

## **EXAMINE THE IMPACT OF PSYCHOLOGICAL CONTRACT BREACH ON TURNOVER INTENTION WITH SPECIAL REFERENCE TO IDEA GROUP LIMITED**

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The present study was conducted to examine the impact of psychological contract breach on turnover intention of operational level employees in Sri Lankan manufacturing industry with special reference to Idea Group Limited. Turnover intention is the primary antecedent to the actual action of turnover, which refers to employees leaving the organization. Psychological contract breach defined as the failure the reciprocal obligations between an employer and an employee. The manufacturing industry plays a significant role in Sri Lankan economy. However, the industry faces major challenges, such as a lack of skilled labor and high labor turnover. Giving the nature of the manufacturing industry, the working environment is often stressful, creating enough opportunities for breaches in psychological contract. Researchers have found that psychological contract breaches can result in negative organizational outcomes, including increase turnover intention. A review of the literature reveals contradictory findings regarding the impact of psychological contract breach on turnover intention, depending on the authors, contexts, and industries studied. Therefore, it is crucial to investigate this relationship within the Sri Lankan manufacturing industry.

This study employed a quantitative research approach, utilizing both primary and secondary data. To achieve the study's objectives, the researcher distributed 200 self-developed questionnaires among operational level employees in Idea Group Limited. Of these, 180 questionnaires were received, 179 were deemed valid for analysis. The data were analyzed using tools, including correlation and regression analysis. The findings of the study revealed significant positive relationships between relational, transactional and overall psychological contract breach with turnover intention. Additionally, the results indicated a significant positive impact of psychological contract breach on turnover intention.

**Keywords:** *Psychological Contract Breach, Sri Lanka Manufacturing Industry, Turnover Intention.*

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