

Conditions for entrepreneurship in Sri Lanka: A Handbook

Edited by Bjørn Willy Åmo



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Chapter 7:

Voluntary Labour Turnover in the Textile and Clothing Manufacturing Sector in Sri Lanka: The Causes of Leaving the Employers

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Abstract: This research focuses on the causes of leaving the garment factories in free trade zones in Sri Lanka. This explorative research is based on 6 qualitative in-depth semi-structured interviews with the aim of gaining a more detailed and comprehensive understanding of the labour turnover issue in Sri Lankan garment industry. The study found that there were fifteen causes of intentions to leave a current employer. These fifteen causes/factors were attributed to individual, organizational and environmental levels. As this study suggests, the employee made the leaving decision depending on the severity of the labour turnover factors and/or external opportunities available in the same industry. There was evidence that the left employees have started as self-employed.

Some particular moments were found to be specific for the context of Sri Lankan garment industry. A specific system of gratuity benefits and social security funds made a contribution to the high level of labour turnover. Sexual harassment appeared to be an important non-economic factor, contributing to leave decisions amongst employees. Low social status, associated with employment in the garment industry further encouraged labour turnover. National culture strongly shaped the carrier paths. Particularly, family traditions, emphasizing the woman's responsibility for childcare and homework, played an important role. While the garment industry mainly employs females, their husbands seemed to influence the leave decision to a large degree.

Based on the research results, some implications for practitioners and policy-makers were suggested. Some avenues for further research were proposed.

Key words: Individual Factors, Organizational Factors, Environmental Factors, Intentions to Leave, Labour Turnover, Garment Industry

1 Introduction

Success of any organization largely depends on the available resource-base. Arguably, people are the most important resources to any organization, making the most significant contribution to its success. However, when people decide to voluntarily leave an organization, the overall effectiveness of the organization may decrease for several reasons (Hom and Griffeth, 1995). First, the organization loses the knowledge that the departing employee possesses. Second, the organization must spend time, money and resources to select recruits and train the replacements. Therefore, this voluntary employee turnover causes many problems for employers. There is evidence that high levels of voluntary turnover adversely affect business unit performance (McElroy, Morrow and Rude, 2001; Koys, 2001).

Media reports, statements from consultants, and the prior research studies provide evidence that the Clothing and Manufacturing industry (Garment Industry) in Sri Lanka faces a high level of labour turnover. Though reliable island-wide data on labour turnover is not available, information received from the garment industry suggests that the average annual labour turnover is around 15 per cent. The industry needs around 45,000 new recruits per annum to keep up with the present level of operations (www.ilo.org). The garment sector has recorded turnover rates up to 60 per cent for some factories in the Western Province (Kelegama and Epaarachchi, 2001). According to International Labour Organization (ILO) statistics, some companies in the Export Processing Zone (EPZ) have reported a 3 per cent monthly labour turnover, which amounts to one-third of the employees at any given time being 'new'. It is also known that labour turnover does not necessarily mean that all employees leave the industry completely (www.ilo.org). Normally, the leavers leave one factory and join another factory. The Clothing and Manufacturing sector is labour intensive. Therefore, a high level of labour turnover can directly affect the firms in the industry. These firms require smooth functioning of their operations and high level of labour turnover may become dysfunctional. Further, since the *multi-fibre agreement* ended in 2005, the garment factories have to compete with foreign suppliers to sell their products. Garment manufacture has primarily been concentrated on low quality, low value-added, standard garments. As such, the cost-based strategy and productivity improvement are the

dominant strategies in the industry (Gopal Joshi, 2002). When the highly skilled labours leave the organization or the organization experiences some labour shortage, strategies are relatively hard to implement.

The number of studies on Labour turnover in Sri Lankan garment industry is very limited. Understanding the underlying causes of leaving the employer is essential when developing a strategy for reduction of the employee turnover. This research focuses on the causes of leaving the garment plants in Free Trade Zones in Sri Lanka. The research question for this study is:

What are the main causes for leaving the garment plants in free trade zones in Sri Lanka?

The findings of this study will be helpful for the policymakers, including the government, Board of Investment (BOI), the government regulatory body for garment manufacturing trade in Sri Lanka, and the respective garment factories to revise the HR policies in order to improve the retention.

