Retention of IT professionals: Examining the influence of empowerment, social exchange, and trust ☆

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A B S T R A C T

Given the importance of information technology professionals in today's high-technology-driven business environment, the issue of how to retain these professionals has received relatively little attention. Hence, using data from IT professionals employed in private companies in Turkey, this study explores the role of psychological empowerment, leader–member exchange, perceived organizational support and organizational trust in reducing turnover intentions of IT professionals. The results indicate that perceived organizational support fully mediates the relationship between psychological empowerment and turnover intentions, whereas leader–member exchange has a partial mediating effect on this relationship. In addition, results also yield that organizational trust moderates the mediated relationship between psychological empowerment and turnover intentions, in such a way that trust in organization moderates the mediating influence of perceived organizational support, whereas trust in supervisor moderates the mediating effect of leader–member exchange.

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1. Introduction

Most organizations nowadays include information technology (IT) as a primary component. Businesses spend considerable amount of money on the development and implementation of IT applications that are considered the main strategic contributors to market competition. The expansion of the information technology usage has posed challenges for organizations that seek to recruit and retain skilled IT professionals. The demand for skilled IT professionals remains strong and is projected to increase in the future jeopardizing their chances of survival as global competition becomes more intense (Thatcher, Stepina, & Boyle, 2002). Thus, organizations are challenged to develop effective retention strategies for their IT professionals, given these characteristics of the IT labor market. Indeed, prior research reports that attracting, developing, and retaining qualified IT staff are first in the top five IT executive management concerns for the near future (Luftman & Kempaiah, 2008). Consequently, decreasing turnover and turnover intentions of IT professionals has been the subject of considerable research

(e.g., Pare & Tremblay, 2007; Reid, Allen, Riemenschneider, & Armstrong, 2008).

Research demonstrates that psychological empowerment is one of the major and most important psychological factors in reducing turnover intentions (Griffeth, Hom, & Gaertner, 2000; Kim, 2005; Pare & Tremblay, 2007). Psychological empowerment reduces turnover intentions, as employees feel intrinsically motivated and supported, and thus reciprocate these feelings with increased loyalty and continued employment (Seibert, Wang, & Courtright, 2011). Thus, this study proposes that there is a negative relationship between psychological empowerment and the turnover intentions of IT professionals.

Social exchange theory is an important theoretical framework explaining the relationship between psychological empowerment and turnover intentions (Blau, 1964). Perceived organizational support (POS) and leader–member exchange (LMX) are two distinct constructs defined in the scope of social exchange theory (Masterson, Lewis, Goldman, & Taylor, 2000; Settoon, Bennett, & Liden, 1996; Wayne, Shore, & Liden, 1997). In addition, the literature identifies POS and LMX to be important predictors of turnover intentions, since organizations and supervisors may separately be the underlying reason or cause for employees' intentions to quit (Reid, Allen, et al., 2008; Reid, Riemenschneider, Allen, & Armstrong, 2008). Hence, this study suggests that POS and LMX differentially mediate the proposed association between psychological empowerment and turnover intentions.

The most significant factor influencing the effectiveness of social exchanges is trust. Trust is considered an essential element in positive

human relationships and creates a collaborative environment by giving people a feeling of security and attachment (Dirks & Ferrin, 2001). Prior research supports the role of trust as a key facilitator in promoting positive workplace attitudes, such as increased organizational identification and affective commitment (Dirks & Ferrin, 2001; Mulki, Jaramillo, & Locander, 2006; Perry, 2004; Straiter, 2005). Thus, the idea that trust may function as a moderator is not new, nevertheless it has received very limited attention in comparison to the main effect model (Dirks & Ferrin, 2001). This study proposes an extended model by integrating the target similarity approach (Lavelle, Rupp, & Brockner, 2007) and social exchange theory (Masterson et al., 2000). In the study model, trust operates as a moderator by serving to facilitate the effects of social exchanges on the relationship between psychological empowerment and turnover intentions.

Therefore, the current study empirically tests key linkages of social exchange theory and the target similarity model by examining target-specific relationships among psychological empowerment, POS, LMX, trust in supervisor, trust in organization and turnover intentions among IT employees (see Fig. 1).

