

Abusive Supervision and Employee Attrition: A Study of Executives in the Indian High Technology Sector

Aziz Mehdi, Andhra University
R. Madhusudana Raju, Andhra University
Ananda Mukherji, Texas A&M International University

EXECUTIVE SUMMARY

Employee attrition and turnover are important management concerns as the loss of key employees negatively affects a firm's performance and its internal operating culture. Attrition also imposes high costs in terms of recruitment, training, retention and productivity. High technology firms are particularly prone to issues of attrition and turnover. With the Indian economy growing rapidly and with a significant high technology sector, this phenomenon assumes importance for two reasons: (1) attrition and turnover have not been studied as it has in western organizations and (2) there is little empirical data available on which to understand and develop effective human resource policies in this area in the Indian context. In this research, a model is developed which studies the impact of abusive supervisor behavior on employee intention to quit. In addition, the moderating effects of organization brand and culture, the need for achievement, and an employee's self-esteem are examined. The mediating role of an individual's psychological state is also included in the model. A sample of 200 executives from Indian high technology firms is used to test the model. Using LISREL, the path model is tested and the results indicate that there are moderation effects. Next, to test the hypotheses, multiple regressions test sub-samples from the total set of respondents. Overall, the results support the notion that an employee's intention to quit is impacted by abusive supervisor behavior and the interaction effects of organization brand and culture and self-esteem. In this study, the employees' need for achievement has no moderating effect on intention to quit. Implications of this research and its limitations are discussed at the end of the paper.

Keywords: Abusive supervision, Employee attrition, High-tech executives