2 A theoretical framework

The 'turnover' may be defined as 'voluntary cessation of membership of an organization by an employee of that organization' (Morrell, Loan-Clarke and Wilkinson, 2001). Labour turnover refers to the movement of employees in and out of a business. However, the term is commonly used to refer only to 'wastage' or the number of employees leaving. The term Labour Turnover may be defined as "the analysis of the number of people leaving the organization against a given time period" (Armstrong, 2000).

The applied measures of the turnover are often not sophisticated enough to tell apart cases where employees have chosen to leave, and cases where they have had to leave for reasons out of their control (Morrell, Loan-Clarke and Wilkinson, 2001). However, the simplest measure involves calculating the number of leavers in a period as a percentage of the number employed during the same period. This is known as the 'separation rate' or 'crude wastage rate' (Armstrong, 2000).

There is no universally applicable maximum level beyond which the employee turnover becomes damaging for organization. "Everything depends on the type of labour market in which the companies compete. Where it is easy to find and train new employees quickly at relatively little cost, it is possible to sustain high quality levels of producing products and service provision despite having high turnover rate. By contrast, where skills are relatively scarce, where recruitment is costly or where it takes several weeks to

fill a vacancy, turnover is likely to be problematic from a management point of view” (Chartered Institute of Personnel and Development, 2005, p. 2).

March and Simon (1958) formed probably the first complete theory of labour turnover. Their analysis is based on equilibrium of paying employees. Employees are interested in working and they provide a certain level of contribution to the organization at a certain level of pay. If the equilibrium does not exist, employees feel their contributions are more important than the pay they are receiving. Then they decide to leave the organization. On the other hand, employees may feel that their pay exceeds their contribution. This will cause them to be satisfied and retain in the organization. March and Simon (1958) introduced two relevant concepts: “Perceived desirability of leaving” and “Perceived ease of leaving.” The perceived desirability of leaving is derived from the satisfaction with current job and the perceived possibility of intra-organizational transfer. If the pay levels are high, but the employee is not satisfied, employee may reconsider the perceived desirability of leaving. Perceived ease of leaving is derived from the number of perceived extra-organizational alternatives.

Mobley (1977) developed a sequential model for turnover. He identified job dissatisfaction as leading to thoughts of quitting. Once the employee considers the quitting due to dissatisfaction, the cost of quitting is evaluated. If the cost of quitting is low, then employees start to search for job alternatives. Then he/she evaluates the identified options of job alternatives. This evaluation then leads to the comparison of available options with employee’s current job. If the evaluation results show that the alternatives are more beneficial than the current job, the employee takes the quitting decision. These steps can be figured out as follows (Hunter, 2008):

Job Dissatisfaction ➤ Intentions to Quit ➤ Evaluations of Alternatives ➤
Comparison ➤ Quit ➤

The Mobley’s (1977) model was tested by Hom et al. in 1984. The study suggested that job satisfaction negatively affected turnover and thoughts of quitting positively affected turnover (Hom et al., 1984). This supported the model suggesting that job satisfaction directly influenced thoughts to quit and thoughts of quitting directly resulted in intent to quit (Rilovick, 2005).

Price (1977) developed a causal model depicting what determinants produced turnover and how these determinants operated (Rilovick, 2005). The model included pay, integration, instrumental communication, formal communication, and centralization as

determinants for job satisfaction. Satisfaction was a mediator and opportunity as a moderator of the relationship between satisfaction and turnover. Decreases in pay, integration, instrumental communication, and formal communication and increases in centralization directly influenced job satisfaction. If the low job satisfaction occurred at the same time that job opportunities outside the organization were numerous, it was predicted that the rate of turnover would be high (Rilovick, 2005).

In 1981, Price's work was refined by Price and Mueller (1981). They included 11 determinants and two intervening variables. The 11 determinants include: opportunity, routinization, participation, instrumental communication, integration, pay, distributive justice, promotional opportunity, professionalism, general training, and kinship responsibility. The two intervening variables were job satisfaction and intent to stay. Seven of the determinants (routinization, participation, instrumental communication, integration, pay, distributive justice, and promotional opportunity) were believed to directly affect job satisfaction; three of the determinants (professionalism, general training, and kinship responsibility) were predicted to directly affect intent to stay; and low job satisfaction and low intentions to stay were believed to increase turnover (Price and Mueller, 1981).

