



## Co-worker Relations and Working Environment: Influences on Turnover Intentions in Co-operatives of Surkhet

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### Abstract

*This study aims to construct a conceptual framework for analyzing and forecasting the factors that influence employee turnover intentions in cooperative organizations in Surkhet, Nepal. Cooperatives play a crucial role in economic growth as they generate jobs, collect and invest funds, and offer a wide range of public services. Cooperatives engage in various activities to achieve their objectives but they have been struggling with high turnover rates. The study employs a cross-sectional design, with data collected in a single contact with the respondents. The study's demographic consists of all cooperative employees in Surkhet, and a convenience sampling method has been used to gather 167 responses through a structured Likert questionnaire. Data analysis is conducted using SPSS and AMOS 23 software, with structural equation modeling as the statistical tool for hypothesis testing. Hypotheses are formulated using a deductive research approach. The results indicate that co-worker relations and the working environment were significantly associated with employee turnover intentions among cooperative employees. However, promotions shows no significant association with turnover intentions. This study has certain limitations, including the use of cross-sectional data, self-reports, variations in employee education levels, the comprehension of content, and a relatively small sample size. The respondents are a relatively uniform group of employees, so the results may not be generalized to other employees and institutions. Nevertheless, the study's findings suggest that cooperative organizations should place greater emphasis on improving co-worker relations and the working environment to reduce turnover intentions. This research can be particularly useful for managers in cooperative organizations.*

**Keywords:** turnover intentions, co-operatives, voluntary/involuntary turnover intention, promotion, working environment, co-workers' relation.

## Introduction

In today's competitive economic environment, employees have become valuable resources for all organizations. Employees are expected to fulfil the demands and objectives of the organization; hence many organizations have high expectations that go beyond what employees can handle. Business firms can compete with one another to hire productive, ingenious, and creative workers to maintain their competitive advantage. Individuals will change or abandon their jobs and organizations as they see fit. The requirement for departing from a job or organization is the intention to do so, also known as turnover intention (Belete, 2018).

Turnover intention is the probability that an employee will leave organization voluntarily (Skelton *et al.*, 2019), and it can be measured using a specific period. Employee turnover can be categorized into voluntary/involuntary and functional/disfunctional (Harhara *et al.*, 2015). Researchers have identified several turnover intention factors (Arshad & Puteh, 2015). These numerous factors are called push and pull or internal and external factors. Turnover intention occurs when employees feel stressed or dissatisfied with the organization. Regardless of these intentional turnover factors, organizations should have the best remedy to reduce employee turnover.

Usually, layoffs, dismissals, retirements serious illness and death are some of the reasons for voluntary retirements. Similarly, researchers considered a variety of factors that could predict involuntary turnover intentions, including opportunities, routine tasks, involvement, clear communication, team cohesion, compensation, fair distribution, promotion opportunities, professional development, overall training, and family obligations. (Price & Mueller, 1981); demographic and job-related factors (Koh & Goh, 1995); satisfaction of job, job performance, commitment to job and job stress (Piyasiri & Weerasinghe, 2022); apparent support by supervisor and self-efficacy (Afzal *et al.*, 2019); Leadership style, commitment to the workplace environment, organizational justice, opportunities for promotion, salary, anxiety at work, and job satisfaction are factors that influence satisfaction at work (Belete, 2018); Corporate citizenship conduct, commitment to the organization along with organizational equity influence withdrawal intention, resulting in variations in the intend to quit. Therefore, managers should always be mindful of these indicators of employee turnover.

An organization's high employee turnover rate harms the retention of current employees, increases workload, and complicates work scheduling (Arshad & Puteh, 2015). As a result, it is crucial to address the problem of skilled worker revenue because it affects an organization's productivity, effectiveness, and overall performance (Belete, 2018). Many researchers concluded that a certain amount of turnover could not be prevented and may benefit the organization as new members enter with fresh perspectives that enrich other organizational activities. The senior management of organization always wants a healthy turnover rate to promote healthy and innovative growth. An organization can soon become an ageing machine incapable to adjust modifications when turnover is too low, depriving it of warm blood and ideas (Belete, 2018).

In light of the previous discussions, the primary purpose of this study was to investigate the various factors that contribute to employee attrition in a cooperative environment. Using the lenses of Organizational Support Theory and Social Exchange Theory, this investigation investigated the interplay between these variables. This study has the potential to provide researchers and managers with valuable insights, shedding light on the influence of perceived coworker support, promotion opportunities, and the work environment. In addition, it clarifies the social mechanisms that influence the intention of cooperative employees to voluntarily resign their positions.

