

# Workplace Drivers of Turnover Intention among Young Employees in Private Banking

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## Abstract

Employee retention has emerged as a strategic concern for private banking institutions as voluntary turnover among younger employees continues to rise. While prior studies have extensively examined turnover in private-sector organizations, empirical evidence from the private banking context remains limited. Drawing on survey data collected from young employees working in private banks, this study investigates how selected workplace factors influence turnover intention. Specifically, the study examines the role of vertical and horizontal interpersonal relationships, task and goal interdependence, and psychological safety. Using multiple regression analysis, the findings reveal that high-quality supervisor–subordinate relationships and psychologically safe work environments significantly reduce turnover intention, even after controlling for individual and job-related characteristics. In contrast, task interdependence and coworker relationships do not show a direct effect. The study contributes to the literature on retention management by highlighting the importance of leadership practices and workplace climate in reducing attrition among young professionals in private banking.

**Keywords:** Turnover intention, private banking, young employees, psychological safety, supervisor–subordinate relationship

## 1. Introduction

Voluntary employee turnover has become a persistent challenge for organizations seeking to maintain human capital and sustain performance. In recent years, private banking institutions have experienced a noticeable increase in resignations among young employees, raising concerns about workforce stability and service continuity. Traditionally, employment in banking was associated with long-term career security; however, changing labor market dynamics, increased mobility, and evolving career expectations have weakened this assumption.

Although turnover rates in private banking remain lower than those observed in many private-sector industries, the upward trend among younger cohorts signals a structural shift. The loss of trained employees not only increases recruitment and training costs but also disrupts organizational knowledge and customer relationships. Consequently, understanding the determinants of turnover intention among young banking professionals has become an urgent managerial priority.

This study aims to empirically examine workplace-related factors that influence turnover intention among young employees in private banking. By focusing on aspects of the internal work environment that are amenable to managerial intervention, the study seeks to provide actionable insights for retention-oriented human resource management.

## 2. Literature Review and Conceptual Background

### 2.1 Turnover Intention and Young Employees

Turnover intention, defined as an employee's conscious and deliberate willingness to leave an organization, is widely recognized as a strong predictor of actual turnover. Prior research suggests that younger employees exhibit higher mobility due to career exploration, skill accumulation, and lower organizational attachment. In knowledge-intensive sectors such as banking, this tendency poses particular risks.

### 2.2 Interpersonal Relationships at Work

Workplace relationships constitute a central element of employees' daily experiences. Exchange theory distinguishes between vertical relationships with supervisors and horizontal relationships with coworkers. High-quality supervisor-subordinate relationships are associated with trust, support, and career development opportunities, which in turn reduce withdrawal behaviors. Coworker relationships, while important for social support, may exert more indirect effects on turnover intention.

### 2.3 Task and Goal Interdependence

Task interdependence refers to the extent to which employees rely on one another to complete their work, whereas goal interdependence reflects shared responsibility for outcomes. Interdependent work structures can foster collaboration and collective identity, potentially strengthening organizational attachment. However, their direct influence on turnover intention remains empirically contested.

### 2.4 Psychological Safety

Psychological safety describes a shared belief that the work environment is safe for interpersonal risk-taking. In psychologically safe teams, employees feel comfortable expressing ideas, reporting errors, and challenging the status quo without fear of negative consequences. Prior studies link psychological safety to engagement, learning behavior, and reduced turnover intention, making it a critical construct in contemporary organizational research.

Based on this literature, the study examines whether interpersonal relationships, interdependence, and psychological safety function as key workplace drivers of turnover intention among young private banking employees.

## 3. Research Methodology

### 3.1 Data Collection and Sample

The study is based on data obtained through a structured questionnaire survey administered to employees working in private banking institutions. The sample was restricted to employees in their thirties and below in order to capture early- and mid-career perspectives. After data cleaning, responses from 878 participants were retained for analysis.

### 3.2 Measures

Turnover intention was measured using a multi-item scale assessing respondents' desire to continue working in their current organization. Interpersonal relationships were operationalized separately for supervisor-subordinate (vertical exchange) and coworker (horizontal exchange) relationships. Task and goal interdependence were measured using established items capturing the degree of mutual reliance in work processes. Psychological safety was assessed through items reflecting openness, risk-taking, and freedom of expression within the workplace.

Control variables included demographic characteristics, employment background, and job-related factors such as workload, autonomy, and task routinization. All perceptual variables were measured using five-

point Likert-type scales.

