Lee, Sablinski, & Erez (2001), such as link organization, fit organization, sacrifice organization, link community, healthy community, and sacrifice community. All the items were measured on 5 points with a Likert Scale ranging from 1 (strongly disagree), 2 (disagree), 3 (neutral), 4 (agree), to 5 (strongly agree). Then, demographic questions included in the questionnaire were gender, age, marital status, and tenure.

**Sample :** The target population in this research was 1780 employees at the local government Bank. The sample size was determined using the Slovence formula, and the total sample was 330 respondents. The following characteristics are permanent or honorary employees, working at the head office or all branches minimum of one year. The sampling method was nonprobability, where samples were selected based on convenience and availability (Creswel, 2017).

**Analysis Method :** This study is the quantitative approach that aims to explore the level of job embeddedness based on demographic characteristics such as gender, age, marital status, and tenure. According to Gravetter & Forzano (2012), quantitative research is a study based on measuring variables conducted on subjects to get a score, then analyzed using statistical techniques. This study used a descriptive research strategy, which according to Gravetter and Foranzo (2012) descriptive research study is a general approach used in a study to measure variables or a set of variables to produce individual descriptions in a particular group. However, this research does not explain and describe the relationship between variables. On the other hand, researchers did validity and reliability tests to job embeddedness using the SmartPLS application.

## III. RESULT

**MEASUREMENT MODEL / OUTER MODEL ANALYSIS :** In this research, a measurement model, also called outer models analysis (Confirmatory Factor Analysis), was used to assess the validity and reliability of the job embeddedness scale with the SmartPLS application. Which describes the relationship between the latent variables and their indicator to measure (Hair, 2021). This outer model uses the value of convergent validity, discriminant validity, and composite reliability test, which be explained in detail as follows:

**Convergent Validity :** Convergent validity measures the magnitude of the correlation between the construct with the latent variables. There are two criteria for assessing convergent validity; Mahfud and Ramono (2013) found that value of factor loading  $> 0.5$  and average variance extracted (AVE)  $> 0.4$  is still acceptable (Gefen, Straub, and Boudreau, 2000). Thus, the loading factor  $< 0.5$  must be removed from the model.

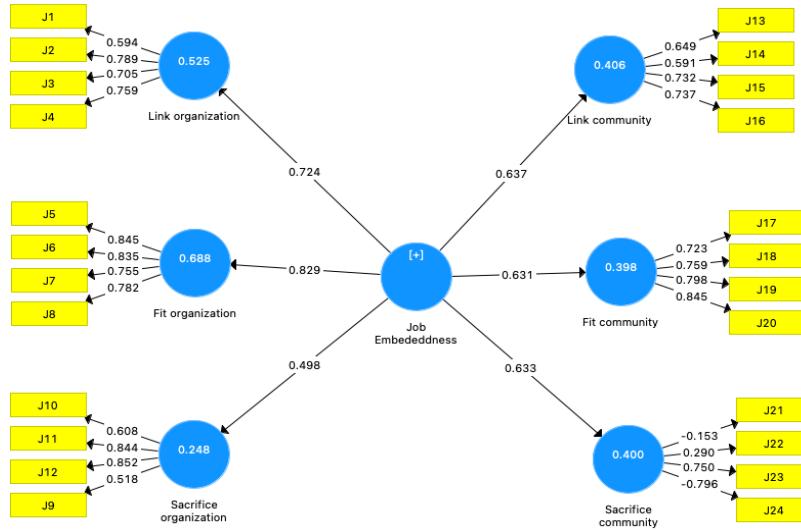


Figure 1. Measurement Model

The analysis of Figure 1 shows that there are 21 items of job embeddedness with a loading factor  $> 0.5$ , which means valid items. However, there are three items in the sacrifice community aspect with a loading factor  $< 0.5$ , meaning the items are invalid and need to be removed from the model. Then a convergent validity test was carried out based on AVE after the items were eliminated and the aspects had AVE  $> 0.4$ . It shows that the that the convergent validity criteria of job embeddedness are adequate.

Table 1. Average Variance Extracted

Aspect Job Embeddedness	AVE
Link organization	0,512
Fit organization	0,648
Sacrifice organization	0,515
Link community	0,463
Fit community	0,612
Sacrifice community	1,000

**Composite Reliability :** The second step, guaranteeing the convergent validity, is to observe the internal consistency of job embeddedness with Composite Reliability (CR) and Cronbach's Alpha (CA)  $> 0.07$ . In the analysis of table 3 below, CR values above  $0.842 > 0.7$  and CA  $0.811 > 0.7$ . So it can be said that job embeddedness is reliable and can be used in the next analysis process.