The Jackofsky's (1984) theory explained the U-shaped curvilinear relationship between job performance and turnover. The turnover would be relatively high for both very poor performers and very good performers. Turnover was high for very poor performers primarily due to involuntary turnover and is high for relatively good performers primarily due to voluntary turnover.

Steers and Mowday (1981) predicted that high performance would lead to increased expectation of rewards (promotions, salary growth), which would lead to increased turnover only if those expectations are not met (Mohammad, 2008). Hom and Griffeth (1995) and McLaughlin (1990) argued that the quality of peer group relationships and work environment were related to turnover. Employees would be inclined to leave an organization when experiencing an unpleasant environment and poor relationships with their peers (Mohammad, 2008). Goldsmith (1997), Mohammad (2008), Hom and Griffeth (1995) and Price and Mueller (1986) argued that heavy workload could lead to job stress and burnout, which in turn could lead to turnover. Further, Boxall et al. (2003) found that there were 16 factors that affected leaving the organization in his study (see the table 7.1).

Table 7.1 Factors that affect leaving the organization

Measure	Indicator
Labour Turnover	Left because of a work-related accident or illness
	Left because unhappy with co-workers
	Left to obtain easier commuting to work
	Left because of a difficult relationship with your supervisor
	Left because the job was not what it was made out to be
	Left because of excessive work demands, asked to do too much work
	Left for promotion elsewhere
	Left because it was an organization that didn't listen to its employees
	Left to work with more up-to-date technology or work methods
	Left for better job security
	Left for better pay elsewhere
	Left for change of career. That is, from one occupation to another
	Left to obtain better balance between work demands and life outside work
	Left for better training opportunities
	Left because management didn't recognise employee merit
	Left for more interesting work elsewhere

According to Gordon Hunter (2008), there were three categories of voluntary turnover factors: individual level factors, organizational level factors and environmental level factors. The conceptual framework is presented in figure 7.1.

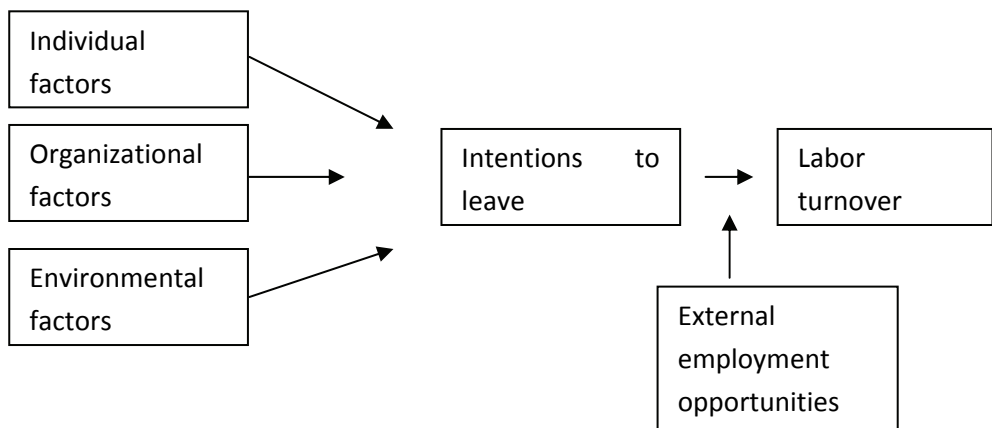


Figure 7.1 Theoretical framework, Source: Gordon Hunter (2008).

At the individual job level, voluntary turnover factors consist of job satisfaction, reward and recognition (Hunter, 2008). Job satisfaction is measured based on the criteria used by Price (1977) which includes pay, integration, instrumental communication, formal communication, and centralization. Reward and recognition refer to competitive monetary compensation, bonuses, profit sharing, stock options, time off, and other perks of the job and have been identified as a factor shaping job satisfaction (Price and Mueller, 1981). At the organizational level, voluntary turnover factors include the workplace environment and career commitment. At the environmental level, factors that initiate turnover intentions are mainly non-work factors, which relate to family/personal concerns (Hunter, 2008).