According to the department of co-operatives' data statistics for 2077, there were 1967 co-operatives in the Karnali Province and 4,534 employees worked for them. Out of them, only Surkhet district has 488 co-operatives (Department of Co-operative, 2000). Except for a few co-

operatives, the majority of them have abandoned employee promotion, gratuity, leave, and provident fund arrangements. All these amenities are fundamental prerequisites for employee motivation and retention inside the organization. Many co-operatives have small transactions and cannot even pay their salary promptly. Therefore, this issue has been taken as a researchable issue to find out the factors affecting turnover intention.

## Methodology

The organizational support theory (OST) was used as the study's theoretical framework. According to Kurtessis *et al.* (2017), employees form a general impression of the organization's appreciation for their contributions and concern for their welfare. This viewpoint is referred to as "perceived organizational support," or POS. Due to the potential value of viewing the relationship between employees and organizations from the employees' perspective, the clarity of the POS construct, and the strong associations of POS with affective promotion, working environment, and coworkers' relationships, which determine the employee's intention, OST has garnered considerable interest.

### Promotions and Turnover Intentions

A promotion is the advancement of an employee to a higher post with greater responsibilities, a higher salary, and thus a higher status. Promotion velocity and compensation growth are the primary factors influencing employees' intentions to leave a company. Wen *et al.* (2018) argued that improvement in employee promotion in an organization is crucial for reducing turnover intention. Similarly, the study discovered that the opportunity for responsibility and autonomy over one's work can foster a sense of identification and attachment to a workplace, which in turn can reduce the intention to leave. Chukwu (2019) states that promotion as soon as it is due, regular, and transparent promotion significantly affects employee turnover intention. Another study shows that promotional prospects have a negative and an inverse relationship with turnover intention (Ekabu *et al.*, 2018). The finding shows that promotion opportunities positively correlate with turnover intention (Aiyebilehin *et al.*, 2020). Based on the above review, the following is proposed:

*H<sub>A1</sub>: Promotion opportunities will likely produce lower turnover intent in the organization.*

### Working Environment and Turnover Intentions

The term "working environment" refers to the employees' surroundings, including the workplace's physical and non-physical aspects. The non-physical working environment includes all situations relating to a working relationship, good relations with a boss and another employee, or with the subordinate. The physical working environment includes all states of physical form that can directly or indirectly affect employees (Muharni *et al.*, 2022). Nanda *et al.* (2020) explained psychological work environment that negatively and significantly affects turnover intention. Similarly, another study concluded that an unsafe work environment significantly increase turnover intention (Poku *et al.*, 2022). The result concluded by Abdou *et al.* (2022) the work environment significantly and positively affects employees' turnover intentions. The finding of Muharni *et al.* (2022) shows a significant relationship between work environment and turnover intention. Poor working circumstances have been linked to the students' intentions to quit. Workers in hazardous working environments are, in fact, more inclined to voluntarily leave their existing employers. Employees will only change their withdrawal intentions if the employer takes the required steps to enhance the working environment. Based on the above argument, the following arguments is proposed:

*H<sub>A2</sub>: Workplace environment will likely produce less turnover intent in the organization.*

### Co-workers Relations and Turnover Intentions

The support of coworkers generates positive emotions that enhance employees' ability to deal with organizational challenges (Kmieciak, 2022). Co-workers' support enhances the employee's confidence level (Kanchana & Jayathilaka, 2023). Co-worker connections are beneficial in both formal and informal ways since they involve social engagement. While they accomplish their duties, support from co-workers is one type of contact where people help one another. In workplace environments, relationships between co-workers are essential. Supervisor support, peer support, and kinship relationships are the models of co-worker relationships (Chukwu & Adeghe, 2019).

