INFLUENCE OF LEADERSHIP BEHAVIOR, ORGANIZATIONAL CULTURE AND ORGANIZATIONAL COMMITMENT ON EMPLOYEE TURNOVER INTENTION

CHUTIKAN PHETKAEW

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By

CHUTIKAN PHETKAEW

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ABSTRACT

This study investigates the relationship between leadership behavior, organizational culture on turnover intention among employees in local Thai companies and multinational companies (MNCs) in Thailand. It also examines the role of organizational commitment as a mediator on the relationship between leadership behavior, organizational culture and turnover intention. Data are collected through questionnaires, from 1,650 respondents, 8 companies in Songkhla, Province Thailand. This research adopted several analytical approaches to analyze the data. Through a factor analysis found leadership behavior is reflected into single dimension, labeled as leadership behavior. The organizational culture is reflected into four dimensions namely; hierarchical, rational, teamwork, and reward and recognition, the organizational commitment is reflected into three dimensions: affective commitment, continuance commitment and emotional attachment commitment. The multiple regression and hierarchical multiple regression analyses are used in testing the hypothesis. The results of this study find that the direct relationship between leadership behavior and turnover intention is found to be significantly different between employees in local Thai companies and MNCs. However, the direct relationship between organizational culture and turnover intention is not significantly different between employee in local Thai companies and MNCs. Furthermore, the results of hierarchical multiple regression show that organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention are significantly different among employees in local Thai companies and MNCs. The implication of this study is that managers should recognize the behavior of leadership in which the behavior that able to motivate the level of employee commitment to organization and reduce employee turnover intention.

Keywords: leadership behavior, organizational culture, organizational commitment, turnover intention

ABSTRAK

Kajian ini menyiasat hubungan antara tingkah laku kepimpinan, budaya organisasi terhadap hasrat perolehan dalam kalangan pekerja di syarikat-syarikat tempatan Thai dan syarikat multinasional (MNC) di Thailand. Ia juga mengkaji peranan komitmen organisasi sebagai pengantara kepada hubungan antara tingkah laku kepimpinan, budaya organisasi dan hasrat perolehan. Data dipungut melalui soal selidik daripada 1,650 orang responden, 8 buah syarikat di Wilayah Songkhla, Thailand. Kajian ini mengambil beberapa pendekatan analitikal untuk menganalisis data. Melalui satu faktor analisis, didapati tingkah laku kepimpinan tercermin ke dimensi tunggal, dilabelkan sebagai tingkah laku kepimpinan. Budaya organisasi tercermin dalam empat dimensi iaitu; hierarki, rasional, kerjasama, dan ganjaran dan pengiktirafan. Komitmen organisasi pula tercermin dalam tiga dimensi: komitmen afektif, komitmen berterusan dan komitmen lampiran emosional. Analisis regresi berganda dan analisis regresi berganda hierarki digunakan dalam menguji hipotesis. Hasil kajian ini mendapati bahawa hubungan langsung antara tingkah laku kepimpinan dan hasrat perolehan menunjukkan perbezaan yang ketara di antara pekerja dalam syarikat-syarikat tempatan Thai dan syarikat multinasional. Walau bagaimanapun, hubungan langsung antara budaya organisasi dan hasrat perolehan tidak mempunyai perbezaan yang ketara antara pekerja dalam syarikat-syarikat Thai dan syarikat multinasional. Tambahan pula, keputusan regresi berganda hierarki menunjukkan bahawa komitmen organisasi menjadi pengantara dalam hubungan antara tingkah laku kepimpinan, budaya organisasi dan hasrat perolehan dan didapati jauh berbeza dalam kalangan pekerja di syarikat-syarikat tempatan Thai dan syarikat multinasional. Implikasi kajian ini adalah pengurus harus mengenali tingkah laku kepimpinan yang dapat memberi motivasi kepada tahap komitmen pekerja kepada organisasi dan mengurangkan hasrat perolehan pekerja.

Kata kunci: tingkah laku kepimpinan, budaya organisasi, komitmen organisasi, hasrat perolehan

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TABLE OF CONTENTS

TITI	LE PAGE		i
CER	TIFICAT	TION OF THESIS WORK	ii
PERN	MISSION	TO USE	iv
ABST	TRCT		v
ARST	ΓRAK		vi
-		DGEMENT	
			vii
TABI	LE OF CO	ONTENTS	viii
LIST	OF APPI	ENDICES	xii
LIST	OF TAB	LES	xiv
LIST	OF FIGU	JRES	xvi
LIST	OF ABB	REVIATIONS	xvii
DI			24 11
CHA	PTER ON	NE: BACKGROUND OF THE RESEARCH	
1.1	Introdu	ction	1
1.2	Probler	n Statement	4
1.3	Researc	ch Questions	7
1.4	Researc	ch Objectives	8
1.5		of the Study	9
1.6		cance of Study	10
1.7		etual Definition	12
	1.7.1		12
	1.7.2	1	12
	1.7.3	\mathcal{C}	13
	1.7.4	ϵ	13
	1.7.5	Type of Company	14
1.8	Organiz	ration of Thesis	15
CHA	PTER TV	VO: LITERATURE REVIEW	
2.1	Introdu		16
2.2	Concer	otualization of Turnover	16
	2.2.1	Why Employees Leave the Organization	18
	2.2.2	The Importance of Turnover	20
	2.2.3	Conceptual Model of Employee Turnover	21
2.3	Turnov	ver Intention	24
	2.3.1	Turnover Intention in Thailand	26
2.4	Leader	ship Behavior	28
	2.4.1	Transformational Leadership	31
	2.4.2	Transactional Leadership	34
	2.4.3	Differences between Transformational and Transactional	36
		Leadership	

2.5	Organiz	ational Cult	ture	39
	2.5.1	Dimension	ons of Organizational Culture	44
		2.5.1.1	Hierarchical	44
		2.5.1.2	Rational	45
		2.5.1.3	Teamwork	45
		2.5.1.4	Reward and Recognition	48
2.6	Organiz	ational Con	nmitment	49
2.7	_		etween Variables	54
	2.7.1	Leadersh	ip Behavior and Turnover Intention	55
	2.7.2	Organiza	ational Culture and Turnover Intention	58
	2.7.3	Leadersh	ip Behavior and Organizational Commitment	61
	2.7.4	Organiza	tional Culture and Organizational Commitment	65
	2.7.5	Organiza	tional Commitment and Turnover Intention	68
	2.7.6	The Med	liating Role of Organizational Commitment	73
2.8	Gaps in	the Literat	ure	75
2.9	Summa	nry		77
CHA	PTER TH	REE: TH	AI CULTURE AND MULTINATIONAL	
		CC	OMPANY (MNCs) IN THAILAND	
3.1	Introdu	ction		78
3.2	Thai Cu	lture		78
3.3	Multina	ational Com	panies (MNCs) in Thailand	85
3.4	Local N	Manager and	l Foreign Manager	88
3.5	Differe	nces betwee	en Local and Multinational Companies (MNCs)	93
3.6	Summa	ary		94
CHA	PTER FO	OUR: TH	EORETICAL FRAMEWORK AN	
		UN	DERPINNING THEORY	
4.1	Introdu	ction		95
4.2	Theore	tical Frame	work	95
4.3	Underp	inning The	ory	97
4.4	Summa	ary		102
CHA	PTER FIV	VE: MET	THODOLOGY	
5.1	Introdu			103
5.2	Researc	ch Design		103
5.3		se Format		104
5.4			of Variables	105
	5.4.1		Intention	105
	5.4.2	Leadersh	ip Behavior	106
	5.4.3		ational Culture	107
	5.4.4	_	ational Commitment	107
5.5	Translat	_		109
5.6	Pilot St	tudy		109
5.7	Main S	•		110
	5.7.1	Populati	on	110
	5.7.2	Sample		112
	5.7.3	Samplin		114
	5.7.4	Data Co	-	116

	5.7.5	Data Analysis		117	
		5.7.5.1	Bivariate Correlation and Multiple Regressions	118	
		5.7.5.2	Hierarchical Multiple Regression	119	
		5.7.5.3	Summary Type of Analysis Used for Research Question	121	
5.8	Summary		Question	122	
CHAP	ΓER SIX:	ANALY	SES AND RESULTS		
6.1	Introduct	ion		123	
6.2	Response	e Rate			
6.3	-	ve Analysis	S	124	
	6.3.1	•	nt' Demographic Characteristics	124	
	6.3.2	Descriptiv	e of Variable for Employees in Local Thai and MNCs	127	
	6.3.3		e Analyses of Key Variables for Overall	129	
	6.3.4	Descriptiv	e Analyses of Key Variables for Employees in i Companies and MNCs	130	
6.4	Construc	t Validity	T Companies and Wi (Cs	131	
0.1	6.4.1	•	lysis for Leadership Behavior Construct	132	
	6.4.2		lysis for Organizational Culture Construct	134	
	6.4.3		lysis for Organizational Commitment Construct	134	
	6.4.4		lysis for Turnover Intention Construct	135	
	6.4.5		Construct Validity Resul	136	
6.5		y Analysis	Construct variately result	136	
6.6	Intercorre	•		137	
6.7			Test for Relationship	138	
0.7	6.7.1	Leadership	Behavior, Organizational Culture and Intention: Overall Employees	140	
	6.7.2	Leadership	Behavior, Organizational Culture and Intention: Employee in local Thai Companies	142	
	6.7.3		Behavior, Organizational Culture and	143	
			onal Commitment: Overall Employees		
	6.7.4	_	Behavior, Organizational Culture and	144	
		Organizati	onal Commitment: Employee in local Thai s and MNCs		
	6.7.5		onal Commitment and Turnover Intention	145	
	6.7.6	_	onal Commitment and Turnover Intention:	146	
		_	in Local Thai Companies and MNCs		
6.8	Leadersh		r, Organizational Culture, and Turnover	148	
	Intention: Mediating Effect of Organizational Commitment				
	6.8.1	_	onal Commitment as a Mediator Variable:	149	
	6.8.2	Organizati	onal Commitment as a Mediator Variable: in Local Thai Companies and MNCs	151	
6.9	Summary	of Mediat		153	
6.10	•		eses Testing	154	

6.11	Summa	ıry			156
CHAI	PTER SE		SCUSSION I	MPLICATION AND	
7.1	Introdu	ction			157
7.2	Discuss	Discussion			
	7.2.1	Direct E	ffects		158
		7.2.1.1	-	Behavior, Organizational Culture ver Intention	158
			7.2.1.1.1	Comparison Between Employee in Local Thai Companies and MNCs	161
		7.2.1.2	-	Behavior, Organizational Culture izational Commitment	165
			7.2.1.2.1	Comparison Between Employee in Local Thai Companies and MNCs	167
		7.2.1.3	Organization	onal Commitment and Turnover	170
			7.2.1.3.1	Comparison Between Employee in Local Thai Companies and MNCs	172
	7.2.2	Mediatin	g Effect of O	ganizational Commitment	173
		7.2.2.1	Compariso	on Between Employee in Local panies and MNCs	175
7.3	Implica	itions	-		178
	7.3.1	Theoretic	al Implication	ı	178
	7.3.2	Manageri	al Implication	as	182
7.4	Limitati	ons and Sug	ggestion for F	uture Studies	185
7.5	Conclus	sion			186
REFE	REFERENCE				189

LIST OF APPENDICES

Appendix 1	Questionnaire Form
Appendix 2	Explore Study Variables Testing the Assumptions of Linearity and Normality
Appendix 3	Factor Analysis for Leadership Behavior
Appendix 4	Factor Analysis for Organizational Culture
Appendix 5	Factor Analysis for Organizational Commitment
Appendix 6	Factor Analysis for Turnover Intention
Appendix 7	Reliability Analysis for Variable After Factor Analysis
Appendix 8	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture on Turnover Intention
Appendix 9	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture on Turnover Intention: Employees in local Thai
Appendix 10	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture on Turnover Intention: Employee in MNCs
Appendix 11	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture on Organizational Commitment
Appendix 12	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture on Organizational Commitment: Employee in local Thai Companies
Appendix 13	Multiple Regression Evaluating the Main Effect of Leadership Behavior, Organizational Culture and Organizational Commitment: Employee in MNCs
Appendix 14	Multiple Regression Evaluating the Main Effect of Organizational Commitment and Turnover Intention
Appendix 15	Multiple Regression Evaluating the Main Effect of Organizational and Turnover Intention: Employee in local Thai Companies
Appendix 16	Multiple Regression Evaluating the Main Effect of Organizational Commitment and Turnover Intention: Employee in MNCs

Appendix 17 Hierarchical Multiple Regression Evaluating the Effect Organizational Commitment as a mediator in the Relationship between Leadership Behavior, Organizational Culture and Turnover Intention. Appendix 18 Hierarchical Multiple Regression Evaluating the Effects of Organizational Commitment as a mediator in the Relationship between Leadership Behavior, Organizational Culture and Turnover Intention: Employee in Local Thai Companies Hierarchical Multiple Regression Evaluating the Effects of Appendix 19 Organizational Commitment as a mediator in the Relationship between Leadership Behavior, Organizational Culture and Turnover Intention: Employee in MNCs Appendix 20 Summary of Factor Analysis for Leadership Behavior Appendix 21 Summary of Factor Analysis for Organizational Culture Appendix 22 Summary of Factor Analysis for Organizational Commitment Appendix 23 Summary of Factor Analysis for Turnover Intention Appendix 24 **Summary Literature Reviews**

LIST OF TABLES

Table 4.1	Direct and Indirect Relationship	97
Table 5.1	Summary of Measures	
Table 5.2	Reliability of Constructs for Pilot Study	
Table 5.3	Number of Companies and Number of Employees in Local Thai Company and MNCs in Southern Thailand	111
Table 5.4	Number of Employee and Number of Questionnaire	116
Table 5.5	Research Question and Type of Analysis	121
Table 6.1	Response Rate of Participating Employees	124
Table 6.2	Description of Sample	126
Table 6.3	Mean, SD., Minimum and Maximum of Local Thai Companies.	127
Table 6.4	Mean, SD., Minimum and Maximum of MNCs	128
Table 6.5	The Level of Key Variables for Overall Employees	129
Table 6.6	The Level of Key Variable for Employees in Local Thai	130
Table 6.7	The Level of Key Variable for Employees in MNCs	131
Table 6.8	Summary Construct Validity	136
Table 6.9	Cronbach's Alpha for the Study Variable After Factor Analysis	137
Table 6.10	Intercorrelation between Variable	138
Table 6.11	Results of the Standardized Beta of the Multiple Regression Analysis for influence of Leadership Behavior and Organizational Culture on Turnover Intention	141
Table 6.12	Results of the Standardized Beta of the Multiple Regression Analysis of Leadership Behavior, Organizational Culture and Turnover Intention: Employees in Local Thai Companies and MNCs	143
Table 6.13	Results of the Standardized Beta of the Multiple Regression Analysis for Influence of Leadership Behavior and organizational Culture on Organizational Commitment	144
Table 6.14	Results of the Standardized Beta of the Multiple Regression Analysis of Leadership Behavior, Organizational Culture and Organizational Commitment: Employees in Local Thai Companies and MNCs	145
Table 6.15	Results of the Standardized Beta of the Multiple Regression Analysis for Influence of Organizational Commitment on Turnover Intention	146

Table 6.16	Results of the Standardized Beta of the Multiple Regression Analysis of Organizational Commitment and Turnover Intention: of Employees in Local Thai Companies and MNCs	147
Table 6.17	Results of Hierarchical Multiple Regression Analysis for Mediating Effect of Organizational Commitment in Relationship between Leadership Behavior, Organizational Culture and Turnover Intention	149
Table 6.18	Results of Hierarchical Multiple Regression Analysis of Mediating Effect of Organizational Commitment in the Relationship between Leadership Behavior, Organizational Culture and Turnover Intention of Employee in Local Thai Company and MNCs	151
Table 6.19	Summary of Significant Mediating Relationship between Leadership Behavior, Organizational Culture and Turnover Intention	154
Table 6.20	Summary of Hypotheses Testing	155

LIST OF FIGURES

Figure 4.1	Theoretical Framework	96
Figure 5.1	Mediation Model	119

LIST OF ABBREVIATIONS

MNCs Multinational Company

AFTA ASEAN Free Trade Area

HR Human Resource

PCA Principle Component Analysis

KMO Kaiser Meyer OlkinSD Standard Deviation

VIF Variance Inflation Factor

CHAPTER ONE

BACKGROUND OF THE RESEARCH

1.1 Introduction

Employees are the most valuable assets in the organization (Gul, Ahmad, Rehman, Shabir, & Razzaq, 2012; Lee, 1999; Voon, Lo, & Ayob, 2011). Many successful organizations have strategies to look after their employees, such as good pay, attractive work environment, and profit sharing systems. They motivate employees for high productivity and retention with the organization. Normally, employees will remain in the organization if they have a feeling of commitment to the organization.

Research on employee turnover has been one of the most important topics in organizational research over the last 50 years (Holtom, Mitchell, Lee, & Eberly, 2008; Lee, Chen, Wang, & Dadura, 2010; Maertz & Campion, 2004; Maertz & Kmitta, 2012). However, nowadays employee turnover is a nightmare in many organizations (Lee *et al.*, 2010). When an employee leaves, the organization suffers more than just the cost of recruiting and training a newcomer; they also lose the work continuity and productivity, as well as suffer from poor organizational morale and image (Koh & Goh, 1995; Balsam, Gifford, & Kim, 2007). Employee turnover can be a serious problem for organizations, especially, when good employees leave. From the organizational perspective, employee turnover can result in increased cost of hiring and training, lost revenues, and erosion of customer relationship.

Furthermore, when an employee leaves, the effect is felt throughout the organization (Johnson, Griffeth, & Griffin, 2000).

Employee turnover is a critical and a serious challenge faced by organizations (Lee, Hsu, & Lien, 2006; O'Connell & Kung, 2007; Shah, Fakhr, Ahmad, & Zaman, 2010), which will affect both direct and indirect costs of an organization (Bigliardi, Petroni, & Dormio, 2005; Hom & Griffeth, 1995; O'Connell & Kung, 2007). In addition, Gemignani (1998) estimates that hiring and training a replacement for a lost employee costs approximately 50% of the worker's annual salary. Lost revenues occur because new employees are not as productive as established employees. Furthermore, Thailand Development Research Institute (2010) found that new employee have experienced, and knowledge less than leaver. In another study, Ramlall (2003) shows that the cost of training and developing a new employee is more than the cost of keeping the current employee. It has been shown that the average cost of employee turnover is 150% of employees' salary.

Thailand has experienced employee turnover of 899,547 persons and the total turnover rate was 87.3%. The breakdown of employee turnover by region is North 80.7%, Northeastern 83.2%, Central 87.5%, South 90.6% and Bangkok and its vicinity 87.9% (Department of Employment, 2006). In terms of size of the companies, the rate of employee turnover is as follows: large size 50,599 persons and the total turnover rate was 94.4%, medium size 2,058 persons (3.8%) and small size 962 persons (1.7%) (Thailand Development Research Institute, 2010). Whereas for the classification according to the industry the highest turnover is mineral products (29.6), followed by metal products (26.9%), retail (22.0%), food industry (21.3%)

and knitted textile jewelry (20.3%) (Thailand Development Research Institute, 2010).

In Thailand, foreign direct investment has increased (Thailand Board of Investment, 2010). Specifically, Multinational Companies (MNCs) currently play a major role in economic globalization and many MNCs in Thailand are from Japan and USA. They play a vital role in at least the initial growth of the industry (Das, 1997; Rasiah, 2008). MNCs have more experience in international business than domestic companies (Das, 1997). Furthermore, MNCs and local companies are different in terms of organizational culture, managerial practices, philosophy, productivity, technology, profitability, wages, skills and growth (Bellak, 2004; Lok & Crawford, 2004; Rasiah & Malakolunthu, 2009). Additionally, management styles in MNCs and local companies are difference. For example, MNCs are more active in creating a supportive and co-operative environment for their employees (Low, 2004; Steers, Sanchez-Runde, & Nardon, 2012). Moreover, MNCs use several management practices adopted from the parent company, while local companies have little interest in human resources (Lau & Ngo, 2001). All of the differences may be as a result of cultural differences and cultural variations among countries-the characteristics of Thai culture are different from Western cultures and are also different from other Asian cultures (Hofstede, 1980).

Recently, the Department of Employment of Thailand conducted a survey to find out the reason why employees leave the organization. The results show that 83.19% want to change their current job (Department of Employment, 2012). This is consistent with the turnover conceptual model by Mobley (1977) which indicated that when

employees are dissatisfied with their job they will think to quite. They will then search for the alternatives and also evaluate the new alternatives, and decide to leave the organization if the alternative is better. The people leave if they are unhappy with their job and the job alternatives are available (Griffeth & Hom, 2001).

1.2 Problem Statement

Thai culture is very unique and is very different with other cultures. The uniqueness of the Thai culture among the Asian cultures is also noted from the literature (Fisher & Hartel, 2003). Thailand is the only country that has never been colonized by a Western or Asian country. Western managers perceive Thai culture as ethnocentric and homogeneous, rather than heterogeneous (Fisher & Hartel, 2003). In addition, Komin (1990) confirms that the Thai social system is strongly hierarchical, yet, individualism and interpersonal relationships are also very important. Self-esteem is a critical issue for the Thais. The Thais place high value on the smoothest of the interpersonal relationship. Therefore, Hofstede (1990) argues that Thai culture is one with high power distance where there is considerable dependency on the relationship between subordinate and boss where subordinates response by either accepting such dependency or rejecting it. High power distance creates more level of organizational structures for most of the Thai organizations. The power-oriented culture in Thailand usually tends to create respect for the leader as the father figure of the organization. Thais perceive the role of leader as a controller rather than a colleague. This may be called superior-inferior concept, which is a major aspect in Thailand. Moreover, Dhiravegin (1978) suggests that Thai subordinates need to act with respect, believe in, and obey their bosses. Therefore, they know how to stand or sit properly when talking and listening to their superiors.

Similarly, Miroshnik (2002) and Randeree and Chaudhry (2012) found that the difference of culture required difference leadership behavior. The difference in the organizational cultures are created by leaders, and one of the most decisive functions of leadership may be the creation, the management, and if and when it may become necessary, the destruction of culture. Goodman (1991) affirmed that in Thai society, younger people must respect older people or those who are of a higher social rank. In addition, Gross (1996) and Nye (2006) found that Thais value social harmony and are quick to avoid conflict, when possible. If Thais are unwilling, they will often remain silent and just accept the decision of their bosses. Culture and leadership, when one examines them closely, are two sides of the same coin, and neither can really be understood by itself (Schein, 1989).

The characteristics and qualities of an organizational culture are taught by leadership and adopted by followers. Hence, leaders in the organization create an instrument for developing and reinforcing employees (Bass & Avolio, 1993). Organizational culture can also influence the management and development of the organization (Choosawat, 2011). Organizational culture is taken into account because it has the most important influence on employee turnover and has the potential to affect a range of organizationally and individually desired outcomes in respect of the success or failure of organizations (MacIntosh & Doherty, 2010; Messner, 2013; Nongo & Ikyanyon, 2012; Sabir, Razzaq, & Yameen, 2010).

Organizational commitment is a crucial factor in all firms, as it is connected with the sustenance of the organization (Ghina, 2012). In addition, organizational commitment is an important, more strongly fixed and stable attitude, and it is widely accepted that organizational commitment is influenced by leadership behavior and organizational culture (Randeree & Chaudhry, 2012), and employee turnover intention (Davidson, Timo, & Wang, 2010; Iverson, McLeod, & Erwin, 1996; Liu, 2009; Lok & Crawford, 2004; Perryer, Jordan, Firns, & Travaglione, 2010; Shore, Newton, & Thornton, 1990; Suliman, 2002). Joo (2010) suggests that there is a need to study the relationship between organizational commitment and turnover intention in different cultural and organizational settings.

Therefore, this study explores the relationship between leadership behavior and organizational culture on turnover intention while is mediated by organizational commitment. Specifically, this study compares local Thai companies and MNCs because it is envisaged that there may be differences in leadership behavior and organizational culture between these two types of company which may impact organizational commitment and then could influence turnover intention. Various studies have compared local companies to MNCs on several dimensions, such as financial strength and production capacity (Chang & Xu, 2008; Halkos & Tzeremes, 2007; Poulis, Yamin, & Poulis, 2011). However, these studies do not compare leadership behavior and organizational culture on turnover intention. This comparison is important since leadership behavior is found to be difference from one culture to another culture (Lok & Crawford, 2004). Furthermore, Mujtaba, Afza, and Habib, (2011) and Steers, Sanchez-Runde, and Nardon (2012) found that leadership behavior can often be different in different society. Therefore, leadership behavior

and organizational culture are important factors in determining the success or failure of the organization, and these factors are major influences as to whether the employee remains or leaves an organization (Cuong & Swierczek, 2008; Davidson, Timo, & Wang, 2010; Lok & Crawford, 1999, 2001, 2004; Trang, Armanu, Sudiro, & Noermijati, 2013). Hence, this study compare leadership behavior and organizational culture on turnover intention in local Thai companies and MNCs, as such studies have never been done in Thailand.

1.3 Research Questions

In light of the above discussions, this study seeks to answer the following research questions:

- 1. What is the level of key variables on overall employees and with comparison between employees in local Thai and MNCs?
- 2. What is the relationship between leadership behavior and organizational culture on turnover intention toward overall employees and is it different between employees in local Thai companies and MNCs?
- 3. Is there a relationship between leadership behavior and organizational culture influence organizational commitment on overall employees and is it different between employees in local Thai companies and MNCs?
- 4. Is there a relationship between organizational commitment and turnover intention on overall employees and is it different between employees in local Thai companies and MNCs?

5. Does organizational commitment mediate the relationship between leadership behavior, organizational culture, and turnover intention on overall employees and is it different for employees in local Thai companies and MNCs?

1.4 Objectives of the Study

The main objective of this study is to examine the predictors of turnover intention. Specifically, this study examines the relationship between leadership behavior, organizational culture, organizational commitment and turnover intention. Thus, the objectives of the study are:

- 1. To determine the level of key variables on overall employees and with comparison between employees in local Thai companies and MNCs.
- 2. To examine the relationship between leadership behavior and organizational culture on the turnover intention of overall employees and compare between employees in local Thai companies and MNCs.
- 3. To investigate the relationship between leadership behavior and organizational culture, and organizational commitment of overall employees and compare between employees in local Thai companies and MNCs.
- 4. To determine the relationship between organizational commitment and turnover intention of overall employees and compare between employees in local Thai companies and MNCs.
- 5. To determine the mediating effect of organizational commitment on the relationship between leadership behavior and organizational culture, and turnover intention of overall employees, and compare between employees in local Thai companies and MNCs.

1.5 Scope of the Study

The scope of this study involves all employees who are working in local Thai companies and MNCs in Songkhla province Thailand. Employees in local Thai companies and MNCs are intended in this study because Thai and foreign perceive that Thai culture is very different from another culture; Thai culture as ethnocentric and homogeneous (Fisher & Hartel, 2003). However, the differences of organizational setting such as local Thai companies are companies owned by a Thai national, while MNCs are the companies that manages production or delivers services in more than one country. The differences of Thai culture can influence the perception of employees who are working in different setting and may lead to attitude of employees in leadership behavior, organizational culture, organizational commitment and turnover intention. Because that key variables are important for employees remain with the organization or leave the organization.

Furthermore, this study employs a quantitative approach, a questionnaire was adopted from the literature review. The total population in this study is composed of eight companies namely; four companies were from local Thai and another four from MNCs in Songkhla province. In addition, this research focuses on influence of leadership behavior, organizational culture and organizational commitment on employees turnover intention as based on cognitive consistency theory.

1.6 Significance of Study

The present study hopes to provide a significant theoretical and practical contribution in the field of employee turnover intention. From the theoretical perspective, the present study attempts to contribute to the previous studies in various ways. The present study emphasizes factors that affect employees who are working in local Thai companies and MNCs: leadership behavior (transformational leadership and transactional leadership), organizational culture (hierarchical, rational, teamwork and reward and recognition), turnover intention, organizational commitment is a mediating variable. Previous researchers have generally studied the direct relationship between leadership behavior, organizational culture and turnover intention (Booth & Hamer, 2007; Deery & Shaw, 1999; Gul, Ahamd, Rehman, Shabir, & Razzaq, 2012; Park & Kim, 2007; Russell, 1996; Sellgren, Ekvall, & Tomson, 2007; Shim, 2010; Wells & Peachey, 2011). However, the reason of how leadership behavior and organizational culture influence employee turnover intention is not clear enough, especially in different types of organization. Furthermore, past studies have found that leadership behavior and organizational culture are the most important influence on employee attitudes and behaviors; if they perceive a positive attitude, they are more committed to their organization (Chandna & Krishan, 2009; Joo, 2010; Joo, Yoon, & Jeung, 2012).

Nevertheless, organizational commitment is found to have a direct relationship with turnover intention, the mediating role of organizational commitment on the relationship between leadership behavior, organizational culture and turnover intention between employees in local Thai companies and MNCs has not yet been studied.

Therefore, this study investigates the mediating effect of organizational commitment on the leadership behavior, organizational culture and turnover intention relationship. The findings of this study will contribute to the existing body of knowledge because it examines the indirect relationship of how organizational commitment influences the relationship between leadership behavior and organizational culture, and turnover intention of employees in local Thai companies and MNCs. Such an understanding concerning leadership behavior and organizational culture in different organizational settings can help induce employees' commitment to the organization.