In the absence of previous research on employee turnover in Sri Lanka, this study will make an attempt to find out which causes for leaving an employer are relevant in this specific context. These causes will be attributed to individual, organizational and environmental levels.

3 The context: Garment industry in Sri Lanka

Many garment factories in Europe as well as in USA have been closed down because the developing countries, characterized by low labour costs, had started the garment factories. The garment industry is labour intensive and does not require large amount of capital and long time to train people and start production. The cloths and fabrics, which are the major inputs, may be obtained at a competitive price from countries all over the world. The developing countries like India, Maldives, Bangladesh and Sri Lanka are engaged in this industry and substantial proportions of these countries' budget come from garment export to Europe and the USA.

The textile garment industry in Sri Lanka has been started in 1960. Today, it has become the largest industry contributing to the Gross Domestic Product (GDP), accounting for 45% of the national exports and 458,165 employment opportunities which is nearly 5% of the total employment in Sri Lanka (data for 2008).

Taking the significance of the industry to the Sri Lankan economy into account, the government introduced free trade zone concept (1978) and preferential tax rates, Infrastructure facilities and constitutional guarantees are also provided for the investors who locate their factories in such zones. The major free trade zones and their employees are depicted in table 7.2.

Table 7.2 The major export processing zones in Sri Lanka

Name	Katunayake EPZ (K)	Biyagama EPZ (B)	Koggala EPZ (Ko)
Date of inception	1978	1983	1990
Number of enterprises in commercial operation as at April 2008 (K), April 2009 (B), December 2006 (Ko)	85	57	21
Number employed as at February 2008 (K), April 2009 (B), December 2006 (Ko)	50,449	20,798	10,230
Number of enterprises	84	56	21

Sources: Board of Investment official web site, www.boi.lk/BOI2008/katunayake_epz.asp)

4 Method

In the absence of previous relevant studies in the Sri-Lankan context, this study thought to focus on generating the data based on what the informants tell rather than testing any pre-existing models. This explorative research was based on 6 qualitative in-depth semi-structured interviews with the aim of gaining a more detailed and comprehensive understanding of the labour turnover issue in Sri Lankan garment industry. The informants were the production related employees. The production related employees consisted of sewing machine operators, helpers and quality checkers. Six factories in the Koggala free trade zone situated in southern part of Sri Lanka, were selected and one employee from each factory was selected for the interview, considering the resource limitations such as financial, time etc. The following procedure was adopted for the selection of employees. First, the addresses/ telephone numbers of recently left employees were obtained from the HR departments of each factory. Then, the employees were contacted and the time for a face-to-face in-depth interview was decided. In order to gain fruitful data from the informants, they were given full awareness that the researcher is independent from the respective factories.

During the interviews, all the responses were tape-recorded and written notes were made by a researcher whenever necessary. The data were thereafter transcribed before starting the analysis. The analysis procedure included data reduction, data categorization and combining and connecting the resulting pieces of information. At the data-reduction stage the most relevant reasons for turnover intentions were emphasized and any unnecessary data were eliminated. Thereafter, the identified

labour turnover reasons were attributed to individual, organizational and environmental categories. Finally, the patterns of turnover behaviour were identified based on the labour turnover reasons, intentions to leave, and external opportunities.

5 Findings

Based on the in-depth interviews conducted with the left employees, the following factors that lead to turnover intentions were identified (see table 7.3)

Table 7.3 The major factors that lead to turnover in the Sri Lankan textile industry

Individual level factors

Pay dissatisfaction

Gratuity and ETF entitlements

Organizational level factors

Material issues such as allergies, dust related diseases

Higher work load

Problems with supervisor

Sexual harassment

No proper grievance handling procedure and there is no opportunity to being heard

Working environment (AC -Headache);

Unnecessary advice from senior/co-workers

Shift work sickness;

Environmental level factors

The changing residence due to marriage

Husbands objections

No one to look after the infants

Bad impression towards the Job

diseases and sicknesses (Not job related)

Each factor was further explained in the paragraphs that follow. The quotations supporting the arguments can be found in Appendix 7.1.

