Promotion Focus and Employee Turnover

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Abstract

In this study, we suggest a research model that links promotion focus and employee turnover. Utilizing regulatory focus theory and network perspectives as explanatory frameworks, we argue that employees with strong promotion focus would have large social networks, which in turn increase turnover intention. We discuss the implications of this study for future theory and practice to inform the management of employees’ turnover in organizations.

Keywords: Regulatory focus; network characteristics; turnover intention

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I. Introduction

Self-regulation is critical for flexible functioning (Higgins, 2001). People often find discrepancies between their current and desired states, which makes them regulate their thoughts, feelings and behaviors to align reality with expectations or desires (Hoyle, 2010). A large number of prior studies have proved that regulatory focus theory (Higgins, 1997) is useful, as it expands the understanding of self-regulation by offering two fundamentally different forms of self-regulation, that is, promotion focus and prevention focus (Scholer & Higgins, 2010). Self-regulation through a promotion focus is triggered by advancement needs and often involves striving for ideals via accomplishment. This focus prompts eager behavioral strategies aimed to achieve individual’s desired states. On the other hand, self-regulation through a prevention focus is activated by security needs and generally involves fulfilling duties and obligations via vigilant behavioral strategies. This focus makes people behave in a cautious manner to avoid conditions which can be hindrances to their desired end-states.

Because of such distinct motivation concerns and behavioral strategies of different regulatory focuses, scholars in the field of management have paid considerable attention to regulatory focus theory (see Lanaj, Chang, & Johnson, 2012). For example, employees with a promotional focus are likely to have a higher rate of job satisfaction and affective commitment than those of a prevention focus (Kruglanski, Pierro, Higgins, & Capozza, 2007; Markovits, Ullrich, Van Dick, & Davis, 2008). In addition to these work attitudes, employees with a promotion focus are likely to demonstrate a higher level of performance and creativity than those with a prevention focus (Wallace, Johnson, & Frazier, 2009). Moreover, a CEO’s strategic inclination is also influenced by different types of regulatory focus, where CEOs with promotion focus tend to have a positive approach toward merger and acquisitions (M&A), whereas those with prevention focus have conservative stances toward M&A (Gamache, McNamara, Mannor, & Johnson, 2015). Likewise, based on the evidence to date, promotion focus seems to be critical individual characteristics that distinctly affect employee’s attitudes and behaviors at work.

Despite these findings, the effect of regulatory focus on employee’s turnover process remains a gap in the field of management (see Lanaj et al., 2012). Theoretical integration
of regulatory focus theory with turnover research is essential, considering that employees’ turnover rate is one of the critical issues for organizations and managers. The loss of employees can result in the decrease of organizational competitiveness because it can incur extra expenses (Allen, Bryant, & Vardaman, 2010). For example, not only can employee turnover involve direct costs including recruiting, selecting, and training, but also can incur indirect costs due to loss of human capital, organizational knowledge and experienced mentors (Cascio, 2006; Allen et al., 2010). Furthermore, many organizations face difficulties retaining key employees, for instance, high performers and employees with firm-specific human capital (Allen et al., 2010). Therefore, investigating the effects of promotion focus as significant person-based characteristics, may be helpful for HR managers to manage employee retention in an organization.

To the best of our knowledge, there have been four studies attempting to combine the regulatory focus theory with the employees’ turnover process. For example, the regulatory fit between leadership styles and followers’ regulatory focus affect followers’ turnover intention (Hamstra, Van Yperen, Wisse, & Sassenberg, 2011). Although, there were several attempts to investigate the direct relationship between regulatory focus and turnover intention, the results are mixed in terms of direction and significance. For instance, some studies have reported a positive relationship between promotion focus and turnover intention, and a negative relationship between prevention focus and turnover intention (e.g., Andrews, Kacmar, & Kacmar, 2014; Leon, Bellairs, & Halbesleben, 2015). In contrast, Jung & Yoon (2015) found a negative relationship between promotion focus and turnover intention. As a result, to clarify the relationship between two different self-regulatory strategies and the promotion focus, in this study we investigated the direct effect of regulatory focus on turnover intention as well as mechanisms linking regulatory focus and turnover intention.

Based on regulatory focus theory (Higgins, 1997), we believe that the different characteristics of a promotional focus have distinct impacts on the key antecedents of turnover intention including attitude towards turnover, job-searching behavior, and evaluating job alternatives (Hom & Griffeth, 1991). To be specific, this study argues that employees’ promotion focus will positively be associated with turnover intention in that a promotion focus will cause employees to have positive attitudes toward turnover, actively engage in job-
searching behavior, and positively evaluate potential, other job alternatives. As for developing a process model of linking regulatory focus and turnover intention, we hypothesize that different types of regulatory focus will have distinct impacts on constructing social networks, whereas a promotion focus will be associated with a larger network size.