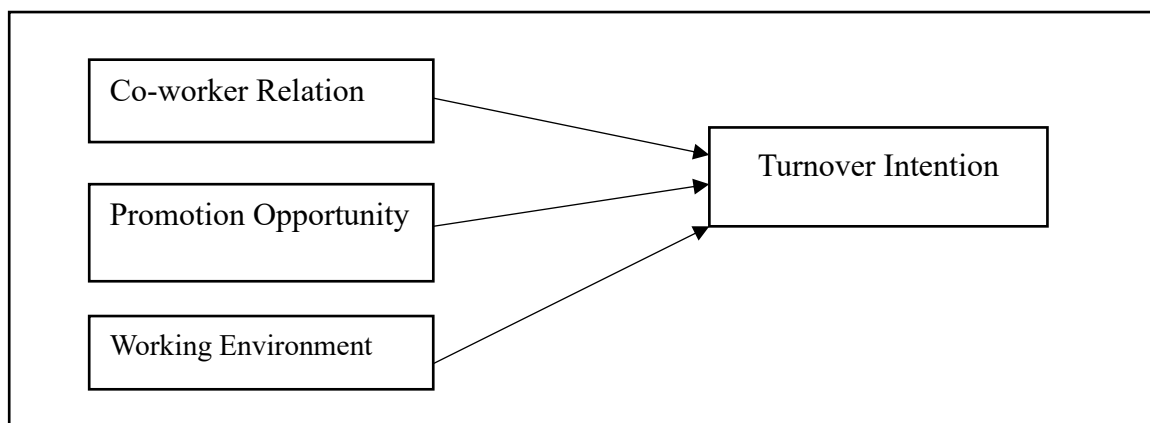
Further, they concluded that co-workers' interactions, co-workers and supervisor support significantly influence employee turnover intention. Tews *et al.* (2013) concluded that co-worker emotional support was negatively related to turnover intention. However, co-worker instrumental support was positively related to turnover intention. Azam *et al.* (2017) explored that there is a significant negative effect of co-workers' relationships on job turnover intention. Kanchana and Jayathilaka (2023) state that co-worker support negatively impacts employee turnover intention. After studying the prior literature, this study proposes the following arguments:

*H<sub>A3</sub>: Co-workers' support will likely produce less intention to leave the organization.*

Based on the literature reviewed, a conceptual framework of turnover intention has been developed linking with three independent dimensions of attributes such as co-worker relation, promotion opportunity and working environment and its impact on turnover intentions, especially for co-operative organizations. Turnover intentions are the dependent variable, and co-worker relation, promotion opportunity, and working environment are the independent variables which have been shown in Figure 1.

This study utilized quantitative research methodology to quantify turnover intention. Using mathematical, computational, and statistical methods, a cause-and-effect relationship between independent and dependent variables was established. The administering of a survey questionnaire facilitated the collection of information. The employee population of the cooperative organization located in Surkhet, Nepal, was analyzed in its entirety. The selection of samples was conducted using a technique of convenience sampling. The questionnaire consisted of two sections: the first contained seven demographic-related questions, and the second consisted of 31 subject-related statements rated on a five-point Likert scale. The demographic data supplied by respondents was analyzed using descriptive statistics. Subject-related data were analyzed with IBM SPSS/AMOS software and Structural Equation Modeling (SEM).

**Figure 1**  
**Research Framework of the Study**



## Results

### Socio-Demographic Characteristics

The characteristics of respondents based on demographic variables such as age, gender, caste, religion, marital status, and level of education were used to describe the research data. Table 1 presents the demographic information of respondents.

According to respondents' ages, 56 respondents were between 25-35 years old (33.5%), followed by 56 respondents between 36-45 years old (33.5%), showing a high share of co-operative workers in the productive age range. Gender analysis reveals that women comprise the majority of co-operative employees (52.1%). 90 out of 167 employees (53.9%) belong to the Hindu religion, and 66 (39.5%) employees out of 167 belong to the Chhetri community. According to their marital status, 100 of the respondents (59.9%) were married, and the majority of the respondents from the secondary level in terms of education.

**Table 1**  
**Analysis of Demographic Responses**

| Demographic Variable | Responses Option | Frequency | Percent |
|----------------------|------------------|-----------|---------|
| Age                  | 18-24 Years      | 29        | 17.4    |
|                      | 25-35 years      | 56        | 33.5    |
|                      | 36-45 Years      | 56        | 33.5    |
|                      | 46 and above     | 26        | 15.6    |
| Gender               | Male             | 80        | 47.9    |
|                      | Female           | 87        | 52.1    |
| Cast                 | Brahmin          | 52        | 31.1    |
|                      | Chhetri          | 66        | 39.5    |
|                      | Janajati         | 47        | 28.1    |
|                      | Dalit            | 2         | 1.2     |
| Religion             | Hindus           | 90        | 53.9    |
|                      | Buddhist         | 60        | 35.9    |
|                      | Christian        | 17        | 10.2    |
| Marital Status       | Married          | 100       | 59.9    |
|                      | Unmarried        | 67        | 40.1    |
| Education Status     | Secondary Level  | 90        | 53.9    |
|                      | Bachelor Level   | 60        | 35.9    |
|                      | Master and above | 17        | 10.2    |

Source: Survey Data (2023)

### Collinearity Diagnosis

Collinearity is the linear relationship between two explanatory (predictor) variables. Multiple linearity is when two or more explanatory (predictor) variables in a multiple regression model are correlated both with one another and with the response variable. Tolerance level of all predictor should be greater than (Tolerance > .2) and variance inflation factor (VIF) level should be less than (VIF < 5) (Akinwande *et al.*, 2015) are used to measure the collinearity. The value of VIF and Tolerance has been shown in Table 2:

**Table 2**  
**Collinearity Diagnosis**

| Construct             | Collinearity Statistics |       |
|-----------------------|-------------------------|-------|
|                       | Tolerance               | VIF   |
| Co-workers Relation   | .647                    | 1.545 |
| Promotion Opportunity | .759                    | 1.318 |
| Working Environment   | .754                    | 1.326 |

The values for each predictor variable's tolerance and variance inflation factor (VIF) are displayed in Table 2. Notable is the fact that the tolerance and VIF values for all predictor variables exceed 0.2 while remaining below 5. Based on this observation, it can be asserted with confidence that all predictor variables satisfy the collinearity criterion.

### Principle Components Analysis (PCA)

The Varimax rotation method was used for factor loading. Confirmatory factor analysis (CFA) with a fixed number (4 constructs) was used, and the cutoff point of the factor loading, .50, was selected to make it easier for further analysis. Most of the items of each construct have been adopted from various sources. Some of them are used in the same way, while others are slightly modified. The items of co-workers relation were adopted from (Kmieciak, 2022), whereas promotion opportunity items were adopted from (Ekabu *et al.*, 2018), the items of working environment (Kurtessis *et al.*, 2017) and the items of turnover intention were adopted from (Kmieciak, 2022).

**Table 3**  
**Factor Loading Items Related to Study Constructs**

| Construct  | Code  | Items/Statements   | Remarks |
|--|-------|--|---------|
| <b>Predicting Factors (Independent Variable)</b> |       |  |         |
| Co-workers Relation (CWR)                        | CWR1  | I feel delighted while working with my colleagues.   | ✓       |
|  | CWR2  | I am satisfied with how colleagues deal with each other in the organization.               | ✓       |
|  | CWR3  | When pressures and difficulties arise in my work, my colleagues offer me help and support. | x       |
|  | CWR4  | Co-workers are friendly.   | x       |
|  | CWR5  | Co-workers support me at work.   | x       |
|  | CWR6  | I have supervisor's support at work.   | ✓       |
|  | CWR7  | I have good interactions with co-workers.  | ✓       |
|  | CWR8  | I have good interactions with supervisors.   | x       |
| Promotion (PROM)                                 | PROM1 | I will have promotion prospects if I do a good job.  | ✓       |
|  | PROM2 | I can improve my ability during the training process of the organization.                  | ✓       |
|  | PROM3 | I feel satisfied with my promotion opportunity.  | x       |

| Construct                                      | Code  | Items/Statements   | Remarks |
|--|-------|--|---------|
|  | PROM4 | I am getting constantly new knowledge and experience from my work.                         | x       |
|  | PROM5 | I am willing to accept difficult work and challenges.                                      | ✓       |
|  | PROM6 | Those who do well on the job stand a fair chance of being permitted.                       | ✓       |
|  | PROM7 | Our organization has a clear promotion policy.   | x       |
| Work Environment (WE)                          | WE1   | I can handle tasks at work with my own judgment.   | ✓       |
|  | WE2   | I have got necessary equipment and tools to facilitate my job.                             | ✓       |
|  | WE3   | My organization provides suitable dress to facilitate my performance.                      | x       |
|  | WE4   | Organizations have an independent and healthy work environment.                            | x       |
|  | WE5   | I feel proud of the job.   | ✓       |
|  | WE6   | I can drive pleasure from my job.  | ✓       |
|  | WE7   | My work supplies me with a stable job.   | x       |
|  | WE8   | My job can make me happy.  | x       |
| <b>Turnover Intention (Dependent Variable)</b> |       |  |         |
| Turnover Intention (TI)                        | TI1   | I am considering leaving my current organization one day.                                  | x       |
|  | TI2   | I constantly want to quit my current job.  | ✓       |
|  | TI3   | I look for a suitable new job next year.   | ✓       |
|  | TI4   | My prospects might not be good if I stay in the organization.                              | x       |
|  | TI5   | Having the intention to stop working.  | ✓       |
|  | TI6   | I often think about leaving the organization.  | ✓       |
|  | TI7   | I have checked out a job in another organization previously.                               | x       |
|  | TI8   | I always actively search for a new job for a higher salary for the next designation level. | x       |

Source: Survey Data (2023)

The total number of elements or statements utilized in the factor analysis is summarized in Table 3. Only 16 of the original 31 items had significant loadings on factors, as determined by Principal Component Analysis (PCA). Due to issues with limited commonalities and cross loadings, the remaining fifteen items were excluded from the rotated component matrix. CWR3, CWR4, CWR5, CWR8, PROM3, PROM4, PROM7, WE3, WE4, WE7, WE8, TI1, TI4, TI7, and TI8 are included. The study also calculated the Kaiser-Meyer-Olkin (KMO) measure and Cronbach's alpha to assess the sample size and data reliability of each construct. The outcomes of these post-PCA calculations are presented below.