5.1 Pay dissatisfaction

Compared to other employees, production employees were paid lower wages. Their wage ranged from LKR 10,000 to LKR 21,000. When comparing to the other job categories in the industry, employees perceived that they were underpaid. The

employees were graded depending on their performance. The performance was determined based on the target completion. It was very difficult to reach the higher performance because the target given was always slightly higher than the achievable level. Therefore, most of the employees interviewed were on average or even low performance level. This implies that they got lower wage. Low wages caused dissatisfaction with the job.

5.2 Gratuity and ETF entitlements

According to Payment of Gratuity Act No.12 of 1983, employee can have gratuity payment - a payment based on the wage which is multiplied by the number of years of service, from the employer when an employee leaves after the completion of continuous working period of 5 years. Similarly, according to the Employee Trust Fund (ETF) Act No. 46 of 1980, all private and semi-governmental sector employers contribute with 3% of the gross salary of their employees monthly to the social security fund called ETF. The payments from this fund can be obtained when an employee leaves from the job. Since the job can be easily obtained from other organizations in the free trade zone, there is a common practice in the industry when employees leave the factory and join another one with the intention of having either ETF-payment or/and Gratuity-payment. When an employee has any financial difficulty, the employee normally considers leaving in order to have ETF or Gratuity benefits. When an employee has completed more than 5 years period, an employee quickly makes the leaving decision. In this study, one employee left in order to get Gratuity entitlements and another one left in order to withdraw the ETF entitlements.

5.3 Allergies and dust related diseases

Work related accidents and illnesses mentioned by Boxall et al. (2003) were amongst the important factors influencing labour turnover amongst the respondents. Chemicals used for printing on fabrics and the dusts of fabrics caused allergies and illnesses, especially diseases like asthma.

5.4 Higher work load

Production employees' performance is determined based on the individual target completion. Normally, target is determined in order to have maximized production efficiency. The respondents perceived that the targets already set were difficult to achieve. In addition they felt that they were like machines after starting the work every day. Even though rest time was set and rest rooms provided by the factory, they perceived that this was not enough. Some of the employees felt that their respective factories had relatively high work load and this caused the intentions to leave. When

employees had external employment opportunity with lower expected work load, the employees made the leaving decision.

5.5 Problems with a supervisor

This is further explained by the factor “Left because of a difficult relationship with your supervisor”, which was used by Boxall et al. (2003). Most supervisors in the garment factory did not maintain the respect for his or her subordinate production workers. This was because of the pressure coming from the top management when the line performance was below the target. The respective supervisor was responsible for each line’s target performance and it was determined by employees’ individual target performance. If there were low performed employees, they were blamed, shouted at and threaten in order to reach the targets. Most supervisors were male and the most production employees were female. When there were defects or failure to reach the targets, the relationship between supervisor and production employee was broken by the supervisors’ threats, verbal attacking, and blaming. Then the employee requested a transfer to another production line. If the employee transfer was not taken place or if there was same problem in a new line the employee has been transferred to, the employee had intentions to leave and made the leaving decision depending on the severity of the relationship problem.

5.6 Sexual harassment

In Sri Lankan garment industry the majority, of the production employees are female. Most of them are within the age-range of 18-30. In a garment factory, there is a high coercive power for the superiors. The sexually harassed employees are powerless, voiceless and they suffer in silence. Most of them have low educational level and have come from far rural areas in the country. Young attractive girls are especially vulnerable to sexual harassment from managers and supervisors. Every employee in a garment sector has dignity and self-esteem. According to the Sri Lankan culture, the woman does not sexually behave with anyone before marriage. If a female employee is sexually harassed or tried to be harassed that becomes a huge social stigma and psychological harm for that employee. Then, the one and only option for that employee is to leave the company. According to the data obtained from the informants, the employee normally intent to leave when there is a sign of sexual harassment by a supervisor or a manager. The actual leaving decision is made when the sexual harassment is of substantial proportions.