In a practical sense, this study will help employers identify factors that predict employees' turnover intention in order to determine how to imbue employees with high commitment and so that they remain in the organization. Thus, if the results of this study are validated, it could help the human resources to extend their knowledge concerning the influence of leadership behavior, organizational culture and organizational commitment on turnover intention, and develop programs to retain employees.

1.7 Conceptual Definition

The following are definitions of the key concepts in the present study.

1.7.1 Turnover intention

The dependent variable of this study is turnover intention, which is considered as a conscious and deliberate will to leave the organization soon. It is mostly measured in reference to a specific interval. It is also described as the last thing in a withdrawal cognitions sequence; the thought to quit and intention to find another job also belong to this set. This implies that turnover intention is seen as the immediate precursor to turnover behavior (Mobley *et al.*, 1978).

1.7.2 Leadership behavior

Leadership behavior is an independent variable in this study. Leadership is the ability to influence a group toward the achievement of goals. This derivative of this influence may be formal, such as managerial rank in an organization. Such management positions may formally come from a designated authority; one may take a leadership role just for the position in the organization (Robbins, 2005).

Leadership behavior plays a significant role in leadership. Its importance stems from its contribution to the organization's success (Yousef, 1998). In addition, Bass (1985) identifies two distinct styles of leadership: transformational and transactional.

Transformational leadership: Transformational leadership is the basis of personal values, beliefs, and qualities of the leader rather than the process between leaders and followers. Moreover, transformational leadership is capable of leading to changes in the organization's vision, strategy, and organizational culture. It also promotes innovation in products (Daft, 1999).

Transactional leadership: Transactional leadership is an exchange process between leaders and followers. It recognizes specific follower's wants and demands, and provides goods that satisfy the desires provided the follower meets the outlined objectives or performs certain duties (Daft, 1999).

1.7.3 Organizational culture

Organizational culture denotes a shared meaning system that members hold that differentiates the organization from other organizations (Robbins, 2005).

In this study, leadership behavior and organizational culture are independent variables. As noted in the literature review, leadership behavior and organizational culture predict employee turnover and turnover intention (DelCampo, 2006; Russell, 1996; Sellgren *et al.*, 2007).

1.7.4 Organizational commitment

Organizational commitment is an attitude, and is definable as: 1) a strong desire to continue as a member of a particular organization; 2) the will to exert greater effort for the sake of the organization; and 3) a sure belief in, and acceptance of the value

and goals of the organization. In other words, such an attitude reflects employees'

loyalty to their organization and is an ongoing process. Via this channel,

organizational participants express their concern for the organization and its

continued progress and wellbeing (Luthans, 2005).

In this study, organizational commitment is a mediator variable to examine the

relationship between leadership behavior and organizational culture on turnover

intention. Previous studies have found organizational commitment to be a mediating

variable. For example, Yousef (2000) argues that organizational commitment has a

mediating impact on the relationship between leadership and the work outcomes. In

the present study, the effect of employees' perceived commitment will be compared

between employees who are working in local Thai companies and MNCs. The

following chapter explains the measurement and provides a discussion of the study

variables.

1.7.5 Type of Company

The types of company in this study include:

Local Thai company: a company owned by a Thai national.

Multinational company (MNCs): a company that manages production or delivers

services in more than one country. The MNCs management headquarters is in one

country, which is termed the home country, and operates in various other countries,

as host countries.

14

1.8 Organization of Thesis

This thesis is organized into seven chapters. The specific information included in the chapters is listed below:

Chapter One presents the introduction and problem statement for this study. This is followed by the research questions, research objectives, scope of the study, significance of the study and definitions of key terms.

Chapter Two provides a review of the literature on turnover, turnover intention, leadership behavior, organizational culture and organizational commitment, the relationship between variables and gaps in the literature.

Chapter Three reviews Thai culture, MNCs in Thailand and the differences between local and foreign managers.

Chapter Four provides a theoretical framework, and underpinning theory.

Chapter Five presents the research methodologies used in this study. This is followed by steps in developing an instrument scale, sampling, data collection procedures and data analysis.

Chapter Six reveals the research findings that describe the results analysis in view of the demographic profiles of the respondents, reliability test and validity test and hypotheses testing.

Chapter Seven presents the discussion, implications and conclusion, and the present study's limitations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter begins by explaining the conceptual aspects of turnover and turnover intention, leadership behavior, organizational culture and organizational commitment. Since the focus of this study is the relationship among turnover intention, leadership behavior, organizational culture, and organizational commitment, the discussions on these relationships are presented in greater detail followed by the possible mediating effect of organizational commitment.

2.2 Conceptualization of Turnover

The concept of turnover has been defined by many scholars in many ways. For example, Price (1977) describes turnover as the degree of movement across the membership division of an organization. On the other hand, Mobley (1982) defines employee turnover as the discontinuance of membership in an organization by an individual who received monetary compensation from the organization. In addition, Tracey (1991) sees labor turnover as the changes in the composition of the work force due to termination.

A frequently used distinction of employee turnover from an organization is between voluntary and involuntary; voluntary employees-initiated decision is to leave the organization on their own; while involuntary organization-initiated decision is an employer's decision to terminate the employee, plus death or mandatory retirement (Dess & Shaw, 2001; Mobley, 1982; Shaw, Delery, Jenkins, & Gupta, 1998). Similarly, Xiancheng (2010) argues that voluntary turnover begins by employees wanting to leave for specific reasons, while involuntary turnover is an employee leaving the organization because the organization is downsizing or cost saving, or due to employee's poor performance.

In addition, Naumann (1992) states that employees' voluntary turnover is when they want to transfer from the organization to another place. Likewise, Hom and Griffeth (1995) argue that voluntary turnover is important for organizational manpower planning. Furthermore, a high rate of voluntary turnover influences organizational effectiveness, i.e., the degree to which organizations achieve their goals. However, voluntary turnover involves costs: direct costs, such as replacing recruiting and selecting, temporary employee, and time managing; and, indirect costs, such as morale, pressure on staff who stay, cost of learning, product quality, organizational memory and loss of social capital. Thus, voluntary turnover is important because when employees choose to leave, the organization suffers from direct and indirect costs (Dess & Shaw, 2001). Cho *et al.* (2009) state that employee turnover from an organization, both voluntarily and involuntarily, has an impact on the organization directly in terms of recruitment and training costs of employees as well as the level of morale.

2.2.1 Why Employees Leave the Organization

Employee turnover has been intensively studied, but no standard is available as to why people leave an organization. Numerous reasons are documented concerning why an employee might abandon one organization for another, or why people leave an organization (Ongori, 2007). For instance, Hendrie (2004) suggests that employee turnover can be due to internal factors (something that an organization can cause), external factors (better rewards, higher salary) and differences between groups of employees and individual employees.

Sigma (2006) explored a number of contributing factors to employee turnover. These factors included: 1) the economy – availability of higher paying jobs has been listed as one of the most common reasons given for leaving. This is obvious, as, in a better economy, alternative jobs are available, which plays a role in turnover; although this tends to be overstated in exit interviews; 2) organization's performance – an organization seen as having economic difficulty will also raise the likelihood of impending layoffs, encouraging workers to rationalize the idea of seeking other employment; 3) organizational culture – it should be noted that the reward system, leadership strength, organization's ability to elicit workers sense of commitment, and its development of a sense of shared common goals among other factors will influence such indices of job satisfaction as turnover intention and turnover rate; 4) job characteristics – some jobs are intrinsically more attractive than others, as is the significance of a job's status among other factors; 5) unrealistic expectations – this, added to the general lack of knowledge that many job applicants perceive about the job when offered the job; hence, when these unrealistic expectations are not met, the

worker becomes disillusioned and decides to quit; 6) demographics – turnover is associated, particularly with workers' demographic and biographical characteristics; and 7) the person – besides the factors listed above, other factors specific to the individual that can influence turnover rates include both personal and trait based factors. Moreover, there are other traits based or personality features associated with turnover. These traits include some of the same predictive job performance characteristics and counterproductive behaviors, i.e., loafing, absenteeism, theft, substance abuse on the job, and sabotage of employer's equipment or production. These traits are measurable and useable in employee screening to identify individual's demonstrating a lower probability of turnover.

However, Mercer (2000) suggests that there are three major influences of employee turnover: 1) external influence – factors outside the organization, for example, the region of the labor market and the overall economic climate, company's location and its customers' profile; 2) organizational practices – its work environment and culture, compensation practices and benefits programs, plus communication activities, and career development; 3) individual attributes – employee characteristics that may reveal their level of willingness to stick around. These include demographics, personal needs, and their work patterns. Similarly, Mcbey and Karakowsky (2000) investigated sources that prompted employees to leave in the part-time work context and drew attention to four broad categories of influence on turnover: 1) work-related attitudes (job satisfaction, satisfaction with pay, performance reward contingencies); 2) external environmental factors (personal income, household income, job status and alternatives, external demands); 3) individual characteristic factors (age, education, tenure, marital status); and 4) job performance factors (subjective

performance, objective performance, reasons for joining the organization). In addition, Hinkin and Tracey (2000) state that the reasons for employees to leave include: 1) supervisor support; 2) job is not challenging and working conditions are distasteful; and 3) low compensation. Maertz and Kmitta (2012) integrate the turnover reasons of quitters and separated them by the type of quitter; namely: 1) those who had neither secured a job nor had a turnover plan and reported poor management; 2) those with a job offer reported pay and advancement opportunities as the top reasons; 3) those with well-planned strategy to quit in advance, reported relocation and life/career changes as frequent reasons; 4) those who made a plan, listed management problems, career change, and work stress reasons more than other types; and 5) satisfied quitters make a plan directly conditional on receiving a job offer including better pay, better management, better work responsibilities, or better work schedules. Before employee turnover happens, there is a need to understand how turnover is important to organizations.

2.2.2 The Importance of Turnover

Employee turnover is a well-recognized issue of critical importance to the organization (Hom & Griffeth 1995; Lynch & Tuckey, 2008; O'Connell & Kung 2007; Shah *et al.*, 2010). Similarly, Lee *et al.* (2006) claim that employee turnover is a very important and a serious problem for organizations. Lynch and Tuckey (2008) explain that there are so many reasons why employee turnover is important for organizations. Traditionally, behind turnover research, are the economic implications of high turnover. For example, Balsam *et al.* (2007) indicate that employee turnover costs include recruiting and training replacement. Ekong, Olusegun, and Mukaila

(2013) suggest that employee turnover will be damaging to the productivity of the organization if skilled employees are lost. Generally, most organizations dislike employee turnover, because organizations have the cost of new hires and training. Koh and Goh (1995) also state that with employee turnover, organizations suffer more than just costs but also loss of continuity and productivity, and poor organizational morale and image. Furthermore, Lee *et al.* (2010) indicate that many organizations who experience employee turnover suffer the high cost of recruitment and low quality of products, as well as other turnover related problems.

The reasons for turnover can also be explained by the turnover process.

2.2.3 Conceptual Model of Employee Turnover

Several studies have already focused on developing and estimating a causal model specifying the factors for voluntary turnover. The following describes the models on turnover behavior, which include behavioral, attitudinal and decision components.

March and Simon's Model

March and Simon (1958) pioneered the employee turnover model, which has two distinct but interrelated features: 1) perceived desirability of movement from the organization; and 2) perceived ease of movement from the organization. Two major contributions of this model are job satisfaction and perceived possibility of intraorganizational transfer. Job satisfaction is perceived as a function of conformity of the job to self-image, predictability of job relationships and compatibility of the job, among others. The other concept affecting a person's perceived ease of movement

depends on the availability of jobs the person is qualified for in the organizations

visible to them.

Morrell, Loan-Clarke, and Adrian (2001) state that March and Simon's model is

more of a static than a procedural view of turnover. They also failed to include

important variables that influence the turnover process, such as role stress and

organizational commitment. Organizational commitment is important for assessing

turnover (Allen & Meyer, 1990; Somers, 1995).

Porter and Steers: Met-Expectation Model

In 1973, Porter and Steers stated that met expectations were the central determinant

for decisions about turnover. They argue that employees have individual base

expectations, and that when expectations are not met, it causes dissatisfaction,

leading to turnover.

Mobley: Turnover Process Model

Mobley (1977) pioneered an extensive explanation for the psychological turnover

process. The termination decision process is describable as a sequence of cognitive

stages, beginning with evaluating the job at hand, which is followed by the emotional

state of satisfaction or dissatisfaction. The consequence of dissatisfaction is the

thought of quitting. The next step is the expected utility of search evaluation and

quitting cost. The next step would be behavioral intention to search for alternatives,

and evaluation of alternatives by comparison with present job; if the new alternative

22

is better the behavioral intention to quit, then the final decision is to quit (Mobley,

1977).

Mobley, Griffeth, Hand and Meglino (1979): Expanded Model

This model describes search and quit intention as the precursor to turnover and also

offers a more comprehensive account than the models by March and Simon, because

it includes organizational, environmental and individual variables (Morrell et al.,

2001). This model stipulates the existence of four principal determinants of the

decision to quit, namely, job satisfaction, expected utility of both alternate roles

within the organization and outside the organization, as well as the non-work values

and roles.

Sheridan and Abelson: Cusp Catastrophe Model

The cusp-catastrophe model was developed by Sheridan and Abelson (1983, cited in

Hom & Geiffeth, 1995). In their model, organizational commitment and job tension

are the control surface. The model has three characteristics: 1) the withdrawal

behavior is a discontinuous variable with abrupt changes. According to this,

employees try to retain their current employment as long as possible. If they feel they

cannot stay any longer, due to job dissatisfaction or stress, then they will change

from retention to leave; 2) characteristic represents a hysteresis zone of behavior as a

fold in the behavior surface, this fold can change from retention to leave; and 3) the

divergent behavior occurs on opposite sides of the bifurcation plane, and,

23

consequently, small changes in the control variables can result in discontinuous changes from retention to termination (Hom & Geiffeth, 1995).

Most models on employee turnover suppose that job dissatisfaction is the basic cause for employee turnover, and that turnover intention is a final process for turnover. However, there is no standard process framework for explaining the reason why employees choose to turnover from the organization. This study intends to use the Expanded Model of Mobley, Griffeth, Hand, and Meglino (1979) as reference because this model emphasizes the turnover intention process by including organizational factor, individual factor, and labor market. Furthermore, this model recognizes psychology when explaining the attitude and behavior of the employees who are thinking of leaving the organization.

2.3 Turnover Intention

This study focuses on turnover intention and not on actual turnover, as well as the practical and theoretical justification for the use of turnover intention as a proxy to actual turnover for a variety of reasons. Mobley (1977) states that turnover intention is perceived as a cognitive process of thinking, planning and wanting to quit the job at hand. However, turnover intention is the final cognitive step in a withdrawal cognitions sequence and intermediates between evaluations related to decision-making about leaving the organization shortly (Chiu & Francesco, 2003; Cho *et al.*, 2009; Firth *et al.*, 2004; Kuean *et al.*, 2010; Labatmediene, Endriulaitiene, & Gustainiene, 2007). Mobley *et al.* (1978) and Tett and Meyer (1993) suggest that turnover intention is about the likelihood an individual perceives making up their

mind whether to stay or quit the organization and their intention to search for a new job. Additionally, different variables have been identified in previous studies to associate with turnover, such as satisfaction, commitment and intention to quit, which are generally accepted as crucial antecedents to turnover. Turnover intention is considered to be the last and most significant cognitive variable having an immediate causal effect on turnover. Factually, Mobley *et al.* (1979) are of the opinion that turnover intention better clarifies turnover for it considers one's perception and determination.

According to Hom and Griffeth (1995), turnover intention is the final stage of the cognitive step in the voluntary turnover decision-making process, to which turnover intention has consistently been linked. Furthermore, Good *et al.* (1988), Lambert (2006), Vandenberg and Nelson (1999), and Xiancheng (2010) suggest that turnover intention is the last stage of the cognitive processes. It can predict the actual turnover. Therefore, most research on turnover includes turnover intention, as it is easy to measure, and turnover intention is the best predictor of employee turnover behavior. Furthermore, Ajzen (1991) proposes that behavioral intention is suitable for predicting actual behavior.

What leads to employee turnover intention? There are various important factors related to the turnover intention among employees. These significant factors can be categorized into three groups, namely: 1) attitude factor – this factor focuses mainly on job satisfaction and organizational commitment (Elangovan, 2001; Firth *et al.* 2004; Makhbul, Rahid, & Hasun, 2011); 2) individual factor – age, education, status, tenure and salary (Ariff, 1988; Camp, 1993; Cortrviend, 2005; Matthew & Bouma,

2004); and 3) organizational factors – organizational culture (Makhbul, Rahid, & Hasun, 2011). In addition, Cotton and Tuttle (1986) identify three primary variable groups that influence turnover intention: 1) organizational variables, including job satisfaction, occupational stress and gender discrimination; 2) individual demographic variables, such as gender, marital status and tenure; and 3) external variables, for example, the alternative employment availability. For this study, we investigate the effect of leadership behavior, organizational culture and organizational commitment on turnover intention.

2.3.1 Turnover Intention in Thailand

There are a number of studies on turnover intention in Thailand but they are limited. For example, Limyothin and Trichun (2012) undertook a study to check the relationship between factors influencing the intention to quit of hotel staff in Thailand. The factors comprised quality of work life, perceived organizational culture, job satisfaction, organizational commitment and job quitting intention. The study found that the level of quality of work life, perceived culture of organization, job satisfaction and organizational commitment of supervisors had higher levels than that non-supervisor. However, they found that job satisfaction and organizational commitment were important variables affecting the turnover intention.

In addition, Kittiruengcharn (1997) studied the relationship of job satisfaction, organizational satisfaction, and organizational commitment with turnover intention. The results showed that turnover intention had a significant relationship with both job and organizational satisfaction and organizational commitment, while

organizational commitment was more strongly related to turnover intention than job satisfaction.

Wongrattanapassorn (2000) explored the relationship between turnover intention and organizational commitment, thoughts to quit and perceived job alternatives in the information technology industry in Thailand. The results indicated that organizational commitment was negatively related to turnover intention and positively related to thoughts of quitting and perceived job alternatives.

In another study, Patrayutvat (2009) conducted a study to investigate the relationship between demographic factors, job satisfaction and commitment to organization on intention to quit in small and medium enterprises (SMEs) in Thailand. The study involved 447 employees employed in SMEs in Bangkok and its environs. The study found that demographic factors had no relationship with turnover intention, but were related to job satisfaction and organizational commitment, and that there was a negative relationship between job satisfaction and organizational commitment with turnover intention in SMEs in Thailand.

In addition, Sakchaicharoenkul (2009) conducted a study to examine the perception of organizational commitment in the relationship to turnover intention of information technology professionals across various industries in Thailand. The findings of the study indicated no direct relationship between overall organizational commitment and turnover intention. However, continuance commitment was negatively directly related to turnover intention.

The present study is different from those that have been carried out in Thailand, and other empirical studies. That is, in this study leadership behavior and organizational culture variables were considered in a single study to see to what extent they contributed to turnover intention. Organizational commitment was a mediating variable in the theoretical framework. Furthermore, this study compares the key variables between employees in local Thai companies and MNCs. For all variables underwent the procedures to determine dimensionality and ensure internal consistency and validity by using factor analysis.

2.4 Leadership Behavior

Leadership is an influence process between leaders and followers. The leader intends to influence the followers' behavior to reach the organizational goals. Leadership has been explained concerning personality, responsibility, position, and behavior (Limsila & Ogunlana, 2008). Furthermore, for an organization to succeed in its goals achievement and objectives the burden is on the leaders in the organization and their leadership behavior (Voon *et al.*, 2011). In other words, the leadership must introduce activities to stimulate employees, and establish the roles for an individual or group towards goal achievement (Awan & Mahmood, 2010; Hersey, Blanchard, & Johnson, 2008; Taleghani, Salmani, & Taatian, 2010). Leadership style is the behavior pattern that characterizes a leader to tackle organizational issues. Numerous different styles are identifiable in various leaders. Every style possesses its own set of good and bad personalities (Awan & Mahmood, 2010; Randeree & Chaudhry, 2012). The differences in the work setting lead to the manager using different

leadership behavior (Jogulu, 2010; Mujtaba, Afza, & Habib, 2011; Rad & Yarmohammadian, 2006).

Huang, Iun, Liu, and Gong (2010) outlined two important leadership behaviors: 1) job level of employee affects participative leadership behavior perceptions; 2) the participative leadership influences performance, which helps practitioners design adequate training and development programs to enhance participative management. Detert and Burris (2007), Gerstner and Day (1997), Katherine (2010), and Vondey (2008) confirmed that leadership behavior influences employee behavior, employees' perception of the organization and employee performance.

Furthermore, Limsila and Ogunlana (2008), Lok and Crawford (1999) and SharifHeravi *et al.* (2010) found that leadership behavior is an important factor that affects organizational commitment and could have a direct or indirect effect on turnover intention. Similarly, Hamstra, Yperen, Wisse, and Sassenberg (2011) and Taplin and Winterton (2007) found that leadership behavior is crucial in supporting work values to reduce employees' turnover intention. The function of managers denotes salient friendship work attachment. Working with friends is crucial for a worker to maximize their individual production effectiveness, which, in turn, might significantly reduce leaving utility.

The behaviors of leaders have a direct effect on employee organizational commitment and productivity (ErKutlu, 2008). Similarly, Sriberjachot (2007) states that leadership behavior could affect subordinate performance and leader's outcome. Stated differently, satisfied with the leader, employees will perform better.

Moreover, effective leadership tremendously influences in such a way that organizational goals are readily achieved by enhancing productivity, innovation, satisfaction and workforce commitment (Johns & Saks, 2008).

This study focuses on the transformational and transactional leadership behavior of managers who are working in local companies and MNCs in Thailand. These chosen because some researchers have suggested transformational and transactional leadership are the most appropriate models of leadership behavior in Thailand (Limsila & Ogunlana, 2008). These types of leadership behavior (Burn, 1978) were pioneered and developed by Bass (1985); transformational leadership concentrates on how leaders should behave toward subordinates, while transactional leadership is an exchange relationship between the leader and follower. Both behaviors of leadership can motivate employees to work towards the goal, build employee commitment to the organization and are strong determinants for organizational success (Ferres, Travaglion, & Connell; 2002; Liang, Chan, Lin, & Huang; 2011; Lo, Ramayah, & Run; 2010; Sabir, Sohail, & Khan; 2011; Stone, Russell, & Petterson; 2004; Yukl 2002). Moreover, both types of leadership behavior are related to employee turnover intention (Wells & Peachey, 2011). The following section describes the characteristics of transformational and transactional leadership.

2.4.1 Transformational Leadership

Transformational leadership is the relationship between leaders and followers that raise the value and motivation of the followers to higher levels. The followers of transformational leadership have a belief in their leaders and the organization's mission. Furthermore, transformational leadership is seen as helpful and friendly by employees (Burns, 1978). Likewise, Luthans (2005) suggests that transformational leadership is based more on leaders' shifting the values, beliefs, and needs of their followers. Similarly, Fitzgerald and Schutte (2010) state that leaders who are transformational, would motivate and inspire employees towards the vision, understand employees' needs, and help employees to reach their potential, all of which contribute the best outcomes for the organization. In addition, Kreitner and Kinicki (2007) state that transformational leaders transform followers by creating changes in their goals, values, needs, beliefs and aspirations. First, various individual and organizational characteristics do influence transformational leaders' behavior. Moreover, their personalities tend to be more extrovert, agreeable, and proactive and less neurotic than non-transformational leaders. An individual's life experiences play a role in developing transformational leadership and transformational leadership that is learnable.

Jung, Yammarino, and Lee (2009) state that transformational leadership is aligned with the personal values of subordinates, which enables the pursuit of work targets that are more meaningful and fundamentally important to the individual, group, and organization. Working under transformational leadership, employees' motivational

process might be governed by intrinsic motives, personal love and respect for the leader, as well as personal challenges rather than contractual obligations.

Nowadays, Thai employees want to have leaders who pay attention to their needs for completion and growth, by acting as a mentor, and taking care of employees' needs over their own needs. Therefore, transformational leadership behavior has an important linkage with work quality, work quantity, and creativity in the problem solving of employees (Limsila & Ogunlana, 2008).

Transformational leadership comprises the following five factors (Antonakis & House, 2002): 1) idealized influence or attributed charisma is how followers think of the leader resulting in how they perceive the leader's power, confidence, and transcendent ideals; 2) idealized influence or behavior charisma – specific leader behavior about the leaders' values and beliefs, their sense of mission and purpose, as well as their ethical and moral orientation; 3) inspirational motivation – refers to the leaders capability to inspire and motivate followers to reach ambitious goals, raise followers' expectations, communicate confidence, and create a self-fulfilling prophecy; 4) intellectual stimulation–refers to the manners leaders question the status quo, appeal to the followers' intellect to make them question their assumptions and invite, and how to innovate and solve problems creatively; and 5) individualized consideration – this is about leaders who give customized socio-emotional support to followers, and develop and empower them simultaneously.

On the other hand, Bass (1999) opines that transformational leadership shows an exchanged relationship between the leader and follower. It employs contingent rewards in which the leader clarifies to the follower the expectations of the job, via direction or participation. In addition, transformational leadership refers to the leader elevating followers beyond immediate self-interest. This is achieved through idealized influence, inspiration, intellectual stimulation and individualized consideration. It boosts the follower's maturity and ideals, and is also about the leader's achievement, self-actualization, well-being and the organization. Followers who work with a transformational leader or transformational team take care of each other, stimulate each other intellectually, inspire each other, identify with the team goal and are highly productive.

In addition, transformational leaders engender trust, try to develop leadership in others, demonstrate self-sacrifice, serve as moral agents, and focus themselves and their followers on the objectives transcending the more immediate needs of the work group. Transformational leaders are capable of producing significant organizational change and results as such a form of leadership increases the levels of followers' intrinsic motivation, trust, commitment and loyalty, more than transactional leadership. However, it should be noted that transactional leadership is an essential prerequisite of effective leadership, and that, to various degrees, the best leaders are able to display both transactional and transformational leadership (Kreitner & Kinicki, 2007).

To Brown and Dodd (1999), contingent reward and transformational leadership are individually positively associated with subordinate satisfaction, supervision, jobs, overall situation and productivity. The study did not find the expected negative relationship between leadership behavior and the intention to seek assignment in another work unit.

However, Testa (2002) explains that leaders capable of holistically examining their organization use vision to recognize transformational leadership. In addition, Avolio *et al.* (2004), Erkutlu (2008), Keegan and Hartog (2004), and Ramachandran and Krishan (2009) found that transformational leadership was positively related to subordinate commitment. Similarly, Neuhauser (2007) argues that transformational leadership has a positive relationship with employees and motivates employees' performance towards specific goals. In addition, transformational leaders focus on the goals of the group rather than on their own needs. Ramachandran and Krishan (2009) state that employees in different cultures understand commitment and transformational leadership in different ways. In addition, transformational leadership is stronger in collectivistic cultures than in individualistic cultures.

2.4.2 Transactional Leadership

Burns (1978) asserts that transactional leadership behavior is founded on an exchange process in which the leader provides reward/punishment in return for the subordinate's effort and performance. Bass (1985) proposes that transactional leadership involves a transaction, or an exchange, which is a necessary component

between the leader and the follower. The leader relies on contingent rewards and on management by exception.

To Brown and Dodd (1999), the description of transactional leadership is that it often

has a quid-pro-quo nature, that emanates from the leader's ability to control access to organizational rewards and create a contingency between the followers' efforts towards the accomplishment of organizational goals and the receipt of rewards.

In addition, Kreitner and Kinicki (2007) state that the focus of transactional leadership is to clarify the employees' role and task requirements and provide followers with positive and negative rewards contingent on performance. In addition, transactional leadership entails the fundamental managerial activities of goal setting, and progress monitoring toward goal achievement. It rewards and punishes people for their goal accomplishment level. It is based on applying extrinsic motivation to increase employee productivity. Furthermore, Caldwell and Spinks (1992) suggest that transactional leadership includes behaviors, such as performance monitoring, offering contingent personal rewards, and giving contingent material rewards as assignments are accomplished on schedule.

In addition, Luthans (2005) states that a transactional leader clarifies the role and task required and provides followers with positive and negative rewards based on successful performance. It comprises the following three factors: 1) contingent reward – the leader identifies a path linking goal achievement to rewards, clarifies expectations, exchanges promises and resources for support, arranges mutually satisfied agreements, negotiates for resources, exchanges effort assistance, and offers commendations for successful performance; 2) management by exception (active) –

the leader monitors the followers performance, takes corrective action should there be a deviation from the standards, and enforces mistake prevention rules; and 3) management by exception (passive) – the leader only intervenes if problems are serious but may delay taking action until he is alerted to errors.

2.4.3 Differences between Transformational and Transactional Leadership

Transformational leadership differs from transactional leadership in four significant areas (Daft, 2002):

1) Transformational leadership acts to develop followers into leaders. Followers enjoy greater freedom in their own behavior control. Transformational leadership gathers followers around a mission's defined boundaries for followers to operate within relative freedom for successful organizational goals. The transformational leader nurtures in followers problem awareness, and issues and aids a second look at phenomena in new ways for the new phenomenon to occur. 2) Transformational leadership increases the followers concerns hierarchically from the level of lower physical needs to higher psychological needs level. The transformational leader also eyes each individual's need for growth and development. Therefore, the leader sets examples and assigns tasks to meet immediate needs as well as elevate followers' needs and abilities to a higher level by linking them to the organization's mission. Transformational leaders transform followers to empower them to change the organization. 3) Transformational leadership inspires followers to overcome their own self-interests for the betterment and common good of the group. Transformational leaders motivate people to go beyond the original expectation. They alert followers to be aware of goals significance and outcomes, thereby enabling them to transcend their own immediate interests for the sake of the organizational mission. Followers admire these leaders, desire to identify with them, and have a high degree of trust in them. However, transformational leadership motivates people not to merely follow the leader personally, rather, to believe in the need for change and be competent and ready for personal sacrifices for the greater cause. 4) Transformational leadership pictures a vision aspired for future state and channels it in a such a manner that belittles any pain for change as deserved. The most significant transformational leader role could be finding a vision for the organization much better than the former one and enlisting others in sharing the common dream. A vision that drives people frantically to act and facilitates the platform for the other parts of transformational leadership. Change is only obtainable when people sense the purpose and desirable picture of the organization's direction, for, without a clearer vision, transformation stagnates.

