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The Impact of Workplace Relations on Turnover Intention of the Executives in Two Large Apparel Manufacturing Companies in Colombo, Sri Lanka

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Abstract

Area of the Study

This study focused on the concepts of workplace relations and turnover intention. Further the impact of workplace relationship on turnover intention in the large scale selected two apparel companies in examined.

Problem of the Study

Workplace relations are on practice in the decision of employees' to stay or leave. However, very few studies have done on this area in Sri Lanka, especially relating to workplace relationships. Therefore this study is aimed to discuss the impact of workplace relationships on turnover intention of executives in the Sri Lankan large scale apparel sector.

Method of the study

The data were collected sample of 132 executives in the Sri Lankan two large scale apparel companies using simple random sampling method and a structured questionnaire, which consisted of the 30 questions with five point scale used as data gathering instrument. And also, 132 questionnaires distributed and 127 were receives as completed questionnaire. The respondent rate is 96.21%. The data analysis includes the univariate analysis and bivariate analysis.

Findings of the Study

The results of the study emphasize that there is a negative relationship between workplace relationships and turnover intention of executives in the large scale apparel industry. Also, it's proves that negative relationship between both superior subordinate and coworker cohesion on turnover intention.

Conclusion of the Study

It is concluded that supervisor should pay attention to their relationships with their subordinates so that they can take preventive action in the early stages of building a relationship. And between the co-workers, they should improve their encouragement among them.

Keywords: Workplace Relationships, Superior - Subordinate Relationship, Co-worker relationship, Turnover Intention, Apparel Sector

Introduction

One of the most important assets of the organization is employees. Retain organization workforce is a major challenge for the organization with a lot of cost is incurred on them directly or indirectly. In order to have competitive advantage over the other organizations, the focus has to be on the employees (Kaur et al. 2013). *"Intention to leave is considered a*

conscious and deliberate desire to leave the organization within the near future, and is regarded as the last part of a sequence in the withdrawal cognition process" (Mobley, et al. 1978). The reasons for employee turnover have been a topic of interest for researchers, academicians and organizations over the years, and have attributed multiple variables that drive employees to leave. There are many predictors which impact on turnover are workload, work autonomy, promotion opportunities, employee empowerment and management styles and some socio-demographic factors namely younger age,inexperience, fewer years of the job, higher qualification and kinship responsibilities (Hayes 2009).

Workplace relationships are something that is experienced by each and every employee and employers in their work settings (Morrison 2005). This research examines the theoretical links of workplace relationships with employee turnover intentions.There are two kinds of relationships consider in this research, they are superior – subordinate relationships and coworker cohesions. *"Workplace relationships refer to the care and consideration that individuals receive from their superiors and peers"* (Lather & Singh 2015). Supervisor – subordinate relationship means that the vertical relationship between subordinate and their superiors and co-worker cohesion means that the horizontal and informal relationship among employees (Lather & Singh 2015).

Annual Report of the Central Bank (2015) of Sri Lanka identified the apparel industry remained competitive by increasing productivity and improving the quality and diversity and the gradual recovery in external demand. Kelegama (2005) confirmed that the garment industry in Sri Lanka may contribute to the lives of nearly 1.2 million people. Dheerasinghe (2009) stated that this industry provides more than 330,000 direct employment or 5 per cent of country's total employment. Dheerasinghe (2009) cited the lack of skilled labor and high labor turn over are some of the main challenges facing the Sri Lankan apparel industry.

Therefore, in the present paper the main focus, is on turnover intentions rather than actual turnover. Thus the present paper examines the theoretical links of workplace relationships (superior – subordinate relationships and coworker cohesion) with employee turnover intentions.

Problem Background and Problem of the Study

The presence of harmonious superior – subordinate relationships and perceived coworker cohesions are infectious phenomenon that help employees to build a strong association not only with seniors and peers, but also with their organization and consequently having negative/ inverse impact on turnover intentions (Brunetto et al. 2013; Adebayo 2011; Kim et al. 2013; Mossholder 2005 & Harris et al. 2005). Presence of frictional relationships among employees may result in employees with greater dissatisfaction and hence increased tendency of looking elsewhere for employment. According to Ackroyd et al. (2007), workplace relationships act as safeguard between organizational demands and professional workplace expectations. Where at one place cordial workplace relationships are necessary for organizational growth; on the other hand discordant relationships are a curse to the long term

