

# Accounting Public Practice and Employee Job Satisfaction Today: Professional Values, Organisational Commitment and Employee Intention to Turnover in Accounting Firms

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## Abstract

*This study evaluates two of the most pressing issues facing public practice in Australia today – the growing gap in the importance placed on professional values by public practice accounting firms, and the effect of this gap on job satisfaction, organisational commitment and employee intention to turnover. The results of this study clearly show that there is a perceived gap in professional values that is associated with lower levels of both organisational commitment and job satisfaction for public practice accountants. The alignment of these results and those of previous researchers that show job satisfaction and organisational commitment are associated with increased intentions to turnover is an early-warning signal to accounting practice managers. Employees seem prepared to take action if there is a perceived gap in professional values with their employers.*

## Introduction

Staff turnover and intention to turnover have been studied extensively in the past (Mobley, 1977; Hom, Katerberg & Hulin, 1979; Arnold & Feldman, 1982; Gaertner, Hemmeter & Pittman, 1987; Russ & McNeilly, 1995; Chen & Francesco, 2000). The literature, however, has failed to provide a unified theory on what causes staff to leave their employers, with relatively little research conducted on turnover in accounting firms (relative to the number of studies in sociology and psychology). This constitutes a problem for human resource professionals in accounting firms, since understanding the reasons for staff turnover is becoming increasingly important as the full costs associated with terminating, replacing and training staff become known (Schwepker, 1999). The

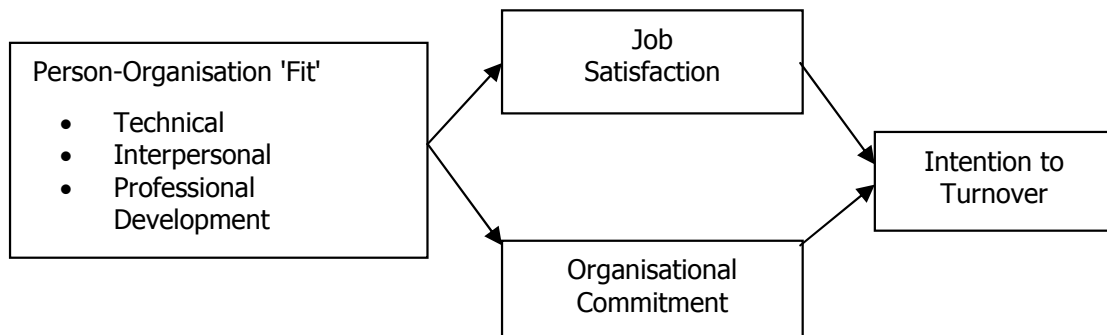
importance of this issue to small and medium-sized practices was demonstrated in the Phase 2 release of the Public Practice Advisory Committee (PPAC) study (July, 2005), 'What makes best practice?' In that study, 50 percent of small to medium practice respondents said that finding and retaining staff were the main issues they faced.

A significant amount of research has been conducted on person-organisation 'fit', particularly in relation to individuals' and organisations' ethical values (Ferrell & Weaver, 1978; O'Reilly, Chatman & Caldwell, 1991; Sims & Kroenke, 1994; Cable & Judge, 1996). Research has indicated that there may be a difference between employees' and organisations' ethical values (Ferrell & Weaver, 1978); however, little attention has been given to the effects of this incongruence on job-related outcomes (Schwepker, 1999). The limited evidence available suggests that good person-organisation fit is associated with greater organisational commitment and lower turnover rates (O'Reilly *et al.*, 1991; Cable & Judge, 1996), whilst a mismatch in person-individual values generally leads to staff turnover (Schneider, 1987).

Researchers have also studied the relationship between job satisfaction and turnover (Mobley, 1977; Reed Kratchman & Strawser, 1994), organisational commitment and turnover (Cohen, 1993; Schwepker, 1999), and the combined effect of job satisfaction and organisational commitment on turnover (Tett & Meyer, 1993; Russ & McNeilly, 1995); however, there still exists a lack of completeness in the existing literature. Whilst it is useful for managers of professional practices to understand whether or not levels of job satisfaction and organisational commitment affect turnover intentions, an understanding of the antecedent events leading to poor job satisfaction and organisational commitment would be a better warning of an impending HR crisis.

