

Analysis of the Relationship between Leadership Styles and Turnover Intention within Small Medium Enterprise in Malaysia

Leong Kim Siew

Faculty of Business, Raffles University Iskandar Johor Bahru, Malaysia. Email: adelynleong65@gmail.com

Abstract

Small and Medium Enterprise (SMEs) in Malaysia contribute to economic development by virtue of their sheer numbers and have a large contribution to Gross Domestic Product in Malaysia. However, employee turnover is a key concern not only in SMEs sector but in all type of business. Therefore, the main objective of this study is to investigate the association between leadership styles and turnover intention within SMEs in Malaysia. The theoretical framework discusses the impacts of leadership styles to turnover intention within SMEs in Malaysia. This study was conducted based on the perspectives of leaders and employees in the company. A quantitative research method was employed through the use of survey to collect the data to obtain relevant information from respondents. A total of 100 employees participated in this study. The population of this study are 5 companies in SMEs sector. Finding from this study demonstrated that there is a relationship between transformational and transactional leadership style and turnover intention within SMEs in Malaysia. This study also demonstrated that the transformational leadership style has contributes the most to turnover intention within SMEs in Malaysia if compare with transactional leadership style.

Key word: leadership styles; transformational leadership; transactional leadership; employee turnover intention

Introduction

SMEs referred to Small and Medium Enterprise and it generated a huge contribution to Malaysia economy. According to Salikin, Wahab, and Muhammad (2014), Small Medium Enterprises (SMEs) play important roles in Malaysian economy. In Malaysia Economic Census Report 2011 shown that there were 645,136 SMEs operating in Malaysia. They also stated that 97.3% of business establishment are comprised of small and medium enterprise (SMEs) that account for about 52.7% of total employment had been generated in Malaysia. Employee turnover will lead organization face operational disruption due to the difficulty in replacing the skilled and ability employees and the demoralization of organizational membership will be increased (Staw, 1980). In order to reduce employee turnover rate, leadership plays a crucial role in increasing organizations and individual's performance because they are the one who provide the followers what is needed to keep them productive and proceed toward the shared vision (Gul, Ahmad, Rehman, Shabir, & Razzaq, 2012).

Furthermore, Abbasi and Hollman (2000) and Chang and Lee (2007) noted that the quality of employees' relationship with their manager are related to the manager's leadership effectiveness. They also stated that employees need to feel they are invested in their work and entrusted by their leaders to prosper within the organization and if the leaders are fail to recognize their employees' contribution eventually will alienates the employees and reduces their job satisfaction and organizational commitment (Abbasi & Hollman, 2000) and increase employee turnover intention. Therefore, in order to discovering what characteristics define an effective organizational leader, one of the important theories that have arisen is transformational leadership and transactional leadership. Transformational leadership model become important claim because this type of leader can create an environment where people want to work effectively and they emphasizes the greater good of the group and acts in ways that build respect. They also will develop and communicates a compelling vision for the future. On the other hand, transactional leadership style clarifies performance targets and who is responsible for achieving those targets (Derue, Nahrgang, Wellman, & Humphrey, 2011). According to research conducted by Aziz, Abdullah and Tajudin (2013) stated that different

leadership styles such as transformational and transactional are two main leadership styles are commonly used in Malaysia. However, transformational leadership style is displayed more than transactional leadership style (Arham, Bourcher, & Muenjohn, 2013).

Nowadays, SMEs sector in Malaysia have to face a myriad of challenges in global environment. For instance, low employee productivity, lack of managerial capabilities, low service quality and organizational effectiveness will affect performance of SMEs which is a particular challenge been highlighted (Chee, 1986; Hashim, 1999; Saleh & Ndubaisi 2006 Mustapha, Muda, & Hasan, 2011) and these factors will affect staff turnover rate. Staff turnover has been always the key concern issues faced by every organization including in SMEs sector and the high turnover brings destruction to the organization to both direct and indirect cost (Ali, 2009 as cited in Long, Thean, Ismail, & Jusoh, 2012). Furthermore, the employee turnover intention has to be dealt with in an appropriate manner especially in SMEs (Long, Ajagbe & Kowang 2014). Nowadays, with the attraction of younger and better educated workforce, there is a “growing concern in the shift of employee’s negotiations from the bargaining table to the courts as organizations and individuals attempt to define rights, obligations and responsibilities” (Patton, 2005; Long, Ajagbe, & Kowang, 2004).