5.7 No proper grievance handling procedure and there is no opportunity to being heard

Every garment factory has to keep a grievance handling procedure (section 12.2.1 of the Labor Standards and Employment Relations Manual) which is not functioning properly in some factories. Employee counselor sometimes is not authorized to take respective actions. Even though there is Joint Consultative Committee (JCC), a kind of labor union in garment manufacturing sector, it fails to deal with work related problems like sexual harassment because it affects the dignity and esteem of the victims. When an employee perceives any work related problem, which is not solved during one to four weeks time, employees always consider the same job in another factory in the free trade zone. While intending to leave, if the employee gets an outside employment opportunity and the work related problems still in existence, the employee simply makes the leaving decision from the respective garment factory. It is evident from the statements of respondent 2, 5, and 6, that the leaving decisions are made due to no proper grievance handling procedure and there is no opportunity to be heard.

5.8 Working environment (AC -headache)

Most garment factories are operating in an air conditioned environment. The temperature level inside the factory is about 15-25 degrees of Celsius. It is normally 30-32 degrees of Celsius outside the factory. Employees always suffer from asthma or a headache due to a quick change of the body temperature when they go out from the factory and come in again. This is an organizational cause which leads to intentions to leave the factory. Some employees choose the factories which have not been air conditioned (usually a kind of small factories).

5.9 Unnecessary advice from supervisors and co-workers

Sometimes unnecessary advices are given by supervisor or co-workers. Advises may, for example, concern higher paid job opportunities elsewhere, foreign employment opportunities, etc. An employee gets turnover intentions when they are told such an opportunity. If they get such an opportunity, they normally make the leaving decision.

5.10 Shift work sickness

Sometimes garment factories have to run around the clock when they have high work demands. At these time employees have to work on the nights. Some employees can't work at night-time due to some illnesses and they simply prefer going to another factory which doesn't pursue night shifts. Those employees have intentions to leave when night shifts started and start searching job for opportunities in the same industry. They

normally make the leaving decision as soon as they get new employment opportunity in another factory.

5.11 Changing residence due to marriage

Most of the garment factories have been located in free trade zones. Most employees come to the free trade zones from far rural areas and they are living in company maintained or private dormitories. When the employees get married, especially females, they do not prefer living in dormitories. When expecting the wedding they normally have intentions to leave and find job opportunities in the areas close by to the original residence. Their leaving decision is made when they got just married or one week before the wedding. In this case, some employees permanently retain to their homes after the marriage.

5.12 Husband's objections

Most husbands of the female production employees make objections for working in garment factories due to the bad impression about this job. Females have intentions to leave due to the objections of their husbands and they leave the factory, stay at home, move to another industry, or become self-employed, depending on the severity of the husband's objections.

5.13 No one to look after the infants

Most of garment sector female employees work in factories up to their marriage. When they get married and have children, their main concern is to look after their children. When they are expecting a child, they normally start to intend to leave.

5.14 Bad impression about the job

There is a bad social impression towards the production employees of the garment factories. The production female employees are nick-named as "Juki Girls". The bad impression is mainly due to the low wages, more vulnerability to sexual harassment etc. Most of the Juki Girls come to this industry from poor families and work only for shorter period of time for such purposes as finding income for the dowry. Dowry is a culturally adopted practice when it is a paid in cash or artifacts by the bride's family to the groom's family. When such employees feel that they have sufficient savings for the wedding and the dowry they usually leave the factory.

Thousands of young girls who come from far rural areas find their job as sewing girls in free trade zone. They have not been provided proper residence. Most of them stay at small poorly-maintained rented houses. According to informant 2: *“we are always vulnerable to sexual harassment at roads and in outside rented houses. Outside, men try to grope and snatch girls in those houses to sexual favours”*. They don't have any protection since they are living far away from their homes. There are reported cases about rapes and attempts to snatch girls for commercial sexual trade. This contributes to the bad impression about the job. These concerns are also reflected in secondary sources:

“The free trade zones themselves are associated with illegal abortion clinics and a thriving commercial sex trade. These social costs are the less discussed aspects of Sri Lanka's largest export trade” (De Silva. D, <http://www.lawandsocietytrust.org/>).

5.15 Diseases and sicknesses (Not job related)

There are some instances that employees leave due to illnesses that are not job related. For example, informant 2 revealed this issue.

6 Conclusions

The study found that there were fifteen causes of intentions to leave a current employer. These fifteen causes/factors were attributed to individual, organizational and environmental levels. There were two individual factors, eight organizational factors and five environmental factors, influencing the decision to leave a garment factory.