In contrast to transactional leaders who merely promote stability, transformational leaders make possible significant changes in both followers and the organization. Despite their differences, effective leaders may exhibit both transactional and transformational leadership patterns. Leaders can cement not only their abilities to construct a vision and empower and energize others, but equally the transactional skills to design structures, control systems, and reward systems to help people achieve the vision (Daft, 2002). Similarly, Sarros and Santora (2001) found that transformational leadership differs from transactional leadership, in that it motivates employees to work more than expectations.

Burns (1978) proposed the original idea of transformational leadership. He proposed a comprehensive theory to explain the major differences between transactional and transformational leadership. A transactional leader comprises the bulk of the relationships among leaders and followers, especially in-group, legislatures, and parties. The transformational leaders also recognize the needs, the beliefs, and the values of potential followers. The results of transformational leadership is a mutual stimulation relationship and elevation converting followers into leaders and leaders into moral agents.

Bass (1985) elaborates on the transactional and transformational leadership ideas of Burns (1978), by arguing that transactional leadership mostly concerns the way of marginally improving and maintaining performance both quantity and quality, the manner of substituting one goal for another, the how of reducing resistance to particular actions, and the technique of implementing decisions. In addition, transformational leadership attempts and succeeds in raising colleagues, subordinates, followers, clients, or constituencies to a maximum level of awareness about consequential issues. This heightening of awareness demands a leader equipped with a vision, self-confidence, and inner strength to argue successfully, for he has to convince about what is right or good, often going against the firmly popular or acceptable, established time related wisdom.

Chen (2005) investigated the causal effects of transformational and transactional leadership and the mediating role of trust on follower outcomes. Data were received from 150 employees working in the IT departments of research and development of 12 organizations in Shanghai, China. The results indicated that although

transformational leadership had both direct and indirect effects on job satisfaction; and organizational commitment mediated through followers' trust in the leader, it did not result in the turnover of employees. Moreover, though transactional leadership only had direct effects on the job satisfaction of followers, it did not influence the organizational commitment of followers or the employees' intention to leave.

Erkutlu (2008) suggests that leaders who demonstrate a transformational behavior approach are relationship-oriented; subordinates need to be encouraged and committed to achieve high productivity. Furthermore, transactional leadership is task-oriented that focuses on punishment and rewards, hence if managers provide rewards that are not commensurate and meaningful to the employee it may lead to employees' low commitment and high turnover.

2.5 Organizational Culture

Organizational culture is important for enhancing an organization's ability and is a popular topic of study on organizational behavior (Silverthorne, 2004). Furthermore, some research suggests that organizational culture is the philosophy of managing an organization towards increasing the efficiency of outcomes (Boon & Arumugam, 2006). There are many definitions of organizational culture. According to Schein (1990), organizational culture is a pattern of the basic assumptions that are given, group invented, discovered or developed, as a learned coping mechanism to deal with its externally adaptive and internally integrated problems that has succeeded well enough to be valid, and, therefore, to be transmitted to new members as the correct way to perceive, think and feel in relation to such problems. Similarly,

organizational culture is the shared beliefs, values, and assumptions of individuals in an organization that determine the norms and the developing and patterning behavior emerging from norms. The 'term' shared does not necessarily mean that members are in close agreement on these matters (John & Saks, 2008). In addition, George and Jones (2005) echoes Schein and proposes that organizational culture is the set of shared values, beliefs, and norms that influence the employees way of thinking, feeling, and behaving toward each other as well as toward other people outside the organization. Furthermore, Linn (2008) states that organizational culture is a fundamental part of integrating the members of a group. A group culture is made up of practices, beliefs, and assumptions. In addition, Tseng (2010) found that organizational culture is a norm that leads to the behavior and attitude of the persons in an organization.

In organizational culture, there are several important characteristics, namely: 1) culture is a true "way of life" for members of the organization; 2) it concerns the basic assumption, values, and beliefs, and is likely to be fairly stable over time. Furthermore, once well established, a culture can endure despite turnover among organizational personnel, nesting a social continuity; 3) culture content can corporate matters internal or external to the organization. Internally, a culture can possibly support innovation, risk taking, or information secrecy. Externally, a culture might initially support establishing the customer or behaving unethically against competitors; and 4) it can strongly impact both organizational performance and member satisfaction (John & Saks, 2008).

In addition, Schein (1989) suggests that organizational culture comprises numerous important characteristics: 1) observed behavioral regularities-organizational participants interacting with one another, they communicate in a common language, terminology, and rituals related to yielding and behavior; 2) norms-standards of behavior exist that include guidelines concerning the magnitude of work to accomplish, and, in a number of organizations, this boils down to "Do not do too much; do not do too little"; 3) dominant values-major values the organization advocates and expects the participants to share, i.e., high product quality, low absenteeism, and high efficiency; 4) philosophy-policies that set forth the organization's beliefs about the manner of treatment towards employees and/or customers; 5) rules-strict guidelines relating to harmony in the organization. Newcomers must learn the "ropes" for acceptance as full-fledged members of the group; and 6) organizational climate—an overall "feeling" conveyed by the physical layout, the way participants interaction, and the way the organization's members conduct themselves with customers or other outsiders. Lok and Crawford (2004) state that organizational culture could influence people's decisions, perceptions, feelings, action and behavior.

Organizational culture is a significant and important predictor of employees' turnover intention. Shim (2010) states that if employees in the organization have strong organizational culture, they will have low turnover intention. In addition, organizational culture plays a very important role in the level of organizational commitment (Richard, McMillan-Capehart, Bhuian, & Taylor, 2009; Silverthorne, 2004). Organizational culture is very important for the success of an organization. Furthermore, Ghorbani and Rahimai (2012) confirm that organizational culture

affects all individuals. Hence, it can be said that if an employee and organizational culture fit, the organization can better achieve goals. Furthermore, Kumar, Ramendran, and Yacob (2012) state that organizational culture is the way things are done in an organization. In addition, organizational culture can shape employee behavior and its effect on organizational performance.

Schein (1992) states that employees learn culture through three levels of abstraction. These levels are as follows: 1) artifacts are the visible organizational structures and processes. The artifacts level is the most superficial level and includes all that one can see, hear and feel when exposed to a group with a different culture. Artifacts include visible products of the group, such as the physical environment, language, technology, and products and services. Artifacts also include style reflected by type of clothing, manners of address, myths and stories, and rituals and ceremonies. This level of culture is easy to observe, but difficult to interpret in practice; 2) espoused values are considered as organizational justifications. They are strategies, goals, and philosophies. A solution to a certain problem an organization is facing can come from an individual, usually identified as a leader in the group, although the proposed solution only reflects the individual's own assumptions about reality. As a result, whatever is proposed as a solution will not have the status of value until it emerges from the group. Members of the group should take joint action and together observe the outcome of that action. Some values are thought to be promulgated by prophets, founders, and leaders in the organization and they work to reduce uncertainty in the group. As the values continue to work, they become embedded in the philosophy or ideology of an organization; and 3) basic assumptions are unconscious at the cultural level and include beliefs, perceptions, thoughts, and feelings. Basic assumptions are different from dominant value orientation. Basic assumptions tend to be those theories in use that a group neither confronts nor debates. Once a solution to a problem works repeatedly in an organization, it begins to be treated as a reality, as the way nature works. This level of culture is critical for a learning organization, for it makes the group recheck basic assumptions and might change some of the more constant portions of cognitive structure, in that although they are extremely difficult they are doable.

Culture dimensions or elements explicate the nature of the subtle influential forces for employee actions. The following list describes nine influential dimensions of culture: 1) values-value is any organizational culture foundation, through which a firm's philosophy is expressed, values guide behavior daily; 2) organizational stories with underlying meaning-these are circulated in many organizations principles reinforcing what top management conceives as important; 3) myth-dramatic narratives or imagined events about the firm's history; 4) degree of stability-a fastpaced, dynamic firm possesses a culture differing from that of a slow-paced, stable one. Top-level managers send out signals by their own energetic or lethargic stance regarding how much they welcome innovation. The degree of stability also influences the strength of a culture and whether or not a culture can take root; 5) resource allocations and rewards-the way money and other resources are allocated critically influence culture; 6) rites and rituals-part of a firm's culture is made up and its traditions; 7) a sense of ownership—the movement toward increasing the number of employees' stock ownership has brought about an ownership culture in many firms inspiring workers to think and act as owners; 8) corporate spiritualism and

organizational spirituality; and 9) innovativeness—a cultural dimension of significance in most fields is the innovative spirit of the workforce (Dubrin, 2005).

2.5.1 Dimension of Organizational Culture

This study focuses on four dimensions of organizational culture, namely: hierarchical, rational, teamwork and reward and recognition dimensions. This is because these dimensions are related to employees' organizational commitment and turnover intention, and also have an effect on employees' behavior (Boon & Arumugam, 2006; Haigh, 2006; Yang, 2005).

2.5.1.1 Hierarchical

Hierarchical culture focuses on internal stability, uniformity coordination and efficiency.

Hierarchical culture is rooted in the value of control. Hierarchical culture leads to the achievement of regulations (Denison & Spreitzer, 1991). Furthermore, a higher level of hierarchy leads to quality of work (Harrington & Santiago, 2006). Besides, a hierarchical culture is characterized as being held together by formal rules and policies. In addition, this type of organizational culture is a formalized and structured locus to work. The managers are good organizers and coordinators of efficiency (Park & Kim, 2009). Furthermore, a hierarchical organizational culture is negatively related to affective organizational commitment (Richard *et al.*, 2009).

2.5.1.2 Rational

Rational culture is a reliance on organizational efficiency. Rational culture centers on productivity, performance, goal fulfillment and achievement (Ghorbani & Rahimai, 2012). Park and Kim (2009) say that employees in this culture are competitive and goal-oriented. Leaders in this kind of organization are hard drivers. Furthermore, rational culture is important for work efficiency, clear and detailed work manual, strategies and organizational goals, teamwork and is suitable for improving employees' attitude.

The rational culture emphasizes the accomplishment and attainment of goals; employees are rewarded for performing toward organizational goals and working competently (Bosch, Dijkstra, Wensing, Weijden, & Grol, 2008). Moreover, Harrington and Santiago (2006) suggest that higher levels of rational culture are associated with a higher quality of work.

2.5.1.3 Teamwork

Teamwork occurs when group members, working together, use their skills effectively to accomplish a purpose (Schermerhorn, Hunt, & Osborn, 2008). Furthermore, Certo (1997) suggests that a team is a group of people who must collaborate to some degree to achieve goals. When the organization has a team, the team consists of operative employees and someone who is appointed as the leader or supervisor. Holtzman and Anderberg (2011) claim that a team is the most efficient tool for organizations to improve their opportunity for success. In the organizations,

teams have differences in terms of value creation, innovation, and, ultimately, corporate performance, profitability and sustainability. In addition, Boon and Arumugam (2006) suggest that teamwork enables the organization to be more effective, facilitates the organization towards success, and has been related to employee commitment to the organization.

According to Schermerhorn *et al.* (2008), a high performance team has strong core values that help guide team members' attitudes and behaviors in directions consistent with the team purpose into specific performance objectives. Moreover, the team can serve as a motivator to employees who participate in planning and decision making, and who are more likely to take responsibility for the quality of what they do (Certo, 1997). In addition, Bender and Fish (2000) state that the team is an embedded activity within the organization and it develops a successful transfer of organizational practices in a supportive culture.

In addition, Creed, Zutshi, and Swanson (2008) suggest that teamwork can be facilitated through improved quality and efficiency building and the recognition of success in the organization. Teamwork is driven by the techniques of management, and the culture of the organization.

Drew and Coulson-Thomas (1997) argue that teamwork has the following advantages for the organization: increased communication and collaboration; heightened level of commitment, and more focused culture. In addition, Dayan (2010) suggests that if employees' belief in their manager is constant, it will inspire the team members to commit to the organization and decrease turnover intention.

Furthermore, Bakar, Mustafa, and Mohammad (2009) state that the relationship between leader and follower, when the leader has the support of the subordinates, will lead to a higher level of team commitment.

Wattanasupachoke (2006) studied the managerial style of modern Thai executives. Teamwork is the main management technique for human resource management. Zain, Ishak, and Ghani (2009) show that teamwork has a relationship to organizational commitment. Lucas (2010) states that teams, comprising employees who have worked together for a long time, may face less obstacles, and, in addition, the members are willing to do additional activities. Teamwork is designed to increase the relevance of individual employees and help employees recognize their respective expertise.

In addition, Boehnke, Bontis, DiStefano, and DiStefano (2003) see teamwork as a key component in the workplace, which enables the firm to succeed more than individuals are able to. Moreover, Valle and Witt (2001) note that teamwork can build commitment if employees are satisfied with their jobs. Furthermore, Ghina (2012) indicates that teamwork is positively correlated with organizational commitment and that it can make the organization more effective and efficient. Similarly, Boon, Safa, and Arumugam (2006) posit that teamwork is positively correlated with employees' affective commitment.

2.5.1.4 Reward and Recognition

Normally, reward and recognition are of two types: monetary (receiving dollar incentives for performance) and non-monetary (various forms of soft recognition). Reward and recognition are incentives and techniques for motivating employees to strive beyond contracted job tasks. In addition, reward and recognition can improve employee productivity and performance.

Reward and recognition programs are implemented to increase employee productivity and are important facets in determining turnover intention (Kelley, Blackman, & Hurst, 2007). Normally, incentive programs deal with rewards that aim to increase specific behaviors (Stajkovic & Luthans, 2003). However, reward and recognition not only impact behavior, but can also affect employees' attitudes towards the organization. Therefore, organizations can demonstrate how valuable employees are through the use of rewards and recognition. Employees who receive a tangible incentive from the organization as a symbol, and who feel appreciated and valued, are likely to respond with commitment to the organization. This is consistent with Cacioppe (1999) who posits that reward can motivate employees and can be given to the team members to achieve the vision and goals. Thus, reward and recognition can be used to improve the relationship by persuading individuals to work toward common goals. Furthermore, Ghina (2012), and Karia and Asaari (2006) found that reward and recognition have motivating effects on employees in the organization in terms of enhanced commitment to the organization. Zain et al. (2009) found no significant relationship between reward and recognition and organizational commitment.

Rusbult and Farrell (1983) suggest that employee turnover intention is related to reward. Similarly, Vos and Meganck (2009) state that reward is the factor that most influences employee voluntary turnover. However, for managerial level employees, there is a non-significant relationship between reward and turnover. In addition, Shim (2010) states that among the dimensions of organizational culture, reward is more related to turnover intention. Employees who are satisfied with the reward the organization provides, do their jobs well. Moreover, reward and recognition are important in motivating employees. Managers can design a strategy for the reward and recognition of individual employees and the team (Cacioppe, 1999). In addition, Ramlall (2003) indicates that lack of reward and recognition is the reason for employees leaving the organization. If employees are satisfied with the reward and recognition, it could lead to reducing employee turnover.

2.6 Organizational Commitment

Organizational commitment is the attachment, emotionally and functionally, to one's place of work. It is an attitude that reflects the strength of the linkage between an employee and an organization. The linkage has implications for whether someone will tend to remain in an organization (Allen & Meyer, 1990; Meyer & Allen, 1991; Johns & Saks, 2008). Moreover, Mowday *et al.* (1982) note that the linkage between employee and organization would be strengthened if the employee believes in and accepts the organization's goals and values. Also, organizational commitment is an important part of an employee's psychological state; employees who have a high level of organizational commitment may be engaged in many behaviors with their organization, such as intention to remain with that organization and high job

performance, both of which are the beneficial to the organization. Similarly, Porter, Steers, and Mowday (1974) define organizational commitment as consisting of at least three components: 1) a strong belief in and acceptance of the organization's goals and values; 2) a willingness to exert considerable effort on behalf of the organization; and 3) a definite desire to maintain organizational membership. Moreover, they suggest that the degree of employee commitment is valued by the leader in the organization (Jaros, 1997; Paille, Fournier, & Lamontagne 2011). Likewise, Kumar *et al.* (2012) claim that organizations that have employees' commitment can achieve goals more effectively and efficiently. Furthermore, employees' commitment can reduce causes of turnover intention.

In addition, Kreitner and Kinicki (2007) state that organizational commitment reflects the extent to which an individual identifies with an organization and is committed to the goals of that organization. Kacmar, Carlson, and Brymer (2009) argue that organizational commitment is the emotional attachment an individual has with the organization and that emotion is consistent between personal and organizational goals and values. Similarly, Mowday *et al.* (1982) and Perryer *et al.* (2010) found that organizational commitment is an employee attitude that is highly dependent on employers. Employees who are committed would have a stable attitude, be engaged and have higher performance. Therefore, employees who are committed are less likely to leave the organization (Cohen, 1991; Hunt & Morgan, 1994).

As noted earlier, organizational commitment is separated into two types, namely: attitude and behavior. Attitude is the employee's feeling and thinking about the organization (Sabir et al., 2011). Attitude commitment is identification with the organization's goal and the individual's dispositions in relation to these goals (Reichers, 1985). Furthermore, Mowday et al. (1982) argue that attitude commitment focuses on the process by which employees think about their organization. In addition, attitudinal and behavioral commitments have a cyclical relationship. They explain that attitudinal commitment arouses behavioral commitment and behavioral commitment pushes attitudinal commitment in a cyclical relationship. On the other hand, behavioral commitment is a process originating from the binding effect of actions on individuals (Reichers, 1985). Moreover, Meyer and Allen (1991) state that attitude and behavior of organizational commitment is a psychological state. They describe that attitude commitment focuses on the way employees think about the relationship between them and the organization, while behavior commitment is related to the process of linkage to the organization. Furthermore, Bakar, Mustaffa, and Mohamad (2009) state that organizational commitment is the critical attitude of employees in the workplace. If they have a positive relationship with their supervisor, they will feel loyal to their work and organization. In addition, Lok and Crawford (2004) confirm that organizational commitment is an important attitude in assessing employees' turnover intention and contribution of employees to the organization.

Allen and Meyer (1990) and Meyer and Allen (1991), identified organizational commitment as three conceptual components, namely: affective, continuance and normative commitment. Moreover, Meyer and Allen (1991) divide the

conceptualization of organizational commitment into three components: 1) affective commitment refers to an employee's emotional attachment to identification with the organization. Employees with a high affective commitment stay with an organization because they want to; 2) continuance commitment refers to an awareness of the costs associated with leaving the organization. Employees with high levels of continuance commitment stay with the organization because they have to; and 3) normative commitment is commitment based on ideology or a feeling of obligation to continue employment. Individuals with a high level of normative commitment stay with an organization because they feel they should do so. Thus, organizational commitment can be an assumption about a positive need towards the organization, such as loyalty to the organization and a negative consequence that is related to leaving the organization.

In addition, Meyer and Allen (1997) suggest that affective commitment has the strongest and most consistent relationship with desirable outcomes. Continuance commitment has the strongest and most consistent relationship with cost, while normative commitment is a better predictor of job outcomes in collectivist contexts that emphasize obligations. Furthermore, the three components model of organizational commitment has been used by researchers to predict important employee outcomes, such as turnover. Further, all three components of organizational commitment are reported to correlate negatively with turnover intention (Cheng & Stockdale, 2003; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002).

According to Jaros (1997), the three components of organizational commitment differ in their relationship with turnover intention; affective commitment has a stronger correlation than continuance and normative commitment. In addition, affective commitment is attitudinal-based, and, in this situation, the employees see themselves as a part of the organization. Therefore, it is very important for the organizations to have employees feeling affective commitment since strong affective commitment means that the employees are willing to stay in the organization and accept its objectives and values (Cokluk & Yilmaz, 2010). Continuance commitment is the situation where employees stay in the organization after considering the costs of leaving the organization and avoid turnover. However, the organizations definitely prefer affective commitment as the organization's employees willingly stay in the organization and identify themselves with it along with an affective connection (Cokluk & Yilmaz, 2010).

Allen and Meyer (1996) and Meyer and Allen (1997) suggest that researchers could better know an employee's relationship with an organization by analyzing all the components of organizational commitment, because these are based on emotional attachment, perceived costs and feelings of obligation. Similarly, Carmeli, Elizur, and Yaniv (2007) state that multiple components of organizational commitment are more inclusive concerning individuals' commitment than a single or two components. Felfe and Yan (2009) suggest that three dimensions have been regarded as distinguishable measures. Rungruang (2007) studied the three-component model of organizational commitment in Thailand. The results confirm that three components better fit the data than one and two components.

Although several studies have been carried out in the West, only a few studies have been conducted on organizational commitment in Asian organizations (Felte & Yan, 2009). Furthermore, Allen and Meyer (1996) state that studying organizational commitment across cultures is important to detect the validity and applicability of the multidimensional conceptualization. This study is concentrated in Thailand, where relatively few studies have been found (Rungruang, 2007).

As mentioned earlier, when a committed organization survives, employees' individual performance increases and organizational performance is improved. Therefore, employees' high organizational commitment has an impact on organizational productivity. Moreover, they are more likely to stay with the organization, there will be less absenteeism and less likelihood of leaving the organization. The concept of commitment is based on the process of attitudes and behaviors. There seems to be an arrow between attitudinal and behavioral commitment, namely, commitment attitudes lead to committing behaviors that subsequently reinforce attitudes, and committing behaviors lead to commitment attitudes, and, subsequently, committing behavior.

2.7 The Relationship between Variable

The following reviews the literature regarding the relationship between, leadership behavior and turnover intention, organizational culture and turnover intention, leadership behavior and organizational commitment, organizational culture and organizational commitment, and organizational commitment and turnover intention.

2.7.1 Leadership Behavior and Turnover Intention

As previously mentioned, transformational leaders have the high order needs of employees, while transactional leaders emphasize exchanging rewards for accomplishment. Both transformational leadership behavior and transactional leadership behavior provide an efficient clarification of the employee turnover in the organization (Long & Thean, 2012; Hamstra, Yperen, Wisse, & Sassenberg, 2011).

For instance, Russell (1996) investigated the relationship of transformational and transactional leadership on employee turnover intention. The research was performed at two large organizations located in Broward County, Florida. One was a financial institution and the other a medical center. The findings indicated that the relationship between transformational leadership and employee turnover intention was negative. Higher transformational leadership behavior produced lower turnover intent. On the other hand, the relationship between the transactional leadership styles of contingent reward and passive management by exception was significant on turnover intention. Wells and Peachey (2011) investigated the relationship between leadership behavior and turnover intention from National Collegiate Athletic Association Division I softball and volleyball assistant coaches in the USA. The results showed that transformational leadership has a direct effect on, and a negative relationship with turnover intention. However, transactional leadership also has a negative relationship with turnover intention. Furthermore, they discuss the cause of transactional leadership behavior related to a decrease in employee turnover intention by quoting the justice theory of Cobb et al. (1995). This theory explains that if employees are satisfied and perceive that the processes of the organization are fair they will feel good in their workplace and remain with the organization.

In addition, Sellgren *et al.* (2007) studied the relationship between the leadership behavior of nursing managers and staff turnover considering the variables that intervened—work climate and job satisfaction—at the Korolinska Hospital in Stockholm, Sweden. The results yielded strong correlations between leadership behavior, job satisfaction and work climate, and a strong intercorrelation between work climate and job satisfaction. However, a weak direct correlation between leadership behavior and actual staff turnover was identified, even when they controlled for the influence of job satisfaction and work climate. Job satisfaction was the construct with the strongest direct correlation with staff turnover. This may imply that leadership behavior relates to staff turnover by creating a work climate, thus promoting job satisfaction, which, in turn, affects staff turnover. A positive significant correlation was also noted between staff turnover and one of the work climate variables, challenge; and between staff turnover and the job satisfaction variable, feeling, the work climate variable indicated a strong negative correlation with staff turnover.

Sharif Heravi *et al.* (2010) investigated the relationship between leadership behavior and personnel turnover intention in IT companies in Iran. The results showed that transformational leadership had a negative relationship with turnover intention. While, transactional leadership was not related to turnover intention.

Gul *et al.* (2012) examined the relationship between transformational and transactional leadership, and turnover intention. The insurance sector of Pakistan comprised the participants in this study. One hundred and twenty one questionnaires were used. The results showed that the relationship between transformational and transactional leadership and turnover intention is negative. Furthermore, the results showed that the samples are more related to transformational leadership than transactional leadership.

Long, Thean, Wan Ismail, and Jusoh (2012) found the relationship between leadership style and employees' turnover intention of academic staff in Malaysia. They argue that both types of leadership behavior (transformational and transactional leadership) have a negative relationship with turnover intention but the correlation is not significant.

Ali, Ali, Ahsan, Rahman, and Kakahel (2014) examined leadership style by using transformational and transactional leadership behavior. The study collected data from private section schools in Pakistan. Three hundred and fifty six questionnaires were used. The study found that transformational and transactional leadership behaviors are negatively associated with turnover intention.

Tse, Huang, and Lam, (2013) explored the relationship between transformational leadership and turnover intention, and the mediation role of affective commitment. The study used 490 employees in a large call center of a telecommunication company in northern China. This study found that transformational leadership has a

negative relationship with turnover intention and that it is mediated by affective commitment.

Ekong, Olusegun, and Mukaila, (2013) investigated the relationship between leadership style and employee turnover. They conducted a survey in Nigerian banks from which 500 questionnaires were collected. The study found that leadership style has relationship to employee turnover intention.

As such this study hypothesized a relationship between leadership behavior and employee turnover intention, which is;

H1: Leadership behavior is negatively related to turnover intention of overall employees.

In addition, this study compare between employees who working in local Thai companies and MNCs, and the hypothesized relationship is;

H2: Leadership behavior related to turnover intention is different between employees in local Thai companies and MNCs.

2.7.2 Organizational Culture and Turnover Intention

Of the variables that predict employee turnover, organizational culture is the strongest. The strength of organizational culture leads to an interpersonal relationship with culture that stresses on team orientation (Sheridan, 1992). Organizational culture is the major influence concerning whether employees might leave the organization (Booth & Hamer, 2007; MacIntosh & Doherty, 2010). In addition, Shim (2010) explored organizational culture as predictors of employee turnover. If

employees have a high value of organizational culture, there is less turnover intention.

The development of a strong culture, which enhances a sense of self-worth and respect among employees, obtained the response for a better working life which is more likely to be found in another organization (Booth & Hamer, 2007). Moreover, DelCampo (2006) states that employee with a strong organizational culture and who have a congruous set of values will reduce the rate of turnover. In addition, Carmeli (2005) found a relationship between organizational culture and withdrawal intention. The motive was to study the influence of five dimensions of organizational culture (job challenge, communication, trust, innovation and social cohesiveness) on employees' withdrawal intention and behavior (absenteeism). The researcher studied three dimensions of withdrawal intention: firstly, withdrawal intention from the occupation; secondly, withdrawal intention from the job; and thirdly, withdrawal intention from the organization. Organizational culture was found to provide a challenging job, and diminish employees' absenteeism and withdrawal intention from the occupation, job and organization. Other dimensions of organizational culture had no significant correlation with the dependent variables, except the relationship between a culture of innovation and employees' intention to guit the job.

Deery and Shaw (1999) investigated the relationship between employee turnover and organizational culture. The aim was to investigate both organizational culture and employee turnover behavior within the hotel industry. Four hotels of different star grading belonging to the same hotel chain participated in the study. The hotels included the range of properties owned by the particular chain in the central business

district of Melbourne. The participants did not include the hotel supervisory staff. The results found that if employees had a positive attitude, they were proud of the organization, prepared to work hard for the organization and put in extra effort to make it successful. In contrast, a lack of management and organizational support increased the levels of employee stress and desire to leave the organization.

Lee and Yu (2004) investigated the possible relationship between corporate culture and organizational performance among Singaporean companies, specifically in three different industries—high—tech manufacturing firms, hospitals and insurance companies. The results demonstrated that the strength of cultural values correlated with the organizational performance of firms. Both culture, strength and innovation significantly correlated with growth in business in the insurance industry. Similarly, both management and supportiveness significantly correlated with growth in net profits in the manufacturing industry. Finally, hospitals team orientation and task orientation significantly correlated with staff turnover.

Park and Kim (2009) examined the relationship between organizational culture and turnover intention among nurses in public hospitals in Korea. The study found that organizational culture had a direct association with turnover intention as well as an effect on the organizational dimension on turnover intention; rational culture had a greater influence on turnover intention than other dimensions.

Aarons and Sawitzky (2006) state that employees who work in organizations with more positive cultures oriented may be satisfied with their jobs and more committed to their organizations, and are less likely to leave. An improvement in organizational culture is likely to improve organizational commitment and reduce staff turnover.

Following the above discussion, this study tends to hypothesize that:

H3: Organizational culture is negatively related to turnover intention of overall employees.

Furthermore, the study have a comparison between employees in local Thai and MNCs, hypothesize that;

H4: Organizational culture related to turnover intention is different between employees in local companies Thai and MNCs.