Overall, this research makes several important contributions to existing literature. First, given that it has been somewhat overlooked to investigate the effects of regulatory focus on employees’ withdrawal behavior (e.g., absenteeism, tardiness, and turnover; Lanaj et al., 2012), this research expands existing research on the impact of regulatory focus in the workplace by clarifying the distinct relationship between promotion focus and turnover intention. Second, we utilize network perspectives as an explanatory framework to build a process model that better explicates the relationship between regulatory focus and turnover intention. Third, we build on extant network—turnover literature, which has primarily focused on the different types of degree centrality (i.e., network size) inside of an organization (see Porter, Woo, Allen & Keith, 2019), by investigating the role of network size regardless of the location of contacts (i.e., internal organization and external organization) on turnover process.

II. Theoretical Background and Hypothesis

Research on Turnover

There are several turnover theories that explicate employee’s turnover process (e.g., March & Simon, 1958; Mobley, 1977; Hom & Griffeth, 1991; Price & Mueller, 1981). Although these theories are based on different research traditions (e.g., administrative decision theory, psychology, labor economics and sociology), they all endeavor to identify key antecedents of employees’ decision to leave their current employer. Most of the research regarding the turnover process generally have drawn from March & Simon’s (1958) theory concerning perceived desirability and ease of movement as two critical antecedents that affect employees’ turnover decision (Steel & Lunsbury, 2009). In their seminal work, desirability of movement, generally assessed through job satisfaction, are perceived by the disparity between employee’
s ideal status and reality (March & Simon, 1958). The greater the disparity (i.e., job-dissatisfaction), employees are more likely to leave their current employer (Griffeth, Hom & Gaertner, 2000). In addition, ease of movement, conventionally measured as perceived-outside job alternatives and job-searching behavior, also facilitates employee’s turnover decision (Hom, Mitchell, Lee, & Griffeth, 2012).

Another approach to explain employee’s turnover behavior is to investigate how individual differences affect one’s turnover decision. Beginning with March & Simon’s (1958) theory suggesting that such personal attributes including age, gender, and tenure determine an individual’s available extra-organizational alternatives, a considerable number of studies have demonstrated that young, male, or low-tenure employees are more likely to make turnover decisions (Griffeth et al., 2000). In addition to such demographic characteristics, individuals’ personality traits have also drawn attention to researchers in understanding employees’ turnover behavior (Zimmerman, Swider, Woo & Allen., 2016). For example, based on the five-factor model of personality (Costa & McCrae, 1985), in his meta-analysis, Zimmerman (2008) identified that an individual’s emotional stability negatively predicted an employee’s intention to quit, whereas one’s conscientiousness and agreeableness negatively predicted an actual turnover decision. He also confirmed that personality characteristics had stronger relationships with turnover intention and turnover rate than job complexity or job characteristics (Zimmerman, 2008). Although job complexity and job characteristics have traditionally been regarded as key factors of turnover, these findings suggest that individual differences significantly matter in understanding employees’ turnover decision.

More recently, researchers have attempted to incorporate relational constructs in explicating an employee’s turnover process (Jo & Ellingson, 2019). Employees’ interpersonal behaviors, such as internal networking behavior and interpersonal citizenship behavior, negatively predicted employees’ turnover decision (e.g., Porter, Woo, & Allen, 2016; Mossholder, Settoon, & Henagan, 2005). In addition, although the results are somewhat mixed, the structural position of an employee in their social networks also predicted a turnover process of employees (e.g., Feeley, Hwang, & Barnett, 2008; Soltis, Agneessens, Sasovova, & Labianca, 2013; Vardaman, Taylor, Allen, Gondo, & Amis, 2015). Finally, psychological constructs, such as leader–member exchanges or social supports, were also significant factors that deter
employees’ turnover decision (e.g., Harris, Li, & Kirkman, 2014; Humphrey, Nahrgang, & Morgeson, 2007). Hence, the social perspectives of turnover process should not be overlooked in turnover literature.

