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Differentials in Attitude and Employee Turnover Propensity: A Study of Information Technology Professionals

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Abstract

Purpose: Attraction and retention of high valued employees are the prime concern of every organization. Earlier studies have established relationship between employee attitude, developed by the interaction with job-related internal and external factors reflected on job satisfaction, organizational commitment, frustration, occupational stress etc. and employee turnover intension. The purpose of this study is to explore the effects of employees' differential natural attitudes towards life and work on their turnover intention.

Design/methodology/approach: It is an exploratory study based on primary survey among the Information Technology employees. Information on reasons behind employees' voluntary turnover and their attitude towards life and work has been collected. A theoretical framework on employee turnover and logistic regression models have developed.

Findings: Reasons behind employee turnover differs in accordance with employee's attitude towards life and work. Attractions of 'higher portfolio' and 'higher-company-brand-name' have strong effect on turnover propensity of employees giving higher-priority-to-work-life but familial factors, age etc. have significant effect on employees giving higher-priority-to-social-life. Turnover propensity among the young employees is higher in general, affected much by the 'higher salary' attraction from other organization.

Practical implication: This study would be of great help to the HR managers towards formulating employee retention strategies.

Originality: For an in-depth understanding of the turnover phenomenon as well as the role of employee's attitude in particular, this study presents a theoretical framework on employee turnover and on that basis logistic regression models have been constructed for the two distinctly different attitudinal groups of employees.

Keywords: Employee turnover, pull factor, push factor, attitude, intangible capital

Introduction

Human resource is considered as intangible capital (Leslie, 2003) with distinctive functional capabilities that control and augment both physical capital and other resources. This intellectual capital has become the obvious concern of this century which in turn diffused to develop hypercompetitive market rivalries in the present world markets. Success in the present dynamic,

competitive markets depends more on innovation, speed and adaptability which are largely derived from firm's own employees and the way they are managed (Pfeffer, 1994). As a result employee turnover is of considerable interest to both organizations and researchers. Some kind of turnover is inevitable in the organizations and in some cases desirable also. But high levels of turnover, especially turnover of high valued employees, not only costly to organizations in the form of recruiting, selecting and socializing the new employees but also have adverse impact on public image of an organization.

Different schools have discussed employee turnover from various perspectives and identified various causal factors. Among the two types of employee turnover - voluntary (Mowday *et al.*, 1982; Gupta and Jenkins, 1991; Saiyadain and Ahmad, 1997) and involuntary (Shaw *et al.*, 1998), most of the researchers have focused on voluntary employee turnover since much of the turnover is voluntary and subject to control by managers (Morrell *et al.*, 2001; Price, 2001). Employees' voluntary turnover depends on the demand for their intellectual capital as well as the availability of alternative job opportunities in the market. The traditional attitude measure advocated that negative attitudes combined with job search predict employee's leaving from an organization (Blau, 1993). The preoccupation with intermediate linkages between job attitudes and resignations has clarified the termination process and identified new constructs mediating the dissatisfaction-quit sequence (Mobley, 1977). Various scholars (Mowday *et al.*, 1982; Mathieu and Zajac, 1990; Jaros *et al.*, 1993) have reported that the perceived violations of the psychological contract may have a negative effect on managers' affective organisational commitment. Voluntary employee turnover (Mobley, 1977; Mobley *et al.* 1979) has often being studied as a withdrawal process involving individuals' attitudes, cognitions and behaviours.

A good number of theories such as 'theory of organisational equilibrium' (March and Simon, 1958), 'the met expectations model' (Porter and Steers, 1973), 'the linkage model' (Mobley, 1977; Mobley *et al.*, 1978), 'the unfolding model of turnover' (Lee and Mitchell, 1994; Lee *et al.*, 1996; Lee *et al.*, 1999), and 'the job embeddedness theory of turnover' (Mitchell and Lee, 2001) have been advanced to explain why employees voluntarily leave their organisations. All the above traditional turnover theories try to explain the withdrawal cognition and job search behaviours between job satisfaction and turnover or highlighted the proximal relationship between turnover intention and turnover behavior, suggesting that not all individuals leave because they are dissatisfied or they find better jobs. In fact, whether a search is successful or not depends partly on the job market. Carsten and Spector (1987) observed that the attitude-employee turnover relationship become higher when unemployment rates were lower rather than high.

Organizational commitment is closely related to job satisfaction, represents employees' feelings, attachment and loyalty toward an organization. The behavioural component represents an employee's behavioural tendencies towards his or her job. But, compared to the affective and cognitive components of job satisfaction, the behavioural component is often less informative because one's attitudes are not always consistent with one's behaviour (Fishbein, 1979), e.g. an employee may dislike his or her job but still remain employed there because of financial consideration. Earlier studies have established relationship between employee attitude which develops as an outcome of the interaction between job-related internal and external factors and reflects on job satisfaction, organizational commitment, frustration, occupational stress etc., as well as employee turnover intention.