Accordingly, the aim of this study is to extend the literature by examining, firstly, person-organisation fit and, secondly, the effects of job satisfaction and organisational commitment on turnover intentions. Therefore, the scope of the study is limited to examining the relationships in accounting firms illustrated in Figure 1.

**Figure 1: Conceptual Model**



Source: Original figure.

This paper is comprised of five sections: 1) introduction and theoretical background on person-organisation fit, job satisfaction, organisational commitment and intention to turnover; 2) outline of the hypotheses that will be tested in this study; 3) methodology and results; and, 4) discussion, conclusions, limitations and avenues for future research.

## **Theoretical Background**

### ***Relationship between Person-Organisation 'Fit' and the Dependent Variables of Job Satisfaction and Organisational Commitment***

Person-organisation fit has been defined by Chatman (1981) as 'the congruence between the norms and values of organisations and the values of persons' (p. 339) while Kristof (1996) defined it as 'the compatibility between people and organisations that happens when: (1) at least one entity provides what the other needs, or (2) sharing of similar fundamental characteristics, or (3) both' (p. 45). The theory of person-organisation fit states that positive behavioural responses should follow when an individual fits the requirements of a situation (O'Reilly *et al.*, 1991) and, conversely, when an individual perceives that a difference exists between his/her values and the organisation's that psychological, physiological and behavioural strains may occur (French, Caplan & Harrison, 1982).

Organisations prefer to select candidates for a job whose values are essentially most similar to the organisation's, and those individuals whose values are dissimilar to the organisation tend then to leave, either voluntarily or involuntarily (Arthur *et al.*, 2006). This method has been used by organisations to strengthen their values because studies have found that associating with others with similar characteristics is often more desirable, as the similarities between individuals strengthen their beliefs and values and result in desirable behaviours (Swann, 1987; Swann, Stein-Seroussi & Giesler, 1992). As such, the increased levels of person-organisation fit allow for increased interaction amongst individuals which, in turn, improves job satisfaction and organisational commitment (Arthur *et al.*, 2006). Similarly, Posner and Schmidt (1993) found that greater levels of organisational commitment resulted from personal-organisational values congruence. A subsequent study by Schwepker (1999) found that incongruence in ethical values between an individual and their organisation impacted negatively on organisational commitment levels and led to higher levels of turnover intentions.

A quantitative review of the person-organisation fit literature by Verquer, Beehr and Wagner (2003) examined 21 studies on the relationship between person-organisation fit and the attitudinal outcomes. The results of Verquer *et al.* (2003) showed that person-organisation fit was related to three factors: intention to quit, job satisfaction and organisational commitment. Hoffman and Woehr (2006) further extended the work of Verquer *et al.* (2003) by reviewing the person-organisation fit and behavioural outcomes relationship in terms of job performance, organisational citizenship behaviour and turnover. Hoffman and Woehr's (2006) results showed weak to moderate relationships with turnover, task performance and organisational citizenship behaviour.

## ***Relationship between Organisational Commitment and Job Satisfaction and Intention to Turnover***

Intention to turnover measures whether or not the respondent intends to leave their organisation. Most researchers who study intention to turnover focus their inquiry solely on whether or not the respondent intends to leave the organisation within a specific time (Bluedorn, 1982; Russ & McNeilly, 1995). An alternative measure is actual staff turnover; however, it is considerably more difficult to collect data from staff that have already left an organisation. Many studies in this area examine the influence of organisational commitment and job satisfaction on intention to turnover (or turnover) (Arnold & Feldman, 1982; Tett & Meyer, 1993; Russ & McNeilly, 1995). In most cases, this relationship is examined in a bid to determine causality and to investigate the influence of moderating variables such as gender, level of education and profession.

