Employee Retention as a Mediator of the Relationship between Peer Support and Organizational Citizenship Behavior

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Article history:
Received 18 June 2017
Accepted 28 July 2017
Available online 20 August 2017

Keywords:
Employee retention, peer support, emotional support, instrumental support, organizational citizenship behavior, mediator

ABSTRACT

Background: Peer support contribute range of functions for instant mentoring, information exchange, and social support. Peer support consist two dimension namely instrument support and emotional support. The sample for this research comprised 1110 from 24 ministries in Putrajaya, Malaysia. Objective: This study examines the relationship of peer support on organizational citizenship behaviors, and the potential mediating role played by employee retention. Result: Researchers showed that employee retention partial mediated between peer support and organizational citizenship behaviors. The partial mediation since the direct effect of PeerS on OCBehv is still significant after the mediator variable entered model even through the path coefficient for PeerS was reduced from .809 to .741. The results demonstrate that the effects of the peer support on organizational citizenship behaviors are direct, whereas they are mediated by employee retention. Conclusion: Employee retention in organization it’s give a benefit to the employer (Malaysian government) a positive influence and image inside the organization and as entire public sector organization. The findings implications for future research on peer support and organizational citizenship behavior are then discussed.

INTRODUCTION

Employee retention is very important to ensure that the organization is on the right track to accomplish company vision and mission. Employee retention is a strategy used to ensure that the key people stay in the organization. In addition, employee retention helps the organization in reducing the cost of turnover, loss of company knowledge, interruption of work, regaining the efficiency and increasing the productivity of the organization (Mathur and Agarwal, 2013). There are many factors affect the employee retention such as financial rewards and employee benefits, job enrichment, training and development opportunities, work environment, and work-life balance (Butler and Waldrop, 2001; Cappelli, 2001 and Horwitz et al., 2003). One of the most influence factors affect the employee retention is peer support as mention in Karatepe (2012) and Batemen (2009). As in previous research has provided evidence that peers support are important in shaping intentions to stay. Peer support is thought to be especially important in this context because peer is important roles in daily works and peer is always be there within or outside the working hours. When there is a relation between peer support and employee retention, employee who stay in the organization are expected to have a positive impact to their organization especially their organizational citizenship behavior. Organizational citizenship behavior can be display as two level, individual level and organizational level (Williams and
Organizational citizenship behavior-individual level is behaviors directed at specific individuals in the organization, such as courtesy and altruism. It is devoted to the organization indirectly by giving a good deed to peers and co-workers. While organizational citizenship behavior-organization level is behaviors concerned with benefiting the organization as a whole, such as conscientiousness, sportsmanship and civic virtue. Therefore, this study will examine the relationship between peer support and organizational citizenship behavior and employee retention as a mediator in public sector organization in Malaysia.

**Literature Review:**

1. **Relationship between peer support and employee retention:**
   Peer support is a part of the social support components and it is linked to emotional concern, instrumental aid, information, or appraisal (Karatepe 2012; Carlson & Perrewé, 1999). Peer support contribute range of functions for instant mentoring, information exchange, and social support. Peer support consist two dimension namely instrument support and emotional support. According to Sias (2009) in her book, instrumental support define as to more tangible forms of help such as providing services and material assistance (e.g., helping someone find the Photostat machine on their first day of work). Meanwhile, emotional support specify as to venting or providing consolation to someone, for example, helping a peer get through a difficult time with a boss by listening and offering support and consolation (Sias, 2009; House, 1971).

   Positive impact of peer support it can encourage employee to retain in the organization it is due to a recent study indicated that peer support enhanced job performance among nurses in Jordanian hospitals (Amarneh, et al., 2010). Besides, a Nigerian Higher Education Institutions factors study effect on staff retention in the organization is coworker (Mallam, 1994). Moreover, a research nurse managers found that the second most frequent reason given for leaving in their job was the relationship with their head of department (Jasper, 2007) and that relationships between colleagues featured tend to high amongst work place stressors. There is evidence provided by Pitts et al. (2011) that employees’ satisfaction with their relationships with other employees is related to employee retention. Tai et al. (1998) and Alexander et al. (1998) comprise support from peers as part of their retention model.