Attitude of a person develops during the period of his/her childhood as well as adolescence phase of life through the process of interaction with their respective multidimensional socio-economic and cultural environmental factors. This attitude ultimately becomes the dominating factor to shape their outlook towards life and work. Employee's propensity to leave or stay in an organization is a reflection of his/her attitude to change their existing course of life and this

propensity is the basic instinct to motivate him/her to go for the desired action. But, employees' attitude towards life and work had never been taken into account in the study on employee turnover. The existing theories and empirical studies identified various causal factors responsible for employee's turnover intentions but professional category-wise employees' attitudinal difference and its impact on employee turnover is also another unfocussed area in the existing employee turnover studies. The present study is an endeavor to bridge these research gaps.

In this study, we examined attitudinal difference between 'managerial' and 'technical' Information Technology (IT) professionals and its impact on employee turnover. For this purpose we classified each category of employees into two groups, viz. (i) 'highest priority given to work-life' (ii) 'highest priority given to social-life' and then unveiled the impact of attitudinal differences on employee turnover intentions.

Attitudinal Variables in Organizational Research

Affective commitment has found to be strongly related to work related attitudes. Mathieu and Zajac (1990) found significant correlation between affective organisational commitment and job satisfaction. Other consistent attitudinal correlates of affective commitments include job involvement, occupational commitment, union commitment and stress. Compared to affective commitment, less empirical work has examined the relation between attitudinal correlates of either continuance or normative commitment (Meyer and Allen, 1997). A recent approach to job attitude as a predictor of important behaviours in organisations combines job satisfaction and organisation commitment into a single measure of job attitude has been proposed by Harrison *et al.* (2006).

Numerous occupational stress studies (Jackson and Schuler, 1985; Jex and Spector, 1996; Spector and Jex, 1998) have shown that job satisfaction is strongly and negatively related to variables such as frustration, anxiety and tension. Again, a high level of job involvement coupled with a low level of frustration may lead employees to feel satisfied toward their jobs. It is also possible that such relations are the result of shared common causes such as job conditions (Fried and Ferris, 1987; Jackson and Schuler, 1985; Mathieu and Zajac, 1990). Wagner and Gooding (1987) revealed that participatory decision making is strongly and positively related to job satisfaction and this implies that a lack of participation may lead to negative attitudinal reactions. The most common stress-related outcome associated with emotional labour have been poor work attitudes and increased emotional exhaustion (Ashforth and Humphrey, 1993; Brotherridge and Grandey, 2002; Grandey, 2003).

Research Objectives

The high valued employees comprise the organization's core human capital and their turnover affected significantly on organization's competitive advantages (Shaw and Jason, 1999; Houkeslnge, 2001). Employees' socio-economic environment is the manifestation of their attitude towards life and work and the prevailing job opportunities affect their propensity to change organization. IT sector is one of the leading service sectors in the world as well as in India and employee turnover appears to be the highest in this sector. For achieving or maintaining the market competitive advantage it becomes necessary to attract as well as to retain the talented employees. The objectives of this study are (i) to unveil the causal factors behind the IT employee turnover under the Indian socio-economic environment and (ii) to examine the role of employees' attitude towards life and work on employees' turnover propensity.

Theoretical Framework

The employee turnover phenomenon is the consequence of various impulsive factors. We classify these factors into exogenous pull factors (e.g. attraction of higher salary, higher portfolio, company's higher brand name etc.) and endogenous push factors (e.g. job dissatisfaction, breach of commitment, familial compulsion, retirement etc.) which insist or compel an employee to leave an organization voluntarily. For the sake of simplicity we assume that the goal of an employee is to optimize professional achievement and the employee will always accept any available better offer for upgrading his or her professional career. It is also assumed that the alternative job opportunities are available in the market.

Let, Q_t implies employee's voluntary decision to leave an organization at time t, and P_t^l and P_t^h are the respective impulsive pull factors and push factors at time t. Then,

$$Q_t = Q\left(P_t^l, P_t^h\right); \quad \frac{dQ_t}{dP_t^l} > 0, \qquad \frac{dQ_t}{dP_t^h} > 0 \qquad (1)$$

Again, let an employee is confronting with X_1, X_2, ……..X_n exogenous pull factors and Y_1, Y_2, ……..Y_m endogenous push factors. That is

$$P_t^l = f(X_1, X_2 \dots \dots X_n); \ \frac{dP_t^l}{dX_t} > 0, \frac{dP_t^l}{dX_2} > 0, \dots \dots \dots \dots \frac{dP_t^l}{dX_n} > 0 \qquad (2)$$

$$P_t^h = f(Y_1, Y_2 \dots \dots Y_m); \ \frac{dP_t^h}{dY_t} > 0, \frac{dP_t^h}{dY_2} > 0, \dots \dots \dots \dots \frac{dP_t^h}{dY_m} > 0 \qquad (3)$$

