Abstract - One of the biggest challenges for the call centre industry is the high turnover rate. Past studies revealed that affective commitment, organisational commitment, psychological capital, job satisfaction, work environment and problematic customer behaviours were some of the contributing factors of turnover. However, authentic leadership and the role of work engagement as mediators lacked investigation for the service industry in Malaysia. Therefore, this study aimed to investigate the influence of four dimensions in authentic leadership on employees’ turnover intention in Malaysia call centres with work engagement as the mediating role. A total of 389 online surveys were distributed to employees working in call centres in Klang Valley and Cyberjaya. This study obtained 240 valid samples with a return rate of 60%. The results indicated that self-awareness and balanced processing of information had a significant relationship with work engagement. Work engagement was significantly related to turnover intention. Work engagement contributed as a mediator to some variables towards employees’ turnover intention. Hence, leaders are encouraged to manage tasks and relational roles. Different leadership styles have their strengths and limitations which could impact the employees’ engagement to the company.

Keywords: Turnover intention, Authentic leadership, Work engagement, Call centre, Malaysia

1. Introduction

Turnover has attracted much attention as numerous studies were conducted over the last few decades (Hancock, Allen, Bosco, McDaniel, & Pierce, 2013). Nonetheless, financial repercussion was not the only undesirable effects of turnover. Other impacts of turnover include diminishing employee morale, deficient customer service, (Alexandrov, Babakus, & Yavas, 2007) and inferior customer relations (Abassi & Hollman, 2000) leading to organisational dysfunction, impacting organisational performance and productivity (Park & Shaw, 2013). Based on historical empirical evidences, employees quit their current jobs due to better career opportunities, repetitive work, career development paucity, burnout (Singh, Goolsby, & Rhoads, 1994; Halbesleben & Buckley, 2004), poor work engagement (Babcock-Roberson, Meredith Elaine; Strickland, 2010) and leadership behaviour (Demirtas & Akdogan, 2015; Tse, Huang, & Lam, 2013).
Most organisations faced issues related to turnover, especially services industry. The turnover could affect the business operation as call centres dealt with customers. Globally, there are thousands of call centres operating for various business operations such as insurance, airlines, banking, telecommunication, and others (refer to Figure 1).

The call centre industry has evolved from a business environment consisting of operators that only handle inbound calls into multi-channels that handle inbound calls, outbound calls, emails, and chats. It could manage different tasks including customer service, helpdesk, technical support, telesales, reservations, order processing, and collections for various industries namely healthcare, financial services, retail, technology, media, and telecommunication. Call centres are a part of an organisation’s strategic business unit to drive growth and increase sales, profits, and revenues by improving the business-customer relationships. One of the biggest challenges for a call centre industry is the high turnover rate. Customer service representatives are expected to regulate their emotions via “surface acting” (feigning outward emotions wherein remaining original inner feelings) and/or “deep acting” (regulating one’s inner emotions to meet social or work expectations) when handling customers, leading to emotional labour and dissonance (Coté, 2005).

In the Malaysian context, the average turnover rate for call centre industry is 19% to 24% according to Kelly Services and Callcentres.net. The high turnover rates could impact an organisation’s competitive advantage. Higher turnover could lead to loss of productivity and increase the costs in hiring, training, and replacement. Other impacts of turnover include poor delivery of customer service, decrease in productivity, decrease in sales, loss of customers leading to lower company profitability. When experienced employees left the company, they carry their expertise, knowledge, and skills which affected production
deficiencies as well as causing organisational dysfunction (Abbasi & Hollman, 2000). Past studies revealed that turnovers could be financially detrimental to an organization as well as depressing employee motivation, decreasing production outputs (Park & Shaw, 2013), reducing quality of instrumental communication, disrupting organisational commitment (Price, 1989) and negatively impacting customer service delivery (Kacmar, Andrews, & System, 2006). Leadership styles could also influence turnover. Leadership is defined as an individual’s behaviour that could influence his or her followers in accomplishing a shared goal (Rowden, 2000). Past studies revealed that leaders who are supportive (Mobley, 1977), understanding, and interested in employees’ well-being (Miller & Wheeler, 1992) could strengthen the bond and influence the employee’s loyalty to an organisation.