Building on these extant turnover literatures, we attempt to find individual differences that facilitate or hinder an employee’s turnover process. We expect that motivational and behavioral differences between employees’ promotion focus may have a distinct impact on employees’ relational constructs, thereby affecting their turnover intention. We do acknowledge that turnover intention is not a final stage of turnover process. However, given that turnover intention is the most proximal antecedents of actual turnover behavior (Mobley, Griffeth, Hand, & Meglino., 1979), we believe that investigating the individual characteristics that affect turnover intention will also contribute to understanding employees’ decision to leave an organization.

**Promotion Focus and Turnover Intention**

We expect that employees’ promotion focus is positively associated with their turnover intention due to their positive attitude toward turnover, active involvement in job-searching, and positive evaluation of job-searching outcomes. First, promotion focus is concerned with advancements and accomplishments to satisfy growth needs (Higgins, 1997). This tendency and motivation causes individuals not only to view change as one of the ways of reaching their ideal selves, but also to have willingness to switch goals if there appears to be better opportunities (Brockner & Higgins, 2001; Molden & Hui, 2011). Additionally, people with promotion focus are more likely to have positive responses to information and outcomes instead of negative ones (Higgins 1997; 1998), which suggests that they may evaluate the consequences of quitting itself as positive. As such, employees with a strong promotion focus may view a job change as a means of achieving their ideal end-states, thereby considering turnover as positive.

Second, promotion focus entails an exploratory orientation and proactiveness (CroWe & Higgins, 1997; Friedman & Förster, 2001). That is, individuals with promotion focus tend to seek opportunities to obtain potential gains that increase the likelihood of their advancement,
even if such exploratory behaviors incur substantial costs. For example, a CEO’s promotion focus is positively related to the CEO’s M&A likelihood because of their active opportunity seeking behavior (Gamache et al., 2015). The proactiveness and risk-taking propensity of promotion-focused individuals may cause them to be more actively engaged in job-searching behaviors. Moreover, individuals with a strong promotion focus tend to pay higher attention to potential opportunities than prospective losses because they are sensitive to positive features (Higgins 1997; 1998). Likewise, when these employees evaluate job alternatives, they may pay more attention to positive aspects of such alternatives. Even if the results of evaluating job alternatives are ambiguous, they may interpret the information in a more positive way (Gamache et al., 2015). Therefore, employees with stronger promotion focus may be more likely to explore job alternatives and assess those alternatives as positive, thereby resulting in higher turnover intention.

*Hypothesis 1. Employees’ promotion focus is positively related to their turnover intention.*

**The Mediating Role of Network Characteristics**

To fully understand how regulatory focus affects turnover intention, we adopt network perspectives as an explanatory framework to illustrate the underlying mechanisms of the relationship between regulatory focus and turnover intention. Although several network–turnover research studies substantiate the usefulness of network perspectives in understanding employees’ turnover process by investigating the role of different types of network centrality (i.e., network size) in employees’ turnover process (e.g., Vardaman et al., 2015; Soltis et al., 2013; Feeley et al., 2008), the results are mixed in terms of direction and significance (Jo & Ellingson, 2019; Porter et al., 2019), thus suggesting the need for further studies to clarify the role of network constructs in employees’ turnover process. We thought that these mixed results are an outcome of two significant issues that have been overlooked in the extant network perspective’s turnover literature: the study of how different network characteristics (i.e., network size and strength of ties) and how different locations of network contacts (i.e., internal and external networks) simultaneously affect an employee’s turnover process.

First, we focus on extant network–turnover literature mainly focused on how network
centrality affects employee’s turnover decision (see Porter et al., 2019). Social exchange theory suggests that it is through different network characteristics that employees gather distinct types of resources (e.g., informational and psychological; Podolny & Baron, 1997). To illustrate, a large size of social networks has advantages on gathering informational resources such as novel information (Burt, 1992), whereas a large number of strong ties are beneficial in accessing psychological resources such as trust and social support (Liem & Liem, 1978; Roberts & O’Reilly, 1979). Although, Porter et al. (2019) have attempted to solve this issue in their meta-analysis by incorporating two different types of network centrality (e.g., instrumental and expressive) in their network–turnover process model, which reveals that both instrumental and expressive network centrality negatively affect employee’s turnover rate, they have overlooked the impact of the strength of ties in an employee’s social network. Given that there is a possibility of being contacts offering psychological resources such as social support or trust in employee’s instrumental networks, research is needed to assess the role of network size in employee’s instrumental networks. As a result, in this research, we focused on employee’s instrumental networks and investigate the impact of network size on turnover.

