

Effects of Accountants' Job Satisfaction and Affective Commitment on Turnover Intentions

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ABSTRACT

This study investigates effect of job satisfaction and affective commitment on accountants' turnover intentions in Turkish Republic of North Cyprus. Accounting firms in Lefkoşa and Magosa which are two of the biggest cities in Turkish Republic of Northern Cyprus were targeted for gathering data using questionnaire method. Likert type scale questions regarding job satisfaction, affective commitment, turnover intention and demographic information were asked to the respondents. A total of 80 questionnaires were developed and distributed in 8 accounting firms. Of these questionnaires only 43 usable questionnaires were elicited, making 54% response rate. Then the data were analyzed using Partial Least Squares (PLS) to investigate job satisfaction and affective commitment of accountants so as to uncover the relation between the two and their effects on job turnover intentions.

In this study, three hypotheses was developed. Firstly, we hypothesize that there is a positive relationship between accountants' job satisfaction and affective commitment. Secondly, it is hypothesized that there is a negative relationship between accountants' job satisfaction and turnover intention. Finally, we hypothesize that accountants' affective commitment has a significant negative effect on turnover intention. The results of the current study reveal that job satisfaction has a statistically significant negative influence on accountants' intention to quit. On the other hand, the findings demonstrate that affective commitment does not influence accountants' turnover intentions. This finding is not consistent with the hypothesized relationship as stated in the previous literature. The structural model results further

reveal that job satisfaction derived from a job has a statistically significant positive association with accountants' affective commitment.

Keywords: Job Satisfaction, Affective Commitment, Turnover Intention, North Cyprus, Accountants' . Intention to Quit.

ÖZ

Bu tez çalışmasında iş tatmini ve duygusal bağlılığın Kuzey Kıbrıs Türk Cumhuriyetindeki muhasebecilerin iş bırakma eğilimleri üzerindeki etkileri incelenmiştir. Çalışma için gerekli veriler anket yöntemiyle toplanmıştır. Veriler Kuzey Kıbrıs Türk Cumhuriyetinin iki büyük şehri olan Lefkoşa ve Gazi Magosada faaliyet gösteren 8 muhasebe firmasından toplanmıştır. İş tatmini, duygusal bağlılık, işten ayrılma eğilimleri ve demografik özelliklerle ilgili sorular içeren toplan 80 adet anket dağıtılmıştır. Dağıtılan 80 ankette ise sadece 43 adet kullanılabilir anket elde edilmiştir, bunun anlamı da %54'lük geri dönüş oranının olduğudur. Toplanan veriler PLS programı kullanılarak analiz edilmiştir.

Bu tez çalışmasında 3 adet hipotez geliştirilmiştir. Birinci hipotezde muhasebecilerin iş tatmini ile duygusal bağlılıkları arasında olumlu bir ilişki olduğu varsayılmıştır. İkinci hipotezde muhasebecilerin iş tatmini ile işten ayrılma eğilimleri arasında negatif bir ilişki olduğu varsayılmıştır. Üçüncü hipotezde ise muhasebecilerin duygusal bağlılıkları ile işten ayrılma eğilimleri arasında negatif bir ilişki olduğu varsayılmıştır. Yapılan analizler sonucunda muhasebecilerin iş tatmini ile işten ayrılma eğilimleri arasında negatif bir ilişki olduğu ortaya çıkmıştır. Duygusal bağlılık ile işten ayrılma eğilimleri arasında ise herhangi bir ilişki bulunamamıştır. İş tatmini ile duygusal bağlılık arasında ise pozitif bir ilişki bulunmuştur.

Anahtar Kelimeler: İş doyumu, Duygusal bağlılık, Ayrılma niyeti, Kuzey Kıbrıs, Muhasebeciler, Bırakmak niyeti

Dedicated to my Beloved Family and Precious Palestine

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LIST OF SYMBOLS/ABBREVIATIONS

TRNC	Turkish Republic of North Cyprus
PLS	Partial Least Squares (Software)
β	Beta
H1/2/3	Hypothesis 1/2/3
JS.....	Job Satisfaction
AC.....	Affective Commitment

Chapter 1

INTRODUCTION

Employee turnover is a major managerial concern in contemporary work organizations. According to Tett and Meyer (1993), turnover refers to “the termination of an individual’s employment with a given company” (p. 262). They also define turnover intention as “the last in a sequence of withdrawal cognitions, a set to which thinking of quitting and intent to search for alternative employment also belongs” (p. 262).

First, recruiting and training the employees to obtain satisfactory levels of performance over time may be costly. On the other hand, if the level of employee turnover gets high this may negatively influence the quality, consistency and stability of services that organizations provide to clients and customers (Trevor and Nyberg, 2008). This, in turn, increases client dissatisfaction with the services provided by the organization (Lin and Chang, 2005).