Based on the previous studies, scholars revealed that there was a relationship between authentic leadership with turnover intention (Jinuk Oh, 2017; Gatling, Anthony, Hee Jung Annette Kang, 2016). This study intended to investigate the relationship between leadership with authentic leadership’s four dimensions: relational transparency, self-awareness, internal moral perspective, and balanced processing of information. There were not many studies on turnover intention in the context of the service industry in Malaysia. Hence, the researcher intended to focus on this specific area.

2. Literature Review

Effective leadership was perceived as a necessary skill in influencing followers in achieving a common organisational goal. Great leaders create, build, and articulate shared visions as well as supporting and guiding their followers to achieve a common goal. Various corporate misconducts such as Enron, WorldCom, Lehman Brothers, and Sanlu’s Group milk scandal had deteriorated the employees’ trust in their leaders and organisations which had dropped from 39% to 27% (“Credibility and trust on the agenda: Authentic leaders bring a touch of humanity,” 2012). It is therefore important to place business ethics and positive leadership back into focus with greater scrutiny (Scandura, & Schriesheim, 2005). Stakeholders demanded that leaders should be more authentic and adopt ethical practices while the holding board of directors is accountable in ensuring that their leadership, values, conducts, and practices demonstrate integrity and authenticity in all aspects of business conducts. Authentic leaders are egalitarians that influence followers with their consistent moralistic inner core values such as strong ethics, honesty, truthfulness, and integrity. They convey exemplary positivity by motivating people via engagement, empowerment, and inclusion. Authentic leaders are altruists that genuinely care for the development and well-being of people that could generate mutual trust and respect.

The initial conceptualisation of authentic leadership was proposed by Kernis (2003). Kernis (2003) defined authenticity as an unobstructed operation of one’s true or core self in daily enterprise and stated that the four components of authentic leadership were awareness, unbiased processing, action, and relational orientation. According to Kernis (2003) concept of authenticity, Ilies, Morgeson, and Nahrgang (2005) proposed self-awareness, unbiased processing, authentic behaviour, and relational orientation as the framework of authentic leadership. Gardner, Avolio, Luthans, May, and Walumbwa (2005) grouped authentic leadership into internalised regulation, balance processing of information, relational transparency, and authentic behaviour based on Kernis (2003)
concept of authenticity as well as Deci and Ryan (2000) self-determination theory. Walumbwa et al. (2008) selected the foundations by Ilies, Morgeson, and Nahrgang (2005) as well as Gardner, Avolio, Luthans, May, and Walumbwa (2005) as both frameworks were based on the constructs of social psychology, internalised moral perspective, and development of authentic leaders with their followers and they developed the four dimensions namely self-awareness (SA), an internalised moral perspective (IMP), balanced processing of information (BPI), and relational transparency (RT) which were used in this study.

Empirical evidence revealed that authentic leadership could lead to positive outcomes in organisations such as increasing affective commitment (Gatling, Anthony, & Hee Jung Annette Kang, 2016), employee engagement, job satisfaction (Avolio, Gardner, Walumbwa, Luthans, & May, 2004), creativity, and organisational performance.

2.1. Dimensions of Authentic Leadership
This study used four dimensions of authentic leadership as follows: relational transparency (RT), self-awareness (SA), internalised moral perspective (IMP), and balanced processing of information (BPI) (Walumbwa et al., 2008).

a. Relational Transparency
Authentic leaders that possessed relational transparency adopted the behaviour of openness and integrity (Cottrill, Lopez, & Hoffman, 2014). They empathised their employees but did not display inappropriate emotions that may affect others around them. Leaders are equipped with behaviours that facilitated trust and honesty in communication (Beal, 2016). They displayed integrity that creates trust and fosters teamwork and cooperation (Kernis, 2003a).

