

Abstract

This study examines the potential for a job enrichment initiative introduced in one Sri Lankan garment factory to create a social exchange relationship between production line employees and the organization. This initiative devolved increased decision-making responsibility to production line employees over the pace and organization of production as well as the determination of leave and coordination of tasks among line employees. In response to this increased level of organizational support, employees reciprocated by reducing absenteeism levels and product reject rates and by increasing work output and efficiency levels. The study was conducted over 19 months across three production lines. The study draws on the responses of 110 participants that included line managers, supervisors and 87 line employees. The results imply that where employees believe that the firm provides valuable organizational supports in the form of training and job enrichment opportunities, this can result in the emergence of social exchange relationships and give rise to substantial improvements in work performance. These results support earlier research highlighting the significance of social exchange at work to our understanding of the employment relationship and employee performance.