This research is conducted to address leadership style and employee turnover intention in Small Medium Enterprise (SMEs). In this research, the data will be collected from the SME sector in Malaysia. Employees who have experienced the superior-follower relationship will be asked to participate in this study in order to find out if there is a relationship between the types of leadership style and employee turnover intention.

Leadership Styles

Transformational Leadership: Transformational leadership is to improve subordinates' performance by changing the motives and value of employees. This type of leadership style will direct employees intrinsically toward achievement of long run organizational objective (Gul, Ahmad, Rehman, Shabir, & Razzaq, 2012). The characteristics of transformational leadership include individual influence, intellectual stimulation and spiritual encouragement. The leader always takes every employee into consideration, they will establish vision and mission to motivate employee, try to create open culture, develop trust the employees to reach their goals and allow employees go beyond self-interest for the benefit of the team, organization or society (Nanjundeswaraswamy & Swamy, 2014).

Transformational leadership includes four important elements which are labelled as the “Four I's” that include idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 1985). Idealized influence (I) refers to leaders becoming admired, respected, and emulated role model (Bass, 1990; Jung & Avolio, 2000; Bi, Ehrich, & Ehrich, 2012), inspiration motivation is refers to leader's enthusiasm and optimism in creating a vision of the future in order to inspire other employees (Bi, Ehrich, & Ehrich, 2012), intellectual stimulation implies a leader who values the intellectual ability of follower, encourages innovation, and promotes creativity individual consideration implies the leader will make followers feel that their individual needs and abilities are understood by the leader and that the leader empowers them and energizes them to get better (Bi, Ehrich, & Ehrich, 2012).

Transactional Leadership: Transactional leadership are leader who focus on task oriented objectives and emphasize on work standards and emphasize on time to complete all the organizational tasks (Burns, 1978; Gul, Ahmad, Rehman, Shabir, & Razzaq, 2012). Transactional leader will take performance and reward as first priority and after that exchange in for an appropriate response that encourages employee to improve their performance (Nanjundeswaraswamy & Swamy, 2014).

The employees who work under transactional leader will expect that they will be compensated positively in line with the result generated by them. However, this also includes negative action which is punitive and penalties if the employee fails to perform as instructed. The reward also includes complementary comments, praise and recognition upon successful compliance with the

instruction from the leader and the achievement of their objectives (Long, Thean, Ismail, & Jusoh, 2012).

The components of transactional leadership include contingent reward, exhibits active management by exception and exhibits passive management by exception. Contingent reward is offer reward to followers in exchange for complying with the leader's wishes and directive (Judge & Piccolo, 2004). The exhibits active management by exception is the transactional leaders actively and closely monitor followers to ensure that performance problems are detected and if necessary penalize followers for these problems and exhibits passive management by exception is the leaders using the passive form where intervene only after the problem has arisen (Judge & Piccolo, 2004).

Turnover Intention: The definition of turnover intention is an "employee's personal estimated probability that he or she has a deliberate intent to leave permanently in near future" (Long, Thean, Ismail, & Jusoh, 2012) and employee turnover is an employee who have intention to quit the job. The word "Intention" refers to the main determinants of actual quitting from the job behaviour. Turnover also divided into two categories which in voluntary and involuntary turnover. Voluntary turnover is a process that an employee makes decision on whether to stay or leave the organization and this type of turnover usually dysfunctional and can be most detrimental to the organization (Wells & Peachey, 2010; Long, Thean, Ismail, & Jusoh, 2012).

On the other hand, involuntary turnover is a situation that the organization undertaken the control over the employees' decision to stay on or leave the organization and this was classified as functional turnover which due to the often removal of under-performing employees (Long, Thean, Ismail, & Jusoh, 2012). Abbasi, Hollman (2000) and Watrous, Huffman, and Pritchard (2006) stated that for the organization is concerned employee turnover can result in terrible negative concerns which will affect the decrease in morale, intervention in efficiency and customer relations. Therefore, turnover should be reduced by organization because it will affect organization performance.

