Supervisor Support, Co-Worker Support and Employee Retention: Developing and Testing of an Integrative Model

1Muhammad Faisal Malik, Shazia Akhtar2,* and Imran Ghafoor2

1SZABIST, Islamabad, Pakistan
2University of Islamabad (UoI), Islamabad, Pakistan

*Author to whom correspondence should be addressed; E-Mail: shaziaakhter@gmail.com

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Abstract: The scope of the current study is to investigate the impact of supervisor and co-worker support on the employee retention with mediating role of employee creativity and psychological empowerment. The unit of analysis for the study is individuals employed in service sector organizations of Pakistan. Total response rate of the data collection is 63%. Sample size is 378 employees of service industries. Sampling technique is convenience based and data collection method is cross-sectional. The study has its originality as an integrative model formulated with the combination of these variables has not been tested earlier specifically in service industry of Pakistan. Results of the study indicate that the support extended by the supervisor has a significant and direct relationship with employee retention with effective mediating role of psychological empowerment whereas employee creativity was not found to have any significant relationship with either of the independent variables. The Sample size is considered as a limitation. However the study revealed that organizations should encourage supervisor support and ensure formulation and implementation of employee concerned policies and procedures which will resultantly assist in employee retention. The study has its practical significance for policy makers, managers, supervisors and employees at all levels.

Keywords: Supervisor Support, Co-worker Support, Employee Creativity, Psychological Empowerment and Employee Retention
1. Introduction

All social exchange requires support. The modern organizations take supervisors as authorities who possess most of the control over experiences at workplace and outcomes like employee retention (McAllister & Chan, 2014). Employee retention is the important target for the organizations because every organization needs to hire qualified candidate for smooth running of its business activities and after hiring of qualified candidates their retention is also important for organizations, as organization spend huge amount on the orientation and training of the potential employees.

For retention of employee, organizations use different tactics such as high salaries, career development, provide healthy organizational environment and organizational support. Due to organizational support either of supervisor or co-worker, people have fewer tendencies for quitting and help building their relations and positive intentions to stay, as the organization is providing them a sound recognition and an environment to communicate (Greenhaus, 1987, Madiha et al., 2009). In the relationship with supervisor, supervisors generally act as a representative of the organization who evaluates employees and communicate the goals and values of organization to them. Employee perceives their supervisor in the organization as the one who remains fair, unbiased and prompt. The support is vital to the retention and it can be aptly said that workers prefer leaving their bosses but not the jobs.

The employee retention is affected by the number of factors associated; one of a considerably important one is the relationship with the supervisor and co-worker (Eisenberger et al., 2002). The emphasis of the researcher is on the co-workers and supervisor who have the potential to let the employee stay or quit the organization, by giving them social support colleagues and supervisors can lessen up the feeling of exhaustion of the individual (Collings & Murray, 1996). Same as the supervisors, the co-workers support is also playing a vital role in the individual’s decision to sustain the job pressure and continue to work in the same organization sometimes for years because co-worker support contribute to the satisfaction of the individual’s social and emotional requirements (Cohen & Prusak, 2001).

As successful organizations are generally having employees who are continuously exerting their efforts to achieve organizational goals, according to that it can be assumed that without valuable and potentially strong employees, an organization is not able to generate revenue as well as achieve its objective. For better achievement of goals and objectives and retention of the potential employees, organizations need to emphasize on social exchange. Social exchange generally occurs when an employee is attracted to another employee (Supervisor or co-worker) with some sort of expectations (Blau, 1964). Generally social exchanges have been studied by different researcher in two ways. If the exchange is occurring between employee and employer it is known as perceived organizational support.
(Eisenberger, Huntington, Hutchison, & Sowa, 1986) and if exchange is occurring between the employee and his/her supervisor it is referred as leader-member exchange (Graen & Scandura, 2000). In the context of organizational support, it can enhance the level of trust in the mind of employee which leads to creativity and retention (Eisenberger et al. 1990) and according to these types of social exchanges in any organization will create/generate a conducive environment between the supervisor and employee as well as between coworker and employee.

There are very few studies that have addressed the core concept of the present study in Pakistani context where work expectancies like approval, influence and recognition are considerable as main reasons by the employees to stay in any organizations (Crowne & Marlow, 1964). Number of previous researches conducted in Pakistan has altogether different determinants to identify the reasons for employee retention (Shoaib et al., 2009). The organizations which are coming under the umbrella of service sector are facing the problem of turnover of employees especially in the Pakistani context. As discussed earlier organizations cannot sustain and enjoy the success until it deals with the continuous problem of turnover. So employee retention is a very important and critical target for the employer/organization because every employee is having different attitude towards organizational commitment, sometime employee cannot be retained through high salary or designation because these are not strong reasons for the employee to stay in the organization especially in the service industry of Pakistan.

