

IT IS ALL PERSONAL: DEALING WITH THE REVOLVING DOOR IN THE INDIAN HIGH TECH INDUSTRY

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IT IS ALL PERSONAL: DEALING WITH THE REVOLVING DOOR IN THE INDIAN HIGH TECH INDUSTRY

Complete Research

ECIS 2014 Track 13: Information Technology (IT) Project Management, Best practices in project management

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Abstract

High turnover in IT consultancy companies makes it harder to manage IT projects and increases the cost of such projects as clients demand that vendors assign more employees to each project. Current thinking, summarized in Justice Theory and related theories, suggests that labour turnover is a matter of perceived lack of fairness in pay, regulations, how employees are treated, their expectation, satisfaction, shock, and lack of embeddedness. Based on discussions with employees and CIOs and applying ideas drawn from logotherapy, this study suggests that employees are motivated also by their need to achieve meaningfulness in their work, and that this is facilitated by their being treated as a person rather than as a resource. Survey data from IT personnel in several Indian IT outsourcing vendors support this thesis, showing also the importance of building trust in the process. Implications of the logotherapy aspect are discussed.

Keywords: Justice Theory, Employee Turnover, IT Industry, Trust, Logotherapy, Existential Psychotherapy.

1 Introduction

A major problem in IT project management, and especially so in outsourced IT projects, is employee turnover. Highlighting how serious this problem is, *The Economist* recently published employee turnover numbers among the top Indian IT outsourcing companies, claiming that labour turnover among those Indian outsourcing vendors stood, and has been standing for years, at around 15-20% annually, and in some cases it even stood at 25% (Booth, 2013). Needless to say, managing any kind of IT project with such high labour turnover is challenging. Not only does such turnover complicate IT project management, but, at least based on interviews we conducted with American clients, also substantially increases IT outsourcing project costs. In fact, the CIO of one of the largest tier one suppliers to the US automotive industry explicitly told us that he demands a 10% increase on his estimate of manpower needed by the vendor for the outsourced project, and does so explicitly to account for the expected substantial turnover among the vendor's IT personnel.

Current organizational behaviour research suggests that key considerations in reducing employee turnover are issues of perceived fairness. These are summarized in Justice Theory as perceptions of distributive, procedural, interpersonal, and informational justice (Cropanzano et al., 2007; Miles et al., 1994; Skarlicki and Folger, 1997). The importance of perceptions of fairness of various kinds are prominent also in the meta-analysis about IT employee turnover done by Joseph et al. (2007). These perceptions will be discussed in the next section. We do not challenge those theories, but add that at least in the case of IT, maybe because IT development is still very much an art and so it attracts a certain type of personality, there is also the issue of creating meaningfulness through work for the employees and creating among them a sense of being treated on a personal level. Meaningfulness in work is undeniably a very broad concept, so in the current study, as in the literature we cite, it is defined loosely based on Morrison et al. (2007) as employees investing through their work to achieve a sense of purpose in life. This may include helping sick people, as nurses do and not just for the pay in Morrison et al., or by promoting social organizations or supporting a noble cause as in Frankl (1967; 1997). In the case of IT personnel this may relate to feeling creative by creating amazing code, or feeling powerful by having the data and organizational influence beyond one's position in the hierarchy. Indeed, as some American CIOs told us, an important motivation for an IT employee to move to another company is low professional challenge in their current job. IT project management from its inception has typically dealt with many other important issues such as scheduling, planning tasks, and breaking complex processes into manageable-sized modules (Beizer, 1990). It still does (e.g. Matta and Ashenas (2003), Feld and Stoddard (2004), Hunter and Westerman (2007), Applegate et al. (2007)). Seeing the artist soul of the IT person, as practitioners sometimes do (e.g. the classical book by Orr (1996)) may have been woefully missing.

In seeking how to address this pressing labour turnover issue, the current study adds beyond Justice Theory an existential psychotherapy aspect to the question of how to reduce such turnover. Existential psychotherapy as developed by Frankl (1967; 1997) is based on the notion of the importance of developing a personal meaning to life and to existence. The key term of this theory is Logotherapy: the combination of the ontos (being) with logos (meaning). It is especially important in the current impersonal social environment created by the ubiquitous nature of technology (Yalom, 1980). Considering that developing IT can be a very creative process and that IT personnel are often very creative people, adds credence to the application of this universal theory. The theory emphasizes the need to have meaningfulness in life and the drive to meaning that people have.