2.7.3 Leadership Behavior and Organizational Commitment

Leadership has been deemed to be one of the most important variables influencing employee attitudes and behavior. In addition, leadership behavior has a relationship to organizational commitment, indicating that employees who perceive their superiors as adopting consultative leadership behavior, are more committed to their organizations (Joo, Yoon, & Jeung, 2012). Furthermore, leaders are very important; an effective leader could elevate the level of an employee's commitment (Chandna & Krishan; 2009; Joo, 2010; Lo, Ramayah, & Min, 2009). Moreover, Demirbag and Sahadev (2008) propose that leadership emphasizes the commitment among employees. Similarly, Yousef (2000) states that leadership behavior and organizational commitment are positively related. In addition, Lo *et al.* (2009) state

that both transactional and transformational leadership are positively correlated with organizational commitment. Avolio *et al.* (2004), and Shah, Nisar, Rehman, and Rehman (2011) stated that leaders in the organization directly affect employees' commitment, particularly transformational leaders. This is a positive relationship and employees can be engaged by transformational leaders. Similarly, Ramachandran and Krishnan (2009) suggest that transformational leadership is able to bring a high degree of trust and loyalty of followers to the extent that followers are willing to commit to their leader and organization. In addition, Yousef (2000) suggests that managers could benefit from understanding the predictor of committed manpower because they can initiate interventions when a problem exists. They can adopt, for example, the appropriate leadership behavior, in order to improve the level of organizational commitment. Buchanan (1974) found that the organizational commitment of the manager is crucial for the survival and effectiveness of the organization because the fundamental responsibility of management is to maintain the organization's state to carry on working.

Lamsa and Savolainen (2000) concur that managerial commitment is important for organizations. Commitment is instrumental to change personal attitudes for the benefit of the organization. However, if the manager is not committed it is always a risk to the firm that they will leave the organization. Moreover, Maxwell and Steele (2003) suggest that managers with a high level of organizational commitment may enhance individual managers' commitment levels and have an effect on the commitment of non-managerial employees. Organizational commitment can have an impact on organizational performance through manager performance. On the other

hand, managers with a high level of commitment will have an impact on the commitment level of employees.

Furthermore, Krishnan (2005) asserts that transformational leadership increases the relationship between the leader and follower by the follower's attachment and affective commitment to the organization. Three dimensions of organizational commitment for affective and normative commitment are positively related to transformational leadership, while continuance commitment is not related to transformational leadership. The obligation of an employee to stay in an organization is dependent on the emotional attachment and the perceived opportunity costs of leaving the organization that the employee has. Thus, the emotional attachment of the employee to the organization can be enhanced by having a manager with transformational leadership behavior (Ramachandran & Krishnan, 2009).

Furthermore, Sandhu and Kaur (2010) confirm that transformational leadership is strongly related to affective commitment, while continuance commitment is not affected much by transformational leadership, and normative commitment is moderately enhanced by transformational leadership.

Lo *et al.* (2010) concur that leadership style is an important aspect of subordinates' organizational commitment, and that transformational leadership is able to motivate followers to perform as expected. Similarly, Lo *et al.* (2009) state that transformational leadership can bring about the organizational commitment of employees more than transactional leaders.

Cokluk and Yilmaz (2010) suggest that the organizational commitment of followers increases as the supportive leadership behavior of managers increases. Similarly, Brewer (1996) suggests that employees' commitment to an organization is dependent on managerial strategy. Mathieu and Zajac (1990) state that leadership behavior influences the level of employees' commitment.

Ali, Ali, Ahsan, and Kakakhel (2014) found a relationship between leadership behavior and transformational and transactional leadership behavior on organizational commitment. The sample for this study was collected from teachers in private sector schools of Pakistan; 356 questionnaires were used in this study. The results showed that both transformational and transactional leadership behavior have a positive relationship with organizational commitment.

As noted earlier, transformational leadership can lead to organizational success, and it is better for the manager to use transformational leadership than transactional leadership style. This is also the case in Thailand. Limsila and Ogunlana (2008) studied the correlation of leadership styles and subordinate commitment. Their sample for the study were project managers in Thailand. The findings showed that, in Thailand, transformational leadership style is the most exhibited leadership behavior of project managers rather than transactional leadership. Thus, a project manager who adopts a transformational leadership style is likely to create commitment from subordinates unlike project managers who adopt transactional leadership. In other words, transformational leadership style has a positive relationship with organizational commitment while transactional leadership style does not. Moreover, leaders who embrace a transformational style can influence subordinates to produce

better work quality, quantity and are more creative in problem solving than leaders who adopt a transactional style. Following the above discussions, this study hypothesizes that:

H5: Leadership behavior is positively related to organizational commitment of overall employees.

In addition, this study also compare leadership behavior relationship to organizational commitment of employees in local Thai companies and MNCs, thus hypothesize as:

H6: Leadership behavior related to organizational commitment is different between employees in local Thai companies and MNCs.

2.7.4 Organizational Culture and Organizational Commitment

Organizational culture is a critical variable of employees' organizational commitment (Joo, 2010). It is an important aspect of organizational commitment that motivates employees and could contribute to the achievement of performance (Yazdani & Yaghoubi, 2011; Zain et al., 2009). Furthermore, organizational culture is an important factor in enhancing the level of organizational commitment of employees. The reason why organizational culture influences employees' commitment is that culture entails the basic values, norms and behavior patterns that are also relevant in the organizational context (Felfe & Yan, 2009). In addition, organizational culture is necessary for the success or failure of an organization. Specifically, a positive culture builds employees' commitment to their organization. In addition, organizational culture can enhance employees' commitment towards achieving the organizational targets (Sabir et al., 2010). Lok and Crawford (2001),

and Meyer and Allen (1991) opine that organizational culture is the antecedent of organizational commitment. Furthermore, Manetje and Martins (2009) state that organizational commitment is a consequence of organizational culture. They suggest that employees will commit to their organization if the role of culture fits their goal, rather than culture being a dominant power. In addition, in the workplace, individual employees carry their own personal values, attitudes and beliefs, and their levels of organizational commitment to the organization may differ, given that values, attitudes and beliefs are reflected in different cultures (Lok & Crawford, 2004). Organizational culture is important for organizational commitment. If the person and organization fit, it will have a positive impact on employee's commitment to the organization (Silverthorne, 2004). Furthermore, Lok and Crawford (2001) and Simmons (2005) argue that organizational culture is the strongest predictor of organizational commitment. Employees who are more committed have a more satisfying organizational culture. Chen and Francesco (2000) state that cultural factors can create differences in employees' organizational commitment. Similarly, Clugston, Howell, and Dorfman (2000) confirm that differences in organizational commitment could be predicted by cultural dimensions within a homogeneous work setting within one country. Moreover, the difference of organizational culture may influence employees' attitudes of their organizational setting (Williamson, Burnett, & Bartol, 2009). Organizational culture also represents the personality of people in the organization (Urrabaza, 2006).

According to Yazdani and Yaghoubi (2011), organizational culture has a positive relationship with organizational commitment and management support. On the other hand, no relationship exists between organizational commitment and organizational culture if the organization uses a control system.

Similarly, Lok and Crawford (2001) state that organizational culture is important in generating organizational commitment and enhancing employees' performance. In addition, Silverthorne (2004) suggests that organizational culture plays an important role in the level of employee commitment. If the culture of an organization is weak, this can lead to employees having a low level of organizational commitment, which, in turn, is aligned to a high turnover rate.

Messner (2013) investigates the influence of organizational culture on employee commitment using data collected from 291 employees in the Indian IT services sourcing industry. The results show that organizational culture is the key effect of organizational commitment.

As mentioned earlier, the three components of organizational commitment vary among cultures. In other words, different organizational cultures can make people perceive commitment to the organization at different levels. Likewise, Silverthorne (2004) states that the relationship between organizational commitment and organizational culture are different based on the level of organizational commitment between these cultures. Cheng and Stockdale (2003) suggest that the three-component model of organizational commitment in a Chinese sample is different from foreign culture in that affective and normative commitments are higher in the

Chinese sample, compared to the foreign sample. This study investigates the differences in organizational commitment and organizational culture among local companies and MNCs in Thailand that may be different because Thai culture is different from other cultures. Furthermore, few studies have been found on organizational commitment in different cultures (Cohen, 2006). Thus, based the perspective, this study predicts:

H7: Organizational culture is positively related to organizational commitment of overall employees.

Moreover, this study also compare organizational culture to organizational commitment of employees in local Thai companies and MNCs, thus hypothesize as;

H8: Organizational culture related to organizational commitment is different between employees in local Thai companies and MNCs.

2.7.5 Organizational Commitment and Turnover Intention

Organizational commitment has been considered to be the most important predictor of turnover and turnover intention. It has been found that employees who are more committed to their organizations will have a lower level of turnover intention (Ali & Baloch, 2009; Elangovan, 2001; Griffeth & Hom, 2001; Hussain & Asif, 2012; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002; Rahman, Naqvi, & Ramay, 2008). On the other hand, Mowday, Porter, & Steer (1982) suggest that an organization's employees who have high levels of organizational commitment will remain with the organization. Furthermore, organizational commitment is an important attitude to evaluate employees' turnover intention; when employees are less committed, they will find another occasion to leave. If the occasions are

inaccessible, their emotional or mental state may lead to their withdrawing from the organization (Lok & Crawford, 2004). Moreover, Buchko, Weinzimmer, and Sergeyev (1998) note that turnover and turnover intention are consequences of organizational commitment. Employees with a low level of organizational commitment are more likely to leave the organization. In other words, employee's turnover intention depends on the organizational commitment (Ahmad, Shahzad, Rehman, Khan, & Shad, 2010). Furthermore, Meyer *et al.* (2002), and Cheng and Stockdale (2003) suggest that organizational commitment's correlation with turnover intention is stronger than with just turnover.

An earlier study among 212 Singapore companies identified that organizational commitment is the factor that most contributed to high employee turnover in Asia (Khatri, Fern, & Budhwar, 2001). In addition, Griffeth, Hom, and Gaertner (2000) suggest that organizational commitment is the immediate antecedent to turnover. Sethi and King (1998) state that commitment is important for organizations, and is related to turnover intention. Namely, affective commitment is negatively related to turnover intention; while continuance commitment shows an inverse relationship with turnover intention; continuance commitment is associated with lower turnover intention. Furthermore, Perryer et al. (2010) confirm that organizational commitment is related to turnover intention. Affective and continuance commitment are negatively related to turnover intention. Paille et al. (2011) opine that organizational commitment affects employees' turnover intention. Specifically, affective commitment is the best predictor of employee turnover intention. Similarly, Wasti (2003) states that affective commitment is the most important dimension of organizational commitment to predict turnover intention. Elanain (2010) states that

organizational commitment has a negative relationship to turnover intention and that higher level of organizational commitment lead to lower levels of turnover intention.

According to Jaros (1997), and Meyer and Allen (1991), there are three component models of organizational commitment and turnover intention. Data were collected from a sample of engineering personnel working at an aerospace firm and university students employed full time in a variety of organizations. The results showed that affective commitment had a significantly stronger relation with turnover intention than continuance commitment and normative commitment. In addition, continuance commitment and normative commitment did not differ in the force of the relationship with turnover intention. In addition, affective commitment was the most important component in predicting turnover intention; if employees have a high level of affective commitment, organizations can reduce voluntary turnover behavior.

Meyer *et al.* (2002) state three components of negative organizational commitment and turnover relationship. Affective commitment has the highest strength, followed by normative and continuance commitment. Moreover, the correlation between organizational and cognitive commitment are stronger than actual turnover. Continuance commitment has a low level and does not lead to turnover intention, unless affective commitment and normative commitments are low. Similarly, Kuean *et al.* (2010) observe that three dimensions of organizational commitment are related to turnover intention. Among the three dimensions, affective commitment is the most important predictor of turnover intention. Therefore, employees are less likely to turnover when they are emotionally attached to their organization.

Mathieu and Zajac (1990) state that organizational commitment is a work attitude directly related to employee participation and the intention to remain with the organization. In addition, Tett and Meyer (1993) propose organizational commitment as a determinant of work outcomes and show that organizational commitment explains turnover intention. Furthermore, Addae, Parboteeah, and Davis (2006) suggest that organizations benefit from a committed workforce who are committed to the organization, as they tend to experience less turnover and make positive contributions to the organization. Furthermore, Khatri *et al.* (2001) found that organizational commitment is the most important factor influencing turnover intention. Employee turnover may be conveyed by commitment.

Elangovan (2001) and Lambert (2006) suggest that organizational commitment directly affects turnover intention, and has a negative relationship to turnover intentions. Lower levels of commitment lead to a higher propensity for the employee to leave. In addition, Muthuveloo and Rose (2005) found that higher organizational commitment leads to higher loyalty and reduces the intention to leave. Chen and Francesco (2000) suggest that organizational commitment and turnover intention are important for employee attitudes in maintaining a productive workforce. Similarly, Stallworth (2004) states that organizational commitment can provide insight into how it is related to the intention to leave. Turnover is always costly to organizations given the large investment made in the selection, training and development of personnel. In addition, Labatmediene *et al.* (2007) state that committed employees are less likely to leave the organization than less committed employees. The three factor model (emotional, continuance, and normative) is more descriptive than the one factor model (emotional, continuance or normative) of organizational

commitment. Law (2005) examined two components of organizational commitment, namely: affective and continuance, on intent to turnover among public accountants in the Pacific Northwest of the United States. The results indicated that affective commitment is more salient than continuance commitment in predicting turnover intention.

Yong-Tao (2007) explored the turnover intention determinant of organizational commitment; 196 respondents from self-reporting questionnaires were randomly selected among workers in one firm. The findings suggested that only affective commitment had a significant negative effect on turnover intention, and that continuous commitment did not. Wasti (2002) explored organizational commitment in Turkey. This study used two components, affective and continuance. Affective commitment was significant and negatively related to turnover intention, while continuance commitment was not significant. In addition, Somers (1995) studied the three-component model of organizational commitment on turnover intention. The results showed that only affective commitment emerged as predicting turnover while continuance and normative commitment had little effect on turnover. From the above statement, it is postulated that:

H9: Organizational commitment is negatively related to turnover intention of overall employees.

Furthermore, this study compare between employees in local Thai companies and MNCs, hypothesize that;

H10: Organizational commitment related to turnover intention is different between employees in local Thai companies and MNCs.

2.7.6 The Mediating Role of Organizational Commitment

A variable function is a mediator to the extent that it accounts for the relationship between the independent variable and is able to influence the dependent variables (Baron & Kenny, 1986). This study predicts that organizational commitment mediates the relationship between leadership behavior and organizational culture on turnover intention.

Organizational commitment has been widely studied, mostly as an independent variable that affects work outcome, such as turnover and absenteeism; and as a dependent variable influenced by personnel characteristic factors. However, organizational commitment has an important mediating role that few studies have attempted to investigate (Suliman, 2002). From a review of the literature, some studies on organizational commitment found it to be a mediating variable for work climate and performance (Iverson *et al.*, 1996; Suliman, 2002). In addition, some research explored the mediating role of organizational commitment on the relationship between organizational support and turnover intention (Tumwesgye, 2010).

Clugston (2000) studied the mediating role of organizational commitment between job satisfaction and turnover intention. Yousef (2000) found the potential role of organizational commitment in the relationship of leadership behavior with the work outcomes of job satisfaction and job performance. Rose, Kumar, and Pak (2009) found that organizational commitment mediates the relationship between organizational learning and work performance. Sahin (2011) found that affective

commitment partially mediates the relationship between the psychology climate and turnover intention. Davy, Kinicki, and Scheck (1997) found that organizational commitment mediates the effect of the relationship of job security and withdrawal cognition (intention to quit and thoughts of quitting). Anvari, Mohamad Amin, Wan Ismail, Ahmad, and Seliman, (2011) posit that organizational commitment is a mediator for the relationship between strategic training practices and turnover intention. Recently, Gul *et al.* (2012) studied the role of organizational commitment as a mediator on the relationship between leadership style and turnover intention. The respondents of studies on employees in different levels and position of the insurance companies in Pakistan provided 121 questionnaires for data analyses. The results showed that organizational commitment was a mediator for both transformational leadership and transactional leadership on turnover intention.

Organizational commitment has the most important mediating role in determining turnover intention (Allen & Rush, 1998; Ahmad Jam & Fatima, 2012; Iverson *et al.*, 1996; Tompson & Werner, 1997). A study by Chew and Chan (2008) suggests that organizational commitment is one of the strong determinants of organizational success. Employees' commitment with the organization decreases their turnover intention and increases their intention to stay with the organization and work more effectively and loyally (Griffeth & Hom, 2000; Paille *et al.*, 2011). In addition, Suliman (2002) and Yousef (2000) found that there are few studies on the mediating role of organizational commitment. Furthermore, Peachey and Wells (2011) suggest that studies should be conducted concerning the mediator role of organizational commitment on the relationship between leadership behaviors and turnover intentions.

Organizational commitment was chosen as a mediator in this study because of its significant influence on individual attitude like turnover intention. Furthermore, organizational commitment has not been examined empirically as a mediator between leadership behaviors, organizational culture on turnover intention. Thus, it will contribute to the body of knowledge in this field. Hence, Hypotheses 11 and 12 are proposed as:

H11: Organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention of overall employees. In addition, this study have a comparison between employees in local Thai and MNCs, hypothesize that;

H12: Organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention differently between employees in local Thai companies and MNCs.

2.8 Gaps in the Literature

It is mentioned in the literature that the reasons for employee turnover in organizations can be classified into two major factors: individual factors and organizational factors. The individual factors are; namely, age, education, tenure, marital status, and income, all of which have been extensively studied and found to contribute to employee turnover (Ariff, 1988; Camp, 1993; Cortrviend, 2005; Diane, 2003; Matthew & Bouma, 2004; Mobley, 1982; Theeraruk, 2004; Zheng & Lamond, 2010). For the organizational factors, such as leadership style and organizational culture, there have been few studies (Barrick & Zimmerman, 2005; Lok & Crawford, 1999, 2001, 2004; Cuong & Swierczek, 2008). In addition, organizational factors

have high potential to predict and better explain employee turnover compared to individual factors (Zheng & Lamond, 2010).

Besides, research evidences (Sahin, 2011; Suliman, 2002; Tumwesgye, 2010; Wells & Peachey 2011) indicated that the mediating role of organizational commitment few studies, especially, on the relationship between leadership behavior and organizational culture on turnover intention has received less attention from previous research. Wells and Peachey (2011) test job satisfaction as a mediator between leadership behavior and turnover intention and they have recommended that organizational commitment should to as a mediating variable for the future work.

Some research has been done on a comparative study on leadership behavior and organizational culture among organizations (Lok & Crawford, 2004). They found that organizational culture leads to significant differences in leadership behavior. Cuong and Swierczek (2008) carried out a comparative study of corporate culture, leadership competencies, job satisfaction, job commitment and job performance of employees in Vietnam and Thailand. They found that organizational culture and leadership competencies manifest significant differences between local and international companies in Vietnam and Thailand. Literature also shows that there are comparative studies on leadership competencies, not leadership behavior, job commitment not organizational commitment, and job performance not employee turnover intention. In addition, Cuong and Swierczek (2008) suggest that, in Asia, comparative studies are needed on organizational culture, leadership, job satisfaction, organizational commitment between local and international companies within a country because, at present, they are scant. Moreover, Patrayutvat (2009) states that

the differences in culture in MNCs should be aware of the employee value that will support the administration of MNCs in dealing with local employees. Hence, this study intends to fill the gaps in the turnover intention literature by examining the influence of leadership behavior, organizational culture and organizational commitment on employees turnover intention of employees in local Thai companies and MNCs.

2.9 Summary

This chapter presents the background information concerning the dependent variables and the independent variables that are assumed to have an effect on organizational commitment and turnover intention. From the literature review, it is found that multiple factors are associated. This study aims to determine the effect of leadership behavior and organizational culture and their significance on organizational commitment and turnover intention. This study makes several contributions. First, this study attempts to find the relationship between leadership behavior, organizational culture and organizational commitment on turnover intention. Second, this study examines the comparison between local and MNCs in Thailand. These gaps set a foundation and direction for the purpose of this study.

CHAPTER THREE

THAI CULTURE AND MULTINATIONAL COMPANIES (MNCs) IN THAILAND

3.1 Introduction

The previous chapter reviewed the relevant literature on turnover, turnover intention, leadership behavior, organizational culture, and organizational commitment, as the foundations of this study. This chapter begins with a discussion of Thai culture and MNCs in Thailand.

3.2 Thai Culture

Thailand is the heart of Southeast Asia and covers over 513,119 square kilometers. The population is approximately 63.9 million, consisting of 75% Thais, 14% Chinese, 3% Malaysians and the rest are various minority hill tribes. The official language is Thai and most Thai people are Buddhists (Statistical Yearbook Thailand, 2011).

Thailand has been identified by various epithets, namely, land of freedom, land of smiles, and land of the yellow robes; and, in terms of career orientation, it is useful to point out that the Thai culture is probably the most Buddhist (about 90%) in Asia. As such, most believe in the Middle Path and seek balance in one's life (Chompookum & Derr, 2004). Gannon (2001) suggests that the key concept of Thai Buddhism is the

middle way, which is keeping emotions and even body movements under control. Thais like to speak directly and keep smiling. Thus, a smile is not only interpreted as the person being a close friend but as an action for making life pleasant. Thai culture is different from other cultures and some dimensions of Thai culture may be important to understand better. According to Runglertkrengkrai and Engkaninan (1987), culture is very important to both individuals and groups because it affects their patterns of living. Buddhism was imported and has shaped the Thai way of life. Runglertkrengkrai and Engkaninan (1987) state that Thai culture is divided into three dominant aspects, namely:

- 1) Personalism: Thais consider people as very important. Thai values influence the behavior to be self-reliant but to maintain a friendly and pleasant relationship between themselves and others who can benefit. Thais are much more relationship-oriented than task-oriented. Moreover, personalism is separated into two themes, i.e., individualism and permissiveness. Individualism leads to a lack of disciplined behavior; permissiveness implies a lack of questioning, reflecting indifference, avoidance of risk and a fear of being criticized in public.
- 2)Fun-loving: Thais believe that pursuing fun need not be at the expense of earning one's livelihood, with the result that seriousness is eliminated. This value is divided into three themes, which emphasizes present-time consumption, the abhorrence of hard work and a liking for broad-minded persons.
- 3) Merit Accumulation: Buddhism has gained wide acceptance because of its emphasis for tolerance and individual initiative, complementing the Thais cherished inner freedom. Thais believe that Buddhism teaches a way of life which leads to happiness and the elimination of suffering.

According to Komin (1990), the author of the 'Psychology of Thai People', values and behavioral patterns and the concept of values, more than any other, are the core concept across all social sciences. It is the main dependent variable in the study of culture, society and personality, and the main independent variable in the study of social attitudes and behavior. It is an important concept, because many disciplines find it necessary to invent it for use when coming to grips with the cognitive behavior of man, with man as a social actor and decision maker, with the ways in which man is molded by his culture and its social institution, and, more widely, with the distinctive characteristics of societies or cultures. Therefore, it is imperative to be clear on all concepts involved in the present study of Thai value systems and behavior patterns in order to have a better understanding of Thai culture and personality.

Komin (1990) further explains that the grouping of value clusters for explaining the Thai national character is based on instrumental values; the common means for the relatively varying goals, due to its nature as well as its findings. Logically, different cultures may have subtly different socialized means to attain goals. Together with indepth studies, the research data lends support to the overall picture that the Thai social system is first and foremost, a hierarchically structured society, where individualism and interpersonal relationships are of utmost importance. Komin (1990) describes nine value clusters according to their relative significant positions in the Thai cognitive system. They are:

1) Ego Orientation: Thai people have a very big ego, a deep sense of independence, pride and dignity. Despite the cool and calm front, they can be easily provoked by strong emotional reactions, if the self or anybody close to the self, such as one's

father or mother is insulted. This ego orientation is the root value underlying various key values of the Thais, such as face-saving. Avoidance and the *kreng jai* attitude, which roughly means feeling consideration for another person, not wanting to impose or cause the other person trouble, or hurt his/her feelings. The face is identical with ego and preserving one another's ego is the basic rule of all Thai interactions, both on the continuum of familiarity-unfamiliarity, and the continuum of superior-inferior, with the difference only in degree.

- 2) Grateful Relationship Orientation: reciprocity of kindness, particularly the value of gratefulness is a highly valued trait in Thai society. The Thais are brought up to value this process of gratefulness, the process of reciprocity of goodness done, and the ever-readiness to reciprocate. Time and distance are not factors to diminish the "bunkhun" but are an important base for relationships. In general, having high value for sincere and meaningful relationships as a base, followed by social smoothing interpersonal relation values, one can say that Thai relationships are usually a presentation of sincerity. Deep and long-term relationships result from a process of gradual reciprocal rendering and returning of goodness and favors, through successful experiences of interpersonal interactions. In fact, Thai people make friends easily. Deep friendship is not difficult to develop, even across hierarchies and cultures, provided that their ego is not slighted in the process of being friendly.
- 3) Smooth Interpersonal Relationship Orientation: unlike the Americans who downplay such values of self-control and politeness, the Thais, place a high value on group or other directed social interaction values that together project a picture of smooth, kind, pleasant, no-conflict interpersonal interactions. In short, it is the surface harmony as observed by many. This orientation is characterized by the preference for a non-assertive, polite and humble type of personality, as well as the

preference for a relaxed and pleasant interaction which accounts for the smiling and friendly aspects of the Thai people and which fascinates most foreign visitors.

- 4) Flexibility and Adjustment Orientation: besides ego and smooth interpersonal relation values, the Thais are flexible and situation-oriented. Because of this value, it is not surprising to find that a decision shifting behavioral pattern is quite common for the Thais, such as vote switching, position switching, or even switching of principles.
- 5) Religion-Psychical Orientation: Theravada Buddhism, the religion professed by 95% of the total population, undoubtedly has directly or indirectly exerted a strong influence on the everyday lives of the Thai people. As revealed from the data, it seems that Buddhism, more than anything else, serves as a psychological function for Thais.
- 6) Education and Competence Orientation: with respect to the value of education and its related values, the findings of the Thai value studies reveal that education and competence values receive a medium level of importance. Knowledge for knowledge's sake value does not receive high value in the cognition of Thais in general. Education has been perceived more as a means of climbing up the social ladder.
- 7) Interdependence Orientation: this value orientation reflects more the community collaboration spirit, and, in a sense, the value of co-existence and interdependence. The findings of the Thai value study have helped shed some light on the long time dispute over the loosely structured model of Thai society, especially those analyses that applied to the rural closed systems. Cooperation in rice agriculture by members is nothing new in Thailand. This is succinctly reflected through the value priorities of the rural Thais, where the two highest discrepancy values that distinguish the rural

Thai from the urban Thai are the religious values and the community-oriented values of brotherhood spirit in helping one another, and for being interdependent and mutually helpful.

- 8) Fun and Pleasure Orientation: this can be looked at and explained from two aspects. As far as the avoidance of work is concerned, research data shows that the private sector and the lower class work hard, and rank work over fun and pleasure. It is 'Bangkonians' and particularly government officials who prefer having fun over work, and are generally known to be very lax and inefficient in job performance. As for the fun leisure and smiling aspect, it can be explained as resulting from maintaining a pleasant and smooth face-to-face interpersonal interaction, which has a higher value. Most Thai social interactions are pleasant, light, possibly superficial, yet fun and humorous in nature. Joyful behavior can be observed at any Thai party, usually characterized by small talk, gossip, jokes, teasing one another, making fun of all kinds of non-personal inconsequential things and events, including playing with words, using puns and kham phuan (spoonerisms for taboo words). In a clever humorous and amusing fashion, besides these essential mechanisms of the so-called social cosmetics, which are so deeply rooted that they appear as a genuine presentation to project the smiling image, it is also a projection of the basic inclination of being kind, generous, sympathetic toward other human beings, strangers and foreigners included.
- 9) Achievement Task Orientation: the task achievement value is usually inhibited by social relationship values. While submissiveness and good relations, with or without work, has always paid off, a task that is seen as a threat or without submissive relations to superiors, does not lead to success in life. In the Thai cultural context, achievement in the Western sense would not fit, nor would those management

theories have a place for a culture of larger power distance with strong social relations.

Knutson (2004) observes that Thai culture is hierarchy-based, identifies the respectful position of Thai people and influences the type and forms of appropriate harmonious behavior. Furthermore, Thais prefer social harmony in their daily activities.

According to Hofstede (1983), people have differences in thinking and social action in different countries. Thai cultural issues can be viewed as: 1) high power distance – Thai culture is high power distance; this refers to the acceptance of a hierarchical structure. Thai subordinates usually accord respect and feel obligation to their boss; 2) collectivism—Thai culture is collectivist rather than individualist. Thus, the relationship between the person and the in-group is stronger than in the out-group; 3) uncertainty avoidance – Thai society is based on uncertainty avoidance, in which members in a culture feel uncomfortable in an unknown situation. People in this culture fear being in an ambiguous situation and facing unfamiliar risks; 4) masculinity versus femininity—the degree to which masculinity values like competitiveness and the acquisition of wealth are valued over feminine values like relationship building and quality of life. Thai culture is feminine, with Thais seeming more intent on staying close to their families.

In addition, Yintsuo (2007) argues that the differences of cultural and power distance affect the relationship between transactional leadership and transformational leadership. Thai managers are high in power distance culture, and low in

individualism and masculinity. Similarly, Noypayak and Speecc (1998) note that for organizations with large power distance culture, people accept strong hierarchy easily. In low power distance culture, people strive for equalization of power and do not accept strong status differences when power is unequal. Moreover, Jirachiepattana (1997) states that uncertain environments make Thai managers seek their security and influence; they do not focus on the long-term and have less strategic planning.

