

## **The Impact of Psychological Contract on Employee Retention Intention: A Study of a Selected Apparel Company in Sri Lanka**

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The biggest challenge that organizations are facing today is not only attracting the best talents but also retaining them for a long term because of the increased competition in the market. It is very much important to understand the mutual obligations between employer and employee. The objective of this study was to assess the relationship between psychological contract and employee retention in a selected apparel company in Sri Lanka.

The study was quantitative and cross-sectional survey design was followed. Data was collected through a structured questionnaire. Convenience sampling technique was applied to select the sample, and the final sample consisted of 59 executive level and managerial level employees from an apparel company in Sri Lanka. The data were analyzed using the SPSS (Version 23.0). The hypotheses of the study were validated using correlation and regression analysis. The statistical results revealed that there is a moderate positive relationship between psychological contract and employee retention as well as there is a significant impact of psychological contract on employee retention.

***Keywords:*** *Psychological Contract, Employee Retention Intention*

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