
Relationship between Perception of Training and Turnover Intention: Mediating effect of Psychological Capital

Muhammad Haris Qureshi

Lecturer, School of Management Studies
The University of Faisalabad
Email: m.hariss.qureshi@gmail.com

Abstract

This research investigates the relationship between perception of training and turnover intention with the mediating role of psychological capital in textile sector. Information was gathered using instruments from 251 employees. The perception of training questionnaire which was designed by Tharenou, (2001) was used to determine the attitudes of the employees towards training in three dimension i.e. Perceived availability of training, perceived supervisor support for training, Perceived co-worker support for training

The turnover intention questionnaire designed by Sisier and Gentry (1992) was used to examine the turnover Behavior of employees. The Resilience and Self-Efficacy Questionnaire was prepared by Luthans et al. (2007) which tells the relationship of mediating variables. Perception of Training is taking as an Independent variable, turnover Intention as Dependent variable while Resilience and Self-Efficacy as a mediating variable. Data obtained from each of the research instrument is than statistically analysed.

Pearson Correlation is used to identify the relationship between variables. All the relationship between dependent, independent and mediating variables are significant but only one relation between turnover intention and self-efficacy is not significant ($P > 0.05$) the correlation showed that there exists a positive significant relationship between perception of training and self-efficacy, perception of training and resilience, while there is a negative significant relationship

between perception of training and turnover intention, turnover intention and resilience.

Overall findings from the study suggests that there is significant relationship between perception of training and turnover intention. The two mediating variables out of which one is suitable in the model i.e. Resilience and the model is good fit as the F value is significant. The finding of this research motivates the textile sector managers to know the importance of training to decrease the turnover rate. As this research is done in the textile so it helps the managers to skills of resilience in the employees to enhance the output the training.

Keywords: Training, Turnover Intention, Psychological Capital, Hope, Self-Efficacy, Resilience, Optimism.

Reference to this paper should be made as follows: Qureshi, M.H. (2017) 'Relationship between Perception of Training and Turnover Intention: Mediating effect of Psychological Capital', *Asia Pacific Journal of Emerging Markets*, Vol. 1, No. 1, pp.74–85.

Biographical notes: Muhammad Haris Qureshi is Lecturer in the School of Management Studies, The University of Faisalabad. He is a prolific researcher and renowned for interdisciplinary studies. His research interest includes internal marketing, Branding, Human Resource and Production operation management, he focuses to develop an interdisciplinary relationship between and production and service sector. relationship. He also serves as the member of editorial committee of a few national/international journals in various capacities.

1. Introduction

The world is shifting towards an economy where the most essential resource an organization boasts is its knowledge. Thus, employees need to be continually up-to-date with the latest enhancements in their professional fields and the supplementing their standard expertise they need for their tasks. Employee turnover symbolizes a critical problem to a company in terms of loss of skills, additional employment and training costs (Shah & Jehn, 1993). Many researchers have figured out the relationship between training and turnover intention. A well-known and often used theory to explain the effects of training on turnover

intentions is the human capital investment theory of (Klein, 2001). It points out that companies spend money on more employable in other firms and intentions to leave the organization

More specifically, research has been discovered concentrating on: training and organization commitment (Allen & Meyer, 2009) analyze the impact of employee perceptions of training on organizational commitment and turnover intentions within multinational organizations in the Chinese services sector. Bartel (2000) figure out the factors affecting overall job satisfaction and turnover intentions in private sector colleges.

Bartel (2000) explore the impact of job satisfaction of women on their turnover intentions, specifically in the education sector. The levels of job satisfaction were measured by evaluating their general working circumstances, pay and opportunities for promotion, professional connections, use of skills and abilities, and activities assigned. Benson et. al (2000) measured the level of job satisfaction and its impact on turnover intention in private college in NWFP. Blundell et. al (1999) explore the determinants of turnover intentions. They propose a model which hypothesize that there is a relationship between fairness and recognition and job satisfaction. Benson et. al (2000) figure out the influence of training and development on motivation and job involvement along with what training methods are broadly used in the banking sector of Pakistan.

