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Leadership Styles and Employee Turnover Intention in the Ghana Audit Service: The Moderating Role of Employee Motivation

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Abstract:

Leadership is a complex process involving the interaction of numerous variables. Thus, many theories have been developed to explain leadership approaches, behavioral styles, and outcomes. This article presents the results between leadership styles (Transformational, Transactional and Laissez-faire) and turnover intention. It also assessed the moderating role of employee motivation between leadership styles and turnover intention. Statistical analyses were done on data gathered from 150 respondents at the Ghana Audit Service, Accra. The analysis indicated that the overall leadership styles do not have positive significant relationship with turnover intention. Also, motivation did not moderate the relationship between the overall leadership styles and turnover intention in the Ghana Audit Service but rather moderated between laissez-faire leadership style and turnover intention. The implications of these results were discussed.

Keywords: Leadership, transformational leadership, transactional leadership, laissez-faire leadership, turnover intention, moderation, motivation

1. Introduction

Leadership is one of the most broadly studied subjects in academic and research circles, yet it is least understood, invoking complex debates and discussions. Ulrich (2002) argues that the competitive edge of companies no longer lies in its product, but in its people, therefore, a major factor that determines the success of any organization is the effectiveness of its employees.

This study is based on the Full-Range Leadership Theory (FRLT) proposed by Avolio and Bass (1991). The constructs comprising the FRLT denote three typologies of leadership behavior: transformational, transactional and non-transactional laissez-faire leadership styles. Burns (1978) initially developed the transformational and transactional leadership theories but Bass (1985) later modified them. The main thrust of the full range of leadership theory is that for any organization to attain its objectives, goals and vision, there must be a definite and mutually acceptable relationship between leaders and their followers. Leaders must recognize that without the support and loyalty from their subordinates and followers they cannot perform. On the other hand, followers should understand that leaders are the people who provide inspiration, motivation, and direction for them to attain their desires and realize organizational goals.

Employee turnover intention and its impact on organizational effectiveness has remained the focus of human resource and industrial-organizational researchers in recent times (Chen, Polyhart, Thomas, Anderson & Bliese, 2011; Onyishi, Ucho & Mkavga, 2012). High turnover at large public accounting firms has long been a critical issue facing the profession. Hildebeitel and Leaubly (2001) find that less than half of accounting graduates who chose public accounting firms for their first positions remained in the field for three years after they start. Thus, continuing along the same lines as the work mentioned above and applying the FRLT, this article presents the results of a study that had the primary objective of testing the relationship between leadership styles and employee turnover intention in the Ghana Audit Service.

In addition, it must be noted that employees are the main pillars and the most important factor in driving the success of the organization. Employee turnover conservatively costs an organization approximately 60% of an employee's annual salary (Allen & Shanock, 2012). For instance, an international comparison of turnover intention based on the International Social Survey Programme [ISSP] about "Work Orientations" in 2005 showed that high turnover rate of employees occurred in countries such as France (17.48%), Mexico (17.42%), USA (15.0%), Dominican Republic (14.63%), New Zealand (14.47%) and Australia (14.26%). On the contrary, low employee turnover rates were reported in Slovenia (4.0%), Japan (3.74%) and Czech Republic (3.11%). South Africa, the only African country to have appeared in the survey recorded an average employee turnover rate of 12.2% (ISSP, 2005; Henneberger & Sousa-Poza, 2002; Perez, 2008). Again, the turnover intent by industry (HR Barometer, 2007) showed that the health and social care sector scored the highest, 18.5%, turnover intention while agriculture and forestry sector had the lowest score, 1.3%. From this perspective, then, this study had the second objective of examining the relationship between motivation and employee turnover intention.

The imperative need to discover, comprehend and implement employee motivation has become a principal concern for organizations, managers and even first line supervisors. This is because employee motivation has been, and will be the deciding factor in work performance and the success or failure of an organization (Samuel & Chipunza, 2009). From the authors' observations, there are no empirical Ghanaian based findings on the moderating role of employee motivation and the relationship between leadership styles and turnover intention. Based on this, the final objective was to find out how motivation will moderate the relationship between the overall leadership styles and employee turnover intention.

