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Collective Turnover and Organizational Performance : Re-examining the Moderating Role of Collectivist Culture*

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The purpose of this study is to re-examine the relationship among collective turnover, collectivist culture, and organizational performance at the organizational level. A moderation model was developed and tested on a sample of 346 firms from the most recent Human Capital Corporate Panel and Korea Investors Service. Our results showed that the negative effects of collective turnover on organizational performance was found to be significant only in organizations with low levels of collectivist culture. In other words, we did not obtain the same or similar results in follow-up studies, which means that the results of the previous study (Oh and Kim, 2022) are less likely to be generalized. Hence, more studies are needed to accumulate empirical evidence on the moderating roles of collectivist culture in the relationship between collective turnover and organizational performance.

Keywords : collective turnover, collectivist culture, organizational performance, Human Capital Corporate Panel

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I. Introduction

In the world of “the turnover tsunami” (Taylor, 2021), researchers take one step further from individual turnover studies that focus on why employees exit the firm and take heed of collective turnover, in which a considerable number of organizational members leave their organization during a specified time period (e.g., Oh and Chhinzer, 2021; Oh and Kim, 2022). Collective turnover is now considered a key determining factor of organizational performance. Not only does collective turnover mean loss of human and social capital in an organization (Nyberg and Ployhart, 2013), but also have effects on several performance outcomes, both financial (Chung et al., 2022; Oh and Kim, 2022) and non-financial (Ko and Choi, 2023; Kraichy and Schmidt, 2020).

Because of its importance, researchers have been exploring potential moderators that can act as a boundary condition for the relationship between collective turnover and organizational performance. For example, Hancock et al.(2017) explored several moderators in their meta-analytic study, such as turnover types (e.g., total, voluntary, involuntary), organizational size, and industry (e.g., banking and technology, education, retail/restaurant/service). In particular, they explored location (i.e., the specific country or countries in which a study took place) in three ways : ① whether in North America, Europe, or Asia, ② whether the country is located in a liberal market economy or a coordinated market economy, and ③ whether the country’s culture is more individualistic or collectivistic based on Hofstede(1980) (Hancock et al., 2017). In the same vein, recent studies explored organizational

characteristics such as firm size and knowledge intensity (De Meulenaere et al., 2021), communication practices (Chung et al., 2022), and knowledge sharing systems (Ko and Choi, 2023) or individual characteristics such as employees' age (De Meulenaere et al., 2022; Oh, Jeong, and Kim, 2021), leadership (Li et al., 2020), and climate variability (Iwai et al., 2023) as moderators of the relationship between collective turnover and organizational performance.

In this study, we consider collectivist culture as an important moderator for two reasons. First, theoretically, the negative relationship between collective turnover and organizational performance varies in magnitude depending on the collectivist culture. In an organization with a strong collectivist culture, the vacancy in organizational operation caused by collective turnover is filled by the remaining employees in a collaborative manner, so adjustment of organizational operation and work systems can be relatively smooth (Park and Shaw, 2013; Hancock et al., 2017). However, previous meta-analytic studies call for further investigation into the moderating role of collectivist culture because they used location (e.g., Korea vs. the USA) as a proxy for differences in collectivist culture (e.g., Hancock et al., 2017). Given that an organization usually has cultural values that are not in line with those of the national culture (Oh and Park, 2021), we consider collectivist culture at the organizational level, which is more relevant in managerial situations (Oh and Kim, 2022).

Second, it is worth re-examining the moderating role of collectivist culture in the relationship between collective turnover and organizational performance because recent empirical studies demonstrate results contrary to above-mentioned theoretical predictions. Oh and Kim (2022) predicted that the negative relationship between collective turnover and organizational performance would be alleviated in organizations with a stronger collectivist culture, but rather showed

empirical evidence such that this relationship was actually amplified. Similarly, its negative cross-lagged effects on the emotional commitment of employees were found to be significant only in organizations with a high cooperative atmosphere (Jo et al., 2022). Although both studies showed interesting empirical results that deviate from the theoretical predictions, they have one thing in common : analysis using the Human Capital Corporate Panel. Therefore, it is necessary to re-verify the deviation of theoretical discussion and empirical results as regards the effects of collective turnover using the latest available data from the said panel.

