The Role of Organizational Buy-in in Employee Retention

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The Role of Organizational Buy-in in Employee Retention

Serena Hsia

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of the requirements for the degree of
Doctor of Philosophy

In
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Dedication

To my mother, Jean, whose unending support and creative methods of encouragement helped me carry on—word by word, coffee by coffee.

To my sister, Emily, who challenged and pushed me to dig deeper. I lost the race to doctorhood, but certainly crossed the finish line with your encouragement ringing in my ears.

To my past self, I hope you find comfort in knowing that you made it through—through the stress eating, tears, fears, and frustrations.

To my future self, you’re welcome. A whole world of possibilities is now open to you. Stay inquisitive, keep your tools sharp, and don’t stop exploring. Your life’s purposes are looking for you.
There are so many who encouraged me along the way. I would like to thank the members of my committee for their unwavering faith in me. To my fellow doctoral students—those who have moved on, those in the midst of it, and those just beginning—thank you for your support, feedback, and friendship. Special thanks also go out to several strong women, without whom I would most certainly have spent more time lost along this dissertation journey. Patti Muldoon – for your vote of confidence and taking a chance on me. Diana Haghighat – you lifted me up and reminded me of my inner strength when I felt at my weakest. Dr. Cathy Swody – your mentorship and coaching gave me permission to give myself grace while persevering through this difficult task. I hope that I will have the opportunity to pay forward the compassion and inspire the fortitude you three have come to represent for me.
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Abstract

This study examined the role of organizational buy-in, the acceptance and willingness to actively support and participate in the organization’s plans, in the relationship between job satisfaction and intent to stay. Furthermore, this study proposed that job position would moderate the influence of organizational buy-in, as those in higher positions may be more invested in the organization’s strategy. Two models were tested – a moderated moderation model, and a double moderated model. Support was found for the double moderated model. Organizational buy-in acted as a buffer between job satisfaction and intent to stay, such that those who have low job satisfaction but high organizational buy-in have a higher intent to stay than those with low job satisfaction and low organizational buy-in. Alternatively, position amplified the relationship between job satisfaction and intent to stay. When job satisfaction is low, those in higher job positions have a lower intent to stay than those in lower job positions. Implications and future research are discussed. This study bridges the gap between industrial organizational research and business strategy by examining how attitudes about the strategy influence the behavior of those charged with executing it. It combines one of the oldest relationships in HR management literature, job satisfaction and attrition risk, with one of the newest areas of research in organizational behavior literature, organizational strategy. Findings suggest that an employee’s buy-in to the organization’s mission and strategy influences their attrition risk and a strong strategy can be a competitive advantage for retaining talent.
CHAPTER I

Introduction

Research on job attitudes and work behaviors tend to converge on the conclusion that dissatisfied employees are more likely to leave the organization (Griffeth, Hom, & Gaertner, 2000; Hom & Kinicki, 2001). However, not all dissatisfied employees choose to leave and not all attrition is due to employee dissatisfaction (Allen, Bryant, & Vardaman, 2010; Holtom, Mitchell, Lee, & Eberly, 2008). This paper explores the role of an employee’s buy-in to the organization’s strategy and mission as a critical intervening factor when employees choose whether to be a contributing member of an organization. For example, an employee may consider his/her investment in the company’s goals when deciding how to respond to a negative work experience (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Similarly, a satisfied employee could feel motivated to join another organization if it was an opportunity to contribute to a more intrinsically meaningful organizational mission (Cartwright & Holmes, 2006; Ryan & Deci, 2000). Furthermore, an employee’s familiarity with the organization’s strategy could be affected by their level in the organization, as higher levels of leadership tend to be tasked with setting the strategic plans of the organization (Hambrick & Mason, 1984). Therefore, this study tests a moderated moderation model, such that organizational buy-in moderates the relationship between job satisfaction and attrition intentions, and job position moderates the influence of organizational buy-in. This approach combines one of the oldest relationships in HR management literature, job satisfaction and attrition risk, with one of the newest areas of research in organizational behavior literature, organizational strategy, and suggests that an employee’s buy-in to the organization’s mission and strategy influences their attrition risk.

Job satisfaction and attrition have a long history in human resources management studies. Job satisfaction is one of the most studied attitudinal influences of work behavior (Dalal & Crede,
According to a PsycINFO search on January 16, 2011, job satisfaction has been studied more than twice as often as all the other job attitudes combined (Dalal & Crede, 2013) and is arguably the most informative piece of information for a manager or organizational psychologist (Roznowski & Hulin, 1992). Similarly, attrition is also one of the most studied topic areas in human resource management (Griffeth et al., 2000; Hom & Kinicki, 2001; Maertz & Campion, 2004; March & Simon, 1958) given its impact on the bottom line (Abbasi & Hollman, 2000), and the inverse relationship between job satisfaction and attrition is one of the most established in the field (Cotton & Tuttle, 1986; Hom & Kinicki, 2001; Hom, Mitchell, Lee, & Griffeth, 2012; Steel & Ovalle, 1984).

However, significant changes in the operating environment of organizations may be increasing complexities inherent in the relationship between job satisfaction and attrition. Rapidly advancing technology and globalization have increased competitiveness, and rendered the traditional sources of competitive advantage (economic, strategic, technological) necessary but insufficient (Ulrich, 1987). Organizations striving to be more lean continuously reorganized in order to adapt, resulting in a workforce that has begun to mistrust the myth of job security and adopt a free-agent mindset (Tulgan, 2004). This mistrust in the organization’s vested interest in their employees is exacerbated by the fact that typical merit increases barely outpace inflation and those who stay with a company for more than two years on average earn less over their lifetime by 50% or more (Keng, 2014). The Bureau of Labor Statistics (2016) has also found evidence of this self-reliant attitude in two workforce patterns; position tenure continues to decrease and workers are more willing to quit for alternative jobs when the economy is expanding. As a result, the constraints under which organizations need to source talent in order to operate is increasingly demanding, requiring even more competitive strategies to attract and retain talent when the economy is strong.

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Technology and globalization have also influenced the accessibility of talent. The hyper-connected marketplace for talent allows both employees and employers to broaden their
geographical search for job opportunities and candidates through search engines such as Monster.com, LinkedIn, and Indeed.com. Additionally, social platforms such as LinkedIn allow hiring organizations to view top talent in other organizations and propose unsolicited job offers (Lee, Gerhart, Weller, & Trevor, 2008). These sites increase competition for talent by increasing visibility of the same candidates amongst multiple competing employers. The digital talent market has also empowered individuals to shop for employers. Candidates are more informed regarding the market rate of salaries through sites like GlassDoor.com and are more prepared to negotiate through salary and living cost estimators like Salary.com and Bestplaces.net. Sites like GlassDoor.com also allow employees to rate their employee experiences, providing potential employees with a unique window into the organization without having to experience it themselves. Job search sites also present individuals with automated notifications for alternative employment options and, in the case of LinkedIn, updates on career changes of their peers and acquaintances with a digital ease that eliminates the need to expend the energy previously necessary for these activities. This shift toward a digital talent and employer market is only one of the effects of rapidly advancing technology and globalization, and contributes to the fact that careers are increasingly driven by the individual rather than orchestrated by the organization (Arthur & Rousseau, 1996; Hall, 1996; Tulgan, 2004).

The job market is also undergoing rapid change. The rise of the knowledge economy—where economic wealth is generated through “the creation, production, distribution, and consumption of knowledge and knowledge-based products” (Harris, 2001, p.22) rather than land, electricity, or fuel—has contributed to a hyper-connected (Ng, Schweitzer, & Lyons, 2010) and well-educated (Thurow, 2000) workforce. This more educated and socially connected workforce has also witnessed the corporate response to the rise of the knowledge economy—drastic reorganization practices such as lay-offs and outsourcing—and has developed a level of corporate cynicism
(Cartwright & Holmes, 2006; Ulrich, 1987). As a result, the incoming generation is more intentional about choosing a firm with a compelling mission and pursuing a life rather than a living (Ng et al., 2010). This is illustrated by the rise of employee demand for corporate social responsibility, a need for meaningful work, and the desire for a company with soul (Cartwright & Holmes, 2006; Greening & Turban, 2000). This is also evident in non-profits where volunteers commit themselves to difficult and often-times poorly funded or resourced programs for the sake of social impact. Or, as with the case of the NASA janitor that wrote himself into the story of the company’s plans to put a man on the moon, employees with stereotypically undesirable jobs that find purpose and meaning through their organization’s mission (Dik & Duffy, 2009). With the waning permanence of organizational membership and the rise of individualized career paths, it is more critical than ever for organizations to build a competitive advantage in attracting and retaining talent.

