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The moderating effect of alternative job opportunity on the transactional leadership-turnover intention nexus: Evidence from the Ghanaian banking industry

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The concept of employee turnover intention has been of great concern to corporations due to the severe cost implications it has on the bottom line of businesses. Interestingly, research has established appropriate leadership behaviours as effective means of mitigating the consequences of this phenomenon. Most of these studies were however done outside Ghana, with emphasis on transformational leadership and other styles of leadership. Given the fact that Ghana has high rate of unemployment, it was imperative to examine how the bivariate relationship in the leadership literature would be altered by alternative jobs. This paper therefore examined the influence of transactional leadership behaviours on employees' turnover intention with the moderating effect of alternative job opportunity in the Ghanaian banking industry. A cross-sectional, descriptive, correlational survey design was adopted for the study. Also, a multi-stage sampling approach was employed in selecting the three hundred and five (305) employees who completed the survey instrument. Correlational and hierarchical regression procedures were used to test the hypotheses. Even though transactional leadership was found not to statistically mitigate employees' voluntary turnover intention, the availability of alternative job opportunities was found to moderate the transactional leadership-turnover intention nexus. Within the Ghanaian banking industry, leadership behaviours that do not focus more on the needs of subordinates as a critical part of task accomplishment will not be appreciated by employees and this stimulates their intention to quit their jobs for other lucrative offers.

Key words: Transactional leadership, turnover intention, alternative job opportunity.

INTRODUCTION

In a competitive, quickly changing and turbulent business environment, the role of effective leadership in achieving organizational success is most critical. When unpredictable changes occur rapidly in work environments,

it necessarily requires much more innovation, creativity, and individual thoughts. According to Kotter (1990), tomorrow's leaders may need to hold visions, values, assumptions and paradigms that are in agreement with

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having a team-oriented empowered workforce in order to be successful. Without these visions and values that support organisational structures of the future, leaders may not be equipped with the requisite values to make decisions in line with that structure (Bryman, 1986). This implies that the success and survival of businesses is anchored on the effectiveness of leadership. Leaders influence policy directions, as well as the behaviours of others in pursuit of organisational goals. Employees are thus more likely to commit efforts to achieving the targets of the organisation if leaders exhibit behaviours that will stimulate them.

Leadership is mostly defined by researchers to suit their perspectives and the aspect of the phenomenon of most interest to them. Even though leadership is a much observed but little understood phenomenon with many definitions and perspectives, Yukl (2010) asserts that an effective leader is not someone who merely uses a mix of task and relation behaviours, but rather someone who selects specific forms of behaviour that simultaneously reflect concern for both task and people. Fry (2003) observes leadership as a means of identifying strategy to offer inspiring motive and to enhance the staff's potential for growth and development. In gaining in-depth understanding to leadership however, one can look at a situation where a group of people come together with the view to achieving some set objectives; the need for one to direct the affairs of the group by influencing other members to work willingly and to the best of their capabilities. In this scenario, the person who influences the group members to work along a particular objective may be considered the leader of the group. Leadership is an important aspect of every human activity; leaders model the behaviours expected of subordinates. Organisations have goals and objectives, but before these are achieved there is the need for co-ordination of both material and human resources within the organisation. Leadership thus plays a critical role in influencing follower outcomes regardless of individual, task, and organisational variables. By providing appropriate leadership, a leader is able to use the capabilities of subordinates in the most efficient way.