This study intends to reconsider the generalizability of existing research results by replicating a portion of Oh and Kim(2022). To do so, we re-examine the negative relationship between collective turnover and organizational performance, and the moderating effect of collectivist culture on the aforementioned relationship at the organizational level. The simple research question guiding this study is : *In which way does collectivist culture moderate the collective turnover-organizational performance relationship?*

II. Theory and Hypotheses

1. Collective turnover

Researchers have attempted to answer the question as to why employees leave their organization voluntarily for decades (Hom et al., 2017). The antecedents of voluntary turnover have mostly been investigated at the individual level. However, this approach does not address the broader consequences of turnover for teams, business

units, or entire organizations. For example, the individual-level perspective cannot explain the departure of multiple employees who leave at or around the same time due to shared social processes (Bartunek et al., 2008) or turnover contagion (Felps et al., 2009). Hence, researchers now advance exploration of collective turnover, investigating turnover at the meso and macro levels and outcomes when groups of employees leave an organization, from a human capital resources perspective (Bolt et al., 2022).

Collective turnover can be defined in two different ways : quantity and quality of leavers. In terms of quantity of leavers, collective turnover refers to the aggregate employee departures that occur within groups, business units, or organizations (Hausknecht, 2017). It is commonly operationalized as “turnover rate” where the numerator represents all voluntary and involuntary turnover during a certain time span (e.g., quarterly, yearly) divided by a denominator representing the total number of employees within a collective (Hausknecht, 2017). In terms of quality of leavers, collective turnover is defined as the depletion of human capital resources (Nyberg and Ployhart, 2013). Recent studies have attempted to utilize objective measures of job performance to consider the leavers qualitatively (e.g., Call et al., 2015; Oh and Chhinzer, 2021); yet, the way of identifying KSAO levels of leavers is still unclear (Hausknecht, 2017). Hence, relying on the quantitative definition and operationalization is still prevalent in the literature (e.g., Hancock et al., 2017).

In this study, we refer to both ways of defining collective turnover interchangeably to build our hypotheses as collective turnover theories emphasize the loss of human capital associated with collective departure of employees (Bolt et al., 2022). Also, we focus on voluntary collective turnover because the voluntary departure of multiple employees at or around the same time potentially indicates a common

underlying cause (Brown et al., 2022).

2. Linking collective turnover and organizational performance

The detrimental effects of collective turnover on organizational performance can be explained from 1) a traditional cost approach, 2) the perspective of human capital resources, and 3) the turnover contagion perspective.

First, based on the cost approach, when employees leave an organization, there are both tangible and intangible costs related to their departure. Tangible costs include the time taken by human resources staff to conduct exit interviews, assess benefits to be paid out, and organize overtime work to minimize work disruptions while intangible costs include loss of clients and increased teamwork disruptions (Allen et al., 2010). Also, regardless of whether leavers are high or poor performers, high costs are incurred by the replacement hiring, training, and socialization of new employees. In fact, the estimated costs due to collective turnover can range from 90–200% of employees' annual salary (Allen et al., 2010; Boushey and Glynn, 2012). Thus, the conceptual link between collective turnover and organizational performance from the cost approach is straightforward: high collective turnover increases costs monotonically, and thereby lowers organizational performance.

Second, from the perspective of human capital resources, collective turnover involves its depletion, which brings about aggregate in-role performance deficits for an organization (Batt and Colvin, 2011; Nyberg and Ployhart, 2013). Considering leavers' quality, collective turnover by those who possess firm-specific proficiencies and make contributions to group functions over time has more adverse effects on organizational performance than collective turnover initiated by relative

novices who may make relatively fewer contributions to organizational performance (Hausknecht and Holwerda, 2013). Thus, the conceptual link between collective turnover and organizational performance from the perspective of human capital resources is slightly nuanced : higher collective turnover increases the chances of depletion of valuable human capital resources (i.e., those who possess finesse and experience), and in doing so lowers organizational performance. It should be noted that loss of human resources hurts the organization regardless of the experiences level of leavers, but the effects are exacerbated as more and more experienced workers begin to leave.

