Authentic Leadership and Turnover Intention: Mediating role of Work Engagement and Job Satisfaction in the Healthcare Sector of Pakistan

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Abstract
Leadership without integrity, morality, honesty and credibility and its negative consequences on individual and organizational outcomes have got little attention in Asian context. Profuse literature addressing authentic leadership has examined different aspects related to subordinates such as work engagement, job satisfaction and turnover intention but no study has encompassed these concepts in a single setting. Furthermore, empirical evidences are required to strengthen the theories established in western context to be validated in Pakistani context. Incorporating conservation of resource theory, social exchange theory and social identity theory, this study aims to fill these gaps. A sample of 250 nurses was taken from 5 hospitals situated in Karachi. Data was gathered through a questionnaire consisting of 30 questions addressing four constructs. Findings of this study suggest that authentic leadership significantly and negatively impacts turnover intention with partial mediating effect of work engagement and job satisfaction, implying that authentic leadership must be fostered to avoid loss of potential talent in healthcare sector of Pakistan.

Keywords: Authentic leadership, job satisfaction, turnover intention, work engagement

Leadership is one of the significant core components for organizational sustainability in the competitive world. The business world is changing radically with the fast pace and encountering different types of challenges and hence, demanding different type of leadership (George, Sims, McLean, & Mayer, 2007). Unethical practices in the corporate world and inappropriate behaviors of business executives is of great concern for the corporate world resulting lower trust in business leaders (Francis, Holbeche, & Reddington, 2012; Mori, 2011).

Challenging work-environment with extensive pressure to exert high level of performance is a serious issue in healthcare sector where working in different shift and for long or sometimes consecutive working hours is a common reality. But this phenomenon sometimes results in burnout (Cho, Laschinger, & Wong, 2006). There is a tendency to quit the nursing profession within the first two years because of negative working environment (Bowles & Candela, 2005; Kovner, Brewer, Wu, Cheng, & Suzuki, 2006). The key factor found out to enforce employee retention is job satisfaction (Lu, Barriball, Zhang, & While, 2012). Further, job satisfaction is enhanced by the supportive and professional working environment which also results in improved quality of healthcare, increased productivity and reduction in turnover (Aiken, Sloane, Bruyneel, Griffiths, & Sermeus, 2014).
 Provision of healthy and sustainable working environment to healthcare staff particularly nurses is of serious concern and international priority (WHO, 2013). Negative working conditions in hospitals have been linked to patient mortality (Aiken, Smith, & Lake, 1994). Nursing leadership exerts positive influence on quality of working environment in hospitals (Cummings et al., 2010). Difficult working environment result in considerable stress in healthcare staff including nurses leading to decreased job satisfaction and burnout (Nooney, Unruh, & Yore, 2010; Peterson et al., 2008).

Newly graduate nurses are in the crucial and decisive phase at the beginning of their nursing career. Their job satisfaction and desire to stay with their job are highly dependent on the first few years’ experiences at workplace (Giallonardo, Wong, & Iwasiw, 2010; Pineau Stam, Spence Laschinger, Regan, & Wong, 2015). Characteristics of the work environment including leadership style influences employees’ work experiences (Laschinger, 2012).

Authentic leadership has got attention from both academic (George, 2003) and practical fields (Avolio, Gardner, Walumbwa, Luthans, & May, 2004; Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008) in the last decade. Authentic leadership has been suggested in recent studies as a good predictor of positive employee attitude and behaviors such as job satisfaction and work engagement (Rego, Sousa, Marques, & e Cunha, 2012; Walumbwa, Wang, Wang, Schaubroeck, & Avolio, 2010).

Leadership role in crafting an environment which is supportive and professional that attracts and retains employees is of significant value (Lake & Friese, 2006). Leaders in healthcare industry have opportunity to develop a strong culture at workplace that ensures successful transition of newly graduate healthcare staff into environment that is demanding and complex. Authentic leadership is people-centered and relational form of leadership that is ideal in these conditions. Authentic leaders do so by providing opportunities of learning, increasing confidence and reducing burnout (Laschinger, Borgogni, Consiglio, & Read, 2015).