As revealed in this study, the employee made the leaving decision, depending on the severity of the labour turnover factors and/or external opportunities available in the same industry. There was less evidence that the employees moved to other industries. Most of the production employees had low educational qualifications and their skills and knowledge could not be readily applied to another industry. But there was sufficient evidence that the left employees started as self-employed in small tailor shops keeping in a room at their homes and beauty salons with Sari made up activities.

While the major propositions steaming from the existing literature on voluntary labour turnover seem to be confirmed in this study, some particular moments were found to be specific in the context of Sri Lankan garment industry. Particularly, a specific system of Gratuity benefits and social security funds made a contribution to the high level of labour turnover. Sexual harassment appeared to be an important non-economic factor, contributing to leave decisions amongst employees. A low social status, associated with

employment in the garment industry, further encouraged labour turnover. National culture strongly shaped the carrier paths. Particularly, family traditions, emphasizing the woman's responsibility for childcare and homework, played an important role. While the garment industry mainly employed females, their husbands seemed to influence the leave decision to a large degree.

Human Resources department officials in each garment factory exerted their full capacity for the recruitment activities as their firm's labour turnover was high. The results of this study may be used in order to find remedies for the labour turnover and the HR planning activities of respective factories in the industry. Adjustment of management and supervising practices may be one of the most necessary actions. A factory may greatly benefit from the educational and training programs for the production-floor managers. These managers may be trained to treat the employees in some more respectful way. Possibly some pre-selection of supervisors based on their personal characteristics may be useful. Without considerable investments, this intervention may greatly reduce the employee turnover rate. The top-management may also adjust their planning practices in order to take into account the health problems of their employees. Paying attention to the extensive use of air-conditioning may, for example, both reduce the costs and labour turnover and provide some environmental benefits.

On the industry level, the producers may join their efforts in order to improve the overall image of the industry. The identified factors may also be useful for the Board of Investment (BOI) which is the regulatory body for the Sri Lankan garment industry when developing labour standards for the industry. This qualitative study identified the factors and relationships that were important for understanding the voluntary leave decision in a particular context. In the future, researchers may attempt to develop and test empirically the model for voluntary turnover which will be adapted to the context of labour-intensive industries in developing economies. Further, they can test to which extent each individual, organizational or environmental factor affects the leaving decision.

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Appendix 7.1 Selected quotations.

Identified reason to leave	Respondent/ Statement	Quotation
Pay dissatisfaction	3/1	<p><i>“Sometimes, I am unable to reach the set targets. I feel that the supervisors set targets above my capacity. Since my individual performance is low, I am unable to get a high wage. Sometimes I am able to complete the targets... It depends on the style of the garment producing in the line. Even though I am able to complete targets, there is very little, sometimes it is nothing to save from my monthly wage after paying my boarding rental. ...I was thinking always to leave the job when I was in the factory and I left the factory when I got new job.”</i></p>
Gratuity and ETF Entitlements	1/1	<p><i>“It is useless to have this job; I want to start my own business like a tailor shop in my home. Then there will be no objections from my husband to go to the factory in the Free Trade Zone and I will be able to look after my infants easily...”</i></p>
	4/1	<p><i>“My parents do not have enough money. My father is a farmer and my mother is a house wife. Even though I had my secondary education up to General Certificate of Education, Advance Level (GCE, A/L) I was unable to obtain a job from the government. Therefore I decided to come to work for a garment factory. ...I wanted to collect money to make Gold Jewelleries and dowry for my wedding..... I decided to leave the factory since I felt that I have enough money for my wedding and also my friends told me that I could obtain ETF balance when leaving the factory.”</i></p>
Allergies and dust related diseases	5/1	<p><i>“I was working in the cutting department. I had not any diseases before coming here, now every night I am suffering from asthma and I have to spend much money for that.I requested to transfer me in to packing department. I was not transferred and I left the factory and I am staying at home until I get a job in a garment factory which is not dealt with clothing dust..... One of my friends had allergy when I was in one factory before coming here, due to chemicals used in printing department.”</i></p>
Higher work load	3/2	<p><i>“I feel that the supervisors set targets above my capacity....and I can’t bear my work load..... we get our wages based on this work load...I got an opportunity to have the same job in another factory in the Zone and I left the factory since I felt that I was under paid for my work load.”</i></p>