1.1. Statement of the Problem

The rapid changing technological advancements have brought a lot of room for creativity and empowerment in the service sector which is unaccomplished without the support of the main pillars of the organizational environment i.e. supervisor and co-worker. In organization employee retention is the biggest issue as the employee is considered as the asset or capital (Shoaib et al., 2009). This study will overcome the retention problem of the Service Sector organizations where employees have the tendency of continuous turnover intention and the organizations are unable to motivate them to stay in the organization. This study will assist in understanding the vitality of the retention problem in the service sector of Pakistan (Shoaib et al., 2009). The study is also aimed at developing the integrative relationship between the supervisory support and co-worker support with employee retention mediated by employee creativity and psychological empowerment in the Service industry of Pakistan.

1.2. Significance of the Study

This study has a novelty when considered in the Pakistani context and specifically when the focus of the study is service industry. The study aims to provide an integrative model that ensures the
employee’s retention so that the talented and experienced employee may not come up with turnover intentions, providing them enough room for intention to stay in the company or retention itself. Another purposeful attempt of the study is to provide not only the direct relationship of supervisory and co-worker support to the retention of the employee but also to contribute towards providing the equally strengthened mediating paths to the relationship because the analysis of retention has to be done at multiple levels under the prevailing environment of expectancies related to work including approval, influence and recognition (Shoaib et al., 2009; Kozlowski & Klein, 2000).

2. Review of Literature

At workplace different factors affect the attitude, retention and performance of the employees. Out of different other aspects affecting employee attitude, retention and performance are one of the most important factors in the relationship between a worker and a supervisor. Supervisory support gained rising attention in the literature and found to be significantly related to important organizational outcomes (Eisenberger et al., 2002). Supervisors are commonly known as the “human face” of any organization (Shoaib et al., 2009). The views of employees/ workers about the organization are strongly related and influenced by the relationship with his supervisor (Eisenberger, Fasolo, LaMastro, 1990). The workers, who have support and remain more engaged by having good relationships and open communication with the supervisor, generally have less intentions to leave the organization (Greenhaus, 1987).

The supervisor support relationship has shown direct relationship to one of the most significant factor among others i.e. contributing to retention (Howland, 1999). Supervisory support should positively be related to employee retention and it is negatively related to turnover intentions (Mikelsonet al., 1997; Rhoades et al., 2001). In any organization employees want to work with trustful supervisors who understand them and treat them in an efficient manner (Borstorff & Marker, 2007). The social support offered to employee by their colleagues and supervisors can reduce feelings of burnout (Collings& Murray, 1996). The employees who are not getting support from their supervisors generally leave the job/ organization, and likewise mostly employees intend to leave the supervisors not the jobs (Ontario, 2004).

Some other researchers also confirmed this relationship of supervisor support and organizational commitment, by saying that supervisor support has a direct impact on organizational commitment (Armstrong, 1998). It was observed that through this perception organizations can get more efficient outcomes from employees towards the success of organization, if the employees are treated generously (Gould, 1979). Aligned with the previous research the present study has also
considered supervisory support to be an essential component for employee retention. Based on above literature and further conceptualization we formulate the first hypothesis as:

**H1: Supervisory support has a positive relationship with employee retention**

At the work place in the organizations, co-workers have great importance and are known as most influential entity for employees (Chiaburu & Harrison, 2008). Co-workers have the ability of `making the working place pleasant or unpleasant for employees. They are also known as key contributor of employee’s job satisfaction, employee’s productivity and employee’s work load sharing(Hodson, 1997), so employee are influenced by their co-workers as they have to interact and contact with employee on daily basis. Support of co-workers refers to assisting each other in their task completion by sharing expertise and knowledge (Zhou & George, 2001). According to that co-worker support has many effects (negative, positive) in organization’s working environment (Babins & Boles, 1996). Likewise in the organization at work place where co-workers are highly supportive, employees generally share their ideas about work openly and there is a positive relationship with job satisfaction (Glissmeyer, Fass, Bishop &., 2007) and the pleasant working environment will establish and enhance the commitment level of employee towards the organization (Glen, 2006).