Taking a new approach, this study draws from both positive psychology and the emerging study of positive organizational behavior to investigate whether the recently identified core construct of psychological capital may be a key factor in better understanding not only how employees perceive stress symptoms, but also the impact of stress on intentions to quit and job search behaviors (Ahlstrom et al. 2001).

Many researchers have considered Training, psychological capital and turnover intentions as separate issues dealing with the relationships of these variables with various other variables. Many findings have been drawn; reasons and effects have been described for these variables. But no study explores the impact of training on turnover intentions in relation to psychological capital. The present study is an endeavor to fill this gap in Pakistan.

This study seeks to increase understanding with regard to employee perceptions of training and its relationships with the two dimensions of psychological capital and turnover intentions in private universities. This was done with a view to

establishing whether delivery of training within private universities can be used as a tool for enhancing psychological capital and to determine to what extent psychological capital is able to reduce turnover intention. The study aims to investigate 1) the relationship between perceptions of training and psychological capital, 2) the relationship between psychological capital and turnover intentions and 3) the impact of training on turnover intention with the mediating role of psychological capital.

2. Literature Review

2.1. The concept of training:

Definitions of training have described the idea as comprising of organized learning actions that are able of having an impact on individual abilities and information of the job, hence enhancing efficiency, and such actions can occur on or off the job (Bond, 1996; Bartlett, 2001). However, a comprehensive meaning of training is provided by Noe (cited in Al-Emadi & Marquardt, 2007), who describes training as “planned actions on the part of company targeted towards improving the job abilities and information or to modify the behavior and actions of employees in ways reliable with the objectives of the company and the requirements of the job”. In contrast to the past meaning, this one demonstrates the impact of training on employee actions and behavior. The general supposition is that businesses that give top priority to employee training will be much better positioned to be successful than others eventually.

2.2. Employee Turnover:

According to Chen & Francesco (2000), turnover intentions are presumed to capture inspirational factors that impact actions. That is, they are symptoms of how much initiatives people are prepared to apply to be able to bring out the actions, therefore the stronger the purpose, the greater the prospect of performance. In the analysis of employee turnover, numerous studies (Gamble & Huang, 2006) have used turnover intentions as the most appropriate forecaster of real turnover.

2.3. The Meaning of Positive Organizational Behavior:

The valuable psychological constructs that have been identified to best fulfill the POB requirements are wish, resiliency, positive outlook, and self-efficacy (Klein, 2001). However, it should be described that other valuable psychological constructs could and likely will be involved in the future

2.3.1. Hope as a positive psychological strength:

Hope is generally used in vocabulary, but as examined here is most closely associated with the idea and analysis of valuable psycho therapist C. Rick Snyder. Snyder and colleagues' wish idea (Snyder, Sympson, Ybasco, Borders, Babyak, & Higgins, 1996; Snyder, 2000, 2002) is well known in medical and valuable mindset and has significant analysis support. Snyder and his co-workers have particularly described wish as a "positive inspirational condition that is depending on an interactively derived sense of successful (1) organization (goal instructed energy) and (2) routes (planning to fulfill goals)" (LaRocco et al., 1980). Thus, wish can be regarded as made up of three distinct but supporting components: organization (will-power), routes (way-power), and turnover intentions.

The organization part of wish can be regarded as being the will to achieve a particular process or purpose (Owens 2006). Thus, organization contains the inspiration or goal-directed energy to be successful at a given process in a particular perspective. The road element is regarded as being the method for achieve a process or purpose. Thus, a road is regarded to be the way to achieve a process or purpose. Together, they type the will and the way to achieve a given process or purpose. Snyder and colleagues' idea and analysis recommend having one element by itself is not sufficient. To possess wish as described and operationalized, one must have both the will to be successful in a given process, as well as a viable indicates, or way to achieve that process.

In medical and valuable mindset, wish has been clearly connected to academic and athletic success (Noe & Wilk, 1993), but only recently it has been examined in the office. In analysis in the office, wish has been discovered to be appropriate to China manufacturer workers' supervisory ranked performance (Blau, 1964), unit financial performance and employee fulfillment and storage (Ahlstrom et al., 2001), and employee performance, fulfillment, pleasure, and commitment.