Second, although there are several resources of network–turnover research that delineate the relationship between network size and employees’ turnover process (e.g., Mossholder et al., 2005; Ballinger, Cross, & Holtom., 2016, Vardaman et al., 2015), those studies are mainly focused on the role of networks within an organization (i.e., internal networks), neglecting how networks outside of an organization (i.e., external networks) influence employees’ turnover process (Porter et al., 2019). This distinction of the location of networks is important in network–turnover research, as the location of contacts may influence the exposure to different types of resources as well as the ease of perception of outside job alternatives (Porter et al., 2016; Porter et al., 2019). Although there are a few exceptions (e.g., Porter et al., 2016; Moynihan & Pandey, 2008), they did not directly measure the network characteristics (e.g., network centrality and strength of ties) that influence employees’ turnover process. Hence, in this research, we expanded employees’ network boundary to outside of one’s organization, investigating the distinct impacts of internal and external networks on turnover processes.
All in all, to address these neglect issues, in this Study, we operationalized the employee’s social network as the sets of network contacts employee have with others in their own organization and with individuals outside of the organization who give work-related advice or information (i.e., instrumental networks). To elaborate the mediating role of these network characteristics in the relationship between regulatory focus and turnover intention, we begin by discussing how different self-regulation strategies and promotion focus affect network characteristics in terms of size. Then, we progress to discussing how these distinct network characteristics differently affect turnover intention.

**Regulatory Focus and Network Characteristics**

Social exchange theory suggests that any interaction between individuals produce both benefits and costs (Blau, 1964). These benefits and costs may be more evident in employee’s instrumental networks than other types of social networks (e.g., friendship and adversarial networks; Klein et al., 2004). To demonstrate, employees benefit from seeking advice when they receive useful information or novel ideas that they need. However, such advice-seeking behaviors produce some costs, including if they are humiliated by others because of their own ignorance or if they waste time and effort due to a lack of productive outcomes resulting from such interactions. Moreover, since people pursue relationship with others with the motive of self-interest, they regulate their networking behaviors not only to maximize potential benefits but also to potentially minimize costs (Blau, 1964; Molm & Cook, 1995).

If it is the case that people consider both potential benefits and potential costs when they interact with others, regulatory focus theory (Higgins, 1997; 1998) is especially relevant in understanding individual differences of social networks. Scholars in regulatory focus studies have empirically demonstrated that promotion-focused and prevention-focused individuals have different levels of sensitivity toward gains (i.e., benefits) and losses (i.e., costs) (Crow & Higgins, 1997; Idson, Liberman, & Higgins, 2004). In addition, the motivational differences between promotion-focused individuals, from distinctions in priority on growth and safety to differences in inclination toward eagerness and vigilant behavioral strategies, can serve as critical underpinnings for explaining the role of individual characteristics in understanding.
distinct networking behaviors (Pollack et al., 2015). Thus, in this section, we delineate how employee’s regulatory focus affect one’s networking strategies, which in turn results in different network characteristics.

**Network Size**

Network size refers to the number of contacts in an individual’s social network (Burt, 1982). Employees with strong promotion focus are more likely to initiate relationships not only with a wider range of people at work, but also with contacts outside of their organization. Strong promotion focus entails a tendency to emphasize advancement and growth from the current status quo (Higgins, 1997). Given that interacting with instrumental network contacts produce benefits that affect their growth and advancement, these individuals may actively be involved in initiating relationships with new contacts to gain potential opportunities for their own growth. For instance, networking with others can be an important channel for novel ideas and valuable information that improves their performance or creativity (Mehra, Kilduff, & Brass., 2001; Baer, 2010), which affects the timeline for faster promotions or higher incentives in an organization. Even though such networking behaviors produce potential costs, such as time and effort, a heightened risk-taking propensity of strong promotion-focused employees may cause individuals to be involved in networking behaviors while accepting such potential costs. For instance, Pollack, Forster, Johnson, Coy, & Molden (2015) demonstrated that promotion-focused entrepreneurs are more likely to seek advice and resources from others in order to enhance their business performance. Therefore, as promotion-focused employees increase their concern regarding potential benefits that affect their advancement, they are more likely to initiate new relationships which could bring future gains, which in turn, increases the number of people in their social network.