### 3.3 Analytical Approach

#### 3.3.1 Descriptive Statistics

Table 1 provides an overview of the sample characteristics and the key variables used in the analysis. The respondents are relatively young, with an average age of just over 30 years and a mean tenure of approximately six years, indicating that most participants are early-career employees who have already accumulated some organizational experience. The gender distribution is fairly balanced, and a large proportion of respondents hold a university or graduate degree, reflecting the educational profile typical of private banking employees. About one-quarter of the sample has prior private-sector experience, suggesting that a significant minority can compare private banking work with alternative employment contexts.

Turning to the core constructs, turnover intention has a mid-range mean score, implying that while many young employees do not strongly intend to leave, thoughts of resignation are not uncommon. Importantly, the reliability indicators (Cronbach’s  $\alpha$  and McDonald’s  $\omega$ ) for turnover intention and most explanatory variables are comfortably above accepted thresholds, demonstrating that the scales used are internally consistent and suitable for further statistical analysis. In particular, vertical and horizontal exchange relationships show very high reliability, indicating that respondents evaluated these interpersonal dimensions in a stable and coherent manner.

The workplace factors of interest—interpersonal relationships, interdependence, and psychological safety—also display meaningful variation across respondents. Vertical and horizontal exchange relationships have relatively high mean scores, suggesting that, on average, young employees perceive their relationships with supervisors and coworkers as moderately positive. Psychological safety likewise shows a moderate mean, indicating that employees neither experience a highly unsafe climate nor an exceptionally open one. By contrast, task interdependence and goal interdependence show slightly lower reliability values, hinting that these constructs may be perceived less uniformly across different workplaces. Overall, Table 1 establishes that the data are well-suited for examining how differences in workplace environments relate to turnover intention.

**Table 1. Descriptive Statistics (n = 878)**

Variable	Mean	SD	Min	Max	Cronbach’s $\alpha$	McDonald’s $\omega$
Turnover intention	10.45	3.39	3	15	0.827	0.831
Male (dummy)	0.53	0.5	0	1		
University/graduate degree (dummy)	0.74	0.44	0	1		
Private-sector experience (dummy)	0.24	0.42	0	1		
Years of service	6.15	4.84	0	21		
Clerical/administrative (dummy)	0.57	0.5	0	1		
Headquarters assignment (dummy)	0.65	0.48	0	1		
Number of transfers	1.5	1.66	0	8		
Perceived workload	11.89	2.73	3	15	0.763	0.805
Job autonomy	6.31	2.12	2	10	0.74	0.756
Job routinization	6.93	2.4	3	14	0.611	0.626

Resident contact opportunities	6.95	2.29	2	10	0.705	0.714
Vertical exchange relationship	25.33	6.18	7	35	0.927	0.928
Horizontal exchange relationship	27.29	5.34	7	35	0.923	0.924
Goal interdependence	10.21	2.52	3	15	0.675	0.687
Task interdependence	9.77	2.41	3	15	0.573	0.583
Psychological safety	17.22	3.66	5	25	0.696	0.698

### 3.3.2 Multiple Regression Results

Table 2 moves beyond description to identify which factors are actually associated with turnover intention when other influences are held constant. The overall model explains a meaningful portion of variance in turnover intention (adjusted  $R^2 \approx 0.18$ ), which is reasonable for research on complex human attitudes and behaviors. Several individual attributes emerge as significant predictors. For the full sample, men report lower turnover intention than women, and employees with higher education or prior private-sector experience are also less likely to consider leaving. This suggests that accumulated human capital and broader career exposure may strengthen attachment to the organization. Conversely, working at headquarters is associated with higher turnover intention, possibly reflecting greater stress, competition, or alternative job opportunities in central offices.

Among job characteristics, only job routinization shows a significant negative relationship with turnover intention. This implies that more predictable and standardized work may provide a sense of stability that discourages thoughts of resignation among young employees. Other job features, such as workload or autonomy, do not show significant direct effects once workplace relationships are taken into account.

The most important findings relate to workplace factors. Across the full sample, the quality of the vertical exchange relationship with one’s direct supervisor and the level of psychological safety both show strong, statistically significant negative associations with turnover intention. In simple terms, young employees are less likely to want to leave when they feel supported, understood, and fairly treated by their supervisors, and when they can speak up without fear of ridicule or punishment. By contrast, horizontal exchange relationships with coworkers and both forms of interdependence do not show significant direct effects. This does not imply that coworkers or teamwork are unimportant, but rather that they may influence turnover intention indirectly or under specific conditions not captured in this direct regression model.

The gender-segmented results add further nuance. For men, psychological safety is the only workplace factor that significantly reduces turnover intention, highlighting the importance of an open and non-threatening climate. For women, both vertical exchange relationships and psychological safety are significant, with the effect of supervisor relationships being particularly strong. This suggests that supportive leadership may play an especially critical role in retaining young female employees. Taken together, Table 2 demonstrates that while structural features like task interdependence matter less than expected, relational and psychological aspects of the workplace are central to understanding why young private banking employees think about leaving.