Co-worker support is commonly associated with more positive role perceptions, work attitudes and working behaviours that helps in employee retention (Chiaburu & Harrison, 2008), where characteristics of jobs related to support is variance in work outcomes and enriched job characteristics such as autonomy (Humphrey, Nahrgang & Morgeson, 2007). Moreover, the trust of co-worker influences employee intention to leave or create affective commitment to organization (Ferres, Connell, & Travaglione, 2004). Co-worker support can not only enhance the motivational level of the employee but through this support the employee can increase his productivity (Gbadamosi, Ndaba, & Oni, 2007) and likewise the behaviours of co-workers directly affect the individual/employee’s turnover or retention (Felps, Mitchell, Hekman, & Lee, 2009). The researchers identified that co-worker support can also aid in satisfying employees’ socio emotional needs (Cohen & Prusak, 2001) which have ultimate effects on employee retention. The organizations having supportive culture among employees, generally have pleasant working environment and this is considered as the most important factor for the retention of employees (Zeytinoglu & Denton, 2005). This argument leads to the formulation of second hypothesis as:

**H2: Co-worker support has a direct relationship with employee retention.**

There are several factors which are influencing the employee’s retention; one of the important indicators of employee retention is the organization commitment (Curtis & Wright, 2001). Employees with high commitment level are those who are achieving maximum job satisfaction level. There are
many studies available, which are examining the relationship of job satisfaction and turnover and concluding with the uniform outcome that there is a strong negative relationship between these two variables (Cotton & Tuttle, 1986). Another study identified that there are seven factors which can enhance employee retention (Walker, 2001). Among these seven factors, provision of employee creativity (Provision of challenging work) is also a factor which can enhance employee retention. The study of Birt et.al (2004) also confirmed the relationship of creativity (new challenges) with employee retention. The creative organizations commonly invest more to retain its potential employees rather than others (Dries & Pepermans, 2008). Potential employees generally have the characteristics such as leadership skills, creativity skills and learning potential. For retention of such potential employees organization empowers them and supports them for creativity.

As employee develops the feeling that the organization values his contribution he decides to stay long in the organization. Where he has such kind of environment where his creativity is valued and organization supports him for his creativity, he will have long term commitment (Schopler, 1970).

Therefore, on the basis of above available literature the following hypothesis can be generated:

**H3: Employee creativity has a positive relationship with employee retention.**

The organizations which are working under the umbrella of service sector, and give psychological empowerment of employees have positive effects on employee retention (Enz, 1995). Furthermore it has been studied that due to said empowerment employees take decisions related to their jobs/ tasks especially in the service sector organizations where employees are having direct contact with customers and psychological empowerment is necessary for employee’s job satisfaction. Psychological empowerment enhances the job satisfaction level in employees which ultimately effects on the employee retention. It was found in previous study that the implementation of empowerment in the organization by management is a useful strategy to develop more committed, efficient, loyal and satisfied employees and this will ultimately affect the intention of employees to leave the organization. So psychological empowerment can be tested to have a positive relationship with employee retention which sets the basis for this below mentioned hypothesis:

**H4: Psychological empowerment has a positive relationship with employee retention.**

Leiter (1990) defined that the organizational support helps the employees in utilization of their skills and the opportunities for implementation and development of creative skills which motivate them as well as impact on their retention. Creativity with organization support was linked up by Amabile in 1983 (Zhang & Bartol, 2010). This connection of organizational support is important because intrinsic motivation is known as a well-established predictor of creativity (Amabile, 1996; Shalley et al., 2004) which has ultimate effect on employee retention. Without creativity there is no
spark of innovation and without support of organization there are no possibilities of creativity (Glynn, 1996).

Supervisors are individual in organizations that have direct interaction with the employee and that interaction with said individual positively enhanced the creativity of employees (Madjar, 2008). Generally creativity can be explained as generation of new idea about working procedures or enhancing the level of current efficiency at job place (Amabile et al., 1996). For generation of creativity it is important for organization/supervisors to pay possible attention on creativity of employees (Amabile et al., 1996). There are many studies available explaining different factors contributing to employee creativity (e.g., Amabile et al., 1996; Lindsey, 1996). These factors can be divided into two categories i.e. personal factors and contextual factors. These two can also be explained through work environment support and non-work environment support (Madjar et al., 2002). This supportive behaviour of supervisors enhances the level of employee creativity (Deci & Ryan, 1985). Supervisory support can also be defined as giving the respect to employees and praising them for their performance or supporting them for presenting unique ideas about the assigned job (Madjar, 2008). If the supervisor has supportive behaviour towards his employees, employee will introduce creative ideas, new approaches and new ways to do a particular job (Madjar, 2008). Furthermore the supervisor should encourage his employees to keep trying to suggest creative ideas about work even if these ideas are not giving the desired results (Amabile et al., 1996), as this kind of support motivates the employees for creativity. Therefore, employee creativity is being used as a mediator in the present study. Based on previous research and further conceptualization the fifth hypothesis is formulated below:

**H5: Employee creativity mediates the relationship of supervisory support and employee retention**

There is a framework which provides the relationship between creativity and co-worker support. This framework is imitated from the theory on creativity which explains the importance of person-context interactions (Amabile, 1996; Woodman, Sawyer & Griffin, 1993), and also gets support from the literature on person-environment fit (Kristof, 1996). It has been examined that creative teams are those who perceive that they are working on jobs with high task interdependence and perform supportive activities (Gilson & Shalley, 2004). Different researches described the importance of co-worker support in the process of creativity, as such support provide motivation and encouragement to employees for engaging in creativity at workplace. Co-worker support provides the motivational basis to employees, because due to this support, social exchange (Blau, 1964) occurs between employee and their co-worker which has been used by researcher to describe the motivational basis behind creativity of employee.
Another research suggests that positive attitude/actions of co-worker create quality relationship which helps the employee to adopt positive attitude towards his tasks (Shore & Wayne, 1993). Zhou & George (2001) explained about the co-worker support i.e. co-worker support is basically assistance and sharing knowledge of co-worker in completion of tasks, this support is important because in innovative work when employees are facing some sort of difficulties, his co-worker share their knowledge and assist them to solve the problem (Scott & Bruce, 1994), such kind of support helps the employee in adopting innovative behaviour. Perry (2006) also explained that mostly employee obtain task-related knowledge from supportive co-workers at work place, which motivate them for creativity as well as provide the solution of the problems faced in the process of creativity. Organizations need to support and promote it, as individuals in the organization who are most knowledgeable about work outcomes should be supported from its organization (Shalley & Gilson, 2004). There are two outcomes of this relationship employee retention and intentions to leave (Shalley, Gilson, & Blum, 2000). Aligned with the previous research, the present study has also taken into account employee creativity mediating the relationship between co-worker support and employee retention.

**H6: Employee creativity mediates the relationship between co-worker support and employee retention**

In the previous studies, it was observed that due to support of supervisor employee psychologically feel that they are empowered at work place. The previous researches in this domain found that where supervisors have supportive behavior towards their employees, the workers are experiencing psychological empowerment (Kirkman & Rosen, 1999). In another study conducted in nursing homes of Canada, it was found that supervisor support increased the feeling of empowerment among employees. In this context it was also observed that the team members who are giving high performance, have high support from their supervisors and have more contribution in decision making which is similar to psychological empowerment (Yeatts & Hyten, 1999). Similar type of research was conducted in Chinese service employees, where results reveal that the employees who are getting support from supervisor/ management feel more self-determined and empowered (Powpaka, 2008).

Moreover, it was recognized that in employee’s psychological empowerment there is a strong role of supervisor/ management support (Amabile, 1993). Few researchers have identified psychological empowerment as a motivational tool (e.g. Conger & Kanungo, 1988). Tabomas & Velthouse (1990) observed that employee’s perception of empowerment is derived from working environment, where said environment consists of supportive supervisor and encouragement of organization. The Amabile’s (1993) study clearly defined that the employee’s feeling of empowerment is influenced by the support of supervisor as well as managerial and organizational support.
Supervisory support and organizations favourable treatment of employees (Eisenberger, 1986) plays a vital role in employee’s perception of psychological empowerment. Empowerment is generally influenced by organizational context such as support from organization (Spreitzer, 1995). Similarly leadership or supervisors in an organization are recognized as driving force of employee’s feeling of psychological empowerment. It was examined that in an organization, relationship between employees and their supervisors positively affect the level of employee’s psychological empowerment. At the team level, behaviour of team leaders strongly relates to team empowerment. According to the discussion it was observed and evaluated by different researchers that in employee’s psychological empowerment, supervisory support plays a very important and vital role. Thus on the basis of the above stated literature and further conceptualisation we have formulated the hypothesis for testing the mediating role of psychological empowerment between supervisory support and employee retention which is as follows:

**H7: Psychological empowerment mediates the relationship of supervisory support and employee retention**

Spreitzer (1995) explained that psychological empowerment is not simply a personality trait but it is a set of awareness that is shaped by a work environment and in later studies it has been found that socio-political support which carries the elements of co-worker support, is positively related to psychological empowerment (Spreitzer, 1996). It was also found that co-worker support is relevant to psychological empowerment because of its co-dependent nature of the work environment (Chan, Taylor & Markham, 2008). As this support creates collaboration and interdependence which is positively influencing the feelings of empowerment (Dickson & Lorenz, 2009). Moreover perception of people about themselves in relation to their work place or in working environment enhances their feelings of psychological empowerment (Bandura & Wood, 1989).