The article is structured as follows. First, the theories underpinning this study were presented. Leadership theories, motivation theories and our hypotheses concerning the relationships between these constructs are set out in the section below. Next, we presented the methodological framework of this study, detailing the procedures we applied and the data collection tool as well as sample used in the study. Finally, we discussed the results we obtained, recommendations as well as future research avenues resulting from our findings.

2. Theories and Hypotheses

The Great Man model examined headship from inheritance perspective. According to Carlyle (1907), the fundamental basis of this theory is that some people are hereditarily talented with greater characters and personalities that make them unique to be leaders. The major challenge of the Great Man theory of leadership is the inability of the proponents to identify the specific traits and genetic elements that define leadership. The trait theory emerged out of this challenge and flaws of the Great Man theory. The trait theory states that when great leaders emerge from among people, then it should be possible to identify the qualities that differentiate them from their followers.

The trait theory encountered a barrage of criticisms for failing to establish a set of distinguishing traits that leaders possess. This led to scholars and practitioners to focus their attention on actions rather than attributes of leaders. Thus, attention shifted away from effective leaders on society to what effective leaders can do in terms of how they execute their work and delegate tasks to others.

Challenges and lapses that were associated with trait and behavioral theories of leadership gave rise to contingency or situational approach of leadership. After five decades of serious research works on leadership, Owens (1973) concluded that no specific leadership traits and behaviors have universal acceptance and application. The contingency theory defines leadership in the context of many dependent variables and given situations.

Furthermore, the charismatic leadership theory was propounded with the main trust that followers of a leader ascribe certain traits and behaviors to their leader when they observed certain extraordinary characters exhibited by the leader. Based on attributing certain unique behaviors to people, charismatic leaders act differently from non-charismatic leaders. Visionary leadership goes beyond charisma. Sashkin (1998) defined visionary leadership as the capacity of an individual to make and articulate a reasonable, convincing, striking vision for an organization for its future direction. Thus, all these theories were propounded and still had major setbacks. This therefore proposes that leadership has to do with one's ability to stay focus, motivate and encourage employees to achieve set targets.

2.1. Leadership Styles

Leadership is considered in this article as both an individual and group-directed measure of leader's behaviour and style. Leadership style is defined as the pattern of behaviours that leaders display during their work with and through others (Hersey & Blanchard, 1993).

2.1.1. The Transformational Leadership Style

The concept of transformational leadership was first developed by (Burns, 1978). Yukl (1989) defined transformational leadership as the process of influencing major changes in attitudes and assumptions of organizational members and building commitment for the organizational mission and objectives. The transformational leader is concerned with helping the follower reach his or her potential by coaching him or her to grow personally in the context of the organization's vision and goals. It has been shown that this approach is effective in improving organizational performance (Vecchio, Justin & Pearce, 2008). However, Shibru & Darshan (2011) confirmed that the transformational style raises the efficiency and productivity of an organization because of its flexibility and how it gives the followers the chance to be creative.

2.1.2. The Transactional Leadership Style

Bass (1990) explained transactional leadership as an exchange relationship between leader and follower and is grounded in the social learning and social exchange theories, which recognize the reciprocal nature of leadership. Some behaviour inherent to the transactional leadership in terms of two characteristics: the use of contingent rewards and management by exception (active/passive). The transactional leaders are good at making issues clear, but they lack some positive skills such as giving attention to the needs of individuals.

2.1.3. The Laissez-Faire Leadership Style

Deluga (1990) describes the laissez-faire leader as an extreme passive leader who is reluctant to influence subordinates' considerable freedom, to the point of abdicating his/her responsibilities. There is no relationship exchange between the leader and the followers. Laissez-faire leader lives and works with whatever structure put in place without any suggestions or criticisms. Goals and objectives are established only when necessary and required. One of the main

characteristics of laissez-faire leaders is that they always want to delegate authority into the hands of their subordinates. Laissez-faire leaders give a considerable freedom to their subordinates to do things for themselves. In such situations, followers could be adventurous and build self-confidence to meet future challenges on their own.

2.2. Leadership Styles and Turnover Intention

Turnover intentions imply one's intention to leave his employing organization which shows a breach in the relationship between employees and the organization (Sok Foon, Chee-Leong, L. & Osman, 2010). According to Hellman (1997), turnover intention is the behavioural intention illuminating an individual's intention to leave the organization. Palich, Hom & Griffeth (1995) referred to turnover intentions as a conscious and deliberate willfulness of an individual towards voluntary permanent withdrawal from the organization (Davidson, 2010).