Public accounting work environment has been a highly competitive one, with the extreme work pressures, increasingly hostile internal/external control and supervision, and fraught with personal legal risk (Hill et al., 1994). In light of Hill et al.’ (1994) argument, Dalton et al. (1997) state that all of these factors are likely to increase turnover in public accounting firms. Bao et al. (1986) assert that public

accounting firms experience as high as 45 percent turnover, especially at the entry-level staff accountant position.

Similarly, Lampe and Earnest (1984) argue that public accounting firms experience annual turnover rates of 23.9% for staff accountants who had one-to-three years experience with a firm. Parallel to these arguments, Kalbers and Cenker (2007) and Law (2005) note that, in recent years, public accounting firms have suffered an important turnover issue. Hall and Smith (2009) assert that large accounting firms incur considerable recruitment and training costs for new hires when they experience a substantial turnover rate.

In addition, Hall and Smith (2009) argue that turnover in public accounting firms is an important issue as the accounting firms tries to retain quality accounting personnel in face of quality personnel shortages. Apart from these considerations, Hill et al. (1994) state that when experienced auditors quit their jobs, quality of auditing may be reduced due to a loss of expertise.

Parallel to these considerations, Hall and Smith (2009) also state that understanding the factors leading to turnover in public accounting firms and reducing the high costs associated with accountants' turnover (e.g. costs of public relations and additional training requirements) have been a critical issue in the accounting literature. Reckers (1995) assert that companies encounter difficulties in attracting and retaining the accountants who can succeed in the more demanding roles brought by the changes in organizational structures and corresponding changes in the skills required to be a successful accountant. Additionally, Berton (1994) reports that audit clients have

expressed considerable concerns about the quality of auditing services provided because of turnover among the auditors who handle their accounts. As response, numerous researches investigating the relation between accountants' attitudes and turnover have been carried out in order to understand the factors leading to turnover in public accounting firms. Majority of those studies investigated the influence of job satisfaction and job commitment on accountants' turnover intentions (e.g. Bullen and Flamholtz, 1985; Stallworth, 2003; Law, 2005). Some other studies included mentoring relationships, procedural justice, interactional justice, job stress, job insecurity, job satisfaction, affective commitment, psychological empowerment, psychosocial support, and career development support on organizational turnover intentions of accountants (e.g. Parker and Kohlmeyer, 2005; Hall and Smith, 2009; Sweeney and Quirin, 2009). However, the prior accounting-based research dedicated to accountants' turnover intentions has not done in North Cyprus.

Accordingly, this study aims to analyze the impact of job satisfaction and affective commitment on accountants' turnover intention in North Cyprus. Accordingly, this study is unique because it is the first accounting-based empirical work which explores the simultaneous impact of the antecedents of accountants' intentions to quit their jobs.

The economy of Turkish Republic of North Cyprus have boosted in the last decade. TRNC economy is based on service sector such as education, tourism and public sector. A service-based economy is in need of professional and quality financial sector including accounting sector. In this study, we will investigate the accounting firms in TRNC to study job satisfaction, affective commitment of accountants and

their effect on job turnover intentions. TRNC is a small country and the service sector is dominating its economy, the job turnover intentions are important to keep the service working professionally.

This study is based on previous studies and primary research gathering information from accountants. Data was collected through questionnaires, which was designed and developed using different types of questions such as Likert-scale and dichotomous questions. 80 questionnaires were distributed to 8 different (size and location) accounting firms in the cities of Nicosia and Famagusta. The study supported by the information gathered was supposed to explain and prove the relationship JS, AC and job turnover intentions have. Additionally, the study was supposed to uncover positive or negative direct effect that JS and AC have on job turnover.

Chapter 2

LITERATURE REVIEW AND HYPHOTHESIS

DEVELOPMENT

Worldwide service industries are rapidly growing, first world economies are relying on the services sector for growth and the economic value of services sector in the first world countries exceeds 50% of the economy. Accounting firms offer services to companies, organizations and governments in the developing countries and accounting is very important to keep a balanced growth and to avoid economic obstacles.

Turkish Republic Of North Cyprus is the location of this study. In such a small country with a growing economy based on services such as education and tourism, there is a need for strong financial services firms. Accounting sector in TRNC is relatively small with a limited number of firms but the need of the market is covered by the firms' services. Characteristics and importance of the accounting sector is almost similar worldwide, depending on the type and size of the country's economy.

Previous studies in the management literature suggest that organizational support, rewards, empowerment, and training are the most effective on employees' JS and AC (Cheung and To, 2010; Rod and Ashill, 2010; Babakus, Yavas, Karatepe, and Avci, 2003; Hartline, Maxham, and McKee, 2000; Bohlander and Kinicki, 1988; Hartline and Ferrell, 1996; Jenkins, 1992).