2.3.2. Resilience as a positive psychological strength

Resilience idea and analysis is mostly attracted from medical psychologies perform with adolescent children that have succeeded despite great hardship (Masten, 2001; Masten & Reed, 2002). Strength is often recognized by valuable dealing and adaptation in the face of important hardship or risk (Masten & Reed, 2002). As adapted to the office, resiliency has been described as the "positive psychological prospective to rebound, to 'bounce back' from hardship,

uncertainty, conflict, failure, or even valuable modify, progress and improved responsibility” (Luthans, 2002). Therefore, resilience can be recognized by dealing responses not only to adverse activities, but also to extreme valuable activities as well.

2.3.3. Optimism as a positive psychological strength

The theoretical foundation for positive outlook as a POB durability is mostly attracted from the discussions of valuable psycho therapist Martin Seligman (1998). Specifically, he describes positive outlook as making an internal, relatively stable, and global attribution regarding valuable activities such as purpose achievement, and an external, relatively unstable, and particular cause for adverse activities like a failed attempt at reaching a purpose. To avoid the critique of false positive outlook, POB tends to emphasize genuine positive outlook (Schneider, 2001; Luthans, 2002; Luthans, Youssef et al., 2007). In other words, positive outlook is not depending on an unchecked process that has no genuine evaluation. This genuine positive outlook as a condition (as in comparison to a dispositional trait), contains a purpose evaluation of what one can achieve in a particular situation, given the available sources in those days, and therefore can differ (Lewis, 2000).

Similar to the other valuable psychological capabilities, empirical analysis on positive outlook in the office is just emerging. Seligman (1998) finds that positive outlook was significantly and favorably appropriate to the performance of insurance sales reps. In inclusion, in the research of the China manufacturer employees stated earlier by Luthans et al. (2005), positive outlook is also discovered to have an important connection with ranked performance. The research by Youssef and Luthans (2007) discover employees’ positive outlook appropriate to their performance, fulfillment, and pleasure.

2.3.4. Efficacy as a positive psychological strength

Meeting the POB requirements perhaps better than any other prospective is self-efficacy. This valuable build is in accordance with the comprehensive idea and comprehensive analysis of Bandura (1997) with recent emphasis to linking this build to valuable mindset (Bandura, 2007). Used on the office, Stajkovic and Luthans (1998) describe efficacy as the individual’s conviction (or confidence) about his or her capabilities to mobilize the inspiration, cognitive sources, and considerations needed to successfully execute a particular process within a given perspective. In a meta-analysis made up of 114 research, they discovered a

powerful valuable connection between self-efficacy and work-related performance (Stajkovic & Luthans, 1998).

Particularly appropriate to the POB developmental criterion, Bandura (1997) has clearly proven that self-efficacy can be improved in four very particular ways. First, efficacy is designed when an employee experiences success (task mastery). Second, employees' efficacy can be designed when they learn how to do something by observing others (i.e., modeling) in their appropriate evaluation group achieve a process and be rewarded. Third, efficacy is designed when being persuaded by or receiving valuable feedback from respected others. Fourth, efficacy is designed and improved through physiological and/or psychological arousal and wellness.

On the basis of the literature following hypothesis were made:

H₁: There is a significant relationship between Perception of training and Turnover intentions.

H₀: There is not a significant relationship between Perception of training and Turnover intentions.

H₁: There is a significant relationship between Perception of training and Resilience.

H₀: There is not a significant relationship between Perception of training and Resilience.

H₁: There is a significant relationship between Resilience and Turnover Intentions.

H₀: There is not a significant relationship between Resilience and Turnover Intentions.

3. Methodology

Quantitative details are acquired through the use of surveys examined by mathematical indicates using the Statistical Package for Social Science (SPSS) software application, which is a generally used tool for examining quantitative details. Data analysis on SPSS (version 17.0) is done using illustrative and inferential mathematical techniques. Descriptive analysis is presented in tabular and graphic format, since the aim of descriptive analysis is to portray a "snap shot" of the research details.