Combining pertinent aspects of Justice Theory and Logotherapy, a survey was distributed among IT professionals of several Indian outsourcing vendor companies. The results suggest that employees are less inclined to look elsewhere for employment, and hence require more financial motivation to switch, when they sense there are both distributive justice, i.e. the perception of being paid fairly, and meaningfulness through work. These results support the duality of IT employment: pay is important, but so is finding meaningfulness through work. Importantly, while substantially increasing pay may

not always an option managers can utilize, adding meaningfulness through work is an aspect that can be addressed with relative ease by treating employees on a personal level as people rather than as a means of production. This could be achieved, for example, as the CIOs we talked with mentioned, by increasing employees' professional challenge. Moreover, perhaps indicating how justice and logotherapy may be connected, trust in the direct manager not only increased this sense of being treated on a personal level, and hence indirectly may have created the necessary conditions for seeking fulfilment through work, but also increased the sense employees had of distributive justice.

2 Theoretical Background

This study combines two unrelated but possibly complementary perspectives to the workplace that may apply also to IT employees. On the one side, the study presents Justice Theory. On the other is logotherapy as brought in Existential Psychotherapy. Combined, conceptually, these two theoretical anchors somewhat resemble Herzberg's (1966) motivation-hygiene theory. Herzberg suggested that employee turnover relates to needs for hygiene and for growth. A hygiene need is one whose lack causes dissatisfaction. Perceived lack of justice is one such cause of dissatisfaction (Colquitt, 2001). A growth need is one whose presence creates satisfaction. Meaningfulness through work is a growth need. The research model strives to combine the two.

Justice theory deals with the perceived fairness that employees feel about their relationship with their organization in terms of relative compensation, workplace procedures, treatment by managers, and being a party to relevant organizational information. These perceptions are all important in creating employee satisfaction and loyalty (Colquitt, 2001). Justice Theory is one of several theories that relate employee turnover to various aspects of perceived fairness. Perceptions of fairness have taken a primary stage in past research on IT employee turnover, as brought in a meta-analysis by Joseph et al. (2007). These issues of fairness are not necessarily more unique to IT employees than to others. These issues as brought by Joseph et al. pertain to (1) Equilibrium theory (March and Simon, 1958), suggesting that employees leave because their inducement to stay does not match their perceived contribution to the organization. And, related to Equilibrium theory, other studied applied (2) Met Expectations theory (Porter and Steers, 1973) that deals with how meeting expected rewards, advancement and other issues affects employee turnover. Another related theoretical context is (3) Linkage Model (Mobley, 1977), suggesting that job satisfaction is a key factor. Such job satisfaction, show Joseph et al., is related to the fairness predictions of Equilibrium and Met Expectations theories. Other studies brought by Joseph et al. highlight that (4) shock is sometimes an underlying cause (Lee and Mitchell, 1994), as well as (5) exacerbation caused by a lack of job embeddedness (Mossholder et al., 2005). We did not include those other fairness theories because the issues they centre on either overlap Justice Theory or did not come up in the preparatory discussions we had with CIOs. Moreover, there is little a typical IT manager, as opposed to very senior management, can do in the short term to induce employees to stay based on those theories beyond Interpersonal justice. The next subsections also introduce the supplementary, alternative perspective derived from Existential Psychotherapy (Frankl, 1967). Existential Psychotherapy deals with an internal drive that people have to bring meaning to their lives. The two perspectives do not contradict each other. They just deal in different aspects.

2.1 Justice Theory

Justice Theory is about the importance of people believing they are being treated with fairness in the organization. Maintaining such a sense of fairness is important because when people feel they are treated unfairly compared to others the result may be tension and even employees taking independent steps to rectify the situation (Cropanzano et al., 2007; Miles et al., 1994). In contrast, when employees

feel they are treated with fairness they show more organizational citizenship behaviour, improve their performance, and, importantly for this study, show increased loyalty (Cropanzano et al., 2007).

Justice Theory discusses four types of fairness perceptions: distributive, procedural, interpersonal, and informational justice (Cropanzano et al., 2007; Miles et al., 1994; Skarlicki and Folger, 1997) Cropanzano et al. (2002). Distributive justice is about perceived fairness regarding pay and rewards compared to other employees doing equivalent work (Cropanzano et al., 2007). Procedural justice is about perceptions that the organization's regulations and allocation policies are fair and without favouritism (Cropanzano et al., 2007). Interpersonal justice is about employees' perceptions that their managers are treating them respectfully and with dignity (Colquitt et al., 2001; Cropanzano et al., 2007; Cropanzano et al., 2002). Informational Justice is about "sharing relevant information with employees" (Miles et al., 1994, p. 36), and doing so in a truthful manner (Colquitt and Rodell, 2011).