   In previous study by Sherman (2014), in relation of peer relations, thirty-five percent of employees stated they stayed with their university because of their relationships with their peers. Three major themes emerged in this category was having enjoyable peers, was having peers who were easy to work with, and feeling appreciated by her peers. Even some research from Newman et al. (2012) found no link between support from colleagues and retention amongst Chinese employees which he stated the social support can be characterized by feeling part of the team and friendly and caring colleagues who are there to consult with when required. It is fully supported in concerned with improving nurse retention, collegiality was identified as a key element by Kooker et al. (2007) and it is strengthened by Paillé (2013) the importance of helping others or receiving help from others need in organization. Peer support was most related to retention and peers is a predictor of retention levels (Brown et al. 2002). As summary, the importance of positive relationships with colleagues and having “great co-workers” (Kaye et. al., 2002, Ghapanchi et al., 2011) is important in determining employee retention. Therefore the hypothesis proposed as follow:

   Hypothesis 1: The peer support will be positively related to employee retention

2. **Mediation effect of employee retention on relationship between peer support and organizational citizenship behavior:**

   Peer support has been defined as the flow of communication between people involving emotional, caring, informational and instrumental support (Bartram et al., 2004; House, 1981). Peer support may be derived from informal sources, such as family, friends and work colleagues, or from formal sources such as supervisors or teachers (Bartram et al., 2004; House, 1981). Peer support have two types of support emotional and instrumental support. Instrumental support is task-focused, while emotional support is person-focused (Beehr et al., 2000). Employee engagement toward OCB can be referred to “good soldiers” because of the willingness to go beyond the call of duty (Hart et al., 2016; Organ, 1988). In addition to these direct relationships, employee retention was found to mediate relationships between peer support and organizational citizenship behavior, whereas studies that consider employee retention as a mediator were not known. Due to scarcity of data this study intended to examine employee retention as mediating factor between peer support and organizational citizenship behavior. From the above support, this study proposed:

   Hypothesis 2: Employee retention is mediate between peer support and organizational citizenship behavior.

**Methodology:**

Stratified random sampling was used in selecting sample population. This technique was appropriate where various department with different job functions existed in a public sector organization while functions between public sector organizations were almost similar in nature. Stratified random sampling has been implemented by choosing 24 ministries in Putrajaya, Malaysia. The population of this study will be the public sector employee
or government servant in Putrajaya, Malaysia. This study will focusing on government servant based in Putrajaya since the population of public employees in 2015 is 1,268 758 people (Statistic Department of Malaysia, 2016). The respondents included employees from different levels in the company such as clerical, lower level of management, middle level of management and top level of management.

Prior to the collection of data, the researcher acknowledge a formal letter to seek a permission from the management of the Ministry Department. After getting the permission, the questionnaire has been distributed to the Ministry Department through the Head of Department. Head of Department is an appropriate department who can distribute the questionnaire to every department in a particular organization. There were a high possibility in term of return rate due to the Head of Department can encourage the employee to complete the questionnaire in a given time.

Measurement scale for each variable indicate the level to which the respondents (public sector employee) agree with each statement by using a Likert-type scale, 1-Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5-Strongly Agree. Peer support measured by 14 items by Settoon and Mossholder’s, 2002. Employee retention by Jun et al., 2006 measured by five items. Moreover for dependent variable, organization citizenship behavior the questions are from Podsakoff and MacKenzie (1997) with 15 items.

The data of this study will be analyzed using structural equation modelling (SEM) technique and using AMOS 21. In specific, AMOS enables researcher to specify, estimate, assess and present models to show hypothesized relationships among variables. The software lets researcher build models more accurately than with standard multivariate statistics techniques. Researcher can choose either the graphical user interface or non-graphical, programmatic interface.

RESULTS AND DISCUSSION

1. Demographic:

The sample comprised 1110 employees, 33.4 per cent (N = 371) of the employees were male and 66.6 per cent (N = 739) were female. In terms of age, 8.6 per cent (N = 95) were between 18 and 25 years of age, 53.1 per cent (N = 589) were between 26 and 35, 28.2 per cent (N = 313) were between 36 and 45, 8.2 per cent (N = 91) were between 46 and 55 and the remaining 2 per cent (N = 22) were 55 and over years of age. Information about education qualifications revealed that 60 per cent (N = 133) of the employees were university graduates, while the remaining 40 per cent (N = 89) had secondary school certificate level qualifications. The majority of the employees were married (66.7 per cent, N = 148), while the remaining 33.3 per cent (N = 74) were single. In terms of marital status, 27.5 per cent (N = 305) of the employee sample are single and 72.5 per cent (N = 805) are married. On the other hand, the education of the employee sample has been gather for SPM/STPM level 32.7 per cent (N = 363), Diploma level 28.8 per cent (N = 320), Degree level 30.5 per cent (N = 339), Master degree level 6.9 per cent (N = 77) and Doctor of Philosophy 1.0 per cent (N = 11).

