

## Study on Influencing Factors of Turnover Intention of Knowledge Workers in Automobile Manufacturing Industry

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**Keywords:** Automobile Manufacturing; Knowledge Workers; Grounded Theory; Turnover Intention

**Abstract:** In the twenty-first century of fierce competition, increasing evidence has shown that the competition for knowledge and talents has played a crucial role in the internal competition of enterprises in automobile Manufacturing industry. However, due to the increase of the automotive manufacturer's desire for knowledge workers, the increasing turnover probability of these employees may become a vital issue for enterprises' sustainable development. Therefore, in this paper, we analyze the influencing factors of turnover intention of knowledge workers in the automobile manufacturing industry using grounded theory. Through open coding, spindle coding and selective coding processes, we summarize related concepts and categories, and estimate the relationship between concepts and categories, and establish a knowledge workers' turnover intention model. Taking into account what we have discussed above, we may make the conclusion that compensation and benefits, corporate culture, corporate management system, working pressure, conflicts between family and job, and professional growth can indirectly change employee turnover intention by affecting job satisfaction and organizational commitments. Besides, conversion costs and external job creation can directly affect employees' turnover intention.

### 1. The Introduction

Automobile manufacturing industry, a chief sphere in China's modernization and industrialization process, has been taking an important position in the economic development of China. The rapid increase of China's automobile manufacturing industry not only provides people with a safe and convenient way of transportation, but also promotes employment and economic development to a large extent. China's automobile industry started in 1953, and has been progressing speedily since the 1990s. In recent decades, the market size of the automobile industry has been constantly increasing, and China also has become the global quickest growing automotive producer [1]. In 2019, there were 15,485 automobile manufacturing enterprises above designated size in China, with a total asset of 8078.83 billion yuan [2]. Expansion of market share and assets fully shows the importance of the automobile industry in China's national economy.

The concept of "knowledge worker" was first proposed by Drucker Peter (1959) [3], the father of modern management. In 1959, Drucker first mentioned this concept in his book "Tomorrow's Title" and defined it as "those who use knowledge or information to work"[3]. Canadian scholar Horibe Frances (1999) [4-5] believes that "knowledge workers are those who make use of their brains more than their hands when creating wealth and other values". This article summarizes the research of domestic and foreign scholars and believes that knowledge workers are those with a college degree or above, who have and can use professional knowledge, management capabilities, sales capabilities, innovation capabilities, continuous learning capabilities, etc. to continuously create value for enterprises or organizations.

The resignation of an enterprise employee is generally regarded as an act of the employee

dismissing the employment or labor relationship with the enterprise and the employee leaving the original enterprise. Price (1977) [6] initially defined employee resignation as "a change in the status of an employee as an organization member in the current organization". Mobley (1977) [7] believes that resignation refers to the process by which members who receive material compensation from the organization terminate their organizational relationship. Porter et al. (1974) [8] believes that turnover intention is an employee's withdrawal behavior after a company or organization experiences setbacks and becomes dissatisfied with the job.

In recent years, the strategic position of knowledge workers in enterprises has changed. As the core competitiveness of enterprises, knowledge workers have strong non-replicability and non-imitability. According to the fourth quarter salary survey report released by the Web (51job.com), the overall employee turnover rate in 2019 was 18.9% in China. Among them, the voluntary turnover rate of company's workers was 13.4%, showing a decline of 19.3% in contrast to the same period in 2018. Overall, due to better economic development and stable social status in China, the employee turnover rate of the entire industry has been decreasing year by year. However, the turnover rate of employees in the automotive industry has constantly increased for the last two years.

Therefore, this article takes the knowledge workers in the traditional automobile manufacturing industry as the object of investigation, constructs a model of the influencing factors of knowledge workers' turnover intention, and puts forward reasonable suggestions to decrease the turnover rate of staffs in the enterprise, so as to provide theoretical support and certain guiding suggestions.