4. Empirical Results

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	-1.226	.144		-8.514	.000
	PT	-3.636	.097	-2.583	-37.428	.000
	R	-2.376	.066	-2.470	-35.785	.000

a Dependent Variable: TI

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.873(a)	.761	.759	.45942

a Predictors: (Constant), R, PT

ANOVA (b)

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	166.932	2	83.466	395.449	.000(a)
	Residual	52.345	248	.211		
	Total	219.277	250			

a Predictors: (Constant), R, PT

b Dependent Variable: TI

Excluded Variables (b)

Model	Beta In	t	Sig.	Partial Correlation	Collinearity Statistics
					Tolerance
1	SE	.(a)	.	.	.000

a Predictors in the Model: (Constant), R, PT

b Dependent Variable: TI

4.1. Specified Regression Model

$$Y = C + b_1x_1 + b_2x_2 + b_3x_3 + E$$

4.2. *Estimated Regression Model*

$$\hat{Y} = -1.226 - 3.636(PT) - 2.376(R)$$

The regression model indicates that if we change 1 score in perception of training, the Turnover Intention is decreased by 3 score, keeping other variables fixed. Similarly, if we change 1 score in resilience, then 2 score decreased in Turnover Intention, keeping other variables fixed. SPSS is excluded the mediating variable named Self-efficacy as this variable is not much affected the model.

Perception of Training and Resilience are significant at ($P < 0.05$), so we rejected the null hypothesis and accepted the alternative hypothesis i.e. there is a significant relationship between perception of training and turnover intention and there is a significant relationship between resilience and turnover intention respectively. The one variable is excluded that is self-efficacy which means this is not as important mediating variable in the given model. The value of F in ANOVA table shows that it is significant at 0.000 ($P < 0.05$), so the model is good fit. The R square value (0.761) explains that 76.1% change in turnover over intention is due to variables written in model and remaining 23.9% change is due to remaining variables.

5. **Conclusion**

The results show that there is a significant relationship between perception of training and turnover intention. Training is one of the major factor in controlling the turnover intentions. So we rejected the null hypothesis “ H_0 ” and accepted the alternative hypothesis “ H_1 ” i.e. there is a significant relationship between perception of training and employee turnover intention. Psychological capital has a great impact on training and turnover because they are the mental psyches and attributes of the human beings with affect the outcomes. Resilience is positively related to perception of training, and there exists a significant relationship between them.

The perception of training is also shows a significant relationship with the two dimension of the psychological capital i.e. self-efficacy and resilience. They also showed a positive relationship between the variables which means if the value of one variable increased the second variable is also increased. So we rejected the null hypothesis “H₀” and accepted the alternative hypothesis “H₁” i.e. there is a significant relationship between perception of training and self-efficacy. And also same with the second dimension of psychological capital, so we rejected the null hypothesis “H₀” and accepted the alternative hypothesis “H₁” i.e. there is a significant relationship between perception of training and resilience.

References:

- Ahlstrom, D., Bruton, G. and Chan, S.C. (2001) „HRM of Foreign Firms in China: The Challenge of Managing Host Country Personnel“, *Business Horizons*, May-June: 59–68.
- Al Emadi, M.A. and Marquardt, M.J. (2007) „Relationship between Employees“ Beliefs Regarding Training Benefits and Organizational Commitment in a Petroleum Company in the State of Qatar“, *International Journal of Training and Development*, 11(1): 49-70.
- Allen, N.J. and Meyer, J.P. (1990) „The Measurement and Antecedents of Affective, Continuance and Normative Commitment to the Organization“, *Journal of Occupational Psychology*, 63(1): 1-18.
- Allen, N.J. and Meyer, J.P. (1996) „Affective, Continuance and Normative Commitment to the Organization: An Examination of Construct Validity“, *Journal of Vocational Behavior*, 49: 252–276.
- Bartel, A.P. (2000) „Measuring the Employer's Return on Investment in Training: Evidence from the Literature“, *Industrial Relations*, 39(3): 502-24.
- Bartlett, K.R. (2001) „The Relationship between Training and Organizational Commitment: A Study in the Health Care Field“, *Human Resource Development Quarterly*, 12(4): 335-352.
- Benson, J., Debroux, P., Yuasa, M. and Zhu, Y. (2000) „Flexibility and Labour Management: Chinese Manufacturing Enterprises in the 1990“s“, *International Journal of Human Resource Management* 11(20): 183-196.
- Blau, P.M. (1964) *Exchange and Power in Social Life*, New York: Wiley.