Problem Statement

Unethical leadership practices and inadequacy of seasoned leadership models have failed to address the issues arising from changing dynamics of the corporate world generally and healthcare sector specifically. There is an urge to seek leadership equipped with morality, credibility, integrity and honesty; “a leadership that is acknowledged as a root construct of all positive forms of leadership i.e. authentic leadership” (George, 2003a; George et al., 2007). Healthcare sector is immensely growing sector in Pakistan but with higher turnover rate. This higher turnover rate has been associated with different attitudinal and behavioral factors within the organization (Qureshi, Shakri, & Tariq).
Leadership also plays a significant role in influencing different attitudinal, behavioral and structural factors (Daft & Marcic, 2016). Therefore, it is necessary to investigate the impact of authentic leadership on different behavioral and attitudinal outcomes such as work engagement, job satisfaction and turnover intention of nursing staff in the context of Karachi; a mega city with huge pressure of patients and stressful working condition as experienced in recently conducted studies.

**Contribution & Originality**

This study contributes into the existing body of knowledge by incorporating social exchange theory (Balu, 1964; Cook, Cheshire & Nakagawa, 2013), social identity theory (Tyler, 1999) and conservation of resource theory (Hoffball, 2001) in a single setting explaining mediating mechanism of work engagement and job satisfaction and explains how and why authentic leadership can discourage turnover intention. Little empirical evidence is available with respect to incorporation of these theories in a single study; while these theories have been incorporated separately in different studies (Shapira-Lishchinsky & Tsemach, 2014; Kiersch & Byrne, 2015).

**Significance of the Research**

This research attempts to draw the attention of business community to the failure of seasoned leadership models (George, 2003; George, Sims, McLean, & Mayer, 2007) and suggests how the crucial talent can be retained by incorporating authentic leadership practices. This research also attempts to increase generalizability of authentic leadership theory in eastern context (Wong, 2013) as the cross-sectional research designs are limit generalizability of causal relationships (Fitzmaurice, & Ravichandran, 2008).

**Research Objectives**

1. To find out the influence of authentic leadership on turnover intention.
2. To find out the mediating effect of job satisfaction between authentic leadership and turnover intention.
3. To find out the mediating effect of work engagement between authentic leadership and turnover intention.

**Literature Review**

**Authentic Leadership**

Authentic leaders are defined as: “those who are deeply aware of how they think and behave and are perceived by others as being aware of their own and others’ values/moral perspectives, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and of high moral character” (Spitzmuller & Ilies, 2010). It is assumed that moral leaders are authentic
and authentic leaders are moral therefore it is argued that moral reasoning and moral actions are mediated through authentic leadership behavior. Behavioral integrity stresses the importance of maintaining an alignment between a leader’s words and deeds, between the espoused principles or values and actual actions. Moral action and moral reasoning have positive relationship. This relationship gets strengthened when it is moderated by authentic leadership positively, but on the other hand this relationship gets reversed with the intervention of Machiavellianism (Sendjaya et al., 2016). Plethora of research has supported the strong positive connection between authentic leadership and attitudes and behaviors of followers (Fallatah & Laschinger, 2016).

**Authentic Leadership & Work Engagement**

The authentic leadership approach which leads to further experiential indication on how authentic leadership can result positive outcomes in work engagement from the employees’ perspective. There is strong evidence that self-awareness, relational transparency, internalized moral perspective and balanced processing are the four most important dimensions of authentic leadership which ultimately result in positive work behaviors of followers (Walumbwa, Avolio, Gardner, Wernsing, & Peterson, 2008). Leaders with authenticity provide psychological support to their subordinates and play a key role to retain valuable human capital and resist brain drain from organization. Recently, individual-level and group-level investigation was carried out to examine the impact of authentic leadership on different employees’ outcomes. Findings indicated reduced turnover intention in the prevalence of authentic leadership behavior through mediation of inter-personal justice climate at group-level. In the same way, authentic leadership directly affecting turnover intention as well as through inter-personal justice at individual level (Kiersch & Byrne, 2015).