Employees' turnover intention is directly influenced by JS and affective AC (Viator, 2001; Tett and Meyer, 1993; Harrison, Newman, and Roth, 2006; Pare and Tremblay, 2007; Ahuja, Chudoba, Kacmar, McKnight, and George, 2007). Therefore, this study is designed to examine the effects of JS and AC on accountants' turnover intentions. In Figure 1 we examine how JS affect AC, and at the same time how the two variables (JS and AC) affect Turnover intentions.

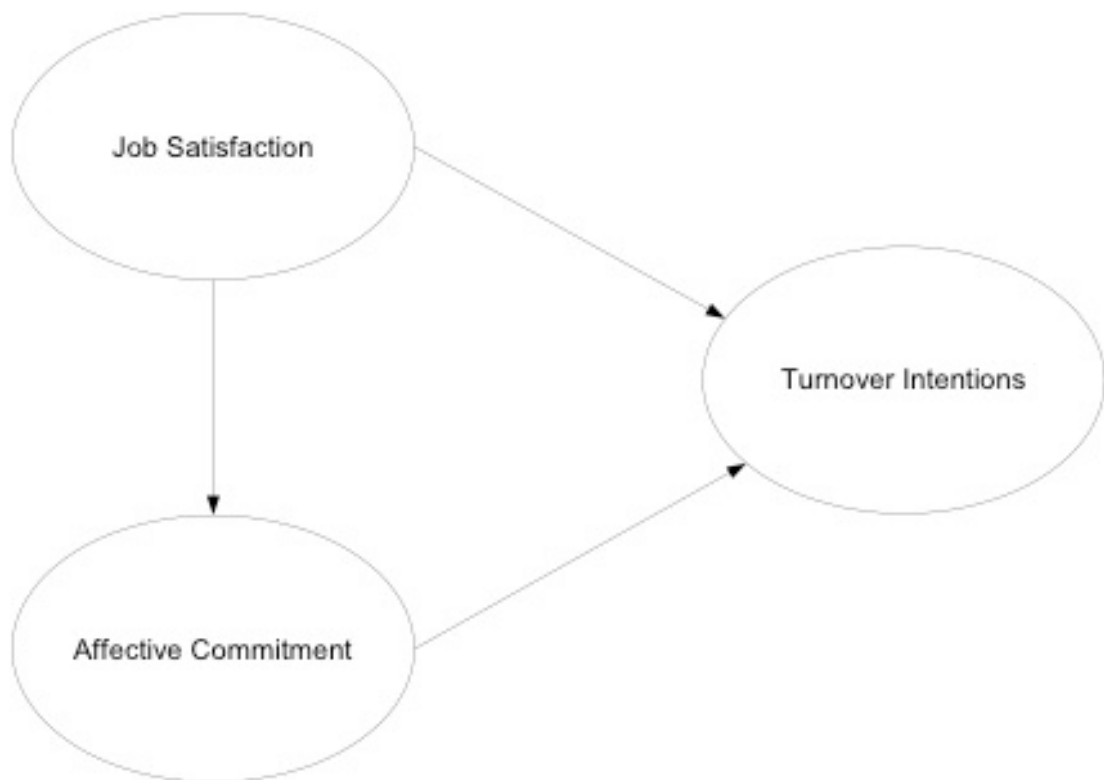


Figure 1. Conceptual Model

Accounting-based literature has revealed several research investigating the turnover intentions of accountants. Bullen and Flamholtz (1985) explored the influence of JS on accountants' intention to quit in the accounting company in the USA. On an

overall basis, the model was generally supported. A strong relationship was found by these authors between accountants' job satisfaction and affective commitment.

Within the accounting area, however, Aranya et al. (1982) conducted a research in several accounting companies in Canada. However, these authors did not find any relationship between accountants' satisfaction derived from a job and their intention to quit.

On the other hand, Law (2005) examined two aspects of AC on turnover intentions of accountants in the USA. One hundred and twenty-eight auditors who were working for three public accounting firms were surveyed for the purpose of this study. The authors found significant association between AC and accountants' intentions to quit their jobs.

In another study, Norris and Niebuhr (1983) investigated JS and AC of accountants in USA and the relation between them. The study revealed that JS has a significant relationship with AC. Kalbers and Cenkers (2007) also investigated the factors that lead to accountants' intentions to leave their jobs. The authors found a relationship between AC and accountants' job turnover, which was significantly negative.

Parker and Kohlmeyer (2005) investigated the relationship among perceived justice, AC, JS, and turnover intentions of accountants in Canada. These authors did not find any significant relationship between JS and accountants' turnover intentions.