Generally, effective performance and great work outcomes from subordinates are always desirable, but they do not always happen. People normally respond well only to appropriate leadership behaviours and thus a leader's style of leadership may affect the motivation, efficiency and effectiveness of his/her subordinates. According to Robbins (2003), leaders develop a vision; then they adjust the organisational and individual objectives by communicating this vision to their subordinates and motivating them to overcome obstacles that come up in achieving individual and organisational objectives. Capable leaders provide direction for the organisation and stimulate subordinates towards achieving set goals. However, if a leader has indifferent leadership behaviour, his subordinates would do their

work but may do it ineffectively or perhaps in a confused manner. In recent times, the leadership behaviours that have been dominant in the leadership literature are the transformational and transactional leadership behaviours because of the prominence of these behaviours in the leadership literature and the significant influence they exert on employee outcomes. Whereas particular leadership behaviours may elicit the requisite outcomes and behaviours from employees, others may bring about redundant employee behaviours such as turnover. According to some previous studies (Long and Thean, 2011; Najm, 2010), transformational and transactional leadership establish significant negative relationships with employee outcomes, particularly turnover. Interestingly, it is not uncommon among employees in most work organisations in Ghana to arrive late to their workplaces and leave early or before the end of the working day. Others voluntarily switch from one company to the other without much consideration for its implication on the company. Unfortunately, this employee withdrawal phenomenon has been a major concern for almost all organisations globally regardless of size, location, nature of business and strategic orientation (profit or non-profit oriented) substantially because of its cost implications.

Employees' turnover usually affects the productivity and quality of products or services and transcends to affect the bottom line of businesses considering the lost skills and the expenditure to recruit, select, train and develop new workforce. Such costs could be so huge that the organisation, whether medium or large may be severely impacted negatively if pragmatic measures are not taken to deal with the adverse effects of turnover. According to Vance (2006), Caterpillar, a giant multi-national construction equipment manufacturer, saved about \$9 million in turnover costs alone at one of its European based plants. Again, studies carried out by Khatri et al. (1999) in Asian countries such as China, Hong Kong, Malaysia, Singapore and Taiwan found that employee turnover is a phenomenon that bedevils human resource managers. These studies are in line with the position of Chapman (1993) that it costs twice the employer to get a new employee than to retain an existing employee. Extant literature on employee turnover intention posits that the phenomenon leads to severe cost implications on the bottom line of organisations. Whereas some of these costs may be direct, others may not. These studies have also established the fact that leadership is a viable way of mitigating turnover in organisations. Most of these studies however tend to focus on transformational leadership and are situated in countries outside the sub region and this makes generalization of such findings to developing countries inconclusive. In the perspective of Hofstede (2004), the socio cultural differences in countries or regions may cause significant statistical variations in research findings. Despite these indications, very few studies, if any at all, have examined this withdrawal reaction behaviour from a

developing country perspective. Besides, despite Amediku's (2008) indication that turnover has serious negative implication on the Ghanaian banking sector; the phenomenon has not received adequate research attention in the banking industry.

It is arguably evident that in a contemporary business environment dominated by fierce competition and overwhelming technological changes, employees have become more sensitive and knowledgeable of the work environment. Employees thus demand full attention to plans geared towards their growth and career development and they may resist managerial behaviours which seek to prevent them from realizing their personal goals. Furthermore, employees are more likely to be committed to an organisational course that seeks to satisfy their personal needs. With the level of employee sophistication, the issue of alternative job opportunity has become very imperative. Employees may not like the leadership behaviours of their supervisors but may hold on to their jobs if there are no alternative job offers. In countries with high unemployment rate, the relationship between transactional leadership and turnover will provide inconclusive findings unless the confounding effect of alternative job opportunity is observed. For instance, Onyishi et al. (2012) advanced that industries with high unemployment rate (i.e. limited job opportunities) are less likely to record high employee withdrawal behaviours such as turnover rates. Consistent with these suppositions, this examined how transactional leadership behaviours will make employees to quit their jobs in the Ghanaian banking industry. In addition, the paper examined how alternative job opportunities will moderate the relationship.

The concept of transactional leadership

Transactional and transformational leadership are usually referred to as Full range leadership theory (Antonakis et al., 2003) Transactional leadership is a type of leadership style mostly used in behavioural sciences. Bass and Avolio (2004) described transactional leadership as the exchange of the relationship between leaders and subordinates. However, the exchange-based relationship is predominantly self-centered. According to Bass and Avolio (2004), transactional leaders work within their organisation's culture and follow existing rules, procedures, and operative norms. The authors observe transactional leadership as a process of evolution among the leader and the follower; where the leader is not interested in the follower's concerns or needs. Such leaders strive to maintain and preserve harmonious working relationships tied with promises on rewards for satisfactory performance (Dessler and Starke, 2012).