The issue of authentic leadership has been subject to increased interest for researchers in academic and non-academic domains. Authentic leadership and work engagement have significant relationship with mediation of employee trust (Hsieh & Wang, 2015). According to Schaufeli, Bakker, & Salanova (2006) “engagement is defined as a positive, fulfilling, work-related state of mind. They claimed it is a persistent affective-cognitive state, characterized by vigor, dedication, and absorption.” Studies conducted in recent past have suggested that authentic leadership is responsible for instilling the positive attitudes, behaviors and work outcomes in organizational context such as increased trust and work engagement (Rego et al., 2012; Walumbwa et al., 2008a; Walumbwa, Christensen, & Hailey, 2011; Walumbwa et al., 2010).

Joo, Lim, & Kim (2016) found empirical support for employees’ work engagement influenced by personal, job-related and contextual factors. This study found empowerment as an antecedent of work
engagement while authentic leadership was found to be a significant moderator between psychological capital and work engagement.

Penger & Černe (2014) used the model suggested by (Walumbwa et al., 2008) examined the authentic leadership’s from the employees ‘perspective. They focused on explaining how authentic leadership influences work engagement at all levels and to do so they acquired data from supervisors and their subordinates. They also examined that how perceived superiors’ support (through an employee’s perspective) can mediate the relationship between authentic leadership and the work engagement. In a recent research carried out in the healthcare sector in South Africa, authentic leadership has found to be positively associated with work engagement and findings of this study reveal that authentic leaders positively influence psychological capital of their followers which mediates this influence on employees’ work engagement (du Plessis & Boshoff, 2018). Authentic leaders earn trust of their followers through demonstrating behavioral integrity. This trust based relationship results in enhanced work engagement (Swain, Cao, & Gardner, 2018).

**Authentic Leadership & Job Satisfaction**

Wong & Laschinger (2013) investigated the impact of authentic leadership of managers on healthcare staff (Nurses) with reference to the perception of job satisfaction. It has also been argued in this study that although the influence of leadership style on job satisfaction of followers has been well-documented in previous researches, only a few studies focused on authentic leadership’s influence on job satisfaction. This deficiency is claimed to be covered through this study. Findings of this research suggest that increased job satisfaction is strongly associated with authentic leadership. It has also been observed through the results of the study that more the leaders are seen as authentic, more the satisfaction was observed in respondents. Azanza et al. (2013) argued that organizational culture provides a breeding ground for authentic leadership to nurture which, in turn, has strong positive impact of attitude of employees including job satisfaction.

Leroy, Anseel, Gardner and Sels, (2015) investigated the in-role and extra performance behaviors of followers with respect to influence of authentic leadership on 30 leaders and 252 followers in 25 Belgian service companies. They argued that positive effects of authentic leadership occur when leaders enact their true selves with followers that motivates and enhances their satisfaction with their jobs. Using self-determination theory (STD) as a guideline framework, this research witnessed positive relationship for both authentic leadership and authentic followership with followers basic need satisfaction and hence job satisfaction. Findings of an empirical study carried out in pharmaceutical industry of Bangladesh revealed positive and statistically significant influence of authentic leadership on job satisfaction,
suggesting that authentic leaders lessen the possibility of experiencing job stress among their follower which ultimately results in increased job satisfaction (Sultana, Darun, & Yao, 2018).

Similarly, a study in recent past conducted by Fallatah & Laschinger (2016) found strong positive association between authentic leadership and followers’ job satisfaction. This study argued that despite all components of authentic leadership are of equal importance, internalized moral perspective was found to be more associated with job satisfaction suggesting that employees perceive more secure and supportive work environment when authentic leaders demonstrate more ethical practices.