Length of employment in public sector organizations ranging from less than 1 years, 10.5 per cent (N = 116), between 1 and 5 years 20.5 per cent (N = 228), between 6 to 10 years 37.7 per cent (N = 419) and the remaining 31.3 per cent (N = 347) worked in public sector organizations for more than 10 years. There are two categories of position level in the public sector: Management and Professional 26.5 per cent (N = 294) and Support Staff 73.5 per cent (N = 816). Position status of the employee sample classify as Permanent 86.8 per cent (N = 816). There are two retention, where they wanted to still stay and work with the system of the Malaysian public sector.

2. Descriptive Statistics of Constructs:

Table 1 shows the descriptive statistics of independent, mediating, and dependent variables. The independent variables, peer support had mean value of 3.6968, while employee retention is 3.4744 and organizational citizenship behavior is 3.579. The standard deviations of all variables appeared in a range between .55522 and .90567, which reflected the existence of adequate, acceptable variability within the dataset.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Code</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Variable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PS (PeerMent)</td>
<td>PeerS</td>
<td>1.00</td>
<td>5.00</td>
<td>3.6968</td>
<td>.55522</td>
</tr>
<tr>
<td>Dependent Variable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCB (OCBehv)</td>
<td>OCB</td>
<td>1.00</td>
<td>5.00</td>
<td>3.5793</td>
<td>.90567</td>
</tr>
<tr>
<td>Mediate Variable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ERmij (Employee Retention)</td>
<td>ER</td>
<td>1.00</td>
<td>5.00</td>
<td>3.4744</td>
<td>.61239</td>
</tr>
</tbody>
</table>
3. Exploratory Factor Analysis:

An exploratory factor analysis (principal component analysis) with Varimax rotation was conducted on the items for the constructs peer support, employee retention and organizational citizenship behavior. Applying principal component analysis with Varimax rotation was deemed an appropriate approach for exploring the interrelationship among a set of items. Peer Support contain two items which asked the respondents about their perception regarding their peer support instrumentally and emotionally on their daily life at work. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value was .500. KMO is suggested when the cases to variable ratio are less than 1:5. It ranges from 0 to 1, while according to (Hair et al., 1995; Tabachnick and Fidell, 2007), 0.50 considered suitable for factor analysis. The Bartlett’s Test of Sphericity \( \chi^2 (21) = 4227.016, p<0.001 \), also reached statistical significance. Both results indicate that the collected data was suitable for factor analysis.

Organization Citizenship Behavior contain four items which asked the respondents about their perception regarding how OCB and turnover cognitions (psychological variables) are related. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value was .557. KMO is suggested when the cases to variable ratio are less than 1:5. It ranges from 0 to 1, while according to (Hair et al., 1995; Tabachnick and Fidell 2007), 0.50 considered suitable for factor analysis. The Bartlett’s Test of Sphericity \( \chi^2 (3) = 766.503, p<0.001 \), also reached statistical significance.

Employee retention contain five items which asked the respondents about their perception regarding their intention to stay with the organization. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy value was 0.851, exceeding the recommended value of 0.6 which it falls in the good range (Kaiser, 1974). Besides, The Bartlett’s Test of Sphericity \( \chi^2 (10) = 2534.446, p<0.001 \), also reached statistical significance.

4. Confirmatory Factor Analysis:

The assessment for Confirmative Validity is made based on the value of Average Variance Extracted (AVE), and the assessment for Composite Reliability shown in Table 2. Then this study was to compute the value of Average Variance Extracted (AVE) for every construct to assess its Confirmative Validity. The minimum threshold value for AVE is 0.5 or higher for the validity to achieve and the value of Composite Reliability (CR) for all constructs exceed the threshold value 0.6 respectively. Thus, retaining the low factor loading items in a model may cause the construct to fail Convergent Validity. The study concludes that the Convergent Validity and Composite Reliability for all constructs in the model have been achieved (Zainudin, 2012, 2015).