So what does this mean for companies today? I propose that a critical element in building a competitive advantage in retaining talent is the employee’s buy-in to an organization’s strategy. This perspective brings together classic questions from the field of Industrial Organizational Psychology about job attitude driven behavior with the realm of business strategy. Ployhart (2012) suggests this is an area ripe for disciplined exploration from the field of Industrial Organizational Psychology.

The application of behavior science to the business strategy arena will help illuminate how an organization’s strategy interacts with the people who are charged with executing it. Ployhart (2012) has suggested that the key to organizations’ competitive advantage lies in the unique combination of contextual and organizational factors that enable the emergence of collective human capital resources from its individuals. The idea of investing in talent and HR practices to create a competitive advantage is not new (Luthans & Youssef, 2004; Ulrich, 1987). However, it is traditionally discussed as a method to influence capacity. Few researchers have explored a direct relationship between the individual and their perceptions of the organizational strategy.
Organizational buy-in as a collective human capital resource could reduce the likelihood that employees consider alternative employers. Employees who buy into how an organization enables the emergence of strategic competitive advantages may prefer the status quo rather than take a risk with a company where the emergence processes are unknown. Organizational buy-in could also reduce the perceived availability of desirable alternative employers by marketing a differentiating strategy as their competitive advantage. This study couples one of the oldest relationships in HR management literature with one of the newest areas of research in organizational behavior literature by proposing that the relationship between job satisfaction and attrition risk may be moderated by an employee's organizational buy-in. In the following review, I will summarize the research on attrition and job satisfaction. I will also define organizational buy-in, its distinction from related constructs, and its potential relationship to job satisfaction and attrition intentions.

**Literature Review**

This review is organized around three specific objectives. The first objective is to review the literature on attrition intentions, job satisfaction, and the relationship between the two. Second, I will define the concept of organizational buy-in and explore how it is similar yet distinct to other organizational job attitudes, such as organizational commitment (Mowday, Steers, & Porter, 1979; Allen & Meyer, 1996) and person-organization fit (P-O fit; Kristof, 1996). In doing this, I will also demonstrate organizational buy-in’s conceptual relevance to job satisfaction, attrition intent, and its potentially moderating role in the relationship between these two variables. Lastly, the third objective is to propose the framework for this study and the analyses used to examine the role of organizational buy-in in employees’ intentions to remain with a company.
Attrition

Attrition has generated a lot of attention because of its impact on the bottom line (Abbasi & Hollman, 2000). The cost of replacing employees has been estimated to range from 16% of an annual salary of $30,000 or less, to 20% of salaries for those earning $75,000 or less annually, to beyond 200% of a high-level or highly specialized employee’s salary (Boushey & Glynn, 2012). Sources of attrition costs have been sorted into four main categories (Heneman, Judge, & Heneman, 2006). First are financial costs that include the HR staff required to process the employee move, the manager’s time attempting to retain the individual and conduct exit interviews, accrued paid time off, and the utilization of other employees to cover the work temporarily (e.g., overtime, loss of productivity on other work). Second are replacement costs such as hiring inducements (e.g., sign-on bonus), hiring manager time, HR staff, and orientation to move a new employee into the organization. Training costs, the third category, include such items as on-the-job training, socialization with colleagues, formal training, and productivity lost until the new employee has reached mastery are costly as well. Leaking talent pipelines also translate into a loss of the company’s investments in an individual’s development, valuable expertise, or leadership skills. Lastly, Henemen et al. (2006) proposed a fourth category called Other that includes lost or unrealized clients of the termed employee, turnover contagion, and disruptions to team-based work among others.

The costs incurred by attrition go beyond the act of processing terminations and replacing employees. In addition to the costs mentioned above, employers experience efficiency and performance losses when employees withdraw from their roles as they contemplate exiting the organization or, in other words, harbor attrition intentions (Burris, Detert, & Chiaburu, 2008; Griffeth et al., 2000; Tett & Meyer, 1993). Actual turnover is the endpoint of a series of unfolding withdrawal pathways that can results in hours of lost productivity and unrealized human capital.
(Hom & Kinicki, 2001; Hom et al., 2012). As an employee psychologically detaches from the organization, they become less physically involved in tasks (Kahn, 1990), are more likely to withhold discretionary behavior (Sagie, Birati, & Tziner, 2002), and less likely to voice challenges to the status quo or give suggestions (Burris et al., 2008). These behaviors are opportunity losses as employees who have psychologically quit withhold efforts that could help the organization achieve or sustain high levels of performance (Burris et al., 2008; Greenhalgh, 1980; Sagie et al., 2002). These costs are much less conspicuous, as these individuals may choose to remain for a variety of reasons (e.g., external pressure, few or undesirable job alternatives, self-efficacy; Hom et al., 2012) but refrain from contributing their full capabilities nonetheless.

Additionally, these sources of costs are augmented by the quantity of employee movement, quality of the employees moving, and the cost of the programs designed to improve productivity (e.g., onboarding new employees or communications strategies for layoffs; Boudreau & Berger, 1985). Increases in attrition have been shown to predict organizational outcomes such as decreases in firm efficiency (e.g., profit margin and production efficiency; Heavey, Holwerda, & Hausknecht, 2013) and firm performance (e.g., customer service; Hancock, Allen, Bosco, McDaniel, & Pierce, 2013; Park & Shaw, 2013). The substantial costs associated with employee departures and withdrawal has made attrition an enduring and salient managerial issue (Lee & Mitchell, 1994).

**Attrition Models.** Numerous attrition models have been developed over the last 50 years (Griffeth et al., 2000; Hom et al., 2008; Mobley, 1977; Peterson, 2004). This portion of the review will discuss two of the more recently published models—one based on the dominant paradigm of a linear attrition model, and the other a seminal work that departs from the traditional linear model and contributes in a complementary way. Afterward, I will discuss how organizational buy-in may contribute to the existing attrition models.
**Linear Attrition Model.** Hom et al.’s (2012) comprehensive model described two major contributors toward attrition— the desire to stay or leave and the perceived control over deciding whether to remain with the company or find employment elsewhere. This model was predicated on March and Simon’s (1958) landmark proposal that employee initiated turnover decisions were based on the ease and desirability of moving to a new employer. Mobley (1977) elaborated on this model by proposing intermediate links between thinking about quitting, evaluating the costs and benefits of an alternative, intentions to search, the actual search, the evaluation of alternatives and comparison to the current job, an intent to quit and eventual exit. Attrition models have also been expanded to include variables outside of the organization (e.g., labor market; Mobley, 1977) and of the individual (e.g., self-efficacy and role-related characteristics; Mathieu & Zajac, 1990). Hom and colleagues (Hom & Kinicki, 2001; Hom et al., 2012) described a continuum of withdrawal behaviors that eventually conclude in employee exits. They proposed four withdrawal states that occur as proximal outcomes prior to actual exits (voluntary or involuntary): enthusiastic stayer, reluctant stayer, reluctant leaver, and enthusiastic leaver. In general, proposed turnover process steps tend to have the following linear sequence: “Distal antecedents (e.g., job characteristics, personality) \( \rightarrow \) attitudinal antecedents (e.g., job satisfaction) \( \rightarrow \) criterion space (quit intentions and voluntary quits)” (emphasis in original; Hom et al., 2012, p.832). Many models follow suit in this linear fashion (Hom, Caranikas-Walker, Prussia, & Griffeth, 1992; Maertz & Campion, 2004) and general support for the interrelationships of the variables have been found (Cotton & Tuttle, 1986; Griffeth et al., 2000; Mathieu & Zajac, 1990; Tett & Meyer, 1993).