association of individuals with a particular organization (Lather & Singh 2015). As compared to actual turnovers, employees with high turnover intentions cause perennial damage to organizational values and systems as such employees contaminate other employees with whom they interact and spread all possible negative thoughts about management and organization as a whole, thereby hampering organizational growth (Griffeth, Hom, & Gaertner 2000). Greater social exchange is associated with stronger employee contributions in the form of higher commitment, lower intentions to quit, and better performance (Shore et al. 2009). Previous studies reported that quality of leader member exchange is negatively related to intended turnover (Ansari et al. 2007; Gerstner & Day, 1997; Harris et al. 2005; Jordan & Troth 2011; Lather & Singh 2015) and actual turnover (Griffeth et al. 2000). However, other studies showed that the relationship between LMX and urnover has been statistically weak and unstable (Schyns et al. 2007; Vecchio and Norris 1996). Harris et al. (2005) in their study proposed that the relationship between superior – subordinate relationship quality and turnover intentions is curvilinear as opposed to general notion that this relationship is linear. Many researchers have attempted to answer the question of what fosters employee turnover by investigating possible antecedents of it. This pervasive interest comes mainly from recognition that turnover can be very costly and that understanding and managing it better can provide considerable benefits. Many organizations are working on the design of employee retention strategies so that they can take advantage of the talent in the organization in the best possible way. There is also a lot of costs associated with the staff, whether direct or indirect cost. Can be different cost recruitment and selection, training and so on in order to maximize return on investment by the employees is important to focus on reducing staff turnover as a kind of frustration for current employees and also a loss for the organization (Kaur, Mohindru & Pankaj 2013).

Thus, this study will attempt to bridge the existing knowledge gap by empirically studying the impact of workplace relationships on turnover intention on the apparel sector in Sri Lanka. Therefore an important researchable area and the problem statement of this study is "Do workplace relationships influence significantly the turnover intention?"

Research framework
Workplace relationships were identified as independent variable and turnover intention was identified as dependent variable. The framework depicts direct relationship between workplace relationships and turnover intention. In this study focuses mainly two kinds of workplace relationships in executive level. They are superior subordinate relationship and coworker relationship.

Workplace Relationships
Gaur and Ebrahimi (2013) defined that work and personal relationships unique relationships for individuals with significant implications in those relationships and organizations that exist and develop relations. Rotemberg (2008) defined that employees have feelings for those they work with and this raises two questions which are the first is whether these feelings affect performance on the job and the second, whose interest is enhanced if the answer to the first

question is affirmative, is what gives rise to these feelings. Lather and Singh (2015) defined that workplace relationships are expected to result in greater emotional bonding and feeling of obligation towards superiors and coworkers.

Considering above definitions this study takes the working definition of workplace relationship as unique interpersonal relation with greater emotional bonding and feeling of obligation toward superior and coworkers. In this study focused indicators of supervisor – subordinate relationship is mutual respect & trust, professional respect, professional help, communication, PE & feedback. Indicators of coworker relationship are support, encouragement, communication and understanding. Following points describe how that indicates effect to the turnover intention.

Turnover Intention

Mobley et al. (1978) defined turnover intention is the intention of conscious and deliberate desire to leave the organization in the near future, mind last part of the series in the withdrawal process of cognition. The intention of the turnover is a deliberate and conscious to seek other alternatives in another organization (Medina 2012; Tett & Meyer 1993). Overall turnover intention refers to the possibility of the individual is seen to leave the organization that employed, or the individual's desire to voluntarily withdraw permanently from the organization (Elanain 2014). AlBattat and Som (2013) mentioned that the intent of this turnover is a critical stage before the actual turnover occurs. In this study turnover intention define as thinking to leave organization in near future.

Hypothesis

Based upon literature, the following hypotheses have been framed.
 H1: Superior-subordinate relationship impact on turnover intention.
 H2: Co-worker cohesion impact on turnover intention.

Considering conceptual frame work (Figure 01) and reviewing the existing literature, the above hypotheses for this study is developed.

Figure 1: Conceptual Frame Work
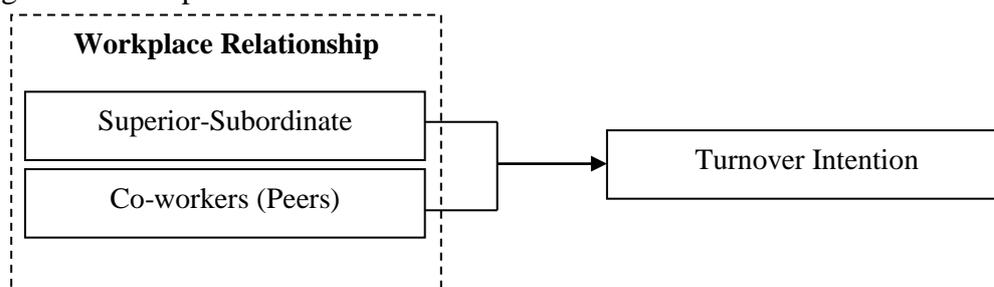
Method

Study Design

This study aimed to investigate the impact of workplace relationships on turnover intention among executive level employees of selected large scale apparel manufacturing companies in Sri Lanka. Thus, the type of investigation that demands for a study in nature is a co-relational one. Further, as the nature of the study was analytical as this study attempt to analysis the relationship between the dependent variable and independent variable. According to the Sekaran (2013) mentioned that a study can be done in which data are gathered just once, perhaps over a period of days or weeks or months, in order to answer a research question. Therefore this research also can identify as a cross-sectional studies due to the limited time. For the study to qualify to make generalizations it requires 132 executives of the total population. In this research primary data were collected through the structured questionnaires. The questionnaire was designed to measure the two variables which are workplace relationships and employee turnover intention. Some of the question items used in the questionnaire was taken from questionnaires developed by earlier researchers and others are developed according to the need.