Thus, the voluntary decision of employees to quit (Q_t) an organization depends on a number of factor impulsions and the impact of these factor impulsions varies from employee to employee. If we assume a linear relationship between Q_t and its predictor variables then, the required equation will be of the following form

$$Q_t = \alpha + \beta_i \sum_{i=1}^{n} X_{ti} + \gamma_j \sum_{j=1}^{m} Y_{tj} + \varepsilon_t \qquad (4)$$

Where, ε_t is the residual error at time t

But, the outcome of Q_t is reflected only when the decision of the employee has been turned up, i.e. either the employee quits or stays in the organization. Then the dependent variable Q_t becomes a dichotomous. If we assign values 0 and 1 to employee's staying in and quitting the organization respectively then the coefficient of each independent predictor will show their respective contribution to the variation of Q_t. From the relevant independent predictors and coefficient, our objective becomes not to find a numerical value of Q_t as in linear regression but the probability (θ) that it is 1 rather than 0. Then outcome will not be a prediction of a Q_t value but a probability value which can any value between 0 and 1. Normalize the distribution by log transformation and this log transformation of the θ values to a log distribution enable us to formulate a normal regression equation. The log distribution (or logistic transformation of θ is the log (to base e) of the odds ratio that the dependent variable is 1 and is defined as $log\left[\frac{\theta}{1-\theta}\right] = In\left[\frac{\theta}{1-\theta}\right]$, where θ ranges between 0 and 1.

Hence, the required equation becomes

$$In\left[\frac{\theta}{1-\theta}\right] = \alpha + \beta_i \sum_{i=1}^{n} X_{ti} + \gamma_j \sum_{j=1}^{m} Y_{tj} + \varepsilon_t \qquad \ldots\ldots\ldots\ldots\ldots\ldots (5)$$

$$where\ P(Q_t = 1) = \theta\ and\ P(Q_t = 0) = (1-\theta)$$

Research Methodology

Primary information regarding the causal factors of employee turnover in the IT sector are collected by circulating a pre-ordained questionnaire among 460 employees working in 17 different reputed IT firms in Kolkata, India. Snowball sampling method has been used for the collection of primary information. The questionnaire contains multidimensional questions pertaining to capture the behavioural patterns of the IT/ ITeS employees to leave a company under the influences of different exogenous and endogenous factors. 420 respondents (out of 460) have changed at least one company and of them 214 respondents have changed 3 or more companies.

In this present study we have considered only those employees who have at least change one company at the time of survey. The six plausible causal factors, e.g. 'higher salary', 'higher portfolio', 'higher-company-brand-name', 'breach of commitment', 'others' and employee's attitude towards life and work, are considered to be influential for the Indian IT/ ITeS professionals to leave their jobs voluntarily. The respondents are asked to rank the first five motivating factors according to their rationale of leaving last preceding companies. Here the implicit assumption is that employees' any decision depends on their attitudes towards life and work. Therefore, to capture employee's attitude we categorize our respondents in to two groups in accordance with respondent's own assessment - one group who have given 'Highest Priority to Work-Life' (HPWL) and the other group who have given 'Highest Priority to Social-Life' (HPSL). We developed a theoretical framework on employee turnover and on that basis we built up logistic regression models.

Among our sample respondents there are 245 HPWL and 175 HPSL categories of employees who have changes at least one company. While constructing models the outliers are excluded then the numbers of HPWL and HPSL samples become 217 and 159 respectively. A descriptive statistics has been presented for the 420 sample respondents who have at least change one company at the time of survey with respect to their gender, number of company changes and their experience in IT by attitudinal category and age group.

Descriptive Statistics

Characteristics of sample respondents	Age Group						Total	
	Less than 30		30-40		Above 40			
	Number	Mean	Number	Mean	Number	Mean	Number	Mean
A. Gender:								
HPWL category								
Male	59	27.1	105	33.9	9	44.4	173	32.1
Female	37	27.8	34	34.1	1	41.0	72	31.0
Total	96	27.4	139	33.9	10	44.1	245	31.8
HPSL category								
Male	45	26.5	74	34.6	9	43.9	128	32.4
Female	20	27.5	25	32.7	2	42.5	47	30.9
Total	65	26.8	99	34.2	11	43.6	175	32.0
B.No. of company changes:								
HPWL category								
1 Change	16	-	21	-	2	-	39	-
2changes	18	-	32	-	3	-	53	-
3 or more changes	62		86		5		153	
HPSL category								
1 Change	22	-	22	-	4	-	48	-
2 changes	23	-	41	-	2	-	66	-
3 or more changes	20	3.7	36	3.4	5	4	61	3.5
C. Experience in IT								
HPWL category								
5 Years or less	72	3.0	16	4.8	0	-	88	3.3
6 to 10 years	23	6.7	74	7.6	0	-	97	7.4
Above 10 years	1	13.0	49	12.7	10	18.6	60	13.7
Total	96	4.0	139	9.1	10	18.6	245	7.5
HPSL category								
5 Years or less	52	2.7	11	4.5	0	-	63	7.6
6 to 10 years	13	6.9	47	7.7	1	10.0	61	3.0
Above 10 years	0	-	41	12.9	10	18.1	51	13.9
Total	65	3.5	99	9.5	11	17.4	175	7.8