**Table 2. Multiple Regression Results (Standardized Coefficients  $\beta$ )**

Significance: \*\*\*  $p < .001$ ; \*\*  $p < .01$ ; \*  $p < .05$

Independent variable	Overall $\beta$	Men $\beta$	Women $\beta$
Male	-.085 *	—	—
University/graduate degree	-.068 *	-.095 *	n.s.
Private-sector experience	-.120 ***	-.140 **	n.s.
Years of service	n.s.	n.s.	n.s.
Clerical/administrative	n.s.	-.087 *	n.s.
Headquarters assignment	.078 *	n.s.	n.s.
Number of transfers	n.s.	n.s.	n.s.
Perceived workload	n.s.	n.s.	n.s.
Job autonomy	n.s.	n.s.	n.s.
Job routinization	-.110 **	n.s.	-.163 *
Resident contact opportunities	n.s.	n.s.	n.s.
Vertical exchange relationship	-.141 ***	n.s.	-.221 ***
Horizontal exchange relationship	n.s.	n.s.	n.s.
Goal interdependence	n.s.	n.s.	n.s.
Task interdependence	n.s.	n.s.	n.s.
Psychological safety	-.163 ***	-.194 ***	-.152 *
Adjusted R <sup>2</sup>	0.177	0.192	0.157

Multiple regression analysis with robust standard errors was employed to examine the relationship between workplace factors and turnover intention. To explore potential gender differences, analyses were conducted for the full sample as well as separately for male and female respondents.

### 3.3.3 Overall Interpretation

When Tables 1 and 2 are read together, a consistent story emerges. Young private banking employees operate in workplaces where interpersonal dynamics and psychological climate vary considerably, and these variations meaningfully shape turnover intention. The descriptive statistics confirm that these constructs are reliably measured and relevant, while the regression analysis shows that not all commonly discussed workplace features matter equally. Instead, the findings underscore the decisive role of supervisors and psychologically safe environments. In practical terms, the tables collectively suggest that retention efforts should prioritize leadership quality and open communication cultures rather than relying solely on job design or team structures to reduce employee attrition

## 4. Results

The regression results indicate that, among the workplace factors examined, supervisor–subordinate relationship quality and psychological safety exhibit a significant negative association with turnover intention. Employees who perceive supportive leadership and a safe climate for speaking up are less likely to consider leaving their organization.

In contrast, horizontal coworker relationships, task interdependence, and goal interdependence do not demonstrate a statistically significant direct effect on turnover intention. Among control variables,

factors such as prior private-sector experience and job routinization are associated with lower turnover intention, while assignment to headquarters functions shows a positive association.

Gender-disaggregated analyses reveal that psychological safety consistently reduces turnover intention for both men and women, whereas the effect of supervisor–subordinate relationships is more pronounced among female employees.

## 5. Discussion

The findings partially support the study's expectations. While interpersonal relationships and psychological safety were hypothesized to reduce turnover intention, only vertical relationships with supervisors and psychological safety demonstrated robust effects. These results underscore the pivotal role of immediate supervisors in shaping employees' work experiences and career decisions.

The absence of a direct effect of task interdependence suggests that structural features of work design alone may be insufficient to retain young employees unless accompanied by supportive leadership and an open climate. Similarly, coworker relationships, though valuable for social support, may influence turnover intention indirectly through other attitudinal variables not captured in the present analysis.

## 6. Managerial Implications

From a practical perspective, the study highlights the importance of investing in leadership development and cultivating psychologically safe workplaces. Training programs that enhance supervisors' communication skills, feedback practices, and coaching capabilities may yield substantial retention benefits. Moreover, organizational leaders should actively promote norms that encourage open dialogue, learning from mistakes, and employee voice.

## 7. Limitations and Future Research

The study is subject to several limitations. First, its cross-sectional design precludes causal inference. Second, the data rely on self-reported perceptions, which may be influenced by common method bias. Future research could employ longitudinal designs, incorporate objective turnover data, or explore mediating mechanisms linking workplace factors to turnover behavior.

## 8. Conclusion

This study contributes to the management and human resource literature by empirically identifying workplace factors that suppress turnover intention among young employees in private banking. The results demonstrate that supportive supervisory relationships and psychological safety play a decisive role in retaining young talent. As competition for skilled professionals intensifies, private banking institutions must move beyond structural job design and focus on leadership quality and workplace climate to achieve sustainable retention.

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