Research has also shown that transformational leadership rather than transactional and laissez faire leadership, results in higher levels of employees satisfaction, commitment and performance (Alam & Mohammad, 2009). Given that high levels of satisfaction and commitment have been demonstrated to have an inverse relationship with intentions to quit, it is therefore simple to assume that a similar relationship would exist between transformational-transactional leadership styles and intentions to quit. In addition, good leadership appears to increase satisfaction and commitment, and turnover intentions (Kara, Uysal, Sirgy & Lee, 2013).

Using data from a sample of 104 psychology students in the Netherlands, Hamstra, Van Yperen, Wisse and Sassenberg (2011) examined how job-fit reduces followers' turnover intentions with particular emphasis on transformational-transactional leadership styles and followers' regulatory focus. Hamstra et al.'s correlation matrix found a significant inverse relationship between transformational leadership style and psychology students' turnover intentions ($r = -.44, p < .001$). We therefore believed that there will be significant relationship between leadership styles and employee turnover intention.

- Hypothesis 1: There is a significant relationship between leadership styles and employee turnover intention.

2.3. Motivation and Turnover Intention

The word "motivation" is derived from the Latin word "movere" which means to move. Greenberg and Baron (2003) defined motivation as the set of processes that arouse, direct, and maintain human behaviour towards attaining goals.

Content theories try to explain why people are motivated in different ways and in different work settings. They include Hierarchy needs theory, ERG theory, Herzberg's Two Factor Theory and Acquired needs theory. Vroom's Expectancy Theory, Adam's Equity Theory, Locke's Goal Setting Theory and Skinner's Reinforcement Theory, among others are examples of process theories.

Mobley (1982) found that the relationship between motivation and turnover, although not particularly strong, is consistent, as well as consistent with Vroom's (1964) assertion that dissatisfied employees are more likely to leave than satisfied employees. He recommended that motivation be measured in order to effectively predict and understand turnover (Mobley, 1982).

Efforts should also focus on what satisfies employees, as well as what causes them to be committed to the organization. Meta-analyses revealed that job satisfaction can be enhanced through variables, "which include both employee personality and work environment" (Bowling, Eschleman, Qiang, Kirkendall, & Alacron, 2010 p.602). Thus, hypothesis 2 was formulated.

- Hypothesis 2: There is a significant relationship between motivation and employee turnover intention.

2.4. Moderating Role of Motivation

A moderator variable is expected to change the direction and strength of the relationship between the predictor variable and the dependent variable (Baron & Kenny, 1986; Judd, Kenny & McClelland, 2001). Motivation has been found to moderate the relationship between transformational leadership and employee turnover intention (Keller, 2006). Interestingly, the effect of transformational leadership seems to vary by organizational sector. In Lowe, Kroeck and Sivasubramaniam (1996) meta-analysis, the relationships between transformational leadership behaviours and turnover were significantly higher in public compared to private organizations. Fuller, Patterson, Rester and Stringe (1996) found that the relationship between transformational leadership and intention to leave was stronger in military than in civilian samples, and the effect of transformational leadership on performance was stronger in student and military samples than in civilian samples. Similarly, Judge and Piccolo (2004) found that positive moderation and significant relationship between motivation and transactional leadership styles but negative relationship between laissez-faire leadership style. Barbuto (2005) also studied on the moderating role of motivation on transactional and laissez-faire leadership styles. He collected data from hundred and eighty six (186) leaders and their seven hundred and fifty nine (759) raters. Results were obtained using the SPSS. Examination of the MLQ of both rater's reports and managers self-reports started by estimating subscales of the full range leadership behaviors. Transactional leadership had significant and positive relationship with motivation as a moderator. Laissez-faire leadership style has also positive and significant relationship with motivation. Thus, we formulated hypothesis 3.

- Hypothesis 3: Motivation will moderate the relationship between leadership styles and employee turnover intention.