## **2. Grounded Theory and Model Construction**

### **2.1. Grounded Theory Interviews and Data Collection**

Grounded theory needs to follow the principle of in-depth data collection in the research process, and requires researchers to go into the population to collect data, and form opinions, theories and hypotheses from this [9]. This study strictly follows this principle and determines that the interviewees of this article are the automobile manufacturing companies in Hubei and Henan provinces in China and the automobile companies I practiced in. The interviews are mainly in the form of face-to-face interviews, telephone interviews, and WeChat interviews. We successfully interviewed 23 employees of automobile manufacturing companies, including the company's human resources director, recruitment and training director, salary and performance management director, and vehicle performance department employees, supply chain procurement staff, etc., including 16 men and 7 women.

Before the implementation of the specific interview, the interview outline was first designed. To begin with, I can introduce myself to interviewee, and clearly explain the purpose of the interview, and ask the interviewee's willingness to accept the interview. Next, the interviewee is asked to introduce himself briefly to understand the interviewee's basic information. Besides, we can ask the interviewee if they have any thoughts about resignation or why they want to switch to the company and the reasons for resignation, and ask the interviewees what factors they think cause the employee to leave. In the specific interview implementation process, I firstly get in touch with the interviewee through WeChat, and convey my interview wishes to the interviewee, and make an appointment for the interview, and inform the interviewer in advance of the content outline for the interview.

### **2.2. The Coding Process of Grounded Theory**

#### **2.2.1. Open Coding**

Open coding is the first step in grounded theory. It is the preliminary arrangement of interview data. In the implementation process, it is necessary to scramble the interview data, label the interview data, and then form conceptualization and categorization through analysis and summary. In this paper, 54 labels are formed by sorting out the original data of interviews, and then 54 labels are conceptualized and classified, forming 52 concepts and 22 categories. These 22 categories are employee emoluments, employee benefits, interpersonal communication, company atmosphere,

employee care, corporate prospects, business management, employee development, work flexibility, work ability, workload, work location, family responsibilities, family members, promotion, career goals, learning ability and growth, potential costs, costs of searching job, costs of adapting to new jobs, opportunities in the industry, and external opportunities in the industry.

### 2.2.2. Spindle Coding

Spindle coding is to restore the data as a coherent whole, and answer questions such as "where, why, who, and the final result" [10]. Therefore, this article integrates 22 categories based on the links between categories, forming 8 sub-categories and 3 main categories, as shown in Table 1.

**Table 1.** Spindle coding process

Sub category	Main category
Compensation and benefits	Organizational factors
Corporate culture	
Corporate management system	
Working pressure	
Conflicts between family and work	Personal factors
Professional growth	
Conversion cost	External factors
External job creation	

### 2.2.3. Selective Coding

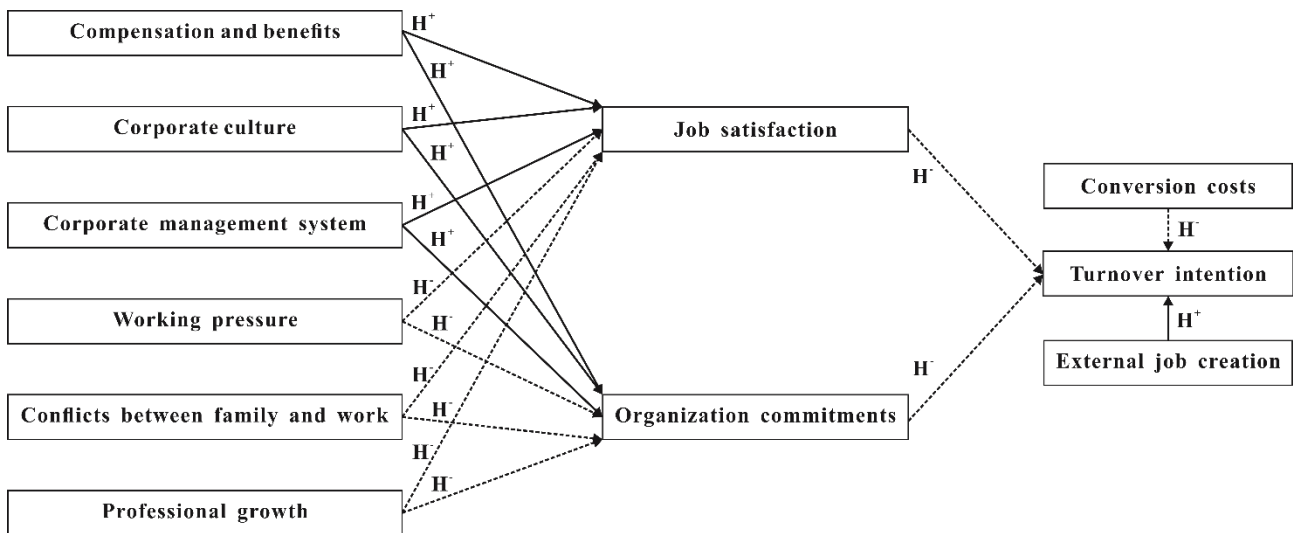
Selective coding refers to further digging out the core categories of research based on the main categories discovered in the first two stages, and analyzing the connections between the categories [11]. According to the spindle coding process, this article forms three categories of organizational factors, personal factors, and external factors. Because the focus of this article is to analyze knowledge workers' turnover intention factors, these three types of factors all might drive employees to leave, so they can be identified as the core category of this model. At the same time, this article takes corporate compensation and benefits, corporate culture, corporate management system, working pressure, conflicts between family and job, professional growth, conversion costs, and external job creation as the explanatory variables of this article.