In another study it was found that in case of socio-political support gained by a team member from his environment have higher levels of psychological empowerment (Kirkman & Rosen, 1999). It was also found and suggested by Kanter (1983), that socio-political support from the supervisor as well as from coworkers can be defined as an important antecedents to innovative work behaviors with the help of their impact on psychological conditions of meaningfulness, safety and availability. In working environment employee feel that other employees in same environment are valuing their contribution with caring behavior and support them by providing high quality work relationships which leads to developing the feelings of empowerment (Kahn, 1990). So those employees who are connected within a social network were empowered to influence the direction of their organization (Chan, Taylor & Markham, 2008). Social supports have several positive outcomes (Sarasan, Shearin & Pierce, 1987) such as psychological empowerment.
According to Yeatts & Cready’s (2007), co-worker support positively influences on employee’s feeling of empowerment especially where the co-dependent nature of working environment takes place. In the organizations where co-dependent tasks are performed by the employee, more collaboration is needed and it was found by the researchers that more collaboration have positive influence on the feeling of empowerment(Yeatts & Cready, 2007). In the service sector organizations, co-worker support has different outcome, as it has positive effect on psychological empowerment of employee. On the basis of the above discussion, the psychological empowerment can be tested to mediate the relationship of co-worker support and employee retention, which is as follows:

H8: Psychological empowerment mediates the relationship of co-worker support and employee retention.

Based on the above rigorous review of the literature we formulate the conceptual framework of our study which is depicted in figure 1.

![Conceptual Framework](image)

**Figure 1:** Conceptual Framework

### 3. Research Methodology

#### 3.1. Population and Sample

The sample mainly consists of top, middle and lower level employees of different organizations. The sample size of the study was determined at three hundred and seventy eighty (378). More than 600 questionnaires were distributed in different organizations based in Islamabad and Rawalpindi including banks, cellular companies, academic institutes, software houses etc. Around 250 questionnaires were distributed to various banks whereas almost 171 were received back. The number of 150 questionnaires was distributed to cellular companies wherein almost 72 questionnaires were received back from these companies. Total of 150 questionnaires were sent/distributed to software
houses, 98 were received back. Remaining 50 were distributed to universities and out of them only 37 were received back. Therefore, the overall response rate remained at 63%.

3.2. Sampling Technique

The sampling technique for the present study is researcher’s convenience based sampling. This type of sampling is mainly used in the research studies carried out in the domain of social sciences allowing the researcher for selective data collection on the basis of availability of subjects being studied. It can also be chosen as a sampling technique when there are time and resource constraints for the given research. It is helpful in saving time, energy and requires lesser effort to obtain desired data/information. Thus it is assumed that the data collected from the population is the representative sample of service industry in Pakistan.

3.3. Measures

A nine item scale by Greenhaus, Parasuraman & Wormley (1990) is used for subordinates to assess the support which their supervisors provide them. The reliability of this nine items scale is 0.79. Coworker support was measured with an instrument developed by O’Driscoll (2000). Item responses were on a 5-point Likert scale. The reliability of this scale is 0.86. A 13-item scale was used, adopted from Zhou and George (2001) having the reliability of 0.72. Psychological empowerment as mediator was measured by Spreitzer’s (1995b) psychological empowerment scale. This mediator is measured by twelve item scale. The reliability of 11-item scale of psychological empowerment is 0.86. 11-item scale was used to assess employee’s retention, developed by Kyndt, Dochy, Michielsen & Moeyaert (2009) scales. The reliability of this scale is 0.80.

3.4. Data Collection Technique and Time Framework

The survey technique employed in this study is most widely used method i.e. at convenience enabling to gather data simultaneously from a number of respondents as compared to other methods/techniques resulting into completing the research in the given time frame, if any. This study collected data from 18 organizations working under the umbrella of Service Sector through close ended questionnaire.

4. Results

4.1. Correlation Analysis

The results as listed in table 1 show the correlation among the different variables under study. The table also shows the results with reference to the demographic variables showing negative and
significant results in relation to the Supervisor support except gender i.e. gender (r = -.030), age (r = .218), qualification (r = -.213) and designation (r = .263). Similarly, the table is also showing the results of another independent variable with reference to demographic variables such as coworker support which is also having significant results with demographics except gender and qualification such as gender (r = .001), age (r = -.502), qualification (r = .073) and designation (r = -.324).

The correlation analysis of dependent variable (Employee Retention) with demographic factors show the significant relationship only with age and designation i.e. age (r = .362) and designation (r = .267), similarly having weak and insignificant relationship with gender (r = .009) and qualification (r = -.069). The correlation table also reflects that the mediator such as employee creativity has positive and significant relationship with supervisor support (r = .178) and with coworker support it is having negatively significant results i.e. (r = -.399). The other mediator psychological empowerment has similar results as it is having significant relationship with both the supervisor and coworker support i.e. r = .234 and r = -.458 respectively.

