

Linking Workforce Diversity to Turnover Intentions : The mediating role of Perceived Organizational Support

ANEESYA PANICKER*
AVNISH SHARMA**
SUSHMITA GOSWAMI***
BRIJESH KISHORE GOSWAMI****

Abstract

Around 563 data collection was made randomly from private bank employees working in NCR (National Capital Region) of India. To test the proposed direct and mediating hypotheses, hierarchical regression was administered. On the basis of analysis, it was being found that POS partially mediates the association between workforce diversity and turnover intentions. The impact of workforce diversity on turnover intention was found to be statistically significant ($\beta = 0.636$, $p < 0.01$), but with the introduction of POS, beta value of independent and dependent variable had a decreasing effect ($\beta = 0.432$, $p < 0.01$), thereby, representing a partial mediation. This research study indicates that managers at every level should realize the importance of promoting diversity and inclusive climate in the organization. Diversity is essential for making continuous innovations and sustainable growth of the organisations.

I. Introduction

THE PRESENT BUSINESS scenario is characterised by chaos, dynamism and global competitiveness which is coupled with recession and financial crises (Pasternack and Viscio, 1999). In order to sustain long lasting success, organizations have to manage diverse workforce with due care (Behery Salam, Mohammad and Sai, 2016). Due to the increasing workforce diversity, researchers have tried to study its impact on organizational outcomes and people experience. The researches have shown a mixed effect, where workforce diversity has positive impact on performance of organization ranging from improved profits, enhanced status and creativity (Shore, Chung-Herrera, Dean,

* Associate Professor, GLA University, 17 KM Stone, Delhi Mathura Road, Post Chaumuha, Mathura, Uttar Pradesh 281406, INDIA

** Assistant Professor, GLA University, 17 KM Stone, Delhi Mathura Road, Post Chaumuha, Mathura, Uttar Pradesh 281406, INDIA

*** Assistant Professor, GLA University, 17 KM Stone, Delhi Mathura Road, Post Chaumuha, Mathura, Uttar Pradesh 281406, INDIA

**** Assistant Professor, GLA University, 17 KM Stone, Delhi Mathura Road, Post Chaumuha, Mathura, Uttar Pradesh 281406, INDIA

Submitted January 2020; Accepted June 2020

Article accepted under MoU signed with GLA University (India) in 2019-2020

References

- Acquavita, S. P., J. Pittman, M. Gibbons, and K. Castellanos-Brown, (2009), "Personal and organizational diversity factors' impact on social workers' job satisfaction: Results from a national Internet-based survey", *Administration in Social Work*, Vol. 33, pp.151-166
- Behery, M., A. Salam, P Mohammad, and K. Sai, (2016), "Psychological contracts and intention to leave with mediation effect of organizational commitment and employee satisfaction at times of recession", *Review of International Business and Strategy*, Vol. 26 No. 2, pp.184-203
- Buttner, E. H., K. B., Lowe, and L. Billings-Harris, (2010), "Diversity climate impact on employee of color outcomes: does justice matter?", *Career Development International*, 2010
- Caesens, G., G. Marique, D., Hanin, and F. Stinglhamber, (2016), "The relationship between perceived organizational support and proactive behaviour directed towards the organization", *European Journal of Work and Organizational Psychology*, Vol. 25 No. 3, pp. 398-411
- Choi, S. (2017), "Workforce diversity and job satisfaction of the majority and the minority: Analyzing the asymmetrical effects of relational demography on whites and racial/ethnic minorities", *Review of Public Personnel Administration*, Vol. 37 No. 1, pp. 84-107
- Eder, P., and R. Eisenberger, (2008), "Perceived organizational support: Reducing the negative influence of coworker withdrawal behavior", *Journal of Management*, Vol. 34 No. 1, pp. 55-68
- Eisenberger, R., R. Huntington, S. Hutchison, and D. Sowa, (1986), "Perceived organizational support," *Journal of Applied Psychology*, vol. 71, pp. 500-507
- Eisenberger, R., S. Armeli, B. Rexwinkel, P. Lynch, and L. Rhoades, (2001), "Reciprocation of perceived organizational support", *Journal of Applied Psychology*, Vol. 86 No. 1, pp. 42-51
- Eisenberger, R., J. Cummings, S. Armeli, and P. Lynch, (1997), "Perceived Organizational Support, Discretionary Treatment, and Job Satisfaction," *Journal of Applied Psychology*, Vol. 82, pp. 812-820
- Eisenberger, R., P. Fasalo, and V. Davis-LaMastro, (1990), "Perceived organizational support and employee diligence, commitment, and innovation", *Journal of Applied Psychology*, Vol. 75, No. 1, pp. 51-59
- Eisenberger, R., R., Huntington, R. Hutchison, and D. Sowa, (1986), "Perceived organizational support", *Journal of Applied Psychology*, Vol. 71, No. 3, pp. 500-507
- Eisenberger, R., L. Rhoades, and J. Cameron, (1999), "Does Pay for Performance Increase or Decrease Perceived Self-Determination and Intrinsic Motivation?", *Journal of Personality and Social Psychology*, Vol. 77, pp.1026-1040
- Fasolo, P. (1995), "Procedural justice and perceived organizational support: hypothesized effects on job performance", in Cropanzano, S. and Kacmar, K.M. (Eds), *Organizational Politics, Justice and Support: Managing the Social Climate in the Workplace*, Quorum Books, Westport, CT, pp. 185-195
- Friday, E. and S.S. Friday, (2003), "Managing diversity using a strategic planned change approach", *Journal of Management Development*, Vol. 22, pp. 863-880