This study departs from prior research in this area in several aspects. First, although previous studies on turnover intentions have yielded a significant body of knowledge on this specific subject, this study defines a multidimensional, comprehensive, theoretically grounded configuration of LMX, POS, trust and turnover intentions by integrating the notion of social exchange and target similarity model with the current understanding of the relationship between psychological empowerment and turnover intentions. Second, this research is among the first attempts that simultaneously examine the two distinct and well-researched social exchange mechanisms, namely POS and LMX, as mediating mechanisms between psychological empowerment and turnover intentions. By studying LMX and POS simultaneously, this study covers different aspects of social exchanges and intends to help researchers fully understand how social exchanges intervene in the relationship between psychological empowerment and turnover intentions. Third, this study particularly examines the moderating influences of trust in supervisor and trust in organization as two distinct constructs as inspired by the target similarity model. This study suggests that trust in organization moderates the relationship between POS and turnover intentions, whereas trust in supervisor moderates the link from LMX to turnover intentions. Thus, this study is the first to endeavor to use the target similarity model as a moderating mechanism. Fourth, this study also responds to calls from Ang and Slaughter (2000) and Pare and Tremblay (2007) for research to study turnover intentions of IT professionals within different behavioral contexts with different antecedents. Different workplace attributes have been shown to be important antecedents of turnover intentions of IT employees (Griffeth et al., 2000). Thus, this study also emphasizes that being sensitive to context is important when exploring different antecedents. Fifth, by considering LMX as one of the central mediator components in the model, this study responds to call for research on the integration of LMX with other variables to investigate its further possible influence on employees' perceptions (Erdogan & Enders, 2007). Overall, this study seeks to make a contribution to the literature by integrating important theories in a moderated mediation model that advance the understanding on how to retain IT professionals.

2. Literature review and hypotheses

2.1. Turnover intentions

Turnover intention refers to a psychological tendency to leave one's current employment, operationalized to estimate the probability that an employee will be leaving his or her organization in the near future (Mobley, 1982; Mowday, Porter, & Steers, 1982). Conceptual and empirical models of turnover intentions provide strong support for the notion that behavioral intentions constitute the most immediate determinant of actual behavior — in this case, turnover (O'Reilley & Caldwell, 1981). Although the relationship between turnover intentions and actual turnover may vary across studies, evidence consistently shows that turnover intentions are the 'strongest cognitive precursor of (actual) turnover' (Tett & Meyer, 1993, p. 262). Recent meta-analyses also show that turnover intentions are major and important predictors of actual turnover (Griffeth et al., 2000; Hom, Caranikas-Walker, Prussia, & Griffeth, 1992). Since pre-turnover studies provide clearer insights into decision processes than post-exit interviews, turnover intentions have been accepted as the focal construct in understanding turnover (Steels & Ovalle, 1984). Thus, the fact that most of the previous empirical studies on turnover have used intention to quit rather than actual turnover behavior as a criterion variable is not surprising (Igbaria & Guimaraes, 1999; Pare & Tremblay, 2000). Turnover intentions, which are under more individual control, can provide results much more quickly, and are less difficult to measure than actual turnover (Pare & Tremblay, 2000). Hence, the present study likewise uses turnover intentions instead of actual turnover.

From the human resource management perspective, it can be posited that the voluntary turnover of valuable employees undermines the functionality of the organization (Vandenberg & Nelson, 1999) and thus should be lessened to a level at which the organization's overall balance is not adversely affected. A substantial research effort has been directed to explain the process of voluntary turnover. Turnover models (e.g., Mobley, 1982; Steers & Mowday, 1981) have gained theoretical and empirical extension and refinement (e.g., Griffeth et al.,
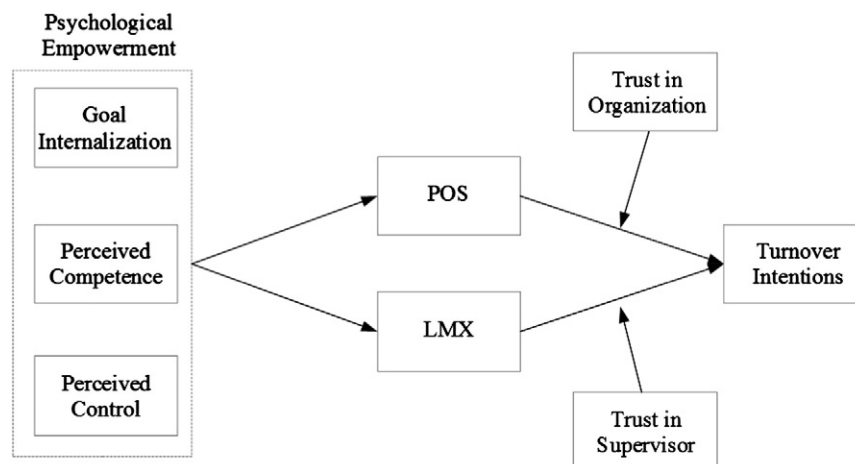

Fig. 1. Proposed research model.