

The Relationship between Psychological Capital and Turnover Intention: Work Engagement as Mediator and Work Experience as Moderator

(Hubungan antara Modal Psikologi dan Niat Lantik Henti: Keterlibatan Kerja sebagai Pengantara dan Pengalaman Kerja Sebagai Penyederhana)

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ABSTRACT

This study examines the mediating role of work engagement, and the moderating role of experience with the current organization, in the relationship between psychological capital and intention to turnover. The questionnaires was sent to a sample consist of 217 employees working in diverse industries in service sector. The results from Structural Equation Modeling indicate support for the mediating role of work engagement, but not the moderating role of work experience. This suggests that psychological capital is a distant precursor of intention to turnover and affects it indirectly through work engagement. Practical implications and directions for future research have been discussed in detail.

Keywords: India; turnover intention; psychological capital; structural equation modeling; work engagement

ABSTRAK

Kajian ini menyiasat peranan keterlibatan kerja sebagai pengantara, dan peranan pengalaman bekerja dengan majikan semasa sebagai penyederhana dalam hubungan antara modal sosial dan niat lantikhenti. Soal selidik diedarkan kepada 217 pekerja dari pelbagai industri dalam sektor perkhidmatan. Dapatan daripada Structural Equation Modeling menunjukkan sokongan terhadap peranan keterlibatan kerja sebagai pembolehubah pengantara, tetapi tidak kepada peranan pengalaman kerja sebagai penyederhana. Dapatan ini mencadangkan modal sosial sebagai peramal langsung niat lantikhenti, dan peramal tidak langsung menerusi keterlibatan kerja. Implikasi praktikal dan cadangan untuk kajian masa hadapan juga dibincangkan secara terperinci.

Kata kunci: India; niat lantikhenti; modal psikologi; structural equation modeling; keterlibatan kerja

INTRODUCTION

In order to retain a highly productive workforce, organizations devise ways and means of evaluating and enhancing the attachment of employees with their work. One such measure of attachment is work engagement. Work engagement is defined as a positive state of mind that is full of vigor, dedication, and absorption (Schaufeli, Salanova, González-Romá & Bakker 2002). Based on a survey, it was found that only 13% of the world's workforce was engaged during 2011-12 (Crabtree 2013), hence, efforts of both industry and academia in the direction of understanding the nuances of engagement are of paramount significance. Nonetheless, engagement literature indicates that organizations can enhance work engagement levels by identifying the degree of personal resources employees are willing to invest in a particular job (Schaufeli & Bakker 2004).

Though researchers in the past have suggested association between (1) engagement and turnover intention (Van Schalkwyk, Du Toit, Bothma & Rothmann 2010), (2) psychological capital and turnover intention (Avey, Luthans & Jensen 2009), and (3) different dimensions of psychological capital, such as self-efficacy and work

engagement (Ouweneel, Le Blanc & Schaufeli 2013), little attention has been given to examine the relationship of work engagement with psychological capital which is a higher order construct. In addition, more research is required to examine the relationships among psychological capital, work engagement, and turnover intention. In particular, there is a paucity of research related to the examination of the mediating effects of work engagement in the relationship between psychological capital and turnover intention and moderating effect of experience with the current organization on the relationship between work engagement and turnover intention.

Hence, there are two main objectives of the study. The first objective is to examine the mediating role of work engagement between psychological capital and turnover intention. The sub-objectives include examination of the direct relationship among psychological capital, work engagement, and turnover intention. The second objective is to examine the moderating effect of experience with the current organization between work engagement and turnover intention. The sub-objectives include examination of the direct relationship among experience with the current organization, work engagement, and turnover intention.