Greenberg, J. (2004), "Diversity in the Workplace: Benefits, Challenges and Solutions", *Multicultural Advantage*, 2004

Gonzalez, J. A., and A. S. DeNisi, (2009), "Cross-level effects of demography and diversity climate on organizational attachment and firm effectiveness", *Journal of Organizational Behavior*, Vol. 30, pp. 21-40

Groeneveld, S, (2011), "Diversity and employee turnover in the Dutch public sector: Does diversity management make a difference?", *International Journal of Public Sector Management*, Vol. 24, pp. 594-612

Hicks-Clarke, D. and P. Iles, (2000), "Climate for diversity and its effects on career and organizational attitudes and perceptions", *Personnel Review*, Vol. 29 No. 3, pp. 324-345

Howard-Grenville, J. A., and A. J. Hoffman, (2003), "The importance of cultural framing to the success of social initiatives in business", *Academy of Management Perspectives*, Vol. 17 No. 2, pp. 70-84

Islam, T., M., Aamir S.R. Khan, and U.N.U. Ahmad, (2013), "Organizational learning culture, social exchange relations and multifoci citizenship behaviors: A literature survey approach", *World Journal of Management and Behavioral Studies*, Vol. 1, No. 1, pp. 33-40

Islam, T., S.R. Khan, M. Aamir, and U.N.U. Ahmad, (2012), "Turnover intentions: the influence of organizational learning culture and multi foci citizenship behaviors", *Middle-East Journal of Scientific Research*, Vol. 12, No. 5, pp. 650-661

Jackson, Susan E., Joan F. Brett, Valerie I. Sessa, Dawn M. Cooper, Joan A. Julin, and Karl Peyronnin, (1991), "Some differences make a difference: Individual dissimilarity and group heterogeneity as correlates of recruitment, promotions, and turnover", *Journal of Applied Psychology*, Vol. 75, pp. 675-689

James, L. R., (1982), "Aggregation Bias in Estimates of Perceptual Agreement", *Journal of Applied Psychology*, Vol. 67, pp. 219-229

James, L. R., L. A. James and D. K. Ashe (1990), "The Meaning of Organizations: The Role of Cognition and Values", in B. Schneider (ed.), *Organizational Climate and Culture*, pp. 40-84

Jayne, M. E., and R. L. Dipboye, (2004), "Leveraging diversity to improve business performance", Vol 43 No. 4, pp. 409-424.

Kristof-Brown, A., K. Jansen and A. Colbert (2002), "A Policy-Capturing Study of the Simultaneous Effects of Fit with Jobs, Groups, and Organizations", *Journal of Applied Psychology*, Vol. 87, pp. 985-993

Kurtessis, J. N., R. Eisenberger, M. T. Ford, L. C. Buffardi, K. A. Stewart, and C. S. Adis, (2017), "Perceived organizational support: A meta-analytic evaluation of organizational support theory", *Journal of Management*, Vol. 43, pp. 1854-1884

Leveson, L., T. A. Joiner, and S. Bakalis, (2009), "Managing cultural diversity and perceived organizational support", *International Journal of Manpower*, 2009

Lumet, L., J. Kervin, K. Clark, F. Reid, and W. Sirola, (1998), "Explaining nursing turnover intent: job satisfaction, pay satisfaction, or organizational commitment?", *Journal of Organizational Behavior*, Vol. 19, No. 3, pp. 305-320

Mamman, A., K. Kamoche, and R. Bakuwa, (2012), "Diversity, organizational commitment and organizational citizenship behavior: An organizing framework", *Human Resource Management Review*, Vol. 22, pp. 285-302

McKay, P. F. and D. R. Avery, (2005), "Warning! Diversity Recruitment Could Backfire", *Journal of Management Inquiry*, Vol. 14, pp. 330-336

McKay, P. F., D. R. Avery and M. A. Morris, (2008), "Mean Racial-Ethnic Differences in Employee Sales Performance: The Moderating Role of Diversity Climate", *Personnel Psychology*, Vol. 61, pp. 349-374