This study focuses on the impact of job satisfaction and effective commitment on turnover intentions. Effective commitment is characterised by how the individual feels about the organisation. Mowday, Steers and Porter (1979: 226) defined affective commitment as:

*...the relative strength of an individual's identification with and involvement in a particular organisation. It can be characterized by at least three related factors: (1) a strong belief in and acceptance of the organisation's goals and values; (2) a willingness to exert considerable effort on behalf of the organisation; and (3) a strong desire to maintain membership in the organisation.*

Tett and Meyer (1993) describe one perspective of the relationship between organisational commitment and intention to turnover in stating that: 'commitment to the company engenders a positive attitude toward the job' (p. 260). Hence, if organisational commitment is high, an individual's intention to turnover will be low.

Previous studies have found that a decrease in organisational commitment is significantly related to an increase in intention to turnover (Porter *et al.*, 1974; Porter, Crampon & Smith, 1976; Steers, 1977; Hom *et al.*, 1979; Arnold & Feldman, 1982). Eby *et al.* (1999) also found that affective organisational commitment had a significant effect on both turnover and absenteeism. Another study by Hom *et al.* (1979) on a sample of National Guard members supports the findings of Eby *et al.* (1999) finding that organisational commitment significantly influences/predicts turnover (to a greater extent than even job satisfaction). Organisational commitment was found to significantly predict the intention of guards to re-enlist and the actual act of re-enlisting.

A consistently negative relationship between turnover and job satisfaction can also be found in the literature (Brayfield & Crockett, 1955; Vroom, 1964; Porter & Steers, 1973; Locke, 1975). However, although the relationship found has been consistent and significant, the correlations have not been particularly high (usually less than 0.40) (Locke, 1976).

This study takes a slightly different approach to intention to turnover. As with Mobley (1977), intention to turnover is given a broader-scope encompassing both the intent to actually leave the firm and earlier signals that a respondent is considering leaving,

such as surveying alternative employment opportunities and wanting to apply for other positions. The expectation that turnover intentions are increased by low levels of organisational commitment and job satisfaction is, however, still held as with the other studies discussed above.

## Hypotheses Development

As discussed, if the professional values of accounting firms (as perceived by the individual) are different from the professional values of individuals, a gap exists. Such a gap could potentially affect an individual's job satisfaction and organisational commitment. When an individual's job satisfaction and organisational commitment is low, this will ultimately lead to the individual contemplating a change of scenario from his/her current environment.

An examination of the Big 4 Accounting firms' web sites indicates that their values are generally similar. Accounting firms have indicated that, among others, they place a high value on the following three areas:

1. technical abilities
2. interpersonal skills
3. the employee's professional development.

For example, Deloitte Touche Tohmatsu (2006) has developed a set of beliefs and values (termed 'signals') promoting continuous growth and improvement through a lifetime of learning, thereby achieving 'distinctive competence' and 'deep specializations'. The need for technical abilities is also reflected in the code of conduct for KPMG (2006) where:

*... each KPMG partner and employee is expected to be familiar with applicable laws, professional standards, and KPMG policies that apply to his or her specific job function and level of responsibility.*

The importance of interpersonal skills is emphasised by top-tier accounting firms, with Ernst and Young (2006) and PricewaterhouseCoopers (2006) stating their commitment to effective teamwork through the building of relationships among colleagues and clients. It is the belief of the accounting profession, in general, that the continuous professional development of staff members is pivotal for the success of accounting firms. KPMG (2006) encourages its employees to participate in appropriate training sessions, seeking information through KPMG resources and consulting with others to stay informed of their job responsibilities. PricewaterhouseCoopers (2006) requires employees 'to invest in the ongoing enhancement of their skills and abilities' while Ernst and Young (2006) has developed a 'People First' environment where employees are provided with learning and growth opportunities by working with a counsellor to develop a customised learning and development plan.

These abilities and skills - technical abilities, interpersonal skills and employee professional development - have been selected for the study because they embody the major issues facing accountants working in public practice. These issues are the ability to

successfully undertake their duties, the ability to work co-operatively with colleagues and management, and ensuring that their career progresses satisfactorily.