**Unfolding Model.** Despite evidence to support the traditional linear model, the prediction of actual turnover with this model has been weak (0-5% of explained variance; Hom & Griffeth, 1991). Allportian event-structure theory offers a contrasting approach to a turnover model. It posited that causation in social behavior is not linear, but a result of continuous cyclical patterns due
to the characteristics of the individuals and the society in which they operate (Katz & Kahn, 1978). Lee and Mitchell (1994) proposed an unfolding model that is more compatible with this stance. They proposed a dynamic relationship between individuals and their organizations that is dependent on events that occur during their employment (Lee & Mitchell, 1994). Foundational to their model is the concept of image theory, which suggests that individuals compare what is happening in their lives to three schemas, or images. These schemas are defined as images of their (a) values, (b) trajectory, and (c) strategy. The value image depicts the individual’s principles, standards, and personal values. The trajectory image describes the set of goals that set direction and provide energy for the individual’s behaviors. Lastly, the set of behaviors and strategies that an individual believes are effective for them to attain those goals are defined as the strategic image.

Lee and Mitchell (1994) proposed that life events can trigger decisional pathways about the individual’s job. Life events that generate new information or meaning about a person’s job and also induces evaluations of leaving the job are called “shock events” (Lee & Mitchell, 1994, p.60). These events can be positive (e.g., spouse’s promotion), negative (e.g., poor company earnings), or neutral (e.g., a grubstake attained) and provide new information or suggest potential behavioral changes that could align with or violate their value, trajectory, or strategic images. If violations occur, the options are eliminated or the images are adjusted to accommodate or rationalize the new information. Options that survive the screening process are then compared to the status quo, and the individual makes a preferential decision for the alternative or the status quo. It is important to note that not all events are shocks; some pathways can be a result of continuously evolving or random evaluations of their organizational life rather than a jarring life event (Lee & Mitchell, 1994). Lee and Mitchell (1994) provided four decision pathways as examples of the unfolding model that can account for a broader range of employee turnover behavioral patterns, whereas some employees may appear to skip—or stall for prolonged periods of time in—some of the stages in the traditional linear model.
Operationalization of Attrition. Attrition is often operationalized as the individual’s termination of their employment with the organization (Griffeth et al., 2000; Hom et al., 2012). This may be intuitive given that many of the tangible costs of attrition are incurred by the replacement of an individual. However, this perspective presents some conceptual limitations. First, employees can quit psychologically before officially terminating their employment (Burris et al., 2008; Greenhalgh, 1980). Actual employee exits have been proposed as an endpoint of a continuous withdrawal process that can produce hours of lost productivity and unrealized human capital (Hom & Kinicki, 2001; Hom et al., 2012). A better understanding of how a person reaches this psychological quit could reduce the likelihood of productivity and efficiency losses that may or may not result in actual turnover. Secondly, intent is an important component of predicting behavior (Ajzen & Fishbein, 1980); attrition intentions have been shown to be predictive of actual turnover (Hom et al., 2012; Steel & Ovalle, 1984). Focusing on the dichotomous variable of an individual’s employment status can mask potential moderators and mediators between the intention to quit and the actual quit (Allen, Weeks, & Moffitt, 2005; Hom et al., 2012). Allen et al. (2005) found evidence of such moderators, including self-monitoring, risk aversion, and locus of control. Thirdly, the decision to contribute to an organization is a recurring phenomenon (Greenhalgh, 1980; Peterson, 2004; Lee & Mitchell, 1994). The actual decision to stay does not represent an individual’s propensity to quit in the future because the decision itself may not reflect a strong desire to stay (Hom et al., 2012).

The criterion problem of attrition as intent compared to an actual quit has received attention in the literature, though most concerns are in response to the way these constructs have been used interchangeably (Holtom et al., 2008; Hom et al., 2012). Intentions to quit, while predictive of actual turnover, only explain 10%-15% of variance (Griffeth et al., 2000; Hom & Griffeth, 1991). Cohen, Blake, and Goodman (2015) found a modest relationship between intentions and actual turnover at the organizational level in a study of U.S. Federal Agencies. They also found that attrition intentions
and actual attrition had different sets of predictors (Cohen et al., 2015). These findings combined with the variable predictive ability of intent on actual turnover suggests that they should be treated as separate and distinct concepts, and additional research on intervening variables is still needed. Despite the conflicting evidence, there is strong theoretical justification for attrition intentions to temporally precede actual turnover (Ajzen & Fishbein, 1977; Hom et al., 2012).

**Job Satisfaction**

Job satisfaction is commonly defined as an individual’s favorable or unfavorable response to the job situation (Dalal & Crede, 2013; Judge, Hulin, & Dalal, 2012). Job satisfaction consists of both cognitive and affective responses to the job situation. In general, there are two approaches to capturing attitudes on the job situation (Dalal & Crede, 2013; Scarpello & Campbell, 1983). One approach separates different facets of the job that often include coworkers, managers, pay and benefits, opportunities for promotion, and the nature of the work (Dalal & Crede, 2013). The scores for these facets are then averaged for an overall score. But this approach has several limitations. First, it assumes that all relevant facets of work are included in the measure and all irrelevant facets are excluded. Secondly, it assumes that the different facets are weighted appropriately in their ability to determine the overall job satisfaction. Lastly, it also suggests that the satisfaction individuals report with different facets of the job combine in an additive and linear fashion. This leads us to the second approach- an overall job satisfaction measure. The global measures of job satisfaction (e.g., “All in all, how satisfied are you with your job?”) have been shown to be a more inclusive measure of job satisfaction than the combination of facets (Scarpello & Campbell, 1983) and is generally recommended over facet measures when the attitudes and behaviors in a study are directed at the same target (e.g., the manager, or the organization) and at the same level of granularity (e.g., specificity or generality; Dalal & Crede, 2013).
Organizational Buy-in

To introduce the concept of organizational buy-in, we can begin with the core idea of buy-in. Buy-in is the acceptance of and willingness to actively support and participate in a proposed plan or policy. Therefore, organizational buy-in can be defined as the acceptance and willingness to actively support and participate in the organizations plans to provide value to their customers. The concept of employee “buy-in” has been important to successful management of planned changes (Kotter, 1995; McAllaster, 2004). In fact, Piderit (2000) suggested that as status differences between levels of an organization become less prevalent, the enthusiastic support from employees is becoming more critical for organizational change. However, research in internal marketing—marketing of the organization and its plans to employees—on organizational branding suggests that individuals are constantly assessing whether or not they support the organization’s cause and are willing to help the company achieve those goals by contributing their skills and expertise (Finney & Scherrebeck-Hansen, 2010; Thomson, Chernatony, Arganbright, & Khan, 1999). In a review of internal marketing, Rafiq and Ahmed (2000) describe the technique’s evolution over the years. Internal marketing has shifted from the marketing of organizational programs and benefits to employees, to a technique for managing employees toward the implementation of organizational strategy (Rafiq & Ahmed, 2000). Internal marketing researchers suggest that intellectual and emotional capital is stimulated when employees purchase the organization’s objective or vision (Thomson et al., 1999; emphasis added). This could lead to increased motivation toward achieving institutional objectives (Varey, 1995), decreased departmental isolation (Martin, 1992), reduced inter-functional friction (Rafiq & Ahmed, 1993), and improved strategy implementation (Piercy & Morgan, 1991). I propose that a person’s buy-in to the organization’s strategy influences their intent to stay.

Conceptually speaking, an employee that has strong organizational buy-in believes in the potential success of the organization’s strategy. However, it is often the case that employees are
unaware of their organization’s strategy. Kaplan and Norton (2005) found that 95% of employees are unaware of, or do not understand, their organization’s strategy from a global sample of 1,854 large corporations. While senior leadership tends to be those in an organization that set strategy (Hambrick & Mason, 1984), the communication of strategic directions and the disciplined alignment of cascading strategies may not reach all levels of an organization (Boswell, Bingham, & Colvin, 2006; Rafiq & Ahmed, 2000). Furthermore, agreement on goals and perceived organizational climate can vary by levels of the organization (Guzzo & Shea, 1992; Payne & Mansfield, 1973). Payne and Mansfield (1973) found that scores on organizational climate scales (such as Egalitarianism Management, Industriousness, and Future Orientation) significantly varied across five organizational levels. This can exacerbate conflicts and competing priorities that impede the attainment of organizational objectives (Guzzo & Shea, 1992). A lack of goal congruence between individuals and their supervisors, as well as congruence between members of a constituency, has been shown to have negative effects on job satisfaction, organizational commitment, and intent to quit (Vancouver & Schmitt, 1991). One researcher adapted this concept of goal congruence to the organization’s strategy, or line of sight. Boswell (2006) posited that awareness of the organizational strategy has significant effects on the employee experience. She made a distinction between an employee’s awareness and understanding of the organizational objectives (LOS-O) and an employee’s understanding of the actions that would contribute to the successful execution of the strategy (LOS-A). LOS-O and LOS-A were measured as the degree of accuracy to senior leadership descriptions of the organizational strategy (LOS-O) and senior leadership rankings of actions in order of their importance to the strategy (LOS-A). Boswell (2006) found that both LOS-O and LOS-A were positively related to organizational tenure. They also observed a significant positive relationship between LOS-A and levels of the organization, such that higher levels of the organization more accurately ranked actions that would support the strategy in order of importance.
LOS-A was also related to job satisfaction, anxiety, commitment, and intent to quit. In a separate study, Biggs, Brough, and Barbour (2014) found that perceived strategic alignment contributed to employee engagement. These findings corroborate others’ research that suggest goal congruence can have significant effects on employee attitudes (Van Eerde & Thierry, 1996; Yukl & Fu, 1999) and their attachment to organizations (Schneider, 1987).

