

Personality Traits and turnover intentions of salespersons in FMCG Pakistan

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**Abstract:** Drawing on the Trait Activation Theory, the purpose of this study is to examine how some employees are more susceptible to turnover intentions because of the personality characteristics they exhibit. At this point, the employees' turnover intentions have become a burning issue, and much research has conducted to understand the nature, causes, and consequences of turnover intentions. The current study explores the impact of personality traits on the salespersons' turnover intentions working in the fast-moving consumer goods (FMCG) industry. A sample of 230 salespersons examined from the survey method. This study suggests that the social information processing found within the subordinates' personality traits influence whether they are more or less likely to perceive turnover intentions. The implications of this research highlight the benefits essential for the organization, management, and researchers for recruitment and retention.

**Keywords:** Trait Activation Theory, FMCG Industry, Big Five-Factor Model of Personality and Turnover intentions

**Introduction:**

The growing competition in Fast Moving Consumer Goods (FMCG) Industry due to globalization and technological change, companies need to cope up with the fast changeover in market styles. In this context of continuous change, dispersal, and competitive rivalry, companies strive to build sustainable competitive advantage (Guthrie, Flood, Liu, & McCurtain, 2009). Nowadays, the potentially talented human capital becomes the firm's sustainable competitive advantage as human talent is a renewable resource that is not easily copied or stolen by competitors" (Iles, 1997 cited by Dries, 2013). Employee turnover can be both disruptive and costly to employers, involving increased direct and collateral costs (Batt et al., 2014; French, 2014; Kacmar et al., 2006; Ryan et al., 2011). The rising number of voluntary withdrawals has caused many companies to go through the hardship of replacing the quitters, especially when the potential employees leave (Dipietro & Strate, 2008; Shah, Fakhr, Ahmad, & Zaman, 2010). Because the researchers found that a new employee has less experience and knowledge than that of a potential leaver.

For this organization's emphasis, Human Resource Management (HRM) practices to attract, train, deploy, and retain the employees to achieve its competitive advantage (Lepak & Gowan, 2010). In this regard, personality traits are important to study in which personality characteristics required to remain longer in the organization to minimize the high attrition rate. By determining aspects that may be relevant to employee turnover intention, companies may proactively create and handle techniques to reduce voluntary turnover and actual turnover (Cooper, 2010; Du Plooy & Roodt, 2010; Tuzun & Kalemci, 2012).

High-turnover industries such as retailing, food services, call centers, and elder-care nurses make up almost a quarter of the United States population. Replacing workers in these industries are less expensive than in other

more stable employment fields, but costs can even progress to over \$500 per employee (The Economist, 18 January 2015). According to "News-Times" (New York, 2005-06), the highest industry rate in the USA is in retail sales, which is 36.9%. According to FMCG Industry Trends and Employees Turnover Survey (2013-2014), voluntary employee turnover amount of 2012 in the FMCG industry is higher than in 2011 (Mercer, 2013). The increasing rate of turnover in FMCG, specifically the retail and sales industry is detrimental not only to the individual but also a challenging task for the organizations. For instance, in Pakistan, the turnover rate is high in the sales departments of the FMCG sector resulting from the employees' little focus on tasks and frequent job search behavior (Pakistan Bureau of Statistics). The Society of Human Resource Management Forum Pakistan (SHRM, 2015) surveyed 50 organizations and found that the turnover rate is higher in FMCG manufacturing organizations as 15% and 3% employees leave before the completion of the probationary period.

Researchers have long asserted that victim characteristics are a crucial part of explaining why the employees leave the organization (Aquino & Thau 2009). Still, few empirical studies have explored this notion (Bowling et al., 2010). The current study proposed that some employees are more susceptible to turnover intentions because of the personality characteristics they exhibit (Henle & Gross, 2013; Park, 2012; Wang, Harms, & Mackey, 2014). The manifestations of these personality traits are often irritating, create tension and conflict, or violate social norms regarding appropriate emotions, cognitions, and behaviors and, thus, are more likely to result in turnover intention.

Trait activation theory (Tett and Burnett, 2003) described that both person and the situation interact to contribute to human behaviors. It is the process when the persons interact with a trait relevant situational cue and express his/her trait to meet the organizational expectations. These situational cues may stem from the task, organization, and social cues. These cues activate the relevant personality trait, which is helpful to perform an expected job task. The current study contributed to the research of personality and turnover intentions. In the previous studies, personality factors have given no or less attention concerning the turnover intention (Barrick & Mount, 1999; Salgado, 2000; Zimmerman, 2008). It is important to study which personality traits affect the subordinates' turnover intentions. This study also provided the practical implications for the organizations and the managers to implement the personality assessment tests before hiring specific characteristics for the sales jobs. Specifically, this study focused on the differences in subordinates' personality that could influence their turnover intention (Khilji & Wang, 2007; Du Plooy & Roodt, 2010; Tuzun & Kalemci, 2012).