The hypothesis development above leads to three core hypotheses as the main motivators for this paper:

- H1: Employee job satisfaction is negatively correlated with the values gap relating to technical expertise, professional development and interpersonal relationships.
- H2: Employee organisational commitment is negatively correlated with the values gap relating to technical expertise, professional development and interpersonal relationships.
- H3: Decreased employee organisational commitment and job satisfaction are positively correlated with high levels of intention to turnover.

## **Methodology**

Two accounting firms participated in the study. All professional staff working in pre-selected service lines were provided with a copy of the questionnaire. The service lines targeted were audit/assurance, taxation, business/management consulting, corporate finance and insolvency. These service lines were targeted for two reasons. First, although they may be named differently by different firms, they are generally universal among accounting firms. This increased the generalisability of the findings. Second, focusing on common, well-established service lines increased the likelihood that sufficient sample sizes would be obtained.

Data was collected via a self-completed questionnaire, which was distributed to respondents through their firm's internal mail system. Respondents were instructed to return their completed questionnaire using the provided reply-paid envelope. The use of reply-paid envelopes that were returned directly to the university ensured confidentiality for respondents. This procedure was also adopted to ensure the least possible disruption to respondents and to, therefore, maximise the response rate.

### ***Measurement Instruments***

Structured scales were used to measure key variables within the study. Scales used to measure job satisfaction and organisational commitment were taken from the existing literature, whilst new scales were developed to measure any existing professional values gap and intention to turnover. General demographic information was also collected.

*Organisational commitment* was measured using the 15 item five-point Likert scale Organisational Commitment Questionnaire (Mowday *et al.*, 1979). Several items in the scale were negatively phrased and were reverse-scored. The average response for the 15 items was used as a summary measure in accordance with the instructions for using the instrument (Mowday *et al.*, 1979). Reliability testing for this study produced a Cronbach's alpha of 0.85. Descriptive statistics for organisational commitment appear in Table 1.

**Table 1: Descriptive Statistics**

<b>Variable</b>	<b>Mean</b>	<b>Standard Deviation</b>	<b>Potential Range</b>	<b>Actual Range</b>
Organisational commitment	3.49	0.61	1-5	1-5
Job satisfaction with work practices	14.75	3.08	4-20	4-20
Job satisfaction with work conditions and autonomy	11.02	2.10	3-15	3-15
Job satisfaction with management practices	9.71	2.30	3-15	4-13
Job satisfaction - job contentment and future opportunities	11.71	2.00	3-15	4-15
Intention to turnover	7.65	2.81	3-15	3-15
Professional values - professional development	2.88	2.65	0-12	0-12
Professional values - interpersonal skills	1.98	1.93	0-12	0-9
Professional values - technical abilities	1.64	1.55	0-12	0-6

Source: Original table.

*Job satisfaction* was measured using the short form Minnesota Satisfaction Questionnaire (Weiss, 1967). The scale proved reliable in this study, with a Cronbach's alpha of 0.89. Items measuring job satisfaction factored into four dimensions, with Factor 1 representing satisfaction with work practices, Factor 2 representing satisfaction with work conditions and autonomy on the job, Factor 3 representing satisfaction with management practices/policies and Factor 4 representing the level of contentment with the job and further opportunities. These four factors accounted for 59 percent of the total variance, with descriptive statistics listed in Table 1. Four of the 20 items measuring job satisfaction were omitted due to low factor loadings.

*Intention to turnover* was measured using three items. The three items described three different stages of intention to turnover, with the first stage being the surveying of alternative employment opportunities ('I often survey alternative employment opportunities'); the second stage being the desire to apply for other jobs ('I have wanted to apply for other specific jobs in the past six months'); and the third stage being the intention to actually leave the firm ('I intend to leave this firm in the next six months'). Each item was measured on a five-point Likert scale as follows: (1) strongly disagree; (2) disagree; (3) neither; (4) agree; and (5) strongly agree. The scale produced a Cronbach's alpha of 0.82. The three items measuring intention to turnover factored into one

dimension, representing 74 percent of the variance. Descriptive statistics are shown in Table 1.