**Authentic Leadership & Turnover Intention**

Employees’ turnover and retention has been the subject of interest for researchers of psychology and sociology for decades. Employee turnover has been linked to many negative outcomes for both organization and employees (Hancock, Allen, Bosco, McDaniel, & Pierce, 2013). Turnover intention has been described as “employees’ willingness or attempts to leave the current workplace voluntarily” (Takase, 2010). Turnover intention, being a useful proxy for actual turnover, is the best predictor of actual turnover (Griffeth, Hom, & Gaertner, 2000).

Authentic leadership, through perception of justice climate, bolsters employee well-being and performance and reduces turnover intention (Kiersch & Byrne, 2015). It has been observed that there is a tendency to leave the profession in newly graduate nurses because of stressful environment (Scott, Engelke, & Swanson, 2008). Authentic leadership crafts an organizational environment that eliminates or reduces stressful condition which is prevalent in healthcare sector (Walumbwa et al., 2008). Researchers have expressed concern that many new graduates may actually leave the profession altogether as a result of stressful working conditions. Authentic leadership creates supporting environment that reduces intention to leave (Laschinger, Wong, & Grau, 2012).

Leaders with authenticity provide psychological support to their subordinates and play a key role to retain valuable human capital and resist brain drain from organization. Individual-level and group-level investigation was carried out recently to examine the impact of authentic leadership on different employees’ outcomes. Findings indicated reduced turnover intention in the prevalence of authentic leadership behavior through mediation of inter-personal justice climate at group-level. In the same way authentic leadership directly affecting turnover intention as well as through inter-personal justice at individual level (Kiersch & Byrne, 2015). Authentic leaders boost higher level of affective commitment among employees when employees perceive them as authentic with higher moral and ethical standards. As a result, employees
prefer to be associated with and are not prone to leave such organization (Oh & Oh, 2017). Authentic leadership has found to be the factor enhancing identification of nurses with their leaders and organization in healthcare sector, therefore healthcare staff or more specifically nurses who have strong identification with their leader and organization are less likely to leave their organizations (Fallatah, Laschinger, & Read, 2017). Similarly, in another study carried out in southwest of USA addressing the authentic leadership and its relation to turnover intention of employees in hospitality industry found lack of commitment as a factor which triggers job search and turnover intention. This study argued that authentic leadership stimulate high level of employee engagement and organizational commitment among their followers through principle-based behavior which in return decrease the chances of turnover intention (Gatling, Kang, Kim, Humphreys, & Humphreys, 2016). On the basis of arguments given above, we contend that authentic leadership crafts an environment which results in engaged and satisfied followers which ultimately leads to reduced turnover intention as authentic leaders possess the qualities of high moral character and flexible interaction with their followers (Zubair & Kamal, 2016).

**Theoretical Background**

This research uses conservation of resource theory and social exchange theory to support its conceptual framework. Conservation of resource theory proposes that individuals are likely to gain, preserve and foster resources at workplace and they try to minimize any potential threat to their resources (Hoffball, 2001) such as their job which is obvious financial resource. It can be argued on the basis of conservation of resource theory that employees, if engaged by given more autonomous working environment and are satisfied with their job, are less likely to leave their organizations as a consequence. There is a strong positive relation between authentic leadership and employees’ perceived empowerment (Emuwa, 2013). Since authentic leaders foster culture of autonomy and empowerment (Valsania, Moriano, & Molero, 2016), it can be argued that employees are less likely to leave their organization when they supported and empowered by authentic leaders. Similarly, the proposed conceptual framework is also supported by social exchange theory which suggests that people are likely to maintain equitable social exchange through the norms of reciprocity (Giallonardo et al., 2010; Pineau Stam et al., 2015), suggesting that if authentic leader treats his or her subordinates with authenticity, respect and consideration, followers are more likely to serve the organization in order to maintain equitable social exchange and therefore are less likely to have turnover intention. Social identity theory (Laschinger et al., 2012), on the other hand, suggests that individuals identify themselves with their leader or organization when they are treated with fairness, respect and are given value. Therefore, authentic leadership practices in turn enhance social
identity of employees with organization and consequently, they are less likely to leave organization (Laschinger et al., 2012).

