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

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

By

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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


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 tempatan Thai dan syarikat multinasional. Tambah 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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<td>MNCs</td>
<td>Multinational Company</td>
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<td>AFTA</td>
<td>ASEAN Free Trade Area</td>
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<td>HR</td>
<td>Human Resource</td>
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<td>PCA</td>
<td>Principle Component Analysis</td>
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<td>KMO</td>
<td>Kaiser Meyer Olkin</td>
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<tr>
<td>SD</td>
<td>Standard Deviation</td>
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<td>VIF</td>
<td>Variance Inflation Factor</td>
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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 (Holton, Mitchell, Lee, & Eberly, 2008; Lee, Chen, Wang, & Dadura, 2010; Maertz & Campion, 2004; Maertz & Kmita, 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.
The contents of the thesis is for internal user only
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