## Literature Review

### Turnover Intention

Turnover intention can be defined as the employee's perceived desirability to leave the organization over a period of time (March & Simon, 1958). This concept is also consistent with the turnover conceptual model of Mobley (1977), who stated that when employees did not get the promotion and career growth, they become more dissatisfied with their jobs. They will then search for alternatives, and if the alternative is better than the existing, they decide to leave the organization (Griffeth & Hom, 2001).

Research on employee turnover has been one of the most important topics in organizational research over the last 50 years (Holtom, Mitchell, Lee, & Eberly, 2008; Lee, Chen, Wang, & Dadura, 2010; Maertz & Campion, 2004; Maertz & Kmita, 2012). After the onset of the industrial revolution, there were many factors affecting employee turnover intention, like employee performance, gained much attention with the birth of Taylor's scientific management theory (Taylor, 1911). The focus of Taylor's (1911) study was to effect the assembly line, and hourly wages had on employee performance. Taylor (1911) indicated workers became less satisfied with their jobs when they became exhausted from the fast assembly-line pace. The study laid the foundation for the job satisfaction theory from the early 1900s through the 21st century.

Currently, there are more than 1500 academic researches that focussed on employee turnover, but due to the seriousness of this problem, employee turnover is still a vibrant field of study (Raihan, 2012). Due to the product's short shelf life and industry fast pace supply chain and sales, management emphasis on performance and efficiency (Halpin & Winer, 1957). For instance, in Pakistan, the turnover rate is high in the sales departments of the FMCG sector resulting from the employees' little focus on tasks and frequent job search behavior (Pakistan

Bureau of Statistics). A few studies have focused on the subordinate's personality for inducing turnover intentions, an issue that can have significant detrimental effects, especially in the FMCG sector (Whitman, Halbesleben, & Shanine, 2013).

### The Relationship between Personality and Turnover Intention

The Big-five factor personality model (Goldberg, 1981) is used to measure the subordinates' personality. The initial studies of personality and turnover intentions proved a weak relationship or no impact of personality traits on turnover intentions. Two meta-analysis studies have tested the link of personality traits with the turnover. The first study of Barrick and Mount (1991) found that personality had a weak relationship with the turn over intentions, whereas, Salgado (2000) found a strong relationship of openness to experience and emotional stability with the turnover. Juhad (2012) found that conscientiousness and extraversion had a strong relationship with turnover intentions. Urnaniak (2009) found none of the Big Five personality traits had a significant direct effect on turnover intentions. Later Zimmerman (2008), in his meta-analysis, found a strong link of neuroticism and agreeableness with the turnover. Further, many studies proved significant positive relation of neuroticism with the turnover intentions (e.g., Caligiuri, 2000; Carmeli, 2003; Smith & Canger, 2004; Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006; Singh, Singh, & Singh, 2014).

### Hypothesis Development

#### Extraversion and turnover intentions

Extraversion is one of the Big-Five Factor Model (FFM). People at the higher end of extraversion traits are active, often assertive, sociable, outgoing, talkative, fun-loving, and more likely to value achievement (Roccas, Sagiv, Schwartz, & Knafo, 2002). They are active in their work and seek social opportunities to interact, they are often regarded as the "life of the party," comfortable with others, and love to take action rather than mere contemplation (Lebowitz, 2016a). This trait is the strongest predictor of leadership positions, contribute to the success and achievement of salespersons (Barrick & Mount, 1991). They are more likely to settle their problems positively with a high political attitude and are excellent in their social relationships (Soldz & Vallant, 1991). Individuals lower in this personality trait regarded as introverts; they replenished their energy in solitude and did not like to interact with others. They usually speak little and are often perceived as a reserve and thoughtful. Thus, employees lower in extraversion are more likely to leave their organization. Based on this, we hypothesized:

**Hypothesis1:** Extraversion will be negatively related to turnover intentions.

#### Agreeableness and turnover intentions

Agreeableness is the second Big- five personality factor, individuals higher on this trait exhibit the tendency to be benevolent, considerate, kind, friendly, emotionally supportive, sympathetic, cooperative, warm, forgiving, helpful and trusting (Thompson, 2008; Matsumoto & Juang, 2012; Costa & McCrae, 1985). Agreeable employees have strong interpersonal relationships and are competent to behave in stressful situations; that is why there are fewer chances that they perceive high turnover intentions (Bowling & Beehr, 2006). On the other hand, disagreeable are often selfish, aggressive, arrogant, hostile, self-centered, spiteful, irritable, uncooperative, inflexible, uncaring, and intolerant (Thompson, 2008; Matthews & Deary, 1998). Therefore, disagreeable individuals are more frustrating and, thus, more likely to experience turnover intention.