Source: Primary survey

Empirical Observations

Respondents were asked to rank the six given plausible reasons ('higher salary', 'higher portfolio', 'higher-company-brand name', 'scope of foreign assignment', 'breach of commitment' and 'others') for leaving their last preceding company. The respondents have given rank-1 to rank-6 in accordance with their most to least important reason for leaving the last preceding company. Therefore, the distribution of rank-1 shows the distribution of employee's prime reasons for leaving company. Attraction of 'higher salary' and 'higher-company-brand-name' have appeared to be the prime reasons for most of the HPWL and HPSL group of employees respectively (see table-1). It is also observed that the younger employees are mostly attracted by the 'higher salary' offers. In other words, the 'higher salary' attraction, in general, enhance employees' propensity to leave company and affected much to the younger employees irrespective of their professional category. The second highest prime reason for the HPWL group of employees is the attrition appears to be 'higher company-brand name' followed

by 'higher portfolio' 'others', 'scope of foreign assignment' and 'breach of commitment' (see table-4). On the other hand, second highest prime reason for the HPSL group of employees is the attrition of 'higher portfolio' followed by 'higher salary' 'others', 'breach of commitment' and 'scope of foreign assignment' One important to be noted here that IT employees least bother for the 'scope of foreign assignment' and they are least effected by the employers' 'breach of commitment'. It clearly apparent that the prime priority reasons for employee turnover differs between two different attitudinal groups of employees.

In order to observe attitudinal differences of employees, if there is any, within HPWL and HPSL group we classified our respondents of each group into managerial and technical categories and the distributions of their prime reasons behind leaving company are presented in table-2 and table-3.

Table 1: Distribution of Rank-1 given by the Sample Respondents (n = 420, who have changed at least one company) as prime reason for leaving last preceding company by attitude and age group

Age group	HPWL category Respondents (n=245)						Total
	Higher Salary	Higher Portfolio	Scope of Foreign Assignment	Higher Company-Brand Name	Breach of Commitment	Others	
Below 30	68 (70.8)	5 (5.2)	2 (2.1)	19 (19.8)	2 (2.1)	0 (0.0)	96 (100.0)
30-40	97 (69.8)	6 (4.3)	4 (2.9)	22 (15.8)	5 (3.6)	5 (3.6)	139 (100.0)
Above 40	7 (70.0)	0 (0.0)	0 (0.0)	2 (20.0)	1 (10.0)	0 (0.0)	10 (100.0)
Total	172 (70.2)	11 (4.5)	6 (2.4)	43 (17.6)	8 (3.3)	5 (2.0)	245 (100.0)
Age group	HPSL category Respondents (n = 175)						Total
Below 30	14 (21.5)	11 (16.9)	5 (7.7)	25 (38.5)	4 (6.2)	6 (9.2)	65 (100.0)
30-40	16 (16.2)	27 (27.4)	4 (4.0)	31 (31.3)	9 (10.0)	12 (12.1)	99 (100.0)
Above 40	0 (0.0)	2 (18.2)	2 (18.2)	3 (27.3)	0 (0.0)	4 (36.4)	11 (100.0)
Total	30 (17.1)	40 (22.9)	11 (6.3)	59 (33.7)	13 (7.4)	22 (12.6)	175 (100.0)
Age group	Overall Sample respondents (n = 420)						Total
Below 30	82 (51.0)	16 (10.0)	7 (4.3)	44 (27.3)	6 (3.7)	6 (3.7)	161 (100.0)
30-40	113 (47.5)	33 (13.9)	8 (3.4)	53 (22.3)	14 (5.9)	17 (7.1)	238 (100.0)
Above 40	7 (33.3)	2 (9.6)	2 (9.5)	5 (23.8)	1 (4.8)	4 (19.0)	21 (100.0)
Total	202 (48.0)	51 (12.1)	17 (4.0)	102 (24.3)	21 (5.0)	27 (6.4)	420 (100.0)

Source: Primary survey

Note: (i) The factor 'Other' includes factors other than the above stated five factors.