*Professional values of employees and firms* was measured using a purpose-developed instrument. Previous studies on ethical incongruence have typically provided a case study scenario and asked respondents to indicate their beliefs about the actions taken (Schwepker, 1999); however, it was considered that a case study approach was less appropriate for measuring professional values. Therefore, a measure was purpose-developed where the values of the respondents and their firms were measured by reference to three components identified from the accounting firms' websites:

1. value placed on technical ability
2. value placed on interpersonal skills
3. value placed on the employee's professional development.

Consistent with person-organisation fit theory, values placed on these three components were analysed to determine if there is a difference in employee values and perceived firm values. It is important to emphasise here that the existence of any perceptions gap revealed by this study does not refer to an actual difference in values. It is firm values as perceived by employees that are being measured; therefore, results will reflect only the opinions of those employees.

**Table 2: Measure for Professional Values**

Technical skills	(a) meeting the target number of billable hours (b) an appropriate level of practice development work for your level (c) an appropriate level of technical expertise for your level
Interpersonal skills	(a) the ability to diffuse tension in a stressful situation (b) mentoring staff at a lower level than you (c) nurturing interpersonal relationships – gaining the trust and confidence of colleagues
Professional development	(a) an active system for guiding your career/professional progression (b) the awarding of promotions and salary increments based primarily on merit (c) adopting the work patterns/style of directors and partners

Source: Original table.

Three items measured each of the components, making a total of nine items measuring professional values. Each item required two responses from the employee, the first indicating the importance the respondent employee places on the item, and the second indicating the importance that the respondent thinks his/her firm places on the item. In other words the employee was asked to rank his/her own values and also the



values of his/her employer. Values were measured on a five-point Likert scale with responses ranging from (1) of very little importance to (5) of very great importance. The questions for the three components are shown in Table 2.

The scales for the three professional values were reliable with Cronbach alphas of 0.69 for employee values and 0.70 for perceived firm values. Three factors were extracted from the data. Factor 1 describes personal/practice development differences, Factor 2 describes interpersonal skills differences and Factor 3 describes differences in the value of work practices. The three extracted factors accounted for 59 percent of the variance and descriptive statistics are given in Table 1. These factors are essentially consistent with those areas of value to accounting firms discussed earlier, corresponding as follows:

- personal/practice development: professional development.
- interpersonal skills: interpersonal skills
- work practices: technical abilities.

## Results

Four hundred and fifty questionnaires were distributed of which 148 were completed and returned, giving a response rate of 33 percent. Questionnaires were screened for inconsistent responses or unusual patterns (for example, a zigzag or other pattern, or all questions answered the same), which would indicate a respondent did not complete the questionnaire honestly and/or seriously. This screening process resulted in 12 questionnaires being eliminated from the study, leaving a total of 136 questionnaires which were considered to have been completed appropriately for inclusion.

Examination of the data revealed several interesting observations. First, the average age of respondents was relatively young at 28.8 years. Some 63 percent of the respondents were aged between 20 and 29 years and 89.6 percent were under 40 years. The young age of respondents is particularly so in corporate finance, where 87.5 percent of respondents were aged 20 to 29 years (see Table 3). Another statistic worthy of noting is that 65.4 percent of respondents were male, although in the traditional accounting areas of audit and taxation, the proportion of male respondents was only 59.6 percent and 60.5 percent respectively. The overall average is boosted by both business consulting and corporate finance, where the proportion of male respondents is 76.7 percent and 87.5 percent respectively (see Table 3). An accounting degree, as expected, was the most common tertiary qualification, with 59.4 percent of respondents holding an undergraduate accounting degree, and 11.3 percent of respondents holding an honours degree or postgraduate diploma in accounting. Interestingly, the proportion of respondents from taxation holding an undergraduate degree in accounting was 70.7 percent, whilst from corporate finance only 37.5 percent of respondents held an accounting degree (see Table 3).