### Table 1: Correlation Results

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td>1.14</td>
<td>.345</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2. Age</td>
<td>2.17</td>
<td>.780</td>
<td>-.008</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<tr>
<td>3. Qualification</td>
<td>3.47</td>
<td>.631</td>
<td>-.032</td>
<td>-.029</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Designation</td>
<td>2.07</td>
<td>.695</td>
<td>-.006</td>
<td>.218**</td>
<td>.004</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>5. Supervisor Support</td>
<td>3.3810</td>
<td>.79637</td>
<td>-.030</td>
<td>.284**</td>
<td>-.213**</td>
<td>.263**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Co-worker Support</td>
<td>3.5437</td>
<td>1.20568</td>
<td>.001</td>
<td>-.502**</td>
<td>.073</td>
<td>-.324**</td>
<td>-.333**</td>
<td>1</td>
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<td></td>
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<tr>
<td>7. Employee Creativity</td>
<td>3.5672</td>
<td>.57991</td>
<td>.035</td>
<td>.356**</td>
<td>.118*</td>
<td>.252**</td>
<td>.178**</td>
<td>-.399**</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>8. Psyc. Empowerment</td>
<td>3.7434</td>
<td>.87339</td>
<td>.069</td>
<td>.343**</td>
<td>.188**</td>
<td>.211**</td>
<td>.234**</td>
<td>-.458**</td>
<td>.581**</td>
<td>1</td>
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<tr>
<td>9. Employee Retention</td>
<td>3.5748</td>
<td>.72053</td>
<td>.009</td>
<td>.362**</td>
<td>.069</td>
<td>.267**</td>
<td>.693**</td>
<td>-.517**</td>
<td>.409**</td>
<td>.612**</td>
<td>1</td>
</tr>
</tbody>
</table>

*Correlation is significant at the 0.05 level (2-tailed).
**Correlation is significant at the 0.01 level (2-tailed).

### 4.2. Regression Analysis

**H1: Supervisor support has a positive relationship with employee retention**

Results of the regression analysis in table 2 shows that the supervisor support has significant relationship with employee retention as it has β value .529 at significant level of .000 (p ≤ 0.05). Thus, the above stated hypothesis is accepted.

**H2: Co-worker support has a direct relationship with employee retention**
Results of the regression analysis depict that the Co-worker support has significant relationship with employee retention as it has β value -.101 at significant level of .000. The negative sign show the negative relationship with the employee retention. Therefore, the above stated hypothesis is accepted.

**H3: Employee creativity has a positive relationship with employee retention.**

According to the results of regression analysis, the value of β = .019 at the significance level of .652. This indicates the insignificant relationship between employee creativity and employee retention. As per results the above hypothesis is rejected showing insignificant relationship between employee creativity and employee retention.

**H4: Psychological empowerment has a positive relationship with employee retention.**

Regression analysis in table 2 indicates that psychological empowerment has a significant relationship with employee retention with β value of .307 at a significance level of .000. Consequently, the stated hypothesis is accepted.

<table>
<thead>
<tr>
<th>Table 2: Hierarchical Regression analysis for determinants of Supervisor Support and Co-worker Support</th>
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</thead>
<tbody>
<tr>
<td><strong>Predictors</strong></td>
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<td></td>
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<tr>
<td><strong>Step I:</strong></td>
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<tr>
<td>Control Variables</td>
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<td><strong>Step II:</strong></td>
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<tr>
<td>Supervisor Support</td>
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<tr>
<td>Co-worker Support</td>
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<tr>
<td>Employee Creativity</td>
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<tr>
<td>Psychological Empowerment</td>
</tr>
</tbody>
</table>

*** p ≤ 0.001, ** p ≤ 0.01, * p ≤ 0.05

**H5: Employee creativity mediates the relationship of supervisory support and employee retention**

The results of the analysis in table 3 reveal that the β value of the mediating relationship of employee creativity between supervisor support and employee retention is .058 at a significance level
Since the mediation fulfill the pre-conditions as indicated by Barron and Kenny (1986), therefore, the above stated hypothesis is accepted.

**H6: Employee creativity mediates the relationship of co-worker support and employee retention.**

The regression analysis indicates that employee creativity does not mediate the relationship between co-worker support and employee retention ($\beta = -.131$). The above hypothesis is rejected because it does not fulfill the pre-conditions to mediation as indicated by Barron and Kenny (1986).

On the other hand the role of psychological empowerment as a mediator is interpreted from the results and has shown to have a partially significant role in mediating the relationship of both supervisor and coworker support with employee retention. The partial significance shows that the results vary from situation to situation on the basis of other given factors. The results may also vary based on the type of the organization and work nature performed by the employees. The same has been indicated below in H7 & H8.

**H7: Psychological empowerment mediates the relationship of supervisory support and employee retention**

On the basis of mediated regression analysis it has been found that psychological empowerment has an insignificant role in mediating the relationship between supervisory support and employee retention ($\beta = -.060$, sig. = .251). Thus, the above stated hypothesis is accepted.