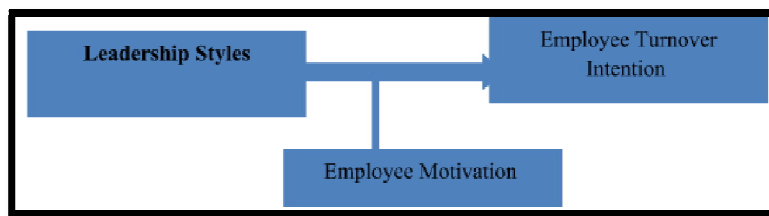


Figure 1: Conceptual Frameworks before Data Collection
Source: Authors' Construct (2019)

3. Methodology

3.1. Sample and Procedure

This study was carried out at the Ghana Audit Service (the Supreme Audit Institution of Ghana) in Accra, Headquarters due to the fact that the organization engages the services of professional Accountants and Auditors with the core function being auditing.

Simple random and purposive sampling techniques were used in order to make sure the purpose of the study was achieved. After administration of questionnaires, one hundred and fifty (150) questionnaires were valid for the study. A response rate of 98% was attained. The respondents' age ranged from 20 to 60, and 68% of them were men. As anticipated, the sample had a high level of education: 36.7% were Chartered Accountants whereas 28.0% and 22.6% were Postgraduate and Degree holders/Graduates respectively. 6.7% were Diploma/HND holders and the remaining 6.0% were Secondary education graduates. The sample was made up of employees with different positions: 82.7% of the respondents were Auditors, followed by 10.6% which were Administrative Assistants and the remaining 6.7% being Directors. Finally, 42.0% of the respondents have been with the Ghana Audit Service for less than 5 years. Also, 36.7% have been with the service for 6-9 years and the remaining 21.3% having been working for more than 10 years.

3.2. Measures

Questionnaires were developed in relation to survey instrument used in measuring each construct. Three categories of questionnaires were used in this research to obtain information on Leadership Styles, Turnover Intention and Motivation, namely; *Multifactor Leadership Questionnaire (MLQ)*, *Employee Turnover Intention Questionnaire (ETIQ)* and *Employee Motivation Questionnaire (EMQ)*. The following subsections discuss the measures used for each construct.

3.2.1. Multifactor Leadership Questionnaire [MLQ]

Over the years, the Full Range Leadership Development Theory is a suitable theoretical construct for measuring leadership styles. The MLQ was formulated from the Full Range Leadership Development Theory (Avolio & Bass, 1997). Thus, the MLQ is based on the work of renowned leadership theorists like Bass, Avolio and Yammarino (Avolio & Bass, 1997). The MLQ has been improved and tested since 1985 and has resulted in the development of many versions of the questionnaire. The latest version, Form 5X (Revised), was used in this study. The MLQ comprises a 5 point Likert scale and the respondents were instructed during the administration of the questionnaires to mark the most suitable answer. The scale ranges from 1 to 5 as: 1 - Not at all, 2 - Once in a while, 3 - Sometimes, 4 - Fairly often, and 5 - Frequently if not always.

3.2.2. Employee Turnover Intention Questionnaire (ETIQ)

The Turnover Intention Scale (TIS) for this study was developed from the combination of modified items that were adapted from previous studies (Jackofsky & Slocum, 1987). The TIS items were rated on a five-point Likert-type scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree), with low scores indicating high intentions to leave the organization, and all items were positively-worded and required no reflection at a later stage.

3.2.3. Employee Motivation Questionnaire (EMQ)

The employee motivation questionnaire was based on Abraham Maslow's Five Hierarchical order of needs, namely; basic needs, safety needs, esteem, love and self-actualization needs. The scale has been used by different researchers since it covers all the needs of individuals. It was used because they have been tested in many different organizational settings and found to be reliable.

4. Results

4.1. Data Analysis

Several analyses were carried out to verify the relationships between these three global variables (leadership styles, turnover intention and motivation). To determine whether there were multicollinearity effects, we also calculated the variance inflation factors (VIF) for all relationships. All VIFs were lower than 2.5, which were far lower than the acceptance criterion of 10 and indicated that there was no multicollinearity problem (Field, 2009; Hair, Black, Babin, & Anderson, 2010). Then, using Cronbach's alphas, we evaluated construct reliability.

The Cronbach's alphas for all constructs were not higher than 0.90. MLQ instrument is deemed to be a reliable measure of transformational leadership (0.849), transactional leadership (0.701) and laissez-faire leadership (0.749). Overall, the results showed adequate reliability and validity levels for all measures. The Cronbach's alpha reliability coefficient for the turnover intention instrument was 0.885. Also, the average Cronbach's alpha reliability coefficient for motivation instrument was 0.762.