In transactional leadership, leaders lead through social exchange. Pearce and Sims (2002) opined that transactional leaders depend on the use of appropriate

rewards to motivate followers. For instance, they may approach their followers with the intent of exchanging one thing for another, for example jobs for votes, or subsidies for campaign contributions. In the business world, transactional business leaders mainly do offer rewards for productivity. However, transactional leadership theory is distinct from transformational leadership but not mutually exclusive processes. This assertion is consistent with the position that transactional leadership behaviours augment transformational leadership behaviours (Bass and Avolio, 2004) to achieve organisational goals. The theory operates on certain fundamental assumptions: (1) people are motivated by reward and punishment; (2) social systems work best with a clear chain of command; (3) when people have agreed to do a job, a part of the deal is that they cede all authority to their manager; and (4) the prime purpose of a subordinate is to do what their manager tells them to do. Thus, effective transformational leaders build their excellent relationship with followers on a contractual base that they have created using their transactional leadership skills. According to Burns (1978), transactional leaders work through creating clear structures by ensuring that work requirements are clear, reward structure is clear, punishments are not always mentioned, but there are also well-understood and formal systems of discipline usually in place. Transactional leaders also negotiate the contract whereby the subordinate is given a salary and other benefits, and the company (by implication of the subordinate's manager) gets authority over the subordinate. Transactional leadership may involve values such as honesty, fairness, responsibility, and reciprocity but they are values relevant to the exchange process (Yukl, 2010). Bass argued that whereas the transformational leader transforms and motivates followers by (1) making them more aware of the importance of task outcomes, (2) inducing them to transcend their own self-interest for the sake of the organisation or team, and (3) activating their higher-order needs, transactional leadership contrastingly involves an exchange process that may result in follower compliance with leader requests which is not likely to generate enthusiasm and commitment to task objectives.

The concept of employees' turnover

Employees' turnover is defined as the ratio of the number of workers in an organisation who have left during the period being considered divided by the average number of people in that organisation during the period (Price, 1977). In other words, it is a sequence of activities that begins from the moment an employee exits his or her organisation and when he or she is being replaced. Until the replacement cycle is fulfilled there is still turnover (Wood, 1995). On the other hand, turnover intention refers to the intention of employees, for whatever reasons they may have, to leave their organisation. According to

Cotton and Tuttle (1986), turnover intention is the perceived probability of an individual to either stay or leave an employing organisation whereas Meyer and Tett (1993) posited that turnover intention is the conscious deliberateness to pursue other alternative job prospects in other organisations. Over the years, researchers have acknowledged the distinction between actual turnover and turnover intention (Mobley, 1977). According to Fishbein (1967), the phrase "attitude toward the act" could preferably mean the desire to leave which reflects the employee's feelings toward the act of quitting. It is believed that actual turnover is more difficult to predict because it is difficult to trace and retrieve data from individual employees who have left their organisations. However, turnover intention is considered as the best predictor of actual turnover in an organisation (Horn and Griffeth; 1995). There are two basic effects that an employee intent to leave may have on turnover decision. First and foremost, it may directly lead to turnover decision even when other job opportunities are not available. Secondly, it may influence actual turnover indirectly by leading the employee to search for new job alternatives. Mobley et al. (1979) stated that the behaviours most workers exhibit often define their turnover intention. According to Mobley, the behavioural intention to stay with or leave the organisation is consistently related to turnover behaviour.