Problems with a supervisor	2/1	<i>"My line supervisor was always scolding me, when I made even a small mistake, or absent from working he had a habit of scolding me. But he treated some girls in a good way for the same mistake.....Most of our girls having this type of problem like for me in the garment sector.....Most of them request to transfer in to another departments in such instances. But the management does not behave on employee requests frequently. One day I was scolded badly and after that I didn't go for work for that factor...."</i>
Sexual harassment	2/2	<i>"Some girls in our factory fulfil sexual desires of the superiors....most of the supervisors and managers of our factory are males.... They used to say double meaning things. If we smile or laugh at them they will go on deeper. It is sort of checking us ... If they see a chance they will ...you know... one of my friends left the factory due to the sexual harassment. Every night one supervisor was calling to her and talked about sexual things. He has told to her that he would like to behave sexually with her and forced to come to a hotel room in a particular day. She afraid to complaint this to the management due to the fear of losing her esteem and She told me the incident and left the factory and disconnected the mobile connection."</i>
Working environment (AC-headache)	6/1	<i>"Air Conditioning (AC) was very high in my department. I felt very cold and I couldn't bear it and I was always suffering from headache and sneezing continuously...We always complain that situation. But, AC was not reduced. Therefore I couldn't achieve my daily targets. ...I was searching a factory without AC. Since I was able to find a one that is not AC, So, I decided to leave the company."</i>
Unnecessary advice from supervisors and co-workers	3/3	<i>"When I joined this company my friends and female machine operators told me that this company pays very low salary, limited OT and there was labor exploitation. So, I was searching a good paid job, While, line supervisor told me about the foreign job opportunity. Then I searched about it and I realized that it was a highly paid job. Therefore I decided to leave the company to go abroad. These days I am waiting for my visa."</i>
Shift work sickness	6/2	<i>"I have 6 years experience as a sewing machine operator. During that period I have changed 5 factories and of which 3 factories were left due to night work shifts. Doctors have advised me not to work at nights and normally I prefer to work general shifts. When they start night shifts I requests from the management about my difficulty of working at night. Since they didn't consider my request I was persuaded to find a general shift job. Since I was able to find good job I said good bye to that factory."</i>

Changing residence due to marriage	1/2	<i>"I have been working 3 years as a quality checker and this year I got married. My husband's native place is "Kurunegala." I feel that it is so difficult to make family commitment with this garment job."</i>
Husband's objections	1/3	<i>"My husband's residence is situated in "Kurunegala" (more than 200 Kms to the North from the respondent's working place) and I am working here, staying at a boarding. Before 8 months I got married. My husband's working place is near to his residence. Daily he told me and asked me to come to "Kurunegala", to stay at home, not to work. Because, he doesn't like garment jobs and he condemns production girls since the society's bad perceptions on such girls. ...He persuaded me to leave the factory."</i>
Diseases and sicknesses (Not Job Related)	2/3	<i>"One of my friends who were a helper for me suffered from arthritis from her age 18, therefore she was difficult to help me and having sitting for long hours. She was telling me that she wanted to leave the factory and before 3 months of my leaving she left the factory."</i>



"I was very happy when NUFU supported our joint effort to cooperatively build; "the entrepreneurial university". Today, entrepreneurship is a major goal for countries world wide to achieve economic growth. In order to facilitate such development, universities must educate creative candidates, research must investigate innovative action, and HEIs must turn entrepreneurial as well as pursuing academic excellence. This publication reflects a step in this direction. I am really proud to read the result of our joint work, and I know that researchers in Norway and Sri Lanka have learned a lot by joining their resources across cultures."



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"The North-South co-operation that developed between the University of Ruhuna and the Bodø Graduate School of Business, University of Nordland has set an example for such relationships. This project to publish research papers with joint authorship was an excellent idea. The effort has produced a lasting document with papers on management and entrepreneurship in fields as diverse as business characteristics of retail shops to ornamental fish and aquaculture. This needs to be just a springboard to greater achievements in joint research and collaboration between our institutions. The cross-cultural understanding this has created has been significant"



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Prof. Susirith Mendis, Vice-Chancellor, University of Ruhuna



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