Job Attachment of Socially Competent Individuals –
Software Industry Perspective

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Abstract: *Every industry has varied workforce challenges and rising employee turnover affects employers of every industry. Millennials who form a major stake of today's workforce are found to frequently change jobs compared to the previous generations. Information Technology (IT) sector in India has seen an enormous growth in the last two decades and India serves as one of the world's largest destinations for software development and outsourced services in various domains. Although a plethora of retention strategies are adopted by human resource teams, employee turnover continues to add significant costs to organizations. Importance of employee retention is explicit as higher attrition contribute to higher training and recruitment costs apart from reduced productivity. Retaining skilled key contributors is a desperate need to sustain in the competitive environment.*

This study aimed to find the impact of social competency of an individual on the Intentions to stay back in the organization. A descriptive research method was adopted, and respondents were chosen from some of the major software firms in Chennai. The results of the study would serve as a beacon for large employers in the software industry to adopt suitable recruitment as well as retention strategies in order to identify not just the right talent in terms of performance and results but to take in people with a better level of social competencies for longer stay and valuable contribution to the organization.

Keywords**: **Turnover Intention, Social Skills, Emotional Intelligence, Organization Sacrifice, Employee Retention, Job Embeddedness

1. INTRODUCTION

The Information technology Industry in India is one of the major sources of foreign currency generator in the country. It had been and continues to be a major employment generator for the country with a huge population. India accounts for about 55 per cent market share of the US$ 185-190 billion global software services business in 2017-18. Also Indian IT and IT enabled services companies have set up more than 1,000 global delivery centres in about 80 countries. Leading Indian software firms such as Infosys, Wipro, TCS and Tech Mahindra are demonstrating tremendous growth in newer technologies like block chain and artificial

intelligence. Moreover the contribution of the IT sector to the country's GDP is expected to reach 10 per cent by the year 2025 (India Brand Equity Foundation).

The role of human resource personnel has turned very challenging and is focussed on handling workforce and occupational diversity. Recruitment practices need to help organizations in acquiring flexible, responsive employees who will make significant contributions to the workplace. The importance of emotional intelligence for success in the workplace was explained by Daniel Goleman in his book titled, "Working with Emotional Intelligence". The concept of emotional intelligence gained importance when the social intelligence theory was putforth by Edward Thorndike in 1920. Social competency deals with inter-personal skills and explains the extent to which an individual is able to sense, understand, communicate and respond with those around them. People good at social skills are able to influence and encourage others which are very much essential for successful teamwork and leadership. This study aims to understand and find possible relationship between social skills and turnover intentions which would help organizations to identify candidates with better social competencies. This would in turn make recruitment and retention strategies more fruitful for organizations.

1.1 Background of the Study

Importance of Employee Retention

Retaining employees is an important factor in determining the success and progress of an organization. There should exist a delicate balance between an employee and the workplace. When an employee quits, it nearly takes up to three months for a new resource to reach the optimum productivity level. It is generally observed that when a mid-level employee leaves it can cost the company up to 150% of the worker's annual salary for suitable replacement. When

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employees leave the organization, it might indicate deeper issues such as low employee morale, lack of proper recognition, employer-employee relationship issues amongst many others. Arik (2011) explained the reasons for employees to leave as pull and push factors where the factors within the organization that make employees quit are called the push factors while those outside the organization (external environment) are called the pull factors. Gayathri et al (2012) explained that frustration and constant friction with superiors or other team members are some of the common reasons for employees to leave their organizations.

Software companies are constantly looking for ways to bring down attrition levels significantly through better salary packages, promotions, bonuses for top talents, career growth and reskilling.

In April-June 2019, several IT players such as Infosys and cognizant reported higher attrition levels. According to the Economic Times survey, attrition for cognizant and Infosys was about 23% which was around 3% higher than in the previous quarter. Though there are several reasons attributing to employee turnover, if dissatisfaction due to overall internal environment is the primary cause, then companies can do a lot more to reduce turnover.