Hence, previous studies recognize such constructs as intention to leave, job satisfaction, organisational commitment, economic factors and job search behaviour as the most commonly considered antecedents to turnover (Lee and Mitchell, 2004). According to Moncarz et al. (2009), factors such as organisational culture, promotions, training practices and hiring of personnel have direct influence on employee's retention whereas organisational goals, missions, rewards, compensations and recognitions positively reduce turnover rate of the employees. Fishbein and Ajzen (1975) emphasized that turnover intention is a cardinal antecedent to actual turnover when they posited in their Attitude-Behaviour Theory that one's intention to engage in a specific behaviour is the close predictor of that behaviour. In a study by Barak et al. (2001), they argued that many studies use intent to leave rather than actual turnover as the outcome variable due to the fact that workers characteristically make conscious decision to do so before they actually leave their jobs. This relationship is supported by the Attitude-Behavior theory (Fishbein and Ajzen, 1975), which holds that one's intention to perform a specific behaviour is the immediate determinant of that behaviour. Barak et al. (2001) also argued that it is practically feasible to ask employees of their intention to quit in a cross-sectional study than actually tracking them down by means of a longitudinal research to inquire if they have left. In addition, actual turnover may be more difficult to predict, as there may be other factors such as employment alternatives that affect a person's turnover

behaviour. According to Lund (2003), turnover can be classified and categorized into voluntary or involuntary, as well as functional or dysfunctional. He believed that each will have varying degrees of impact on the organisation.

Turnover becomes voluntary when the choice of leaving the organisation is initiated by the employee and involuntary where the employee has no choice in their termination. Lund (2003) referred to voluntary turnover as a process in which an employee makes decision as to stay on or leave the organisation (cited in Wells and Peachey, 2010). This type of turnover may result from the following employees' actions and decisions as dismissal, retrenchment/redundancy, retirement, long term sickness, physical/mental disability, moving /relocating abroad, and death. However, Mobley (1982) classified voluntary turnover as dysfunctional and argued that it can be most detrimental to the organisation. On the other hand, Wells and Peachey (2011) gave a definition of involuntary turnover as the situation in which the organisation undertakes control over the employee's decision to stay or leave the organisation. This type of turnover is being commended by most researchers because they assert that it helps to remove under-performing employees (Abbasi and Hollman, 2000).

Transactional Leadership and Employee

Even though most studies (Alexandrov et al., 2007; Dupre and Day, 2007; Abrecht, 2006) indicate transformational leadership to be a stronger predictor of quality management than transactional leadership, these scholars and many others also expect transactional leadership to contribute to quality management perception by managing short-term goals related to implementing the quality management processes (Waldman, 1994) as well. As indicated elsewhere, effective transformational leaders thus build their excellent relationship with followers on a contractual base that they have created using their transactional leadership skills. Hence, the study expects transformational leadership to be a stronger predictor of turnover intention than transactional leadership; transactional leadership will however be a significant predictor of employee turnover intention. For instance, Hamstra et al. (2011) in a study on how a fit between leadership styles and followers' regulatory focus will mitigate followers' turnover intention found that transactional leadership negatively relate to turnover intention for highly prevention-focused followers, but not for those low in prevention focus. Similarly, in a review by Long and Thean (2011) of the relationships among leadership styles, job satisfaction and turnover intention in Malaysia, the authors reported that transactional leadership was negatively related to turnover intention. The authors concluded the review by emphasizing that understanding the impact of leadership styles on employee turnover