INTENTION TO TURNOVER

Turnover intention pertains to thoughts of voluntarily leaving an organization. Bluedorn (1982) conducted a literature review of 23 studies and reported the significant positive relationship between leaving intentions and actual leaving behavior. Workforce stability is a powerful competitive strategy that is expected to become increasingly important in the foreseeable future (Abdullah, Said & Adham 2010). The competitive edge of workforce stability is the ability of building a long-term and consistent relationship between employee and organization. Employees create efficiency and effectiveness by nurturing stable organizational relationships, they will then stay long enough to become familiar with their customers, suppliers, and colleagues, and they will work to become more stable. Prior studies have indicated negative impact of individual level factors, such as psychological capital and work engagement, on turnover intention

WORK ENGAGEMENT

Work engagement is defined as “a positive, fulfilling, work-related state of mind that is characterized by vigor, dedication, and absorption” (Schaufeli et al. 2002: 74-74). As per the definition, vigor refers to high levels of energy, zest, stamina, and willingness to work even in the face of difficulties. Dedication refers to strongly identifying oneself with one’s work which is intermingled with the feelings of meaningfulness, significance, and pride. Absorption refers to a sense of happy engrossment and immersion in one’s work to such an extent that one feels quick passing of time at work. Schaufeli et al. (2002) proposed and developed the work engagement construct measured by Utrecht work engagement scale (UWES). In terms of conceptual understanding, it differs from the measures that either carry ‘engagement’ label or overlap highly with work engagement in three important ways (Johari, Adnan, Yahya & Isa 2013; Gupta 2015).

The first distinctive feature of work engagement is its emphasis on the experience of working rather than attitude toward job characteristics. Therefore, Gallup Workplace Audit (GWA; Harter, Schmidt & Hayes 2002) scale—measures employee engagement involving job characteristics items—does not conform to this study’s conceptualization. In this way, the GWA scale is more similar to person-job fit concept that seeks complementarity between person and job characteristics (Kristof 1996). Second, work engagement requires self-investment of multiple personal resources, such as physical, cognitive, and emotional. Thus, constructs measure the applicability of single resource of work engagement, which constitute job involvement – which is mainly cognitive self-role attachment – and Saks’s (2006) job engagement – which conceptualizes engagement as an undivided whole do not fit well with work engagement definition. Third, work engagement for this study has been conceptualized as a state. This state compared to personality traits is dynamic,

but compared to behavior, it is persistent and pervasive in nature (Dalal, Brummel, Wee & Thomas 2008). For example, Macey and Schneider (2008) argued that though work engagement levels show intra-person and inter-person variations over a period of time, it is neither too stable like personality traits nor too volatile like flow.

Although, there have been several studies that measure constructs carrying the “engagement” label, operational definitions are not always consistent. In order to define engagement in this research, we reviewed the available literature for finding the commonalities among the measures of engagement (Gupta, Ganguli & Ponnampalnam 2015; Gupta & Kumar 2015). Because the vast majority of studies that we reviewed drew on Kahn’s (1990) conceptual foundation (Ashforth & Humphrey 1995; May, Gilson & Harter 2004; Gupta, Acharya & Gupta 2015; Rich, Lepine & Crawford 2010; Saks, 2006; Schaufeli et al. 2002), we used Kahn’s work as our starting point for organizing the literature. Kahn (1990) proposed that personal engagement represents a state in which employees bring-in their personal selves during work role performances, invest personal energy and experience an emotional connection with their work. In this view, work roles represent opportunities for individuals to apply themselves behaviorally, energetically, and expressively, in a holistic and simultaneous fashion (Kahn 1992; Rich et al. 2010). As such, work engagement is fundamentally a motivational concept that represents the active allocation of personal resources toward the tasks in association to a work role (Kanfer 1990; Rich et al. 2010).

We found two characteristics of Kahn’s (1990) conceptualization of engagement to be noteworthy in establishing an operational definition. First, work engagement should refer to a psychological connection with the performance of work tasks, rather than an attitude toward the features of the organization or the job (Maslach, Schaufeli & Leiter 2001). Thus, a measure such as GWA (Harter et al. 2002) does not conform to this conceptualization because it refers to work conditions and not the work task. For example, the GWA refers to a range of job characteristics which include resource availability, rewards, feedback, task significance, development opportunities, and clarity of expectations (Harter et al. 2002). There are several measures of work engagement that refer to individuals’ experiences during the performance of their work tasks. For example, the Utrecht Work Engagement Scale (UWES) refers to the experience of working. The Demerouti, Bakker, Vardakou and Kantas (2003) scale refers to work tasks, and the May et al. (2004) measure refers to the harnessing of employees’ selves in relation to their work roles. For the purpose of this study, Schaufeli et al.’s (2002) conceptualization and their UWES scale is more suitable because it is specific to organizational environment and has been used extensively by research fraternity.