The Relationship between Transformational and Transactional Leadership and Employees' Turnover Intention

Odumeru and Ogbonna (2013), indicated that both transformational and transactional leadership style have attracted the interest of many researchers in recent time and this study concluded that compared to transactional leadership, transformational leadership had resulted in lower turnover rates, higher productivity and high employee satisfaction.

According to Long, Thean, Ismail and Jusoh (2012), employee's turnover intention has always been a main concern faced by organizations regardless of any nature of business in Malaysia. They stated that many studies had identified there is a negative relationship between leadership style and employees' turnover intention in various type of industries. They also stated that employee's turnover intention has always been a main concern faced by organizations regardless of any nature of business in Malaysia. Therefore, their study was to conduct on the academic staff in a community college in Malaysia and the result did not support the outcome of previous study. Moreover, the relationship between transactional leadership and turnover intention has also been investigated as well. Well and Peachey (2010) showed that there is a significant negative correlation between transactional leadership and voluntary turnover intention.

Hamstra, Van Yperen, Wisse, and Sassenberg (2011) conducted a study exploring the relationship between leadership styles that focus on transformational and transactional leadership and followers' self-regulatory preferences that may reduce followers' turnover intentions, which stated that transformational leadership reduced turnover intention for highly promotion- focused followers. However, they claimed that transactional leadership reduced turnover intention for highly prevention-focused followers because this type of leadership give followers clarity about rules and standards to protect the status quo and entails closely monitoring and correcting followers' errors to ensure short-term success. Indeed, these behaviours fit prevention-focused individuals' preference to direct goal-striving toward obligations and responsibilities, their preference for stability, their concern with avoiding mistakes, and their preference to look at short-term details (Higgins, 1997; Liberman, Nira, Idson, Camacho & Higgins, 1999; Higgins, Tory, Friedman, Harlow, Idson, Ayduk & Taylor, 2001;

Förster & Higgins, 2005). Therefore, the result showed high turnover intention at low transactional leadership.

Research Methodology

Research Design

This study investigates the relationship between leadership styles and employee's turnover intention by means of a descriptive and analytical methodology. This is a quantitative study that has adopted a survey type design. The survey method using a structured questionnaire was utilized to obtain primary data from the participants. The data has been analysed using Statistical Package for Social Science Version 22 (SPSS 22). The collected data is then analysed using regression analysis to find out which leadership style contributes the most to employee's turnover intention.

Research Respondents and Data Collection

The sample for this study was drawn from the population of Johor Bahru. The population of interest for this study was targeted at leaders and employees in SMEs in Johor Bahru. The researcher selected 5 companies' employees in SMEs and the total numbers of employees of these 5 companies are 100. According to Krejcie and Morgan (1970), they suggested that 80 respondents are sufficient for the study. Therefore, the sample size for this study was targeted at around 100 samples. Researcher used snowball sampling to collect data.

Research Instrument

The distributed structured questionnaire comprised of three main parts Demographic Profile, Measurement of Leadership Styles, and Measurement of Turnover Intention. Demographic data are collected for five items which include gender, age, monthly income, highest qualification and years of services. Multifactor Leadership Questionnaire, Form6-S (MLQ) has been used to measure transformational and transactional leadership styles. Transformational leadership style is measured using 5 factors: (a) Idealized Influence, (b) Inspirational Motivation, (c) Intellectual Stimulation and (d) Individual Consideration. Transactional leadership style is measured using two factors: (a) Contingent Reward and (b) Management-by-Exception. The MLQ consists of 18 items or question each using 5 point Likert scale. (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree and (5) Strongly Agree. The whole questionnaire is ordinal scale of measurement. Staff's turnover intention will be measured using four-item measure by Mobley. These three items are (1) I often think about quit on current organization, (2) It is likely that I will actively look for a new job next year, (3) I will probably look for a new job in the next and (4) I often think of changing my job. 5 point Likert scale was used ranging from (1) Strongly Disagree, (2) Disagree, (3) Neutral, (4) Agree and (5) Strongly Agree. Several different approaches have been done to confirm the reliability of the MLQ that include rate-rerate consistency, subordinate-superior agreement, and peer ratings based on performance in small groups. It also have various type of evaluation such as performance ratings by supervisors and direct reports, standard financial measures, have demonstrated a positive relationship between transformational behaviour and high MLQ ratings (Bass, 1995; Vinger & Cilliers, 2006). MLQ also have evidence from a number of studies conducted by Tejeda, Scandura and Pillai (2001). However, the reliability of this study will be examined using Cronbach's Alpha Analysis. Avolio and Bass (1991) showed that the MLQ is a valid instrument across a number of validity types and Tejeda (2001) also found that MLQ appeared to show preliminary evidence of predictive and construct validity. He stated that the transformational subscales or items were highly inter-correlated in support of convergent validity and the transformational leadership scales were negatively related to both management-by-exception subscales and laissez faire leadership, providing support for discriminant validity.