b. Self-Awareness
Self-awareness is knowing one’s psychological strengths, weaknesses, emotional triggers, and limitations while being aware of how his or her decisions can impact the lives of those around them (Kernis, 2003; Beal, 2016). Authentic leaders continuously perform self-assessment (Gatling, Anthony, Hee Jung, & Annette Kang, 2016) and have an in-depth understanding of their skills, values, and preferences (Cottrill et al., 2014).

c. Internal Moral Perspective
Authentic leaders are practical and make decisions based on elevated ethical moral values even when they are facing challenging situations. Internal moral perspective deals with self-regulated behaviours that are aligned with moral values and ethics without the influence of external conditions (Heatherton & Baumeister, 1991).

d. Balanced Processing of Information
This element is evident when leaders investigate the available information before concluding or making a decision even if the final decision is different from their assumptions (Gatling, Anthony, & Hee Jung Annette Kang, 2016). Authentic leaders also consider diverse opinions from their employees in their decision-making process (Walumbwa et al., 2008).

2.2. Turnover Intention
Turnover intention is an individual’s psychological willingness (Malik, Bashir, Khan, & Malik, 2013), thought, or intention to leave an organisation (Mobley, Griffeth, Hand, &
Meglino, 1979). Turnover intention is a cognitive process whereby an employee has conscious thoughts, plans, and desires to leave his or her current company to seek employment in other organisations (Mobley et al., 1979). The intention to leave is regarded before the actual turnover (Arnold & Feldman, 1982). It was proven that turnover intention is an antecedent and best predictor of actual turnover (Randy K. & Francesco, 2003). Van Schalkwyk, Du Toit, Bothma, & Rothmann (2010) affirmed the theory that there was a relationship between turnover intention and actual turnover. There are several reasons that employees quit their jobs such as external (e.g., employment perceptions and presence of union), structural or work-related (e.g., satisfaction with pay, work, supervision, and organisational commitment), and personal characteristics (e.g., demographics such as age, tenure, education, dependents, behavioural intentions, etc.) (Cotton & Tuttle, 1996). However, turnovers are not necessarily bad; for example, employees who are not cultural fit or do not perform at work that leave an organisation could allow new employees to bring in new ideas and innovation to increase productivity.

2.3. Work Engagement

Work engagement refers to the employee’s energy, involvement, dedication, efficacy, intensity, and attention at work (Kahn, 1990; Babcock-Roberson, Elaine, Strickland, 2010). Numerous studies found that work engagement was the mediator between the independent variables such as training satisfaction, leader member exchange (LMX) relationship (Agarwal, Datta, Blake Beard, & Bhargava, 2012), perceived HRM practices, and organisational citizenship behaviour (Alfes, Shantz, Truss, & Soane, 2013) that had reduced actual turnovers and turnover intention.

The conceptualisation of engagement was pioneered by Kahn (1990) in which personal engagement could bind employees to their work roles as they could express themselves physically, cognitively, and emotionally. Kahn (1990) stated that engagement is associated with the following psychological conditions during work role performance: meaningfulness, safety, and availability. May, Gilson, and Harter (2004) theorised that work engagement comprised of three dimensions: physical (energy), emotional (dedication), and cognitive (self-absorption).

This study applied the conceptualisation of work engagement by Schaufeli et al. (2006) with the following dimensions: vigour, dedication, and absorption. Vigour refers to the elevated levels of energy, mental resilience, and tenacity at work even when facing challenges (Takawira, Coetsee, & Schreuder, 2014) which is the opposite of emotional exhaustion (Maslach, Schaufeli, & Leiter, 2001; Schaufeli, Salanova, Bakker, & Alez-rom, 2002). Dedication is defined as commitment and involvement in work with positive emotions such as pride, enthusiasm (Ling Suan & Ibrahim, 2016), and inspiration. Dedication is also regarded as the antithesis of cynicism (Schaufeli, Bakker, & Salanova, 2002). Absorption refers to the focus at work which is intense and the time passes without the person’s knowledge (González-Romá, Schaufeli, Bakker, & Lloret, 2006).