Table 3: Demographic Data

<b>Variable</b>	<b>Overall No. (%)</b>	<b>Audit No. (%)</b>	<b>Business consultancy No. (%)</b>	<b>Corporate finance No. (%)</b>	<b>Insolvency No. (%)</b>	<b>Tax No. (%)</b>
<b>AGE</b>						
20-29	85 (63.0)	36 (69.2)	17 (58.6)	7 (87.5)	0	24 (55.8)
30-39	36 (26.6)	13 (25.0)	9 (31.0)	0	1 (50.0)	13 (30.2)
40-49	10 (7.4)	2 (3.8)	2 (6.9)	1 (12.5)	0	5 (11.6)
50-59	4 (3.0)	1 (1.9)	1 (3.4)	0	1 (50.0)	1 (2.3)
<b>GENDER</b>						
Male	89 (65.4)	31 (59.6)	23 (76.7)	7 (87.5)	1 (50.0)	26 (60.5)
Female	47 (34.6)	21 (40.4)	7 (23.3)	1 (12.5)	1 (50.0)	17 (39.5)
<b>HIGHEST TERTIARY QUALIFICATION</b>						
Accounting Diploma	5 (3.8)	2 (3.8)	1 (3.3)	0	0	2 (4.9)
Accounting Degree	79 (59.4)	31 (59.6)	15 (50.0)	3 (37.5)	1 (50.0)	29 (70.7)
Accounting Honours/ Postgraduate Diploma	15 (11.3)	6 (11.5)	3 (10.0)	1 (12.5)	1 (50.0)	4 (9.8)
Accounting Masters/PhD	6 (4.5)	3 (5.8)	1 (3.3)	1 (12.5)	0	1 (2.4)
Other	28 (21.1)	9 (17.3)	10 (33.3)	3 (37.5)	0	5 (12.2)
<b>YEARS IN ACCOUNTING</b>						
0-3	66 (51.2)	28 (53.8)	15 (51.7)	4 (50.0)	0	18 (42.9)
4-6	26 (20.2)	10 (19.2)	7 (24.1)	1 (12.5)	0	8 (19.0)
7-10	15 (11.6)	4 (7.7)	4 (13.8)	2 (25.0)	1 (50.0)	4 (9.5)
11-15	12 (9.3)	4 (7.7)	2 (6.9)	0	0	6 (14.3)
More than 15	10 (7.8)	1 (1.9)	1 (3.4)	1 (12.5)	1 (50.0)	6 (14.3)
<b>YEARS WITH CURRENT FIRM</b>						
0-3	96 (70.6)	40 (76.9)	19 (63.3)	4 (50.0)	1 (50.0)	31 (72.1)
4-6	19 (14.0)	6 (11.5)	5 (16.7)	2 (25.0)	0	6 (14.0)
7-10	12 (8.8)	3 (5.8)	5 (16.7)	1 (12.5)	0	3 (7.0)
11-15	6 (4.4)	3 (5.8)	1 (3.3)	0	0	2 (4.7)
More than 15	3 (2.2)	0	0	1 (12.5)	1 (50.0)	1 (2.3)

Source: Original table.

As the sample was drawn from Chartered accounting firms, most of the respondents were either Chartered Accountants (38.7%) or undertaking further studies to attain Chartered Accountant or Certified Practising Accountant status (28.7%). However, 100 percent of respondents working in corporate finance were either Chartered Accountants or undertaking further studies to attain membership of a professional body, and an unexpectedly high proportion of respondents in business consulting were members of the National Institute of Accountants (32.0%) (see Table 3). Finally, as the study examined the high staff turnover rates of accounting firms, it was not surprising to note that over half of the respondents in every service line had been with their current firm for less than 3 years (70.6% overall) and that only 15.4 percent had been with their current firm for more than 6 years (see Table 3). This may be explained, however, by the fact that some 51.2 percent of respondents had worked in accounting for less than 3 years. A complete breakdown of demographics by service line can be found in Table 3.

A correlation of demographic factors has revealed several relationships that are worthy of mentioning. As expected, a respondent's age significantly related to the number of years they have worked in accounting ( $r=0.68$ ,  $p=0.00$ ), the number of years they have worked with their current firm ( $r=0.49$ ,  $p=0.00$ ), the number of professional employers for whom they have previously worked ( $r=0.46$ ,  $p=0.00$ ) and their position within the firm ( $r=0.68$ ,  $p=0.00$ ). In fact, a respondent's position and the length of time with their firm are also significantly related ( $r=0.62$ ,  $p=0.00$ ) (see Table 3). A respondent's gender correlated significantly with their years in accounting ( $r=0.23$ ,  $p=0.01$ ) and their position ( $r=0.26$ ,  $p=0.002$ ), with males having worked in accounting longer and also holding higher positions than females (see Table 4).