<table>
<thead>
<tr>
<th>Construct</th>
<th>AVE (minimum 0.5)</th>
<th>CR (minimum 0.6)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer Support</td>
<td>.776</td>
<td>.874</td>
</tr>
<tr>
<td>Employee Retention</td>
<td>.568</td>
<td>.867</td>
</tr>
<tr>
<td>OCB</td>
<td>.621</td>
<td>.766</td>
</tr>
</tbody>
</table>

The Discriminant Validity is achieved when all redundant items are either deleted or constrained as “free parameter”. The Discriminant Validity for the construct achieved if the correlation among the exogenous constructs in the model does not exceed 0.85 (Zainudin, 2015). The study also needs to develop the Discriminant Validity Index Summary for all constructs involved in the model to ensure that they are discriminant among each other. The Discriminant Validity Index Summary showed in Table 3.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Peer Support</th>
<th>ER</th>
<th>OCB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer Support</td>
<td>.881</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ER</td>
<td>.365</td>
<td>.754</td>
<td></td>
</tr>
<tr>
<td>OCB</td>
<td>.662</td>
<td>.392</td>
<td>.788</td>
</tr>
</tbody>
</table>

The Discriminant Validity Index Summary presented in Table 3 diagonal values in bold are the square root of the AVE of the respective constructs while other values are the correlation between the respective pair of constructs. The Discriminant Validity of the particular construct achieved if the square root of its AVE exceeds its correlation value with other constructs in the model. In other words, the Discriminant Validity achieved if the diagonal values (in bold) are higher than any other values in its row and column. The tabulated values in Table 3 meet the threshold of Discriminant Validity. Thus, the study concludes that the Discriminant Validity for all constructs achieved.

Analyzing the Mediating Effects:

Firstly, by modeling the simple effect of Peer Support (PeerS) and Organizational Citizenship Behavior (OCBehv). The researcher has tested the direct effect PeerS and OCBehv as shown in figure 1. The output in table 4 shown \( \beta \) is .809, and it has a significant effect on OCBehv (p-value < 0.05).
The analysis for mediation begins by showing that the direct effect of PeerS on OCBehv is significant. The direct effect measured through beta coefficient. In this case, β is significant. When the ER (employee retention) enter the model, the value of path coefficient for PeerS is expected to reduce, or in other words, the direct effect of PeerS on OCBehv would reduce when the mediator (ER) enters the model from .809 to .741. The new model when ER entered as a mediator is presented in Figure 2 while the text output presented in Table 5.

![Diagram](image_url)

**Fig. 1:** The result of direct effect on PeerS (The Beta Coefficient is .809)

**Table 4:** The direct effect of PeerS on OCBehv is significant (Beta Coefficient .809)

<table>
<thead>
<tr>
<th>Variable</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCBehv</td>
<td>&lt;--- PeerS</td>
<td>.809</td>
<td>.032</td>
<td>22.697***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

In this study was interested to prove that the construct ER is mediating the relationship between construct PeerS and construct OCBehv.
Table 5: The Path Regression Coefficient and its significance

<table>
<thead>
<tr>
<th>Variable</th>
<th>Variable</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>ER</td>
<td>PeerS</td>
<td>.410</td>
<td>.031</td>
<td>11.138</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>OCBehv</td>
<td>ER</td>
<td>.165</td>
<td>.032</td>
<td>5.250</td>
<td>***</td>
<td>Significant</td>
</tr>
<tr>
<td>OCBehv</td>
<td>PeerS</td>
<td>.741</td>
<td>.034</td>
<td>18.515</td>
<td>***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

The Hypotheses required in determining the Mediation Effects

**Hypothesis 1:**
PeerS has significant and direct effect on ER

**Table 5a:** The hypothesis testing for the causal effect of PeerS on ER

<table>
<thead>
<tr>
<th>Variable</th>
<th>Variable</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>ER</td>
<td>PeerS</td>
<td>.410</td>
<td>.031</td>
<td>11.138</td>
<td>***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Result: Hypothesis 1 is supported

**Hypothesis 1a:**
PeerS has significant and direct effects on OCBehv

**Table 5b:** The hypothesis testing for the causal effect of PeerS on OCBehv

<table>
<thead>
<tr>
<th>Variable</th>
<th>Variable</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCBehv</td>
<td>PeerS</td>
<td>.741</td>
<td>.034</td>
<td>18.515</td>
<td>***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

*(The direct effects has reduced after mediator entered the model from .809 in Table 4 to .741 in Table 5)*

Result: Hypothesis 1a is supported

**Hypothesis 2:**
ER has significant and direct effect on OCBehv

**Table 5c:** The hypothesis testing for the causal effect of ER on OCBehv

<table>
<thead>
<tr>
<th>Variable</th>
<th>Variable</th>
<th>Estimate</th>
<th>S.E.</th>
<th>C.R.</th>
<th>P</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>OCBehv</td>
<td>ER</td>
<td>.165</td>
<td>.032</td>
<td>5.250</td>
<td>***</td>
<td>Significant</td>
</tr>
</tbody>
</table>

