

Factors Affecting Employee Turnover in Apparel Industry: Evidence from the Kurunegala District of Sri Lanka

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Abstract

Employee turnover remains a pressing challenge in the apparel industry, disrupting productivity and escalating operational costs. Although multiple interventions have been attempted, the specific factors influencing turnover are still insufficiently understood. This study was undertaken to identify and evaluate the determinants of employee turnover within the apparel sector in the Kurunegala District, a region where the industry plays a vital role in employment generation and economic development. The research examined three independent variables—salary level, job satisfaction, and work-life balance—while considering employee turnover as the dependent variable. A sample of 150 operational-level employees, selected through a simple random sampling method from apparel factories in the district, provided the data via a structured questionnaire. Reliability analysis confirmed the instrument's strength with Cronbach's alpha values of 0.919, 0.968, and 0.958. Data were analysed using descriptive statistics, correlation, and multiple regression analysis through SPSS. Results showed that salary level, job satisfaction, and work-life balance were negatively correlated with turnover. However, regression analysis revealed that only job satisfaction ($p=0.005$) and work-life balance ($p=0.035$) significantly influenced turnover, while salary level ($p=0.743$) was not statistically significant. The regression model ($R^2=0.63$) indicated that 63% of the variation in turnover was explained by the three predictors. The findings suggest that improving job satisfaction and promoting work-life balance are more effective in reducing turnover than focusing solely on salary adjustments. The study contributes to turnover literature by challenging the conventional assumption of salary as the primary driver and highlighting the importance of non-monetary factors. Limitations include the geographic scope confined to Kurunegala District and the focus on operational-level employees, which future studies may expand upon.

Keywords: employee turnover, job satisfaction, Kurunegala district, salary level, work-life balance