

A study on relationship between Employee turnover intention and perceived organisational support

ABSTRACT

Employee retention describes the various measures undertaken by firms for retention of their employees. Hypermarkets are large retail space that offers broad range of daily necessities and groceries where the study was carried out. The employee retention at the hypermarket in Coimbatore city was examined using percentage analyses, correlation, and Garrett ranking for a period of 3 months. Based on the percentage analysis, it is found that majority of the employees were female and received an average monthly salary range of Rs. 5000-15000. Turnover intention scale and Perceived Organizational Support Scale (POS-8) were used in the correlation analysis. It specified that turn over intention is inversely proportional to perceived organization support. According to Garrett ranking, a competitive wage package (61.56%) was the main factor driving employee retention. A plan for employee retention, such as offering bonuses, organisational support and extra reward packages, can significantly reduce the intention of turnover.

Keywords: *Employee, Turnover intention, perceived organization support, strategies, Employee retention.*

1. INTRODUCTION

A hypermarket is a large retail establishment with wide selection of groceries and everyday items. It serves as a superstore that combines a department store and a supermarket and offers a wide range of products under one roof so that a customer may finish all of his or her usual weekly or monthly shopping needs in a single trip.[1]. Similar to other big-box businesses, hypermarkets have business models that prioritise high volume, low profit sales. The organised retail section of the Indian hypermarket market is seeing more competitive play from large industry titans than ever before [2]. Given that the strong macroeconomic performance, the availability of excellent retail space, the favourable consumption pattern brought on by rising personal disposable income, the rapid urbanisation of Tier II and Tier III cities and the recent entry of large industrial houses into retailing with a focus on large store formats, it is anticipated that the size and share of hypermarkets in Indian retail will increase in upcoming years[3]. Because of the nature and perception of the retail industry, which is not regarded as an attractive job, it is challenging for merchants to draw in the best

talents. Retailers must in this circumstance ensure that their current human resources are retained and have a career with them[4].

The phrase "employee retention" has many different definitions; it generally refers to steps taken by firms to motivate their staff members to stay with the company for a longer period of time. The primary justification for employee retention will be to prevent their skilled workforce from leaving. [5]. Turnover intention whereby people' desire to leave their jobs is generated when they believe their position does not match their goals and aspirations[6]. The management of a company has, historically been heavily concerned with the analysis of employee turnover intentions. Beletereported that employee turnover would negatively affect the performance and profitability of the organization [7]. On the other hand, employee turnover increases the chances of losing good employees [8]. Therefore, retaining valuable skilled employees is very important to employers, as they are considered essential to the performance and success of an organization [9]. With this background the study was orchestrated with the objective

- To study the perceived organisational support and its linkage with turnover intention
- To formulate the strategies for employee retention in hypermarkets.

2. MATERIALS AND METHODS

2.1. Study area

The data of 95 samples were collected using purposive sampling technique through well-structured interview schedule for **employees in hypermarket in Coimbatore during the period of 3 months.** Simple percentage analyses, correlation and Garrett ranking were the tools used in this study to analyse the data.

2.2. Percentage analysis

Simple percentage analyses were used to analyse the demographic characteristics of employee of hypermarket. Percentage analyses was calculated by using this formula.

$$\text{Percentage analysis} = \frac{\text{No of samples taken} \times 100}{\text{Total no of samples}}$$

2.3. Garrett ranking

Garrett scoring technique was used to measure major factor among selected factors. It is used to analyse the factors of retention of employees, which was used to find the major factor to influencing the retention of employees. These ranks were converted into per cent position by using formula. Factors were listed in table 3.

$$\text{Per cent position} = \frac{100 \times (R_{ij} - 0.5)}{N_j}$$

Where,

R_{ij} = Ranking given to the i^{th} attribute by the j^{th} individual

N_j = Number of attributes ranked by the j^{th} individual

2.4. Correlation

Correlation was used to identify the relationship between turn over intention and perceived organization support among employees of hyper market. Turnover intention with five-point Likert scale ranging from strongly agree to strongly disagree was measured using 6 statements [10]. Eight statements are scored on a five-point Likert scale, with 1 being strongly disagreed with and 5 being strongly agreed with, in the condensed version of the Perceived Organizational Support Scale (POS-8), which measures perceived organisational support [11]. The scale captures employees' perceptions of how much their employers value their contributions and are concerned about their welfare.