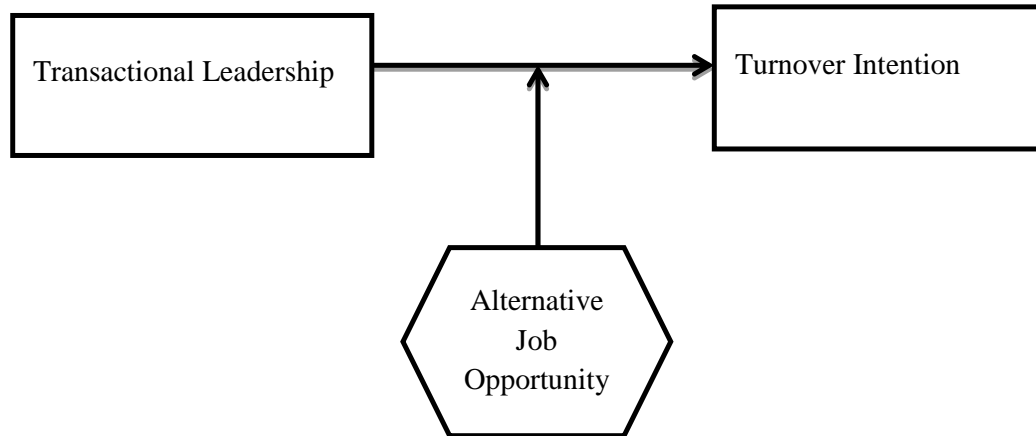


Figure 1. Leadership-Turnover Intention Model

intention is critical and an integral part of an organisation's success. Further, Martin and Epitropaki (2001) indicated that transactional leadership behaviour may be crucial in reducing and mitigating turnover intention rather than laissez-fair leadership. Najm (2010) in Kuwait also found a negative relationship between transactional leadership and employees' turnover intention. Also, Long et al. (2012) in their exploratory study examined the relationship between leadership styles and employee turnover intention among academic staff in a community college in Malaysia. The authors found a negative relationship between transactional leadership and employee turnover intention. However, the negative relationship was not significant relative to what existing literature has revealed and this example also occurred in the works of Wells and Peachey (2011). Consequently, it was hypothesized that employees' perception of transactional leadership would inversely affect their turnover intention.

H₁: Employees' perception of transactional leadership behaviour will negatively affect their turnover intention.

Alternative job opportunity as a moderator

In addition to the hypothesized leadership-turnover relationship, availability of alternative job opportunities may also act as a moderating variable to the relationship. Generally, moderators alter the strength or direction, either negatively or positively, of a bivariate causal relationship. According to Baron and Kenny (1986; p.1174), "specifically within a correlational analysis framework, a moderator is a third variable that affects the zero-order correlation between two other variables". A survey by the Ghana Statistical Service (2014) revealed an unemployment rate of 5.2% in Ghana. However, given the influx of foreign banks and the competition they bring

to the industry, the main focus of competitive edge will be the talented human resource. As a result, organisations in a growth mode strategy (i.e. those who search for product and market opportunities and experiment with responses to emerging environmental trends) will poach talented employees in a less attractive banking environment. Onyishi et al. (2012) advanced that industries with high unemployment rate are less likely to record high employee turnover rates. Once leadership behaviours are not in agreement with employees' expectations of good leadership behaviours, employees are more likely to accept any employment offer from competing firms once they consider them attractive. In line with this assertion, Mobley's (1982) model of employee turnover depicts that turnover is more likely in a healthy economy with low unemployment rates. The argument is to stress on the fact that leadership is a strong predictor of employee turnover; however, the existence or otherwise of a better employment offer is likely to alter such relationship (Figure 1).

H₂: The relationship between leadership and turnover intention will be moderated by alternative job opportunity.

METHODOLOGY

Research design, population and sampling

This paper employed a cross-sectional, descriptive, correlational survey design as the strategy for examining the moderating effect of alternative job opportunity on the relationship between leadership styles and employee turnover intention. The target population of the study comprised employees of all the branches of Commercial banks listed on the Ghana Club 100 (GC 100), 2011 edition. According to the ranking, there were fourteen (14) Commercial banks on the GC 100 list. The accessible population, however, was limited to employees in the fourteen (14) Commercial banks located in the Greater Accra region. The selection was based on the fact

Table 1. Hierarchical moderated multiple regression analysis for transactional leadership and turnover intention.