Third, the turnover contagion perspective represents ongoing collective turnover through time. When employees leave the organization, their departure is likely to perpetuate organizations' performance deficiencies over a long time span by potentially influencing other employees to quit. In the short term, because people have a penchant for comparing themselves to others, the remaining employees may readily infer negative aspects of the organization and interpret it as a negative sign as regards staying (Felps et al., 2009; Oh and Chhinzer, 2021). In the long term, collective turnover necessarily disrupts the relational identities of the remaining employees. In organizations with constant employee flux, employees are likely to experience uncertainty, volatility, and reduced coordination in their work processes and to reshape their work relationships within the organizational network. Remaining employees must establish new organizational routines with new employees to enhance organizational performance, yet employees who expect low relational stability may be less motivated to develop social bonds with others, which may discourage them from exchanging information to re-establish organizational routines while boosting their turnover intentions (Chung et al., 2022; Oh and Kim, 2022). In this sense, the notion of turnover contagion has been supported by recent studies

(e.g., Chung et al., 2022; Li et al., 2020; Oh and Chhinzer, 2021) indicating that collective turnover can damage organizational performance by its contagion effect over time. This is also in line with the point above, in which high collective turnover increases the chances of valuable human resources exiting an organization.

Hence, the preceding discussion leads to the following hypothesis:

Hypothesis 1. Collective turnover has a negative effect on organizational performance.

3. Moderating roles of collectivist culture

Collective turnover and its effectiveness are context-dependent, influenced by contextual moderators (Hancock et al., 2013; 2017). We consider collectivist culture as a boundary condition for the negative relationship between collective turnover and organizational performance because it could naturally shape employees' relationships within the organization (Galanaki et al., 2020). Organizations with high collectivist culture think highly of collective achievements by motivating employee knowledge-sharing and collaboration and treating their employees like family members by boosting their pride, loyalty, and strong attachments to the organization (Galanaki et al., 2020).

In theory, collective turnover may be less problematic for organizational performance in a collectivist culture than in an individualistic culture because of the difference in how employees work together. In organizations with individualistic culture, each employee represents unique human capital who takes on their own unique roles, and work processes are more likely to be dependent on particular individuals. In other words, coordination is not critical, and human capital resources are simply the sum of each individual's contribution. Thus, when collective

turnover occurs, organizations' daily routines are disrupted because they may have a hard time finding internal replacements while remaining employees are less likely to take on additional tasks to cover for the new vacancies (Nyberg and Ployhart, 2013; Park and Shaw, 2013). On the other hand, in organizations with collectivist culture, employees are dependent on each other and are expected to maintain the mutually beneficial cooperative relationships. Thus, when collective turnover occurs, it may be easier to find and integrate replacements into organizational functioning. In addition, leavers of collectivist organizations are more likely to be those who, relatively speaking, do not match the organizational fit very well, rendering their departure as less likely to lead to turnover contagion and subsequent operational disruptions (Hancock et al., 2013; Nyberg and Ployhart, 2013; Park and Shaw, 2013). Therefore, we expect the following:

Hypothesis 2. Collectivist culture moderates the relationship between collective turnover and organizational performance, such that the relationship will be stronger when organizations value individualistic culture over collectivist culture.

III. Methods

1. Sample and procedures

To test our conceptual model, we used the Human Capital Corporate Panel (HCCP) dataset administered by the Korea Research Institute for Vocational Education and Training (KRIVET). The KRIVET previously collected the HCCP dataset biannually to understand how Korean firms develop and utilize their human capital resources since 2005, but the

survey design was modified in 2019. The KRIVET started collecting the dataset annually using two sets of questionnaires : employee survey and corporate survey (KRIVET, 2022).

The employee survey is designed to collect information about employee attitudes and behaviors and they are asked to appraise the effectiveness of training, their skill levels, organizational culture, levels of job satisfaction and organizational commitment, etc. The corporate survey is designed to collect information about management issues from the human resource management (HRM) director, human resource development (HRD) director, and the general manager(s) of firms. Since the HCCP is collected annually, the KRIVET uses two different questionnaires for even-numbered years and odd-numbered years to alleviate the burden imposed on survey respondents. In odd-numbered years, they are asked to answer questions on general management, employment status (i.e., recruitment and selection, organizational structures), HRD (i.e., roles of training department, training investment and training outcomes, training plan and effectiveness), and HRM (i.e., performance management, rewards, unions). In even-numbered years, they are asked to answer questions on general management, employment status (i.e., recruitment and selection, key talent), HRD (i.e., roles of training department, training investment and training outcomes, government-funded competency development programs, job qualifications), and HRM (i.e., job ranks and organizational changes, rewards, and retirement). Along with the HCCP, the KRIVET provides the financial performance data of sample firms provided by the Korea Investors Service (KIS) (KRIVET, 2022).