2.4. Relationship between Relational Transparency and Work Engagement

Relational transparency is a behaviour related to openness and integrity (Cottrill et al., 2014) where the leader supports trust and honesty in communication (Beal, 2016) as well as teamwork and cooperation (Kernis, 2003a). An engagement needed the leader’s trust and support (Kahn, 1990) as well as the leader’s ability as communicators in articulating a vision (Papalexandris & Galanaki, 2009).
Jessica Xu (2011) affirmed that the availability of constructive job resources such as job security, supervisor support, role conflict, and autonomy could lead to engagement (Bakker & Demerouti, 2007; Mauno, Kinnunen, & Ruokolainen, 2007). Employees are more engaged when their leaders recognise, support, develop (Harter, Schmidt, & Hayes, 2002), and treat them sincerely (Wang & Hsieh, 2013; Morrison & Robinson, 1997).

Employees perceived a leader that displays relational transparency as walking their talk and listen to their opinions (Gretchen, R. Vogelgesang, Leroy & Avolio, 2013) in a better leader-follower relationship (Barry & Crant, 2000) and leader identification (Quinn, Spreitzer, & Brown, 2000). Employees’ identification with authentic leaders could cultivate hope, optimism, positivity, and trust that boost engagement (Khan, Muhammad, Afridi, & Sarwar, 2017). Therefore, this study hypothesised the following:

**Hypothesis 1:** Relational transparency is significantly related to work engagement.

### 2.5. Relationship between Self-awareness and Work Engagement

Self-awareness is the key component of emotional intelligence (Law, Wong, & Song, 2004) where leaders are aware of their behaviours, understand their roles, accurately assess other’s evaluations (Atwater & Yammarino, 1992), set priorities to address pertinent issues and they are better in assimilating information from others into self-appraisals and behaviour.

A self-aware leader possesses empathy, recognises different relations behaviours which are relevant, detects feelings of injustice and resentment, and promotes the development of mutual trust with the employees (Mahsud, Yukl, & Prussia, 2010). Hassan and Ahmed (2011) stated that trust promotes work engagement. Empathetic leaders promote employee engagement by treating employees with respect and care, and they understand what motivates them and nurture teamwork. According to Forbes (2018), one of the best ways to increase productivity and create an engaged workforce is to foster empathy. Therefore, the researcher formed the following hypothesis:

**Hypothesis 2:** Self-awareness is significantly related to work engagement.

### 2.6. Relationship between Internal Moral Perspective and Work Engagement

Leaders that possessed an internal moral perspective made ethical decisions and demonstrated elevated levels of integrity and cares for their followers (Jen-Wei, Shu-Ching, Jyh-Huei, & Yu-Ha, 2014). Leaders are perceived as honest and trustworthy (Walumbwa et al., 2011); thus, promoting an ethical climate working environment (Demirtas & Akdogan, 2015), strengthening employee’s job satisfaction with their superiors (Kim & Brymer, 2011), and increasing staff’s intrinsic motivation (Piccolo, Greenbaum, Den Hartog, & Folger, 2010). A study revealed that employees who trusted their leaders were more engaged at work (Wong, Spence Laschinger, & Cummings, 2010). Leaders with ethical values could provide autonomy and influence over decision making (De Hoogh & Den Hartog, 2008) compared to excessive monitoring that hindered work engagement (Engelbrecht, Heine, & Mahembe, 2017).

A leader's openness, consistency between belief and actions (May, Chan, Hodges, & Avolio, 2003), integrity, and moral perceptions (Fields, 2007) could influence employees to be more engaged at work (Jen-Wei et al., 2014). The following hypothesis was proposed:
Hypothesis 3: Internal moral perspective is significantly related to work engagement.