Of those four justice beliefs, IT managers typically have some influence in determining distributive justice by be able to occasionally increase pay and provide other related benefits such as approving extra leave. IT managers typically also have considerable weight in creating a sense of interpersonal justice as a direct consequence of their own behaviour towards their IT personal. They can do so by treating employees with dignity and talking to them respectfully, as the scale items in the Appendix reflect, and, in the case of IT, also by showing appreciation to their work and creativity. We did not include procedural justice because it is not typically in the power of an IT manager to change organizational bylaws in how they treat their outsourcing clients just to satisfy an employee. Likewise, we did not include informational justice because it is typically in the hands of the client to determine the policy of what can be shared with the vendor IT employees. It is, in many cases, outside the authority of vendor IT managers to change. Noting that justice affects loyalty, and that of the four types of loyalty only distributive and interpersonal justice are at the prerogative of the IT manager, it is hypothesized that these two types of justice will affect IT employee loyalty.

H1: Distributive justice will be associated with IT employees being less inclined to leave.

H2: Interpersonal justice will be associated with IT employees being less inclined to leave.

2.2 Logotherapy

A key psychological drive people have is the need to have meaning in their lives. That is at the core of logotherapy. Logotherapy is a stream in psychotherapy that deals with resolving internal conflicts concerning existence and meaningfulness. Achieving such meaning depends on three principles. The first is *Freedom of Will*, meaning that all people have the freedom to make their own decisions, and be responsible for the consequences by taking ownership of their own decisions. The second is *Will to Meaning* which means that finding meaning in life is a key psychological drive in human existence. This meaning must be self-discovered and cannot be dictated by others; it is unique to each person. The third is *Meaning in Life*. This third principle is that there is unconditional meaning to human life. This meaning cannot disappear despite any circumstances (Frankl, 1997). Achieving meaning in life can be done also through work. Any kind of work can be made meaningful, even cleaning floors. Work becomes meaningful when people do it for the sake of things greater than themselves, such as doing it for other people, the community, or an ideal (Frankl, 1986). Such a sense of purpose in life is associated with enthusiasm, excitement of living, and clear life goals (Schulenberg et al., 2011). Career counselling even warns against an existential vacuum created when work loses such meaning and is replaced thereafter by a sense of void, alienation, and, with it, a lack of investment and lethargy (Schultze and Miller, 2004). And, not surprisingly, logotherapy and its message of finding meaning in life through work has shown that creating a sense of meaning in work is key to retaining and gaining the commitment of employees (Morrison et al., 2007). As Frankl (1986) explains it, people have a psychological drive to add meaning to their life, a meaning that is often about using their creativity to benefit others. In an organizational context this is about employees "being concerned with something

that is bigger than they are” (Morrison et al., 2007, page 106). Applying these ideas to IT employees suggests the next hypothesis. The type of meaningfulness through work that applies to IT employee achieve was based on informal interviews as achieving importance and self-fulfilment such as in the case of programmers by developing amazing code others depend upon. The seeking of meaning to life through work might be especially relevant among software developers and designers who develop new systems for the explicit benefit of others.

H3: Meaningfulness at work will be associated with IT employees being less inclined to leave.