Boswell’s (2006) study demonstrates that stated goal congruence with the strategy and the actions important to realize that strategy varies by levels of the organization. In this study, it is my position that employees who buy into what is being asked of them, and the degree to which employees buy into the organization’s plans may also vary by organizational level. Therefore, this study utilized a moderated moderation model to examine the moderating effects job position (e.g., executive, middle manager, etc.) on the intervening influence of organizational buy-in on the job satisfaction and attrition intent relationship.

**Construct Clarity.** On the surface, organizational buy-in is reminiscent of another well studied concept- organizational commitment. Mowday et al. (1979) described organizational commitment as “an active relationship with the organization such that the individuals are willing to give something of themselves in order to contribute to the organization’s well-being” (p.232). They have also suggested that organizational commitment is comprised of three factors. First, an employee would have a strong belief in and acceptance of the organization’s goals and values. Secondly, an employee would be willing to exert considerable effort on behalf of the organization. Lastly, organizational commitment also includes a strong desire to remain a member of the organization (Mowday et al., 1979).

Despite their similarities, organizational commitment and organizational buy-in differ in several meaningful ways. First, the construct of organizational commitment includes the desire to stay. Many have noted that this inclusion may spuriously inflate the relationship between
organizational commitment and employee turnover or turnover intent (Allen & Meyer, 1990; Dalal & Crede, 2013; Griffeth et al., 2000; Mathieu & Zajac, 1990). In contrast, organizational buy-in separates the desire to stay from the willingness to participate in the organization’s plans. Secondly, organizational commitment is now recognized as a multidimensional work attitude consisting of three components: affective commitment, continuance commitment, and normative commitment (Allen & Meyer, 1996). Affective commitment refers to the extent to which an employee identifies with, is involved in, and is emotionally attached to the organization. Continuance commitment involves the desire to stay due to the costs associated with leaving the organization; normative commitment is based on a sense of obligation—the employee feels as if they should or ought to stay (Allen & Meyer, 1996). Of these three components, organizational buy-in is the most similar to affective commitment. However, it is neither necessary nor sufficient to identify with or be emotionally attached to an organization in order to accept and be willing to participate in an organization’s plans. Therefore, though similarly based on an employee’s belief in the organization’s goals and values, organizational buy-in isolates the employee’s support of and willingness to participate in the organization’s strategy to accomplish those goals from a sense of identity and attachment that is characteristic of organizational commitment.

Organizational buy-in also resembles the concept of Person-Organizational (P-O) fit. P-O fit has been defined as “the compatibility between people and organizations that occur when: (a) at least one entity provides what the other needs, or (b) they share similar fundamental characteristics, or (c) both (Kristof, 1996, p.4).” It is clear from this definition P-O fit reflects a match of characteristics and resources supplied and/or demanded, and not a person’s acceptance of or willingness to participate in the organization’s plans.

Another related yet distinct construct is the psychological contract between employee and employer, which has been defined as sets of individual beliefs or expectations regarding reciprocal
employee-organization obligations (Morrison & Robinson, 1997; Robinson, Kraatz, & Rousseau, 1994). Measures of psychological contract typically ask employees to rate the extent to which they believe their employer was obligated to provide them with certain experiences and opportunities such as rapid advancement, training, and long-term job security (Robinson et al., 1994). Employees are also asked to rate the extent to which they are obligated to their organization for certain activities (e.g., working extra hours or giving advance notice if taking a job elsewhere). Violations of the psychological contract have been measured by asking employees to consider what they have received...
in comparison to what was expected through these obligations (Morrison & Robinson, 1997; Robinson et al., 1994). In summary, psychological contracts are focused on an employee-organizational exchange of expected benefits, whether implicit or explicit. In contrast, organizational buy-in indicates a sense of alignment with the organization’s strategy and a willingness to be leveraged in the way described by the organization’s plans.

From this exploration of similar concepts, we can conclude that organizational buy-in is a construct that is distinct from organizational commitment, person-organizational fit, and employee-organizational psychological contracts. In the next portion of the review, I explore how organizational buy-in is related to what we know about job satisfaction and attrition.

**Job Satisfaction and Organizational Buy-in.** To explore how organizational buy-in could have a relationship with job satisfaction, we can look to the research on predictors of job satisfaction. Reviews on the literature on job satisfaction have suggested that the highest predictor of job satisfaction is the nature of the work itself (Judge & Kammeyer-Mueller, 2012; Saari & Judge, 2004). Hackman and Oldham (1976) proposed that the design of work is a major component in an employee’s satisfaction with their job. They proposed three psychological states that contribute to employee satisfaction with their work: (a) experienced meaningfulness of the work, (b) experienced responsibility for the outcomes of the work, and (c) knowledge of the actual results of the work activities (Hackman & Oldham, 1976). Of interest in this review is the experience of meaningful work. Hackman and Oldham (1976) defined the experience of meaningful work as “the degree to which the individual experiences the job as one which is generally meaningful, valuable, and worthwhile” (p.257). This includes an element of task significance, which is the employee’s perception that their job significantly contributes to the lives or work of other people, either internal or external to their organization. It is this facet of job design that comes into play when considering the relationship between job satisfaction and organizational buy-in. While one could see the
significance or the impact of their work to the lives of others, they may not agree with the organization on how their job is being utilized in the larger strategy—in other words, a satisfied employee may believe their skills would be better leveraged in a different way. Similarly, some employees may be dissatisfied with their job overall, but their understanding of how their role fits into the organization’s strategy may attenuate their discomfort. This need to see the larger picture is corroborated in the research in adult learning, which suggests that understanding the “why” or “what’s in it for me” is important for an adult to buy into exerting the effort to master a new skill (Forrest & Peterson, 2006). In summary, an employee’s positive or negative attitudes about their job may be related to how strongly that employee buys into how their talents and the products of their work are utilized to further the organization’s success.

**Attrition and Organizational Buy-in.** Organizational announcements of strategy and implementation plans could be examples of shock events that trigger an individual to reevaluate their employment (Lee & Mitchell, 1994). Another potential catalyst is the realization of differences in opinion regarding the manner in which their managers are trying to accomplish the organization’s mission and strategy. This could cause the employee to reconsider their level of buy-in. Changes in an individual’s acceptance or willingness to support the organization’s strategies and plans would be new information that the individual then screens against their value, trajectory, and strategy images to determine their stay or leave preference. Perceived incongruity between the individual’s self-schemas and the organization’s plans could be the impetus for withdrawal. Individuals that buy into the plan may be less likely to withdraw while those who have experienced a loss of buy-in may be more susceptible to withdrawal.

**Current Research Question and Planned Analyses**

**Hypotheses.** In regards to organizational buy-in’s influence on the relationship between job satisfaction and attrition intent, I propose a moderating effect on the well-established link between
job satisfaction and turnover intentions (Griffeth et al., 2000; Hom & Kinicki, 2001) such that the negative relationship between job satisfaction and attrition intentions is stronger for those with lower organizational buy-in, and weaker for those with higher levels of organizational buy-in. In this manner, organizational buy-in serves as a buffer for employee attrition intentions. A secondary moderation effect may be operating through the individual’s level in the organization. Leaders higher in the organization may be more familiar with, and have more influence on, the strategy for the organization. Therefore, the moderating effect of organizational buy-in may depend on the position held by the individual. This study used a moderated moderation model (Figure 1) and subsumed in this three-way interaction are two subhypotheses. The first is that job satisfaction and intent to stay are positively related. Second, it is expected that organizational buy-in moderates the relationship between job satisfaction and intent to stay such that those with high organizational buy-in are more likely to stay (see Figure 2).