*Hypothesis 2. Employees’ promotion focus is positively related to (a) internal network size and (b) external network size.*
Network Characteristics and Turnover Intention

Although several network–turnover studies assumed and confirmed the relationship between instrumental network size and turnover intention as negative (e.g., Feeley, 2000; Vardaman et al., 2015), we expect that instrumental network size will have a positive effect on turnover intention while controlling the effect of strength-of-ties among instrumental network contacts, Given that employees interacting with larger contacts within their organization are likely to perform better at work (Porter et al., 2019), network size may promote an employee’s perception of outside job alternatives. Employees with larger internal network size have more advantages in accessing informational resources such as how-to knowledge for completing their work, enabling employees to learn from their networks about how to solve work-related issues as well as handle sensitive political situations within their organization (Cross & Sproull, 2004). This leads employees to perform better in their organization, which enhances their visibility in the job market outside of their current organization (Allen & Griffeth, 2001), thus facilitating employees’ turnover process.

In external networks, network contacts can be a more direct channel for identifying outside job alternatives. When interacting with network contacts outside of an organization, employees not only exchange job-related information (Van Hoye, Hooft, & Lievens, 2009), but also share one’s competencies or desire for changing their jobs, as a result making the network contacts introduce alternative employers to a focal employee. In addition, larger networks outside of an organization can also be a source of “soft” information, such as who to contact as a potential, alternative employer and how to prepare for an interview for alternative employment possibilities (Barbulescu, 2015). These patterns of interaction make it possible for employees to hold more positive thoughts of self-competence that leads them to believe they could find better jobs outside of their current organization, which consequently promotes the perception of ease of movement (March & Simon, 1958). In line with these arguments, Porter et al. (2016) have demonstrated that employees’ external networking behaviors have positive effects on perceived job alternatives as well as actual job offers. Thus, with this heightened perception of ease of movement, employees may have high willingness to leave their current organization,
Hypothesis 3. a) Internal network size and b) external network size mediate the positive relationship between employee’s promotion focus and turnover intention.

III. Discussion

Turnover has received considerable attention in the field of management, as it produces substantial costs for organizations. We developed a process model suggesting that individual characteristics and network constructs are significant factors in predicting employees’ turnover processes. Integrating regulatory focus theory and network theory, we hypothesized that promotion focus plays a distinct role in facilitating and deterring turnover processes, in which promotion focus positively associated with turnover intention. We also hypothesize that that promotion focus affects turnover intention by constructing larger extra–organizational network contacts which affects the perception of outside job alternatives, consequently increasing turnover intention. This study makes several contributions to the literature. First, we extend research on the effect of individual characteristics on employees’ turnover process by arguing and discovering that two types of regulatory focus distinctly affect employees’ turnover intention. Prior research on regulatory focus has shown how regulatory focus matters in predicting positive outcomes such as job satisfaction, task performance, and creativity (see, Lanaj et al. (2012)’s meta-analysis), neglecting the relationship between regulatory focus and negative outcomes. Turnover intention, in particular, has rarely been studied as the outcome of regulatory focus. Turnover intention is a form of negative outcome that is practically important for organizations to consider, as it produces indirect costs such as deterring employee’s social exchange behaviors or facilitating deviance behaviors (Mai, Ellis, Christian, & Porter., 2016). In addition, given that turnover intention is the most proximal step for actual turnover behavior (Mobley et al., 1979), it could produce direct costs such as selecting and training new employees (Cascio, 2006; Allen et al., 2010). Second, by integrating network perspectives as an explanatory framework, we build a process model that better explicates the relationship between regulatory focus and turnover intention. Third, we build on extant network–turnover literature, which has primarily focused on the different
types of network size within an organization (see Porter et al., 2019), by evaluating the role of network size.

This study provides several implications for HR managers interested in reducing employees’ turnover. This study emphasizes the importance of offering opportunities for employees to develop emotional closeness with colleagues at work. For example, informal events, such as group lunches and company events (e.g., picnics, fairs) that enhance intimacy among organizational members would encourage employees’ retention at work (Holtom, Mitchell, & Lee, 2006). In addition, HR practices, such as rotating project teams or departments, may also be indirectly helpful for employees to enhance their emotional bonds with colleagues. Moreover, HR practitioners interested in leveraging employee networks to manage turnover rate should also remember that external network size can facilitate employees’ turnover processes. HR practices, such as attending outside conferences or professional meetings, which offer opportunities for employees to interact with people outside of an organization, may increase employees’ willingness to leave their current organization. Considering that interacting outside of an organization is an important channel for informational resources that affect higher levels of performance and creativity (Ballinger et al., 2016; Mehra et al., 2001; Baer, 2010), it would be difficult for HR managers to stop implementing such HR practices.

References


Regulatory focus as a mediator of the influence of initiating structure and servant leadership on employee behavior. *Journal of applied psychology*, 93(6), 1220.


Figure 1. Theoretical Model

Promotion focus → Network size (Internal/external) → Turnover intention