**Table 4: Correlations of Demographic Factors**

	(1)	(2)	(3)	(4)	(5)	(6)
Age (1)	-					
Gender (2)	0.10	-				
Tertiary qualification (3)	0.29**	0.12	-			
Years in accounting (4)	0.68**	0.23**	0.01	-		
Years with firm (5)	0.49**	0.13	-0.00	0.67**	-	
Position (6)	0.67**	0.26**	0.22*	0.76**	0.62**	-
No. of employers (7)	0.46**	0.12	0.27**	0.28**	-0.13	0.33**

Source: Original table. Note: \*  $p<0.05$ , \*\*  $p<0.01$ .

Also of interest is that a respondent's level of tertiary qualifications was found to have a significant relationship with both their age ( $r=0.29$ ,  $p=0.001$ ) and their position in their firm ( $r=0.22$ ,  $p=0.014$ ), with the direction indicating that individuals with higher levels of tertiary education are older and hold higher level positions within their firm. Further, individuals with higher level tertiary qualifications were also found to have had more previous employers ( $r=0.27$ ,  $p=0.002$ ), possibly indicating that their high

educational levels give them transferable skills and more job opportunities (see Table 4). A correlation matrix of the demographic data can be found in Table 4.

Hypotheses 1 and 2 stated that it was expected that an employee who perceives that a professional values gap exists in relation to the value placed on technical expertise, professional development and interpersonal relationships, will experience lower levels of job satisfaction (H1) and organisational commitment (H2). Correlations to test these hypotheses are presented in Table 5. The results provide partial support for Hypothesis 1, with statistically significant correlations existing between:

- Job satisfaction with management policies/practices and:
  1. A perceived gap in the value of professional development ( $r=-0.28$ ,  $p=0.00$ ).
  2. A perceived gap in the value of interpersonal relationships ( $r=-0.27$ ,  $p=0.00$ ).
- Job satisfaction with further opportunities and contentment and:
  1. A perceived gap in the value of professional development ( $r=-0.24$ ,  $p=0.01$ ).
  2. A perceived gap in the value of interpersonal relationships ( $r=-0.17$ ,  $p=0.05$ ).

The inverse nature of the relationships above indicate that the greater the perceived gap in the values placed on professional development and interpersonal relationships, the lower the level of satisfaction with management policies/practices and further opportunities and contentment. However, no evidence was provided to suggest that satisfaction levels with those aspects of job satisfaction discussed above are lowered by a perceived gap in the value placed on work practices, or that levels of satisfaction with work practices or work conditions/autonomy are lowered by a perceived gap in the value placed on any of the professional values.

**Table 6: Hypothesis 3 - Correlations**

	<b>Intention to turnover</b>
Job satisfaction - work practices	-0.42**
Job satisfaction - work conditions and autonomy	-0.41**
Job satisfaction - management practices	-0.46**
Job satisfaction - contentment and future opportunities	-0.46**
Organisational commitment	-0.59**

Source: Original table. Note: \*  $p<0.05$ , \*\*  $p<0.01$ .

On the other hand, the results provide strong support for Hypothesis 2, indicating a statistically significant relationship exists between organisational commitment and a values gap in relation to professional skills development, interpersonal relationships and work practices (including technical skills). The relationships are negative, indicating that as the

perceived gap in professional values gets larger, organisational commitment levels decrease.

Hypothesis 3 stated that low levels of organisational commitment and job satisfaction are positively related to high levels of intention to turnover. Correlations (displayed in Table 6) provide strong support for Hypothesis 3, with statistically significant negative relationships between intention to turnover and organisational commitment, and intention to turnover and all aspects of job satisfaction.