**Hypotheses**

On the basis of above discussion, following hypotheses and conceptual framework can be developed.

\( H_1: \) There is a significant impact of authentic leadership on turnover intention.

\( H_2: \) Job satisfaction mediates the influence of authentic leadership on turnover intention.

\( H_3: \) Work engagement mediates the influence of authentic leadership on turnover intention.

**Figure 1. Conceptual framework**

**Methodology**

**Population & Sampling**

Population refers to the group of interest which consists of usually a large group of people. It is quite difficult to approach all the elements of population to get their responses for the research therefore to get the questionnaire filled and data collection, a sample of representatives is derived from population (Malhotra, 2010).

Amer (2013) reported the population of Karachi is estimated approximately 23.5 million which is 11.76% of the Pakistani population as the estimated population of Pakistan=199085.4847 million (World Population clock, 2016). The population of registered nurses in Pakistan is 90,276 (Pakistan Economic Survey, 2016-17). On the basis of statistics mentioned above, as per population ration of Karachi with respect to Pakistan, registered nurses in Karachi are 10,616. Out of this population a smaller sample was drawn for this study because of resource, time and access constraints.
Sample Size

There is no unanimity on the issue of sample size e.g. it has been suggested research should have at least 30 respondents as a sample each variable (Sekaran, 2006). Anderson & Kleingartner (1987) have suggested sample size of 250 as appropriate while others have based the calculation of the sample on confidence level and confidence interval.

For this research a sample size of 300 was selected among which 250 were received. All the respondents participated voluntarily. The response rate was 83%. The sample size was larger for this research than suggested minimum sample size in the literature. The age of participants ranged from 20 to 58 years (M=32, SD=8.23) while in term of gender 81(32.4%) were male and 169(67.6%) were female. As far as marital status is concerned, 101(40.4%) were single and 149(59.6%) were married. The qualification of respondents was as 119(47.6%) hold undergraduate degree while 118(47.2%) hold graduate degree and 13(5.2%) possess post graduate degree.

Sampling Technique

Non-Probability sampling technique has been employed for this study. After obtaining the list of registered nurses, sampling framework was developed. Subsequently convenient sampling technique was adopted to gather data from respondents. Convenient sampling is the most common non-probability technique in which sample is drawn non-randomly for inclusion in sample (Passer, 2014). Convenient sampling is frequently used in small scale research for example data gathered from two or three organizations. Despite the disadvantages that arise from non-representativeness, convenient sampling is considerably less expensive and less complicated for the population difficult to access either because of time and resource constraints (Cohen, 2007). These limitations are part of this study, hence convenient sampling technique is justified for this research.

Participants

According to the local force survey, the population of Karachi is estimated approximately 24 million (Ahmed, Shaikh, Soomro, Qazi, & Soomro, 2018) which is 11.76% of the Pakistani population. The population of registered nurses in Pakistan is 90,276 (Pakistan, 2017). On the basis of statistics mentioned above, as per population ration of Karachi with respect to Pakistan, registered nurses in Karachi are 10,616. Out of this population a smaller sample was drawn for this study because of resource, time and access constraints. Respondents for this cross-sectional primary research have been selected from 5 hospitals situated in Karachi. Both government and private sector hospital are included in the sample. A convenient sample of 250 respondents was drawn employing convenient sampling technique. There is lack of unanimity among experts on what should be the appropriate sample size, e.g. Sekaran &
Bougie (2011) have recommended 30 respondents per variable as sufficient sample. While this study follows (Anderson & Kleingartner, 1987) who earlier suggested 250 respondents as an appropriate sample size for quantitative research. All the respondents participated voluntarily. The response rate was 83%. The age of participants ranged from 20 to 58 years (M=32, SD=8.23) while in term of gender 81(32.4%) were male and 169(67.6%) were female. As far as marital status is concerned, 101(40.4%) were single and 149(59.6%) were married. The qualification of respondents was as 119 (47.6%) hold undergraduate degree while 118(47.2%) hold graduate degree and 13(5.2%) possess post graduate degree.