We used the most recent data sets, collected in 2020 and 2021, to capture the most recent phenomena. Among 500 firms that participated in 2020 and 2021, 346 firms that provided all necessary information from HCCP and KIS were included in this study. The sample firms are

mainly in manufacturing (n=284), but there are some in finance & insurance (n=11), information & communication (n=24), services (n=18), education (n=3), and arts & sports (n=6).

2. Measures

Collective turnover. Consistent with previous studies (Ko and Choi, 2023; Oh and Kim, 2022), we measured collective turnover by dividing the number of voluntary leavers in 2020 by the total number of employees at the end of 2020, and then multiplying it by 100. Retirees and those who resigned within one year of joining were excluded in this calculation because they are outside the scope of our research interest. The average collective turnover was 9.17. The highest average collective turnover was 9.58 in the manufacturing industry, whereas the lowest collective turnover was 2.15 in the arts and sports industry (see Table 1).

Collectivist culture. In line with previous studies that utilized the HCCP (Kim et al., 2015; Oh and Kim, 2022), the authors identified five items emphasizing teamwork, two-way communication, mutual trust, sense of solidarity and kinship climate from the 2021 dataset to measure the degree of collectivism. Sample items include “Our company places much importance on teamwork” and “Colleagues trust each other in the company.” All items were rated by employees on a five-point Likert scale, which ranged from 1 (strongly disagree) to 5 (strongly agree). The items were derived via employee survey and there were 6,727 individual responses (19.44 employees per firm on average). To examine statistical validity of the construct, we conducted confirmatory factor analysis. Results show an acceptable fit for the model ($\chi^2(4)=18.66$, $p<.01$, CFI=.99, TLI=.98, SRMR=.02, RMSEA=.10) (Lai and Green, 2016) and standardized factor loadings that were larger

than 0.7 (see Table 2) (Hair et al., 2014), thereby supporting the use of the five items for a latent factor of collectivist culture. Moreover, regarding the level of analysis, responses collected from individuals were aggregated at the organizational level. The reliability estimate ($\alpha = .90$) and indices for aggregations (median rwg=0.90, ICC(1)=0.12, ICC(2)=0.72, and $\eta^2=0.16$) suggested a sufficient level of agreement to justify collectivist culture as a variable at the organizational level.

〈Table 1〉 Distribution of Firms and Average Turnover Rates

Industry	Number of firms	Average collective turnover
Manufacturing	284	9.58
Finance & Insurance	11	4.13
Information & Communication	24	9.06
Services	18	8.50
Education	3	7.38
Arts & Sports	6	2.15
Total	346	9.17

〈Table 2〉 Results of the Confirmatory Factor Analysis of Collectivist Culture Indicators

Survey item	Factor loading
Our company places much importance on teamwork.	.95
Colleagues trust each other in the company.	.83
Communication across departments generally runs smoothly.	.77
Our company fosters a sense of solidarity and harmony among employees.	.91
Workplace atmosphere can be described as close-knit or familial.	.88

Organizational performance. Following a strong endorsement among researchers that organizational financial performance should be

operationalized in several ways (Kim et al., 2015), we used firm profitability and labor productivity as objective measures of organizational performance. First, firm profitability was measured by the return on assets (ROA) in 2021 utilizing the KIS database. Because ROA clarifies how effectively a firm is converting its investable assets into net income, it is regarded as a valuable indicator for shareholders (Choi and Lee, 2013). Thus, ROA is often included in measures of an organization's financial performance among HRM researchers (Delery and Doty, 1996; Oh and Kim, 2022). Second, labor productivity was measured by net income per employee, i.e., net income divided by the total number of employees in 2021, because it is an efficiency measure that provides an effective overview of general firm success (Davis and Daley, 2008) and is also used to compare one's performance with that of others (Oh and Kim, 2022).

Control variables. We controlled for several variables that have been shown theoretically or empirically to affect organizational performance to account for the possibility of alternative explanations. First, firm size (i.e., the natural logarithm of the total number of employees) and assets (i.e., the natural logarithm of an organization's total assets) were included to control for any advantages related to economies of scale (Kim et al., 2015). Second, sales growth (i.e., three-year compounded annual growth rate) was controlled to exclude the effects of sudden changes in sales on organizational performance (Xu et al., 2017). Third, industry type (comprising five dummies) was included to control for inter-industry differences (Kim et al., 2015). Fourth, unionization (unionized=1; non-unionized=0) was controlled because union voice is positively related to organizational performance (Della Torre, 2019). Lastly, we controlled for the possible effect of high-performance work systems (HPWS) using five human resource management (HRM) practices, as a positive relationship between HPWS and organizational performance