In relation to managerial and non-managerial attitude and behavior, a few studies have been undertaken to investigate Thai culture (Yukongdi, 2010). Recently, there have been studies on leadership skills (Cuong & Swierczek, 2008), leadership style and subordinate commitment (Limsila & Ogunlana, 2008). This study compares Thai organizational culture and foreign organizational culture, and investigates the differences and similarities within this organizational culture.

3.3 Multinational Companies (MNCs) in Thailand

A multinational company is more complicated, and is usually a fully autonomous unit operating in multiple countries (Miroshnik, 2002). MNCs are corporations that control production outside their country; they are referred to as global, transnational, and international companies. MNCs commonly reflect their home nation's culture and resources. The characteristics of MNCs include: 1) operating a sales organization, a manufacturing plant, a distribution center, or a licensed business; and 2) earning an estimated 25 to 45% of revenue from foreign markets, having common ownership, resources and global strategies (Keawprasit, 2008). In addition, MNCs

need to complement their home country practices that are coherent with overall MNC strategy with context-specific practices that are flexible across different host environments (Reiche, 2008).

Sauers, Lin, Kennedy, and Schrenkler (2009) claim that when MNCs invest abroad, they usually suffer problems linked to cultural differences between their parent countries and the local country. Boonsathorn (2007) states that MNCs not only bring their capital and technology but also culture and management style together. Furthermore, Miroshnik (2002) argues that culture is a problem for MNCs.

Harris (1995) states that the characteristics of multinational managers include: thinking beyond local perceptions, and transforming stereotypes into positive views of people, re-creating cultural assumptions, norms, and practices based on new insights and experiences, and creating cultural synergy, whenever feasible. Therefore, MNCs contribute towards less developed countries succeeding in international markets, thereby helping the local economy attract greatly desired hard currencies. Besides, they bring new technical and managerial skills into the local scenario (Keawprasit, 2008).

In addition, Vora and Kostova (2007) note that MNCs are much more complex than local firms, because they function in a variety of cultural environments, and deal with many types of managerial practices, routines and individual mindsets. Basti and Akin (2008) state that foreign firms are more efficient and productive than local firms; most research asserts that the productivity of foreign owned firms is higher than

locally owned firms. Therefore, foreign owned firms have higher value added per worker and pay higher monthly wages than domestically owned companies.

Cloud (2001) states that MNCs are increasing rapidly in the globalized economy. Direct foreign investment is also increasing rapidly in developing countries. Developing countries are greater targets for MNCs. Thailand is one of the countries that have attracted many MNCs from around the world, especially since the Thai government is supporting Thailand's effort to become an industrialized country (Boonsathorn, 2007). In addition, MNCs in Thailand have a leading role in the economy (Lawler, 1996).

In the past, most investment in Thailand was in the form of foreign direct investment; nowadays, a substantial proportion of investment is in the form of equity. Japanese MNCs tend to practice and promote Japanese management style and invest in on-the-job training for their employees at all levels, while MNCs from the USA tend to conduct training and development at mainly the managerial and professional levels. The USA and Western firms' salary or compensation are usually higher than the local market rates. This is different from Japanese firms in which they are about the same as local Thai firms, but job security is preferred, and they can attract the workforce (Budhwar, 2004). Furthermore, Sumetzberger (2005) suggests that the factors influencing MNCs include market situation and infrastructure and organizational logistics and organizational culture. Culture is important for the success and the survival of the organization. In addition, MNCs are representatives of different cultures, in that the workplace consists of workers from several cultural backgrounds (Boonsathorn, 2007). The different cultures create

serious profitability threatening difficulties, from management under-performance to low morale to active resistance to parent company directives (Keawprasit, 2008).

Li (1998) suggests that the consistency between strategy and corporate culture will lead to good performance, while a misfit between strategy and culture will lead to poor performance. Thus, an organization's strategy should be congruous with the organizational culture and be the key to its long-term success. Furthermore, Lau and Ngo (2001) suggest that Western MNCs have more organizational development than Asian firms. Noble (1997) found that multinational companies are potentially important to the national career education and training system in which they operate.

Zheng *et al.* (2007) state that in MNCs, training programs are important. The programs are offered to local employees, mostly managerial and professional employees. However, some programs do not enhance local employees' skills and career development. Zheng (2009) opines that MNCs have a higher rate of employee turnover. Culture may provide explanations of why employee turnover rates are higher.

3.4 Local Manager and Foreign Manager

The managers of different nationalities have different ways to approach performance. The difference may depend on cultural background. Hence, leadership behaviors are a linkage to cultural influences because people have different beliefs and assumptions about characteristics that are deemed effective for leadership (Jogulu, 2010). Similarly, Miroshnik (2002) states that different cultures need different

leadership styles; some strategies and technologies fit one cultural setting but may fail in another. Furthermore, Steers, Runde, and Nardon (2012) point out that leadership behavior depends on the setting of the culture. Some cultures set leaders at a higher position in the organization, while others want leaders who hold a part of the group. According to Harrison, (1995), culture can influence management style; managers who work in MNCS have greater responsibility for managing the different cultural backgrounds, and different societal values affecting their attitudes and behaviors. Cullen and Parboteeah (2008) found that foreign managers working in MNCs must have the skills and abilities to interact with and manage people from several cultural backgrounds. Hofstede (1983) states that the most important dimensions for leading and managing are power distance and individualism.

Sriussadaporn (2006) studied the management of international business communication problems in work settings in foreign companies operating in Thailand. The results showed that foreign managers feel that Thai subordinates keep quiet and do not openly show their feelings about the actual problem. Neupert *et al.* (2005) suggest that local and foreign managers have similarities and differences. There are differences in the characteristics of the culture in their organizations. Foreign managers have failed to understand the local culture; they bring with them mental maps and perspectives from their own countries and try to impose it on local employees; some aspects do not go down well or fit local expectations. Both local and foreign managers need cross-cultural issues and management training programs. If they have a feeling that they are unable to deal with situations because they are not as good as others, it will lead to high turnover and a lack of commitment to the organization. Furthermore, Selmer (1997) explored the differences in leadership

behavior between foreign and local managers in Hong Kong and found that local and foreign managers are different as observed by local employees. The differences may be culture-bound, with foreign managers applying a similar leadership style to that used in their home country, rather than adjusting to the local culture. In addition, Fisher and Hartel (2003) argue that Thai and Western managers do perceive that Thai culture is very different from Western culture. The uniqueness of Thai culture within Asian cultures was noted by both groups of managers. Western managers could never understand the Thai way; they feel the Thai culture is ethnocentric and homogeneous rather than heterogeneous.

Harrison (1995) suggests that the East Asian nations like Singapore, Hong Kong, Thailand, Korea, Philippines, Taiwan, Malaysia and Indonesia all exhibit high power distance and low individualism-collectivism. Ayoun and Moreo (2008) note that managers from high power distance countries would be less supportive of employees on-the-job, than managers who are low power distance, who motivate employees by control. O'Connor (1995) states that most managers in foreign subsidiaries have training in decision-making and problem solving, and have developed the confidence to manage. On the other hand, local companies appoint family members to several positions. Thus, the management of local companies is based on the centralization of power, and less emphasis is given to the training and development of managers in the organization. Local companies have a high power distance culture compared to foreign companies; this organizational culture could impact the process of evaluation. Furthermore, Zheng, Hyland, and Soosay (2007) state that MNCs have more training than local companies; also, training depends on one's position. For example, managers, professionals and technical staff would receive more training

than clerical and production staff. However, managers and professionals in Asian companies are not pleased with the training received.

Neupert, Baughn, and Dao (2005) note that socio-cultural differences can impact a manager's management effectiveness. Local and foreign managers have similarities and differences. Local managers lack understanding of the international marketplace, while foreign managers lack understanding of the local culture. Reade (2003) investigated factors that enhance the inclination of local managers to exert effort for the advantage of the MNC as a global entity, as well as for local companies. Local managers work best with culturally similar aspects in the workplace, and if they feel supported by head office management. In other words, foreign managers enhance the willingness of local managers to exert effort for the benefit of the MNCs. The prestige and distinctiveness of MNCs are factors contributing to the work effort of both global and local managers.

Thai and foreign managers are different, for example, Bunchapattanasakda and Wong (2010) found that foreign managers bring their management culture and practice from their home country to use on Thai employees. Thai and foreign cultures are different. Thai employees need clear instructions about team leadership from the managers. Thai employees feel that foreign managers do not understand the cultural differences in the organization; for example, foreign managers set times for completing jobs, which are insufficient to ensure the quality of the jobs. Similarly, Swierczek and Onishi (2003) found that Japanese managers solve problems through group work, while the Thai subordinates prefer to solve problems alone when they have sufficient knowledge. Moreover, Thais prefer to receive instructions from the

managers who lead and organize the project team. Furthermore, Wattanasupachoke (2006) asserts that in Thai organizations, great emphasis is given to internal relations, which is important for organizational performance.

Ralston, Hallinger, Egri, and Naothinsuhk (2005) compared the style of Thai and US managers, in terms of the effect of culture. They found that culture is important to explain a manager's behavior. Thailand has a high power distance and is collectivistic, while the feminine values orientation of US companies is high. Srisilpsophon (1999) says that Thai managers are manner-oriented rather than planning-oriented. They are highly flexible and adaptive to changes in a cooperative work situation and it is common for one man to show specific characteristics rather than the group. In addition, Petison and Johri (2008) investigated expatriate roles in a Thai subsidiary. The four types of expatriate role were: 1) commander-Thai employees tend to respect expatriates and follow their instructions. Thais keep quiet, do not ask questions of expatriates and try to solve the problem by themselves; 2) conductor-Thai employees can work well if expatriate supervisors are able to motivate and encourage them; 3) coach-Thai employees are avid learners of new technologies to improve their technical competencies. When mistakes occur, Thai employees are not condemned by supervisors in front of others; and 4) connector— Thais believe that when they get help or support from someone, it is necessary to do good things in return.

3.5 Differences between Local and Multinational Companies (MNCs)

Local companies and MNCs are different in two basic aspects: geographic dispersion and multiculturalism. Geographic dispersion refers to the orientation of international organizations; and multiculturalism refers to people coming from more than one culture interacting regularly (Miroshnik, 2002). Furthermore, Visitchaichan (2004) state that local organizations and multinational organizations have their own manner of administrating employees. For example, as Thailand is a Buddhist country, the management practices are based on the Buddhist way, for instance, Thais want to preserve calm in the relationship between employees and the employer. Similarly, Yukongdi (2010) claims that MNCs and domestic organizations may employ different management practices that can affect the effectiveness of leadership behavior. In addition, Low (1984) found that MNCs are more systematic than local companies, because they adopt longer range plans. Lau and Ngo (2001) claim that, normally, local organizations have less concern for the individual employee. They focus more on reducing costs and managing turnover rate. Furthermore, Das (1997) states the strategy of local companies for competitive and protected business markets for local companies and foreign companies, namely, 1) venture new chance in local and international markets, 2) fight with other local business as well as MNCs, and 3) overwhelm limitation had been happen in the last time.

Cuong and Swierczek (2008) found differences between corporate culture, leadership competencies, job satisfaction, job commitment, and job performance between local and international companies in Vietnam and Thailand. They conducted a survey among middle managers from big consumer manufacturing companies in local and

international companies in Vietnam and Thailand. They found differences in leadership competencies, job satisfaction, job commitment and job performance between local and international companies in Vietnam and Thailand, as the organizational culture was different in all dimensions, except bureaucratic orientation.

Sriussadaporn (2006) examined managing international business communication problems at work in foreign companies in Thailand. The study used in-depth interviews with expatriate and Thai senior employees. The results indicated that both expatriate and Thai employees exhibited differences in work and personal relationships, and their understanding of the action of verbal and nonverbal behavior.

3.6 Summary

This chapter presents background information concerning the Thai culture, followed by MNCs in Thailand; the differences between local and foreign managers are also pointed out in this chapter.

CHAPTER FOUR

THEORETICAL FRAMEWORK AND UNDERPINNING THEORY

4.1 Introduction

The previous chapter reviewed the relevance of Thai culture, followed by the culture of MNCs in Thailand, and the differences between Thai managers and foreign managers. This chapter presents and explains the concepts of this study's model and underpinning theory.

4.2 Theoretical Framework

From the literature reviews, the conceptual framework guiding this study is depicted in Figure 4.1 and Table 4.1 The figure presents an overview to be tested in this proposed study, to identify if leadership behavior and organizational culture have a direct relationship with organizational commitment. Additionally, this study also postulates that leadership behavior, organizational culture and organizational commitment directly influence turnover intention. This assumption is consistent with studies, such as Booth and Hamer (2007), SharifHeravi *et al.* (2010), Shim (2010), and Wells and Peachey (2011).

Organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention. This is aligned to previous studies, such as Allen and Rush (1998), Ahmad Jam and Fatima (2012), Iverson *et al.* (1996),

and Tompson and Werner (1997), who acknowledged the mediating role of organizational commitment in influencing turnover intention.

The present study attempts to integrate organizational commitment as a mediator in the relationship between leadership behavior, organizational culture and turnover intention. Figure 4.1 provides an overview of the research model the independent variables for this study are leadership behavior and organizational culture. The dependent variable of this study is turnover intention. Organizational commitment is a mediator.

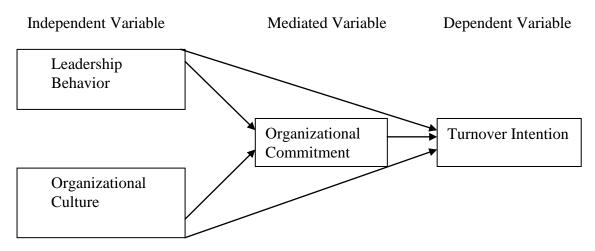


Figure 4.1 *Research Model*

Table 4.1 explains the direct relationships between independent variable and dependent variable. However, indirect relationships attempt to describe the effect of mediator in the relationship between independent variable and dependent variable.

Table 4.1 *Direct and Indirect Relationships*

Direct Relationships	Indirect Relationships
1. The relationship between	1. Organizational commitment
leadership behavior and organizational	mediates the relationship
commitment	between leadership
2. The relationship between organizational culture	behavior and turnover
and organizational commitment	intention
3. The relationship between leadership	2. Organizational commitment
behavior and turnover intention	mediates the relationship
4. The relationship between organizational culture	between organizational
and turnover intention	culture and turnover
5. The relationship between organizational	intention
commitment and turnover intention	

4.3 Underpinning Theory

The predominant theory to explain employee turnover intention is the theory of cognitive consistency. This theory is used to identify employee attitudes, which affect employee behavior and the intention to leave an organization.

Cognitive Consistency Theory

The underlying mechanisms explaining why leadership behavior and organizational culture may affect employees' intention to turnover from the organization can be derived from the cognitive consistency theory, originally called the cognitive dissonance theory (Festinger, 1957, as cited in Khalid, 2005), which suggests that people try to keep harmony between their behavior, belief, and attitude. The core of this theory is:

- 1. Dissonance takes place when a person holds a cognition that contradicts their other cognitions in the same field;
- 2. Dissonance enables measures reduction and increment avoidance in the dissonance;
- 3. Alteration of the discrepant cognition to bring it in line with an individual's other cognitions is a way that enables an individual to reduce dissonance.

Festinger (1957) used 'cognition' as a term that belongs to knowledge, opinion, or belief about the environment, oneself, or one's behavior. This implies that individuals do strive to be consistent in their cognitions about their attitudes, behavioral intention, behavior and the environment (Doran, Stone, Brief, & George, 1991).

Festinger originally introduced the concept of cognitive consistency theory in 1957. The theory of cognitive consistency attempted to explicate how to make a connection between attitude and behavior, and dissonance mean and inconsistency. Cognitive dissonance means discomfort over the discrepancy between an individual's already

acquired knowledge or beliefs and new information. However, the theory of cognitive consistency clarifies that behavior inconsistent with an established attitude should be altered, an alteration occurring from the form of changing the original attitude for more conformity with the actual behavior. In accordance with this, a person behaving differently will also change their attitude about themselves.

Festinger's (1957) cognitive dissonance theory suggests that two cognitions can be related or unrelated: whether they are each consonant or dissonant. Consonance arises when one cognition follows from the other, while dissonance happens when one cognition follows from the opposite of the other.

Festinger's (1957) cognitive dissonance is psychological and is about the discomfort one feels over a discrepancy between one's actual knowledge or belief, and new information. Moreover, the cognitive dissonance theory implies a drive from within to harmonize all attitudes and beliefs and avoid disharmony. Cognitive dissonance means a situation of conflicting attitudes, beliefs or behaviors. The outcome is a feeling of discomfort that leads to a change in one of the attitudes, beliefs or behavior to minimize discomfort and restore equilibrium. Festinger's (1957) proposed cognitive dissonance theory stipulates that a powerful motive to keep cognitive consistency under control may give an opportunity to irrational and often maladaptive behavior. Additionally, Festinger (1957) states that dissonance arises in an individual when one has two cognition elements about oneself or one's environment, and where one opposes the other, the reason why dissonance arouses tension and motivates individuals to find mechanisms to reduce the dissonance.

Some means of doing so include changing behavior, adding to evidence justifying one's decision, altering one's attitude about one's act, and distorting the information. Elliot and Devine (1994) state that people suffer cognitive dissonance when they maintain two or more cognitions; such a state makes them have an unpleasant experience. However, individuals like consonance, so they will seek the least dissonance to enable inconsistent cognitions to fit together. Although a person experiences cognitive dissonance for a short period, it is a great incentive for organization members to embark on change initiative adaptation. Likewise, Robbins (2005) claims further that cognitive dissonance denotes any incompatibility perceivable by an individual between two or more of their attitudes, or between their behavior and attitudes. Festinger (1975) also states that dissonance does occur should a person hold cognitions inconsistent with their other cognitions in the same area.

Gawronshi and Strack (2004) studied the influence of cognitive dissonance on explicit and implicit attitude. The results indicated an inherent proposition for dissonance related attitude changes. Cognitive dissonance is only affected explicitly at the time the perceived situational pressure is low, and not when it is high. Sweeney, Hausknecht and Soutar (2000) suggest that cognitive dissonance is a result of the opinion or decision made when cognitions and opinions are directed indifferently. In addition, Obalola, Aduloju, and Olowokudejo (2012) confirm that, normally, individuals put forth considerable effort to minimize dissonance with their environment in an organizational context.

Furthermore, Telci, Madan, and Kantur (2011) note that the cognitive dissonance theory explains when an individual catches two cognitions that are inconsistent. This theory is useful in the field of organizational behavior, management research as well as work attitude and the behavioral intention of employees in the organization.

If an employee experiences a high level of discrepancy, he/she will try to reduce the imbalanced situation. Because of the high level of dissonance, an adjustment process will be undertaken to reduce or remove the uncomfortable situation. Changing the current job can be one alternative to avoid dissonance.

Leadership behavior and organizational culture are the variables that create the dissonance in the formulation of turnover intention and the role of that variable determines the level of organizational commitment. For example if the leader makes a serious mistake in the employee decision process they may interpret it or perceive it as incongruent with their cognition, attitude or value, thereby leading to a lower level of organizational commitment. Organizational commitment can be considered as an intermediate variable that connects its determinants with turnover and turnover intention. The importance of commitment toward an organization is cognitive consistency. Employees have chosen to stay and work hard for the organization. Therefore, employees remain consistent if they are more committed. From the previous literature review, employees with a low level of organizational commitment contribute to an elevated level of turnover intention. In other words, dissonance is likely to occur when commitment is low, but is unlikely to occur when commitment is high.

4.4 Summary

This chapter provides a theoretical framework for this study, and is elaborated based on the underpinning theory: cognitive consistency theory. This theory is the most appropriate explanation for employee turnover intention and organizational commitment.

CHAPTER FIVE

METHODOLOGY

5.1 Introduction

The previous chapter reviewed the relevant theoretical framework of this study, conceptual definition and underpinning theory. This chapter specifically discusses in detail how the proposed study is to be carried out. In particular, this chapter discusses the methodology, comprising research design, sampling, data collection and data analysis.

5.2 Research Design

The main approach used in this study is the quantitative research design. This refers to collecting numerical data by means of structured questionnaires or observation guides to gather primary data from people (Hair, Money, Page, & Samouel, 2007). Likewise, this study collects data from two groups of employees that are all employees of local Thai companies and MNCs. The researcher separated the questionnaire into two groups by using a different color code on the cover of the questionnaire. This was done by putting two colors on the questionnaire cover, before sending to the companies – pink color to local Thai companies and blue color to MNCs. Furthermore, quantitative research can analyze the data and determine the quantity and the extent to which certain phenomenon in the form of numbers is statistically accurate and reliable. Specifically, quantitative analysis is used when the

primary objective of research is to examine if a particular relationship or difference between two or more variables is significant (Zikmund, 2003).

This study uses the quantitative approach because of the following reasons: 1) allows the relationship to be determined between the variables using statistical methods. This corresponds with the objective of the present study, which is to examine the connection among organizational culture, leadership behavior, organizational commitment and turnover intention; 2) allows the analysis to be carried out on a large sample, which can be generalized to the whole population; and 3) allows use of standard and formal sets of questionnaires.

5.3 Response Format

All items of questionnaires use a 5-point Likert scale that ranged from 1-strongly disagree, 2-disagree, 3-neither agree, 4-agree and 5-strongly agree. The result of Likert scale will illustrate the position and the attitude of an individual towards the purpose (Fishbein & Ajzen, 1980). The most widely use this methodology because it is easy for respondent to use, understand and responses from such a scale are likely to be reliable and acceptable (Badara, Johari, & Yean, 2014; Karagiorgos, Drogalas, & Giovanis, 2011; Meyers & Gramling, 1997). Furthermore, Sekaran (2003) state that a 5-point scale is just as good as any, and that an increase from 5 to 7 or 9 points on a rating scale does not improve the reliability of the ratings. In addition, Zuriekat, Salameh, and alrawashdeg (2011) indicated that 5-piont Likert scales were used throughout the questionnaire to give a greater opportunity to respondents to answer the questionnaire. Furthermore, Kroshick and Fabrigar (1997) and Scott and Fifher

(2001) noted that the 5-piont Likert scale has the mid-point that can clearly decrease the problem of response bias.

5.4 Operationalization of Variable

A survey was conducted to collect data about leadership behavior, organizational culture, organizational commitment and turnover intention. In this study, four types of instrument were used to measure the independent variables (leadership behavior and organizational culture), mediating variable (organizational commitment) and dependent variable (turnover intention). The following sections discuss how the variables were measured.

5.4.1 Turnover Intention

Turnover intention is operationally defined as workers being considered as a cognitive process of thinking, desiring and planning to leave from a current organization (Mobley, 1977). In previous research, such as Sahin (2011), Limyothinand and Trichun (2012), Long, Thean, Wan Ismail, and Jusoh (2012), subjective turnover intention was assessed using three items. This construct was adopted from Khalid (2005). The items were: (1) If I may choose again, I will choose to work for the current organization; (2) It is very possible that I will look for a new job next year; and (3) I often think of leaving the organization. Participants marked their levels of agreement on a 5-point scale that ranged from "strongly disagree" to "strongly agree". These items was showed reliable by cronbach's alpha of 0.78 (Khalid, 2005).

5.4.2 Leadership Behavior

This study measured two kinds of leadership behavior—transformational leadership and transactional leadership.

Transformational leadership

This construct measures five dimensions: Idealized influence (Attributed), Individualized consideration, Intellectual stimulation, Idealized influence (Behavior), and Inspiration motivation. The questionnaire was adopted from Chen (2005) and measured 20 items. The items was found reliable at Cronbach's Alpha 0.83. The respondents were asked to mark on five scales the frequency of the indicated behavioral patterns expressed by their leader. The scale ranged from 5=frequently to 1=not at all. The questions concerning the measurement of Idealized influence (Attributed) had four items, Idealized influence (Behavior) four items, Inspiration motivation four items, Intellectual stimulation four items and Individualized consideration four items.

Transactional leadership

This construct measures three dimensions: conditional reward, management by exception-passive and management by exception-active. Typical leader behavior was measured using the modified questionnaire from Chen (2005) and was found reliable by Cronbach's Alpha of 0.85. The questions asked workers to rate his/her leaders using 12 items. The respondents were asked to mark on five scales the frequency of

the indicated behavioral patterns expressed by their leader. The scale ranged from 5 = frequently, if not always, 4 = fairly often, 3 = sometimes, 2 = once in a while and 1= not at all. The survey question pertaining to the measurement of conditional reward had four items, management by exception-passive, four items and management by exception-active, four items.

5.4.3 Organizational Culture

This section concerns the measurement of the dimensions of culture. The study examines the fundamental character and spirit of culture: which are hierarchical culture and rational culture. The 10 items adopted from Yang (2005), were found reliable at Cronbach's Alpha of 0.74 and 0.78. Reward and recognition, adopted from Boon and Arumugam (2006), had 7 items and are reliable of Cronbach's Alpha was at 0.73. Teamwork was adopted from Haigh (2006), by using 6 items and are reliable at Cronbach's Alpha of 0.91. The survey asked workers to describe their organization using a 5-point rating system: 5 = Strongly agree, 4 = Agree, 3 = Neither agree nor disagree, 2 = Disagree, and 1= Strongly disagree.

5.4.4 Organizational commitment

The measures of the dimensions for organizational commitment were adopted from Stallworth (2004). The items were found reliable at Cronbach's Alpha of 0.84. The study examined the fundamental character and spirit of commitment. The instrument was developed to measure the basis of the three dimensions: normative commitment, continuance commitment, and affective commitment, and consisted of 24 items.

Responses were recorded on a 5-point Likert scale, ranging from 5 = Strongly agree to 1 = Strongly disagree.

All the instruments used are shown in Table 5.1

Table 5.1 *Summary of Measures*

Independent & Dependent Variable	Items	Scale	Authors
Turnover Intention	3	1=Strongly disagree	
		2=Disagree	Khalid
		3=Neither	(2005)
		4=Agree	
		5=Strongly agree	
Leadership Behavior	32		
		1=Not at all	
Transformational	20	2=Once in a while	
leadership		3=Sometimes	Chen (2005)
		4=Fairly often	
		5=Frequently if not always	
		1= Not at all	
		2= Once in a while	
		3= Sometimes	
Transactional leadership	12	4= Fairly often	Chen (2005)
•		5= Frequently if not always	,
			Hierarchical
Organizational Culture	23		culture and
		1=Strongly disagree	rational
Hierarchical	5	2=Disagree	culture Yang
Rational	5	3=Neither	(2005),
Reward and recognition	7	4=Agree	Reward and
Teamwork	6	5=Strongly agree	recognition
			Boon and
			Arumugam
			(2006),
			teamwork
			Haigh (2006)
Organizational	24		Stallworth
Commitment		1=Strongly disagree	(2004)
		2=Disagree	
Affective	8	3=Neither	
Continuance	8	4=Agree	
Normative	8	5=Strongly agree	
Total	82		

5.5 Translation

The questionnaire for this study was originally prepared in English. However, although the respondents understood English to a certain extent, to ensure that every respondent understood the items well, the entire instrument was translated into Thai. The back-translation technique was utilized, to ensure that equivalence of measures was achieved in both Thai and English (Brislin, 1970). The English version of the questionnaire was translated into standard Thai by a translator fluent in both English and Thai, i.e., a local English language lecturer at one of the local public universities. Several discussions were held to ensure that the original meaning was maintained. Then, the back translation procedure was employed on the Thai version back in to English by another Thai English language lecturer. The original English questionnaire and the back-translated English version were compared. It was deemed that no major rewording was needed for any particular item.

5.6 Pilot Study

A pilot study was conducted among 50 responders from local Thai companies and MNCs. A total of 80 surveys were given to participants working in local Thai companies and MNCs and 50 questionnaires were returned. The responses of the pilot study were not included in the main research. Internal consistency of the interval scale measure based on the 50 questionnaires was determined through a reliability analysis using Cronbach's Alpha.

Table 5.2 shows the interval scale variables that the study used. All the variables used in the present study show a high internal reliability value ranging from .81 to .95. The composite reliabilities, as illustrated in Table 5.2, suggest that the indicators are sufficient for use because the values are higher than the reliability indicator provided by Nunnally (1978).

Table 5.2 Reliabilities of Constructs for Pilot Study

Variables	Cronbach's Alpha
Leadership behavior	.95
Organizational culture	.89
Organizational commitment	.81
Turnover intention	.83

5.7 Main Study

The main study comprises population, sample size, sampling, data collection, and data analysis.

5.7.1 Population

The population of this study are all employees from local Thai companies and MNCs in Songkhla Province Southern Thailand. The study focused on the turnover intention of employees of both local Thai companies and MNCs in Thailand. The

unit of analysis was the individuals working in these companies. In addition, the target population of this study encompassed all top-level employees up to lower level employees.

The locations selected are justified based on the following reasons: mail data collection was not possible because employees did not have a personal mailbox, which would complicate mail data collection. The use of a set questionnaire would require the researcher to visit every company for the purpose of obtaining approval to collect data and explain the method of data collection for the criterion variable. Based on the latest statistics from the Department of Industrial Works, Ministry of Industry, as at 2008, the total number of companies and employees are indicated in Table 5.3.