Dole and Schroeder (2001) explored the association between personality, JS and turnover intentions of public accountants in the USA. These authors did not report any statistically significant association between personality and accountants' JS and

intention to quit. On the other hand, JS and turnover intention were found to have a negative association. Herbohn (2004) investigated the relationship among mentoring support, JS and turnover intentions of public accountants in Australia. In that study, mentoring support was proved to have an inverse association with accountants' intention to quit their jobs.

Based on the previous literature review the following hypotheses have been developed for the purpose of the current study.

2.1 Job satisfaction and affective commitment of accountants

The employees feelings toward his job is simple explanation of JS, it involves the expectations of the employee, values and needs about the job in comparison with the actual job environment, if the job's attributes fit or exceed the expectations of the employee then the level of JS is high and the employee is expected to be happy and pleased in his job, if the job's attributes and environment is less than the expectations of the employee then a problem is found which means job satisfaction is low for the employee. JS is considered to be vital for AC and personal well-being (Lim, 2008).

In the services sector the relation between JS and job performance is positively strong, job performance along with affective commitment are both affected by job satisfaction.

A significant effect of JS on affective commitment was found by several accounting literature studies (Kalbers and Cenker, 2007; Parker and Kohlmeyer, 2005). Many studies in general management literature took place in the past years and suggested

that job satisfaction has positive influence and correlates highly with affective commitment.

For example a study analyzing job satisfaction's effects on affective commitment took place in a restaurant, the results of the study proved that JS has a significant effect on AC, and that the level of AC of an employee depends on the level of satisfaction (Feinstein and Vondrasek, 2001).

Based on these considerations, the following hypothesis has been developed:

H1: There is a positive relationship between accountants' job satisfaction and affective commitment.

2.2 Job satisfaction and turnover intentions of accountants

Studies investigating JS and turnover intentions and the relation between them have collided, several studies suggested that there is a significant negative effect of JS on job turnover, and on the other hand some other studies did not find any significant negative effect of job satisfaction on job turnover.

In 1993, Tett and Meyer demonstrated that a significant predictor of job turnover intention is JS of employees. Another study showed a significant negative influence of job satisfaction on job turnover intention (Martin, 1979). Other studies found out that JS is very important factor affecting job turnover intentions for IT professionals (McKnight, Philips and Hardgrave, 2009; Rutner, Hardgrave and McKnight, 2008).

Meanwhile Studies investigating JS and turnover intentions in accounting firms have found an inverse association between them (Dole and Shroeder, 2001; Bullen and Flamholtz, 1985). On the other hand other studies results did not find any significant influence of JS on job turnover intentions (e.g. Parker and Kohlmeyer, 2005).

Thus, the following hypotheses are developed:

H2: There is a negative relationship between accountants' job satisfaction and turnover intention.

2.3 Affective commitment and turnover intentions of accountants

Accountants' AC is very important and effective to keep work on the right path, AC can be described as how individual feel toward the firm, how the individual involve in the organization “ the relative strength of an individual's identification with and involvement in a particular organization” (Mowday, Porter and Steers, 1982, p.27).

A study investigating AC and its effects on turnover intentions carried out by Yao and Wang (2006), the study concluded that there is a high association between AC and individual's turnover intentions. Many other studies regarding AC and job turnover reported that one of the main factors leading to quit a job for IT professionals is affective commitment (e.g. Thatcher, Stepina and Boyle, 2002; Pare and Tremblay, 2007).

Similar to non accounting sector the accounting sector was studied several times, and most of the studies found that affective commitment is the most to have negative

effect dominant factor on quit intentions among accountants (Kalbers and Cenker, 2007; Hall and Smith, 2009 ; Law, 2005)

Consequently, the following hypothesis is developed:

H3: Accountants' affective commitment has a significant negative effect on turnover intentions.

Chapter 3

METHODOLOGY

3.1 Sample and data collection

Data were collected from a sample of North Cyprus public accountants. The representatives of the accounting firms were contacted and appointments were planned to complete our purpose of data collection for the study. The questionnaires were explained to the representatives, as well as, the aim and goal of the study. After the approval of the representatives of the firms, we have moved according to plan and started collecting data. A total number of 80 questionnaires were delivered to 8 accounting firms in the two cities of Nicosia and Famagusta, asking the managers to distribute the questionnaires to willing accountants. Of the 80 questionnaires distributed, 43 accountants completed the questionnaires and were gathered again, yielding the response rate of 54% which is within adequate limits (Baruch, 1999).