has been consistently shown in the literature (e.g., Jeong and Choi, 2016; Kwon et al., 2010). We measured five widely-accepted practices of HPWS (Boon et al., 2019): ① the number of hurdles job applicants must pass in personnel selection, ② the ratio of education and training expenses to total personnel expenses, ③ pay level compared to that of rivals in the same industry, ④ the number of performance appraisal systems (e.g., management by objective, leadership evaluation, competency evaluation, etc.), and ⑤ the number of performance-based rewards (e.g., profit-sharing system, individual-, team-, and divisional performance based rewards, etc.). Given that the criterion of each practice is different, we aggregate them after standardizing each item.

IV. Results

〈Table 3〉 provides the descriptive statistics for the study variables and their correlations at the organizational level. We used the PROCESS Macro for SPSS 27 as a means of testing the significance of moderating effects (Model 1).

〈Table 3〉 Descriptive Statistics and Correlations

Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1. Collective turnover	9.17	13.84													
2. Collectivist culture	3.36	.31	-.07												
3. Firm profitability	3.43	9.50	-.07	.11*											
4. Labor productivity	34.99	120.49	-.13*	.17**	.68**										
5. Firm size ^a	5.65	.81	-.10	.09	.04	.09									
6. Asset ^a	18.91	1.39	-.12*	.10	-.01	.34**	.66**								
7. Sales growth	17.64	262.39	-.01	-.01	.02	.15*	.06	.07							

〈Table 3〉- continued

Variables	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
8. Industry dummy 1	.82	.38	.06	-.13*	-.13*	-.13*	-.14*	-.01	.01						
9. Industry dummy 2	.03	.18	-.07	.16**	-.02	.27**	.15**	.37**	.00	-.39**					
10. Industry dummy 3	.07	.25	.00	.03	.14*	.04	.03	-.08	.00	-.58**	-.05				
11. Industry dummy 4	.05	.22	-.01	.14*	.11*	-.04	.02	.24**	-.01	-.50**	-.04	-.06			
12. Industry dummy 5	.01	.09	-.01	-.07	-.01	-.03	.12*	-.04	-.01	-.20**	-.02	-.03	-.02		
13. Unionization	.33	.47	-.13*	-.09	-.05	.05	.28**	.39**	.08	.12*	.05	-.07	-.14*	-.07	
14. HPWS	.04	2.70	-.02	.14*	.07	.18**	.36**	.38**	-.04	-.12*	.19**	.11*	-.07	.00	.14**

Notes : 1) a=natural log transformed.

2) * p<0.05, ** p<0.01.

3) The unit of labor productivity=1,000,000 Korean won.

〈Table 4〉 reports the relationship between collective turnover, collectivist culture, and organizational performance. Collective turnover had a negative relationship with firm profitability ($b=-0.87$, $p<0.05$) and labor productivity ($b=-15.23$, $p<0.01$). Collectively, these results support hypothesis 1.

〈Table 4〉 Relationship between Collective Turnover and Organizational Performance and the Moderating Effect of Collectivist Culture

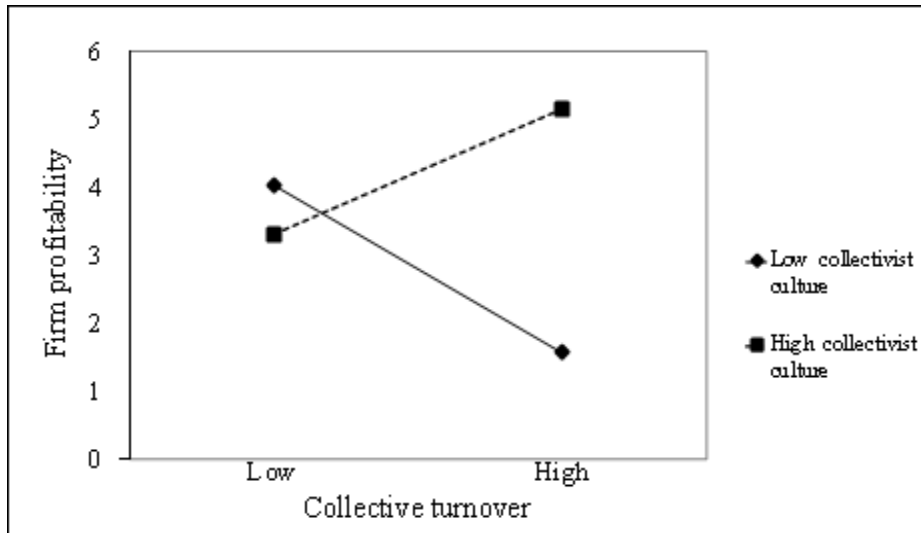
	Firm profitability		Labor productivity	
	B	SE	B	SE
Constant	3.22	11.82	-578.95**	151.55
Firm size	.17	.91	-38.23**	11.44
Asset	.19	.60	41.07**	7.56
Sales growth	.00	.00	.44	.34
Industry dummy 1	2.13	3.94	80.74	56.27
Industry dummy 2	-.06	4.90	151.74*	65.48
Industry dummy 3	6.96	4.41	112.22	61.09
Industry dummy 4	6.41	4.70	108.79	66.69
Industry dummy 5	1.62	6.84	120.94	96.48
Unionization	-1.02	1.19	-12.26	14.64
HPWS	.18	.21	2.13	2.73
Collective turnover(A)	-.87*	.41	-15.23**	5.24
Collectivist culture(B)	-.01	2.15	-10.38	28.09
(A)x(B)	.26*	.13	4.59**	1.64
R ²	.06		.23	