Variable	β	R^2	ΔR^2	F	ΔF
Step 1: Transactional leadership	.067	.005	.005	1.371	1.371
Step 2					
Transactional leadership (A)	.056	.020	.015*	3.072*	1.701
Alt. Job Opportunity (B)	.125*				
Step 3					
Transactional leadership (A)	.056	.024	.004	2.439	.033
Alt. Job Opportunity (B)	.125*				
Interaction (A) x (B)	.062				

Note: N= 305; * indicate $p < .05$, ** indicate $p < .01$.

that approximately 90% of the Commercial banks in Ghana have their Headquarters and their top-performing branches concentrated in the capital, Greater Accra. Out of the accessible population of about 2800 employees, a sample size of 350 was estimated. Out of the 400 questionnaires administered, a response rate of 76% (representing 305 questionnaires) was obtained. The sample size was determined using the mathematical equation developed by Miller and Brewer (2003). It is given as: $n = \frac{N}{1+N(\alpha^2)}$

Where: N is the accessible population; n is the sample size; 1 is a constant; and α is the error margin (5%).

Instrumentation

Transactional leadership behaviour was measured by 12-items with the following subscales: Contingent reward leadership style (CR); Management by exception-Active leadership style (MA); and Management by exception-Passive leadership style (MP). Similar to other researchers (Bono and Anderson, 2005), the three sub-scales were also combined into a single transactional leadership composite. In a study by Wells and Pearch (2011), the authors reported Cronbach's coefficient alpha value of .71 in their study. The Cronbach's coefficient alpha of the Transactional leadership style for this study was .83. In line with the position of Arnold (1999), employee turnover intention was measured using Jackofsky and Slocum's (1987) 4-item Turnover Intention Questionnaire [TIQ]. The TIQ was measured on a 5-point scale ranging from 1 (strongly agree) to 5 (strongly disagree). Sample items on the TIQ include "I will quit my job soon" and "Before long, I will be leaving my present job". As in the works of Jackofsky & Slocum (1987), a higher score of coefficient alpha indicate a higher level of intention to turnover and vice versa. The Cronbach's coefficient alpha of the TIQ for this study was .88. Alternative Job Opportunity was measured using Revised Organisational Commitment Questionnaire by Meyer and Allen (1997). The questionnaire was measured in a 5-point scale ranging from 1 (Strongly disagree) to 5 (Strongly agree). The Cronbach's coefficient alpha of the Alternative Job Opportunity construct for this study was .86.

Ethical Consideration

Ethics in research refers to the norms for the conduct that distinguish between acceptable and unacceptable behaviour (David

and Resnik, 2011). Following the ethical standards in social science research, respondents were voluntarily allowed to participate in the survey. Also, the consent of the employees was sought prior to the administration of the survey instrument and the researcher personally administered all the questionnaires to every eligible employee in the selected branches of the banks chosen for the study. Due to the busy schedules of employees in the banking industry, the entire data collection exercise took approximately 75 days. As indicated by Creswell (2009), the anonymity of individuals, roles, and incidents in a project need to be protected. Following on from this statement, in the analysis of the survey data gathered, the study was silent on names of the respondents during the coding and recording process. For security and confidentiality purposes, data, once analyzed need to be kept for a reasonable period of time. In the interpretation of the data, the researcher provided an accurate account of the information.

Data analysis

The study used both Statistical Package and Service Solutions (SPSS v, 20) and Excel Output for Plotting Interactions in the analysis. In order to examine the objectives of this paper, we used 3-step Moderated Hierarchical Regression analysis. The first two steps observed the effect of transactional leadership and alternative job opportunity on turnover respectively. Subsequently, the third step examined the alteration (i.e. the moderating effect), either positively or negatively, of the bivariate relationship by alternative job opportunity.