McKay, P. F., D. R. Avery, S. Tonidandel, M. A. Morris, M. Hernandez and M. R. Hebl, (2007), "Racial Differences in Employee Retention: Are Diversity Climate Perceptions the Key?", *Personnel Psychology*, Vol. 60, pp. 35-62

Mobley, W., R. Griffeth, H. Hand, and B. Meglino, (1979), "Review and conceptual analysis of the employee turnover process", *Psychological Bulletin*, Vol. 86, No. 3, pp. 493-522

MorBarak, M.E. (2013), "Managing diversity towards a globally inclusive workplace, (3rd ed.)", Thousand Oaks, : Sage CA, 2013

Pasternack, B.A. and A.J. Viscio, (1999), "The Centerless Corporation-A New Model for Transforming Your Organization for Growth and Prosperity", *Booze Allen and Hamilton*, San Diego, CA, 1999

Perryer, C, C. Jordan, I. Firms, and A. Travaglione, (2010), "Predicting turnover intentions. The interactive effects of organizational commitment and perceived organizational support", *MRR*, Vol. 33, No.9, pp. 911-923

Rhoades, L. and R. Eisenberger, (2002), "Perceived organizational support: a review of the literature", *Journal of Applied Psychology*, Vol. 87, No. 4, pp. 698-714

Riggle, R.J., D.R. Edmondson, and J.D. Hansen, (2009), "A meta-analysis of the relationship between perceived organizational support and job outcomes: 20 years of research ", *Journal of Business Research*, Vol. 62 No. 10, pp. 1027-1030

Stewart Robert W. (2011), "You Support Diversity, But Are You Ethical? Examining the Interactive Effects of Diversity and Ethical Climate Perceptions on Turnover Intentions", *Journal of Business Ethics*, Vol. 99, pp. 453-465

Rosin, H.M and K. Korabik, (1991), "Workplace variables, affective responses and intention to leave among women managers", *Journal of Occupational Psychology*, Vol.64, pp. 317-330

Rousseau, D., (1995), "Psychological Contracts in Organizations: Understanding Written and Unwritten Agreements", Sage Publications, Inc, Thousand Oaks, CA, 1995

Settoon, R.P., N. Bennett, and R.C. Liden, (1996), "Social exchange in organizations: perceived organizational support, leader-member exchange, and employee reciprocity", *Journal of Applied Psychology*, Vol. 81, No. 3, pp. 219-227

Shore, L. and S. Wayne, (1993), "Commitment and employee behavior: comparison of affective commitment and continuance commitment with perceived organizational support", *Journal of Applied Psychology*, Vol. 78, No. 5, pp. 774-780

Shore, L. M., and T. H. Shore, (1995), "Perceived organizational support and organizational justice", R. S. Cropanzano and K. M. Kacmar (Eds.), *Organizational politics, justice, and support: Managing the social climate of the workplace*, pp. 149-164

Shore, L. M., and L. E. Tetrick, (1991), "A construct validity study of the Survey of Perceived Organizational Support," *Journal of Applied Psychology*, Vol. 76, pp. 637-643

Shore, L. M., B. G. Chung-Herrera, M.A. Dean, K. Holcombe Ehrhart, D. I. Jung, and A.E. Randel, (2009), "Diversity in organizations: Where are we now and where are we going?", *Human Resource Management Review*, Vol. 19, pp.117-133

Shore, L.M., and S.J. Wayne, (1993), "Commitment and Employee Behavior: Affective Commitment and Continuance Commitment with Perceived Organizational Support", *Journal of Applied Psychology*, Vol. 78, pp. 774-780

Stewart, M. M., and O. E. Johnson, (2009), "Leader – Member exchange as a moderator of the relationship between work group diversity and team performance", *Group and Organization Management*, Vol. 34, pp. 507-535

Stinglhamber, F. and C. Vandenberghe, (2003), "Organizations and supervisors as sources of support and targets of commitment: a longitudinal study", *Journal of Organizational Behavior*, Vol. 24, No. 3, pp. 251-70

Tett, R.P. and J.P. Meyer, (1993), "Job satisfaction, organizational commitment, turnover intention, and turnover: path analyses based on meta-analytic findings", *Personnel Psychology*, Vol. 46, No. 2, pp. 259-293

Tsui, Anne S., Terri D. Egan, and Charles A. O'Reilly, (1992), "Being different: Relational demography and organizational attachment", *Administrative Science Quarterly*, Vol. 37, pp. 549-579

Wagner, Gary W. Jeffrey Pfeffer, and Charles A. O'Reilly, (1984), "Organizational demography and turnover in top-management groups", *Administrative Science Quarterly*, Vol. 29, pp. 74-92