![Figure 1. Specified Research Model](image)

**Planned Analyses.** Hayes’ (2013) PROCESS macro was used to test the three-way interaction model, the moderating function of organizational buy-in, and the relationship between job satisfaction and intent to stay (Figure 3). In addition to the moderated moderation model, an additive moderation model was also tested in the event that the three-way interaction between job satisfaction, organizational buy-in, and job position was not supported.
Figure 2. Proposed moderation of organizational buy-in on the relationship between job satisfaction and intent to stay.

Figure 3. Proposed interaction of job position on the moderating effect of organizational buy-in on the relationship between Job Satisfaction and Intent to Stay.
CHAPTER II

Method

This cross-sectional study investigated the relationship between the independent variable of an individual’s job satisfaction and the dependent variable of attrition intentions at varying levels of organizational buy-in. Additionally, the study assessed the extent to which the individual’s level in the organization moderates the influence of organizational buy-in on the relationship between job satisfaction and attrition intentions.

Sample Size, Power, and Precision

Two steps were taken to determine the sample size necessary to sufficiently power the analyses in this study. First, previous research was reviewed to estimate the effect size (Cohen, 1992). Secondly, power analysis was conducted using the effect size estimated from existing research. These two steps are described in more detail below.

Effect Size Estimate. Historically, the effect size of attrition models tend to be small (0-5% of explained variance; Hom & Griffeth, 1991). Congruous with previous research, a meta-analysis found that job satisfaction predicted turnover with a sample size weighted average correlation of -.19 (Griffeth et al., 2000), a moderately small effect size (Cohen, Cohen, West, & Aiken, 2003). However, other studies examining moderators of the job satisfaction and attrition intention relationship have found large effect sizes. Eberhardt, Pooyan, and Moser (1995) used hierarchical regression to find a significant relationship between job satisfaction and attrition intentions, and a significant moderating effect of employee age with a total $R^2$ of .31. Lance (1988), also found large effect sizes when examining a moderated moderation. When regressing attrition intentions on job satisfaction, Lance (1988) found that job performance was a significant moderator, which in turn was moderated by job group (e.g., middle/upper management, first-line supervisors, professional/technical) with a range of $R^2$ from .28-.47. Given these prior investigations, there is
evidence for the potential of discovering at least moderate effect sizes—$R^2$ of .09 (Cohen et al., 2003)—in the current investigation of job satisfaction, attrition intentions, organizational buy-in, and job position.

**Power analysis.** The software package G*Power 3.1 (Faul, Erdfelder, Lang, & Buchner, 2007) was used to conduct the power analysis (Cohen, 1992) to determine the minimum sample size needed for these analyses. To detect a moderate effect size ($f^2 = .15$) with power at the .90 level ($\alpha = .05$), two numerator degrees of freedom, and three predictors, a minimum sample size of 88 participants will be required for a hierarchical multiple regression analysis. In order to detect a small effect size ($f^2 = .02$), a minimum sample size of 636 would be required.

**Participant Characteristics**

The participants for this study were from a global diversified manufacturing company. The data includes a highly heterogeneous sample of jobs from the manufacturing shop floor to the president’s office. This sample also includes a broad range of job functions including operations, finance, engineering, and human resources among others. The current data also represents employees from different cultures and geographical locations including North America (U.S.A., Canada, Mexico), South America (Brazil, Puerto Rico), Europe (United Kingdom, France, Italy, Germany), Asia (China, Singapore, Indonesia, India), Africa (Morocco), and Australia.

**Sampling Procedures**

Archival data was retrieved for use in this analysis through the employee survey. The employee survey was administered annually and is open to the entire organization—roughly 42,000 employees. This survey was open for three weeks. Employees were encouraged to take the survey through leadership letters, promotional communications, and supervisors. All questions are voluntary. Thirty-three thousand ninety five employees out of 42,000 participated in the survey, resulting in a participation rate of 79%.
**Measures and Covariates**

The measures utilized in this study are global rather than faceted to match the generality of the constructs in question. Fishbein and Ajzen (1974) have suggested that the attitudes and the behaviors with which we wish to find relationships should match in the generality or specificity of the action, target at which the action is directed, context in which the action is performed, and the time at which it is performed. In this study, the organization is a broad and encompassing context in which job satisfaction and organizational buy-in is generated. Additionally, organizations are a broad and largely inanimate target for attrition intentions. Thus, the measures used here were global, generalized measures of broad concepts.

**Job Satisfaction.** A single global item for job satisfaction was chosen for this study. Scarpello and Campbell (1983) suggested that a global measure can be a more accurate portrayal of an individuals attitudes toward their job, as faceted approaches to measurement assume that (a) all areas of the job that contribute to job satisfaction are present, (b) the facets do not include any element of the job that does not contribute to an individual's overall job satisfaction, and (c) the different facets are equally weighted in their impact on the overall attitude toward job satisfaction. Additionally, as this study’s target of inquiry is rather broad, a more general approach to construct measurement is warranted to match the measurement specificity (Dalal & Crede, 2013; Fishbein & Ajzen, 1974).

Participants were asked to rate “Considering everything, how satisfied are you with your job?” using a 5-point Likert scale from 1 (very dissatisfied) to 5 (very satisfied). Previous research has found that a single item measure of job satisfaction can have sufficient reliability (Wanous, Reicher, & Hudy, 1997). Using the standard correction for attenuation formula, they estimated the minimum reliability for single-item job satisfaction measures to be .70 (Wanous et al., 1997). Additionally, they found convergent validity with faceted job satisfaction measures, with a corrected
mean correlation of .67. Though this reliability score is not as high as some others, it is calculated as a minimum possible reliability and adequate given the global nature of the measures in this study.

**Attrition Intentions.** In accordance with Hom et al.’s (2012) suggestion, this study examined employee’s attrition intentions as a measure of withdrawal and as an antecedent to turnover rather than a proxy of turnover. A single item was used to measure associates’ intent to stay with the company. Participants were asked to indicate their level of agreement with “I would like to be working for the company a year from now.” using a 5-point Likert scale from 1 (*strongly disagree*) to 5 (*strongly agree*).

**Organizational Buy-in.** Organizational buy-in consisted of 5 items that reflect the employee’s perceptions of their organization’s strategy (e.g., The company is making the changes necessary to compete effectively) and were sourced from the enterprise survey. For that reason, additional validation analyses were conducted to assess the psychometric strength and construct validity of this measure for this study. The measure demonstrates satisfactory reliability with a Cronbach’s alpha of .85 (Cortina, 1993). Maximum likelihood factor analysis was also conducted using principal components analysis to assess the dimensionality of the Organizational Buy-In measure. Three criteria were used to determine the number of factors to rotate: the a priori hypothesis that the measure was unidimensional, the scree test, and the interpretability of the factor solution. The scree plot confirmed our initial hypothesis of unidimensionality, with one factor accounting for 62.58% of variance. Additionally, the KMO test confirmed strong sampling adequacy at .85 and the Bartlett’s test of sphericity was significant ($\chi^2(10) = 64,815.91, p < .000$, pooled).

**Discriminant Validity of Organizational Buy-In.** Hierarchical multiple regression was also used to test the discriminant validity of organizational buy-in from organizational commitment, as these two constructs are conceptually linked. Three items traditionally used to measure
organizational commitment (e.g., I am proud to work for this company; Mowday et al., 1979) were used as a measure of organizational commitment, and demonstrated acceptable reliability with a Cronbach’s alpha of .74 (Cortina, 1993). However, the Item-Total Statistics table suggested that Cronbach’s alpha would increase to .85 if the third item—“I go beyond what is expected of my role to increase organizational effectiveness”—was removed. Maximum likelihood factor analysis confirmed that the third item contributed the least (8.26%) of the variance. To improve reliability, the third item was removed prior to conducting a hierarchical linear regression to assess the discriminant validity of organizational buy-in from organizational commitment, resulting in a Cronbach’s alpha of .85.