**Instrument Development**

The instrument used in this research has been developed from valid constructs derived from valid questionnaires. The instrument contains 30 items comprising 4 constructs ranging from 1 standing for “Strongly Disagree” to 5 standing for “Strongly Agree” on 5-point Likert scale.

**Measures**

Authentic leadership has been measured through authentic leadership scale (ALS) proposed by (Walumbwa et al., 2008) containing 4 dimensions and each contains two questions (α=0.89). Assessment of job satisfaction has been made through the Index for Work Satisfaction consisting of 6 items (α=0.88). Work engagement has been measured through work and well-being survey (UWES) proposed by (Schaufeli et al., 2006).The proposed scale contains 10 items (α=0.80). Turnover intention has been measured through the scale proposed by Singh, Verbeke, and Rhoads (1996) containing three items (α=0.89).

**Data Analysis**

The data analysis including exploratory factor analysis (EFA), reliability, discriminant validity (construct validity and convergent validity) and regression analysis has been performed using SPSS 23.

**Table 1. Respondents’ Profile**

<table>
<thead>
<tr>
<th>Variable</th>
<th>Numbers</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>169</td>
<td>68</td>
</tr>
<tr>
<td>Male</td>
<td>81</td>
<td>32</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 to 30 years</td>
<td>116</td>
<td>46</td>
</tr>
<tr>
<td>31 to 40 years</td>
<td>91</td>
<td>36</td>
</tr>
<tr>
<td>41 to 50 years</td>
<td>34</td>
<td>14</td>
</tr>
</tbody>
</table>
To ascertain the normality of data, descriptive statistics have been generated. Summarized results are presented in Table 2.

**Table 2. Descriptive Analysis**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness</th>
<th>Kurtosis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>3.54</td>
<td>0.84</td>
<td>-0.91</td>
<td>-0.24</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.68</td>
<td>0.80</td>
<td>-0.99</td>
<td>0.02</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>3.55</td>
<td>0.59</td>
<td>-1.05</td>
<td>0.52</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>2.23</td>
<td>1.11</td>
<td>0.92</td>
<td>-0.48</td>
</tr>
</tbody>
</table>

Since all the constructs are in the acceptable range of ±2.5, normality of the data can be assumed (Hair, 2010).

**Table 3. Exploratory Factor Analysis (EFA)**

<table>
<thead>
<tr>
<th>Construct</th>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</th>
<th>Bartlett's Test of Sphericity</th>
<th>Total Variance Explained</th>
<th>Items retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>0.85</td>
<td>1237.70</td>
<td>72.30</td>
<td>8</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.812</td>
<td>943.77</td>
<td>65.46</td>
<td>6</td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.89</td>
<td>1916.61</td>
<td>72.02</td>
<td>10</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.74</td>
<td>437.28</td>
<td>82.26</td>
<td>3</td>
</tr>
</tbody>
</table>

Varimax rotation was used when applying Principal Factor Analysis on all the constructs. The values of Kaiser-Meyer-Olkin (KMO) for all the constructs are in acceptable range (KMO>0.6) (Hair et al., 2006). The values of Barley Test of Spehercity are also significant as P <.05.
Construct Validity

It is necessary to evaluate the construct validity if the construct is adopted from one culture and is administered in another culture. Ascertaining the validity of the proposed construct is necessary with the present data set as all the constructs were developed in western context that we have used in this research. We can ascertain construct validity through discriminant validity and convergent validity (Read, 2013).