Table 2. Composite Reliability and Cronbach's Alpha

Composite Reliability	Cronbach's alpha (CA)	Description
0,842	0,811	Reliable

**Discriminant Validity :** The third step is to evaluate the discriminant validity (DV), which is understood as an indicator from which the constructs are independent (Hair, 2021). There are two ways to check discriminant validity, observing cross-loading or Fornell and Larcker. Analyzing table 4 clearly states that the value of the aspect is more significant than others. The job embeddedness model has discriminant validity based on Fornell and Larcker.

Table 3. Discriminant Validity by Fornell and Larcker

	<i>Fit Com</i>	<i>Fit Org</i>	<i>Link Com</i>	<i>Link Org</i>	<i>Sacrifice Com</i>	<i>Sacrifice Org</i>
<i>Fit Com</i>	0,783					
<i>Fit Org</i>	0,331	0,805				
<i>Link Com</i>	0,382	0,433	0,680			
<i>Link Org</i>	0,357	0,524	0,192	0,716		
<i>Sacrifice Com</i>	0,242	0,436	0,426	0,188	1,000	
<i>Sacrifice Org</i>	0,024	0,351	0,178	0,442	0,060	0,718

**DESCRIPTIVE STATISTICS**

**Subject's Characteristic :** Table 3 shows the characteristics of 330 participants in this study. The number of female subjects was 189 (57.2%), and the number of female subjects was 141 people (42.7%). Based on age, the majority of subjects 25-44 years old were 278 people (84.24%), aged 15-24 years old were 28 people (8.48%), and the lowest age 45-64 years were 24 people (7.27%). Based on marital status, 177 people (53,63%) were married and 153 (46,37%) were single. Based on tenure, this study was dominated by 3-10 years as many as 190 people (57,5%), >10 years were 72 people (21.8%), and the lowest tenure of 0-2 years was 69 people (20.6%).

Table 3. Subject's Characteristic

Sociodemographic	Category	Frequency	Percent
Gender	Male	141	42,7%
	Female	189	57,2%
Age	15-24	28	8,48%
	25-44	278	84,24%
	45-64	24	7,27%
Marital Status	Married	177	53,63%
	Single	153	46,37%
Tenure	0 – 2 years	68	20,6%
	3 – 10 years	190	57,5%
	> 10	72	21,8%

**Category of Job Embeddedness :** Since 21 items were used to measure job embeddedness with 5 points on likert scale, then the maximum total score of all responses equals 105, and the minimum score is 21. Based on the descriptive analysis, the mean of job embeddedness was 83, and the standard deviation was 14. The details are shown in table 4 below.

Table 4. Hipotetic and Empiric Data

Descriptive Statistics	Hipotetic Data	Empiric Data
Max	105	105
Min	21	41
Mean	83	69.548
SD	14	11.94

Next, the total score is classified into low, moderate, and high categories to indicate the level of respondents' job embeddedness. The classifications are shown in table 5. Further analysis showed that most respondents have moderate job embeddedness (57,57%). The second is respondents with low job embeddedness, (40%) and (14,84%) having high job embeddedness.

Table 5. Subject's Level of Job Embeddedness

Range Score	Category	Frequency	Percent
< 69	Low	132	40%
69 - 97	Moderate	190	57,57%
> 97	High	8	2,42%
Total		330	100%

**Gender :** According to Table 6 below, most of the respondents in the low category of job embeddedness were female, with 77 respondents, whereas males only 55 respondents. Then in the high category, the majority was filled by a male.

Table 6. Level of Job Embeddedness Based on Gender

Category	Female	Male	Frequency	Percent
Low	77	55	132	40%
Moderate	111	79	190	57,57%
High	1	7	8	2,42%

#### Age

According to Table 7 below, the majority of the respondents in the low category of job embeddedness were 25-44 years old, with 113 respondents, and also, there were 158 respondents in the moderate category.

Table 7. Level of Job Embeddedness Based on Age

Category	15-24	25-44	45-64	Frequency	Percent
Low	14	113	5	132	40%
Moderate	13	158	19	190	57,57%
High	1	7	0	8	2,42%

**Marital Status :** According to Table 8 below, the majority of the respondents in the low category of job embeddedness were employees with single status with 75 respondents, whereas participants with married status had 57 respondents.

Table 8. Level of Job Embeddedness Based on Marital Status

Category	Married	Single	Frequency	Percent
Low	57	75	132	40%
Moderate	116	74	190	57,57%
High	4	4	8	2,42%

**Tenure :** According to Table 9 below, the majority of the respondents in the low category of job embeddedness were respondents with a tenure of 3-10 years, whereas the second majority was 0-2 years with 57 respondents, and the last was >10 years with 17 respondents.