Results

A reliability analysis was conducted to test the reliability of the research instrument. Cronbach alpha value has been used to analyse the instrument. The Cronbach alpha values for all the variables are above 0.7. Measurement instrument should have reliability value more than 0.70. These statistical results therefore confirm the reliability of measurement scales used for this study. Table 1 had shown the result of reliability analysis. It was conducted on each of the 4 factors examined under transformational leadership style. These include idealized influence (0.861), inspirational motivation (0.766), intellectual stimulation (0.830) and individualized consideration (0.682). A reliability analysis was conducted on each of the 2 factors examined under transactional leadership style. These include contingent reward (0.799) and management-by-exception (0.740). Reliability statistics (Cronbach alpha) for items measuring the turnover intention is 0.868. Table 2 below summarizes the demographic profile of the respondents which include gender, age, monthly income, highest qualification and year of services. A total of 100 respondents have been collected and included in the data analysis.

Table 1: Cronbach's Alpha Reliability Test

Variable	Number of items	Cronbach's Alpha
Idealized Influence	3	0.861
Inspirational Motivation	3	0.766
Intellectual Stimulation	3	0.830
Individualized Consideration	3	0.682
Contingent Reward	3	0.799
Management-by-exception	3	0.740
Employee Intention to Turnover	4	0.868

Table 2: Demographic Profiles of Respondents

Demographic variables	Categories	Frequencies	Percentages
Gender	Male	49	49
	Female	51	51
Age	Less than 25 years old	45	45
	26-35 years old	35	35
	Above 35 years old	20	20
Monthly Income	Less than RM2500	48	48
	RM2501-RM3500	31	31
	Above RM3500	21	21
Highest Qualification	Certificate	37	37
	Diploma	38	38
	Bachelor of Degree	23	23
	Master Degree and above	2	2
Year of Services	Less than 2 years	41	41
	2-5 years	43	43
	More than 5 years	16	16

Table 3: The Transformational Leadership Style on Turnover Intention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
				t	Sig.
1	0.455	0.207	0.199	0.834	
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	4.431	0.468		9.477	.000
Transformational Leadership Style	-0.629	0.124	-0.455	-5.061	.000

Table 4: The Transactional Leadership Style on Turnover Intention

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
				t	Sig.
1	0.323	0.104	0.095	0.886	
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.405	0.395		8.615	.000
Transactional Leadership Style	-0.349	0.103	-0.323	-3.381	.001

Table 5: Leadership Styles that contribute most to turnover intention

Model	R	R Square	Adjusted R Square	Coefficient		
				t	Sig.	Chnty Stsc
1	0.458	0.210	0.193	0.834		
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Chnty Stsc
	B	Std. Error	Beta			Tolerance VIF
(Constant)	4.485	0.479		9.361	.000	
Transformational Leadership Style	-0.574	0.160	-0.415	-3.595	.001	0.610 1.638
Transactional Leadership Style	-0.069	0.125	-0.064	-0.554	.581	0.610 1.638

The result of multiple regression analysis between leadership styles and turnover intention was demonstrated in Table 3 and Table 4. The R square which recorded value of 0.207 had indicated an influence between transformational leadership style and turnover intention in table 3. The beta value in this model indicated high impact of transformational leadership style on turnover intention.

Furthermore, the R square which recorded value of 0.104 had indicated some influence between transactional leadership style and turnover intention in table 4. The beta value in this model indicated the impact of transactional leadership style on turnover intention (-0.323).

