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LEADERSHIP STYLE AND ACADEMIC STAFF TURNOVER INTENTIONS

Azlina Shamsudin^{1*}

*Arshad Ayub Graduate Business School, Universiti Teknologi MARA Cawangan Kelantan Kampus Kota Bharu, Kelantan, Malaysia
azlin226@uitm.edu.my*

Sakinah Mat Zin²

*Faculty of Business and Management, Universiti Teknologi MARA Cawangan Kelantan, Kelantan, Malaysia
sakin405@uitm.edu.my*

Abstract: The rate of employee turnover within an organisation can significantly influence the overall performance and accomplishments of the organisation. Employer attractiveness is no longer driven primarily by remuneration and social perks; instead, leadership has become a crucial aspect within organisations. Implementing an appropriate leadership style will facilitate the organisation's growth and enhance staff performance to a high standard. Numerous studies have demonstrated that the issue of turnover intentions may be addressed through various means. However, despite these efforts, issues continue to exist, indicating that present methods are not sufficiently successful. The aim of this study is to investigate the relationship between turnover intentions and leadership style, with job satisfaction acting as the mediator. Grounded on the path-goal theory (PGT) and social exchange theory (SET), this study proposes a quantitative research approach that involved academic staff from private higher education institutions as respondents. The method of simple random sampling were implemented. Subsequently, this study employed Smart Partial Least Squares (SmartPLS) to scrutinise the data and evaluate the hypothesis development. Discussions suggest that leadership style significantly impacts the turnover intentions of academic staff. This study highlights the importance of promptly undertaking a study on the impact of leadership style on academic staff to decrease the rate of turnover at private higher education institutions.

Keywords: Academic Staff, Social Exchange Theory, Leadership, Path-Goal, Turnover Intention

1. Introduction

The level of loyalty that employees have for a single company has dramatically decreased in today's world. In situations where individuals are dissatisfied with the environment at their current organisation, they tend to look for a new place of employment. The occurrence of this problem is not limited to Malaysia; it occurs all over the world (Roy & Anuar, 2024) and involves a variety of industries (Malokani et al., 2023; Pariyanti et al., 2023; Paul & Kee, 2020; Singh et al., 2024; Suryawan et al., 2021; Yücel, 2021). In Malaysia, employee turnover rate in all sectors has increased from 10.1% in 2009 to 27.9% in 2019 (Saleh et al., 2022). A rapid increase in employee turnover happens in Malaysian education sector, primarily in the private sector (Orpina et al., 2022). It was stated that 45.45% of employees' turnover are at private higher education institutions compared to only 18.18% at public higher education institutions (Ooi et al., 2022). Employee turnover at private higher education institutions was higher compared to the average turnover rate in industries, which was 13.2% in 2013 (Ramasamy & Abbudullah, 2020). The success of an organisation can be significantly impacted by employee turnover.

For a country, the educational system plays a vital role in the advancement of a nation, and the academic staff are a significant component of this system (Kaur & Kaur, 2023). Therefore, if there is an absence of competent and experienced academic staff, the organisation will encounter difficulties in providing high-quality service to its customers. Academic staff, with experience, must be retained since the success and quality of a university play a major role in bringing in new students (Paul & Kee, 2020). An organisation needs a competent leader. The leader's role is the key element for organisational

*Corresponding author : Arshad Ayub Graduate Business School, Universiti Teknologi MARA Cawangan Kelantan Kampus Kota Bharu, Kelantan, Malaysia, azlin226@uitm.edu.my

success (Saleh et al., 2022). However, it will be easier to manage academic staff at the current organisation if leaders understand which leadership styles are suitable. The retention and dedication of academic staff can be influenced by leaders who possess the knowledge and skills to effectively inspire, motivate, acknowledge, encourage, reward, stimulate, and establish individual relationships with them (Mwesigwa et al., 2020). Employees are less likely to have turnover intention when they experience great job satisfaction. Job satisfaction is said to be correlated with leadership style. This study will assist leaders and organisations in determining whether their leadership styles are appropriate given the situation and the preparedness of their academic staff. Most of the research on turnover intention has been concentrated on the health sector, with limited studies conducted in the education sector, particularly in relation to private higher education institutions. Research in the field of Malaysian education typically concentrates on public institutions, neglecting private institutions (Ramasamy & Abbudullah, 2020). In addition, most research revealed that turnover intention is influenced by the leader's leadership style (Carter, 2020). This study will support the Path-Goal leadership theory, which has four styles that leaders can employ. Therefore, this study will try to answer which leadership style is the most suitable to reduce academic staff turnover intention.