- Blundell, R., Dearden, L., Meghir, C. and Sianesi, B. (1999) „Human Capital Investment: The Returns from Education and Training to the Individual, the Firm and the Economy“, *Fiscal Studies*, 20(1): 1-23.
- Bond, M.H. (1996) „Chinese Values“. In Bond, M.H. (ed) *The Handbook of Chinese Psychology. Hong Kong: Oxford University Press*, pp. 208–226.
- Chan, A.W., Feng, T.Q., Redman, T. and Snape, E. (2006) „Evaluating the Multidimensional View of Employee Commitment: A Comparative UK–Chinese Study“, *International Journal of Human Resource Management*, 17(11): 1873-1187.
- Chen, Z.X. and Francesco, A.M. (2000) „Employee Demography, Organizational Commitment, and Turnover Intentions in China: Do Cultural Differences Matter?“, *Human Relations*, 53(6): 869-887.
- Gamble, J. and Huang, Q. (2006) „Introducing Western-Style HRM Practices to China: Shopfloor Perceptions in a British Multinational“, *Journal of World Business*, 41: 328–343.
- Ganster, D.C., Fusilier, M.R. and Mayes, B.T. (1986) „Role of Social Support in the Experience of Stress at Work“, *Journal of Applied Psychology*, 71(1): 102-110.
- Garrow, V. (2004) „Training and Development and the Psychological Contract“, *Training Journal*, April: 8-10.
- Hutchison, S. and Garstka, M. (1996) „Sources of Perceived Organizational Support: Goal Setting and Feedback“, *Journal of Applied Social Psychology*, 26(15): 1351-1366.
- Klein, H.J. (2001) „Invited Reaction: The Relationship between Training and Organisational Commitment- A Study in the Health Care Field“, *Human Resource Development Quarterly*, 12(4): 353-361.
- La Rocco, J.M., House, J.S. and French Jr., J.R.P. (1980) „Social Support, Occupational Stress and Health“, *Journal of Health and Social Behavior*, 21(3): 202-218.
- La Rocco, J.M. and Jones, A.P. (1978) „Co-Worker and Leader Support as Moderators of Stress-Strain Relationships in Work Situations“, *Journal of Applied Psychology*, 63(5): 629-634.
- Maertz, C.P., Griffeth, R.W., Campbell, N.S. and Allen, D.G. (2007) „The Effects of Perceived Organizational Support and Perceived Supervisor Support on Employee Turnover“, *Journal of Organizational Behavior*, 28: 1059-1075.

- Noe, R.A. and Wilk, S.L. (1993) „Investigation of the Factors that Influence Employees“ Participation in Development Activities“, *Journal of Applied Psychology*, 78(2): 291-302.
- Owens, P.L. (2006) „One More Reason Not to Cut your Training Budget: The Relationship between Training and Organizational Outcomes“, *Public Personnel Management*, 35(2): 163-172.
- Settoon, R.P., Bennett, N. and Liden, R.C. (1996) „Social Exchange in Organizations: Perceived Organizational Support, Leader-Member Exchange, and Employee Reciprocity“, *Journal of Applied Psychology*, 81: 219–27.
- Shah, P.P. and Jehn, K.A. (1993) „Do Friends Perform Better than Acquaintances? The Interaction of Friendship, Conflict and Task,“ *Group Decision and Negotiation*, 2: 149–165.
- Tharenou, P. (2001) „The Relationship of Training Motivation to Participation in Training and Development, *Journal of Occupational and Organisational Psychology*, 74: 599-621.