Multiple linear regression was then conducted to test if Organizational Buy-in accounted for unique variance in Intent-to-Stay beyond variance accounted for by Organizational Commitment. Both independent variables significantly contributed to the model ($F[1,33061] = 23,985.96, p < .001$), with an $R^2$ of .42. Though it is significant, the $R^2$ change is quite small (.001). As is done to test for multicollinearity, a Pearson correlation was run to assess the degree of the relationship between these two variables. Field (2009) recommends that correlations of .8 or higher can be considered the same construct. The analysis resulted in a correlation of .73, suggesting that organizational buy-in and organizational commitment are distinct, though highly related, concepts.

**Position.** The employee’s position, ranging from hourly worker to executive, was used to illustrate the hierarchical nature of the organization. It represents the relative familiarity with or influence employees may have had on setting the strategic direction of the company and was coded from 1 (*Hourly, Field, Factory Worker*) to 7 (*Executive*). Assumption testing found that position violated the assumption of homogeneity and frequencies showed drastic group size differences. An ANOVA was used to help inform grouping. The analysis found that administrative support and first-line manager positions did not have statistically significant differences in the dependent
variable, intent to stay. Thus, administrative support was grouped with middle/senior managers. Position was then coded into six groups. See Table 2 for frequencies.

**Data cleaning and testing assumptions.**

Prior to conducting primary analysis, the data was cleaned and tested to check assumptions for the planned analyses. Missing data was imputed to preserve power (Enders, 2010). To prepare the data for multiple imputation, patterns of missingness were assessed. Olinsky, Chen, and Harlow (2003) found that multiple imputation sufficiently estimates missing data when cases are missing 24% or less of data values. For this reason, cases with more than 24% of missing data (51 cases; .2% of cases) were removed prior to conducting multiple imputation. To conduct the imputation, Position was constrained to act solely as a predictor and the random number generator was set to 12252016.

The assumption of normality was tested by visual confirmation of a histogram, and a Kolmogorov-Smirnov test (K-S test; Field, 2005) was conducted to assess skewness and kurtosis. Job Satisfaction, Organizational Buy-in, and Intent to Stay, were slightly negatively skewed, with a K-S test of -.94, -.61, and -1.10 respectively. Position with 6 levels was positively skewed (K-S = .56) with significantly more employees at the lower position levels than at the higher positions (see Table 2). Though there is evidence of skewness, testing the significance of these K-S scores is likely to inflate the significance of these K-S scores due to the large sample size and small standard errors (Field, 2000). Visual analyses of the histograms (see Appendix) demonstrate an approximate normal distribution.
The residuals of the dependent variables were regressed on the predictor variable to confirm the assumptions of linearity and heteroscedasticity. To test for multicollinearity, a correlation matrix was calculated. This analysis found significant relationships between all 4 variables, ranging between -.01 and .57 (see Table 3). This suggests there are no concerns with multicollinearity.

Table 3
Intercorrelations of Study Variables

<table>
<thead>
<tr>
<th>Measure</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Job Satisfaction</td>
<td>-</td>
<td>.55**</td>
<td>.57**</td>
<td>.66**</td>
<td>.02**</td>
</tr>
<tr>
<td>2. Intent to Stay</td>
<td>.55**</td>
<td>-</td>
<td>.50**</td>
<td>.65**</td>
<td>-.01*</td>
</tr>
<tr>
<td>3. Organizational Buy-In</td>
<td>.57**</td>
<td>.50**</td>
<td>-</td>
<td>.73**</td>
<td>.07**</td>
</tr>
<tr>
<td>4. Organizational Commitment</td>
<td>.66**</td>
<td>.65**</td>
<td>.73**</td>
<td>-</td>
<td>-.01</td>
</tr>
<tr>
<td>5. Position</td>
<td>.02**</td>
<td>-.01*</td>
<td>.07**</td>
<td>0.01</td>
<td>-</td>
</tr>
<tr>
<td>M</td>
<td>3.71</td>
<td>4.01</td>
<td>3.59</td>
<td>3.71</td>
<td>-</td>
</tr>
<tr>
<td>SD</td>
<td>0.92</td>
<td>.97</td>
<td>.71</td>
<td>.94</td>
<td></td>
</tr>
</tbody>
</table>

Note. Pooled analysis (n = 33,044). *p < .05, **p < .001
CHAPTER III

Results

Primary Analyses

Hayes’ (2013) PROCESS program for SPSS was used to assess the relationships proposed in this study. Because PROCESS does not have the capability to conduct analyses for multiple imputation datasets, each imputation was split into separate files and analyzed separately. Results from each imputed dataset returned very similar results. Therefore, only one set of results will be reported here. See Table 4 for descriptives.

Table 4
Descriptives of Pooled Sample

<table>
<thead>
<tr>
<th>Position - Revised</th>
<th>N</th>
<th>Mean</th>
<th>Std. Error</th>
<th>Mean</th>
<th>Std. Error</th>
<th>Mean</th>
<th>Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly/Field/Factory Worker</td>
<td>12,118</td>
<td>3.76</td>
<td>0.01</td>
<td>4.08</td>
<td>0.01</td>
<td>3.60</td>
<td>0.01</td>
</tr>
<tr>
<td>Technical Staff</td>
<td>4,104</td>
<td>3.68</td>
<td>0.01</td>
<td>3.96</td>
<td>0.02</td>
<td>3.54</td>
<td>0.01</td>
</tr>
<tr>
<td>Professional/Non-Supervisory</td>
<td>8,713</td>
<td>3.65</td>
<td>0.01</td>
<td>3.93</td>
<td>0.01</td>
<td>3.53</td>
<td>0.01</td>
</tr>
<tr>
<td>First Line Supervisor</td>
<td>2,697</td>
<td>3.74</td>
<td>0.02</td>
<td>4.01</td>
<td>0.02</td>
<td>3.66</td>
<td>0.01</td>
</tr>
<tr>
<td>Middle/Senior Manager &amp; Administrative Support</td>
<td>3,628</td>
<td>3.84</td>
<td>0.02</td>
<td>4.11</td>
<td>0.02</td>
<td>3.76</td>
<td>0.01</td>
</tr>
<tr>
<td>Executive</td>
<td>443</td>
<td>3.91</td>
<td>0.04</td>
<td>4.06</td>
<td>0.05</td>
<td>3.97</td>
<td>0.03</td>
</tr>
</tbody>
</table>

Note. Pooled analysis (n = 31,703)

The multiple regression used by PROCESS found that job satisfaction and organizational buy-in were significant predictors of intent to stay with large B weights of .55 (p < .001) and .57 (p < .001) respectively. The analyses also found that the linear relationship between Job Satisfaction and Intent-to-Stay is conditional based on Organizational Buy-in. The interaction shows that the combined impact of organizational buy-in and job satisfaction has a smaller effect on intent to stay than either variable individually, reflected by the negative B weight of -.07. This demonstrates a buffering effect between the two variables, such that when holding variable A constant, the value of variable B can decrease the impact of variable A on the dependent variable. For example, assume
that a low job satisfaction is held constant. When combined with low organizational buy-in, the level of intent to stay is lower than it would be with low job satisfaction alone (See Figure 5). In addition, the Johnson-Neyman technique found no significant transition points for significance, suggesting that moderating effect of organizational buy-in on job satisfaction’s relationship with intent to stay is not restricted to a certain range of job satisfaction. Position was found to be a significant predictor of intent to stay, with a medium negative B weight of -.23 (p < .001). This suggests that as job position increases, intent to stay decreases. The interaction between position and job satisfaction was small and not statistically significant. The analysis found that the moderated moderation model accounted for 35% of the variance in intent to stay, but did not, however, confirm a three-way interaction with Position ($F[7,31695] = 1894.66, p < .001; R^2 = .35$). See Table 5 for coefficients and confidence intervals.

Bearing in mind the approximate nature of position’s distribution, the moderated moderation was also tested with only salaried employees. This reduced the sample size to 19,585 (compared to 31,703) but was still significantly above the minimum sample needed to detect a small effect size (636) estimated in the power analyses. Consistent with previous analyses, the main effects of job satisfaction and organizational buy-in on intent to stay remained strong and significant. Additionally, the interaction effect found between job satisfaction and organizational buy-in remained significant. Position, however, was no longer a significant contributor to the model ($F[7,19577] = 1,489.86, p < .000; R^2 = .39$), suggesting that position is not a significant variable when considering only salaried employees. See Table 5 for coefficients and confidence intervals.

