

SÉMINAIRE

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**JEUDI
19
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**12H15
SALLE 103
TEAMS**



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THE EFFECT OF
INTERPERSONAL
COMPETITION ON EMPLOYEE
TURNOVER AND EMPLOYEE
VALUATION: EVIDENCE FROM
PROFESSIONAL FOOTBALL

The degree of interpersonal competition in the workplace is a contentious issue in economics and managerial research. Researchers have demonstrated both positive and negative consequences of interpersonal competition at the individual and collective levels, such as increased performance, conflict generation and job dissatisfaction. However, the direct link between interpersonal competition and employee turnover and valuation remains underexplored. We leverage attributes of the football player labour market such as a high degree of interpersonal competition and observable team composition, turnover and valuation (transfer fees), to assess the impact of interpersonal competition on high-skilled employees. We rely on a sample of 10,148 football players from the five main European leagues and use a two-step Heckman model to correct for potential selection bias. In doing so, we are able to jointly assess the impact of interpersonal competition on employee turnover in the first step, and on employee valuation in the second step. Our findings reveal that the arrival of new employees increases the likelihood of employees leaving the company, and that the departure of colleagues increases the valuation of the remaining employees. These results suggest that while intense interpersonal competition drives turnover, it ultimately enhances the value of employees who succeed in internal tournaments.