(ii) Figures in the parenthesis are percentage of total respondents

Table 2: Distribution of Rank-1 given by HPWL Respondents (n = 245, who have changed at least one company) as prime reason for leaving last preceding company by Professional Category and age group

Age group	Managerial category Respondents (n=73)						Total
	Higher Salary	Higher Portfolio	Scope of Foreign Assignment	Higher Company-Brand Name	Breach of Commitment	Others	
Below 30	21 (77.8)	0 (0.0)	0 (0.0)	5 (18.5)	1 (3.7)	0 (0.0)	27 (100.0)
30-40	26 (65.0)	3 (7.5)	1 (2.5)	7 (17.5)	2 (5.0)	1 (2.5)	40 (100.0)
Above 40	4 (66.7)	0 (0.0)	0 (0.0)	2 (33.3)	0 (0.0)	0 (0.0)	6 (100.0)
Total	51 (69.8)	3 (4.1)	1 (1.4)	4 (19.2)	3 (4.1)	1 (1.4)	73 (100.0)
Age group	Technical category Respondents (n =172)						Total
Below 30	47 (68.1)	5 (7.2)	2 (2.9)	14 (20.3)	1 (1.4)	0 (0.0)	69 (100.0)
30-40	71 (71.7)	3 (3.0)	3 (3.1)	15 (15.2)	3 (3.0)	4 (4.0)	99 (100.0)
Above 40	3 (75.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (25.0)	0 (0.0)	4 (100.0)
Total	121 (70.3)	8 (4.7)	5 (2.9)	29 (16.9)	5 (2.9)	4 (2.3)	172 (100.0)
Age group	Overall HPWL Respondents (n =245)						Total
Below 30	68 (70.8)	5 (5.2)	2 (2.1)	19 (19.8)	2 (2.1)	0 (0.0)	96 (100.0)
30-40	97 (69.8)	6 (4.3)	4 (2.9)	22 (15.8)	5 (3.6)	5 (3.6)	139 (100.0)
Above 40	7 (70.0)	0 (100.0)	0 (100.0)	2 (20.0)	1 (10.0)	0 (100.0)	10 (100.0)
Total	172 (70.2)	11 (4.5)	6 (2.4)	33 (13.5)	8 (3.3)	5 (2.0)	245 (100.0)

Source: Primary survey

Note: (i) The factor 'Other' includes factors other than the above stated five factors.
(ii) Figures in the parenthesis are percentage of total respondents

Table 3: Distribution of Rank-1 given by HPSL Respondents (n = 175, who have changed at least one company) as prime reason for leaving last preceding company by Professional Category and Age Group

Age group	Managerial category Respondents (n= 40)						Total
	Higher Salary	Higher Portfolio	Scope of Foreign Assignment	Higher Company-Brand Name	Breach of Commitment	Others	
Below 30	3 (20.0)	3 (20.0)	1 (6.7)	7 (46.7)	0 (0.0)	1 (6.6)	15 (100.0)
30-40	3 (14.3)	5 (23.8)	0 (0.0)	5 (23.8)	3 (14.3)	5 (23.8)	21 (100.0)
Above 40	0 (0.0)	2 (50.0)	1 (25.0)	0 (0.0)	0 (0.0)	1 (25.0)	4 (100.0)
Total	6 (15.0)	10 (25.0)	2 (5.0)	12 (30.0)	3 (7.5)	7 (17.5)	40 (100.0)
Age group	Technical category Respondents (n = 135)						Total
Below 30	11 (22.0)	8 (16.0)	4 (8.0)	18 (36.0)	4 (8.0)	5 (10.0)	50 (100.0)
30-40	13 (16.7)	22 (28.2)	4 (5.1)	26 (33.3)	6 (7.7)	7 (9.0)	78 (100.0)
Above 40	0 (0.0)	0 (0.0)	1 (14.3)	3 (42.8)	0 (0.0)	3 (42.9)	7 (100.0)
Total	24 (17.8)	30 (22.2)	9 (6.7)	47 (34.8)	10 (7.4)	15 (11.1)	135 (100.0)
Age group	Overall HPSL Respondents (n =175)						Total
Below 30	14 (21.5)	11 (16.9)	5 (7.7)	25 (38.5)	4 (6.2)	6 (9.2)	65 (100.0)
30-40	16 (16.2)	27 (27.3)	4 (4.0)	31 (31.3)	9 (9.1)	12 (12.1)	99 (100.0)
Above 40	0 (0.0)	2 (18.1)	2 (18.2)	3 (27.3)	0 (0.0)	4 (36.4)	11 (100.0)
Total	30 (17.1)	40 (22.9)	11 (6.3)	59 (33.7)	13 (7.4)	22 (12.6)	175 (100.0)

Source: Primary survey

Note: (i) The factor 'Other' includes factors other than the above stated five factors.
(ii) Figures in the parenthesis are percentage of total respondents

Table 4: Causal Factors behind Employee Turnover by Ranks

Attitudinal Category	Professional Category	Causal Factors of Employee Turnover					
		Higher Salary	Higher Portfolio	Scope of Foreign Assignment	Higher Company -Brand Name	Breach of Commitment	Others
		Ranks					
HPWL	Managerial (n=73)	I	II	III	III	V	V
	Technical (n=172)	I	II	III	VI	IV	IV
HPSL	Managerial (n=40)	III	I	II	IV	V	VI
	Technical (n=135)	III	I	II	IV	V	VI
Overall Professional Category (n =420)	Managerial (n=113)	I	III	VI	II	V	IV
	Technical (n=307)	I	III	VI	II	V	IV
Overall Attitudinal Category	HPWL (n= 245)	I	III	V	II	IV	VI
	HPSL (n =175)	III	II	VI	III	V	IV
	Overall (n=420)	I	III	VI	II	V	IV