**H8: Psychological empowerment mediates the relationship of co-worker support and employee retention**

The hierarchal mediated regression analysis yield the result that psychological empowerment has insignificant mediating role between the relationship of co-worker support and employee retention ($\beta = -.077$, sig = .053). Hence, the hypothesis is accepted.
### Table 3: Mediated Regression Analysis

<table>
<thead>
<tr>
<th>Predictors</th>
<th>Employee Creativity</th>
<th>Psychological Empowerment</th>
<th>Employee Retention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>R²</td>
<td>ΔR²</td>
</tr>
<tr>
<td>Mediation: Employee Creativity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Step I:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control Variables</td>
<td>.175</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Step II:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee Creativity</td>
<td>.356***</td>
<td>.242</td>
<td>.068***</td>
</tr>
<tr>
<td><strong>Step III:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supervisor Support</td>
<td>.058</td>
<td>.180</td>
<td>.005</td>
</tr>
</tbody>
</table>

Mediation: Employee Creativity

**Step I:**
- Control Variables: .175

**Step II:**
- Employee Creativity: .356***

**Step III:**
- Supervisor Support: .058

Mediation: Psychological Empowerment

**Step I:**
- Control Variables: .176

**Step II:**
- Psychological Empowerment: .446***

**Step III:**
- Supervisor Support: -.060

Mediation: Psychological Empowerment

**Step I:**
- Control Variables: .176

**Step II:**
- Psychological Empowerment: .446***

**Step III:**
- Co-worker Support: -.077

*** p ≤ 0.001, ** p ≤ 0.01, * p ≤ 0.05
5. Discussion

Particularly in the service sector organizations of Pakistan, association with the supervisor and the coworker is a strong measuring tool for evaluating the staying or quit intention of the employee. Therefore, if the employees are having good relationship with their supervisor and co-workers then they try to remain in the organization rather than to leave. The results also clearly show that supervisor support and co-worker support have significant relationship with employee retention (H1). Similarly, co-worker support is also having a significant relationship with employee retention. Co-worker makes the working place best for employee, where employees feel and enjoy higher job satisfaction level and the same can be described as a potentially strong source of help and information, which is associated with reduction of role ambiguity and work overload. The regression result reveals that co-workers are strong source of organization’s commitment (Reichers, 1985). As discussed earlier that Pakistan is having a collectivist culture, so co-workers influence the individual’s decision to remain in the organization or quit the job. Moreover co-workers are strong source to influencing the decision of staying in the organization or leaving it. The individual performs best in teams if the like-minded people are there in the team. This can be helpful for the employee to take decision of retention or quitting (H2). Employee retention can be influenced by the creativity of the employee as earlier researchers defined that creativity is a contextual phenomenon, employees can get some sort of benefits or lose some sort of benefits rather to take decision of leaving or staying in the organization due to this contextual phenomenon i.e. creativity. Creative employees also need some training through which they polish their skills of creativity. If employees are getting the opportunity of creativity in the organization, they generally have less intention to leave the organization (H3). Moreover, present study results reveal that creativity is mediating the relationship between supervisor support, employee retention and creativity. The organizations which are coming under the umbrella of service sector of Pakistan, especially software houses and banks need creativity and if the supervisor is showing the supportive behavior to employee they get retained in the organization as they have the freedom of presenting creative ideas. In the previous studies it is identified that creativity takes place where complex job are assigned to employee, it is an important antecedent of creativity. Beside these things in the organizations there are several factors which influence the creativity of an employee. Workplace envy is also a worth noticing aspect. The supportive workplace environment allows employees to involve themselves into creativity, because in the service sector organizations, it important to present creative ideas (Amabile, Conti, Coon, Lazenby & Herron, 1996; Glynn, 1996) (H5). As per above discussion working environment is an important facet of creativity, where working environment at workplace can be defined in terms of organizational policies, procedures, risk taking, autonomy and expectation of facilities regarding creativity (Amabile, 1983; Shalley, Gilson & Blum, 2000).
Creativity has the impact of mediating the relationship of supervisor support and employee retention, but on the other hand it has no effect with co-worker support and employee retention (H6). Generally it was observed in service sector organization that co-workers dislike the creativity of their colleagues, because of jealousy and other factors affecting their position in the organizations. In the results of current study, it revealed that there are insignificant relationship between co-worker support and employee creativity. Same kind of results is supported through another study which found insignificant relationship between employee’s creativity and co-workers (George & Zhou, 2001). Some demographics are also affecting the level of creativity of the employee as in the present study it reports that most of the respondent working in banks where banks are controlled by the regulatory authority i.e. State Bank of Pakistan, so the respondent from banks and the like organizations, are representative of the strict followership of the rules and policies of state bank, therefore the employee are having less chances for exhibiting creativity. Finally, creativity can be influenced by the mixed results which are a function of the presence/ absence of multiple, competing contextual conditions. For example, it may be that the controlling aspect of time deadlines is highly salient when a second contextual factor is present, resulting in lowered creativity. However, when this second factor is absent, the controlling aspect might be less salient and time deadlines have weaker effects (H6). The results of another mediation i.e. psychological empowerment reveal that it is mediating between the relationship of supervisor support, co-worker support and employee retention. Psychological empowerment varies from industry to industry and organization to organization. In the current study, psychological empowerment have significant results which show that in the service industry there are some contextual factors i.e. job characteristics of tasks, performance appraisal and organization policies and procedures. These contextual factors influence the psychological empowerment of employee (Spretizer, 1995). Pakistan like China has a high power distance culture (Hofstede, 2001). Such high power distance culture affects the employees’ level of empowerment. Among different variables locus of control is the personality trait which is also most important and relevant to the impact the dimension related to empowerment, employee with an internal locus of control regarding life in general are more likely to feel capable of shaping their work and work environments and hence to feel empowered. They are likely to see themselves as causal agents affecting their work environments rather than as being externally controlled by organizational forces (Thomas & Velthouse, 1990). Same as supervisor support, psychological empowerment plays negative role between co-worker support and employee retention (H4, H7, H8).