PSYCHOLOGICAL CAPITAL

According to Luthans, Avolio, Avey and Norman (2007) employees possess four types of positive psychological states that include self-efficacy, optimism, hope, and resiliency. Self-efficacy is defined as “beliefs in one’s capabilities to mobilize the motivation, cognitive resources, and courses of action needed to meet given situational demands” (Wood & Bandura 1989: 408-409). There are four ways of building self-efficacy in employees, namely mastery experiences, vicarious experiences, verbal persuasion, and physiological feedback (Bandura 1997). Mastery-experiences include positive self-experiences in a task or skill.

Organizations should prefer breaking a task into smaller and achievable components, so that the efficacy of the employees can be enhanced in shorter span of time and greater disappointment of a possible failure in a task can be avoided prior investing a lot of time and efforts. Vicarious-experience refers to the process of learning from the experiences of other employees or from observing others perform a job similar to the job assigned to the observer. Seeing the achievements of others, employees with lack of self-efficacy may perceive a difficult goal as an achievable one. Verbal-persuasion is the process of validation of employees’ own skills by others. It makes employees aware about their own capabilities. Physiological-feedback is the response(s) of an employee’s own physiological state, such as reduced anxiety. Optimism is a positive attribution of employees about succeeding now and in the future. Hope is to have a long term positive outlook towards achieving goals and to take or alter paths for achieving those goals. Resiliency is the tendency of employees to face adversities and bounce back to prove their capability in handling and completing a task. Therefore, work engagement plays a key role as a mediator between psychological capital and employee happiness.

PSYCHOLOGICAL CAPITAL AND WORK ENGAGEMENT

Self-efficacy is employees’ firm belief in their work and their efforts to overcome hurdles. Confidence leverages employees to apply their personal selves freely to their work, which is a reason behind their personal growth, thereby, making them happy at the individual level. The employees who believe in their capabilities to mobilize their energies for meeting situational demands have the motivation to immerse themselves into their work (Xanthopoulou, Bakker, Demerouti & Schaufeli 2007). Instead of considering difficult tasks as burden, employees with high self-efficacy treat them as challenges thus leading to a higher embracement of their ‘selves’ with their roles. Optimistic and hopeful employees see positive side of the situation that makes them attach themselves cognitively and physically with their work roles.

Past studies have indicated a direct and significant relationship between PsyCap and work engagement (Bakker, Albrecht & Leiter 2011). The Job Demand-

Resource model of Bakker and Demerouti (2008) considered PsyCap as a personal psychological resource which makes an employee positive and leads to both emotional and cognitive level of engagement in the work irrespective of work challenges and job demands. Employees who has a positive belief and who are confident about their inner capabilities (i.e., high on PsyCap) will mobilize their energies to meet the workplace demands and will immerse and engross in their work (Xanthopoulou et al. 2007).

Employees, who work with dedication, keep themselves vigorous and completely absorbed in their work roles. Employees use resiliency for bouncing back and this ability makes them to apply their cognitive, physical, and emotional energy to the fullest in their work. Therefore, the following hypothesis can be stated:

H₁ Psychological capital is positively related to work engagement

MEDIATING ROLE OF WORK ENGAGEMENT

Employee turnover continues to be a topic of interest among management researchers. Highlighting turnover intention as a key element in the modeling of employee turnover behavior, Egan, Yang and Bartlett (2004) stated that scholars have determined that behavioral intentions are the single best predictor of actual turnover. Overall, turnover intention has emerged as the strongest precursor to turnover. Van Schalkwyk et al. (2010) in their study stated that intention to leave is related to actual turnover. Moreover, a number of research studies have shown work engagement to be positively associated with the intention of staying with one’s organization (Harter et al. 2002; Schaufeli & Bakker 2004). More recently, De Lange, De Witte & Notelaers (2008) in a two-wave (16-month lag) Belgian panel study tested the hypothesis on the relationship between work engagement and actual turnover across time. They found that low work engagement is the predictor of actual transfer to another company which was reaffirmed by Van Schalkwyk et al. (2010) in their study. Thus, following hypothesis can be stated:

H₂ Work engagement is negatively related to turnover intention

A study by Avey et al. (2009) suggested that psychological capital has a negative and significant relationship with the intention to quit. Their study was based on a heterogeneous sample of 416 employees and they argued that the psychologically capable employees take things positively in their organization. Even if the things do not happen as per their expectations, hope and optimism positively influences their attachment with the organization. Though they perceive that their organization is demanding more work from them and is rating them as below average, the resiliency factor in them makes them take these demanding or perhaps over demanding situations as a challenge and encourages them to bounce back. Another study by Abbas, Raja, Darr and

Bouckennooghe (2014) in the context of diverse industries in Pakistan argued that positive thoughts do not leave space in their mind for negative thoughts, such as leaving the organization. However, they did not find the aforesaid negative relationship significant. These inconsistent results of the previous study show that the relationship between psychological capital and turnover intention suggested moderating effect not direct effect. Moreover, turnover intention has been conceptualized as a function of job satisfaction and future expectancies from the alternative jobs (Mobley, Griffeth, Hand & Meglino 1979). To date, findings of the past studies have provided sufficient evidence that the relationship between PsyCap and job satisfaction is positive (Luthans et al. 2007). Given the positive relationship of Psychological capital with job satisfaction one can say that PsyCap would be a negative predictor of turnover intention, rather than a positive predictor, especially when the current job market is highly competitive and dynamic (Avey, Luthans & Youssef 2010). Based on the above discussion, it is posited that:

H₃ Psychological capital is negatively related to turnover intention

Past studies have suggested that PsyCap has a negative effect on turnover intention, due to its inclination towards positivity (Avey et al. 2009, 2010). But, the mechanism by which high PsyCap employees have less turnover intentions needs discussion. As mentioned earlier, high PsyCap employees are confident, optimistic, and resilient, hence they are efficacious, involved, and immersed in their work (Luthans et al. 2007). They are positive about their work situations and remain dedicated and attached to their work till its completion. They are optimistic about the successes and are satisfied with their work. Thus, it is likely that they will display less withdrawal behavior such as turnover intention (Avey et al. 2009, 2010). Employees who are positive about their work and are engaged in their work will be the achievers and will not be the losers (De Lange et al. 2008; Sweetman & Luthans 2008). Therefore, it is possible that employees having psychological capital will not be displaying withdrawal behavior (i.e., turnover intention) because PsyCap keeps employee positive, confident, absorbed, immersed and attached to their work.

H₄ Work engagement has a mediating role in the relationship between psychological capital and turnover intention

MODERATING ROLE OF EXPERIENCE WITH THE CURRENT ORGANIZATION

Several scholars have considered experience with current organization as an important criterion for the evaluation of work engagement. For example, Harter et al. (2002), and Schaufeli et al. (2002) recommended taking responses from only those employees who have completed at least one year with their current organization. The reason was that such employees would have experienced and

gone through at least one cycle of evaluation which may have an impact on their respective thought about their work role. Moreover, a study by De Lange et al. (2008) revealed the importance of staying with the company. It was found that for employees who stay for long—termed as ‘stayers’—positively effects work engagement. We further argued that employees whose experience with their current organization is high would like to stay with the organization for long because such stayers feel that the organizational environment is suitable for them, and they have also imbibed organization culture into themselves well. Thus, employees with more experience with the current organization are expected to have lesser intention to quit. To sum up, experience with the current organization is expected to affect both work engagement and turnover intention. Since work engagement and turnover intention are also negatively related, the experience with the current organization meets the moderation criterion as suggested by Baron and Kenny (1986). Therefore, the presence of experience with the current organization is expected to strengthen the negative relationship between work engagement and turnover intention.

H₅ Experience with the current organization has a moderating role between work engagement and turnover intention

METHODOLOGY

SAMPLING

Data were collected from individuals working in India with their current organization for at least one year. It was a pre-condition to ensure that they have gone through at least one appraisal cycle and have understood organizational culture. Data were collected by using both online as well as paper and pencil modes. Because the questionnaire also had items related to turnover intention, respondents' anonymity was maintained. Out of the 235 answered questionnaires (response rate = 33.57%), 18 were incomplete. The proposed model does not have any industry sensitive construct and researchers including Halbesleben, Harvey and Bolino (2009) have used these constructs for diverse industries in a single study.