Notes : * p<0.05, ** p<0.01.

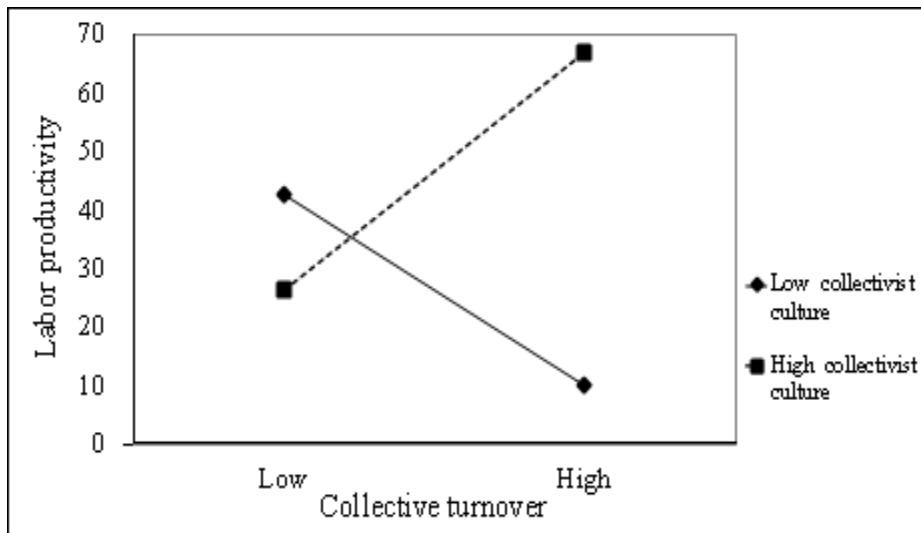
Then, we tested the significance of the moderating role of collectivist culture in the relationship between collective turnover and organizational performance (i.e., firm profitability and labor productivity). Before creating the interaction term, we adjusted the average of all relevant variables to 0 to avoid multicollinearity with the product term (Hayes, 2022). The interaction term had a significant and positive coefficient for firm profitability and labor productivity ($b=0.26$, $p<0.05$; $b=4.59$, $p<0.01$, respectively). These results indicate that the negative relationship between collective turnover and organizational performance was stronger when the levels of collectivist culture are low in the organization.

In order to examine the pattern of interactive effects on organizational performance, we plotted simple slopes at one standard deviation above and below the mean of the moderator (Hayes, 2022). As [Figure 1] illustrates, the slope of the relationship between collective turnover and firm profitability was negative and significant when the level of collectivist culture is low (simple slope= -0.09 , $t=-2.08$, $p=0.04$). On the other hand, the relationship between the two was positive, but insignificant when the level of collectivist culture is high (simple slope= 0.07 , $t=.98$, $p=0.33$). Comparably, [Figure 2] depicts that the slope of the relationship between collective turnover and labor productivity was negative and significant when the level of collectivist culture is low (simple slope= -1.23 , $t=-2.26$, $p=0.02$), while the relationship between the two was positive, but insignificant when the level of collectivist culture is high (simple slope= 1.54 , $t=1.67$, $p=0.10$). Collectively, although the graphs depict crossover interactions between collective turnover and collectivist culture, the results of the simple slope test support Hypothesis 2, which posits that the effect of collective turnover on organizational performance is stronger when collectivist culture is lower.