2. Literature Review

2.1 Turnover intention

According to social exchange theory, if employees perceive that the company demonstrates concern for their well-being, they will respond by engaging in advantageous behaviours for the organisation, and the same applies in reverse (Blau, 1964). An individual's intention to leave their current position and the organisation is referred to as turnover intention (Sija, 2021). Turnover intention in employees refers to the probability of them actually leaving their job due to a discrepancy between their motivation and the working conditions they experience (Ponomariov et al., 2021). There are two types of turnover intention: voluntary and involuntary. Voluntary turnover is the act of an employee choosing to either remain or depart from the organisation (Hosen, 2022). This decision is typically harmful and destructive to the organisation (Mobley, 1982). Nevertheless, involuntary turnover can be defined as the organisational intervention in an employee's choice to remain with or depart from the organisation (Hosen, 2022). This sort of turnover refers to the termination and downsizing of employees who have been identified as underperforming (Price, 1989) or engaging in misconduct (Bebe, 2016). Employee turnover is a serious issue that affects the organisation. However, there have not been enough studies and research carried on about it (Hosen, 2022).

2.2 Path-Goal leadership style

According to the Path-Goal theory, there are four leadership styles that a leader can apply: directive, supportive, participative, and achievement-oriented. A directive leader will give specific directions and instructions for a subordinate's performance on a specific task (Northouse, 2021). While a supportive leader refers to a leadership style in which leaders demonstrate concerns for the well-being of their staff by providing emotional support (Northouse, 2021). Meanwhile, when a leader values their employees' contributions and opinions, he is said to apply the participative style (Northouse, 2021). The achievement-oriented leaders will set high goals and standards for subordinates and motivate them to achieve them (Northouse, 2021). Research on nurses in a private hospital in Jordan found that all leadership styles did not influence their turnover intention (Smama'h et al., 2023). Managers in Rwanda that practice a directive and supportive leadership style when managing nurses and midwives were able to reduce the turnover intention (Ngabonzima et al., 2020). According to Casey (2022), all leadership styles under the Path-Goal theory are suitable for nursing home administrators and nurse managers. A study done on employees of project-based organisations

in Kabul found that the participative leadership style has a positive and significant relationship with turnover intention (Ayaz et al., 2021).

2.3 Job satisfaction

Most research found that job satisfaction is influenced by leadership style. Nurses and midwives in Rwanda who are familiar with directive and supportive leadership styles have high job satisfaction (Ngabonzima et al., 2020). Job satisfaction of a Nigerian polytechnic lecturer has a negative impact on turnover intention (Otache & Inekwe, 2022). When an employee has high job satisfaction, the turnover intention will be lower; however, if they are not satisfied, the turnover intention will be higher. However, an employee who is highly satisfied with their work will still consider turnover if they do not have a good relationship with colleagues and supervisors (Le et al., 2023).

3. Research Methodology

This research applied the quantitative method as its research methodology. The method of simple random sampling was implemented to identify the leadership style and its relationship with turnover intention mediating with job satisfaction. Questionnaires were distributed to academic staff at private higher education institutions. Descriptive statistics such as frequency, percentage, mean, and standard deviation were used to analyse the demographics of the respondents and the study variables using SPSS. It will also run the PLS-SEM to test the hypotheses using SmartPLS.

4. Discussion

An organisation needs to seriously consider the number of employee turnover in their organisation. Even though most research were done focusing on health services sector, other sectors are not exceptional in this situation. Similar to employees in the service sector, the education services sector employees are also important to the organisation. They are the backbone of the organisation because they have the skills and experience to serve the customers. Losing skilled employees will be a loss to the organisation because of the tacit knowledge that they have. To reduce the turnover intention among employees, management needs leaders with good leadership skills since it was found that leadership style influences turnover intention (Ngabonzima et al., 2020; Casey, 2022). Even though there are studies that found leadership style has no relationship with turnover intention (Smama'h et al., 2023), other research found the opposite results. Similarly, there are contradictory results in research towards job satisfaction and turnover intention. Studies on Polytechnic lecturers found that job satisfaction and turnover intention have a negative relationship (Otache & Inekwe, 2022), but there are other studies with contra results. This shows that the relationship of turnover intention, leadership style, and job satisfaction is varied according to the environment.

5. Conclusion

This study will contribute to the existing literature by identifying suitable leadership styles under Path-Goal theory to reduce the turnover intention among academic staff at private higher education institutions. The findings of this study will serve as a guide for other researchers, educational institutions, leaders or managers, policymakers, and governments. This study can be a guideline to leaders in understanding the suitable leadership styles to apply towards academic staff. The management of the organisation could also use this study to give appropriate leadership training or courses in helping the leaders manage their staff.

6. Acknowledgement

This research article was financially supported by Universiti Teknologi MARA and the Institute of Postgraduate Studies UiTM.

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