Result: Hypothesis 2 is supported

Conclusion: The construct ER does mediate the relationship between PeerS and OCBehv. The type of mediation here is a called "partial mediation" since the direct effect of PeerS on OCBehv is still significant after the mediator variable (ER) entered model even through the path coefficient for PeerS was reduced from .809 (Table 4) to .741 (Table 5). In this case, PeerS is both the significant direct effect on OCBehv and also the significant indirect effect on PeerS through the mediator variable namely ER. To confirm the test for mediation, the steps outlined by Baron and Kenny (1986) using SPSS were followed. First, peer support were positively related to organizational citizenship behavior (β = .741, p < 0.05). Thus, the first condition of mediation was met, i.e. that the predictor is related to the dependent variable. Second, peer support were positively related to employment retention (β = .410, p < 0.05), thus meeting the second condition of mediation, i.e. that the predictor is related to the mediator. Third employee retention reduced the relationship between peer support and organizational citizenship behavior (β = .068, p > 0.05). Moreover, employee retention were still positively related to organizational citizenship behavior (β = .165, p < 0.05). This meets the third and fourth conditions of mediation, i.e. the mediator affects the dependent variable when the predictor is controlled for and reduces the relationship between the predictor and dependent variable. To fully establish mediation, the PROCESS tool by Hayes (2014) was used.

**Contribution:**
This study provides empirical evidence of the direct effect of peer support on employee retention, particularly in the Malaysian public sector context. The result supports the importance of peer support in producing positive employee retention as found in other studies (Darkwa et al., 2015; Aladwan et al., 2014; Sinha and Sinha 2012) and demonstrates the applicability of this management concept to non-Western settings, and to the public sector more generally. The study also extends the literature by providing empirical evidence of mediating roles by employee retention and the relationship between peer support and organizational citizenship behavior. To the knowledge of the researcher, no studies have been conducted previously to empirically examine those associations, particularly in the Malaysian public sector organizations context. Therefore, this study extends the discussion and understanding on factors that influence employee retention and its impact on employee at non-Western context, which is public sector organizations in Malaysia, a developing country in Southeast Asia.
Conclusion And Discussion:

The conceptual framework developed in this study predicted that employee retention as mediating factor between peer support and organizational citizenship behaviour. Peer support are involve task-focused support, person-focused support (Beehr et al., 2000) guiding toward OCB because of the willingness to go beyond the call of duty (Hart et al., 2016; Organ, 1988). Respondents of public sector organization in Malaysia, shows that their peer support have a good direct relationship to organizational citizenship behavior as employee retention play roles as a partial mediator. According to result data finding, peer support were positively related to organizational citizenship behavior ($\beta = .741$, $p < 0.05$) while peer support were positively related to employee retention ($\beta = .410$, $p < 0.05$), employee retention reduced the relationship between peer support and organizational citizenship in other condition employee retention were positive relationship organizational citizenship behavior ($\beta = .165$, $p < 0.05$). This result finding strengthen the hypothesis that proposed by the researcher earlier. Further research could explore the impact of employee retention on peer support and organizational citizenship behavior.

This study disseminates essential knowledge to enhance our understanding of the relationship between peer support, employee retention, and organizational citizenship behavior in a non-Western context, specifically in the Malaysian public sector organization. Additionally, when employee retention in organization it’s give a benefit to the employer (Malaysian government) a positive influence and image inside the organization and as entire public sector organization. Although the findings are limited to the context of public sector organizations in Malaysia, they can be a reference for other organizational types and assist them to maximize the outcomes from the investment they make in their employees. Moreover, this study provides the mediator relationship between the significant constructs. The employee retention has been examined as the mediating relationship between the peer support and organizational citizenship behavior. This study focuses on a mediator does not consolidate any moderating variables in testing the relationship between peer support, organization citizenship behavior and employee retention. Further investigation in future are needed to justify relationship between all construct. Overall, the findings of this study extend our existing understanding of factors (peer support) that influence employee retention and the implication of employee retention on employee organizational citizenship behavior. From an organizational perspective it is important to provide effective package experiences for employees and actively value and care for them and provide opportunities to apply what they have desired as long as in line with the objective of organization. These factors should enhance the successful employee retention, which in turn can improve both the employees ‘level of organizational citizenship behavior as individual level or even organizational level.

REFERENCES

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