Convergent Validity

For convergent validity the variance explained for each variable should be greater than 0.40 and the reliability should be higher than 0.70. Summarized results are shown in Table 4 which confirms that the data fulfills convergent validity requirements (Hair, 2010).

Table 4. Convergent Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
<th>Cronbach’s Alpha</th>
<th>Variance Explained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic leadership</td>
<td>3.53</td>
<td>0.84</td>
<td>0.89</td>
<td>72.30%</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>3.68</td>
<td>0.80</td>
<td>0.88</td>
<td>65.46%</td>
</tr>
<tr>
<td>Work engagement</td>
<td>3.56</td>
<td>0.60</td>
<td>0.81</td>
<td>73.66%</td>
</tr>
<tr>
<td>Turnover intention</td>
<td>2.23</td>
<td>1.11</td>
<td>0.89</td>
<td>85.26%</td>
</tr>
</tbody>
</table>

Since the reliability is greater than 0.7 and the variance explained is greater than 0.4, the data fulfills the requirements of convergent validity (Hair, 2010).

Discriminant Validity

Table 5. Discriminant Validity

<table>
<thead>
<tr>
<th>Constructs</th>
<th>AL</th>
<th>JS</th>
<th>WE</th>
<th>TI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>0.85</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>0.68</td>
<td>0.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Engagement</td>
<td>0.55</td>
<td>0.75</td>
<td>0.86</td>
<td></td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>0.53</td>
<td>0.62</td>
<td>0.55</td>
<td>0.92</td>
</tr>
</tbody>
</table>

Uniqueness and distinctiveness of each variable is determined through discriminant validity (J. F. Hair, Black, & Babin, 2010). The criterion of discriminant validity is met when square root of total variance explained is greater than square of each pair of correlation (Fornell & Larcker, 1981). The data presented in Table 5 shows the fulfillment of discriminant validity requirement.

The approach proposed by Judd & Kenny(1982) has been used to measure mediation model where direct effect if independent variable (Authentic leadership) is measured directly through regressing it with dependent variable (Turnover intention). For indirect effect the mediators (Job Satisfaction, Work Engagement) are regressed along with independent variable (Authentic leadership) with dependent variable (Turnover intention). Insignificant sig. values ($P>0.05$) with reduced beta coefficient is the indication of full mediation when mediating variable in
introduced in the model. While there is a partial mediation when beta coefficient is reduced with \((P<0.05)\) (Judd & Kenny, 1982).

**Table 6. Summarized Regression Results (Direct Effect)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>5.667</td>
<td>.210</td>
<td>27.001</td>
<td>.000</td>
</tr>
<tr>
<td>Authentic Leadership</td>
<td>-.791</td>
<td>.058</td>
<td>-.640</td>
<td></td>
</tr>
</tbody>
</table>

Dependent Variable: Turnover Intention, \(R^2=0.533\), Adjusted \(R^2=0.531\), \(F (1,249)=283, p<0.05\).

**Table 7. Summarized Regression Results (Indirect Effect)**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>6.309</td>
<td>.284</td>
<td>22.227</td>
<td>.000</td>
</tr>
<tr>
<td>Authentic Leadership</td>
<td>-.324</td>
<td>.087</td>
<td>-.244</td>
<td></td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>-.351</td>
<td>.059</td>
<td>-.404</td>
<td></td>
</tr>
<tr>
<td>Work Engagement</td>
<td>-.422</td>
<td>.137</td>
<td>-.223</td>
<td></td>
</tr>
</tbody>
</table>

Dependent Variable: Turnover Intention, \(R^2=0.655\), Adjusted \(R^2=0.651\), \(F(1,249)=155, p<0.05\).