***Source*:** Primary survey
Note: The factor 'Other' includes factors other than the above stated five factors.

It is evident (see table-2) that the both the managerial and technical category of employees of HPWL group revealed the same reasons behind their leaving the last preceding company. Their foremost reason to leave a company is the attraction of 'higher salary' and next to higher salary comes 'higher-company-brand-name' followed by 'higher portfolio'. On the other hand, the managerial and technical category of employees of HPSL group also give similar reasons but quite different from that of HPWL group (see table-3). The prime reason of both the managerial and technical category of employees of HPSL group appears to be 'higher-company-brand-name' followed by 'higher-portfolio' and the third priority reason is 'higher salary'. HPSL group of employees, irrespective of their professional category, are very much concern about their institutional and social prestige. Whereas, the HPWL group of employees are more concern about their economic well beings. The reasons of IT employees for leaving their last preceding company in accordance with their respective ranks by employees' attitudinal and professional categories are presented in table-4. The overall IT employees' prime reason for leaving a company appears to be the attraction of "higher salary' followed by 'higher-company-brand-name', 'higher-portfolio', 'others' , 'breach of commitment' and 'scope of foreign assignment'. The attraction of 'Higher-salary' appears to be the prime reason may be due to the presence of higher percentage of HPWL employees in the IT sector.

Model

Dependent Variable (Y)

Employee's propensity to change a company is the dependent variable of the model. We define employee's propensity to change companies as follows.

$$\text{Employee's propensity to change company} = \frac{\text{Employee's IT experience (in years)}}{\text{Employee's number of company changes}}$$

This ratio is the average time that an employee has remained in one job or in other words, this ratio is employee's average propensity to change a company. Higher value of the above ratio indicates lower propensity to change and vice versa. We classified our respondents into two groups- high-propensity group and low-propensity group. The median value of this employee's propensity is taken as a cut off value. The employees having median value of propensity to change or the less than the median value are assigned 1 (e.g. high-propensity group) and values above the median value are assigned zero (e.g. low-propensity group). We therefore make our dependent variable a dichotomous one by putting 0 for those employees who have low-propensity to change company and l for those who have high-propensity to change company. Dependent variable (Y) becomes a dichotomous variable and becomes $Y = In\left(\frac{\hat{p}}{1-\hat{p}}\right)$

So we fit a linear logistic regression model which is of the following equation form

$$In\left(\frac{\hat{p}}{1-\hat{p}}\right) = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6$$

Here, $\hat{p}$ = Probability (Y = 1) implies the probability of an employee to quit the company and $(1 - \hat{p})$ = Probability (Y = 0) implies the probability of an employee to stay in the company

Explanatory Variables (X_i)

X_1 = Higher Salary (HS)
X_2 = Higher Portfolio (HP)
X_3 = Higher company-brand-name (HCBN)
X_4 = Others (OTH)
X_5 = Breach of Commitment (BoC)
X_6= Age (AG)

Respondents are asked to reveal the reasons for their leaving companies by putting ranks (1 is highest rank and 6 is the lowest rank) to the six possible reasons- 'Higher salary', 'Higher portfolio', 'Company's brand name', 'Scope of foreign assignment', 'Breach of commitment', and 'Others'. The overall rank of 'Scope of foreign assignment' appears as insignificant as reason for IT employees' leaving company and therefore this plausible factor is not included in the models. Here, the numerical value of each of the X_1 to X_5 explanatory variables varies from 1 to 6. The value of the variable X_6 is a continuous variable.

Results of Logistic Regressions

Table M1: Case Processing Summary (Block 0: Beginning Block)

Unweighted Cases[a]		HPWL Employees		HPSL Employees	
		N	Percentage	N	Percent
Selected Cases	Included in Analysis	217	100.0	159	100.0
	Missing Cases	0	0.0	0	0.0
	Total	217	100.0	159	100.0
Unselected Cases		0	0.0	0	0.0
Total		217	100.0	159	100.0

a. If weight is in effect, see classification table for the total number of cases.

Table M2: Classification Table[a,b] (Block 0 : Beginning Block)

Observed		Predicted					
		HPWL Employees			HPSL Employees		
		Propensity to Change		Percentage correct	Propensity to Change		Percentage correct
		0	1		0	1	
Propensity to Change	0	0	102	.0	80	0	100.0
	1	0	115	100.0	79	0	.0
Step 0							
Over all Percentage				53.0			50.3

a. Constant is included in the model
b. The cut value is .500

Table M3: Variables in the Equation (Block 0: Beginning Block)

		B	S.E	Wald	df	Sig.	Exp(B)
Step 0	HPWL Employees	0.120	0.136	0.778	1	0.378	1.127
	HPSL Employees	-.013	0.159	0.006	1	0.937	.987