Based on above result, both leadership styles have shown significant relationship with turnover intention in this study. The result of multiple regression analysis had shown that the R square which recorded value of 0.210 had indicated an influence between leadership styles and

turnover intention (Table 5). The beta value for transformational leadership style is -0.415 and transactional leadership style is -0.064 which indicated impact of leadership styles and it also shown that transformational leadership style contribute more than transactional leadership style toward turnover intention. The collinearity statistics of tolerance is 0.610 and VIF 1.638. Therefore, there is no collinearity problem between independent variables. Based on the above result, transformational leadership style contribute the most to turnover intention if compare with transactional leadership style.

Discussion

This study found that leadership styles have a very strong relationship with turnover intention. This outcome is in line and supported by several previous studies. According to El Badawy and Bassiouny (2014), they stated that there is a positive impact of the transformational on engagement and its ultimate impact on employee's intention to quit an organization. Their result indicates highly statistically significant positive correlation between transformational leadership and employee intention to quit.

Griffith (2003), Wells and Peachey (2010), Cheng, and Bartram, Karimi, and Leggat (2016) proved that the transformational leadership style does help to reduce employee turnover intention and it has been provided by the results of several studies and in various employment areas. In Griffith (2003), he stated that earlier research has associated employee job satisfaction, commitment, motivation and effort to transformational leaders. Cheng et al. (2016) support that in healthcare industry, transformational leadership style is capable of constructing healthier working and environments and retaining nurses.

Waldman, Carter and Hom (2012) conducted a study on the connection between leadership and follower turnover by investigating the effects of group-level transformational leadership on the withdrawal process. Through their finding, they discovered that transformational leadership predicts turnover through quit intentions and their test of cross-level moderation reveals that transformational leadership can weaken the effect of quit intentions on turnover. Therefore, their result had shown that employees are less likely to carry out quit intentions when they have transformational leaders. This outcome also supported the findings of this study.

Limitation

There are some limitations in this study. This study collected data from SME companies in city of Johor Bahru, Malaysia. Therefore, the outcome in this study only depicts the situation in Johor Bahru and not the other states in Malaysia. The sampling method employed may lead to a number of disadvantages such as possibility of being biased and the result cannot be generalized. The data obtained for this study through this method only represent the perceptions of certain group and not the entire population. Respondents of this study are from 5 SMEs companies. Future research was recommended that the study can be carried out in different location and industry. Conducting the study in a larger setting allows the findings to be generalized. On the other hand, it is possible to obtain varying results if the study takes place in other industry.

Conclusion

This research studied on the relationship between leadership styles and turnover intention. The finding suggested that leadership styles have a very strong relationship with turnover intention. Both leadership styles have contributed to the turnover intention. Furthermore, the finding in this study concluded that the most influential factors which affect turnover intention is transformational leadership.