In Table 4, the result of KMO, Eigenvalue and Cronbach's Alpha has been displayed. All the extracted items have appropriate KMO ( $>.70$ ); Eigenvalue ( $>1$ ), % of cumulative Variance (69.87); Cronbach's Alpha ( $>.70$ ), which is suitable for further processing.

**Table 4**  
**PCA of Dependent and Independent Variable**

| Construct  | Indicator | Factor Loading Varimax | KMO   | Eigenvalue | % of Variance | Cronbach's Alpha |
|--|-----------|------------------------|-------|------------|---------------|------------------|
| <b>Predicting Factors (Independent Variable)</b> |           |                        |       |            |               |                  |
| Co-workers Relation (CWR)                        | CWR1      | 0.921                  | 0.811 | 9.515      | 29.736        | 0.934            |
|  | CWR2      | 0.751                  |       |            |               |                  |
|  | CWR6      | 0.887                  |       |            |               |                  |
|  | CWR7      | 0.892                  |       |            |               |                  |
| Promotion (PROM)                                 | PROM1     | 0.736                  | 0.731 | 4.352      | 13.6          | 0.902            |
|  | PROM2     | 0.851                  |       |            |               |                  |
|  | PROM5     | 0.733                  |       |            |               |                  |
|  | PROM6     | 0.793                  |       |            |               |                  |
| Work Environment (WE)                            | WE1       | 0.622                  | 0.761 | 3.042      | 9.506         | 0.887            |
|  | WE2       | 0.823                  |       |            |               |                  |
|  | WE5       | 0.545                  |       |            |               |                  |
|  | WE6       | 0.765                  |       |            |               |                  |
| <b>Turnover Intention (Dependent Variable)</b>   |           |                        |       |            |               |                  |
| Turnover Intention (TI)                          | TI2       | 0.891                  | 0.782 | 3.162      | 9.881         | 0.802            |
|  | TI3       | 0.849                  |       |            |               |                  |
|  | TI5       | 0.925                  |       |            |               |                  |
|  | TI6       | 0.900                  |       |            |               |                  |

### Confirmatory Factor Analysis (CFA)

Confirmatory factor analysis (CFA) is a potent statistical method for investigating the nature and relationships of latent constructs. It explicitly examines a priori hypotheses regarding observed variable-latent variable relationships. CFA is frequently used to develop and refine measurement instruments, examine construct validity, identify method effects, and evaluate factor invariance across time and groups. (Jackson *et al.*, 2009).

AMOS was used to conduct Confirmatory Factor Analysis (CFA) to evaluate the measurement model. Within the scope of this confirmatory factor analysis, each item's factor loadings were examined. As specified in Table 3, only sixteen items from four constructs exhibited more favorable commonalities and correlation weights. In contrast, the remaining 15 items were omitted due to their inadequate factor loadings, as shown in Table 3. In addition, this study utilized modification indices to improve model fit. This was accomplished by establishing covariance between the error terms of corresponding constructs, thereby explaining their unexplained correlations.

### Model Fit Indices

The Confirmatory Factor Analysis (CFA) methodology is inherently hypothesis-driven. Consequently, the researcher initiates the process by formulating a set of hypotheses regarding the structure of the model, specifically proposing the existence of certain underlying factor(s) that



account for a set of items. The purpose of the analysis is to determine the degree of covariance between the items as predicted by the hypothesized factor structure. Additionally, during this phase, the model's fit is assessed.

Various model fit indices are used to measure the congruence between the observed data and the theoretical data predicted by the model when assessing the quality of fit. This article employs global model fit indices, which can be categorized into three primary types: absolute fit indices, incremental fit indices (also known as comparative or relative fit indices), and parsimony fit indices. (Hooper *et al.*, 2008). The absolute fit index compares the theoretical model to the observed data. The chi-square (2) statistic, goodness-of-fit index (GFI), adjusted GFI, root mean square error of approximation (RMSEA), and root mean square residual (RMR) and standardized root mean square residual (SRMR) are the main indices used under absolute fit indices in this study (Hooper *et al.*, 2008).