Therefore, the final sample comprised of diverse industries in the services sector, such as banking, information technology, and academia. Out of the 217 usable responses, 51 were of women. Government, private, and other sector employees were 34, 180, and 3, respectively. A total of 134 employees were working in a managerial profile and 171 had completed post-graduation. The number of respondents in different age categories—20 to 30, 31 to 40, 41 to 50, and more than 50 years—were 75, 105, 27, and 10, respectively. Correlation coefficients and Cronbach's alpha coefficients are given in Appendix 1.

MEASURES

Well established, reliable, and valid scales were used to capture the responses of different respondents. Responses for all these constructs were captured on a seven-point Likert-type scale (strongly disagree = 1 to strongly agree = 7). For the purpose of better analysis, the 'experience with the current organization' being a continuous variable was transformed into log form.

Work engagement consisting of vigor, dedication, and absorption was assessed by Schaufeli, Bakker and Salanova (2006) nine-item UWES-9 scale (Cronbach's $\alpha > .70$). One of the sample items is: When I get up in the morning, I feel like going to work.

Turnover intention was measured using Lichtenstein, Alexander, McCarthy and Wells (2004) three-item scale (Cronbach's $\alpha = .83$). One of the sample items is: I will probably look for a new organization in the next year.

Psychological capital was assessed using Luthans et al. (2007) 12-item scale (Cronbach's $\alpha > .70$). One of the sample items is: I always look on the bright side of things regarding my job.

CONCEPTUAL MODEL

In order to meet the aforesaid objective, the negative relationship between psychological capital and turnover intention can be viewed as indirect relationship. This relationship is likely to be mediated by work engagement, and the relationship between work engagement and turnover intention is likely to be moderated by their experience with the current organization as shown in Figure 1.

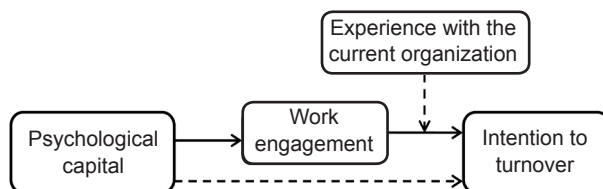


FIGURE 1. The hypothesized model

DATA ANALYSIS AND RESULTS

For validity, principle component analysis using Varimax rotation was performed on all the items of the constructs under investigation. It was found that each of the items were loaded clearly on three different components, which included psychological capital (PsyCap; Eigen value = 6.90; % variance explained = 28.74), work engagement (Eigen value = 6.40; % variance explained = 26.68), and turnover intention (Eigen value = 2.68; % variance explained = 11.17) (refer Appendix 2 for factor loadings). Kaiser-Meyer-Olkin measure of sampling adequacy was 0.94 and Bartlett's test of sphericity was also significant (Chi-square = 4488.42, $p < .001$).

As shown in Appendix 1, all Cronbach's alpha values greater than 0.89 with the reliability coefficients for each scale is well beyond the criterion ($\alpha \geq 0.70$). Bi-variate correlations were calculated in order to identify multi co-linearity issues and to ensure that the constructs are reasonably associated with each other. Appendix 1 also shows that the correlations among work engagement, psychological capital, and turnover intention are reasonably significant ($p < 0.01$). Furthermore, the correlation between experience with the current organization and turnover intention was significant ($r(215) = -0.15$, $p < 0.05$) but not with work engagement. It means that the moderating effect is not likely to occur but can still be tested. However, the moderating effect was not found to be significant ($F(2, 214) = 10.95$, $p < 0.001$ and $\beta_{\text{standardized}} = 0.03$, $t(214) = .447$, $p = 0.66$).

To test the relationship between experience with the current organization and turnover intention, a separate simple regression analysis was carried out using SPSS software. Experience with the current organization was found to be significantly and negatively related to turnover with $F(1, 215) = 5.15$, $p = 0.02$ and $\beta_{\text{standardized}} = -0.15$, $t(215) = -2.27$, $p = 0.02$. Confirmatory factor analysis (CFA) was carried out by using IBM AMOS software to find overall model fit. The results indicated a good fit (CFI = 0.95; TLI = 0.94; RMSEA = 0.07 and $\chi^2/df = 2.00$).