References

- Abbasi, S. M., & Hollman, K. W. (2000). Turnover: The real bottom line. *Public Personnel Management*, 29(3), 333-342.
- Aliaga, M., & Gunderson, B. (2005). *Interactive Statistics* (3 ed.). New York: Pearson Education.
- Ali, N.,(2009). Factors Affecting Overall Job Satisfaction and Turnover Intention. *Journal of Managerial Sciences*, 2(2): 239-252.
- Arham, A. F., Bourcher, C., & Muenjohn, N. (2013). Leadership and entrepreneurial success: a study of SMEs in Malaysia. *World Journal of Social Sciences*, 3(5), 117-130.
- Arabmazar, A., & Schmidt, P. (1982). An investigation of the robustness of the Tobit estimator to non-normality. *Econometrica: Journal of the Econometric Society*, 1055-1063.
- Amankwaa, A., & Anku-Tsede, O. (2015). Linking Transformational Leadership to Employee Turnover: The Moderating Role of Alternative Job Opportunity. *International Journal of Business Administration*, 6(4), 19.
- Avolio, B. J., Yammarino, F. J., & Bass, B. M. (1991). Identifying common methods variance with data collected from a single source: An unresolved sticky issue. *Journal of Management*, 17(3), 571-587.
- Aziz, R. A., Abdullah, M. H., & Tajudin, A. (2013). The effect of leadership styles on the business performance of SMEs in Malaysia. *International Journal of Economics Business and Management Studies*, 2(2), 45-52.
- Bass, B. (1985). Leadership: Good, better, best. *Organizational Dynamics*, 13(3), 26-40.
- Bass, B. M., & Riggio, R. E. (2006). *Transformational leadership*. Psychology Press.
- Bass, B. M. (1991). From transactional to transformational leadership: Learning to share the vision. *Organizational dynamics*, 18(3), 19-31.
- Batra, G., & Tan, H. (2003). SME technical efficiency and its correlates: Cross-national evidence and policy implications. *World Bank, Washington, DC*.
- Beaver, G. (2003). Small business: Success and Failure. *Strategic Change*, 12(3), 115-122.
- Berg, S. (2006). Snowball Sampling-I. *Encyclopedia Of Statistical Sciences*.
- Bi, L., Ehrich, J., & Ehrich, L. (2012). Confucius as transformational leader: lessons for ESL leadership. *International Journal Of Educational Management*, 26(4), 391-402.
- Bishop, W. (2012). Leadership: An Ulterior Motive?. *Journal Of Strategic Leadership*, 4(1,20), 61-64.
- Burns, J. (1978). Leadership. New York: Harper & Row.
- Burns, R., & Burns, R. (2014). *Business Research Methods and Statistics Using SPSS (1st edition)*. Los Angeles: SAGE.
- Bycio, P., Hackett, R. D., & Allen, J. S. (1995). Further assessments of Bass's (1985) conceptualization of transactional and transformational leadership. *Journal of applied psychology*, 80(4), 468-478.
- Bothma, F. & Roodt, G. (2012). Work-based identity and work engagement as potential antecedents of task performance and turnover intention: Unravelling a complex relationship. *SA Journal of Industrial Psychology*, 38(1), 1-17.
- Campion, M. (1991). Meaning and measurement of turnover: Comparison of alternative measures and recommendations for research. *Journal Of Applied Psychology*, 76(2), 199-212.
- Cavana, R., Delahaye, B., & Sekaran, U. (2001). *Applied Business Research: Qualitative and Quantitative Method*. John Wiley & Sons Australia, Limited.
- Chang, S.-C., and Lee, M.-S. (2007). A study on relationship among leadership, organizational culture, the operation of learning organization and employees' job satisfaction. *The Learning Organization*, 14 (2), 155-185.
- Cheng, C., Bartram, T., Karimi, L., & Leggat, S. (2016). Transformational leadership and social identity as predictors of team climate, perceived quality of care, burnout and turnover intention among nurses. *Personnel Review*, 45(6), 1200-1216.
- Derue, D., Nahrgang, J., Wellman, N., & Humphrey, S. (2011). Trait and Behavioural Theories of Leadership: An Integration and Meta-Analytic Test of Their Relative Validity. *Personnel Psychology*, 64(1), 7-52.