Importantly, this sense of meaning is something each individual must do by himself or herself (Frankl, 1967). It is personal. Nonetheless, as interview research shows, managers can promote this self-found meaning by coaching employees on how to find meaning in their work (Vuori et al., 2012). As Morrison et al. (2007) point out, among the ways managers can create such a sense of meaning among their employees, and through it presumably increases their retention rate (Morrison et al., 2007), is by encouraging the employees to realize their personal sense of meaning in life. This kind of meaning, Morrison et al. (2007) stress, can be found even in small personal gestures, such as adding a personal touch to an interaction. Arguably, this applies also to IT employees. Developing software is typically a very personal and highly creative process, and is often challenging to the degree of frustration. A supportive personal touch and appreciation by the manager or team leader can do wonders in motivating and supporting programmers and designers when they are stuck or lost while creating or debugging modules, and perhaps even more so when a programmer or designer develops a “brilliant” algorithm or design. Such a case study is brought to life in the ethnographic study described by Orr (1996). In that case study Orr describes how managers created a constructive and innovative work atmosphere in which programmers and software designers contributed to the mission at hand over and above what is typically requested. The employees were motivated, as in logotherapy, by the notion that they were doing something for society at large. In that case study managers motivated the employees by treating them on an interpersonal level which gave work also a personal meaning. Indeed, as Morrison et al. (2007) put it, managers can do a lot to motivate and encourage a sense of mission among their employees by how they treat the employees on an interpersonal level. Such a conclusion is consistent with Justice Theory too (Colquitt et al., 2001; Cropanzano et al., 2007; Cropanzano et al., 2002). The next hypothesis suggests that this relationship is moderated by what the employees actually feel. In other words, what managers do on an interpersonal justice level affects what employees do, but is moderated by how the employees interpret their manager’s interpersonal actions.

H4: Being treated on a personal level will be associated with meaningfulness at work.

Being treated on a personal level is associated with both trust theory and justice theory. The next two hypotheses develop this idea. A key characteristic of trustworthiness is benevolence, a sense that the trusted party really cares about the trusting party (Mayer et al., 1995). This is typically judged on a personal level of interaction by the trusting party (Blau, 1964). Benevolence is an important aspect in the way vendors manage their trusting relationships with their clients too (Gefen, 2004). Likewise, being treated on a personal level is an integral aspect of interpersonal justice (Colquitt, 2001; Colquitt and Rodell, 2011).

H5: Trust in the manager will be associated with being treated on a personal level.

H6: Interpersonal justice will be associated with being treated on a personal level.

Combining the justice and the implied logotherapy perspectives to the context of IT labour turnover among outsourcing vendors, results in the model shown in Figure 1. The figure also shows the results of the stepwise linear regressions, and the additional significant path, not explicitly part of the model, between trust in the manager and distributive justice.

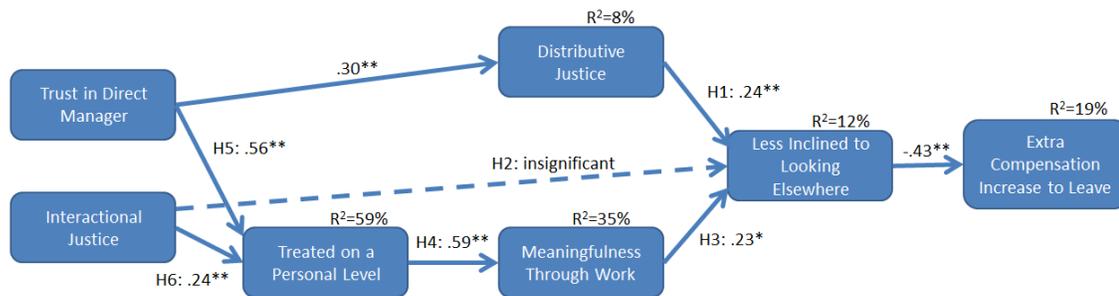


Figure 1. Research Model, Including Stepwise Linear Regression Path Estimates and R².

3 Scale Development

The survey items are shown in the Appendix. In addition there was a single item question added “How much more compensation/salary (per month) in absolute terms / would another employer need to give to make you switch to them?”. The Trust in Direct Manager scale deals with the dimensions of trustworthiness and trust as described in Mayer et al. (1995) and as applied extensively in MIS research (e.g. Gefen (2004)). The Meaningfulness through Work scale was developed for this study based on themes discussed by Frankl (1997) that could apply to IT employees. As meaningfulness is always subjective (Vuori et al., 2012), we developed the items for this construct based on actual experience of IT developers. The Treated on a Personal Level and the Less Inclined to Looking Elsewhere scales were also developed specially for this study based on interviews with IT professionals. Distributive Justice and Interactional Justice were based on Colquitt (2001). All the items were measured on a 5 point scale ranging from 1 being strongly disagree through 3 being neutral to 5 being strongly agree. All the items were previewed by several CIOs and project managers prior to deployment.