After obtaining the results of satisfactory measurement model, structural analysis was performed to test the model. Two models, one without mediator represented as model 1 and another with mediator represented as default model or model 0, were tested. Model 1 comprised of only psychological capital and turnover intention and the result obtained indicated a good fit (CFI = 0.97; TLI = 0.96; RMSEA = 0.07 and $\chi^2/df = 1.96$). In addition, the psychological capital was found to be significantly and negatively related to turnover ($\beta_{\text{standardized}} = -0.21$, $p < 0.01$). However, as expected, in the presence of work engagement as a mediator, the direct relationship between psychological capital and turnover intention is positive and insignificant ($\beta_{\text{standardized}} = 0.18$, $p = 0.22$), thus indicating full mediation of work engagement. The results of mediation analysis have been summarized in Appendix 3.

MANAGERIAL IMPLICATION

Both work engagement and turnover intention are of vital importance to human resource managers as well as independent consultants in that field. In spite of strong theoretical support for moderation by experience between work engagement and turnover intention, the results of this study are not supported. In order to keep their work force engaged consistently for several years, managers may take steps toward enhancing vibrancy in their organization. Implementing vibrancy related measures as per the needs of employees, such as high job autonomy, variety, non-monetary, and monetary benefits can help

these organizations in optimally utilizing their employees' experience and energy.

Another important implications is that, due to the significant impact of overall psychological capital on work engagement, organizations are encouraged to enhance their work culture by taking steps to develop challenging environment, infuse competition spirit among employees, and establish regular and timely performance feedback systems, so that employees can get to know about their performance, and poor performers can get proper environment to bounce back and prove themselves. During recruitment, organizations may prefer those candidate whose records bear evidence of high psychological capital in the past.

The study findings indicate the importance of work engagement in reducing turnover intention. In order to save the cost of hiring a new candidate and losing an experienced employee, managers may create mechanisms for measuring work engagement of at least their key employees or regular basis. We believe that this measurement may not only help organizations in identifying the current degree of their employees' engagement, but can also implement correct action wherever and whenever required.

LIMITATIONS AND DIRECTION FOR FUTURE RESEARCH

Like any other psychological study, the present study is also not free from limitations. First, the study results might have suffered from common method bias due to self-report responses. However, our argument is that the variables under investigation measure perception of self about other different things which necessitates self-rating. Nevertheless, various statistical tools were used to ensure reliability and validity of the responses. Future studies may further strengthen the results by conducting studies on multiple samples as well as comparing their means. Second, owing to time and financial constraints, the study was cross-sectional in nature which does not provide evidence for causal relationships. However, according to us, causal relationship is more a matter of logical reasoning rather than statistical significance. According to Gujarati (2012), no statistical tool is strong enough to reveal a causal relationship. Therefore, researchers are encouraged to use experimental designs that, to some extent, help in explaining causal relationships. Third, more research is required to examine the moderating effect of employees' experience with the current organization between work engagement and turnover intention. Scholars may like to analyze the impact of this moderation based on the different work engagement dimensions separately. It is probably because a longer stay in the organization may lead to the feeling of boredom and lack of vigor.

CONCLUSION

The present study contributes to the existing literature on positive psychology in three important ways. First, the results indicated full mediation by work engagement in the relationship between psychological capital and turnover intention. This finding reveals that psychological capital is distantly and negatively related to turnover intention. Moreover, the direct path is mediated by work engagement. As a result, it is also found that psychological capital and work engagement are negatively related to turnover intention. These expected results are in line with the findings of Ouweneel et al. (2013), according to which self-efficacy being one of the dimensions of psychological capital is positively related to work engagement. Second and perhaps, the most interesting finding was that in the presence of work engagement, the significant and negative impact of psychological capital on turnover intention becomes insignificant and positive.

Moreover, employees' experience with the current organization was found to be significantly and negatively related to turnover intention. Neither the correlation nor the regression analysis shows significant relationship between experience with the current organization and work engagement. One reason for the lack of support for our argument relating to the experience with their current organization could be that employees with higher experience with their current organization become habitual of doing things in the same manner in spite of feeling boredom and lack of vigor, which is one of the three dimensions of work engagement. Important theoretical contributions of the present study have been summarized objective wise in Appendix 4.