**Hypothesis 2:** Agreeableness will be negatively related to turnover intentions.

#### Conscientiousness and turnover intentions

Conscientiousness is the Big- Five third personality trait. Conscientious individuals are generally hard-working, well organized, competent, dutiful, reliable, orderly, perfectionist, and considered as a man of character (Carter & Nathan; Guan & Li; Maples & Jessica; Williamson & Rachel; Miller & Joshua, 2015). They are also likely to be conformists (Young & Colin; Peterson & Jordan; Higgins & Daniel, 2002). Individuals higher on this trait tend to demonstrate greater self-control and aim for high levels of accomplishments and competence. Managers

appreciate and like to work with them and develop good relationships with conscientious subordinates because these employees tend to be more competent.

On the contrary, people who score low on conscientiousness tend to be careless, less goal-oriented, less driven by success, apathetic, disorganized, impulsive, confused, and unreliable; they also are more likely to engage unlawful and selfish behavior (Ozer; Benet-Martínez, 2006). Employees with a lower level of conscientiousness are incapable of persuading themselves to perform a task that they would like to achieve (Costa & McCrae, 1992). They have perceived as a burden for their managers. Thus, employees lower in conscientiousness think more about the turnover intentions than the employees higher on this trait.

**Hypothesis 3:** Conscientiousness will be negatively related to the turnover intentions

### Neuroticism and turnover intention

Neuroticism is another FFM factor. Individuals with a high score on neuroticism are perceived to be highly unconfident, nervous, anxious, insecure, worried, stressed, unstable, and oversensitive (Costa & McCrae, 1992). They also experience depression, anxiety, negative emotions, and attitudes (Henle & Gross, 2014; Colbert et al., 2012). Supervisors feel challenging to work with highly neurotic employees because of their consistent irritable attitude and anger, and perceived these employees as disturbing and annoying (Watson & Clark, 1984). On the other hand, employees lower in neuroticism (emotional stability) are emotionally stable, confident, and can adequately accomplish their job tasks (Jerominus, Kotov, Riese, & Ormel, 2016). Thus, employees with high neuroticism are more prone to leave their organizations than individuals lower on this trait (Bos & Hankin, 2013; Leese & Peter, 2014).

**Hypothesis 4:** Neuroticism will be positively related to turnover intentions.

### Openness to Experience and turnover intentions

It is one of the Five-Factor Model (FFM) personality traits that refer to the individuals who are daring, creative, curious, friendly, show a willingness to explore, tolerant, and experience new things, ideas and approaches. Individuals high in this personality trait would like to learn new things, meeting or interacting with new people, having a love for learning, and the ability to think out of the box (Leibowitz, 2016a). On the other hand, individuals low in openness will mostly stick to what they know; they prefer routine over variety, less social, and entertaining. Thus, employees lower on this trait would more think about leaving their organization. Therefore, we hypothesized that

**Hypothesis 5:** Openness to experience will be negatively related to turnover intentions.

As the current study aims to test the hypothesis and the relationships between the variables included in the study (Personality Traits and Turnover Intentions), a quantitative research design is employed to get the objectives of the current study. Furthermore, the survey method is applied; the questionnaire adapted from the existing literature—a cross-sectional technique adopted for the collection of data at a single time. The rationale behind choosing the cross-sectional research design over longitudinal is the limitation of resources, cost, and time for data collection. The responses recorded from the salespersons of the FMCG companies operating their business in Pakistan. A sample of 230 full-time front line salespersons working in the FMCG companies in Pakistan. A stratified random sampling technique used to collect the data. Moreover, the current study investigates the impact of employees' personality traits on their turnover intentions. Survey responses were given on the questionnaire distributed by the internal management of the companies.