RESULTS AND INTERPRETATION

Hypothesis 1 predicted that transactional leadership behaviours of managers in the Ghanaian banking industry will be negatively affect their turnover intention. When age, gender, marital status, and tenure were controlled, Results from the hierarchical regression as shown in Table 1 revealed that transactional leadership in the Ghanaian banking industry explained a significant amount of incremental variance in employees' turnover intention ($\beta = .067$; $\Delta R = .015$; $p > .05$). Thus, transactional leadership behaviours were found to positively influence

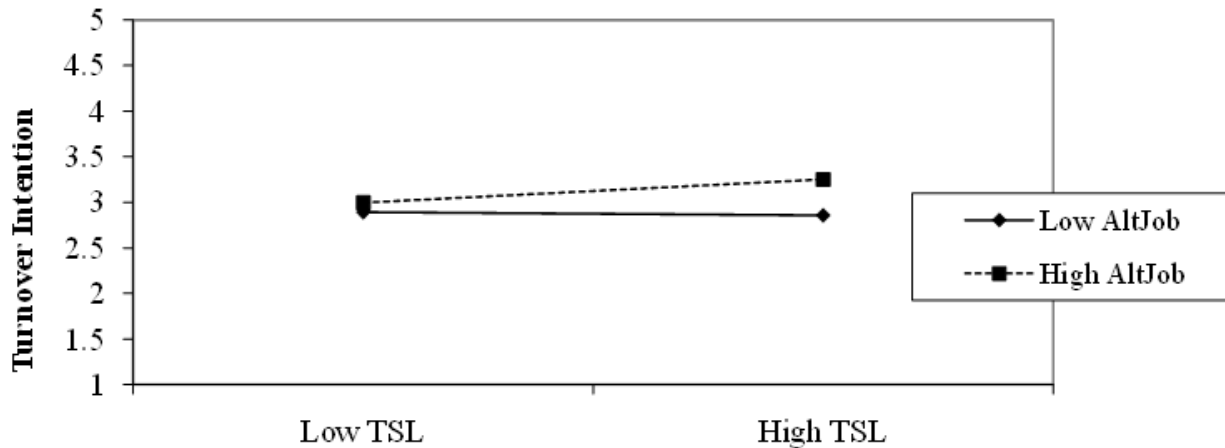


Figure 2. Alternative job Opportunity as a Moderator of Transactional Leadership-Turnover Intention. Note: *TSL* indicates transactional leadership, *AltJob* denotes alternative Job opportunity.

employees' turnover intention but the relationship is not a significant one. Interestingly, step 2 of the hierarchical regression analysis revealed that alternative job opportunities are significant positive predictor of employee turnover intention.

Hypothesis 2 predicted that the transactional leadership-turnover relationship will be altered by availability of alternative job opportunities in the Ghanaian banking industry. As shown in Table 1, a three-step level moderated hierarchical regression analysis was employed. First, the predictor variable, transactional leadership, was entered into the model and the model was not significant. However at the second level of entry (i.e., step 2 of the moderated hierarchical regression model), the moderating variable, alternative job opportunity, was entered into the model together with transactional leadership as a predictor variables and the model was significant. Lastly, the interaction term (i.e., the product of Transactional leadership and Alternative Job Opportunity) was entered into the model. As shown in Table 1, the results of the moderated hierarchical regression analysis revealed that the beta coefficients of transactional leadership and alternative job opportunity were .056 and .125 respectively. Finally, the interaction term had a beta coefficient of .062 and explained a significant incremental variance in turnover intention ($\Delta R^2 = .004$). Thus, the interaction as illustrated in Figure 2 depicts that alternative job opportunity moderated the relationship between transactional leadership and employee turnover intention. Hence, hypothesis 2 was supported. An interaction plot was used to present the moderated relationship in Figure 2.

DISCUSSION

With respect to transactional leadership, we found insignificantly positive effect on employee turnover