4 Data Collection and Analysis

To collect the data we contacted several Indian IT outsourcing vendors and spoke personally to their managers to interest them in the study and encourage their IT employees to complete the survey. Two of the companies developed regular IT applications through outsourcing and one specialized on web applications. The survey was collected online. Employees were sent emails from the companies with links to the survey, requesting their participation and guaranteeing anonymity. Each company had a separate website created for this study. The companies were promised aggregate data about their company and the results of the entire study. We verified the IP address of each respondent to make sure they were indeed employees of those companies, but did not collect any other identifiers. Altogether, 170 completed surveys were returned. Demographics show that 118 of the respondents declared they were men, 44 women, and 8 declined to answer. Most respondents were in their 20s (n=56) or 30s (n=66) with some in their 40s (n=25) or 50s (n=12). Employees were on average 2.36

years with their current company (std.=2.8, min=0, max=12). The most frequent self-declared titles were programmer (n=84), business analyst (n=12), and variants on manager or team leader (n=21).

Convergent and discriminant validity were established through factorial validity with a principal components analysis and varimax rotation. The results are shown in the Appendix, conforming to the acceptable validity (Hair et al., 1998) and reliability (Nunnally and Bernstein, 1994) rules of thumb. The stepwise linear regression constructs were then created by taking the average of the measurement items of each construct. These constructs appear in bold font in the Appendix above the measurement items they relate to.

Table 1 shows the means and std. deviation of these constructs. Note that except for the last construct, all are measured on a 7 point Likert scale ranging from 1 (strongly agree) through 4 (neutral) to 7 (strongly disagree). Respondents could also answer 8 (not applicable or do not wish to answer). Answers of 8 were treated as missing data and excluded from the analysis. Overall, and as might be expected from a very competitive IT Indian labour market, employees did feel they were paid fairly but were still inclined to switch companies. Convincing them to switch to another employer would on average take about 30,000 rupees. With an Indian Purchasing Power Parity equivalent to \$3,900 in 2012 compared to \$50,700 in the US, according to the CIA World Factbook,¹ 30,000 rupees might be thought of as equivalent to about \$6,200 in the US. The results may indicate therefore that on a distributive justice standpoint there is little managers can do to encourage employees not to switch, which might be expected considering the emphasis on compensation in that market (Booth, 2013). In contrast, employees held rather low levels of trust in their managers, did not feel high fulfilment in their work, did not feel they were really treated on a personal level, and felt that they were not shown adequate interactional justice. These results suggest there is a lot managers can do on the personal and logotherapy aspects to improve employee retention.

Construct	Mean	Std. Deviation
Trust in Direct Manager	2.32	1.31
Meaningfulness through Work	2.17	1.21
Treated on a Personal Level	2.54	1.27
Distributive Justice	4.03	1.84
Interactional Justice	2.24	1.15
Less Inclined to Looking Elsewhere	3.54	1.67
Compensation to Leave	30,037.75	27,576.42

Table 1. Means and Standard Deviation of Constructs.

The research model was tested using a set of stepwise linear regressions on the constructs. The summary of these is shown in Figure 1. Solid line arrows are supported hypotheses, and the broken line arrow is the unsupported hypothesis. The numbers above the arrows are the regression betas. A double asterisk means the beta is significant at the .01 p-value level, a single asterisk means it is supported at the .05 level. The numbers above each rectangle are the R². The first regression had Extra Compensation Increase to Leave as the dependent variable and all the other constructs as independent variables. Extra Compensation was significantly (F=11.361, p<.001, R² =.19) predicted by Less Inclined to Looking Elsewhere (beta=-.430, P=.001). Less Inclined to Looking Elsewhere was significantly (F=7.175, p=.001, R² =.12) predicted by Distributive Justice (beta=.236, P=.010) and Meaningfulness through Work (beta=.232, p=.011). Distributive Justice was significantly (F=10.787, p=.001, R² =.08) predicted by Trust in Direct Manager (beta=.295, p=.001). Meaningfulness through

¹ <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html> and <https://www.cia.gov/library/publications/the-world-factbook/geos/us.html>

Work was significantly ($F=61.483$, $p<.001$, $R^2 =.35$) predicted by Treated on a Personal Level ($\beta=.594$, $P<.001$). Treated on a Personal Level was significantly ($F=67.372$, $p<.001$, $R^2 =.59$) predicted by Trust in Direct Manager ($\beta=.561$, $P<.001$) and by Interactional Justice ($\beta=.241$, $p=.003$). In all, H1 and H3 through H6 were supported but not so H2, that interpersonal justice will directly affect IT employees being less inclined to leave. Nonetheless, interpersonal justice did affect IT employees being less inclined to leave but indirectly by increasing their sense of being treated on a personal level. As to the correlation between Distributive Justice and Trust in Direct Manager, it may be that when managers assign fair pay they are trusted more, and when they assign unfair pay then they are trusted less.