Measures

Keeping in mind the objectives and research design of the study a structured questionnaire with closed ended questions was developed. Questionnaire consisted of following four sections: first section is Socio – Demographic. Second section is Superior – Subordinate Relationship. This section of questionnaire has 10 items. Responses were measured on five point Likert scale ranging from 5 – strongly agree to 1 – strongly disagree. These items were used to assess the subordinates' perception of their relationship with immediate superiors. These statements were to evaluate the superior – subordinate relationship if there is mutual respect and trust, professional respect and help, effective communication in if there is place and efficient performance evaluation and feedback system. Third section is Co-Worker Cohesion. This section of questionnaire has 8 items measuring the perception of employee relationship with their coworkers. Responses were measured on five point Likert scale ranging from 5 – strongly agree to 1 – strongly disagree. These statements were to evaluate the Co-Worker Cohesion if there is place and great Support, Encouragement, Communication and Understanding. Last section is Employee Turnover Intentions. Employee turnover intentions were measured using 6 – item scale. Responses were measured on five point Likert scale ranging from 5 – strongly agree to 1 – strongly disagree.

Validity and Reliability

The reliability of the instrument used to collect data was examined with Cronbach's alpha test and all the instruments had more than 0.750 of Cronbach's alpha value stating significant reliability. The content validity of the instruments was ensured by the conceptualization and operationalization of the variables on literature.

Techniques of Data Analysis

After gathering the data they are analyzed by using the computer based statistical data analysis package, SPSS (Version 16.0) for validity and reliability testing. Frequency distribution and correlation analysis were applied in data analysis.

Results

The research has been selected 132 executive level employees from two companies in large scale apparel sector in Sri Lanka as the sample. And the responses were received from 127 respondents also. The test was carried our using 127 responses two weeks. As shown in the table1, the coefficients of the Test-retest of the instruments indicate that each instrument has a high external reliability.

Table 01: Cronbach's Alpha Coefficient

	Instrument	Cronbach's Alpha
1.	Workplace Relationships	0.906
2.	Supervisor Subordinate Relation	0.818
3.	Coworker Cohesion	0.865
4.	Turnover Intention	0.924

The content validity of the instruments was ensured by the conceptualization and operationalization of the variable on literature, and indirectly by the high internal consistency reliability of the instruments as denoted by Alphas.

The construct validity of the variable of the study was ensured by the fact that the correlation and regression analysis support the hypotheses formulated linking the relationship between the independent variable and the dependent variable.

The frequency distribution analysis was made individually for the variables of workplace relationships and turnover intention. The frequency distributions are presented in the tables and the histogram & the results have been interpreted mainly considering the Skewness and Kurtosis of the distribution.

As indicated by Table 02 the mean value of the distribution of executive employees of apparel sector is 3.6456. Then the Workplace Relationships of respondents of executives of apparel sector is "Good". The Skewness and Kurtosis of the distribution are -2.851 and 19.598, which indicated that the data recorded for the workplace relationships aremoderatenormally distributed.

Table 02: Statistics of the distribution of Workplace Relationships

		Workplace Relationships	Superior Subordinate	Co-worker Cohesion
N	Valid	127	127	127
	Missing	0	0	0
Mean		3.6456	3.6575	3.6376
Median		3.6125	3.6000	3.6250
Mode		3.56a	3.30	3.62
Std. Deviation		.29452	.38965	.30684
Variance		.087	.152	.094
Skewness		-2.851	-.709	-2.827
Std. Error of Skewness		.215	.215	.215
Kurtosis		19.598	4.991	18.018
Std. Error of Kurtosis		.427	.427	.427
Minimum		1.55	1.60	1.50
Maximum		4.39	4.40	4.38
Sum		462.99	464.50	461.97

As indicated by Table 03, the mean value of the distribution of executive employees of apparel sector is 4.0156. Then the Turnover Intention of respondents of executives of apparel sector is "Good". The Skewness and Kurtosis of the distribution are -1.291and 2.915, which indicated that the data recorded for the Turnover Intention aremoderate normally distributed.