**Discussion**

The results of regression explain that the predictor authentic leadership explains 53% variance \((R^2=0.531, F (1,249) =283, p<0.05)\) in turnover intention. It has also been found authentic leadership \((\beta=-0.791, p<0.05)\) significantly negatively influences turnover intention which is a large effect according to (Cohen, 2007). This finding is consistent with previous studies where authentic leadership has negatively influences turnover intention (Laschinger & Fida, 2014; Shapira-Lishchinsky & Tsemach, 2014). When mediating variables (job satisfaction, work engagement) were introduced in the model, variance explanation of predictors increased by 65% while decreased explanation of authentic leadership \((\beta = -0.324, p<0.05)\) indicating partial mediation of job satisfaction \((\beta = -0.351, p<0.05)\) and work Engagement \((\beta = -0.422, p<0.05)\) which are still significant but have resulted in lesser explanation of authentic leadership for turnover intention when mediating variables included in the proposed model. These findings are also consistent with previous study, employing supervisory support as mediating mechanism and predicting increased work engagement and job satisfaction (Penger & Černe, 2014). All proposed hypothesis are supported by the finding of this research, suggesting that employees experience higher level of engagement and job satisfaction when leaders provide them more job autonomy and they have more control on their jobs and consequently prefer not to leave their organization. These finding support the role of
conservation of resource theory where authentic leadership makes sure availability and protection of physical, social and psychological resources. Similarly, role of maintaining the norms of reciprocity by followers has been observed where incumbents, according to social exchange theory, try to reciprocate the treatment they receive from their leaders. In the light of findings of this research, employees in response to fair treatment of authentic leaders and experiencing higher levels of work engagement and job satisfaction, are less likely to leave their organization. It is also indication of the fact that employees prefer to identify themselves with the leader and organization which also support role of social identity theory and social identity theory in the given context has also been supported by the findings.

**Conclusion**

These findings provide clear guidelines to decision makers with respect to retain crucial talent in order to perform organizational function effectively and efficiently. These results show compliance of the finding of the previous research in the same fashion which suggest that authentic leadership reduces turnover intention (Kiersch & Byrne, 2015). It has been observed that there is a tendency to leave the profession in newly graduate nurses because of stressful environment (Scott et al., 2008). Authentic leadership crafts an organizational environment that eliminates or reduces stressful condition which is prevalent in healthcare sector (Walumbwa et al., 2008). Researchers have expressed concern that many new graduates may actually leave the profession altogether as a result of stressful working conditions. Authentic leadership creates supporting environment that reduces intention to leave (Laschinger et al., 2012). On the other hand influence of job satisfaction and work engagement can also be observed as significant suggesting that authentic leadership results in engaged nurses who are satisfied with their job and unintended to leave their profession.

**Limitations**

The data collected for this study was measured through self-reported questionnaire. The only source was subordinates through which data was collected to test proposed hypotheses. The observed relationships might be susceptible and overstated to frequent method bias as a consequence (Buchanan & Bryman, 2009). This research has been carried out having focus on nurses in hospitals with at least diploma holders who are fully accustomed to read and apprehend questionnaire. Other confounding factors such as respondents’ social background and other multiple factors were not created in this study. Another limitation of this study is that is has not incorporated more robust and advanced statistical technique i.e. structural equation modeling (SEM). Since model fit indices are sensitive to sample size (Wolf et al., 2013) and larger sample size is required to obtain a good model fit (Fan, Thompson,
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& Wang, 1999). Particularly for mediation analysis, it has been suggested that sample of 460 cases is appropriate for having a good model fit (Wolf et al., 2013). Since sample size for this research is 250, therefore SEM is not appropriate in the given scenario.

Future Research Directions

As the data used in this study was cross-sectional data, time-legged data may reveal some new insight of the situation which may be in contrast of the findings of this study. Using longitudinal data can be helpful to avoid common method bias. Using moderation models in this study can be helpful to understand the mechanism through which impact of authentic leadership can be translated into different employees’ and organizational outcomes.

References