- El Badawy, T. A., & Bassiouny, M. (2014). Employee Engagement as a Mediator Between Transformational Leadership & Intention to Quit. *International Journal of Contemporary Management*, 13(2), 152-160.
- Förster, J., & Higgins, E. T. (2005). How global versus local perception fits regulatory focus. *Psychological science*, 16(8), 631-636.
- Firth, L., Mellor, D. J., Moore, K. A., & Loquet, C. (2004). How can managers reduce employee intention to quit? *Journal of Managerial Psychology*, 19(2), 170-187.
- George, D., & Mallory, P. (2010). SPSS for Windows step by step: A simple guide and reference, 17.0 update (10th ed.). Boston: Allyn & Bacon.
- Gul, S., Ahmad, B., Rehman, S., Shabir, N., & Razzaq, N. (2012). Leadership Styles, Turnover Intentions and the Mediating Role of Organizational Commitment. *Information and Knowledge Management*, 2(7), 44-51.
- Griffith, J. (2003). Relation of principal transformational leadership to school staff job satisfaction, staff turnover, and school performance. *Journal of Educational Administration*, 42(3), 333-356.
- Hamstra, M. R. W., Yperen, N. W. V., Wisse, B., & Sassenberg, K. (2011). Transformational-transactional leadership styles and followers regulatory focus: Fit reduces followers turnover intentions. *Journal of Personnel Psychology*, 10(4), 182-186.
- Higgins, E. T. (1997). Beyond pleasure and pain. *American Psychologist*, 52(12), 1280-1300.
- Higgins, E. T., Friedman, R. S., Harlow, R. E., Idson, L. C., Ayduk, O. N., & Taylor, A. (2001). Achievement orientations from subjective histories of success: Promotion pride versus prevention pride. *European Journal of Social Psychology*, 31(1), 3-23.
- Judge, T. & Piccolo, R. (2004). Transformational and Transactional Leadership: A Meta-Analytic Test of Their Relative Validity. *Journal Of Applied Psychology*, 89(5), 755-768.
- Kalliath, T. J., & Beck, A. (2001). Is the path to burnout and turnover paved by a lack of supervisory support? A structural equations test. *New Zealand Journal of Psychology*, 30(2), 72-78.
- Khatri, N., Budhwar, P., & Fern, C. T. (1999). Employee turnover: bad attitude or poor management. *Singapore: Nanyang Technological University*, 12-99.
- Lewin, K., Lippitt, R., & White, R. (1939). Patterns of Aggressive Behavior in Experimentally Created "Social Climates". *The Journal of Social Psychology*, 10(2), 269-299.
- Lee, T. (1988). How job dissatisfaction leads to employee turnover. *Journal Of Business And Psychology*, 2(3), 263-271.
- Lberman, N., Idson, L. C., Camacho, C. J., & Higgins, E. T. (1999). Promotion and prevention choices between stability and change. *Journal of Personality and Social Psychology*, 77(6), 1135-1145.
- Long, C., Thean, L., Ismail, W., & Jusoh, A. (2012). Leadership Styles and Employees' Turnover Intention: Exploratory Study of Academic Staff in a Malaysian College. *World Applied Sciences Journal*, 19(4), 575-581.
- Long, C., Ajagbe, M., & Kowang, T. (2014). Addressing the Issues on Employees' Turnover Intention in the Perspective of HRM Practices in SME. *Procedia - Social And Behavioral Sciences*, 129, 99-104.
- Long, C. & Perumal, P. (2014). Examining The Impact of Human Resource Management Practice on Employees' Turnover Intention. *International Journal Of Business And Society*, 15(1).
- Khatri, N., Fern, C., & Budhwar, P. (2001). Explaining employee turnover in an Asian context. *Human Res Manag J*, 11(1), 54-74.
- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30(3), 607-610.
- Mayhew, R. (2016). Smallbusiness. Employee Turnover Definitions & Calculations. Retrieved 10 July 2016, from <http://smallbusiness.chron.com/employee-turnover-definitions-calculations-11611.html>
- Malila, J. (2011). Managing Rewards in Asia. In *Merger, 2011 Global Benefits Outsourcing Conference*, http://www.mercersignatureevents.com/global_outsourcing_2011/resources/Managing%20Rewards%20in%20Asia.

