

**EXPLORING THE RELATIONSHIP BETWEEN  
PERCEIVED TRANSFORMATIONAL LEADERSHIP  
STYLES AND EMPLOYEE RETENTION IN A  
TELECOMMUNICATION COMPANY IN MALAYSIA**

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## **ABSTRACT**

This study investigates the relationship between perceived leadership styles and employee retention among employees in the telecommunication company in Malaysia. To achieve this objective, four determinant of transformational leadership style: individual consideration ,intellectual stimulation ,inspirational motivation and idealized influence and seven determinants of employees retention : compensation, job characteristics, opportunities or training and development, supervisor support, career opportunities and work-life balance. A census strategy will be employed to collect information through the conducted survey since the target population is limited to 220 respondents (n=220) distributed within several branches in the telecommunication company. Their perceptive were translated into reports based only on transformational leadership styles. Based on the regression analysis, it is clearly seen that only one determinant; idealized influence that does not has significant relationship towards employees retention whereas all three other determinants; individual consideration, intellectual stimulation and inspirational motivation does has significant relationship with employees retention.

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# **CHAPTER ONE**

## **INTRODUCTION**

### **1.0 Introduction**

The world is rapidly changing and becoming more competitive due to globalization. Consequently, for an organization to be successful there is the need for higher performance levels from employees and teams in organizations. The ability for organizations to continuously improve and innovate is a skill that few have. With a volatile economy it is becoming increasingly important for leaders to maximize the performance and creativity levels and to increase employee retention among employees.

Employee's turnover has always been a key concern issues faced by organizations regardless of its location, sizes or natures of business. All parties in the organization play crucial role in promoting human capital to achieve competitive advantages. Therefore, high turnover definitely will defeat this objective (Long and Thean: 2011).

Yin-fah et al (2010) described employees' turnover as serious issues especially in the field of human resources. Ali (2009) also argued that organizational cost expenditure will

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