Table M4: Variables not in the Equation (Block 0: Beginning Block)

	HPWL Employees			HPSL Employees		
	Score	df	Sig.	Score	df	Sig.
HS	4.417	1	.036	.797	1	.372
HP	0.018	1	.895	.054	1	.817
HCBN	0.104	1	.747	.794	1	.373
Step 0 Variables OTH	2.021	1	.155	19.063	1	.000
BoC	0.801	1	.371	4.594	1	.032
AG	129.294	1	.000	86.139	1	.000
Overall Statistics	134.607	6	.000	102.031	6	.000

Table M5: Omnibus Test of Model coefficients (Block 1: Method= Enter)

		HPWL Employees			HPSL Employees		
		Chi-square	df	Sig.	Chi-square	df	Sig.
Step 1	Step	252.124	6	.000	186.095	6	.000
	Block	252.124	6	.000	186.095	6	.000
	Model	252.124	6	.000	186.095	6	.000

Table M6: Model Summary (Block 1: Method= Enter)

Step	HPWL Employees			HPSL Employees		
	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square	-2Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	47.923[a]	0.687	0.917	34.320	.690	.920

a. Estimation terminated at iteration number 10 because parameter estimates changed by less than .001.

Table M7: Hosmer and Lemeshow Test (Block 1: Method= Enter)

Step	HPWL Employees			HPSL Employees		
	Chi-square	df	Sig.	Chi-square	df	Sig.
1	2.562	8	0.959	1.357	8	.995

Table M8: Classification Table[a] (Block 1: Method= Enter)

Observed		Predicted					
		HPWL Employees			HPSL Employees		
		Propensity to Change		Percentage correct	Propensity to Change		Percentage correct
		0	1		0	1	
Propensity to Change	0	96	6	94.1	77	3	96.3
	1	4	111	96.5	6	73	92.4
Step 1							
Over all Percentage				95.4			94.3

a. The cut value is .500

Table M9: Variables in the Equation (Block 1: Method= Enter)

HPWL Employees							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	HS	-1.252	.467	7.166	1	.007	.286
	HP	2.050	.623	10.835	1	.001	7.767
	HCBN	1.909	.586	10.625	1	.001	6.747
	OTH	1.686	.556	9.188	1	.002	5.396
	BoC	6.098	3.393	3.230	1	.072	445.118
	AG	-3.065	0.670	20.927	1	.000	.47
	Constant	78.137	17.040	21.027	1	.000	8.598E33
HPSL Employees							
		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1[a]	HS	-11.224	3.529	10.118	1	.001	.000
	HP	-4.800	2.114	5.156	1	.023	.008
	HCBN	-2.600	1.502	2.999	1	.083	.074
	OTH	3.279	.988	11.013	1	.001	26.554
	BoC	2.949	.899	10.762	1	.001	19.091
	AG	-2.524	.715	12.463	1	.000	.080
	Constant	57.174	16.327	12.263	1	.000	6.768E24

a. Variable(s) entered on step 1: HS, HP, HCBN, OTH, ATT, AG

Model Discussion

The output of the logistic regression is derived by using IBM SPSS Statistics version 20 software package. Two logistic regression models have been run separately, one for the HPWL group and the other for the HPSL group of employees. For the sake of comparison between the nature and extent of propensity of these two groups of employees, outputs of the two regressions are presented side by side. Block 0, the beginning block of logistic regression output represents the results that includes only the constant before any coefficients (i.e. those related to explanatory variables) are entered into the equation. Logistic regression compares this model with a model including all the predictors to determine whether the later model is more appropriate. The table M2 suggests that if we know nothing about our variables and guessed that an employee would not leave job we would be correct 54.9 percent and 51.9 percent of times in case of HPWL and HPSL group of employees respectively. The variables not in the equation table (see table M4) tells us whether each independent variable improve the model or not. As most of them are found significant and if included would add to the predictive power of the model.

Block 1 Method = Enter represents the results when the explanatory variables are included in the equation. It is evident from the classification table (see table M8) that by adding the explanatory variables we can now predict HPWL and HPSL employees' propensity to change

job with 95.4 percent and 94.3 percent respectively accuracy. At this stage this model appears good, but we need to evaluate model fit and significance as well.

The overall significance is tested by using, here in the SPSS, the model chi square which is derived from the likelihood of observing the actual data under the assumption that the model that has been fitted is accurate. In our case the model chi square for HPWL group of employees has 6 degrees of freedom, a value of 252.124 and a probability of $p < 0.000$ and HPSL group has 6 degrees of freedom, a value of 186.095 and a probability of $p < 0.000$. This indicates that the models have poor fit with the model containing only the constant indicating that the predictors do have a significant effect and create essentially a different model. So we need to look closely at the predictors whether they are significant or not.