3.2 Questionnaire development and measures

Several sources in the previous literature were used while preparing the questionnaire used in the present research. The survey questions were initially developed in English and using back-translation method we have translated the survey questions to Turkish (McGorry, 2000). The survey instrument used in the current study is composed of two parts. The first part consists of 16 questions relating to JS, intention to quit and AC. Based on an extensive literature review, this study adopted the measures that have been used in the previous literature. Five items

were used to measure JS were adopted from Babin and Boles (1998). Cronbach's alpha was 0.73. We have used five items in measuring AC applying the method of Mowday et al (1979). Cronbach's alpha for these items was 0.81. The measurement of Turnover intentions was completed using a scale of six items developed by Boshoff and Allen, (2000). Cronbach's alpha was 0.92. All items were measured on a 5-points Likert- scale from strongly disagree to strongly agree. Each one of the composite reliability scores for the constructs was "above the cut-off of 0.70", as suggested by Nunnally (1978), yielding adequate internal consistency. This means that the items of the constructs are free from random error and the results are consistent.

The second part of the survey composed of four demographic questions, Brown and Petersons' (1993) findings show that age, gender, education and organizational tenure are antecedents of JS. Similarly, Martin's (1979) findings reveal that these demographic variables have relationships with intention to quit. This, considering the fact that age, gender, education and organizational tenure may influence JS and intention to leave, we have analyzed the influence of these demographic factors on job outcomes of accountants. Age and organizational tenure were classified into four (4) categories, while education was classified into three (3) categories. Older age, higher education, and longer tenure were indicated by High scores, A binary variable coding was used for gender (0=female and 1=male).

3.3 Data analysis

The graph version 2.0 of Partial Least Squares (PLS) approach to structural equation modeling was utilized to analyze the data in this study (Ringle, Wendle, and Will,

2005). PLS is a component –based modeling technique that examines structural model and measurement model simultaneously. PLS’ requirements regarding the sample size are less stringent than are those of the alternative method of estimation. Because the distributional properties of estimates are unknown, the traditional parametric-based technique for significance testing is not appropriate in PLS (Chin, 1998). Instead, bootstrapping is used to evaluate the statistical significance of path coefficients (Chin, 1998). According to Ko, Kirsch, and King (2005), PLS is a proper method for testing a research model because it estimates multiple individual item loadings within the context of a theoretically specified model. Since PLS is distribution free and the objective of PLS is to maximize variance explained rather than fit, overall model fit statistics are not appropriate (Chin and Newsted, 1999; Hulland, 1999). Instead, prediction-oriented measures such as R^2 are used to evaluate PLS models (Chin, 1998).

Chapter 4

ANALYSIS AND RESULTS

4.1 Descriptive Statistics

After carrying out the research we have found the following descriptive statistics among respondents. We have found out that 72% of respondents were females and 28% were males. Overall 66% of all respondents were between 17-29 years old, leaving 34% above 34 years old. The biggest slice was employees between the ages of 25-29 with a percent of 29% of all respondents. The second largest slice of ages was 21-24 with 24% of all respondents, leaving 30-34 with 22%. Ages from 17-20 was 12% and finally ages 34-44 was 12% of total respondents. On the other hand, the years of service and expertise showed that 66.7% of total respondents have worked at the firm for 1-4 years, 24.2% have worked for 5-8 years with the firm, leaving 9.1% working for more than 9 years. The education level for respondents was tested and the following results were found. 45% of respondents were university level graduates, 42.5% were high school graduates, 10% were graduates of masters or PHD, and 2.5% were middle school graduates.