In spite of the lack of support for a three-way interaction, there was evidence to suggest that position was also a moderator for the relationship between job satisfaction and intent to stay. A multiple moderator model was then tested with the full sample to explore the hypothesis that organizational buy-in and position are additive moderators (Figure 4).
Hayes’ (2013) moderation model 2 provided support for the alternate model with an $R^2$ of .35 ($F[5, 31697] = 2,613.00, p < .001$). See Table 6 for coefficients and confidence intervals. The B weight for organizational buy-in was now .63, demonstrating that one unit increase in organizational buy-in increases intent-to-stay by .63 units. Additionally, as job satisfaction increases by one unit, intent to stay increases by .57 units. The interaction between job satisfaction and organizational buy-in shows the same buffering effect found in the moderated moderation model, with a negative B weight of -.07. Similarly, position has a negative relationship with intent to stay. With each increase

Table 5
Moderated Moderation Model: The conditional effects of job position and organizational buy-in on the relationship between job satisfaction and intent to stay.

<table>
<thead>
<tr>
<th>Predictor</th>
<th>Salary and Hourly</th>
<th>Salary Only</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>p</td>
</tr>
<tr>
<td>Constant</td>
<td>0.89**</td>
<td>0.00</td>
</tr>
<tr>
<td>Organizational Buy-in</td>
<td>0.55**</td>
<td>0.00</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.57**</td>
<td>0.00</td>
</tr>
<tr>
<td>Job Satisfaction x Org Buy-in</td>
<td>-0.07**</td>
<td>0.00</td>
</tr>
<tr>
<td>Position</td>
<td>-0.23**</td>
<td>0.00</td>
</tr>
<tr>
<td>Job Satisfaction x Position</td>
<td>0.03</td>
<td>0.05</td>
</tr>
<tr>
<td>Org Buy-in x Position</td>
<td>0.03</td>
<td>0.10</td>
</tr>
<tr>
<td>Job Satisfaction x Org Buy-in x Position</td>
<td>-0.00</td>
<td>0.62</td>
</tr>
</tbody>
</table>

$n$                                           31,703 19,585
$R^2$                                          0.35 0.39
$F$                                           1,894.66** 1,489.86**

*p<.05. **p<.001.
in position level, intent-to-stay decreases by .23 units. Lastly, the combined effect of job satisfaction and position has an overall positive effect on intent-to-stay (.03 increase) with each one unit increase. Position amplifies the relationship between job satisfaction and intent to stay. When job satisfaction is low, those in higher job positions are less likely to stay compared to employees in lower job positions. These findings suggest that the moderator effect of organizational buy-in is consistent at any position level (Figure 5). However, the effect of the interactions are modest, with the $R^2$ change for the interactions in the model as less than .01. It is possible that the statistical significance found is due to type I error.

Table 6
Multiple Moderator Model: The additive conditional effects of job position and organizational buy-in on the relationship between job satisfaction and intent to stay.

<table>
<thead>
<tr>
<th>Predictor</th>
<th>B</th>
<th>95% CI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.71</td>
<td>0.51 0.90</td>
</tr>
<tr>
<td>Organizationa Buy-in</td>
<td>0.63</td>
<td>0.58 0.68</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.57</td>
<td>0.51 0.61</td>
</tr>
<tr>
<td>Job Satisfaction x Organizational Buy-in</td>
<td>-0.07</td>
<td>-0.08 -0.06</td>
</tr>
<tr>
<td>Position</td>
<td>-0.23</td>
<td>-0.19 -0.12</td>
</tr>
<tr>
<td>Job Satisfaction x Position</td>
<td>0.03</td>
<td>0.03 0.04</td>
</tr>
</tbody>
</table>

$R^2$ 0.35
$F$ 2,613.00

Note. All tests were significant at $p<.001$. N = 31,703
Figure 5. Conditional effect of both Organizational Buy-In and Position on the Relationship between Job Satisfaction and Intent to Stay. One standard deviation above and below the mean was used to quantify high and low levels of the ordinal variable, Position. This resulted in a value of 1.03 for low positions and 3.89 for high positions. Based on the coding for position (see Table 2), this can be interpreted as hourly/ factor workers for low positions and first-line management and up for high positions.

Discussion

I began this study with the intent to explore a new perspective by integrating the classical industrial organizational research on job satisfaction and attrition, with the work on business strategy. I proposed that organizational buy-in is a distinct and modern construct that is critical to formalize and explore more deeply given rising trends in the workforce. I also explored the influence of organizational buy-in on the relationship between job satisfaction and employee’s intent to stay, and tested position as a possible secondary moderator. To conclude this study, I will review the major findings, their generalizability, and the limitations of the current study. I will also propose
implications and advocate for organizational and individual actions based on the findings. Lastly, I will discuss areas for continued exploration.

Summary of Major Findings

**Construct Validity of Organizational Buy-in.** Though not part of the primary analyses in this study, the psychometric analysis conducted to validate the organizational buy-in measure used in this study found support for organizational buy-in as a construct that is distinct from organizational commitment. The correlation matrix shows that organizational buy-in and organizational commitment are highly correlated, but not high enough to be considered the same construct. It should be noted, however, that the small $R^2$ change (.001) may be due to type I error, as the analysis maybe over powered due to the large sample size. Additional exploration into the measures for organizational buy-in and organizational commitment are warranted in order to more clearly delineate the differences in the two constructs (see Table 1).

One additional consideration regarding the organizational buy-in measure is its inclusion of an item that is aimed at measuring buy-in to organizational decisions made while integrating a recent acquisition. The organization where this data was collected had recently undergone an acquisition, so this item added an additional level of relevance to the organizational buy-in measure, as organizational efforts to merge previously independent companies can be controversial to both sides of the acquisition—“The changes resulting from the integration support the alignment of work across XX.” Though mergers and acquisitions are an increasing likelihood in organizational environments, it is not a universal experience. Therefore, additional analyses were conducted to test the strength of the organizational buy-in measure when excluding that item. Results demonstrated that this four-item version of the organizational buy-in measure has acceptable reliability with a Cronbach’s alpha of .82. In addition, exploratory factor analysis using principal components analysis found that the four items still extracted only one factor. The resulting measure demonstrates a
plausible alternative to the original five-item measure when organizations are not integrating an acquired organization.

**Findings from Primary Analyses.** The primary analysis of the moderated moderation model did not support the originally proposed three-way interaction. Position and organizational buy-in were found to be additive moderators to the relationship between job satisfaction and intent to stay, suggesting that the effect of organizational buy-in is not dependent on an employee’s position in the organization. Instead, the relationship between job satisfaction and intent to stay is affected by both position and organizational buy-in. Employees in higher job positions are more prone to leave the organization compared to those in lower job positions when job satisfaction is low.

Furthermore, organizational buy-in acts as a buffer between job satisfaction and attrition intentions. Intent to stay is higher in employees with higher organizational buy-in compared to those with lower organizational buy-in at any level of job satisfaction. These findings support the assertion that an employee’s evaluation of the company’s decisions influences their desire to continue their employment, highlighting the influence of an organization’s strategy on the work attitudes of those charged with executing the day-to-day work. It also suggests that building buy-in throughout the organization can have a positive effect on retention, reducing the costs related to replacing employees, and reducing the inefficiencies in operations due to employee withdrawal. The results of this study provide support for additional research into an employee’s experience of building and executing the business strategy (Ployhart, 2012).

**Generalizability**

The size and scope of the company at which this survey was conducted is a considerable advantage for the generalizability of these findings. This study examined the responses of 31,703 individuals who represent 80% of the company’s associates also located in Asia, Europe, South
American, and North America. This broad sample suggests that the effects found in this study can be found across global cultures, and further inquiry into how they may be influenced by the cultural dimensions (e.g., individualistic versus collectivist orientations) are of interest. In addition, the lack of support for position as a moderator for organizational buy-in may suggest that the effect of organizational buy-in may be present in organizations of all sizes. Additional research similar to this current study should be replicated with other industries and companies of smaller sizes, as this organization is a global diversified manufacturing company.