Emotional Intelligence

The Bar-on model of emotional Intelligence as explained by Reuven Bar-On measures emotional intelligence as a cross-section of emotional and social competencies.. It comprises of skills and behaviors which determine how well we understand and express ourselves, understand others and relate with them and cope with our daily demands, challenges and pressures.

Intrapersonal competence deals with self-awareness, self-expression, assertiveness,independence and self-regard. Interpersonal competence deals with Social

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awareness and interpersonal relationships. Social skills can be explained as the ability to communicate, persuade and relate with other members of the society. It is the ability to express both positive and negative feelings in the interpersonal framework. Social skills take into account the art of convincing and the ability to create friendly atmosphere at work settings. It also lays emphasis on dealing with difficult people and upsetting situations tactfully

Organization Sacrifice

Job Embeddedness explains the theoritical framwork of why and how employees are attached to their organizations. It is a broad assemblage of factors present on the job as well as outside the immediate work environment and are often compared to the strands in a web. One of the important job related factors that influence employees to be attached to their workplace is the sacrifice that they might have to make if they leave the job. According to Mitchel (2001), leaving an organization incurs job-related losses such as giving up familiar colleagues, interesting projects or desirable benefits.

2.0 LITERATURE REVIEW

Jipeng (2014) proved that managers must increase organizational embeddedness of employees and affective commitment to promote Job Crafting. Job crafting is "a process by which employees try to modify their job and redefine their job boundaries".

Research on Job Embeddedness has proven that relationship with friends and family predicts their attachment to their communities, which in turn predicted their workplace turnover intentions. The organizational link and community links were found to be significantly related to the intent to stay. Among the various antecedents to turnover, job stress was found to influence turnover intentions to a greater extent among respondents. The three prime reasons for employees to quit are compensation, lack of career development opportunities and job

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dissatisfaction. Also providing a conducive work environment, quality of work life, right work culture, job rotations, rewards and flexible work schedules are good retention strategies to be followed. The person-organization fit (in terms of value and goal congruence) provides greater meaningfulness and psychological attachment, which will then lead individuals to a higher level of employee engagement. In the long run, individuals with a higher level of employee engagement would less likely leave the organization.A study conducted among frontline hotel employees in Cameroon showed that the presence of coworker and family support fosters employees' job embeddedness (Karatepe, 2016). Coworker and family support enhance creative performance via job embeddedness.

Mitchell et al. (2001) using a sample of retail employees and hospital workers found that Job Embeddedness was associated with lower intention to leave as well as actual voluntary turnover. Job Embeddedness is found to be a distinct strong predictor of turnover intent among many other constructs like work engagement. It was found that significant relationship exists between organization's HR practices and employees' intent to Quit. Studies have proven that increasing emotional intelligence among nurses might critically decrease turnover intention by reducing the effect of emotional labor on burnout. Research conducted among hotel and tourism employees in Jordan (Judeh, 2013) show that job involvement serves as an important moderator in the relationship between emotional intelligence and employee retention. In other studies, Emotional intelligence was found to have a significant and positive relationship with job satisfaction and turnover intentions (Zahedi, 2015).

3.0 METHODOLGY

3.1 Objectives of the study

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The main purpose of the study is to find possible relationship between social competences of individuals and Turnover Intentions among employees working in the IT sector. Descriptive method of research was used.

- To find possible relationship between social skills and employee turnover
- To find out whether the level of social skill has an effect on the Organization Sacrifice of employees

3.2 Data Collection

The research was undertaken among software professionals working at various levels of management. Data was collected through a questionnaire from employees working in IT companies in Chennai city. Structural equation modeling was employed to draw the mediation effects between chosen variables. Sample size considered for the research was 630.

3.3 Data Gathering Instrument

The instrument used for this study is the questionnaire. It is composed of three parts, the first part is to gather the profile of the respondents, the second part is to measure the social skills using the emotional Intelligence scale and then the last part is to assess the perception of employees about their Organization Sacrifice and Turnover Intentions.

The responses were summed up based on a group of statements that correspond to the variables under study. Responses were collected using a stratified random sampling technique.