Ho: There is no significant relationship between turn over intention and perceived organization support among employees of hyper market.

H₁: There is significant relationship between turn over intention and perceived organization support among employees of hyper market.

3. RESULT AND DISCUSSION

Table 1. Demographic characteristics for employees of Hypermarket

S. No	Particulars	Number. of Employees (N=95)	Percentage
1	Age (Years)		
	21-30	30	14.7
	31-40	46	42.1
	41-50	13	29.5
	Above 51	6	13.7
2	Gender		
	Male	19	20
	Female	76	80

3	Education		
	Primary	23	24.2
	Secondary	25	26.3
	Higher secondary	37	39.0
	UG	8	7.4
	PG	2	3.1
4	Family type		
	Nuclear	70	86.6
	Joint	25	13.4
5	Monthly salary (in Rs)		
	5000-15000	85	90
	15000-25000	5	5
	Above 25000	5	5
6	Marital status		
	Married	79	83.2
	Unmarried	16	16.8
7	Experience		
	1-5 years	55	58
	5-10 years	30	32
	Above 10 years	10	10

From the above **Table 1**, it was stated that most of the employees in the organisation belongs to the age category of 31-40 which accounts **for 48%**. Among the employees, 76 of them were females which holds for 80%. Secured working environment was the main reason quoted by many of female respondents and in addition to that, it provides stable income source which support their livelihood. Of the respondents, 39% of those polled had a higher secondary education and are now supporting their families after graduating school. Among the respondents, half of the respondents were newcomers to job with an experience of 1-5 years. From the table, it can be also concluded that majority of the employee respondent received an average monthly salary of Rs. 5000-15000. It depends on the experience of the employees in the company.

Table 2 Correlation matrix

Matrix	POS	TIS	Significance
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TIS	- 0.674	1	.000
POS	1	0.674	
* Significance 0.01			

TIS – Turnover intention scale, POS – Perceived organisational support

From the **Table 2**, it can be concluded that turn over intention is significant in relation to the perceived organization support (Accept H1). The result shows that turn over intention is inversely proportional to perceived organization support. If turn over intention increased by one unit is equal to decrease by one unit of perceived organization support.

Table 3 Factor influencing retention of employees

S.No	Factors	Garett score	Rank
1	High salary package	61.56	I
2	Organization support	58.49	II
3	Promotion based on performance	53.59	III
4	Recognition/reward for performance	43.55	IV
5	Job security	38.69	V
6	Organization reputation	29.12	VI

From the **Table 3**, it concludes that high salary package (61.56) was the major factor influencing the retention of employees followed by organization support with Garrett score of 58.49, promotion based on performance (53.59), recognition/reward for performance (43.55), job security (38.69), organization reputation (29.12). The organisation may build its approach on the factor that influence employee retention, such as providing perks and additional **benefit packages**.

4. CONCLUSION

It is anticipated that this research will advance management science and aid organizations in developing employee retention strategies and policies that will satisfy the needs of their employees and encourage longer employment **relationships**. High salary package, organization support, promotion based on performance, recognition/reward for achievement, job security, and organization reputation are just a few of the areas where employee retention methods are put into practice[12]. Therefore, by implementing retention

tactics and providing various welfare measures, the organization can impart certain practices that encourage employees to work well[13]. From the correlation studies and Garrett ranking, perceived organization support and satisfying salary package can retain many employees to this organization.

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