[Figure 1] The Effect of Interaction between Collective Turnover and Collectivist Culture on Firm Profitability



[Figure 2] The Effect of Interaction between Collective Turnover and Collectivist Culture on Labor Productivity



V. Discussion

Drawing upon three theoretical perspectives (cost, human capital resources, and turnover contagion), we posited that collective turnover has an adverse effect on organizational performance. Moreover, the negative relationship between collective turnover and organizational performance depends on the level of collectivist culture at the organizational level. Using a sample of 346 firms from the most recent HCCP dataset collected in 2020 and 2021, we attempted to answer the core research question in this study: In which way does collectivist culture moderate the collective turnover-organizational performance relationship? While Oh and Kim(2022) demonstrated that the negative relationship between collective turnover and organizational performance is amplified in organizations that value collectivist culture (which is contrary to theoretical predictions), our results showed that the negative effects of collective turnover on organizational performance was found to be significant only in organizations with low levels of collectivist culture. In other words, we did not obtain the same or similar results in this follow-up study, which means that the empirical evidence provides mixed results on the moderating role of collectivist culture.

1. Theoretical implications

In examining the relationship among collective turnover, organizational performance, and collectivist culture, this study calls for more studies to accumulate the empirical evidence on the moderating role of

collectivist culture in the relationship between collective turnover and organizational performance. Although our replication study did not achieve the same or similar results as Oh and Kim(2022), the cross-over interaction may be due to the timing of data collection. As the KRIVET collected the HCCP during the global pandemic, we cannot discount the possibility of its pervasive effects. Needless to say, the pandemic situation impacted the business community significantly, and employers across the country faced difficult decisions such as employee layoffs (Lee and Yang, 2022). It is difficult to ascertain what really happened in sample organizations for the purposes of this study, but we can think of a few possibilities. First, it is possible that employees whose performance fell short of the organizational expectations either quit or were terminated. In addition, those facing functional discharges (e.g., constructive dismissals due to poor performance) likely include those exhibiting poor organizational fit. If this occurs in organizations that value collectivist culture, it less likely leads to the turnover contagion effect and operational disruption, or could even potentially lead to a positive effect on organizational performance in the short term (Hancock et al., 2013; Trevor and Piyanontalee, 2020). Moreover, while collective turnover may elicit higher entropy, the relational capability in a collectivist organization implies that its members can emotionally support each other and make a concerted effort to fill the void of collective turnover in times of uncertainty (Williams et al., 2017). Thus, the risk factor of collective turnover may be less severe in such cases, or rather it can be a driving force towards improvement, granted that it is perceived as an organizational impetus to overcome it and achieve better performance (Lengnick-Hall and Beck, 2005; Williams et al., 2017).

Second, leavers in organizations with low levels of collectivist culture could have high employability given that they decided to leave the

organization despite unstable external labor market conditions due to the pandemic. That said, leavers in our sample could be relatively high performers who took on their own unique roles and thus their absence was less likely to be covered by remaining members (Hausknecht and Holwerda, 2013). Even worse, it is plausible that remaining members already faced unexpected changes to work processes and procedures (e.g., hybrid and virtual work settings) and their routine activities were disrupted by the pandemic (e.g., quarantine, traffic restrictions, and lock-down), rendering it difficult to adapt to evolving job demands with their current skills and experiences (Deng et al., 2022; Spitzmuller et al., 2023). In these circumstances, collective turnover can amplify the remaining employees' anxiety and induce them towards individual turnover behaviors of their own, in order to avoid a potential work-related crisis (Oh and Chhinzer, 2021). Thus, organizations with low levels of collectivist culture may have a really hard time experiencing disruptions caused not only by collective turnover, but also by the COVID-19 crisis, which may affect generalizability of results from this time period.

2. Practical implications

The results of this study provide practical implications by showing that the influence of collective turnover on organizational performance can vary depending on the relative level of collectivist culture of said organization. In the age of “the great resignation,” the climate for turnover is ever heightened, with employees voluntarily leaving and new employees joining the organization. If an organization suffers operational setbacks due to high levels of collective turnover, its aftermath can be mitigated if the organizational culture is collectivistic. In this regard, the HR team can put in place a company-wide effort to

prevent further contagion. First, the organization should strive to share internal values with employees, present a specific vision of the organization, and increase unity among members in order to achieve community goals. In addition, it is necessary to regularly diagnose the organizational culture in order to manage the psychology and attitude of the remaining members in the organization, minimize the negative aftermath experienced by the remaining members, and enact pragmatic and systematic countermeasures.