Interpreting Goleman's measurement scale

Social skills as a dimension of Emotional Intelligence consists of 10 statements and a respondent can rate each statement on a scale of 1 to 5 (5 – Strongly Agree, 1 – Strongly Disagree). The respondents can score a minimum score of 10 and a maximum score of 50.

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3.4 Research Hypothesis

Null Hypothesis

H_0: There is no significant relationship between Social Skills and the Turnover Intentions of Individuals

H_0: There is no significant relationship between organization sacrifice and the Turnover Intention of employees

4.0 ANALYSIS AND FINDINGS

The findings of the study are in line with the alternate hypothesis. This research was conducted to explore possible relationship between Social Skills, Organization Sacrifice and Turnover Intentions of employees working in software companies in Chennai city. The demographic profile of respondents such as age, gender, type of family, marital status were also considered for the study.

Table 1: An overview of the Demographic Profile of the respondents (N=630)

Category	N	%
Age		
<25 yrs	218	34.6
26-35 yrs	332	52.7
36 - 45 years	60	9.5
> 45 years	20	3.2
Gender		
Male	360	57.1
Female	270	42.9
Income		
< 3 L	150	23.8
3 - 5 L	162	25.7
5 - 8 L	126	20.0
> 8 L	192	30.5

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Gender: As can be seen in the Table 1, majority of the respondents were males (57.1%). This statistic corresponds to the IT workforce where males constitute a large number compared to females.

Income: About 30.5% of employees have responded that their annual pay is more than 8 Lakhs and about 25.7% of employees are paid 3 – 5 Lakh rupees per annum.

Table 2: Table shows the Regressions results between Turnover Intention and Components of Emotional Intelligence

Model	Unstandardized Coefficients		Standardized Coefficients	t value	Sig.value
	B	**Std. Error**	**Beta**		
(Constant)	**29.02**	**2.157**		**13.450**	**.000**
Self Awareness	0.03	.053	.029	.597	.550
Self Management	0.01	.055	.011	.243	.808
Self Motivation	-0.09	.057	-.085	-1.547	.122
Empathy	0.04	.062	.033	.608	.543
Social Skills	**-0.18**	**.053**	**-.165**	**-3.322**	**.001**
Dependent Variable: Turnover Intention					

From the above regression table, it is found that among all the dimensions of Emotional Intelligence, social skills is the predictor variable that significantly changes Turnover Intentions. **Social Skills (-0.2)** is statistically significant because its p-value is less than 0.05. Further, mediation analysis was carried out to study the causal effect of Social skills on Turnover Intention. In mediation analysis, the relationship between an independent and dependent variable is tested by including a third variable called the intervening variable or mediating variable. Mediation analysis is usually done in three different steps. First, the direct effect of the independent variable (X) on the dependent variable (Y) is tested for significant relationship using regression analysis and when the relationship is found to be significant, a

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third variable called the intervening variable (M) is introduced. Now, the direct effect of independent variable on dependent variable is checked again and also the indirect effects due to the mediating effects of third variable are tested for significance.

Mediation Model considered for the study is to find whether Organization Sacrifice acts as a mediator between Social Skills and Turnover Intention. Individuals who are socially competent are seen to perceive a greater level of sacrifice to be made if they quit their job which inturn brings down their intention to leave. The sacrifices will be in terms of loss of perks, loss of health care benefits offered by the present organization, freedom of work, promotional opportunities and respect received from co-workers.