Comparative or relative fit indices, also known as incremental fit indices. Incremental fit indices measure the extent to which the evaluated model reproduces the observed covariance matrix better than an alternative model. Greater values indicate a greater gain in model fit relative to an alternative model, which frequently implies that the observed variables are independent of one another (Chen, 2007). The major indices used under incremental fit indices are Normed Fit Index (NFI) and Comparative Fit Index (CFI) are included in this study (Schermelele-Engel *et al.*, 2003).

When parameters are introduced to a model, model fit will be enhanced. In order to address this issue, parsimonious fit indices penalize model complexity. This results in a compromise between model fit and degrees of freedom. These indices include the parsimony goodness-of-fit index (PGFI) and the parsimony normed fit index (PNFI) (Hooper *et al.*, 2008). The summary of model fit indices, their threshold and sources adapted from (Schermelele-Engel *et al.*, 2003) are given in Table 5.

**Table 5**  
**Analysis of Model Fit Indices of CFA**

| Name of Category | Measures      | Good Fit                    | Acceptable Fit           | Threshold Assumed | Obtained Value |
|------------------|---------------|-----------------------------|--------------------------|-------------------|----------------|
| Absolute Fit     | $\chi^2$ (df) |                             |                          |                   | 165.43 (95)    |
|                  | P value       | $.05 < p \leq 1.00$         | $.01 \leq p \leq .05$    | $< .05$           | .000           |
|                  | RMSEA         | $0 \leq RMSEA \leq .05$     | $.05 < RMSEA \leq .08$   | $< .08$           | .067           |
|                  | RMR           | $0 \leq RMR \leq .05$       | $.05 < RMR \leq .10$     | $< .05$           | .055           |
|                  | SRMR          | $0 \leq RMR \leq .05$       | $.05 < RMR \leq .10$     | $< .08$           | .064           |
| Incremental Fit  | NFI           | $.95 \leq NFI \leq 1$       | $.90 \leq NFI < .95$     | $> .90$           | .926           |
|                  | NNFI (TLI)    | $.97 \leq NNFI \leq 1$      | $.95 \leq NFI < .97$     | $> .90$           | .958           |
|                  | CFI           | $.97 \leq CFI \leq 1$       | $.95 \leq CFI \leq .97$  | $> .90$           | .967           |
| Parsimony Fit    | CMIN/df       | $0 \leq \chi^2/df \leq 2df$ | $2 < \chi^2/df \leq 3df$ | 1-3               | 1.741          |

Notes: P-value=Likelihood Ratio, CMIN/DF=Relative X<sup>2</sup>, RMSEA= Root Mean Square Error of Approximation, GFI= The goodness of Fit Index, AGFI = Adjusted Goodness of Fit, RMR = Root Mean Squared Residual, NFI=Normed Fit Index, TLI= Tucker-Lewis Index, CFI= Comparative Fit Index.

Table 5 presents the goodness of fit indices threshold developed by different authors and the obtained value of each indices. The obtained P value .000 which is <.05 (Barrett, 2007), RMSEA .067 which is < .08 (Clark & Bowles, 2018), RMR .055 which is close to <.05, (Hooper *et al.*, 2008), SRMR .064 which is <.08 (Schermelleh-Engel *et al.*, 2003), NFI .926 which is >.90 (Hu & Bentler, 1999), TLI .958 which is >.90 (Clark & Bowles, 2018), CFI .967 which is >.90 and CMIN/df 1.741 which is between 1-3 (Schermelleh-Engel *et al.*, 2003). All these obtained values support the model.

### Reliability and Validity Measures of CFA

In this paper to measure the internal consistency reliability, composite reliability (CR) has been used which is assumed technically more appropriate to apply a different measure of internal consistency reliability. Specifically, the value of CR should be greater than 0.70 (Hair *et al.*, 2017). Similarly, a common measure to establish convergent validity on the construct level is the Average Variance Extracted (AVE). The cut-off value of AVE is 0.50 or greater (Hair *et al.*, 2017).

**Table 6**  
**Structural Model Reliability and Validity Measures of CFA**

| Construct   | CR    | AVE   | MSV   | MaxR (H) | CWR          | PROM         | TI           | WE           |
|-------------|-------|-------|-------|----------|--------------|--------------|--------------|--------------|
| <b>CWR</b>  | 0.946 | 0.815 | 0.279 | 0.973    | <b>0.903</b> |              |              |              |
| <b>PROM</b> | 0.833 | 0.565 | 0.251 | 0.921    | 0.501***     | <b>0.752</b> |              |              |
| <b>TI</b>   | 0.914 | 0.733 | 0.019 | 0.992    | -0.05        | 0.072        | <b>0.856</b> |              |
| <b>WE</b>   | 0.786 | 0.524 | 0.279 | 0.926    | 0.529***     | 0.424***     | 0.139†       | <b>0.724</b> |