3. Limitations and future research directions

There are clear advantages to using publicly available data sets, but at the same time, these data have limitations. First, the HCCP does not distinguish the types of employee turnover, namely involuntary and voluntary turnover. Both types of turnover can negatively affect the operation of the organization, and the reason why colleagues leave the organization from the perspective of remaining members is an important factor in understanding turnover (Oh and Chhinzer, 2021). Theoretically, collective turnover is a concept that encompasses both involuntary and voluntary turnover (Nyberg and Ployhart, 2013), so future studies may consider both types and/or look into differences in the contagion effect by type to explain the collective turnover phenomenon in a more comprehensive manner.

Second, caution is required when making interpretations about collectivist culture. In this study, “collectivist culture” was used as a continuous variable, but labelling the levels of such a culture as high or low may be a bit manufactured. Because of the convenience of variable interpretation and simplicity in displaying research results, we took for granted that low levels of collectivist culture imply high levels of individualistic culture (DeCoster et al., 2011; Hayes, 2022). That

being said, it is necessary to carefully measure whether the culture of an organization prioritizes individualism or collectivism and to study the organizational culture clearly by group. Future research will need to measure the organizational culture of individual organizations more rigorously by constructing opposing groups that clearly contrast one another.

Third, although this study tried to control for various industry and firm characteristics, there are still additional contextual factors that can be considered (e.g., proportion of new employees, workforce diversity, industry differences, Great Resignation, etc.) (Chapman et al., 2023; Oh, Jeong, and Kim, 2021; Oh, Lee, and Park, 2021; Spitzmuller et al., 2023). For example, in the case of a start-up company, elements of organizational culture, workforce diversity, and collective turnover rate may interact with one another. Future studies may contribute to the theoretical literature by considering such contextual factors.

Last but not least, we considered a different time gap between collective turnover and organizational performance by using the most recent data sets (2020 and 2021) to bring about more reliable results. However, we cannot be certain that the time gap is sufficient to infer the impact of collective turnover on organizational performance. Although the KRIVET changed the way of collecting the HCCP in 2019 so that we had limited choice in designing the time gap, the HCCP is nonetheless panel data containing rich information about the same companies across years. Hence, it is a fruitful data source that may be analyzed via more advanced statistical techniques in future studies to explore, for example, growth modeling of organizational outcomes over time, and their relationship with collective turnover and collectivist culture. The accumulation of data would pave the way for conducting valuable research in the future.

Despite the aforementioned limitations, we believe that this study

provides a valuable starting point for future research on the complex linkages between collective turnover, collectivist culture, and organizational performance. We hope that our discussion will help bridge the gap between theoretical predictions and empirical evidence on the moderating role of collectivist culture, and result in more studies on the different dimensions of organizational culture as well.

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국문요약

집단 이직과 조직성과 : 집단주의 문화의 조절효과 재검증

오진욱 · 김미정

본 연구는 조직 수준의 집단 이직, 집단주의 문화, 그리고 조직성과의 관계를 재검증하였다. 구체적으로 비용접근법, 인적자본 관점, 이직감염 관점에서 집단 이직이 조직성과에 어떠한 영향을 미치는지를 밝히고, 집단주의 문화의 조절효과를 살펴보았다. 한국직업능력연구원이 제공하는 2020~2021년도 인적자본기업패널을 활용하여, 346개 기업을 대상으로 조절모형을 검증하였다. 분석결과, 조직의 집단 이직률이 높아질수록 기업성과는 부정적인 영향을 받는 것으로 밝혀졌고, 이 관계는 조직의 집단주의 문화가 약할 때만 나타났다. 이는 집단주의 문화의 조절 효과에 대한 이론적인 논의를 뒷받침해주는 실증 증거이지만, 기존의 실증 결과와 다르다. 따라서 연구자는 집단주의 문화의 조절효과에 대한 실증 결과를 해석할 때 주의해야 하고, 후속 연구를 통해서 집단주의 문화가 집단 이직과 조직성과 간의 관계에 어떠한 영향을 미치는지를 지속적으로 파악할 필요가 있다.

핵심용어 : 집단 이직, 집단주의 문화, 조직성과, 인적자본기업패널