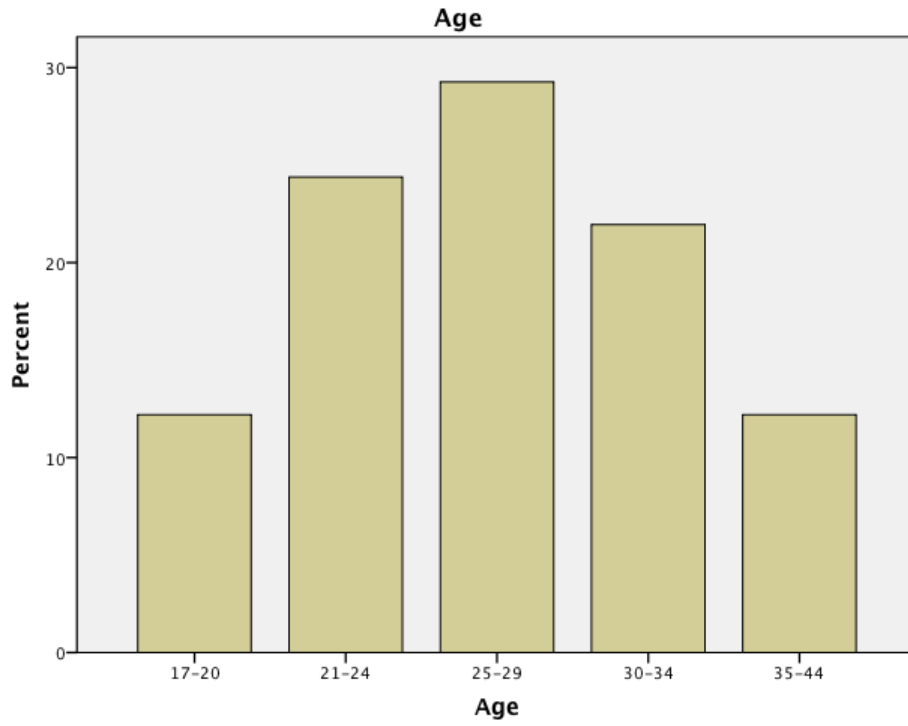


Figure 2. Age of Respondents

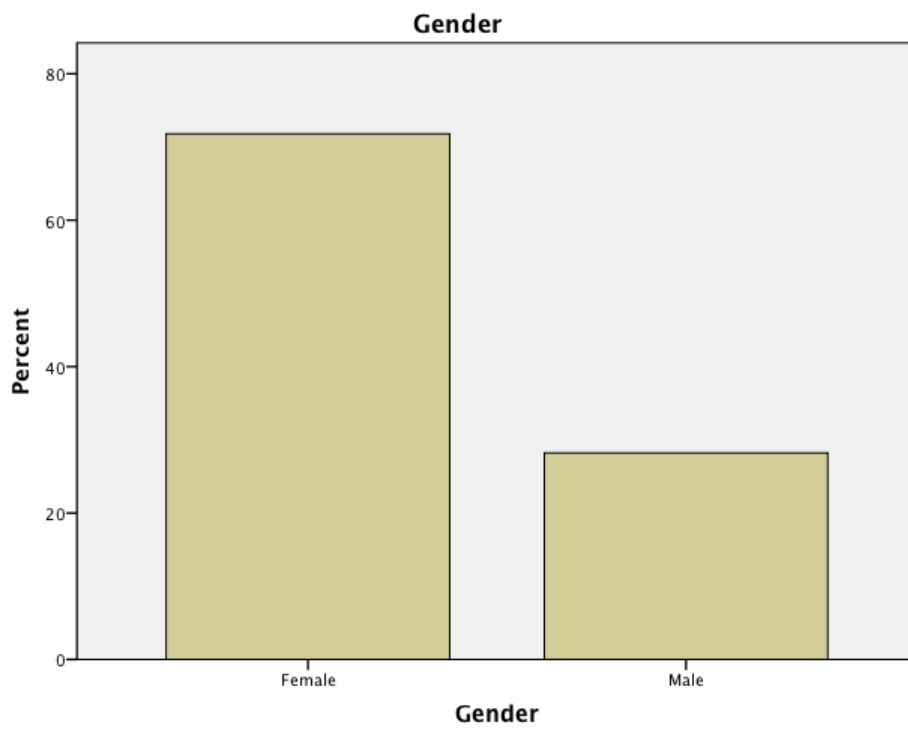


Figure 3. Gender of Respondents

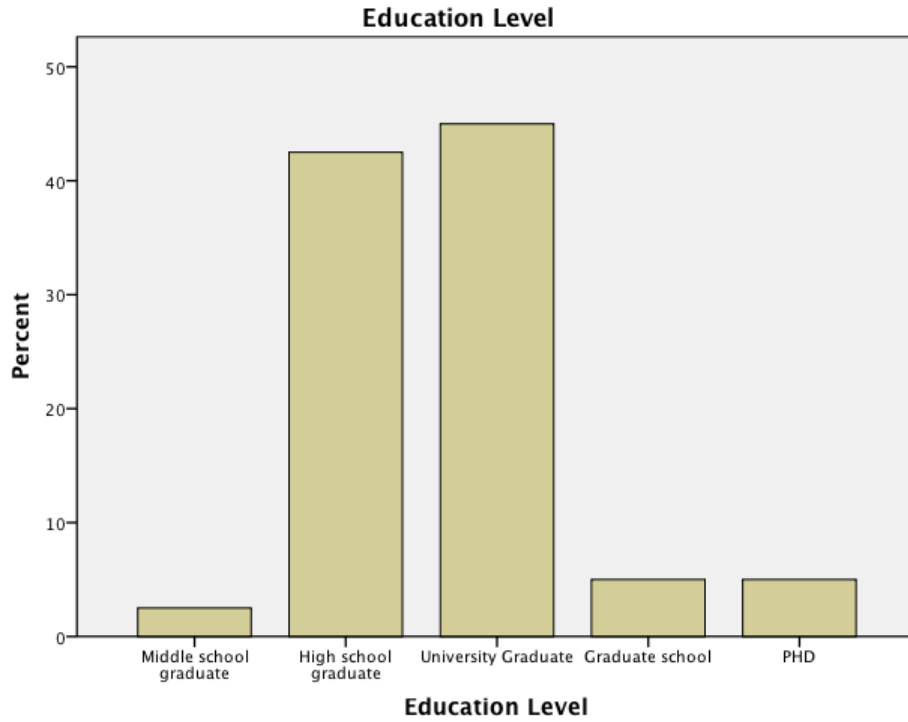


Figure 4. Education Level of Respondents

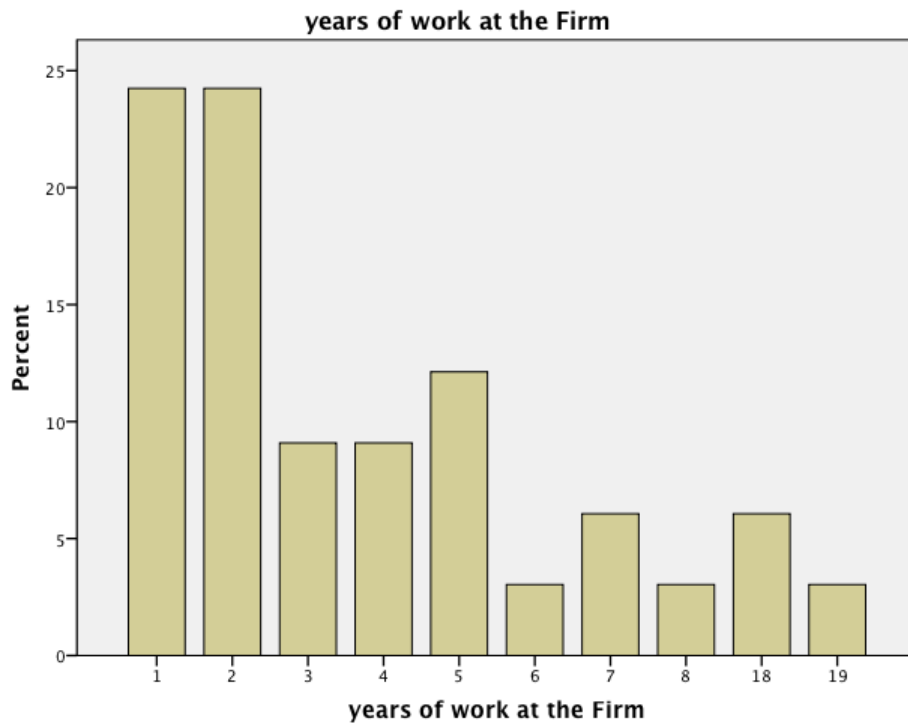


Figure 5. Years of Experience and Work of Respondents

4.2. Reliability, convergent validity and discriminant validity of the measurement model

The evaluation of adequacy of the measurement model was based on reliability, convergent validity and discriminant validity. As presented in Table 1, the composite reliability measures for the components are above the cut-off point of .70, indicating that items are free from random error and internal consistency is adequate (Bagozzi and Yi, 1981; Fornel and Larcker, 1981).

Table 1. Reliability and Convergent Validity

	Average Variance Extracted	Composite Reliability
Commitment	0.57	0.86
Job Satisfaction	0.43	0.79
Turnover Intention	0.68	0.93

Table 2 portrays the factor loadings for each variable, which are calculated using confirmatory factor analysis. As shown in Table 2, all items load on respective constructs with loadings greater than 0.5 (Hulland, 1999). The items corresponding to each construct were summed and averaged in order to obtain a composite score representing that construct. For each construct; the extracted average variance should exceed 0.50 (Fornel and Larcker, 1981).