Implications and Future Research

This study’s findings have a number of implications and future research opportunities for both organizational (i.e., group, leadership, motivation) and industrial (i.e., job design, selection, training) arenas of the I-O discipline. In this next section, I will explore these implications from several perspectives, beginning with the organizational perspective.

Organizational Implications. Building organizational buy-in throughout the company could help organizations build the resilience of their workforce against hardships and change. One way to do this at the enterprise level would be to leverage communications avenues. Conveying the organization’s strategy and reviewing progress against that strategy could be part of the regular programming for quarterly announcements or town halls. Additionally, engaging employees in dialogue about the challenges the organization is trying to address can have a number of benefits, such as collective and creative solutioning, unlearning of old ways, and new insights on reasons for change (Piderit, 2000). Expanding the conversation about the business strategy and how it drives organizational decisions beyond the senior management team can build organizational buy-in throughout the company and buffer against turnover and withdrawal. This type of communication is particularly relevant during organizational change to establish the buy-in of key stakeholders and reduce productivity losses during mergers and acquisitions (Schweiger & Denisi, 1991). Improving
organizational buy-in throughout the organization through communications methods could build the resilience of the workforce against future shock-events at a large-scale, such as organizational change, or smaller day to day events, such as an email from an external recruiter.

It follows, however, that in order for communication of the strategy to be a positive lever for building organizational buy-in, it is important that the strategy itself is strong in order to build the credibility of the organization’s direction and for the employees to rally and support it. For this reason, organizations need to invest the time and energy into strong strategy building practices, so that the resulting strategy clearly demonstrates how the organization will compete in the business environment in accordance with both the company’s mission/vision/values, and its strengths and opportunities.

Future research on internal marketing of the business strategy could examine which methods of delivery lend to its credibility and among the workforce. These findings could inform the use of different communications tactics that may vary in effectiveness depending on multiple considerations, such as the type of strategy the organization is going to employ or the mission of the organization’s processes. It would also be valuable to understand how organizational buy-in may buffer against different types of shock events, to better understand the types of situations where it is has varying degrees of effectiveness as an lever for retention. For example, organizational buy-in at their current company may make other job opportunities seem less alluring, resulting in the perception of few desirable alternatives. It is also likely that organizational buy-in is related to other organizational outcomes, such as organizational citizenship behaviors, engagement, productivity, and work quality. Additional exploration is warranted to better illuminate organizational buy-in’s role and relationships with other existing concepts.

HR Implications. Human capital management practices can also be used to build organizational buy-in. We know from this study that organizational buy-in has a positive effect on
retention at all levels of an organization, so leaders throughout the company who can competently build buy-in can be an important asset to reducing turnover. As a result, leadership development programs for first-line leaders and executives alike should include instruction on how to build organizational buy-in. Additionally, evaluations and measurements of leadership effectiveness should also include the ability to interpret the business strategy and communicate its relevance for their team. It should also be a consideration in succession conversations as a critical skill for advancement – the leadership bench should be full of individuals who are strong in their ability to build organizational buy-in. In fact, the findings in this study suggest that the leadership bench’s own organizational buy-in may be a leading indicator for their turn-over risk – a notoriously difficult aspect of succession planning to predict. Integrating the ability to build organizational buy-in as a leadership expectation may strengthen one of the already well recognized levers against turnover—strong leadership.

There is rich opportunity in future research on how leaders can build organizational buy-in. An exploration of leadership behaviors that build organizational buy-in would help illuminate leadership skills for development programs and evaluation purposes. Some leadership styles may also lend themselves toward building organizational buy-in. For example, the transformational leadership style (Avolio & Bass, 1988), where leaders use inspiration to motivate and intellectually stimulate their team members, should lend itself to the development of organizational buy-in in their followers. Additional research could also focus on individual differences, such as personality or past experiences, that improve a person’s ability to communicate and interpret the organization’s strategy to others. These findings could be used when selecting between candidates, or planning an individual’s career development path.

In addition to studying the characteristics of a leader, studies could also focus their attention on the quality of organizational buy-in itself, and the characteristics of the job itself that may support
the accurate of their interpretations and the tangibility of how their work is tied to the business strategy. This leads us to another area where human resources can support the development of organizational buy-in – job design. This study’s findings suggest that employees weigh the promise of the business strategy when deciding where to invest their energy and skills. Past research has shown that employees are more motivated when experiencing meaningfulness in the work, responsibility for the outcomes of the work, and knowledge of the actual results of their efforts (Hackman & Oldham, 1976). Taken together, this suggests that every job should have a clear view to how it contributes to the business strategy. For example, clear lines of connection should be drawn from measures of success in the role to measures of success for the execution of the business’ strategy.

Furthermore, researchers could further investigate how individual differences in followers may impact the development of organizational buy-in. Some personality profiles may be more or less predisposed to organizational buy-in. For example, positive affectivity may lead to a higher willingness to support the business strategy, and negative affectivity could inhibit the establishment of buy-in. Research may also find that those with higher levels of conscientiousness are more concerned with the merit of the business strategy, and may need a deeper level of information and rationalization than others. Similarly, a focus on behavioral strategies for employees to more proactively find the connections between their work and the business strategy could yield insights into how individuals can practice assessing and building their own organizational buy-in. For example, asking more questions that facilitate conversations about connecting business decisions with the organization’s strategy. Self-driven behaviors that increase organizational buy-in may result in decreased experiences of stress due to an increased sense of work stability. This approach would also advance an area of investigation that has long been neglected in leadership research-followership (Uhl-bien, Riggio, Lowe, & Carsten, 2014).
Alternative Explanations and Limitations

In accordance with good scientific practice, a discussion of other plausible explanations for these findings, as well as the limitations of this study’s methodology is due. In our analysis, hourly and factory workers with low job satisfaction had a higher intent to stay than salaried management. Earlier, we surmised that this could reflect a greater perception of alternative employment opportunities for those in salaried and/or management positions. An alternative explanation could be found in the cultural norms and employment expectations that are customary to unionized workers, who bargain collectively for changes in employment conditions and have structured processes for exiting an employee. Employees could intend to stay due to an interdependence with the union representing them. This presents a unique context compared to salaried workers under at-will employment.

One limitation of this study is related to statistical conclusion validity. The inability to detect position as a significant moderator for organizational buy-in may be due to significant differences in group sizes, particularly with the smaller number of senior management and executives. This can result in underpowered statistical tests (Shadish, Cook, & Campbell, 2002). It is worth noting, however, that the sample size for the study is quite large (N = 31,703) and a hierarchical pyramid is a typical organizational design, so these findings may be fairly consistent for other organizations. A future study could attempt to replicate the findings of this study, but utilize random stratified sampling to better balance the group sizes and reduce the overall sample size (n = 700) to have more appropriate power for the analyses.

Mono-method bias is also present in this study and poses a threat to construct validity. All the measures were collected by a self-report survey. This may be inflating the relationship found between the measures (Shadish et al., 2002) by introducing variance that could be accounted for by
methodology rather than the constructs themselves. Future replications of this study should include multiple sources of data (i.e., attrition rates) to strengthen the research design.

Another limitation for this study is the measure for organizational buy-in itself. The five questions included in the measure were sourced from an existing employee survey. Though its psychometric properties are sound, the measure would benefit from a more robust mixed method approach to development, and a more rigorous validity study to ensure that the construct is fully explicated in the measure.

Conclusion.

This study found support for the assertion that organizational buy-in is an important aspect of an employee’s working experience. Not only is it related to a higher intent to stay with the organization, it buffers against detracting factors such as lower job satisfaction. Its effect is also shown to be relevant at all levels of the organization, reflecting a more universal human need rather than one that is specific to a certain level of the working population. These findings suggest several practical applications for organizational practices and human resource management. First, communicating the organization’s strategy and getting employees on board will be a key organizational development competency. Secondly, the ability to translate strategy into priorities and actions that are relevant to the team is a leadership competency that can increase the organizational buy-in of associates at any level of the company. Lastly, individuals can take a proactive approach to building their own organizational buy-in by making their own inquiries into the rationale behind the work they do and its connection to the business strategy. The findings in this study corroborate the existing body of research supporting the benefits of finding meaning in our work, and expands our understanding of the human experience at work by illustrating the importance of supporting organizational decisions when deciding where to spend their talent.
References


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