4.2. Testing of Hypotheses

Hypothesis 1 anticipated a significant relationship between leadership styles and employee turnover intention. According to Field (2009), the R square reflects the percentage of variation in the dependent variable that is explained by the variation in the independent variable(s). From Table 1, ($r^2 = 0.000$), which indicated that the overall leadership styles together do not explain any variation in turnover intention in the Ghana Audit Service. Thus, hypothesis 1 was not supported.

Model Summary									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.012 ^a	.000	-.007	4.647	.000	.020	1	148	.888

Table 1: Regression of Scores of Leadership Styles on Turnover Intention
a. Predictors: (Constant), Motivation_Total

Furthermore, to test the various leadership styles, a Pearson's Product Moment Correlation was carried out. The results in Table 2 below indicated that transformational leadership style was negatively correlated but significant with turnover intention ($r = -.338$, $p < .01$). Thus, hypothesis 1a was supported. The inference that can be drawn from this finding is that the cultivation of transformational leadership behaviours within the leadership practices of the company will likely coincide with a decline in the intentions to quit among employees. It was also depicted that transactional leadership style was positively correlated and significant with turnover intention ($r = .245$, $p < .01$). Thus, the analysis in Table 4.2 provided support for hypothesis 1b. Furthermore, Table 4.2 showed that laissez-faire leadership style was positively correlated with turnover intention ($r = .312$, $p < .01$). Thus, hypothesis 1c was supported.

		1	2	3	4
1. Transformational	Pearson Correlation				
	Sig. (2-tailed)				
2. Transactional	Pearson Correlation	-.021			
	Sig. (2-tailed)	.800			
3. Laissez Faire	Pearson Correlation	-.355**	.488**		
	Sig. (2-tailed)	.000	.000		
4. Turnover Intention	Pearson Correlation	-.338**	.245**	.312**	
	Sig. (2-tailed)	.000	.002	.000	

Table 2: Pearson's Product Moment Correlations
**. Correlation is significant at the 0.01 level (2-tailed)

Hypothesis 2 posited a significant relationship between employee motivation and turnover intention. To test this hypothesis, regression analysis was carried out and was significant at 1% level of significance since the p -value of the test is 0.000. Table 3 provides support for the proposed relationship between employee motivation and turnover intention ($r^2 = 0.163$, $p < .01$) and the conclusion is that, employee motivation is a predictor of turnover intention in the Ghana Audit Service. Thus, hypothesis 2 was supported.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.403 ^a	.163	.157	4.252

Table 3: Regression of Employee Motivation on Turnover Intention
a. Predictors: (Constant), Motivation

To test hypothesis 3, which predicted motivation would moderate the relationship between leadership styles and turnover intention, we applied the procedure recommended by Baron and Kenny (1986) and carried out hierarchical regressions. As Table 4 showed, we began by introducing the control variables. At the second level of entry (i.e., step 2 of the hierarchical regression model), the beta coefficients were .010 ($p < .05$) and .232 ($p > .05$) for leadership styles and motivation respectively and the incremental change, ΔR^2 was .163 ($p > .05$). Finally, the interaction term did not explain a significant amount of incremental variance in turnover ($\beta = -.001$, $p < .05$). Thus, the interaction showed that motivation

did not moderate the relationship between the overall leadership styles and turnover intention. Thus, hypothesis 3 was not supported.

Variable	β	sig.	R ²	ΔR^2	F	ΔF
<u>Step 1</u>						
Leadership styles	-0.004	0.888	0.000	0.000	0.020	0.020
<u>Step 2</u>						
Leadership styles	0.010	0.733	0.163	0.163	14.343*	28.662*
Motivation	0.232	0.000				
<u>Step 3</u>						
Leadership styles	0.007	0.824	0.203	0.000	9.520*	0.058
Motivation	0.234	0.000				
Interaction	-0.001	0.810				

Table 4: Moderated Hierarchical Regression

* Indicates That $P < 0.05$ I.E, the Value Is Significant at 0.05 Significance Level

Notwithstanding the above result, separate moderated regression analyses for all the three leadership styles were carried out it was realized that laissez-faire leadership style moderated the relationship. At the second level of entry (i.e., step 2 of the hierarchical regression model), the beta coefficients were .185 ($p > .05$) and .192 ($p < .05$) for laissez-faire leadership style and motivation respectively and the incremental change, ΔR^2 was .197 ($p < .05$). In particular, the results of the analysis as presented in Table 5 showed that laissez-faire leadership has a positive influence on turnover when motivation is average. Thus, the interaction showed that motivation moderate the relationship between laissez-faire leadership style and turnover intention.