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APPENDIX 1. Zero-order correlation coefficients and reliability coefficients

| | Mean | SD | 1 | 2 | 3 | 4 |
|---|------|------|--------|--------|-------|---|
| Total work experience | 9.78 | 7.00 | | | | |
| 1. Psychological capital | 5.28 | 1.15 | (.94) | | | |
| 2. Work engagement | 5.04 | 1.24 | .77** | (.94) | | |
| 3. Intention to turnover | 2.92 | 1.62 | -.20** | -.29** | (.90) | |
| 4. Experience with the current organization | 4.71 | 4.09 | .04 | .05 | -.15* | - |

Note: Brackets represent Cronbach's alpha values; * $p < .05$, ** $p < .01$.

APPENDIX 2. Rotated component matrix for constructs under investigation

| | Component | | |
|-------------------------|-----------|------|------|
| | 1 | 2 | 3 |
| Psychological capital1 | 0.73 | | |
| Psychological capital2 | 0.71 | | |
| Psychological capital3 | 0.69 | | |
| Psychological capital4 | 0.71 | | |
| Psychological capital5 | 0.71 | | |
| Psychological capital6 | 0.67 | | |
| Psychological capital7 | 0.75 | | |
| Psychological capital8 | 0.77 | | |
| Psychological capital9 | 0.67 | | |
| Psychological capital10 | 0.76 | | |
| Psychological capital11 | 0.64 | | |
| Psychological capital12 | 0.68 | | |
| Work engagement1 | | 0.71 | |
| Work engagement2 | | 0.76 | |
| Work engagement3 | | 0.74 | |
| Work engagement4 | | 0.77 | |
| Work engagement5 | | 0.78 | |
| Work engagement6 | | 0.74 | |
| Work engagement7 | | 0.75 | |
| Work engagement8 | | 0.68 | |
| Work engagement9 | | 0.63 | |
| Turnover intention1 | | | 0.86 |
| Turnover intention2 | | | 0.92 |
| Turnover intention3 | | | 0.92 |

APPENDIX 3. Unstandardized path coefficients (β) for the proposed model

| Relationship | Model 0 (Default model) | | Model 1 (Without WE) | |
|--------------|----------------------------|-------|-------------------------|-------|
| | Estimate (β) | C.R. | Estimate (β) | C.R. |
| PC → TI | 0.22 (.18) | 1.22 | -0.26 (.09)** | -2.90 |
| PC → WE | 0.81 (.08)*** | 9.78 | | |
| WE → TI | -0.61 (.19)** | -3.15 | | |

Note: Values in parenthesis represent standard errors; C.R. = critical ratio, PC = psychological capital, WE = work engagement, TI = intention to turnover; ** $p < .01$, *** $p < .001$.

APPENDIX 4. Summary of contributions

| Objectives | Expected relationship | Finding | Contribution(s) |
|-----------------|-----------------------|---------------|--|
| 1: PC → WE | (+) | Supported | Provides support for the positive effect of overall psychological capital on work engagement. Unlike Ouweneel et al. (2013), who tested self-efficacy, a dimension of psychological capital, the present study reveals that overall psychological capital also has a positive influence on work engagement. |
| 2: WE → TI | (-) | Supported | The present study augments the findings of Alfes et al. (2013) by showing the consistency of the results in the Indian context. Compared to their study which was confined to the United Kingdom's service sector organization, the contribution of the present study is in providing support for applicability of their findings to the diverse industries in India. |
| 3: PC → TI | (-) | Not supported | Avey et al. (2009) used a heterogeneous sample and found that the strength of PC → TI relationship partially reduced in the presence (as a mediator) of stress symptoms. |
| 4: PC → WE → TI | Mediaton | Supported | Though, the present study also finds significantly negative PC → TI relationship, mediation by work engagement reduced this strength to such an extent that the direct path coefficient became positive and insignificant. It shows that PC is a distant antecedent of TI and work engagement mediates this relationship much better mediator than stress symptoms. |
| 5: WE ← EC → TI | Moderation | Not supported | Some studies examined the moderating role of experience with the current organization in different forms. For instance, De Lange et al. (2008) found significant effect of job autonomy on work engagement in case of stayers. Contrary to their results, the current study results indicate that EC and WE are not significantly related with each other and the analysis of moderation by EC was also not supported. It indicates that experience with the current organization may not necessarily be an obvious antecedent of the 'state-like' psychological constructs. However, correlation coefficient value between EC and TI suggests that the two constructs are significantly and negatively related to each other. |

Note. EC = Experience with the current organization.