5 Discussion

Labour turnover is a serious problem in IT outsourcing projects, including those outsourced to India. Based on previous research, one may have assumed, correctly as our data show, that distributive justice is a central aspect of this. This is in accordance with the hygiene aspect of Herzberg's (1966) motivation-hygiene theory. Rationally, employees expect to be paid in a manner that is fair compared to others, i.e. distributive justice. Lacking distributive justice, employees may leave, but that is not the reason employees choose to stay. As this study contends, employees choose to stay also as a matter of seeking meaningfulness through their work, fostered by being treated on a personal level. This aspect is in accordance with the growth aspect of Herzberg theory.

A sense of meaning increases people's quality of life at work (Vuori et al., 2012). It affects people's motivation (Antonovsky, 1996; Parker et al., 2001), even physical health (Dunn, 1996; Ryff and Singer, 1998), and, importantly in the context of this study, also organizational commitment (Tyler and Blader, 2003). Despite its potential contribution to understanding employee behaviour, there has been little research on this topic (Ashford et al., 2007; Vuori et al., 2012). To the best of our knowledge, this is the first study on IT employees and their retention intentions from a logotherapy perspective. Its importance is evident considering the very high turnover among IT employees, especially in India (Booth, 2013), and the costly steps our interviews revealed that are taken by US clients to partially address this.

Before discussing the potential contributions to theory and practice, it is important to add that these are cross-sectional data. As such, the regression results should be understood as showing no more than correlations that are in agreement with the causation implied by the theory and the logic. The regression results do not show actual causation. Another limitation is that the sample is a convenience sample. It is not a truly random and large sample. This presents the typical limitations associated with such samples concerning generalizing the results to other contexts.

The results are shown in Table 1 and Figure 1. Importantly, the results show that, as suggested by Vuori et al. (2012) in other contexts, also among IT developers meaningfulness achieved through work supplements financial incentives. Indeed, the data suggest that the IT employees in the sample were inclined to switch employers even though they were not dissatisfied with their pay, as shown in the distributive justice scale. Possibly, the reason for that is that other aspirations they may have, such as meaningfulness through work and being treated on a personal level were not adequately addressed. As the regression data analysis shows, meaningfulness and distributive justice are almost equally important at least statistically in determining the degree to which those employees declare that they are inclined to look elsewhere for work. This is consistent with discussions we had with CIOs.

These results may be highlighting the duality of the IT labour market. Developing IT often requires very creative people. Creative people seek not only monetary rewards and organizational fairness, but are also driven by need for meaningfulness and the need to be treated on a personal level. Addressing the high IT turnover by increasing pay might be one way to do it, but this should not mean managers should ignore the creative drive of their IT employees. Highlighting the importance of the topic

beyond IT employees, the need to find meaningfulness in work apparently applies also to non-IT employees (Meister, 2012). The results might suggest steps managers can take to create this sense of meaningfulness, namely by treating employees on a personal level through building trust and through interactional justice.

This conclusion has potentially interesting implications for IT project management. The cynical view of things might be that employees work for compensation and that is what really counts. As the data show, it does count, but IT employees, at least in our sample, are influenced no less by their need to seek meaningfulness through their work. As an IT project manager, and perhaps also as the client ordering work from the vendor, it would be important to realize this aspect of work and to support it. One way of possibly doing so, related to interactional justice in our study, could be to treat the IT employees on a personal level and with respect and with dignity. For example, recognizing the artistic and creative nature of IT development, it might be a good idea not to dictate to the employees what to do and how to do it, but rather to listen to them and involve them in the decision making processes so that their creative sense could express itself and through it satisfy their need to seek meaningfulness and being treated on a personal level. Applauding employees for brilliant solutions, rather than taking it for granted, may be another option that managers and clients have to encourage the vendor's IT employees.