Variable	β	sig.	R ²	ΔR^2	F	ΔF
<u>Step 1</u>						
Laissez-Faire	0.293	0.000	0.097	0.097	15.922*	15.922*
<u>Step 2</u>						
Laissez Faire	0.185	0.014	0.197	0.100	18.004*	18.231*
Motivation	0.192	0.000				
<u>Step 3</u>						
Laissez Faire	0.108	0.173	0.232	0.035	14.667*	6.618*
Motivation	0.170	0.000				
Interaction	-0.022	0.011				

Table 5: Hierarchical Moderated Multiple Regression Analysis of Motivation and Laissez Faire Leadership on Turnover Intention

* Indicates That $P < 0.05$ I.E, the Value Is Significant at 0.05 Significance Level

Figure 4.1 below, presents the relationship between employee turnover and laissez-faire leadership at high ($Z = 1$) and low ($Z = -1$) levels of motivation. As can be seen from figure 4.1, when motivation is limited (at low level), laissez-faire leadership is positively related to employee turnover. This relationship however becomes negative and even less strong as motivation increases. This could be observed as the line associated with low level of motivation (Motivation = -1) has a positive slope and is quite steeper whereas the line in connection with high level of motivation (Motivation = 1) is flatter, with a negative slope. See Figure 2.

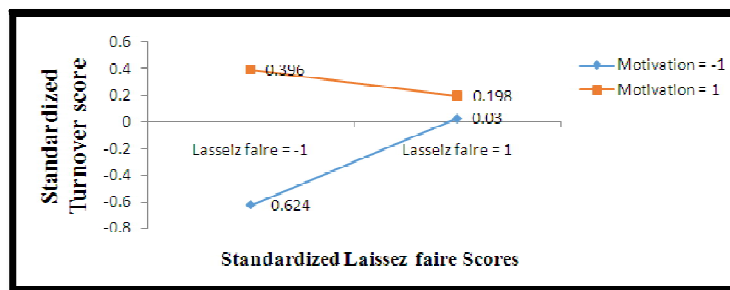


Figure 2: Line Graph Depicting the Direction of Moderating Effect

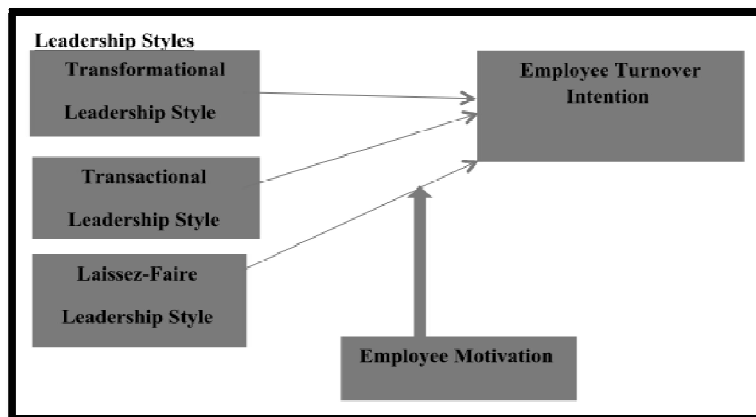


Figure 3: Conceptual Framework after Data Collection
Source: Authors' Construct (2019)

5. Discussions

Based on the Full-Range Leadership Theory, the first objective of this study was to present and test hypotheses concerning the relationship that might exist between leadership styles and employee turnover intention. The results of the correlation and regression tests showed a significant and negative correlation between the overall leadership styles and turnover intention among Ghana Audit Service employees. From the global aspect, the negative correlation between these variables was found by Chen and Lee (2008) who measured the relationship between leadership styles and turnover intention among Taiwan companies.