## Measures

### Personality

Personality items were measured using the 20 item Mini IPIP scale of Donnellan, Oswald, Baird, and Lucas (2006). The respondents were given 20 statements, which they rated on the 5 points Likert scale (1 = Strongly

disagree, 5= Strongly agree). Each statement begins with the “I see myself as someone who...” and some examples are “Talk to a lot of different people at parties,” “Feels other’s emotions,” “Makes a mess of things.”

**Turnover intentions**

Turnover intentions were measured by using Wayne (1997) & Lum's (1998) 5 –items scale. Responses were recorded using 5 points Likert scale ranging from 1= Strongly Disagree to 5= Strongly agree. Statements included, “I am seriously thought about quitting my job” and “Taking everything into consideration, there is a likelihood that I will make a serious effort to find a new job within the next year.”

**Results**

Bootstrapping was conducted in PLS 2.9 to analyze the measurement model. The measurement model consisted of all six variables extraversion, agreeableness, conscientiousness, neuroticism, openness to experience, and turnover intention. Table 1 showed that the overall mean and the standard deviation values were also within the acceptable range. Hence, it can ascertain that responses showed support and an adequate level of execution concerning all constructs. Further, the preliminary analysis conducted using SPSS. V. 25 for the normality of the data collected. The results of the preliminary analysis show that the data is normally distributed. Table 1 shows the mean, standard deviation, and inter-correlation of all the variables.

**Table1 shows the descriptive statistics and the interrelation of the study variables**

Variables	M	SD	1	2	3	4	5	6
1 Extraversion	3.2467	0.88395	1					
2 Agreeableness	3.3793	0.89812	.191**	1				
3 Conscientiousness	3.3902	0.86044	0.066	.324**	1			
4 Neuroticism	3.3750	0.83187	0.093	.245**	.228**	1		
5 Openness to experience	3.2870	0.88488	0.036	0.059	0.083	.157**	1	
6 Turnover Intention	3.1078	0.94042	-0.092	-.381**	-.124*	.161**	0.043	1

\*\* . Correlation is significant at the 0.01 level (1-tailed)

\* . Correlation is significant at the 0.05 level (1-tailed)

A bootstrapping method used to assess the direct analysis of all the variables presented in Table 2.

**Table 2 Direct effects of Personality Traits on Turnover Intentions**

Variables	(β)	SE	T Value	P-Value
1 Extraversion -> Turnover intentions	-0.024	0.071	0.341	0.733



2	Agreeableness -> Turnover intentions	-0.428	0.059	7.217	0.000
3	Conscientiousness -> Turnover intentions	-0.049	0.059	0.831	0.406
4	Neuroticism -> Turnover intentions	0.274	0.082	3.338	0.001
5	Openness to Experience -> Turnover intentions	0.091	0.114	0.803	0.423

Among five hypotheses, 2 and 4 were supported, but the hypothesis 1,3 and 5 were not supported in the hypothesized direction. Thus, those employees who score high or low on agreeableness and neuroticism stay longer with the organization.

Hypothesis 1 was not supported, predicting that extraversion will be negatively related to the salespersons' turnover intentions. The findings showed that extraversion did not have a negative relationship between the extraversion and the turnover intentions ( $\beta = -0.024$ ;  $t = 0.341$ ;  $p > 0.05$ ). Hypothesis 2 was fully supported in the hypothesized direction, which suggested that agreeableness will be negatively related to the salespersons' turnover intention. Table 2 shows that agreeableness did have a significant direct negative relationship with the salesperson's turnover intentions ( $\beta = -0.428$ ;  $t = 7.217$ ;  $p < 0.01$ ). Hypothesis 3 was not supported, which predicted that conscientiousness will be negatively related to the salespersons' turnover intentions ( $\beta = -0.049$ ;  $t = 0.831$ ;  $p > 0.05$ ). Hypothesis 4 was fully supported, suggesting that neuroticism will be positively related to the salespersons' turnover intentions ( $\beta = 0.274$ ;  $t = 3.338$ ;  $p < 0.01$ ). Hypothesis 5 was not supported predicted that openness to experience will be negatively related to the salespersons' turnover intentions. Table 2 showed that openness to experience did not have a negative influence on the turnover intentions ( $\beta = 0.091$ ;  $t = 0.803$ ;  $p > 0.05$ ).

**Discussion**

The results of the current study supported the hypothesis, which revealed that the employees higher in agreeableness and lower in neuroticism are more likely to stay longer with the organization. Extraversion, conscientiousness, and openness to experience have not significant effect on turnover intentions. Thus, people high in neuroticism refer to high levels of anxiety, sadness, worry, and low self-esteem, which is why they are less likely to handle work-related stress and more likely to develop turnover intentions. Likewise, salespersons with low agreeableness are less competent, insecure, and non-accommodative; that is why they develop more turnover intentions than those who are high on this personality trait.