- Meyer, J. R., & Allen, N. J. (1991). A three-component conceptualization of organizational commitment. *Human Resource Management Review*, 1(1), 61-89.
- Mustapha, M. R., Muda, M. S., & Abu Hasan, F. (2011). A survey of total quality management in the Malaysian small and medium sized manufacturing companies. *International Journal of Humanities and Social Science*, 1(2), 118-122.
- Martin, R. and O. Epitropaki, 2001. Role of Organizational Identification on Implicit Leadership Theories (ILTS), Transformational leadership and work attitudes. *Group Process Intergroup Relations*, 4(3), 247-262.
- Mobley, W. H. (1982). Employee turnover: Causes, consequences, and control. Reading, MA: Addison-Wesley.
- Moore, K. A. (2002). Hospital restructuring: Impact on nurses mediated by social support and a perception of challenge. *Journal of Health and Human Services Administration*, 23(4), 490-517.
- Nanjundeswaraswamy, T. S., & Swamy, D. R. (2014). Leadership styles. *Advances in Management*, 7(2), 57-64.
- Ordered/Ordinal Logistic Regression with SAS and Stata. (2016) (1st ed.). Retrieved from <http://staff.washington.edu/glynn/olr.pdf>
- Odumeru, J. A., & Ogbonna, I. G. (2013). Transformational vs transactional leadership theories: Evidence in literature. *International Review of Management and Business Research*, 2(2), 355-361.
- O'brien, R. (2007). A Caution Regarding Rules of Thumb for Variance Inflation Factors. *Quality & Quantity*, 41(5), 673-690.
- Puni, A., Agyemang, C. B., & Asamoah, E. S. (2016). Leadership Styles, Employee Turnover Intentions and Counterproductive Work Behaviours. *International Journal of Innovative Research and Development*, 5(1), 1-7.
- Price, J. L. (2001). Reflections on the determinants of voluntary turnover. *International Journal of Manpower*, 22(7), 600-624.
- Papulová, Z., & Mokros, M. (2007). Importance of managerial skills and knowledge in management for small entrepreneurs. *E-Leader, Prague*.
- Queiri, A., Fadzilah Wan Yusoff, W., & Dwaikat, N. (2015). Explaining Generation-Y Employees' Turnover in Malaysian Context. *Asian Social Science*, 11(10), 126-138.
- Rowitz, L. (2009). Public health leadership: Putting principles into practice (2nd ed.). Sudbury, MA: Jones and Bartlett Learning.
- Salikin, N., Wahab, N., & Muhammad, I. (2014). Strengths and Weaknesses among Malaysian SMEs: Financial Management Perspectives. *Procedia - Social And Behavioral Sciences*, 129, 334-340.
- Staw, B. M. (1980). The consequences of turnover. *Journal of Occupational Behavior*, 1(4), 253-273.
- SME Corporation Malaysia. (2016). Smecorp.gov.my. Retrieved 9 July 2016, from <http://www.smecorp.gov.my/index.php/en/about-sme-corp-malaysia>
- Siong, Z., Mellor, D., Moore, K. A., & Firth, L. (2006). Predicting intention to quit in the call centre industry: Does the retail model fit? *Journal of Managerial Psychology*, 21(3), 231-243.
- Schneider, A., Hommel, G., & Blettner, M. (2010). Linear Regression Analysis. *Dtsch Ärztebl Int*, 107, 776-782.
- Saunders, M., Lewis, P., & Thornhill, A. (2012). Research methods for Business Students (6th ed., p. 521). United Kingdom: Pearson Educated Limited.
- Tett, R. P., & Meyer, J. P. (1993). Job satisfaction, organizational commitment, turnover intention and turnover: Path analyses based on meta-analytic findings. *Personnel Psychology*, 46(2), 259-293.
- Tejeda, M. J., Scandura, T. A., & Pillai, R. (2001). The MLQ revisited: Psychometric properties and recommendations. *The Leadership Quarterly*, 12(1), 31-52.
- Vinger, G. & Cilliers, F. (2006). Effective Transformational Leadership Behaviours For Managing Change. *SA Journal of Human Resource Management*, 4(2), 1-9.
- Watrous, K. M., Huffman, A. H., & Pritchard, R. D. (2006). When Coworkers and Managers Quit: The Effects of Turnover and Shared Values on Performance. *Journal of Business and Psychology*, 21(1), 103-126.

- Wells, J.E. and J.W. Peachey, 2010. Turnover intentions: Do leadership behaviors and satisfaction with the leader matter'. *Team Performance Management*, 17(1), 23-40.
- Webster, M. (1985). Webster's ninth new collegiate dictionary. Merriam - Webster Inc.
- Waldman, D., Carter, M., & Hom, P. (2012). A Multilevel Investigation of Leadership and Turnover Behavior. *Journal Of Management*, 41(6), 1724-1744.
- Yukl, G. A. (2005). Leadership in organizations (6th ed.). Upper Saddle River, NJ: Prentice-Hall.
- Yukl, G. (2013). Leadership in organizations (18th ed.). U.S.A: Pearson Education.
- Yin-Fah, B. C., Foon, Y. S., Chee-Leong, L., & Osman, S. (2010). An exploratory study on turnover intention among private sector employees. *International Journal of Business and Management*, 5(8), 57-64.
- Zikmund, W., Babin, B., Carr, J., & Griffin, M. (2013). Business Research Methods (9th ed.). Canada: Erin Joyner.