6. Conclusion and Limitations
The study is conducted to evaluate whether or not this well established concept of supervisor and co-worker support is applicable to advance the ability of improving the employee retention in service sector of Pakistan. Extensive literature is available on these variables, however, generally the concepts have not found to have been studied Service sector of Pakistan. The present study has specifically targeted the application of this concept in Service sector of Pakistan. An effort has been made to examine the relationship of supervisor and co-worker support with employee retention with strength being provided by the mediators such as employee creativity and psychological empowerment wherein the whole model has been tested considering the work-related expectancies set up in the given sector. Results of the study indicate that due to scarcity of jobs/recession in job market people tend to work less and sometimes against their creative abilities for the sake of earning money. There is a need to introduce conducive, employee supportive policies within the organization to enhance creativity and productivity of Pakistani organizations.

6.1. Implications

This study has several practical implications for the organization working under the umbrella of service sector and also for those organizations that are having problem of employee retention. Organizations can use the results of this study to design specific employee retention strategies aimed to reducing employee turnover. A primary implication specifically related to service industry of Pakistan is that, supervisor support and co-worker support are very important antecedent of employee retentions. Same as supervisor and co-worker support have been demonstrated to positively predict levels of employee retention and reduced employee turnover. This study is also having more important practical implication for organizations especially with regard to HRM (Human Resource Management) Practices i.e. Training. Organizations need to give the training of supervisor as well as co-workers in a working environment to adopt a supportive behavior for each other which influence the level of commitment.

6.2. Limitations

Despite the fact that there are 08 hypotheses which have significant results; there are some limitations of the study i.e. Data was collected only from the organizations working in Rawalpindi and Islamabad. Due to given time frame it was impossible to focus on all employees of one organization, so the data was collected from only one employee group in one organization. Moreover the present study relied exclusively on the response from a self -administered questionnaire. One problem associated with this is the issue of participants responding in a socially desirable fashion. As Pakistan is the country which is having collectivist culture, so it is possible that participants may have
exaggerated the amount of supervisor support/co-worker support they perceive especially if they thought only of friends they work with and not support from other people in the organization. However this survey was anonymous so this should have eliminated a lot of the social desirability bias. The second limitation is that performance data were not obtained. As such, it was not possible to test the proposition that co-worker helping behavior was positively related to turnover because poorer performers were the targets of more help and these individuals were sent out of the organization because of their poor performance.

6.3. Future Research Directions

The study has presented a detailed analysis of relationship of supervisor support, co-worker support and employee retention with mediating effect of employee creativity and psychological empowerment. It is very much necessary for a service sector industry of developing country like Pakistan to focus on its employee retention, because there is a problem of high turnover of potential and experienced employees. There are lots of problem facing the service sector organization regarding the retention of employee. So organizations which are working under the umbrella of service sector need to focus on support (supervisor, co-worker) for gaining the better performance from employee. Because supportive supervisor and co-worker are those who can motivate the employees, guide them and support them in achieving of goals/targets. They are also the individuals who can understand the actual problems of employee and through support they can overcome such kind of problems. Moreover service sector organizations need to introduce the training program for supervisors and co-worker, which are focusing on team work and supportive working environment. In the current study work-related expectancies measure through one facet i.e. approval, whereas recognition and influence can also play an important role so in future study these can also be included for yielding better results.

References