intention. Consistent with this study is the findings of Hamstra et al. (2011) who reported no significant relationship between transactional leadership and turnover intentions among psychology students. In similitude, Bycio et al. (1995) and Martin and Epitropaki (2001) opined that transactional leadership tend to be a weaker mitigate of turnover intentions. Nevertheless, the results of this paper disagree with a number of findings in the extant leadership literature. First, in a review by Long and Thean (2011) of the relationships among leadership styles, job satisfaction and turnover intentions in Malaysia, the authors reported that transactional leadership was negatively related to turnover intentions. Again, Bycio et al. (1995) and Martin and Epitropaki (2001) indicated that transactional leadership behaviour may be crucial in reducing and mitigating turnover intentions rather than laissez-fair leadership. Najm (2010) in Kuwait also found a negative relationship between transactional leadership, and employees' turnover intentions. Furthermore, Long et al. (2012) in their exploratory study examined the relationship between leadership styles and employee turnover intentions among academic staff in a community college in Malaysia found a negative relationship between transactional leadership and employee turnover intentions. Subsequently, Wells and Peachey (2011) found in their study a negative relationship between transactional leadership and voluntary turnover intentions. It is worthy of mention that the findings of this paper provide substantial insights to the leadership-turnover nexus. Even though the finding on transactional leadership-turnover intention nexus findings is contrary to the findings of numerous studies, the predominance of alternative job opportunities in the Ghanaian banking industry is rather a predictor and of turnover intention among employees. The insignificant variation with extant literature may be explained by the developing country context as per the socio-cultural dimensions observed by

Hoftedes (2004).

Hypothesis 2 which projected that the availability of alternative job opportunities will moderate the transactional leadership-turnover intention relationship was supported.

In the second model alternative job opportunity significantly anteceded turnover intention. This explains that in an industry where leaders exhibit transactional behaviours, the availability of alternative job opportunities predict turnover among employees. The introduction of the moderating variable in the regression analysis made the model significant.

Even though the third model was insignificant, the interaction term explained a greater proportion of the variance in turnover intention than was explained in the first model, where there was no inclusion of the moderating variable. Within the Ghanaian banking industry organisations with supervisors exhibiting transactional leadership behaviours are more likely to have their subordinates quit the organisation. Interestingly however, one may still stay on the job given the unemployment rate of the country.

In effect, alternative job opportunity which moderated transactional leadership also doubled as an antecedent of turnover intention.

CONCLUSION AND RECOMMENDATIONS

Research on leadership styles and employee turnover intention in a developing country context is critical to organisational success in that it provides enough evidence for organisations to manage their human resources as the core to success. The argument that human resources are that which generates sustained competitive advantage for businesses is evident in the considerable amounts of money organisations lose when they need to replace one employee. Losing human resources therefore poses serious challenge to all organisations and requires careful examination to understand the factors that antecede this phenomenon, turnover, and the possible ways of mitigating its consequences. The argument in the extant leadership literature on leadership being a solution to this organisational menace was found in the Ghanaian banking industry as well. For instance, this study found support for the position of numerous studies in the leadership literature regarding the significant negative relationship between transformational leadership styles and employee turnover intention. This implies that the exhibition of transformational leadership behaviours by supervisors within the Ghanaian banking industry is essential to addressing the turnover issues, making the concept of leadership arguably the most critical issue that distinguishes successful businesses from the lots. It is worth mentioning that leaders do not only give directives; they also stimulate, influence, inspire and assist

subordinates to pursue organisational goals.

In the nutshell, leadership behaviours exhibited at the workplace are crucial to business growth and efficacy. In fact, banks which pay attention to leadership behaviours, aimed at having the prospects of employees at heart and/or managing their human resources as valuable assets rather cost tend to gain competitive advantages in their operating industry. It is important that firms embrace this ideology with the view to being innovative and facilitating high performance targets. Firms who do not invest in human resources of some sort, either by lack of capital or leadership may lose out to their competitors. Therefore, in a global environment where consumer demands are constantly changing, organisations have to develop and advance their employees in order to keep their clientele. Generally, employees consider internal and external relativities of their work environment in making informed employment decisions; once they perceive that they are not rewarded according to their expectations, then they will latch on to the next available offer. As such, given the immense competition worldwide, organisations cannot afford to have their experienced and talented human resources poached by competitors. It is therefore recommended that organisations create a work environment which is fair, congenial, just, and supportive of harmonious employee work relationships with the view to mitigating the high tendency of inter-firm poaching.

Conflict of Interests

The authors have not declared any conflict of interests.

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