On the contrary, extraversion also did not support the proposed hypothesis that extraversion did not have a significant relationship with turnover intentions. Extroverts are overconfident, and due to their sociability, they made social connections outside the organization quickly. At the same time, they have many job opportunities to switch from one job to another. Thus, salespersons with high extraversion move more frequently towards turnover intentions. Conscientiousness also did not support the proposed hypothesis, as the conscientious employees are more consistent, less flexible, and did not change over time; that is why salespersons high on this personality trait would be more likely to withdraw from the job. Openness to experience also did not support the proposed hypothesis that the openness to experience did not have a significant relation with the turnover intentions. The salespersons higher in openness to experience love to learn new things, meeting and interacting with new people; they never stick to what they have. That is why they move more towards the turnover intention to explore the world outside the organization.

The findings of the current study proved significant positive relation of neuroticism with the turnover intentions aligned with the previous studies (e.g., Caligiuri, 2000; Carmeli, 2003; Smith & Canger, 2004; Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006; Singh, Singh, and Singh, 2014). The results of the current study proved the significant relationship between agreeableness and the turnover intentions, which is also supported by previous research studies (e.g., Zimmerman, 2008; Maertz & Griffeth, 2004; Mitchell et al., 2001; Clark & Watson, 1999; Eysenck, 1997; Mobley et al., 1979).

## Theoretical and Practical Implications

Further, the researcher draws on the trait activation theory to provide a rationale for the relationship between subordinates' personality traits and turnover intentions. The current study proved that some personality traits are the reason why certain types of salespersons are more likely to experience turnover intentions. The findings of the present study showed that only two personality traits could stay longer with the organization. The theory of trait activation proposed that how the employees interpret their workplace situations and further shape their behaviors in the light of these interpretations. Facing such workplace situations activated the specific traits of personality, which are helpful to elicit high performance at the workplace. In support of the trait activation theory, only salespersons higher in agreeableness and lower in neuroticism are more suitable for the sales job. Like, agreeableness is associated with sociability and companionship, if this trait activated on the job while a salesperson interacting with the customers for generating sales, it will help him to achieve his sales targets and subsequent sales incentives. That is why agreeable proved to be the best salespersons due to their trait related high skills and capabilities. On the other hand, salespersons lower in neuroticism (emotional stability); they are more emotionally stable and deal with the situational cues more confidently and achieve their performance goals quickly. Thus, the research findings confirmed that the salespersons higher in agreeableness and lower in neuroticism could perform their jobs and ultimately stay longer with the organizations.

The current study contributed to the research on personality and turnover intentions. This study is one of those studies which contributed to what personality traits more likely to develop more turnover intentions. Secondly, the findings provide practical implications for managers and management. The study findings can apply for retention purposes that specifically which personality characteristics the salespersons must possess for hiring. It further can be utilized for the training purposes of the executives to shape their behaviors best suited for the job. The congruence among personality traits leads to better retention and lower turnover intentions.

## Limitations and Recommendations of the study

There are some limitations to the current study. The data collected from a single source that is frontline salespersons, future research can include different management levels. Secondly, the data was collected using the mini IPIP, which is a short version of the FFM personality model, which might be a limitation of the current study. A cross-sectional design used to measure the personality and turnover intentions, as the intentions may change with the change in environment and time. However, future research can use the longitudinal design to assess the frequency of the salespersons' turnover intentions.

The researcher also recommended measuring the frequency of thinking about quitting the organization, what are the factors (i.e., supervisor, management, and any inability to carry out the task) that enable the employees to think about leaving the organization. Additionally, the situations might ask which situation impacts strongly their intention to leave the organization and, in the last week, how many times the employees thought about quitting. This type of information will give a clearer insight into the factors affecting the employee's turnover intentions.

## Conclusion

Research on turnover intentions progressed prominently. But still needs to explore what factors affected employees' turnover intentions. The current study proved that personality played an influential role in building the employees' turnover intentions. Further, the current research suggested that what personality traits are more suitable for the job and the organization fit. What personality characteristics the salespersons must possess to perform their tasks. The current study findings also proved that the salespersons must possess the required skills and knowledge to stay longer in their jobs. Thus, salespersons higher in agreeableness and lower in neuroticism may lengthen the employment period and help organizations for better retention of the potential employees.

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