Note: CR= Composite Ratio, AVE= Average Variance Extracted, MSV= Maximum Shared Variance, MaxR (H)= Maximum Reliability, CWR= Coworker Relation, PROM= Promotion, WE= Work Environment and TI= Turnover Intention

Table 6 describes the reliability and validity measures of CFA. The composite ratio (CR), which is also called construct reliability/congeneric reliability of all constructs, is (> 0.7), which denotes good reliability. In other words, the total error variance should consist of less than 30% of the variance of the latent variable. Assessing convergent validity, average variance extracted (AVE) has been used. The AVE should be at least 0.5 to demonstrate an acceptable level of convergent validity.

The results of the reliability and validity assessment of the measurement model are presented in detail in Table 6. Required level of reliability was measures using internal reliability, construct reliability and average variance. Similarly, the required validity level was measured using convergent validity, construct validity and discriminant validity.

**Table 7**  
**Reliability and Validity**

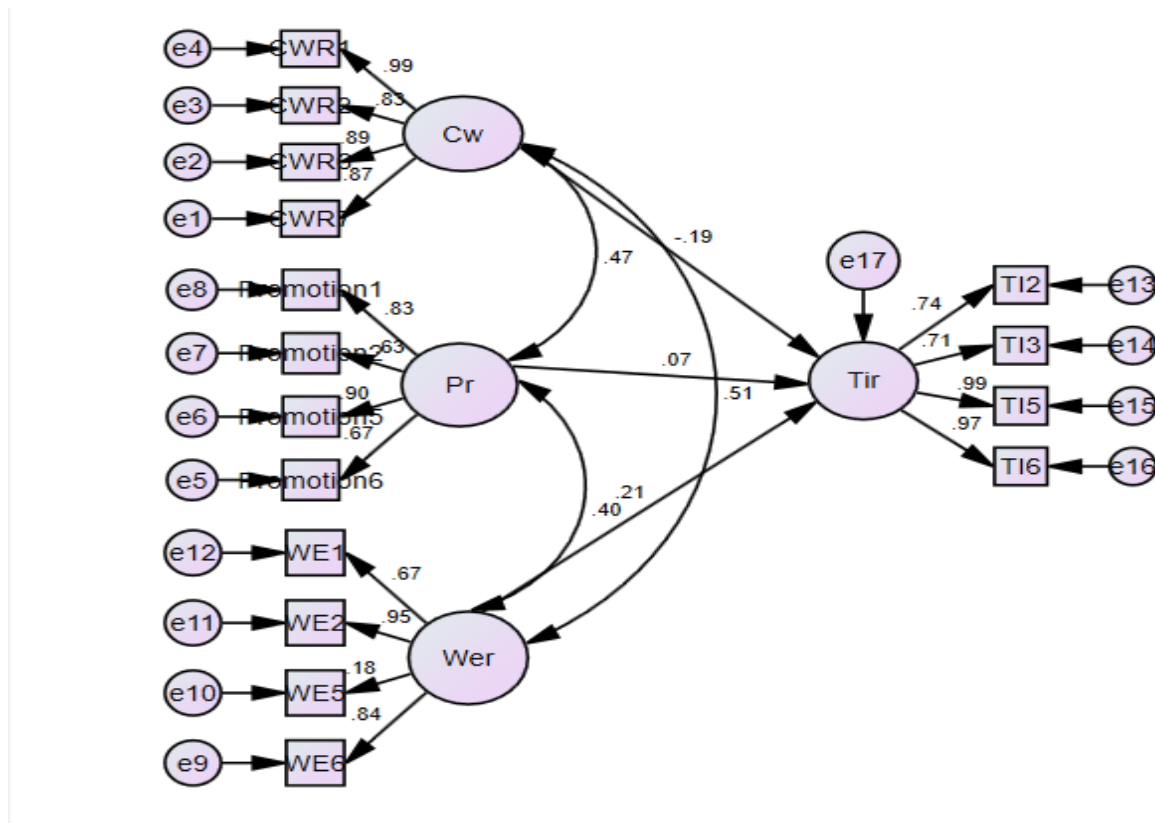
| Reliability           | Criteria   |
|-----------------------|--|
| Internal Reliability  | The value of Cronbach Alpha is > 0.70 in each construct. Thus, the required internal reliability level was achieved. (Refer Table 4) |
| Construct Reliability | The Composite Ratio (CR) value for all constructs is > 0.7; thus, the required level of CR was achieved. (Refer to Table 6)          |
| Average Variance      | The value of AVE for all constructs is > 0.50. The required extracted level was achieved. (Refer to Table 6)                         |