Table 2. PLS confirmatory factor analysis and cross -loadings

	Commitment	Turnover Intention	Job Satisfaction
Comm1	0.72	0.45	0.45
Comm2	0.77	0.37	0.33
Comm3	0.67	0.34	0.14
Comm4	0.86	0.63	0.36
Comm5	0.73	0.61	0.29
Int1	0.36	0.65	0.86
Int2	0.36	0.66	0.77
Int3	0.25	0.70	0.79
Int4	0.42	0.50	0.87
Int5	0.36	0.56	0.85
Int6	0.44	0.51	0.86
Jobsat1	0.39	0.58	0.65
Jobsat2	0.59	0.59	0.72
Jobsat3	0.39	0.72	0.74
Jobsat4	0.30	0.59	0.64
Jobsat5	0.43	0.76	0.63

Table 3 demonstrates correlations for all study variables along with the square root of the average variance extracted on the diagonal. First, since no correlation coefficient is above 0.90, the results indicate that all variables represent different

constructs (Amick and Walberg, 1975). Second, measures are considered to have adequate discriminant validity when the square root of the average variance extracted computed for each construct is larger than the correlation between the construct and any other construct in the proposed model (Fornell and Larcker, 1981). As Table 3 portrays, all of the diagonal values are greater than inter-construct correlations.