Table 5.3

Number of companies and number of employees in Local and Multinational Companies (MNCs) in Southern Thailand

	Local Tha	ocal Thai Company (MNC)			
Provinces	Number of Companies	Number of Employees	Number of Companies	Number of Employees	
SONGKHLA	1,729	40,955	324	33,508	
SATUN	214	3,210	53	1,325	
TRANG	519	16,089	173	5,363	
PHATTHALUNG	668	3,367	166	837	
PATTANI	708	6,985	177	2,289	
YALA	264	4,752	66	1,332	
NARATHIWAT	368	4,048	91	819	
TOTAL	4,470	79,446	1,050	45,473	

Source: Department of Industrial Works, Ministry of Industry (2007)

5.7.2 Sample size

The respondents for this research were collected from Songkhla Province, the statistics indicate that, in Thailand, the highest employee turnover rate is to be found in the South (Department of Employment, 2006), as in the South of Thailand Songkhla Province is an important hub for industry and a trade center in South Thailand. This was based on two reasons: 1) the policy and socio-economic development plans of the country; and 2) the investment strategy concerning Songkhla's location, which is located on the Gulf of Thailand's coast, serving as a transportation and communication hub to the south as well as the international gateway for transportation to Penang, Singapore and Indonesia (Asian Development Bank and Ministry of Communication, 2005). As far as the policy of the country is concerned Southern Thailand is a land of rich natural resources, particularly rubber and oil palm. Songkhla serves as the base of the rubber industry of the country. In addition, an investment in the energy industry, with natural gas and petroleum gas is also available in this sub region (Report of the 5th Governor and Chief Ministers' Forum, 2008). Another reason for the importance of Songkhla province concerns its strategic location. It is bordering the state of Kedah in Malaysia and acts as the gateway for trade and connecting corridor between the South and other countries and South Thailand (http://imtgt.org). With the best strategic location, Songkhla has operated the Songkhla port since 1988 to serve the needs of ocean liner companies, various local business communities and shippers. A private entity leases the port, under the auspices of the Harbor Department, which functions on behalf of the Ministry of Commerce and Communications. Songkhla port is a feeder destination for shipping between the Singaporean regional hub and the major ports of Thailand (www.Thailand.com). Consequently, this study chose to collect data from Songkhla because it is the best location for both Thai and Foreign investors.

The total number of workers working in the Songkhla province in local Thai companies is 40,955 and 33,508 for MNCs. The total number of Thai local companies is 1,729 and there are 324 multinational companies. The companies in Thailand are categorized by size as large, medium and small (Ministry of Industry, 2007).

- 1. Small size companies are those with investment of less than 20 million Baht and which employ less than 50 people.
- 2. Medium size companies have investment between 20-100 million Baht and employee between 50-200 people.
- 3. Large size companies have investment of over 100 million Baht and employ over 200 people.

In Songkhla province, 93% of the total companies are small size, 6% are medium size, and 1% is large size.

The sample for this study included 8 companies the 4 local Thai companies and the 4 MNCs was drawn from large size companies because the statistics for employee turnover in Thailand's large size companies show that they have a high rate of turnover compared to small and medium size companies (Department of Employment, 2006). Mobley (1982), and Terborg and Lee (1984) confirm that the size of the organization can be a predictor of employee turnover. They state that large organizations might have an increased turnover rate due to communication problems,

weak group cohesion, impersonalization and bureaucratization. Furthermore, Randeree and Chaudhry (2012) state that the size of organization affects leadership behavior and impacts on the organizational commitment of workers.

Large size companies have the ability to depend on themselves and have a large amount of capital. Therefore, they can afford readymade programs in management, which include receiving orders, planning production, and managing workers and have better information technology than small and medium size companies. In addition, the large size company's organizational culture is likely to be sophisticated and established. This study compares local Thai companies and MNCs; if local companies are small or of medium size, it is not thought to be meaningful because large size companies include the vast majority of all foreign companies in all ownerships and nationality categories.

Furthermore, the small and medium sizes are functioning with a small number of workers. Therefore, managers are able to give personal attention to their workers and the workers can discuss their problems with their managers. As there are fewer grievances motivation is higher, and, therefore, there is not really a turnover problem (Patrayutvat, 2009).

5.7.3 Sampling

In Songkhla Province, there are only eight large size companies comprising four local Thai companies and four are MNCs. This study was conducted in these eight companies. A list of all the employees in the eight companies was acquired from the

HR (Human Resource) departments of the respective organizations. Based on the list, 50% of employees from each of the eight companies were chosen to be involved in this study. In the same way as Ngethe, Namusonge and Iravo (2012), they use a sample of approximately 10% of the population (4967). According to Krejcie and Morgan (1970), for a population size of 4,644, the minimum sample size required is 354. In order to obtain a large sample size it was determined that questionnaires would be distributed to 50% of workers in each of the eight companies.

The convenience sampling is used in this study because this method by obtaining units or reponses who are most convenienty available and are easily accessible and willing to participate in a study (Kitchenham & Ptleeger, 2002; Teddie & Yu, 2007; Zikmund, 2003). Furthermore, Lynch (1982) state that convenience sample of comparative homogenous subjects are desirable. According to Zikmund (2003) convenience sample is be suitable a large number of responses and are best for exploratory research.

The population of workers in the local Thai companies is 2,295 and in the MNCs it is 2,349. The sample size selected based on 50% of the total population is 1,147 workers from local Thai companies and 1,175 workers from the MNCs, This is shown in Table 5.4.

Table 5.4

Number of Employees and Number of Questionnaires Sent

Company	Type of Company	Number of Employees	Questionnaires Sent
1	Local	435	218
2	Local	650	325
3	Local	590	295
4	Local	620	310
5	MNCs	780	390
6	MNCs	350	175
7	MNCs	654	327
8	MNCs	565	282
Total		4,644	2,322

5.7.4 Data Collection

The Human Resource Department was approached to request assistance to distribute the questionnaires to the employees. A pack containing the questionnaire with instructions on how to complete the questionnaire and a self-addressed envelope was prepared for distribution to the employees. A total number 2,322 of packs to be distributed to each company was based on the data in Table 5.4. The researcher delivered these packs to the HR managers and requested him/her to give it to their employees and was informed that the returned questionnaire will be collected from the company after two weeks. This task was carried out for the eight companies within a period of 104 days beginning from mid-January 2010 until the end of April 2010. It took longer to collect the questionnaires because some companies requested more time to distribute and collect them. The total returned is 1,675 questionnaires which contributed to 72.14%.

5.7.5 Data Analysis

A preliminary test was performed to decide the participation rate, consistency and the validity of the study. Consistency and factor analysis were used to evaluate the consistency and validity of the independent variables of leadership behavior and organizational culture, as well as the dependent variable of intention to turnover, and the mediator variable of organizational commitment. The participation rate was determined by calculating the percentage and frequency of responses. The descriptive statistics, namely, mean, median, standard deviation, percentage and frequencies were used to describe the key aspects of the given sample.

For this study, the independent variables are multidimensional constructs. Factor analysis was conducted in this study. Before testing for the relationship between variables analysis in the present study, Principal Component Analysis (PCA) with varimax rotation (Hair, Anderson, Tatham, & Black, 1998) was used to identify the underlying dimensions of each construct. To Dess, Lumpkin, & Covin, 1997), factor analysis is acceptable to obtain expressive summaries out of data matrices, and helps identify significant patterns within the sets of variables. The PCA is the most frequently used factor extraction method (Cooper & Schindler, 2003).

Furthermore, the varimax rotation method is known to give a clearer separation of factors (Hair *et al.*, 1998). Factor analysis was conducted on leadership behavior, organizational culture, organizational commitment and turnover intention. The study has a cutoff point of .30 for factor loading and minimum .20 difference among the highest loading and the second highest loading.

In the said study, reliability describes the internal regularity, which indicates the homogeneity of items in the measure that tapped the construct. The reliability means to what extent a variable or variables is consistently measuring what they are supposed to measure (Hair *et al.*, 1998). Cronbach's Alpha is the standard recommended to measure a set of items' internal consistency (Sekaran, 2003). A reliability analysis was used on the scales for measuring the items of leadership behavior, organizational culture, organizational commitment and turnover intention. The generally accepted lower level of Cronbach's Alpha reliability is .70 (Nunnally, 1978), although Cronbach's Alpha of .60 is accepted (Hair *et al.*, 1998). The reliability and factor analysis were used for further analysis. The results of reliability analysis and factor analysis are shown in the next chapter.

5.7.5.1 Bivariate Correlation and Multiple Regression

The present study used bivariate correlation to test the correlation among leadership behavior, organizational culture, organizational commitment and intention to turnover of employees in both local Thai companies and MNCs. Bivariate correlation is a method to test the association between the variables (Zikmund, 2003). The correlation coefficient evaluates the power, direction, and significance of the relationship (Sekaran, 2003).

Multiple regression provides an insight into the amount of variance in the dependent variable that can be explained by the independent variables (Sekaran, 2003). In the present study, multiple regression was used to test the influence of the independent

variables; namely, leadership behavior and organizational culture dimensions on the dependent variable – turnover intention

5.7.5.2 Hierarchical Multiple Regression

Hierarchical multiple regression analysis was utilized for testing whether organizational commitment mediates the correlation of leadership behavior and organizational culture to turnover intention. The hierarchical multiple regression was applied to detect the mediating effect. Baron and Kenny (1986) established the conditions for testing the mediating effect between the independent and dependent variables as follows:

- 1. The mediator must be affected by the independent variable in the first step.
- 2. The dependent variable must be affected by the independent variable in the second step.
- 3. The dependent variable must be affected by the mediator in the third step.

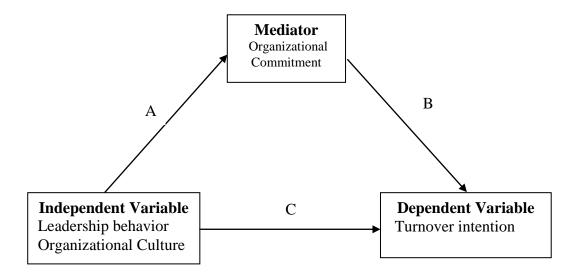


Figure 5.1 *Mediation model*

Source: Baron & Kenny (1986)

According to Baron and Kenny (1986), mediation can be established with three steps of regression test. First, leadership behavior and organizational culture (independent variable) must be related to organizational commitment (mediator). Second, leadership behavior and organizational culture (independent variable) must be related to turnover intention (dependent variable). Third, organizational commitment (mediator) must affect the intention to turnover (dependent variable).

If the mediator fully mediates the relationship between independent variable and the dependent variable. The mediator effect should be a non-significant relationship between independent and dependent variable after intervention by the mediator. On the other hand, partial mediation is established when the mediator does not fully interfere with the connection among the independent and dependent variables.

Furthermore, the relationship between leadership behavior and organizational culture (independent variable) and turnover intention should be significantly less intense than the key effects of criterion and predictor variables. In order to perform mediation analysis, in step 1, the researcher entered the independent variables and dependent variable. For the second step, the mediator, organizational commitment was entered. For the third step, leadership behavior, organizational culture and organizational commitment were entered into the equation.

The process for evaluating the mediating effect consisted of entering the set of predictors into the regression equation in order. The first step required the main effects of leadership behavior and organizational culture to be entered into the

equation. The second step required the mediator variable of organizational commitment dimensions to be entered into the equation.

5.7.5.3 Summary Type of Analysis Used for Research Question

The following table summarize the type of analysis used to answer each research question as stated in chapter one.

Table 5.5
Research Question and Type of Analysis

No	Research Questions	Analysis
1	What is the level of key variables on overall employees and with comparison between employees in local Thai and MNCs?	Frequency Analysis
2	What is the relationship between Leadership behavior and organizational culture on turnover intention toward overall employees and is it different between employees in local Thai companies and MNCs?	
3	Is there a relationship between Leadership behavior and organizational culture influence organizational commitment on overall employees and is it different between employees in local Thai companies and MNCs?	Multiple Regression Analysis
4	Is there a relationship organizational commitment and turnover intention on overall employees and is it different between employees in local Thai companies and MNCs?	
5	Does organizational commitment mediate the relationship between leadership behavior, organizational culture, and turnover intention on overall employees and is it different for employees in local Thai companies and MNCs?	Hierarchical Multiple Regression Analysis

5.8 Summary

The methodology utilized in this research is described in this chapter including the measurement of the variables, translation sampling, data collection and analysis to find answers to the research question. Furthermore, the chapter explains the process of checking the consistency of the construct instruments based on the pilot study conducted prior to the actual study. Sampling and population are also included. The next chapter explains the validity test on the study construct instruments, especially testing the relationship of leadership behavior, organizational culture, and organizational commitment on intention to turnover. In this study, these effects are examined in Thai local companies and MNCs in Songkhla province, Thailand.

CHAPTER SIX

ANALYSES AND RESULTS

6.1 Introduction

This chapter analyzes the goodness of measures through validity, and reliability analysis of the measures being used, and analyzes the relationship between leadership behavior, organizational culture, organizational commitment and turnover intention, based on the data gathered from the questionnaire survey. The first section explains the response rate and gives a description of the study sample. The second describes the goodness of measure through validity and reliability analysis of the study variables. The last section uses multivariate analysis to test the study hypotheses.

6.2 Response Rate

Questionnaires were distributed to 2,322 respondents who are working in 4 local Thai companies and another 4 MNCs located in Songkhla province. Table 6.1 illustrates the response rate of this study. The names of companies are kept anonymous on the request of the participating companies managers.

Table 6.1

Response Rate of Participating Employee

Type of Company	Questionnaire Distributed	Questionnaire Collected	Incomplete	Response Rate (%)
Local	1,148	862	10	74.22
MNCs	1,174	813	15	67.97
Total	2,322	1,675	25	71.06

As shown in Table 6.1, out of the 2,322 questionnaires that were distributed, 1,675 were returned. Out of these 1,675 questionnaires returned, 25 were incomplete and were discarded. Thus, only 1,650 questionnaires were used for the final analyses, yielding a response rate of 71.06 %.

6.3 Descriptive Analysis

6.3.1 Respondents' Demographic Characteristics

This section describes the background information concerning the sample of the study. The characteristics examined include gender, age, monthly salary, marital status, level of education, level of occupation, organizational tenure, number of organizations before joining this organization and previous experience.

Table 6.2 shows the background information of the respondents who participated in the study. The majority of respondents were female, for both local Thai companies (53.1%) and MNCs (57.1%). The respondents in local Thai companies were predominantly 26-30 years (27.3%) while the majority of the respondents from MNCs were 31-35 years (28.7%). For both Thai companies and MNCs the respondents' monthly salary under 10,000 Baht (local Thai companies 53.4%, MNCs 56.1%). The marital status of the respondents both local Thai companies and MNCs

was mostly married (local Thai companies 50.6%; MNCs 52.6%). The respondents in Thai local companies had bachelor's degree (40.8%); while the majority of the respondents from MNCs had high school (35.4%). These were the biggest proportions of operators for both the Thai local companies and the MNCs.

The organizational tenure, on average, for the respondents was: mean = 5.73 years, standard deviation (SD) = 5.18 in local Thai companies and MNCs, mean = 6.62, SD = 5.05, number of organizations before joining this organization for Thai local, mean = 2.29, SD = 3.71 while for MNCs, mean = 1.23, SD = 2.53 and previous experience local Thai companies mean = 1.06, SD = 1.53, MNCs, mean = 0.69, SD = 1.21.

The characteristics of the respondents in this study are similar to the population. The samples of this study encompassed every position of employee in the organization.

Table 6.2 *Description of Sample*

Personal Data	Categories	Local Thai Companies (N=846)		MNCs ((N=804)
		Frequency	Percentage	Frequency	Percentage
Gender	Male	397	46.9	345	42.9
	Female	449	53.1	459	57.1
Age	Under 20	18	2.1	13	1.6
	21-25	128	15.1	128	15.9
	26-30	231	27.3	218	27.1
	31-35	210	24.8	231	28.7
	36-40	123	14.5	117	14.6
	41-45	87	10.3	59	7.3
	46-50	39	4.6	26	3.2
	51-55	7	0.8	9	1.1
	Over 56	3	0.4	3	0.4
Monthly Salary	Under 10,000	452	53.4	451	56.1
	10,001-20,000	310	36.6	255	31.7
	20,001-30,000	56	6.6	52	6.5
	30,001-40,000	14	1.7	29	3.6
	40,001-50,000	7	0.8	10	1.2
	Over 50,001	4	0.5	7	0.9
Marital Status	Single	382	45.2	353	43.9
	Married	428	50.6	423	52.6
	Widowed	20	2.4	11	1.4
	Divorced	16	1.9	17	2.1
Education	High School	224	26.5	285	35.4
	Vocational	57	6.7	51	6.3
	Certificate				
	Vocational Diploma	104	12.3	108	13.4
	Associate Degree	69	8.2	63	7.8
	Bachelor Degree	345	40.8	246	30.6
	Master Degree	26	3.1	18	2.2
	Doctorate Degree	-	-	-	-
	Other	21	2.5	33	4.1
Occupation	Manager	157	18.6	79	9.8
1	Professional	33	3.9	20	2.5
	Technician	67	7.9	68	8.5
	Clerical Staff	239	28.3	164	20.4
	Operator	343	40.5	452	56.2
	Other	7	0.8	21	2.6
Years of work with	h this organization	Mean = 5.73	SD = 5.18	Mean = 6.62	SD = 5.05
Number of organizioning this organi		Mean = 2.29	SD = 3.71	Mean = 1.23	SD = 2.53
Years of experience organization	ce in previous	Mean = 1.06	SD = 1.53	Mean = 0.69	SD = 1.21

6.3.2 Descriptive of Variable for Employees in Local Thai Companies and MNCs

The statistical description of variables used in the study was examined by using descriptive analysis. Statistics, such as mean and SD of the independent and dependent variables, were obtained. Tables 6.3- 6.4 exhibit the means and SD of the study variables. The sample in this study was separated into two groups by type of company: local Thai company and MNCs. The responses to all the items for the study variables were rated on a 5-point Likert scale (1= strongly disagree to 5 = strongly agree).

The results for local Thai companies are shown in Table 6.3. All the variables were rated on a five-point scale. The lowest mean was turnover intention (2.71), SD was .85, the minimum and maximum scores were 1.00 and 5.00, respectively, indicating that the turnover intention among the majority of the respondents was not high. The mean score of average rational height was 3.94 with a SD of .72 while the minimum and maximum scores were 1.67 and 5.00.

Table 6.3

Mean, SD, Minimum and Maximum of Local Thai Companies (N=846)

Variables	Mean	SD	Minimum	Maximum
Leadership Behavior	3.50	.74	1.20	5.00
Organizational Culture	3.50	.61	1.30	5.00
Hierarchical	3.56	.76	1.17	5.00
Rational	3.94	.72	1.67	5.00
Reward and Recognition	3.25	.90	1.00	5.00
Teamwork	3.36	.76	1.00	5.00
Organizational Commitment	3.47	.47	1.63	5.00
Affective	3.50	.67	1.00	5.00
Continuance	3.34	.72	1.00	5.00
Emotional Attachment	3.56	.57	1.00	5.00
Turnover Intention	2.71	.85	1.00	5.00

The results for MNCs are shown in Table 6.4. All the variables are on a five-point scale. The lowest mean was turnover intention (2.70), SD was .77, the minimum and maximum scores were 1.00 and 5.00, respectively, indicating that the turnover intention among the majority of the respondents was not high. The mean score of average rational height was 3.88 with a SD of .63 while the minimum and maximum scores were 1.00 and 5.00.

Table 6.4 *Mean, SD, Minimum and Maximum MNCs (N=804)*

Variables	Mean	SD	Minimum	Maximum
Leadership Behavior	3.61	.74	1.12	5.00
Organizational Culture	3.58	.59	1.30	5.00
Hierarchical	3.76	.68	1.00	5.00
Rational	3.92	.68	1.00	5.00
Reward and Recognition	3.34	.89	1.00	5.00
Teamwork	3.41	.77	1.00	5.00
Organizational Commitment	3.49	.42	2.25	4.81
Affective	3.50	.58	1.00	5.00
Continuance	3.37	.71	1.00	5.00
Emotional Attachment	3.59	.56	1.00	5.00
Turnover Intention	2.70	.77	1.00	5.00

In sum, the results show that employees in both local Thai companies and MNCs do not have a high level of turnover intention and the level is similar, in that in local Thai companies, the mean for turnover intention is 2.71 and in MNCs it is 2.70.

6.3.3 Descriptive Analyses of Key Variables for Overall Employees

This section provides the frequency and percentage of key variables, namely leadership behavior, organizational culture, organizational commitment and turnover intention. The variables were categorized as low, medium and high. The results are shown in Table 6.5

Table 6.5

The level of key Variable for Overall Employees

Variable/Level	Leadership Behavior	Organizational Culture Organizational Commitment		Turnover Intention
Low				
N	362	288	173	820
%	21.9	17.5	10.5	49.7
Medium				
N	782	990	1258	714
%	47.4	60.0	76.2	43.3
High				
N	506	372	219	116
%	30.7	22.5	13.3	7.0
Total				
N	1650	1650	1650	1650
%	100	100	100	100

Low: Scale 1 and 2 Medium: Scale 3 High: Scale 4 and 5

6.3.4 Descriptive Analyses of Key Variables for Employees in Local Thai Companies and MNCs

Table 6.6 provides the frequency and percentage of leadership behavior, organizational culture, organizational commitment and turnover intention for employees in local Thai companies.

Table 6.6

The level of key Variable for Employees in Local Thai Companies

Variable/Level	Leadership Behavior	Organizational Culture	Organizational Commitment	Turnover Intention
Low				
N	213	169	100	404
%	25.2	20.0	11.8	47.8
Medium				
N	398	499	628	370
%	47.0	59.0	74.2	43.7
High				
N	253	178	118	72
%	27.8	21.0	13.9	8.5
Total				
N	846	846	846	846
%	100	100	100	100

Low: Scale 1 and 2 Medium: Scale 3 High: Scale 4 and 5 Table 6.7 provides the frequency and percentage of all the variable for employees in MNCs.

Table 6.7

The level of key Variable for Employees in MNCs

Variable/Level	Leadership Behavior	Organizational Culture	Organizational Commitment	Turnover Intention
Low				
N	149	119	73	416
%	18.5	14.8	9.1	51.7
Medium				
N	384	491	630	344
%	47.8	61.1	78.4	42.8
High				
N	271	194	101	44
%	33.7	24.1	12.6	5.5
Total				
N	804	804	804	804
%	100	100	100	100

Low: Scale 1 and 2 Medium: Scale 3 High: Scale 4 and 5

6.4 Construct Validity

Factor analysis was performed on all items measuring the variables before conducting the main analysis. Factor analysis is used to determine linear combinations of variables that aid the investigation of the interrelationships, determining the construct of the measuring device and ensuring internal consistency and validity (Zikmund, 2003).

Furthermore, factor analysis is used primarily as a tool for reducing a large number of observed variables to a smaller number of factors (Barbara & Tabachnick, 2001). Then, factor analysis was conducted as a data reduction technique to develop a reliable and valid scale measure for leadership behavior, organizational culture, organizational commitment, and turnover intention with the data collected from 1,650 cases (846 cases from local Thai companies and 804 cases from MNCs). The entire data collected for the predictive variable in the validity analysis were entered because responses did not contain any discrepancies that needed the data to be excluded.

The total number of cases usable for factor analysis, i.e., 1,650 is greater than the minimum number suggested by Hair, Black, Babin and Anderson (2010). Four constructs were tested for validity and reliability, namely: leadership behavior, organizational culture, organizational commitment and turnover intention. Principal component of factor analysis using varimax rotation was completed to investigate their psychometric properties and Cronbach's Alpha was used to assess the internal consistency of the survey and subscales.

6.4.1 Factor Analysis for Leadership Behavior Construct

The leadership behavior construct dimensions were measured using 32 items. A PCA using varimax rotation was conducted on the 32 items to determine which items should be grouped to form the dimension. Seven items were deleted due to cross loading. In accordance with the criteria identified by Igbaria, Livari, Maragahh (1995), in the present study the cross loading on other factors must be less than 0.35

on a specific factor, and a given item should load 0.50 or higher. The final factor analysis was conducted on the remaining 25 items. The analysis was forced on to one factor. The complete results presented in Appendix 20 showed that the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy for the one dimension solution was 0.976, with a significant Bartlett's Test of Sphericity (Sig =.0005). This indicated that the data were suitable for factor analysis (Hair *et al.*, 2010). Furthermore, Hair *et al.* (2010) suggest that eigenvalues greater than one for the factors are determined significant. As shown in Appendix 19, there are eigenvalues of more than one; one component was 12.766. The variance was explained by 51.060%. Hair *et al.* (2010) stress that in social science research, it is common to consider a solution that accounts for 60% or, in some instances, even less, of the total variance as satisfactory. In addition, Tabachick and Fidell (2001b) suggest that a robust solution should account for at least 50% of the total variance. In the present study, factor loading in rotated matrix component was greater than .50, which was considered to meet the minimal level (Hair *et al.*, 2010).

This study found that 25 items were loaded onto one dimension, which comprises 16 items that measure transformational leadership and 9 items that measure transactional leadership. For the naming of factors, Hair *et al.* (2010) suggest that the greater loading in the factor will have the name of the factor. Hence, this factor was labeled "leadership behavior" because the higher loading was from transformational and transactional. Furthermore, this study, consistent, with previous research by Laohavichien, Fredendall, and Cantrell (2011) found that transformational leadership and transactional leadership loaded onto the same factor, which they labeled leadership.

6.4.2 Factor Analysis for Organizational Culture

The summary of factor analysis for organizational culture was derived from submitting 23 items using the PCA and varimax rotation. The items chosen were with loadings greater than .50; six items were deleted due to cross loading. Factor analysis of the remaining 17 items revealed four interpretable factors with eigenvalues higher than one. The data variance was 68.25%. The KMO measure of sampling adequacy was .92 indicating the data were suitable for factor analysis. The complete results is shown at Appendix 21.

The factor analysis for organizational culture was extracted for four factors; the first factor consisted of four items. This factor was labeled "hierarchical". The second factor had two items of rational and was labeled "rational". Three reward and recognition items on factor three were labeled as "reward and recognition". The fourth factor comprised eight items, six items for teamwork and two items for reward and recognition were labeled "teamwork".

6.4.3 Factor Analysis for Organizational Commitment

The initial 24 items were subjected to PCA and varimax rotation, 8 items were deleted due to cross loading. The results shown in Appendix 22 indicated that the KMO for the three dimensions solution was .83, with a significant Bartlett's Test of Sphericity (Sig=.0005). This indicated that the data were suitable for factor analysis (Hair *et al.*, 2010). The variance was explained by 50.00% with extracted factors eigenvalue of more than one.

The analysis resulted in three factors: for the first factor, the variance was 25.33%, consisting of four items of affective and two items of normative commitment. This factor was labeled "affective commitment". The second factor explained 14.47% of the variance in the continuance construct and was labeled "continuance commitment". The last factor of organizational commitment in which the variance was 10.04%, consisted of three items of affective and two items of continuance commitment. This factor was labeled "emotional attachment" because most items of the questionnaire related to the emotional attachment of employees to the organization. Furthermore, Allen and Meyer (1991), Trajkova, Andonov, and Mihajloski (2014) note that emotional attachment is the dimension of affective commitment.

6.4.4 Factor Analysis for Turnover Intention

Three items were used to measure turnover intention. The KMO was .60 with the chi-square of the Bartlett's test of sphericity being 1225.62; the degree of freedom was 3, and it was significant at .0005. The variance was explained by 63.86%. The complete results shown in Appendix 23.

6.4.5 Summary Construct Validity Result

The construct validity results of the key variables are summarized in Table 6.8.

Table 6.8 Summary Construct Validity

	Leadership	Organizational	nizational Organizational	
	Behavior	Culture	Commitment	Intention
Component	1	4	3	1
Eigenvalue	12.766	7.00	4.05	1.92
Percentage of	51.06	68.25	50.00	63.86
Variance				
Explained				
KMO	0.976	0.92	0.83	0.60
Chi Square	25493.280	14740.607	6716.411	1225.62
df	300	136	120	3
Sig	.0005	.0005	.0005	.0005

In Table 6.8, shows the summary construct validity of key variables in this study.

The results presented that most key variables of this study were suitable for conducting the main analysis.

6.5 Reliability Analyses

After the factor analysis results, a reliability analysis was performed on each of the factors of the variables (leadership behavior, organizational culture, organizational commitment and turnover intention). The reliability analysis was to ensure consistency and accuracy among the items extracted in the factor analysis by computing its Cronbach's Alpha. The results of the reliability analysis are depicted in the Table 6.9. The internal consistency of the scale ranged from .70 to .96.

In accordance with Nunnally and Bernstein (1994), the reliability coefficient of the study variables should exceed the minimum acceptable level of 0.70.

Table 6.9 *Cronbach's Alpha for the Study Variables After Factor Analysis*

Number of Items	Variables/Dimensions	Alpha
25	Leadership Behavior	.96
17	Organizational Culture	.92
4	Hierarchical	.85
2	Rational	.78
3	Reward and recognition	.83
8	Teamwork	.92
16	Organizational Commitment	.78
6	Affective	.79
5	Continuance	.78
5	Emotional Attachment	70
3	Turnover Intention	.71

6.6 Intercorrelation

A correlation analysis was conducted to explain the relationship among all the variables in the present study. Pearson Correlation was used to examine the correlation coefficient among the variables. The intercorrelations were examined for multicollinearity. Multicollinearity happens when independent variables are highly correlated. Multicollinearity increases due to the cause of variance of the regression coefficients and affects the validity of regression equation. Cooper and Schindler (2003) suggest that the level of correlation coefficient should be below 0.80. The correlation analyses is provided. Table 6.10 presents the correlation between the variables.