Table 9. Level of Job Embeddedness Based on Tenure

Category	0-2 Years	3-10 Years	>10 Years	Frequency	Percent
Low	57	75	17	132	40%
Moderate	116	74	55	190	57,57%
High	4	4	0	8	2,42%

## IV. DISCUSSION

This study found that the most of employees in local government Bank X have job embeddedness at a moderate level. Then the second majority have a level of job embeddedness at a low category. For the details, this study also found that the majority of job embeddedness at a moderate level is fulfilled by employees of female gender, age 25-44 years old, an employee with married status, and tenure with 0-2 years working actively in the organization. First, based on gender, more female employees are in the low and moderate category of job embeddedness than males. It was found appropriate with studies from Phelan, Bromet, & Schwartz (1994) that females are more susceptible to withdrawal behavior in organizations because of family work concerns, inflexible work hours at the company, and overall dissatisfaction with the current work environment. Other than that, Steir, Lewin & Braun (2001) found that males and females interact with their work environment differently because women need to take care of their families and work.

Sometimes women do not perceive work opportunities or the need for career advancement or achievement because they need to take responsibility for their families in the future. Second, regarding the level of job embeddedness based on age, most of the respondents in the low and moderate category of job embeddedness were employees aged 25-44 years old. According to Super (1980), age 25-44 in the establishment stage. It is when the individual, having gained an appropriate position in the chosen field or work, strives to secure the initial position and pursue chances for further advancement. The employees learn new jobs, try to get acceptance from peer groups, and develop their skills. During this time, they need to experience the company's continuing education seminars and training. Third, most of the respondents in the low category of job embeddedness were employees with single status rather than married status. In their study, Cotton & Tuttle (1986) proved that married employees are more embedded in their job than employees with single status. Employees stay more on their jobs because they have many responsibilities and families to bring up. In comparison, single employees may not fit the job and community around them. It also is related to the other factors provided by the organization like compensation, promotion system, sports community, and some close friends or family who were not living nearby the employees. Prestholdt, Lane & Mathews (1987) research related to the link dimension of job embeddedness suggests that pressure from family and colleagues is essential to determine employee attachment to their job. Having close friends nearby might be important in terms of a support system and reduce stress over the work for the employees. If the employee aims to accomplish some goals in the company, they might need support from people around them. If close friends are not nearby, they might join the community for themselves, like a sports or game community.

Fourth, most of the low and moderate job embeddedness respondents were respondents with 0-10 years of tenure. According to Sandhu and Kaur (2010), tenure is a period by employees while actively working in a company. Tenure has been divided into three categories, 0-2 years, called the early career stage; 3-10 years, the middle career stage; and more than ten years, the late career stage. Employees in the early career stage explore their careers, including the job, peer group, personal tensions, and anxieties. Employees need to adapt to their new organization. The socialization researcher recognized that when employees enter a new organization, there is some disorientation, reality shock, and a need to adapt to the new environment (Louis, 1980). Thus, the newcomers who struggle to adapt may give extreme responses, such as leaving the organization. While employees in the middle career stage try to continue improved performance and seek to maintain their position in the company.

## **V. CONCLUSION**

The majority of employees of Local Government Bank both moderate and low level, are female, aged 25-44 years old, an employee with married status, and tenure with 0-2 years working actively in the organization. Different socio-demographics of employees show different needs among them. It influences how employees interact with their work environment differently because of their needs. Based on this conclusion, study results can be presented to the management team in a company to understand the level of job embeddedness in the company and develop a solution or make some improvements. The followings suggestions can be given:

1. Every morning, the branch's office and the head office at bank X already do the routine morning briefing. However, researchers suggest changing the system of morning routine. The company can allow employees to guide others alternately every day. This strategy increases the intensity of communication among the employees.
2. Create a sports community, this strategy to increase the relationship among employees and form a new support system to reduce stress over the work for the employees. Besides, it will make the employees more embedded in the job and community because the company considers their well-being.
3. Not only give seminars/training programs to develop skills among employees to complete their work in a company. However, also create seminar about career development in particular genders, such as how to have a successful career as a female with married status. The goals are to make employees more embedded in their jobs even if they are married and not susceptible to withdrawal behavior in the organization due to family work concerns. Other than that, a company can give seminars about maximizing employees' potential to work based on their career stage. Such as how employees adapt to the organization as newcomers in the early career stage. How to continue the improved performance, maintain their position in the company in the middle career stage, and adapt to the late middle career stage pension period. This strategy will be more specific to increase the job embeddedness of the employees.

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