Contributing to theory, the study shows not only that seeking meaningfulness through work is important, but also shows that combined with being treated on a personal level such meaningfulness through work mitigates the effects of both trust and interactional justice. Trust as conceived in current theory deals with a willingness to take risks in a relationship (Mayer et al., 1995; Sztompka, 1999) and as such having a direct effect on desired outcomes such as online purchasing (Gefen et al., 2003; Pavlou and Gefen, 2004) and IT adoption (Gefen, 2002). Likewise, interactional justice is presumed to directly affect desired outcomes and the assessments employees make (Colquitt and Rodell, 2011). That the effects of interactional justice and of trust on behavioural intentions are mediated by the need to be treated on a personal level, because through such personal level treatment people seek meaningfulness in life, may open new avenues for research. The data may be indicating that what determines behavioural intentions it is not only redressing negative outcomes, such as controlling perceived risks through trust (Mayer et al., 1995) or about creating a sense of fairness through justice (Colquitt, 2001). As the data show, it may also be about a positive effect that directly deals with that which makes people special and serves an apparently crucial psychological drive. It is about being treated on a personal level because that facilitates seeking of meaning in life. And, being treated so and finding meaning in life is apparently no less important in our data than fair pay is as revealed through distributive justice.

Creating a sense of justice is crucial, but so too is realizing the importance of catering to IT employees' drive for meaningfulness through work. As suggested by the data, this could be another important tool in the toolbox of IT project managers to reduce labour turnover. Presumably this applies to other sectors too.

6 Conclusion

As Mario Puzo beautifully put it in *The Godfather*, "Tom, don't let anybody kid you. It's all personal, every bit of business. Every piece of shit every man has to eat every day of his life is personal. They call it business. OK. But it's personal as hell." It is all personal perhaps because "Man's main concern is not to gain pleasure or to avoid pain but rather to see a meaning in his life" (Frankl, 1997). The model supported in this study shows how true that is also in the context of IT vendor employees.

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Appendix 1. Varimax Rotated Principal Components Analysis with Cronbach's Alpha.

	Component						Communality
Trust in Direct Manager							
The person I report to in this company is caring	.857	.185	.283	.104	.195	.108	.909
The person I report to in this company is honest	.853	.201	.310	.118	.190	.077	.920
I trust the person I report to in this company	.827	.191	.339	.126	.193	.068	.892
The person I report to in this company knows his job	.817	.118	.304	.130	.187	.049	.829
The person I report to in this company is dependable	.710	-.046	.149	.148	.239	.153	.631
Meaningfulness through Work							
I do my work because it gives me a sense of purpose	.110	.929	.038	-.037	.123	.052	.896
I do my work because it gives me a sense of importance	.056	.898	.245	-.049	.093	.027	.881
I do my work because I feel accomplishment through it, not only for the pay	.094	.880	.204	-.004	.091	.115	.846
I do my work because I feel it is important, not only for the pay	.064	.860	.334	-.065	.098	.018	.869
I feel self-fulfillment through my work	.249	.775	.097	.095	.099	.145	.712
Treated on a Personal Level							
My manager cares about how I feel as a person	.310	.180	.821	.152	.228	.057	.881
Even when stressed, my manager never forgets I am a person with feeling	.329	.208	.800	.103	.125	.057	.821
My manager treats me as a person with feeling, not just as a work resource	.424	.259	.790	.127	.157	.066	.916
My manager thinks of me as a person with feeling, rather than in terms of my work performance	.196	.246	.767	.103	.374	.076	.845
My manager treats me respectfully as a person with feeling	.414	.285	.751	.025	.136	.120	.851
Distributive Justice							
Is your salary appropriate for the work you have completed?	.095	-.053	.053	.944	.136	.174	.954
Does your salary reflect what you have contributed to the company?	.114	.002	.114	.933	.077	.131	.920
Does your salary reflect the effort you have put into your work?	.142	.019	.071	.920	.125	.087	.896
Is your salary justified given your performance?	.120	-.024	.101	.915	.053	.106	.876
Interactional Justice							
Has your boss treated you in a polite manner?	.254	.286	.271	.054	.800	.002	.862
Has your boss treated you with dignity?	.443	.170	.254	.045	.743	.027	.844
Has your boss treated you with respect?	.436	.188	.239	.134	.717	.054	.817
Has your boss refrained from improper remarks or comments?	.111	-.006	.128	.296	.661	.246	.614
Less Inclined to Looking Elsewhere							
I am not inclined to switch to another employer	.125	.155	.072	.192	.083	.889	.879
I am not looking for another position elsewhere	.113	.098	.007	.222	.040	.889	.863
It would take quite an incentive to make me switch to another employer	.061	.038	.114	.050	.089	.829	.716
Eigenvalues	4.553	4.380	3.983	3.802	2.706	2.515	
Cronbach's alpha	0.943	0.946	0.956	0.963	0.86	0.87	