Although there is no close analogous statistic in logistic regression to the coefficient of determination of R^2, the model summary provides some approximation. Cox and Snell's R^2 attempts to imitate multiple R^2 based on 'likelihood', but its maximum can be (and usually is) less than 1, making it difficult to interpret. Here it is indicating 68.7 percent (in case of HPWL group) and 69.0 percent (in case of HPSL group) of the variation in the dependent variable is explained by the logistic models. The Nagelkerke modification that does range from 0 to 1 is a more reliable measure of the relationship. Nagelkerke's R^2 will normally be higher than Cox and Snell measure. In our case the Nagelkerke's R^2 for HPWL and HPSL groups are 0.917 and 0.920 respectively, indicating a moderately strong relationship between the predictors and the prediction (see table M6).

An alternative to model chi-square is the Homer and Lemeshow (H-L) test. If H-L goodness-of-fit test statistics is greater than 0.05, as we want for well-fitted models, we failed to reject the null hypothesis that there is no difference between observed and model-predicted values, implying that the model's estimates fit the data at an acceptance level. That is, well-fitted model shows non-significance on the H-L goodness-of-fit test. The desired outcome of non-significance indicates that the model prediction does not significantly differ from the observed. Here in our models H-L statistic have significance of .959 for HPWL group and .995 for HPSL group of employees which means that these are not statistically significant and therefore our models are quite good fit (see table M7).

The Wald statistic and associated probabilities appear in the 'variables in the equation' table, provide an index of each predictor in the equation. The Wald statistic has a chi-square distribution and should be significant for all variables. If Wald statistic for a variable is less than .05 rejects the null hypothesis as the variable does make a significant contribution. The Wald statistics for all the predictors in our models become highly significant and that implies all of them have significant contribution (see table M9).

Exp (B) values indicate that one unit rise of a predictor how many times the odd ratio will be enhanced. It appears from Exp (B) of our predictors that in case of HPWL group of employees, one unit higher offer in terms of HP, HCBN, OTH, BoC and AG will enhance more than five times the probability of the employee to change company. On the other hand, in case of HPSL group of employees, one unit higher offer in terms of OTH, and AG will enhance much the probability of the employee to change company. It becomes interesting to note here that in case of HPWL group of employees the attraction of HP, HCBN, BoC are much stronger than other factors but in case of HPSL group of employees the important factors for leaving an organization appears to be OTH and BoC (see table M9).

Concluding Remarks

Employee Turnover is a major problem for many organizations today and often becomes extremely costly for the employers who offer on-the-job higher education and training. However, when inefficient employees leave the organization and are replaced by comparatively

efficient ones then it would certainly be beneficial to the organization. Therefore, employee turnover becomes to be a major problem when high potential employees leave the organization voluntarily.

Among the six plausible factors 'higher-salary' appears to be the prime reason of most of the Information Technology (IT) employees for leaving an organization. Next to salary, it is the 'higher-portfolio' followed by attraction of 'higher-company-brand-name'- all are in the array of pull factors. This behavioural pattern persists uniformly among all the IT employees across gender and ages. One distinctive feature is that the propensity to change company is much higher among younger IT employees reflecting their zeal to reach at the top of the professional-ladder within the shortest possible time. Distinctively different causal factors are observed between employees giving highest-priority-to-work-life (HPWL) and those giving highest-priority-to-social-life (HPSL). Attraction of 'higher income' and 'higher-company-brand-name' appears to be the major concern of the HPWL group of employees, whereas HPSL group of employees' propensity to change organization significantly positively linked with factors like 'higher-company-brand name' and 'higher-portfolio'. Attraction of 'higher income' appears to be third important reason for leaving an organization for HPSL group of employees. It can be said that the HPWL group of employees have much positive attitude towards financial matters. Thus, from the empirical observations as well as from the turnover model it is clearly evident that attitude of an employee towards life and work has a strong impact on his or her turnover behaviour and is independent of professional category.

The study suggests that employee retention policies should take into account that the working environment should be compatible to reveal employees' skill or talent. To curve the prime cause for employee turnover intention which are revealed in this present study, competitive salary and benefits are to be offered to employees of an organization. In addition, guidance from respective HR department should be provided to employees with regard to career planning for promotional advancement for employees' personal development and that will help enhancing their propensity to stay in the organization.

It should be borne in mind that in order to enhance or to maintain employee's own productive capability, a rational employee will always search for better place where he or she is able to reveal his/her potential capability. In the present competitive dynamic world, both firms and employees are engaged in optimizing their respective goals where organisational commitment may not have any role to play. However, employee's commitment to his or her work may also simultaneously satisfy organisation's objectives. From human resource management point of view, other than compatible financial matters, emphasis should be given to create such work environment where each and every employee enjoy their work as well as like to stay on.

However, the major limitation of the present study is that among the multi-dimensional causal factors, it considers only six plausible causal factors. But, the present study tries to initiate a new way of thinking by classifying the causal factors into push and pull factors, focused on some social-economic dimensions of employee turnover behaviour across age-group and gender and professional category and that would be helpful to employee retention policy formulation as well as for the future research.

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