### 2.2.4. Saturation Test

The original data of grounded theory is obtained through sampling. In order to detect whether there are omissions in concepts and categories, saturation testing should be performed. Through the analysis of the remaining data, no new concepts or categories have been found, so the saturation of the grounded theory in this paper is regarded as being saturated and not need to modify again.

### 2.3. Model Building

Based on the above reflection, this paper establishes a model of turnover intention for knowledgeable employees in the automotive industry, as shown in Figure 1. As is shown in Figure 1, black solid lines denote the statistically positive association between the any two variables, and H+ stands for optimistic correlation coefficient; dotted lines denote the statistically negative association between the any two variables, and H- stands for pessimistic correlation coefficient.



**Figure 1.** Model of turnover intention of knowledge workers in automobile industry.

### 3. Research Findings and Analysis

#### 3.1. Optimize Compensation and Benefits and Retain Knowledgeable Employees in the Company

According to the research in this article, compensation and benefits can affect employees' turnover intention by affecting organizational commitment and job satisfaction. Increasing employee compensation and benefits can lessen employees' turnover intention. The compensation and benefits of employees are direct rewards for employees due to their own labor. More and more evidences have proved that compensation and benefits have obvious incentive effects on employees. Therefore, reasonable optimization of the company's compensation and benefits can play a key role in the company's retention of employees. The improvement of compensation and benefits can effectively improve employees' job satisfaction and work more enthusiastically for their company. When setting compensation and benefits, companies can give full play to the initiative of employees, communicate with employees in advance, understand their needs, and set up flexible and differentiated benefits for employees.

#### 3.2. Construct Excellent Corporate Culture and Corporate Management System

Corporate culture refers to a set of theoretical systems formed through long-term accumulation in the actual operation of an enterprise. This system is shared and held by the enterprise and all employees, and embodies the company's values, guidelines and business philosophy of the enterprise. Excellent corporate culture and corporate management system can not only restrain employees, but also motivate employees and increase the cohesion of the company. Attach importance to the construction of corporate culture, strengthen humanistic care for employees, fully trust employees, increase employees' loyalty to the company, and reduce employees' intention to leave.

#### 3.3. Strengthen the Attention to the Employees Themselves

Employees' working pressure, conflicts between family and job, and employees' professional growth can all influence employees' turnover intentions. Companies should pay more attention to employees, and help employees relieve work pressure, and give employees certain guidance at work, and arrange employees reasonably, and appropriately reduce the work intensity of employees. Besides, companies can also set up regular training and exchange meetings in order to promote the relationship between employees and their mutual understanding, and increase employees' sense of belonging to the organization.

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