The significance among these three leadership styles and turnover intention revealed varied results. For instance, the result for transformational leadership style and turnover intention indicated a negatively correlated significant relationship. Thus, it was concluded that there is a significant relationship between transformational leadership style and turnover intention. Study done by (Hamstra et al, 2011) tested the correlation between transformational- transactional leadership styles and its impact on employee's regulatory focus. The survey study showed that transformational leadership style tends to reduce employees turnover intention among highly promotion-focused followers. In addition, study done by (Chen & Lee, 2008) researcher from Taiwan, the study emphasizes the theory of the negative correlation between transformational leadership style and turnover intention. However, findings of Hamstra et al. (2011) showed that no significant relationship exists between transactional leadership and turnover intention among psychology students and is confirmed in this article. In similitude with Hamstra et al.'s assertion, Sellgren (2007) explored the relationship between leadership behaviour of nurse managers and staff turnover and reported a weak inverse correlation between leadership behaviour and turnover intentions. Furthermore, hypothesis 2 was posited that there is a significant relationship between motivation and employee turnover intention. The analysis showed a significant positive relationship existed between motivation and turnover intention. It implies that a low employee motivation in the organization does not necessarily mean that the employees will quit their jobs. It is therefore important to note that inadequate motivation on the part of the employer does not necessarily mean that there will be high turnover. Mobley (1982) found that the relationship between motivation and turnover, although not particularly strong, is consistent, as well as consistent with Vroom's (1964) assertion that dissatisfied employees are more likely to leave than satisfied employees. He recommended that motivation be measured in order to effectively predict and understand turnover (Mobley, 1982).

More also, it was hypothesized that, motivation will moderate the relationship between leadership styles and turnover intention but it turned that motivation did not moderate the overall leadership styles and turnover intention instead, it moderates laissez-faire leadership style and turnover intention. It can also be said that motivation does matter, and is primarily salient for younger/new employees. It may be that by mid- to late- career, a person is more set in their ways or "established in a given field" and are more satisfied in their job and are less likely to turnover.

Finally, the findings could have been affected by the following:

- The global measure of turnover intention that may be masking relationships between specific types of turnover, such as turnover to leave for the private sector or turnover to leave for a job in another public agency.

The organizational settings as public sector workers are perceived to have other businesses running as they are not well monitored at work as compared to their counterpart in the private sectors.

- The introduction of the single spine salary structure in the public sector.
- The perceived notion of difficulty in getting well-paid jobs in recent times

5.1. Recommendations

Based on these findings, it is recommended that supervisors and management in the Ghana Audit Service should endeavour to “wear the hat” of transformational leaders in order to reduce the turnover rate of their employees. Besides, transformational leaders may help ensure employees’ quality of work life which in turn increases their engagement and decreases their turnover intentions. Further, it is recommended that management in the Ghana Audit Service must endeavour to limit the upswing of staff turnover and increase the likelihood of achieving the company’s set targets and objectives by implementing and fostering an environment that focuses mainly on transformational leadership behaviours such as inspirational motivation, intellectual stimulation, idealized influence and contingent reward.

It is also recommended that organizational managers need to look for the factors that impact employee’s retention in Ghana Audit Service, and the key among them is the leadership style of top managers. The current rate of employee turnover in Ghana is high and expensive. The Human Resource (HR) department role is to satisfy the employees’ needs through rewards systems, provision of training, equality of benefits and treatment which will foster employee commitment and reduce employee turnover. It is found in this article that there is a significant correlation between transformational and laissez-faire leadership styles and turnover intention. Moreover, when leadership shows a positive attitude the chances of voluntary turnover tend to decrease (Alnaqbi, 2011).

5.2. Conclusion

It is concluded that in this global environment, leadership will be the tool that helps organizations to accomplish positive outcomes. Effective leadership has been described as a situation where there is a win-win situation for all stakeholders including the leader, the follower, and the organization (Landy & Conte, 2004). Leaders who embrace values of high morals, altruism, genuine concern, personalism, dignity, and the well-being of the individual will help create an environment where Ghana Audit Service employees can thrive, be inspired, motivated and satisfied with their leaders and the organization. Nevertheless, we believe that numerous other studies will have to be conducted in order to better understand the leadership styles especially the transformational and laissez-faire that apply and define the manager’s role in this context. For example, following this study, it would be relevant and interesting to continue this line of research and expand the framework for consideration by attempting to understand culture and its values on the private sector as well. In a nutshell, this study is one step along a promising research avenue that we hope many others will follow.

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