Table 3. Correlations and square roots of the average variance extracted

	Commitment	Job Satisfaction	Turnover Intention
Commitment	1.00		
Job Satisfaction	0.66	1.00	
Turnover Intention	0.43	0.53	1.00

4.3 Structural model results and hypotheses testing

PLS method was utilized to analyze the hypothesized relationships. A bootstrapping technique (with 500 samples) was applied to compute the t-statistics and to test for path significance, as recommended by Chin (1998). Table 4 contains the path coefficients, their significance, and R^2 values of the endogenous variables.

Table 4. PLS Structural Model Results

Dependent Variables /Independent Variables	Commitment	Job Satisfaction	Turnover Intention
Commitment			0.14 ***(0.90)
Job Satisfaction	0.66* (11.6)		-0.44** (2.76)

Note: R² for commitment is 0.44; R² for Turnover is 0.30

* P<0.01

** P<0.05

*** Not Significant

The path coefficients indicate the strength of the relationships between the independent and dependent variables while R² value measures the predictive power of a model for the dependent variables. In order to evaluate PLS models, R² are utilized because the objective of PLS is to maximize variance explained rather than fit (Chin, 1998). In that respect, the R² values for the endogenous constructs (see table 4) reveal that the explanatory power of the model are within acceptable limits (Chin, 1998).

According to the results, there is a positive statistically significant relationship between JS and AC ($\beta = 0.66$, $P < 0.01$). In this case we accept H1. The results also reveal a significant influence of JS on intention to quit ($\beta = -0.44$, $P < 0.05$), this finding support H2. The results suggest that no statistically significant negative effect of affective commitment ($\beta = 0.14$) was found on intention to quit, rejecting H3. JS and AC jointly explain 30% of the explained variance in intention to quit.

Chapter 5

DISCUSSION

5.1 Conclusions

In this study we have hypothesized the relationship connecting JS and AC, the relationship tying JS and turnover intention, and the relationship of AC and turnover intention. Hypothesis 1 “There is a positive relationship between accountants’ job satisfaction and affective commitment”, was accepted in our study. This result supports the relevant literature (e.g. Feinstein and Vondrasek, 2001; Yoon et al., 2001) which states that JS and AC have a consistent relationship. The results the study provides support to the proposed relationships. These results suggest that the more the accountants are satisfied with their work the better AC they have toward the organization, and have more effective performance at the work setting. These findings are consistent with the results of several researchers in the accounting literature (e.g. Parker and Kohlmeyer, 2005; Kalbers and Cenker, 2007).

Hypothesis 2 “There is a negative relationship between accountants’ job satisfaction and turnover intention” was supported by the findings revealed by the analysis; JS is one of the most significant determinants of employee turnover intention. These results agree with previous accounting literature studies (e.g. Bullen and Flamholtz, 1985; Dole and Schroeder, 2001). This result, however, does not support the results of some other studies in the accounting literature (e.g. Aranya et al, 1982; Parker and Kohlmeyer, 2005).

Hypothesis 3 “Accountants’ affective commitment has a significant negative effect on turnover intention” was not accepted or supported in our study. The findings of our study do not indicate neither a significant nor strong relationship between AC and turnover intention. This result is in line with the finding of Law (2005) and Hall and Smith (2009). This result suggests that when the accountants are heavily committed to the goals and objectives of the organization, it is plausible that they would desire more than other co-workers for the organization to perform as how it has been planned.

5.2 Managerial implications and limitations

The accounting employees are cornerstones of service organizations’ performance outcomes and competitive advantage (Berton, 1994). To become aware of the negative effects of employee turnover, it is critical for managers in service setting to retain promising employees to achieve organizational target in the end. This study has some essential practical implications related to accountant-turnover management. As this study has pointed out, JS is highly related to accountants’ consideration about quitting jobs. The findings from this study show that managerial initiatives are closely related to accountants’ perceptions of their JS and AC.

Based on our industry observations, although very limited job opportunities are available due to limited resources and current economic problems in the accounting sector in North Cyprus, accountants may think of leaving their jobs when they are not satisfied. Therefore, high level of satisfaction lead employees to be more responsible, involved with, and devoted to the organization they work for. Finally, satisfied accountants perform better and tend to work beyond the assign job duties

and responsibilities. In this way employees will also become more desirable, similar to family members, and it may be added as a competitive advantage of the organization, which is not possible to imitate.

The aforementioned implications are critical for accounting firms in North Cyprus because service employees are unable to deliver value added service quality and gain competitive performance if accounting organizations do not establish and maintain a work environment where accountants can cope with difficulties associated with stressful, risky, and demanding situations.

Apart from the valuable findings, this research also has several limitations. First, the research evaluated solely accountants in North Cyprus. Thus, future research could include another sample that would include accountants from other countries. This would allow comparisons and make the investigations more global and generalizable. Second, as common to all survey research, the results of this study could have been affected by potential common-method bias because we could not control who completed the questionnaire survey (Spector and Carsten,1987).

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