

Perceived Organizational Support and Turnover Intention of Generation Y Employees: The Role of Leader-Member Exchange

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Abstract

Compared to other generations, a higher employee turnover has been reported among Generation Y (Gen Y) employees. In spite of numerous theoretical and empirical studies that examine Turnover Intention of employees, fewer studies have attempted to examine the relationship between Perceived Organizational Support (POS) and Turnover Intention (TI) of Generation Y employees. Furthermore, the impact of Leader-Member Exchange (LMX) on this relationship has also been hardly examined. Therefore, the purpose of the current study is to identify the effect of POS on TI among Gen Y employees while also examining the impact of LMX on the relationship between POS and TI. A sample of 225 employees in eight Sri Lankan Insurance Companies responded to the survey. The results provided preliminary support for the hypothesized model. Specifically, it was founded that there is a significant negative relationship between POS and TI. The mediating effect of the outcomes of POS, Job Satisfaction (JS) and Organizational Commitment (OC) in the relationship between POS and TI was also confirmed. The study further revealed that LMX diminishes the negative relationship between POS and TI while strengthening the relationship between POS and JS, and POS and OC. The implications of these results were subsequently discussed.

Keywords: Generation Y, Turnover intention, Perceived organizational support, Job satisfaction, Organizational commitment, Leader-member exchange.

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