Figure 1: Diagram showing the mediation effect of Organization Sacrifice between Social Skills and Turnover Intentions
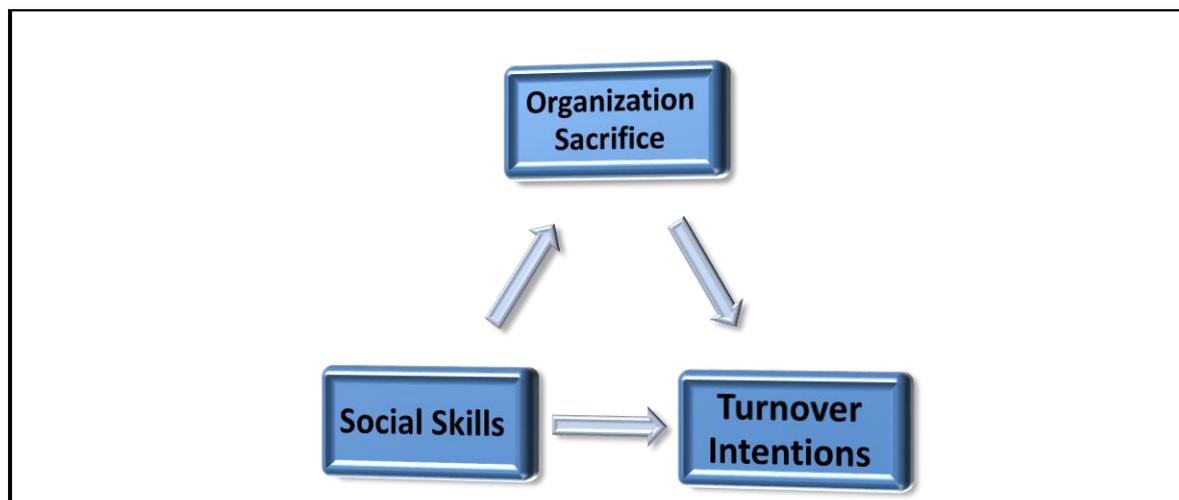

Table 3: Regression Weights for Social Skills, Organization Sacrifice, Turnover Intentions

Dependent Variable		Independent Variable	Estimate	Result
Organization Sacrifice	<---	Social Skills	0.35***	Significant
Turnover Intention	<---	Organization Sacrifice	-0.49***	Significant

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Turnover Intention	<---	Social Skills	-0.14*	Significant

Note: *** Indicates values are significant at 0.001 level and *indicates values are   significant at 0.05 level.

The results of structural equation modeling show that Social Skills has a positive relationship with Organization Sacrifice (β = 0.35, *p*<0.001). Organization Sacrifice is found to have a negative relationship with Turnover Intentions (β = -0.49, *p*<0.001). After Organization Sacrifice was introduced into the model, the effect of Social Skills on Turnover Intentions reduced but was still found to be significant at 0.05 levels. (β = -0.14, *p*<0.05). Also when the same mediation were tested through bootstrapping, it was found that organization sacrifice fully mediated the causal effect of social skills on Turnover Intentions.

4.1 Discussions

This study was undertaken to find whether Organization Sacrifice mediated the relationship between Social Skills and Turnover Intentions. Empirical testing supported the mediation hypothesis. Based on testing of relationships using regressive techniques along with bootstrapping, it is found that Organization Sacrifice acts as a full mediator in the causal relationship between Social Skills and Turnover Intention.

Employees with Social Skills associate various aspects to be sacrificed if they leave the job. Also when employees perceive greater sacrifices in terms of the social relationships, economic benefits and interesting projects, then the causal effect of Social Skills on Turnover Intention turns significant. So it is Organization Sacrifice which actually establishes the relationship.

5.0 CONCLUSION

The present study was undertaken to study various factors that make employees leave their organizations. Indian software companies face challenges which include business, technology

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and employee related issues. Attrition is one of the key challenges faced by Human resource personnel. Recruiting the right talent and retaining them in the long run saves cost and productive time for the organization.

Organizations recruit in large numbers and top IT companies are struggling with high level of attrition. Managing the changing expectations of employees and implementing suitable retention strategies is one of the most challenging roles of HR professionals today. Social skills is found to be the most important factor that influences Turnover Intentions when different aspects of Emotional Intelligence were considered. Socially competent individuals were found to have lesser Turnover Intentions compared to those who scored less on social competence.

Also the perceived orgnization sacrifices of an individual were more evident for socially competent employees. Sensitization programs on social skills and how it influences the performance of a team has to be reinstated among recruiters and employees. Also selection process should give equal importance to interpersonal skills apart from the domain expertise and technical experience and this would help the organization go a long way in bringing down attrition levels.

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