Table 6.10 *Intercorrelation between Variables*

Variables	1	2	3	4
1. Leadership Behavior	-			
2. Organizational Culture	.602 **	-		
3. Organizational Commitment	.389 **	.438 **	-	
4. Turnover Intention	262 **	303 **	489 **	-

^{*} Correlation is significant .05 (2 tailed)

From Table 6.10, the correlation between leadership behavior and turnover intention was found to be negative (r = -.262), organizational culture was also found to be negatively correlated with turnover intention (r = -.303), and organizational commitment negatively correlated with turnover intention (r = -.489). Furthermore, leadership behavior was found to be positively correlated with organizational commitment (r = .389), organizational culture was also found to be positively correlated with organizational commitment (r = .438).

6.7 Hypotheses Testing: Test for Relationship

This section concerns testing the hypotheses using multiple regression to understand the main effects of the relationship between the independent variables and the dependent variable. The main effect tests were related to the relationship between leadership behavior, organizational culture and turnover intention. A hierarchical multiple regression analysis was used to understand the mediating effect of organizational commitment on the relationship between leadership behavior, organizational culture and turnover intention. Hypothesis testing utilizing power

^{**} Correlation is significant .01 (2 tailed)

analysis determined the level of acceptance or rejection of the hypothesis at p<.05 and p<.01(*Hair et al.*, 2010).

To draw precise conclusions about the multiple regression output of the data set, it is necessary to test the assumption of normality, linearity, homoskedasticity, independence of residuals, multicollinearity and outliers (Coakes & Steed, 2007). Normality requires that the dependent variable be normally distributed at each value of the independent variable. In addition, normality can be tested from the normal probability plots (normal Q-Q plots) (Hair et al., 2010). Linearity requires the relationship between the independent and dependent variables to be linear. Scatter plots are used to examine linearity (Hair et al., 2010). Homoskedasticity implies equal variances of the dependent variable at each observation of the dependent variable. Residual plots against the predicted dependent values are used to test the linearity and homoskedasticity, whereas normal probability plots are used to test the normality (Hair et al., 2010). Independence of residuals refers to a series of observations error independently and not related to each other. In addition, Durbin-Watson is used to test the independence of the error terms. The general rule of thumb is that if the Durbin-Watson value is between 1.5 and 2.5, the assumption of independence of the error terms is not violated (Norusis, 1997). The assumptions of collinearity also need to be met. These assumptions apply to the independent variables, dependent variable, and to the relationship as a whole. Collinearity exists when the ability of an additional independent variable is related not only to its correlation to the dependent variable, but also to the correlation of the additional independent variable to the independent variable already in the regression equation (Hair et al., 2010). Variance inflation factor (VIF) and tolerance statistics are two

statistical methods that can be used to assess collinearity and multicollinearity. It is generally believed that any VIF value exceeds 10 and tolerance value below .10 indicates a potential problem of multicollinearity (Hair *et al.*, 2010). An outlier is a value lying outside the normal range of the observation data. Outliers are tested by the distance of the data with unique standard deviations (Zikmund, 2003).

The Casewise diagnostic was used to identify outliers for this study, the data points expected to lie within 3 standard deviations above and below the mean value. In the other words, the data points falling outside the range of 3 standard deviations away from the mean were considered outliers. Casewise diagnostic tables show the cases that are more than 3 standard deviations from the regression line. The cases were rejected in the data analysis. Then, each regression analysis that was carried out in the present study will have a different sample size (N).

In this study, the estimation on the assumptions of normality, linearity, homoskedasticity, independence of the error terms, and multicollinearity revealed no significant violation of assumption, does not exhibit any nonlinear pattern to the residuals, thus ensuring that the overall equation is linear.

6.7.1 Leadership Behavior, Organizational Culture and Turnover Intention (Overall Employees)

For Hypotheses H1 and H3, a multiple regression analysis was carried out to examine the relationship between leadership behavior, organizational culture and turnover intention of overall employees as well as those employees in local Thai companies and MNCs.

The results of the regression equation are shown in Table 6.11 (see Appendix 8 for complete analysis), two predictors were significant, R = .332, $R^2 = .111$, R^2 adj = .109, F = (2, 1641) = 101.960, p < 0.01. The significant F test indicated that the relationship between leadership behavior, organizational culture and turnover intention was linear and the model significantly predicted turnover intention. Table 6.11 shows the individual contributor of each predictor by the standardized regression weight for each predictor. Two predictors – leadership behavior ($\beta = -.136$, t = -4.676, p = .0005) and organizational culture ($\beta = -.232$, t = -7.964, p = .0005) – were negatively related to turnover intention in the direction hypothesized. The results showed that leadership behavior and organizational culture influence employees turnover intention. Thus, hypotheses H1 and H3 are supported.

Table 6.11
Results of the Standardized Beta of the Multiple Regression Analysis for Influence of Leadership Behavior and Organizational Culture on Turnover Intention

Variable	Unstandardized B	Coefficients Std. Error	Standardized coefficients Beta	t	sig.
Dependent Variable					
Turnover Intention (N=	=1644)				
Independent Variable	e				
Leadership Behavior	148	.032	136	-4.676	.0005 **
Organizational culture	308	.039	232	-7.964	0005 **
F value					101.960
P value					.000
R					.332
\mathbb{R}^2					.111
Adjusted R ²					.109

^{*}p < 0.05, **p < 0.01

6.7.2 Leadership Behavior, Organizational Culture and Turnover Intention: Employees in Local Thai Companies and MNCs

In this section, the focus of examination is on the relationship between leadership behavior, organizational culture and turnover intention between employees who are working in local Thai companies and MNCs. Multiple regression analyses were carried out to examine the hypotheses H2 and H4.

The results of the multiple regression analysis showed that the relationship between leadership behavior, organizational culture and turnover intention of employees in local Thai and MNCs were significantly different. In local Thai companies the results indicated that R = .394, $R^2 = .155$, $R^2 adj = .153$, F = (2, 840), p = .0005, and in MNCs R = .267, $R^2 = .071$, $R^2 adj = .069$, F = (2, 796), p = .0005. The significant Ftest showed that the relationship between leadership behavior, organizational culture and turnover intention of employees in local Thai and MNCs were linear and the model significantly predicted turnover intention. Among leadership behavior employees in local Thai was significantly related to turnover intention ($\beta = -.199$, t = -4.966, p = .0005) but in MNCs leadership behavior was not found to be significantly related to turnover intention ($\beta = -.075$, t = -1.774, p = .076). Whereas, organizational culture was significant in both companies, in local Thai companies ($\beta = -.239$, t = -5.979, p = .0005), in MNCs (β = -.216, t = -5.109, p = .0005). The results indicated that leadership behavior was related to turnover intention differently between employees in local Thai companies and MNCs, however, there was no difference in organizational culture between employees in local Thai companies and MNCs.

Table 6.12
Results of the Standardized Beta of the Multiple Regression Analysis of Leadership Behavior, Organizational Culture and Turnover Intention: Employees in Local Thai Companies and MNCs

Variable	C	ocal Thai ompanies N = 843)			MNCs (N = 799	
	Beta	t	Sig.	Beta	t	Sig.
Dependent Variable Turnover Intention						
Independent Variable Leadership Behavior	199	-4.966	.0005 **	075	-1.774	.076
Organizational Culture	239	5.979	.0005 **	216	5.109	.0005 **
F value		77.08	35		30.476	
P value		.000)5	.0005		
R	.394				.267	
\mathbb{R}^2	.155				.071	
Adjusted R ²		.15	53		.069	

^{*}p < 0.05, **p < 0.01

6.7.3 Leadership Behavior, Organizational Culture and Organizational Commitment (Overall employees)

A multiple regression analysis was conducted to investigate the relationship between leadership behavior, organizational culture and organizational commitment. Hypotheses H5 and H7 were tested and the results of each analysis are presented in Table 6.13; the full analyses are shown in Appendix 11.

The results of the regression equation showed that two predictors were significant to organizational commitment R = .513, $R^2 = .263$, R^2 adj = .262, F = (2, 1620), p = .0005. The significant F test indicated that the relationship between leadership behavior, organizational culture and organizational commitment was linear and the model significantly predicted organizational commitment. The results of multiple regression of leadership behavior showed that ($\beta = .211$, t = 7.909, p = .000), organizational culture ($\beta = .358$, t = 13.422, p = .0005). The results indicated that

both predictors were significantly and positively related to organizational commitment. Thus, H5 and H7 are supported.

Table 6.13
Results of the Standardized Beta of the Multiple Regression Analysis for Influence of Leadership Behavior and organizational Culture on Organizational Commitment

Variable	Unstandardized B	Coefficients Std. Error	Standardized coefficients Beta	t	sig.
Dependent Variable Organizational Commitment(N=162					
Independent Variab Leadership Behavior Organizational Cultur	.121		.211 .358	7.909 13.422	000 * * .000 * *
F value					286.611
P					.0005
R					.513
\mathbb{R}^2					.263
Adjusted R ²					.262

^{*}p < 0.05, **p < 0.01

6.7.4 Leadership Behavior, Organizational Culture and Organizational Commitment: Employees in Local Thai Companies and MNCs

This section examines the relationship between leadership behavior, organizational culture and organizational commitment of employees in local Thai companies and MNCs. The results of multiple regression analysis showed that two predictors were significant in local Thai companies, R = .562, $R^2 = .316$, $R^2 adj = .315$, F = (2, 834) = 192.884, p = .0005. In MNCs, R = .459, $R^2 = .211$, $R^2 adj = .209$, F = (2, 786) = 105.127, p = .0005. The significant F test indicated that the relationship between leadership behavior, organizational culture and organizational commitment in both companies were linear, and that the model significantly predicted organizational commitment. Leadership behavior and organizational culture were found to be positively related to organizational commitment in local Thai companies, leadership

behavior (β = .212, t = 5.875, p = .0005), organizational culture (β = .407, t = 11.285, p = .000) and MNCs, leadership behavior (β = .216, t = 5.517, p = .0005), and organizational culture (β = .298, t = 7.613, p = .0005). The results indicated that leadership behavior and organizational culture affect employees' commitment to the organization. The direction of the relationship between leadership behavior, organizational culture and organizational commitment not different between local Thai companies and MNCs. Thus, H6 and H8 are not supported.

Table 6.14
Results of the Standardized Beta of the Multiple Regression Analysis of Leadership Behavior, Organizational Culture and Organizational Commitment: Employees in Local Thai Companies and MNCs

Variable	Local Thai Companies (N= 837)]	MNCs (N = 789)		
	Beta	t	Sig.	Beta	t	Sig.	
Dependent Variable Organizational Commitment							
Independent Variable Leadership Behavior Organizational Culture	.212 .407	5.875 11.285	.000 ** .000 **	.216 .298	5.517 7.613	.000 ** .000 **	
F value		192.884			105.127		
P value R		.0005 .562			.0005 .459		
R ² Adjusted R ²		.316 .315			.211 .209		

^{*}p < 0.05, **p < 0.01

6.7.5 Organizational Commitment and Turnover Intention (Overall Employees)

This section presents the results for the relationship between organizational commitment on turnover intention. The results of the multiple regression analyses are shown in Table 6.15 and the complete analyses are attached in Appendix 14.

The results of multiple regression analysis examining the relationship between organizational commitment and turnover intention indicated significance, R = .513,

 R^2 = .263, R^2 adj = .262, F = (2, 1437) = 583.555, p = .0005. The F test showed that the regression model was significant and the relationship between organizational commitment and turnover intention was linear. However, the results indicated that organizational commitment (β = -.513, t = -24.157, p = .0005) was negatively related to turnover intention. Hence, hypothesis H9 is supported.

Table 6.15
Results of the Standardized Beta of the Multiple Regression Analysis for Influence of Organizational Commitment on Turnover Intention

Variable	Unstandardized B	Coefficients Std. Error	Standardiz coefficien Beta		sig.
Dependent Variable Turnover Intention (N=1)	640)				
Independent Variable Commitment Organizational	924	.038	513	-24.157	.0005**
F value				583.	555
P value				.0	005
R					513
\mathbb{R}^2				•	263
Adjusted R ²					262

^{*}p < 0.05, **p < 0.01

6.7.6 Organizational Commitment and Turnover Intention: Employees in Local Thai Companies and MNCs

The relationship of organizational commitment on turnover intention of overall employees was tested above. This section provides a different view between employees in local Thai companies and MNCs. The findings of these analyses are shown in Table 6.16 and the detailed analysis is given in Appendix 15-16.

The results of multiple regression analysis examining the relationship between organizational commitment and turnover intention indicated significance in both companies. In local Thai companies, R = .556, $R^2 = .309$, $R^2 adj = .308$, F = (2, 838) = .308

375.340, p = .0005; whereas MNCs R = .455, $R^2 = .207$, $R^2 adj = .206$, F = (2, 795) = 208.016, p = .0005. The F test indicated that the regression model was significant and the relationship between organizational commitment and turnover intention was linear. Further, the results also indicated that organizational commitment in local Thai companies, ($\beta = -.556$, t = -19.375, p = .0005) and MNCs, ($\beta = -.455$, t = -14.423, p = .0005) was negatively related to turnover intention in both companies. Hence, hypothesis H10 is not supported.

Table 6.16
Results of the Standardized Beta of the Multiple Regression Analysis of Organizational Commitment and Turnover Intention: of Employees in Local Thai Companies and MNCs

Variable	Loc	al Thai			MNO	
	(N	= 841)			(N = 79)	99)
	Beta	t	Sig.	Beta	t	Sig.
Dependent Variable Turnover Intention						
Independent Variable Organizational Commitment	556	19.375	.0005 **	455	14.423	.0005 **
F value P value R R ² Adjusted R ²		340 005 556 309 308			208.016 .0005 .455 .207 .206	

^{*}p < 0.05, **p < 0.01

6.8 Leadership Behavior, Organizational Culture and Turnover Intention: Mediating Effect of Organizational Commitment

This section examines the mediating effect of organizational commitment on the relationship between leadership behavior and organizational culture, and turnover intention. To test the mediating effect of organizational commitment in the relationship between leadership behavior and organizational culture, and turnover intention, the hierarchical multiple regression analyses was carried out on organizational commitment as a mediator variable. To examine the mediating effect, the three-step criteria suggested by Baron and Kenny (1986) was used as follows: 1) regressing the mediator on the independent variable, here, in this case between organizational commitment and leadership behavior, and organizational culture; 2) regressing the dependent variable on the independent variable, can be seen between leadership behavior and organizational culture, and turnover intention; and 3) regressing the dependent variable on the independent variable and on the mediator; here it can be seen between leadership behavior and organizational culture, and organizational commitment on turnover intention.

In addition, when the mediator variable completely intervened on the relationship between the independent variable and the dependent variable, no significant relationship occurred between the independent variable and the dependent variable after intervention by the mediator and the β should be less than step 2. Partial mediation occurred when the mediator did not fully intervene in the relationship between the independent variables and the dependent variable.

This study hypothesized that for leadership behavior, organizational culture may influence employee commitment, and, consequently, affect turnover intention differently between employees working in local Thai companies and MNCs.

6.8.1 Organizational Commitment as a Mediator Variable of Overall employees

This section shows the results of the mediating effect of organizational commitment in the relationship between leadership behavior, organizational culture and turnover intention. The mediating effect of organizational commitment was evaluated following the three steps by Baron and Kenny (1986), as described above.

A significance test of indirect effect was conducted to understand the influence of independent variables on the mediator and the mediator on the dependent variable are discussed as follows:

Table 6.17
Results of Hierarchical Multiple Regression Analysis for Mediating Effect of Organizational Commitment in Relationship between Leadership Behavior, Organizational Culture and Turnover Intention

Variable		G. A	
	Step 1 $(N = 1623)$	Step 2 (N = 1644)	Step 3 (N =1641)
	ОС	TI	TI
Independent Variable			
Leadership Behavior	.211 **	136 **	039
Organizational Culture	.358 **	232 **	086 **
Organizational Commitment	t		459 **
F value			204.274
P value			.0005
R			.522
\mathbb{R}^2			.272
Adjusted R ²			.271

^{*}p < 0.05, **p < 0.01

The results in Table 6.17 show that full mediation occurred in the relationship between leadership behavior and turnover intention. A significant relationship between leadership behavior and organizational commitment (β = .211, t = 7.909, p = .0005) at step 1, and between leadership behavior and turnover intention (β = -.136, t = -4.676, p = .0005) in step 2. Leadership behavior and organizational commitment were both included in the regression model to predict turnover intention at step 3 and found no significant influence of leadership behavior on turnover intention (β = -.039, t = -1.436, p = .151). This result indicated that organizational commitment completely mediates the relationship between leadership behavior and turnover intention.

From Table 6.17, a significant relationship between organizational culture and organizational commitment was confirmed (β = .358, t = -3.135, p = .002). Step 2, a significant relationship between organizational culture and turnover intention (β = -.232, t = -3.135, p = .002) was also found. Step 3 organizational culture on turnover intention with the inclusion of organizational commitment was found to be significant and the beta coefficient has significantly reduced (β = -.086, t = -19.281 p = .000; see Appendix 17 for the completed analysis). Thus, the results indicate that organizational commitment was found to partially mediate the relationship between organizational culture and turnover intention. Thus, H11 supported.

The R² of 0.272 indicated that there is about 27.2% of the variance in turnover intention is explained by leadership behavior, organizational culture and mediated by organizational commitment. The overall effectiveness of the final model showed a fitness model. This study, consistent with previous research by Ngeth *et al.* (2012)

found that the R² is 0.263 which mean that 26.3% of the variation in the dependent variable can be explained by independent variable, and it fitted model.

6.8.2 Organizational Commitment as a Mediator Variable of Employee in Local Thai Companies and MNCs

This section shows the results of the mediating effect of organizational commitment in the relationship between leadership behavior and organizational culture on the turnover intention of employees in local Thai companies and MNCs.

Table 6.18
Results of Hierarchical Multiple Regression Analysis of Mediating Effect of Organizational Commitment in the Relationship between Leadership Behavior, Organizational Culture and Turnover Intention of Employee in Local Thai Companies and MNCs

Independent Variable		cal Thai mpanies			MNCs	
	OC Step1 (N=837)	TI Step2 (N=843)	TI Step3 (N=841)	OC Step1 (N=789)	TI Step2 (N=796	TI Step3 (N=800)
Leadership Behavior	.212 **	199 **	099 **	.216 **	075	.027
Organizational Culture	.407 **	239 **	057	.298 **	216 **	114 **
Organizational Commitment			484 **			423 **
F value	192.884	77.085	133.724	105.127	30.476	72.937
P value R	.0005 .562	.0005 .394	.0005 .569	.0005 .459	.0005 .267	.0005 .464
R ² Adjusted R ²	.316 .315	.155 .153	.324 .322	.211 .209	.071 .069	.216 .213

^{*}p< 0.05, **p< 0.01

The results in Table 6.18 indicate that in local Thai companies, organizational commitment partially mediates the relationship between leadership behavior and turnover intention. The detailed analysis is shown in Appendix 18. The results in step 1 show that leadership behavior significantly influences organizational commitment

 $(\beta = .212, t = 5.875 p = .0005)$. The second step presents that leadership behavior was significantly related to turnover intention ($\beta = -.199, t = -4.966, p = .0005$). For the third step, the influence of leadership behavior with the inclusion of organizational commitment on turnover intention ($\beta = -.099, t = -2.730, p = .006$), the results were significant.

Conversely, a significant full mediation of organizational commitment occurred in the relationship between organizational culture and turnover intention. A significant relationship between organizational culture and organizational commitment (β =.407, t = 11.285, p = .0005) was found in step 1. A significant relationship between organizational culture and turnover intention (β = -.239, t = -5.979, p = .0005) was found in step 2. Lastly, the mediating effect of organizational commitment in the relationship between organizational culture and turnover intention was not significant (β = -.057, t = -2.730, p = .135).

In MNCs, organizational commitment did not mediate the relationship between leadership behavior and turnover intention. The detailed analysis is shown in Appendix 19. The results in step 1 showed that leadership behavior significantly influences organizational commitment (β = .216, t = 5.517, p = .0005). The second step presented that leadership behavior was not significantly related to turnover intention (β = -.075, t = -1.774, p = .076). The third step, the influence of leadership behavior with the inclusion of organizational commitment on turnover intention (β = .027, t = .688, p = .482), was also found not significant.

Conversely, a significant partial mediation of organizational commitment occurred in the relationship between organizational culture and turnover intention. A significant relationship between organizational culture and organizational commitment (β = .298, t = 7.613, p = .0005) was found in step 1. A significant relationship between organizational culture and turnover intention (β = -.216, t = -5.109, p = .0005) was found in step 2. Lastly, the mediating effect of organizational commitment in the relationship between organizational culture and turnover intention was significant (β = -.114, t = -2.877, p = .004).

Hence, organizational commitment mediated the relationship between leadership behavior, organizational culture and turnover intention differently between employees in local Thai companies and MNCs. Thus, H12 is supported.

6.9 Summary of Mediating Effects

The significant mediating effect of organizational commitment, on the relationship between leadership behavior, organizational culture and turnover intention are summarized in Table 6.19.

Table 6.19
Summary of Significant Mediating Relationship between Leadership Behavior,
Organizational Culture and Turnover Intention

Independent Variable	e Tu	rnover Intention	
	Overall	Local Thai Compar	nies MNCs
Leadership Behavior	Full Mediation	Partial Mediation	No Mediation
Organizational Culture	Partial Mediation	Full Mediation	Partial Mediation

In Table 6.19, the mediating effect of organizational commitment was found to impact differently on the relationship between leadership behavior and organizational culture on turnover intention in local Thai companies and MNCs.

6.10 Summary of Hypotheses Testing

Table 6.20 presents the summary of the findings from hypotheses testing, 8 hypotheses are supported and 4 hypotheses not supported.

Table 6.20 Summary of Hypotheses Testing

Hypothesis	Statement	Decision
H1	Leadership behavior is negatively related to turnover intention of overall employees.	Supported
Н2	Leadership behavior related to turnover intention is different between employees in local Thai companies and MNCs.	Supported
Н3	Organizational culture is negatively related to Turnover intention of overall employees.	Supported
H4	Organizational culture related to turnover intention is different between employees in local Thai companies and MNCs.	Not Supported
H5	Leadership behavior is positively related to organizational commitment of overall employees.	Supported
Н6	Leadership behavior is related to organizational commitment and is different between employees in local Thai companies and MNCs.	Not Supported
H7	Organizational culture is positively related to organizational commitment of overall employees.	Supported
H8	Organizational culture related to organizational commitment is different between employees in local Thai companies and MNC.	Not Supported
H9	Organizational commitment is negatively related to turnover intention of overall employees.	Supported
H10	Organizational commitment is negatively related to turnover intention and is different between employees in local Thai companies and MNCs.	Not Supported
H11	Organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention of overall employees.	Supported
H12	Organizational commitment mediates the relationship between leadership behavior, organizational culture and turnover intention and is different between employees in local Thai companies and MNCs.	Supported

6.11 Summary

The results of the factor analysis of leadership behavior, organizational culture, organizational commitment and turnover intention are in accord with the previous studies but have some adjustment. The reliability analysis signifies the items are reliable and can be measured for further analysis. The multivariate analysis results showed that leadership behavior and organizational culture predict turnover intention. Furthermore, organizational commitment was shown to be negatively related to turnover intention. The hierarchical multiple regression analyses confirmed that organizational commitment had a mediating effect on the relationship between leadership behavior and organizational culture on turnover intention, and was different between local Thai companies and MNCs.

CHAPTER SEVEN

DISCUSSION, IMPLICATION AND CONCLUSION

7.1 Introduction

This chapter discusses the results of the hypotheses testing based on the research questions of the study. Firstly, the discussion will focus on the hypotheses testing. Secondly, the theoretical and practical implications from the findings of Chapter Six will be dealt with. Thirdly, the limitations of this study and suggestions for future research will be discussed. The final section is the conclusion.

7.2 Discussion

The general objective of the present study is to investigate the relationship between leadership behavior and organizational culture on turnover intention. More specifically, this research examines the direct relationship between leadership behavior and organizational culture on turnover intention; it focuses on the mediating role of organizational commitment on the relationship between leadership behavior, organizational culture and turnover intention. The first part presents the discussion on the direct effects and the second part discusses the indirect effects.

7.2.1 Direct Effects

This section discusses the research questions concerning the direct relationship of the variables. The study tested three direct relationships, namely between leadership behavior and organizational culture on turnover intention, between leadership behavior and organizational culture on organizational commitment, and between organizational commitment and turnover intention. The three direct relationships of the variables explain the first three research questions.

7.2.1.1 Leadership Behavior, Organizational Culture and Turnover Intention

The second research question was to assess the effect of leadership behavior on turnover intention. Leadership behavior was hypothesized to be negatively related to turnover intention. The finding of the study found support for the hypothesis that leadership behavior was negatively related to turnover intention. Leadership behaviour is generally recognized as important in supporting employee behavior, work values and performance. Therefore, the relationship between leadership and turnover intention is the behaviors presented by leaders to employees and that behavior can affect employees, and this in turn will have an effect on turnover intention. The results show that employees relate well to leadership behavior, such that the good relationship with the leader has a negative effect on employee turnover intention.

This result is consistent with previous studies by Gul et al. (2012), Long et al. (2012) Sharif Heravi et al. (2010), and Wells and Peachey (2011), which found that positive leadership behaviour had a positive relationship on turnover intention as this tended to reduce employee turnover intention. The factor analysis of this study showed that transformational leadership behavior and transactional leadership behavior were loaded on one dimension and it was labeled as "leadership behavior". According to Yeh and Hong (2012), a good leader should use both transformational and transactional leadership. This is consistent with previous studies by Wells and Peachey (2011) which suggested that managers should accept both transformational leadership behavior and transactional leadership behavior because both types of leadership behaviour could decrease the level of employee turnover intention. Specifically, leadership behavior theory had pointed out that leaders who use transformational leadership behavior will develop employees to a higher level, as these leaders were helpful, friendly and were able to recognize the needs of employees (Burns, 1978).

Employees who are exposed to a transformational leadership style will feel satisfied and regard the organization's rules as fair. When this happens, the level of turnover intention will be decreased. On the other hand, this is not the case with transactional leadership behaviour whereby the exchange between the leader and employees are based on a system of positive rewards (Burns, 1978). This means that leaders can decrease employee turnover intention, and make the employees think about staying with the organization, only if employees feel that the exchanged is fair to them. This was affirmed by Ekong *et al.* (2013) as the researchers found that employees would

leave their organization if they felt that their leader's treatment of them were dissatisfactory.

This result also confirmed Festinger's (1957) cognitive consistency theory, which concludes that individuals attempt to maintain harmony between their behavior, belief and attitude. For example, if an employee faced conflicting attitudes, beliefs or behavior, they will try to alter the attitudes or behavior to reduce the discomfort. On the other hand, employees who work with leaders understand their competencies and help the employees to develop their strength could lead to the decrease in intention to leave. Normally, employees will stay with the organization if they have confidence that their leaders display recognition of their performance. This is consistent with the finding in Hamastra *et al.* (2011) who found that leadership behaviour could decrease turnover intention when performing employees were given recognition and promotion.

Organizational culture was hypothesized to be negatively related to turnover intention. The finding of the study found support for the hypothesis that organizational culture was related to turnover intention. If employees had a positive attitude and highly valued the organizational culture, there would be a decrease in turnover intention. These results were supported by previous studies such as in, Booth and Hamer (2007), Lok and Crawford (1999), MacIntosh and Doherty (2010), Park and Kim (2009), Shim (2010), and Silverthorne (2004), which found that organizational culture was an important variable in predicting employee turnover intention. Likewise, Schein (1992) showed that organizational culture included beliefs, shared values and assumptions found in the environment experienced by

employees in an organization. The positive atmosphere in an organization in which employees are optimistic and friendly, can help reduce employee turnover intention (MacIntosh & Doherty, 2010).

Furthermore, if the employees share the feeling that their organization has a fair system in promoting employees and support equal treatment of employees, then they are less likely to look for other opportunities.

7.2.1.1.1 Comparison between Employees in Local Thai Companies and MNCs

This section discusses the effect of leadership behavior on turnover intention of employees in local Thai companies and MNCs. Leadership behavior was hypothesized to be related to turnover intention and this relationship was found to be different between employees in local Thai companies and MNCs. The statistical results in Table 6.12 support hypothesis 2. The findings show that leadership behavior was negatively related to turnover intention in local Thai companies and MNCs. However, leadership behavior was significant in local Thai companies, while in MNCs, leadership behavior did not have a significant relationship with turnover intention.

This finding is consistent with previous studies by Bunchapattanasakda and Wong (2010), Fisher and Hartel (2003), Neupert *et al.* (2005), and Selmer (1997), which found that leadership behavior in local companies and MNCs was different because of the difference in the culture between the former and the latter. From the literature review, it has become clear that Thai culture is homogeneous and in Thailand the

power-oriented culture has created an environment whereby a leader is honoured as a father figure in the organization. Furthermore, Komin (1990) indicated that Thai people had adopted a *kreng jai* attitude, they would always consider someone else's feeling, therefore, unwilling to impose their feelings on others. Besides, the Thais have been conditioned to place high importance in being grateful, the reciprocity of goodness and the ever-readiness to pay back in kind. In Thai this is called *Bunkhun* (Komin, 1990). Such Thai traditional culture is an important aspect of Thai society as it helps determine the sort of relationship one should have with another person, but for a non-Thai person such a cultural practice may be difficult to understand. However, Thai employees and Thai leaders share such a culture and understand that culture, so when employees have a chance to leave their organization they will seriously ponder such a move.