| Validity              | Criteria  |
|-----------------------|---|
| Convergent Validity   | All items in a measurement model are statistically significant. Similarly, the value of AVE for all constructs is more significant than 0.50. This indicates that the required level of convergent validity was achieved.   |
| Construct Validity    | All fitness indexes meet the required level, which validates the required level of construct validity. (Refer to Table 5)   |
| Discriminant Validity | The discriminant validity is achieved when the diagonal value in bold is higher than the values in its row and column. All the diagonal values in bold are higher than those in their row and column. Therefore, discriminant validity was achieved. (Refer to Table 6) |

### Structural Equation Modeling for Hypothesis Testing

The Structural Equation Modeling (SEM) is a statistical technique used to examine hypotheses involving both observed and latent variables. In this study, a two-step methodology is utilized, which includes the modeling and testing of Confirmatory Factor Analysis (CFA), which includes formulation and evaluation of both measurement and structural models. As a technique for confirming hypotheses, SEM provides a comprehensive framework for evaluating and refining both measurement and structural models.

**Figure 1**  
**Structural Equation Model of Exogenous and Endogenous Variable**



Here,  
 Cw= Co-workers Relation (Exogenous Variable)  
 Pr= Promotion (Exogenous Variable)  
 Wer= Working Environment (Exogenous Variable)

TIr= Turnover Intention ((Endogenous Variable)  
 e17 = error in the equation or residuals (unobserved)

**Table 8**  
**Hypotheses Testing of SEM**

| Hypothesis      | Path        | Estimate | Std. Error | Critical Ratio | P-value | Remarks       |
|-----------------|-------------|----------|------------|----------------|---------|---------------|
| H <sub>A1</sub> | TI<-----Cwr | -0.08    | 0.041      | -1.925         | 0.050   | Supported     |
| H <sub>A2</sub> | TI<-----Pr  | 0.077    | 0.107      | 0.724          | 0.469   | Not Supported |
| H <sub>A3</sub> | TI<-----WE  | 0.134    | 0.063      | 2.123          | 0.034   | Supported     |

Note: Cwr = Coworker Relation, Pr = Promotion, WE = Work Environment and TI = Turnover Intention

Table 8 shows the overall calculated values of the path and hypotheses analysis of the study. Based on the results (Table 8), it is confirmed that co-worker relation ( $\beta = -0.08$ ,  $p < 0.05$ ) and working environment ( $\beta = 0.134$ ,  $p < 0.05$ ) were found to have positive and significant impact on turnover intention of the employee of co-operative organization. Therefore, hypotheses H<sub>A1</sub> and H<sub>A3</sub> were accepted. On the other hand, promotion ( $\beta = -0.077$ ,  $p > 0.05$ ) was found no statistically significant impact on turnover intention. Thus, the study's results show that H<sub>A1</sub> (co-worker relation) and H<sub>A3</sub> (working environment) positively impact turnover intention.

## Discussion

This study's primary objective was to identify the various causes and influencing factors of employee attrition intention in cooperative organizations. For this purpose, co-worker relations, promotion opportunities, and the work environment were examined to determine their effect on employee turnover intention. This study demonstrates that co-worker relations and the working environment have a statistically significant impact on employee intention to leave, whereas promotion opportunities have no statistically significant impact on employee intention to leave. The findings of a previous study suggest that employees who receive assistance from coworkers may maintain a positive attitude and develop a strong connection to their organization (Kmieciak, 2022). Similarly the findings of (Wen et al., 2018) promotion was crucial for reducing turnover intention among primary care doctors which is contradict of this study. similarly, another previous study (Abdou et al., 2022) found that work environment is crucial for hospitality employers to cultivate a pleasant workplace climate among employees. Creating a family-friendly workplace reduces attritional intentions, like the findings of this study.

## Conclusion

Co-operative organizations are crucial for the creation of employment and collection and investment of scattered small amounts in the village and the urban areas of Nepal. The development of an organization mostly depends on highly qualified employees. Retention of highly qualified employees is the biggest problem of co-operative organizations. The study concludes that the co-worker's relationship and working environment significantly impact turnover intention. Turnover intentions are interpreted to understand turnover before employees quit or leave organizations. Therefore, by improving these predicting factors, the manager or leader can understand the employee's behavior before leaving the organization. This provides an appreciated occasion to react beforehand employees leave the organization. Understanding the turnover intention behavior, correction can be taken in advance. Consequently, it is essential for management and leadership teams to obtain insight into the intentions of organization's employees.

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