Table 03: Statistics of the distribution of Turnover Intention

		Turnover intention
N	Valid	127
	Missing	0
Mean		4.0156
Median		4.0000
Mode		5.00
Std. Deviation		.81842
Variance		.670
Skewness		-1.291
Std. Error of Skewness		.215
Kurtosis		2.915
Std. Error of Kurtosis		.427
Minimum		1.00
Maximum		5.00
Sum		509.99

The bivariate analysis includes the Simple Regression analysis, which were used to investigate any relationship between each of the job independent variable (Workplace Relationships) and Turnover Intention.

Table 07: Results of Regression Analysis

Variables	Workplace Relationships	Superior Subordinate Relationship	Co-worker Cohesion
Method	Linear	Linear	Linear
R Square	0.210	0.224	0.124
Adjusted R Square	0.203	0.216	0.115
F	27.715	29.954	14.697
Significance	0.000	0.000	0.000
B- constant	7.777	7.266	6.681
b- Value	-0.459	-0.473	-0.352

According to Table 07, regression equation of workplace relationships of executive is:
Turnover Intention = 7.777-0.459 (Workplace Relationships)

The b value of the equation, the gradient of the regression, is -0.459, which is significant at 1% (Significance = 0.000). As indicated by R Squared, 20.3% of variance of turnover intention is explained by workplace relationships with the standardized beta 0.210. The F value is 27.715, which is significant at 1% (Significance = 0.000), which suggest that workplace relationships has significantly explained 20.3% of the variance of turnover intention.

As a multivariate analysis, the multiple regression analysis was in order to investigatemulticollinearity problem occurs when two or more explanatoer variables are highly correlated (Sekaran2013)[[39].A multiple regression analysis between factors of superior – subordinate relationshipsindependent variables (Mutual respect & trust, Professional respect, Professional help, Communication, PE & Feedback) against the dependent variable (turnover intention) are shown in bellow.

Table 08: Multiple regression analysis between factors of superior – subordinate relationships and turnover intentions

	Regression Coefficients					R2
	MRT	PR	PH	CO	PEF	
Executive Level	0.249	-0.163	-0.634	-0.279	0.415	0.381
Significance	0.015	0.033	0.000	0.011	0.000	

(MRT = Mutual respect & trust, PR = Professional respect, PH = Professional help, CO = Communication, PEF = PE & Feedback)

A multiple regression analysis between factors of Co-worker Cohesion and turnover intentions are presented in Table 8. The results of regression the four independent variables

(Support, Encouragement, Communication, and Understanding) against the dependent variable (turnover intention) are shown in bellow.

Table 09: Multiple regression analysis between factors of Co-worker Cohesion and turnover intentions

	Regression Coefficients				R^2
	SU	EN	CO	UN	
Executive Level	-0.164	-0.523	-0.175	0.615	0.413
Significance	0.050	0.000	0.038	0.000	

(SU = Support, EN = Encouragement, CO = Communication, UN = Understanding)

Discussion and Conclusion

It was found that there is a negative relationship between workplace relationships and turnover intention of executives in the apparel industry. The correlation between these variables -.459, which is significance at 0.000 level. According to the results of simple regression analysis, workplace relationships were found to have a negative impact on turnover intention with the b value of -0.459. Hence, workplace relationships were to be a predictor of turnover intention.

Discussing the level of workplace relationships of respondent in the sample, it was found that they have a favourable level of workplace relationships with the mean value of 3.6456 executives and standard deviation of .29452 executives. Accordingly, it was found that executives in apparel sector in Sri Lanka were having great effect with their workplace relationships. It was possible for the independent variables to account for 20.3% of the variation in turnover intention while the 79.7% of the variation was unexplained by these variables in the executives. In fact other variable, which were not considered in this study, should be the variable that may account for the unexpected variable in turnover intention of executives in this industry.

Based on the results, there are some beneficial effects that can be used to address the intentions of the turnover issues. It has also been giving some directions for future research. Employees with high turnover intentions are worrisome for organizations since these employees are not only the issue of under-performance, but also affect other employees through the dissemination of negative feelings and thoughts among his peers. Thus, the basic implication of this study is that supervisor should pay attention to their relationships with their subordinates so that they can take preventive action in the early stages of building a relationship. The relationship between superiors and subordinates must constantly evolve (Lather & Singh 2015) so that is always strengthen these bonds, which in turn lead to better results.

A better understanding of the psychological and organizational factors that encourage or intentions of the staff to control the rotation should be considered carefully and should model and strategies that help control staff discontent and discomfort with the organization mode.

This study has helped in the understanding of the existence of the work relations and its impact on the intentions of the turnover. The study identified some potential areas for research. In today's age of fierce competition, where turnover rates are very high, and the field of labor relations is one that requires greater attention. Study superior-subordinate relationships and cohesion coworker is a step toward understanding the intentions of employees turnover in the work setting.

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