Furthermore, Thai culture is relationship oriented rather than task oriented and would thus, be more likely to adopt a softer approach (Runglertkrengkrai & Engkaninan, 1987). This means that in general, in the Thai cultural context, the relationship oriented type of leaders is more admired by the employees. Because Thai leaders understand and have a better knowledge about Thai culture, it follows that Thai managers know better the wants and needs of their employees. Limsila and Ogunlana (2008) confirmed that Thai employees wished to have managers who would consider the employees' needs rather than the leader's own needs, and would support them to better their future.

In the MNCs examined in this study, it was found that leadership behavior was not significant on turnover intention. This is consistent with previous studies by Onishi and Mondejar (2011), which came to the conclusion that differences of leadership behaviour depended on national culture. The present study also found that leadership behavior in local Thai companies was different from that found in the MNCs. The fact remains that in MNCs management policies are still very much governed by the home countries of the owners and even though they try to adapt to the cultural practices of the host country, they still have their differences. In the context of Thailand, Thai employees in MNCs expect their boss to be concerned not only with their work, but also their welfare and personal well-being as well. Furthermore, they expect the good leader to be like their own father.

However, in MNCs there is little importance placed on the personal issues of employees. This is consistent with the study by Fisher and Hartel (2003), who reported that Thai managers are different from foreign managers in their perception of job achievements; Thai managers are more considerate compared to their foreign counterparts. Although foreign managers did acknowledge the importance employee circumstance, Thai managers appeared to be more concerned about this aspect. Furthermore, Sriussadaporn (2006) confirmed that Thai subordinates were not at all happy when their foreign managers were only concerned with job issues. On the other hand, foreign managers were unhappy with their Thai employees as they tend to put personal matters before work issues. In this regard, MNCs leadership behavior is not significant in positively changing turnover intention.

The relationship between organizational culture and turnover intention in local Thai companies and MNCs is also no different. The statistical results in Table 6.12 do not support hypothesis 4. Furthermore, the findings show that organizational culture was significant and negatively related to turnover intention in both local Thai companies and MNCs. One possible explanation for this is that managers in MNCs had learned to understand the cultural behaviors of their employees and adapted their management styles in the organization. This is consistent with Sriussadaporn (2006) who reported that foreign managers who want to work successfully with their Thai employees should have some understanding of the important Thai cultural notions such as *kreng jai* and *jai yen*. They should also appreciate some of the communication problems at work for example, regarding task assignment, time management, language deficiency and personal relationships between Thai people. The leader in local Thai companies and MNCs should know their employees well, and in doing the leader is able to put the right person on the right job, making the employees willing to cooperate and work for the organization.

Furthermore, Hofstede (1983) emphasized the point that Thai society eschews uncertainty; there is fear of being in an ambiguous situation. Thai people are also characterized as having a high feminists culture and its members are expected to be less competitive and assertive in their group interactions.

7.2.1.2 Leadership Behavior, Organizational Culture and Organizational Commitment

The third research question addressed the relationship between leadership behaviour and organizational commitment. Leadership behavior was hypothesized to be positively related to organizational commitment. The multiple regression results as shown in Table 6.13 support hypothesis 5; leadership behavior is positively related to organizational commitment.

The results are in line with the claims of cognitive consistency theory (Festinger, 1957). In the context of the present study, the positive relationship between leaders and subordinates occurs in the organization because may be the leadership showed concern for their employees, and the employees in turn developed a positive attitude, leading to a high level of organizational commitment. Likewise, Gawronski (2012) suggested that cognitive consistency theory is an essential framework to understand how motivation is affected in the system of beliefs and whether there would be dissonance after an attitude change. This was clearly confirmed in the results of this study when leadership behavior showed a positive relationship to organizational commitment. As a result of the right leadership behaviour, employees gained confidence in their leaders and this enhanced employee attachment to the organization.

The findings of this study are also corroborated in previous researches (Avolio *et al.*, 2004; ErKutlu, 2008; Gul *et al.*, 2012; Joo *et al.*, 2012; Limsila & Ogunlana, 2008; Lo *et al.*, 2009; Lok & Crawford, 1999; Lok & Crawford, 2004; Ramachandran & Krishnan, 2009; Sandhu & Kaur, 2010; Shah *et al.*, 2011; Sharif Heravi *et al.*, 2010).

It has become clear that leadership behavior has an important and direct positive effect and influence on organizational commitment. This is because when leaders can help employees reach their goal, understand their needs, they can also help motivate the employees to become more attached to the organization. Employees also show a higher level of organizational commitment when they perceived their bosses as having understood what they want. Hence, employees have a positive attachment to the organization when they perceive that the organization is good them and that the leaders do a good job in advising and providing information to their employees. The findings of this study are consistent with that in Limsila and Ogunlana (2008). These researchers found that transformational leadership was the most common form of leadership style practised by Thai people. Moreover, transformational leadership behavior was a strong determinant of employee organizational commitment.

In addition, in this study, organizational culture was hypothesized to be positively related to organizational commitment. The multiple regression results as shown in Table 6.13 also supported hypothesis 7; organizational culture is positively related to organizational commitment.

This result is consistent with the finding in previous studies by Lok and Crawford (2001), Manetje and Martins (2009), Meyer and Allen (1991), Nongo and Ikyanyon (2012), Sabir *et al.* (2010), and Zain, Ishak, and Ghani (2009), which found that organizational culture was positively related to organizational commitment. In other words, organizational commitment is a consequence of organizational culture. However, the positive relationship between organizational culture and organizational

commitment only occurs when the organizational culture fits in with the employees' goal.

The cultural of the organization is important as it will influence the attitude of the employees and in turn their behaviour. An organization should have a good reward and recognition system, help nurture good relationships and ensure teamwork. When these workplace conditions are met the employees will have a good feeling towards their organization. Furthermore, Komin (1990) found that Thai culture was relationship oriented rather than task oriented and such a culture was more helpful in improving employee commitment. Therefore, in Thai culture a person who is serious about "Bun khun" (the obligation to respond in kind to the benefit received from another) will appreciate a leader who always has their welfare in mind. This aspect of Thai culture is an important factor in contributing towards employee organizational commitment in the Thai organizational context. The element of moral obligation, when employees feel morally obliged to the good treatment of organizational leaders will continue to stay on stay in the organization because they think it is their duty to do so (Meyer & Allen, 1997). The better the relationship between the employer and employees the higher will be the level of employee organizational commitment.

7.2.1.2.1 Comparison between Employees in Local Thai Companies and MNCs

In this section, the relationship of leadership behavior on organizational commitment among employees in local Thai companies and MNCs will be discussed. It was hypothesized that the relationship between leadership behavior and organizational commitment will be different among employees in local Thai companies and MNCs.

The findings as shown in Table 6.14 in the previous chapter appear to not support this hypothesis.

The results indicated that organizational commitment was positively related to leadership behavior in both companies. One probable cause for this lack of difference is that the respondents of this study came from large companies where the leaders are professional managers. This is not the case in small or medium-size companies, which are still mainly managed by their local founders. As such these local Thai companies still practise the Thai cultural way of management in the workplace. The larger local Thai companies want to go global and so they have to learn how MNCs treat their employees.

However, it may be the case that some of the managers in local Thai companies comprise the new generation of leaders, who tend to leave behind some of the traditional cultural practices which govern employer and employee relationships. Though that might be the case in general, when employee values and organizational culture did match, employee commitment would still be enhanced.

At this juncture, it should be pointed out that previous studies had found significant differences in the relationship between leadership and organizational commitment among Thai companies and MNCs (Kaewprasit, 2008). In addition Cuong and Swierczek (2008) made the assertion that in local Thai companies and international companies, aspects of leadership behavior, organizational culture and organizational commitment differ. This difference in the findings seems to suggest that perhaps nowadays in the competitive global business environment there are increasing

differences between local Thai companies and MNCs. These modern day companies adopt and adapt strategies to enhance their organizations' performance in the global market. The respondents who participated in this study were of Thai origin, but those from important positions in MNCs were usually held by foreigners. As pointed out earlier, Thai culture is prevalent in Thai companies, and according to Colignon et al. (2007) Thais placed great value in establishing strong emotional ties between leaders and their employees in the organization. If there is a positive relationship, the employees will develop great trust in their bosses. This in Thai is called *Bunkhun* (the obligation to reciprocate favours or benefits with the person who is kind and generous) (Komin, 1990).

Although international businesses in the 21^{st} century are paying increasing attention to the need for global managers they still recognize the underlying differences in the organization cultures of different countries (Srisilsophon, 1999). This study has assumed that the organizational culture in local Thai companies and MNCs is different. The findings as discussed in the previous chapter showed that there was not much disparity between employees in the local Thai companies and MNCs, but in the local Thai companies there was a higher level of organizational culture than in the MNCs (local Thai companies β = .408, t = 11.279, p = .0005, MNCs β = .299, t = 7.637, p = .0005). In other words, in local Thai companies there was a stronger culture than in the MNCs.

Furthermore, Thai culture is a collectivist culture; the people in this culture choose long term commitment and have strong emotional attachment to the organization (Hofstede, 1980). This means that the Thais show great engagement and loyalty to their organization than those from individualistic cultures like that found in Western countries. Beside, leaders in a collectivist culture are expected to behave as members of a family and look after and protect their family members or employees. In other words, the head of the organization is the father figure and his followers are the children.

Based on cognitive dissonance theory (Festinger, 1957) when employees accept their organizational purpose, their attitude is positive toward the organization and they become committed. When this happens, cognitive dissonance would be decreased. In addition, Gawronski (2012) suggested that cognitive dissonance would be specific in the context of one's respective culture; different cultures would have differences in levels of cognitive dissonance. For example, individualist Western countries are different from Eastern collectivist countries, and the peoples in these in different cultures will have different ways of thinking and behaving.

7.2.1.3 Organizational Commitment and Turnover Intention

The third research question addressed the impact of organizational commitment on turnover intention. Organizational commitment was hypothesized to be negatively related to turnover intention. The results showed in Table 6.15 found support for the hypothesis that organizational commitment was related to turnover intention.

Organizational commitment is very much dependant on employees' attitudes and behaviors. It is generally known that organizational commitment do influence employees' turnover intention; if employees have a high level of organizational commitment they will be stay with their organization. On the other hand, if they have a low level of organizational commitment, they will find another job. This finding is in accord with previous studies by Anvari and Mohamad Amin (2011), Elanain (2010), Elangovan (2001), Lambert (2006), Paille *et al.* (2011), Perryer *et al.* (2010), and Yong-Tao (2007), which found that organizational commitment has a negative relationship with turnover intention.

Employees who were more committed to the organization had lower turnover intention than those with lower organizational commitment. There is therefore, a general consensus on the negative relationship between organizational commitment and turnover intention.

Cognitive consistency theory which claims that an individual will attempt to maintain harmony between his or her behavior, belief, and attitude can help explain this finding. For example, employees who intend to stay with their organization would feel emotional attachment with the organization and accordingly change their attitude and behavior. Employee attitude dissonance would lower the level of commitment and this in turn would lead to turnover intention. An employee's decision to leave or stay with an organization depends on the balance between what the organization offers and what an employee expects. It is in line with the findings from the study by Hussain and Asif (2012). Tumwesigye (2010) also found that

employees who felt that their organization supported them would have strong organizational commitment and wanted to remain in the organization.

7.2.1.3.1 Comparison between Employees in Local Thai Companies and MNCs

In the fourth research question, it was hypothesized that the relationship between organizational commitment and turnover intention would be different between employees in local Thai companies and MNCs. However, results presented in Table 6.16 in the previous chapter did not support this hypothesis. Instead, the findings showed that the relationship between organizational commitment and turnover intention of employees in local Thai companies and MNCs was not different. Organizational commitment was significant and negatively related to turnover intention in both companies. The fact remains, however, that organizational commitment had an impact on employees' turnover intention in both companies.

Previous studies by Swierczek and Onishi (2003) found that Thai employees were team oriented, serious about work and respected their boss. In addition, Boonsathorn (2000) emphasized that the managers in MNCs in Thailand tended to avoid conflict and practised a helpful style of management. It is generally a well-known fact Thai culture is collectivistic in nature; people in this culture value their relationship over and above the task. In this regard, it is to be expected that the people in this culture would stress more on commitment and thus the lower level of employee turnover intention.

7.2.2 Mediating Effect of Organizational Commitment

This section presents the findings concerning the indirect relationship of the variables of the study. In this study it was hypothesized that organizational commitment mediates the relationship between leadership behaviour and organizational culture on turnover intention. The following discussions will examine the mediating role of organizational commitment between employees in local Thai companies and MNCs. In the present study, it was hypothesized that organizational commitment would mediate the relationship between leadership behavior, organizational culture and turnover intention. The results as shown in Table 6.17 in the previous chapter indicated that organizational commitment fully mediated the relationship between leadership behavior and turnover intention. However, organizational commitment only partially mediated the relationship between organizational culture and turnover intention.

This result is consistent with Gul *et al.* (2012) study which found that organizational commitment mediated between leadership style and turnover intention of employees in insurance companies operating in Pakistan. Tse *et al.* (2013) also suggested that leadership behavior showed a negative relationship with turnover intention because leaders could help change employee attitudes and develop a high level commitment for the organization. Furthermore, Yousef (2000) found that organizational commitment mediated the relationship between leadership behavior and performance. He explained that employees who perceived their leader as having adopted a consultative or participative leadership behavior developed more organizational commitment and subsequently showed better performance.

Organizational commitment had full mediation effect on the relationship between leadership behavior and turnover intention. The literature review indicated that there was general consensus that organizational commitment was related to attitudes and behaviors in the workplace. Commitment in the organization comprised affective commitment, continuance commitment, and normative commitment. If leaders could help employees take pride in the organization, develop a sense of belonging in the organization and openly express their opinions, then these employees when thinking about leaving the current organization, leadership behavior would be for them one of the most critical factors in their final decision. Furthermore, Peachey and Welty (2011) argued that organizational leaders who helped employees take pride in their organization and developed a sense of belonging in the organization would create a situation whereby their employees would be less likely to leave the organization because the employees would feel obligated to stay on with the current organization. Such employees would perceive their managers as supportive of both their job and private life and therefore became more committed to their organization, work harder and less likely to entertain turnover intention.

However, organizational commitment had only partial mediation effect on the relationship between organizational culture and turnover intention. It is clear from the literature review that organizational culture is important in predicting employee turnover intention. Furthermore, Shim (2010) found that employees, who had a strong attachment to their organizational culture, would most likely have a lower level of turnover intention. Therefore, leaders who created a positive workplace environment would, in turn enhance employee attachment to their organization and thus, be able to considerably reduce turnover intention.

7.2.2.1 Comparison between Employees in Local Thai Companies and MNCs

This section presents the findings on the indirect relationships that mediated the effect of organizational commitment vis-a-vis the relationship between leadership behavior and organizational culture on turnover intention of employees in local Thai companies and MNCs. The present study hypothesized that organizational commitment would have a different mediation impact on the relationship between leadership behavior, organizational culture and turnover intention for employees in local Thai companies and MNCs.

The findings as presented in Table 6.18 in the last chapter provided the support for hypothesis number 12. The mediating effect of organizational commitment in the relationship between leadership behavior and turnover intention of employee in local Thai companies and MNCs was found to be different. In local Thai companies, organizational commitment had partial mediation impact on the relationship between leadership behavior and turnover intention. On the other hand, in MNCs, organizational commitment had no mediation effect at all on the relationship between leadership behavior and turnover intention. That is to say, in local Thai companies, employee turnover intention can be reduced through organizational commitment and leadership behavior, whereas for MNCs organizational commitment would have no effect on employee turnover intention.

In addition, this result seems to suggest that in local Thai companies, leadership behavior directly and indirectly influences employee turnover intention through organizational commitment. In other words, in local Thai companies, leaders appear

to have the following characteristics: they are friendly, demonstrate understanding of employees' needs, and help employees reach their potential. All these leadership traits would enhance employee commitment to the organization and thus, directly and indirectly influenced turnover intention. Hofstede (1983) was of the view that Thai culture was different from other cultures; in Thai culture, the fundamental huge power and authority gap between leaders and their subordinates necessarily meant that the latter show great respect and fulfil fully their obligations to the boss. Furthermore, Komin (1990) pointed out that Thai culture highly valued gratefulness in human relationships, and that Thais should always reciprocate kindness. Thai culture encourages and nurtures smooth interpersonal relationships. According to a study by Maxwell and Steele (2003), if a manager possessed a high level of commitment to the organization, this would also mean an increased level of employee commitment to the organization. Similarly, Ramachandran and Krishnan, (2009) and Lo et al. (2010) further asserted that employees would develop emotional attachment to the organization if they had a good leader. For example, Thai managers who held more positive attitudes than negative ones towards their employees, positively assuming that their employees would be responsible and thus, work freely to complete the job (Wattanasupachoke, 2006).

Employees who positively perceived their leaders and showed a high level of organizational commitment tended to have a lower level of turnover intention compared to those who perceived their leaders less positively. This means that organizational commitment is more important to employees in local Thai companies than to the employees in MNCs in the context of the relationship between leadership behavior and turnover intention.

According to cognitive consistency theory (Festinger, 1957), two cognitions can be consistent or in contrast. Cognitions are consistent when one cognition follows from another cognition and they are both in line with each other, while a contrast occurs when dissimilar or different cognitions follow one after the other. That is, if employees feel committed to their leader, they will work hard for the organization and think less about turnover intention. On the other hand, if employees possess a negative attitude towards their leader, they will be less committed to their organization. Having found a better offer from another organization these employees would tend to leave their current organization. This was common among employees in MNCs where the organizational commitment had no mediation effect on the relationship between leadership behavior and turnover intention. Furthermore, Festinger's prediction is that psychological discomfort and pressures would increase to try and decrease the dissonances. For example, the general characteristics of leadership behavior, such as inspiring followers, paying attention to each individual's need for growth and development could enable employee engagement with the organization. Therefore, leadership behavior could be utilized to reduce employee turnover intention, especially when leaders possessed deep commitment for their organization. When employees perceived that their expectations were being fulfilled by their organization, they would feel secure and that could increase their organizational commitment. As pointed out earlier in the preceding discussions above, in Thai culture leaders and followers are seen as in a like father and children relationship, as such employees in Thai companies were found to have a higher degree of organizational commitment.

Moreover, it was also the finding of this study that organizational culture was significantly different for employees in local Thai companies compared to that found in MNCs. In local Thai companies, organizational commitment fully mediated the relationship between organizational culture and turnover intention. However, in MNCs organizational commitment only partially mediated the relationship between organizational culture and turnover intention. The implication is that in local Thai companies, the power of organizational commitment can serve to control employee turnover intention completely. While in MNCs organizational commitment had less effect on employee turnover intention. Because Thai culture is a collectivist culture, Hofstede (1983) explained that the people in this culture exhibited deep commitment to the group and they valued good relationships with their leaders leading to considerable organizational commitment, making it more difficult to leave the organization.

7.3 Implications

The findings of this study generate several theoretical and also practical managerial implications. The first section will discuss the theoretical implications and the second section will discuss the practical managerial implications.

7.3.1 Theoretical Implications

The purpose of this study was to investigate the relationship between leadership behavior and organizational culture on turnover intention. Besides, this study also examined the mediating role of organizational commitment vis-a-vis the relationship between leadership behavior and organizational culture on turnover intention of employees in local Thai companies and MNCs.

The results of this study support the theoretical relationships presented in the research model (Figure 4.1). This study specifically indicated the association between leadership behavior, organizational culture, organizational commitment, and turnover intention. However, this study has contributed some new interesting findings to the body of knowledge, especially in turnover intention. The present study used a Thai sample to demonstrate the relationship between leadership behavior, organizational culture and turnover intention by comparing employees who worked in local Thai companies and MNCs. To date, most of the past studies conducted only examined the relationship between leadership behavior, organizational culture and turnover intention in Western countries (Booth & Hamer, 2007; Deery & Shaw, 1999; MacIntosh & Doherty, 2010; Russell, 1996; Sellgren et al., 2007; Sharif Heravi et al., 2010; Shim, 2010; Wells & Peachey, 2011). This study confirms that in spite of the different cultures, leadership behavior and organizational culture do affect turnover intention in non-Western societies, especially in Asian countries (Lee & Yu, 2004; Park & Kim, 2009).

As pointed out above, no research studies have systematically investigated the mediating effects of organizational commitment on the relationship between leadership behavior, organizational culture and turnover intention in a single study. Most of the research studied the direct effect of leadership behavior, and organizational culture on organizational commitment, as well as the direct effect of organizational commitment on turnover intention.

The present study provides at least some evidence about the indirect nature of the relationship between leadership behavior, organizational culture and turnover intention, especially about how employees perceive organizational commitment, by comparing two types of companies. The results showed that organizational commitment had a partial mediation effect in the relationship between leadership behavior and turnover intention of employees in local Thai companies. It was noted that in local Thai companies, organizational commitment might reduce employee turnover intention. Leaders could help employees feel committed by providing support to employees, and therefore, this in turn would reduce turnover intention rate. In addition, with regard to employees in MNCs, it was found that organizational commitment had no mediation impact on the relationship between leadership behavior and turnover intention. Hence, the results of this study provided a more detailed description of the process of how leadership behavior and organizational culture influence turnover intention (Booth & Hamer, 2007; Long et al. 2012; Wells & Peachey, 2012; Shim, 2010), and showed the differences found between Thai local companies and MNCs (Bunchapattanasakda & Wong, 2011; Fisher & Hartel, 2013; Neupert et al., 2005). It became clear from the study that in local Thai companies, organizational commitment mediated fully in the relationship between organizational culture and turnover intention, in the MNCs there was only partial mediation.

By focusing on employees' commitment to the organization, the present study has provided more in depth information to the growing body of knowledge on the relationship between leadership behavior and turnover intention. The existing literature has concentrated on mediators of job satisfaction, whereas this study examined employees' commitment to the organization. Furthermore, the results of

this study also provided empirical support for Festinger's theory (1957), especially the claim that dissonance exists when an individual holds cognition that is inconsistent with his or her other cognitions in the same domain. Dissonance gives rise to measures to reduce, as well as to avoid increases in the dissonance. One way in which the individual can reduce dissonance is by altering the discrepant cognition and to bring it in line with one's other cognitions. Therefore, an understanding of cognitive dissonance is important for managers because they should know the way in which to use it to motivate their employees. The results of this study have shown that leadership behavior can influence employees' organizational commitment and reduce their turnover intention. In other words, leadership behavior is related to organizational commitment and turnover intention. The results support the claim made in this study that organizational commitment mediate the relationship between leadership behavior, organizational culture and turnover intention. In addition, it was also found that the effect of organizational commitment mediation on the relationship between leadership behavior and organizational culture on turnover intention was different in Thai local companies and MNCs.

In summary, the results of this study serve to emphasize the importance of exploring the ways in which leadership behavior and organizational culture influence turnover intention. This study has found that organizational commitment played different mediating roles with regard the relationship between leadership behavior, organizational culture and turnover intention.

7.3.2 Managerial Implications

This study found that leadership behavior and organizational culture did affect employee turnover intention, and furthermore, organizational commitment mediated the relationship between leadership behavior and organizational culture differently in local Thai companies and MNCs. In other words this study was able to demonstrate that leadership behavior and organizational culture could predict employee turnover intention. This finding has several important implications for managers in local Thai companies and MNCs interested in the potential variables that can influence employee turnover intention.

The managers in local Thai companies and MNCs should take note of the importance in motivating their employees, sustaining good employee-leadership relations and understanding the local organizational culture, as these crucial factors will help decrease the level of employee turnover intention. In order to ensure employees perceive the people-oriented behaviour of the leadership, which in turn will lead to positive attitudes and subsequently high organizational commitment, leaders need to recognize and practise both transformational and transactional leadership behavior. This is because transformational leadership behavior is able to build and motivate employee to reach the organizational goal, while transactional leadership behavior is only the exchange between leader and employees based on positive rewards (Burns, 1978).

Managers should emphasize organizational commitment, and this can be done by training, and development activities. It is imperative to increase the level of employee skills and abilities, and help change attitudes. However, with regard to new employees, the organization should help them more with getting familiar with their jobs, and only later should there be other programs such as team training and diversity training. These latter programs will assist in motivating employees and inculcating the feelings of emotional attachment to the organization. Such training on the job by coaching and mentoring may enhance employee performance, because this process not only develops individual performance, but also improves employee potential.

Furthermore, organizations should to have a reward system such as monetary and non monetary incentives. It will be sufficient to help retain employees for the organization. When employees are committed, the organization will profit and the level of employee turnover intention will decrease. However, the way to encourage employees to stay with the organization is to have two-way communication or a face-to-face conversation to ensure that the leadership and their employees have a clear understanding of the importance of a good relationship between employer and employee. Furthermore, manager should to invest time in giving feedback to employees through a two-way communications system. This is because such an open communication channel can solve the problems confronting both sides. Managers should actively promote workplace interaction, providing appropriate and timely feedback to employees, and welcoming positive inputs from them so as to help them develop their self-confidence. In addition, managers should help to create

an organizational culture that nurtures continuous learning and the sharing of knowledge among the members of the organization.

In MNCs, the management system and organizational policy should take Thai culture and values into account. More specifically, managers in seeking to function within their specific organizational culture should be able to understand the root differences between the national cultures in which they operate. The foreign manager should learn social skills that will enable them to adapt to Thai culture. In Thailand the official language is Thai, therefore, expatriate managers attempt to learn the Thai language as the tool to help them better communicate and build a good relationship with the local employees. Moreover, MNCs should also provide cross-cultural training programs to local employees before they join the organization. This program can help improve the understanding of the MNCs organizational and work values.

On the other hand, it is important for local Thai companies which want to be competitive in the global market, to learn from the MNCs such as, how employees are treated, the company reward system and technology development. They can then, adapt or glocalized these innovations within the context of the situation in their own local organizations and their major concern in preserving Thai culture. Furthermore, training in acquiring another foreign language may become necessary in light of their expansion into global business.

7.4 Limitations and Suggestion for Future Studies

This study has several limitations. The sample of this study only included subordinates and supervisors. Other types of respondents in different managerial positions might have responded differently. Therefore, future research may need a different set of respondents comprising managerial and non-managerial staff. Furthermore, the model of the study should make comparisons between managerial and non-managerial employees, to find out how they are different or similar in leadership behavior, organizational culture, organizational commitment and turnover intention. Foreman (2009) noted that different managerial positions could lead to differences in attitude and ways of thinking about work issues. On other hand, the background of respondents in this study such as their education, experience and position were different.

Furthermore, the present study has carried out its study on large size companies only and the degree of generalization is thus limited. Further research should study small and medium size companies to expand the scope of the generalizations made here. In addition, this study uses the questionnaire as the only quantitative method on cross sectional data as its single source of data. Thus, feedback was dependant on the willing cooperation of individual employees. In addition, the respondents may not be truthful in providing the feedback. Therefore, to improve the accuracy of the results, further research should attempt to use a mix method; qualitative and quantitative methods research should be combined such as, in-depth interviews a more longitudinal study over a period of time.

This research being cross-sectional in nature has the limitations of a cross-sectional study, chief of which is the narrow focus on the cause effect correlation between the variables (Sekaran, 2003). Therefore, further research should conduct a longitudinal study to help validate the results, because the sample of study could have changed their attitudes over time.

7.5 Conclusion

The objective of this study was to investigate the relationship between leadership behavior, organizational culture, and turnover intention of employees in local Thai companies and MNCs. Besides, this study also compared the mediating role of organizational commitment and among employees in local Thai companies and MNCs.

The findings of the study have met all the four research objectives as outlined in Chapter1. The study examined the fundamental differences between employees in local Thai companies and MNCs with respect to leadership behaviour and organizational culture on turnover intention of employees. It had provided a thorough analysis of the effects of leadership behaviour and organizational culture on turnover intention. More specifically, it had examined how organizational commitment mediate the relationship between leadership behavior, organizational culture and turnover intention of overall employees, and showed how these dimensions differ in local Thai companies and MNCs.

Overall, this study has made a significant contribution to an understanding of turnover intention by examining the effects of leadership behavior and organizational culture on turnover intention amongst employees in Thai local companies and MNCs. The results highlighted the different effects of leadership behavior and organizational culture on employee turnover intention in local Thai companies and MNCs. Furthermore, the study will serve as the point of departure for future research on the different effects of leadership behavior and organizational culture on employee turnover intention in Thai local companies and MNCs.

Besides, this study also confirmed the cognitive consistency theory and integrated model of proactive behaviours, which suggests that leadership behaviour and organizational culture can influence employees' behaviour through turnover intention which is affected through their intention to leave. Organizational commitment is the attitude that could help employee engagement with the organization. The different setting of organization as different in organizational culture such as local Thai and MNCs that lead to employees'attitude have differences in perceived leadership behaviour toward organizational commitment. According to cognitive consistency theory, two cognitions can be related or unrelated, that like Thai employees who are working in MNCs, some of culture in the organization may be dissonant with their attitudes or beliefs. That is different from employees who are working in local Thai companies, their leader know and understand what they wanted for the worklife. Thus it was found that organizational commitment in local Thai companies can mediates on the relationship of leadership behaviour and organizational culture on turnover intention among the local Thai employees.

In social sciences research 5% or less variance in the dependent variable is considered acceptable (Cohen, Cohen, West, & Aiken, 2003; Murphy & Myors, 2004). Therefore, the 27.2% of variance in turnover intention was explained by this research model is considered good.

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