**Table 5: Hypotheses 1 and 2 - Correlations**

	<b>Professional development</b>	<b>Interpersonal skills</b>	<b>Technical abilities</b>
Job satisfaction - work practices	-0.13	0.04	0.06
Job satisfaction - work conditions and autonomy	-0.09	-0.12	-0.06
Job satisfaction - management practices	-0.28**	-0.27**	-0.14
Job satisfaction - contentment and future opportunities	-0.24**	-0.17*	-0.07
Organisational commitment	-0.32**	-0.33**	-0.38**

Source: Original table. Note: \*  $p < 0.05$ , \*\*  $p < 0.01$ .

## **Discussion and Conclusion**

As stated above, partial support was obtained for Hypothesis 1, with some aspects of professional values correlating significantly with various areas of job satisfaction. Interestingly, a gap in the value placed on work practices did not significantly affect any aspects of job satisfaction, whereas gaps in the value placed on professional development and interpersonal relationships significantly affected two aspects of job satisfaction: satisfaction with management practices and satisfaction with further opportunities (including the current level of contentedness). This indicates that similar values placed on the accountant's work practices will not increase job satisfaction; rather, accountants are more likely to be satisfied in their jobs if they and their firm hold similar values regarding the nurturing of staff.

Further, job satisfaction with work practices and working conditions are not significantly affected by a gap in any area of professional values. This could indicate that, since the work of accountants is generally very similar in any organisation, it is more likely to be the actions of management and the value placed on individuals that will affect the job satisfaction of accountants.

Strong support was obtained for Hypothesis 2, with organisational commitment levels being significantly affected by a gap in values placed on professional development,

interpersonal relationships and work practices. This result was expected, as commitment to a specific organisation is more meaningful than simply being satisfied with one's current job. Therefore, an area where a value gap exists that does not impact on job satisfaction levels may still influence organisational commitment levels because of the more meaningful nature of organisational commitment. That is, value incongruence that can be overlooked because an individual is satisfied with his/her current job may be more difficult to overlook where an employee is planning a long-term future with their firm (such as a value gap in relation to work practices).

As expected, low levels of job satisfaction and organisational commitment were found to be associated with high levels of intention to turnover. This was the case for all aspects of job satisfaction. Accountants have a wide range of job opportunities in the market, especially those with accounting experience. With demand for accountants at the three to five year level expected to continue to outweigh supply (Michael Page Finance, 2006), there is no reason for dissatisfied or non-committed accountants to remain in their job. Accountants will consequently plan to leave their current firm if they are not satisfied or committed.

The findings show that a perceived gap in values between an accounting firm and their staff can, in some instances, lead to lower levels of job satisfaction and organisational commitment. Of particular interest, and as expected, is the fact that accountants with lower levels of job satisfaction and organisational commitment are more likely to have intentions to leave their firm. This finding should reinforce to accounting practice managers, human resource professionals and partners that providing a working environment that fosters job satisfaction and organisational commitment is the key to retaining professional accounting staff.

## **Limitations**

Several limitations are inherent in this study. First, in relation to the sample, only two of the Accounting firms participated in the study. It could be that these two firms have distinctive organisational cultures or practices which make them unique within their field, resulting in information that may possibly be less able to be generalised to other Accounting firms. Second, the methodology and timing of the study may also lead to some limitations in its usefulness. The survey was conducted using a self-completed questionnaire. Obviously there is no mechanism for controlling the accuracy of respondents' answers other than to screen the returned questionnaires for unusual response patterns. This process, however, cannot determine whether or not a respondent has answered the questions with little or no thought.

## **Suggestions for Further Research**

This study has revealed some significant and useful information about professional staff turnover in accounting firms; however, one study alone cannot cover all issues concerning the topic. The limited scope of this study leaves several other approaches to the topic available for further research.

Further benefits could be gained from conducting a study on turnover and focusing on gender differences, or taking a multi-cultural (or multi-country) comparison of turnover. The same study could also be conducted on accountants working in other types of organisations such as small/medium firms, commerce and the public sector. Accountants working in these organisations are certain to have different experiences to public practice accountants, thereby producing different results.

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