2.7. Relationship between Balanced Processing of Information and Work Engagement

Leaders that practice balanced processing of information seek and encourage diverse opinions from their employees. They analyse the gathered data before deciding on a course of action. Employees are encouraged to voice out their opinions even if their ideas oppose the leader’s opinions. Voice behaviour is conceptualised as an organisational citizenship behaviour where employees recommend or suggest helpful changes that improve group outcomes (Van Dyne & LePine, 1998). Authentic leaders that solicit feedback and consider employee participation in decision-making could increase work ownership, and promote trusts and work engagement (Wong et al., 2010). Leaders who openly share and disseminate substantial, complete, and relevant information by incorporating employee participation in identifying, acquiring, and distributing truthful information will result in transparent organisational communication (Stirton & Lodge, 2001) as well as trust and credibility. Employee participation in identifying information and implementing inputs in decision making could motivate and build engagement (Wayne, Grzywacz, Carlson, & Kacmar, 2007; Jiang & Men, 2017). Therefore, this hypothesis was formed:

Hypothesis 4: Balanced processing of information is significantly related to work engagement.

2.8. Work Engagement and Turnover Intention

Engagement is defined as the emotional commitment of an employee to the organisation and its goals. It is built upon a foundation of mutual trust and respect between the employee and the company. In an organisation, employees display three types of emotional commitment, namely engaged, not engaged, and actively disengaged. Disengaged or actively disengaged managers could influence employees in becoming disengaged or actively disengaged by creating a cascading effect. Not only are these employees unhappy at work, but they also show their unhappiness and undermine their co-workers’ accomplishment. These employees radiate negativity and could be the cause of employee leaving.

According to Saks (2006), work engagement is the antecedent of turnover intention. Scholars had proven that engagement could reduce employee’s intention to leave (Takawira et al., 2014; Gupta & Shaheen, 2017; Alfes, Shantz, Truss, & Soane, 2013). Besides reducing turnover, work engagement could influence positive work-related behavioural outcomes such as job satisfaction, customer satisfaction, work performance, productivity, and profitability (Saks, 2006; Harter et al., 2002; Agarwal, Datta, Blake Beard, & Bhargava, 2012). Engaged employees display enthusiasm, inspiration, pride (Chughtai & Buckley, 2008), elevated energy levels, self-efficacy (Sonnentag, 2003), and mental resilience. In addition, Lupfer (2011) stated that Media Today reported the following statistics: 66% of engaged managers at work reported higher productivity and organisations with higher levels of employee engagement could improve their operating income by 19.2%. Therefore, the following hypothesis was formed:

Hypothesis 5: Work engagement is significantly related to turnover intention.
3. Methodology

A total of 389 surveys were distributed to call centre employees working in Malaysia and there were 240 fully completed surveys with a return rate of 60%. According to Tabachnick and Fidell (2013), the recommended sample size is sufficient if the ratio of participants to items is 5 to 1. This study has 29 items in the questionnaire and the minimum sample size is 145 respondents. Therefore, the 240 responses exceeded the minimum criterion. The Partial Least Squares (PLS) analysis used SmartPLS 3.0 software to analyse the research model (Ringle et al., 2015). Anderson and Gerbing (1988) suggested conducting the two-stage analytical procedures. The researcher tested the measurement model reliability of the measures before examining the structural model (Hair et al., 2014; Ramayah et al., 2013) and bootstrapping method to test the significant path coefficients and loadings. Initially, the demographic distribution of the sample population was examined using descriptive analysis. The demographic distribution portrays the demographic profile of the respondents, which is presented via descriptive analysis. A summary table of the descriptive statistics highlights the demographic distribution, which includes ethnicity, nationality, gender, age, education, monthly income, industry, and length of service in the current organisation.

4. Findings

4.1. Demographic Profile

The statistics offer an overview of respondents’ profiles. The survey was answered by three major ethnic groups in Malaysia: 34.2% were Malays, followed by 31.7% for Chinese, and 27.1% for Indians. Local Malaysians (94.6%) represented the majority of the 240 respondents which comprised of 44.2% for male and 55.8% for female. The majority of the respondents were 20 – 29 years old (50.8%) and 30 – 39 years old (33.8%). A percentage of 27.7% had a diploma, 47.5% had a bachelor’s degree, and 8.3% had a postgraduate degree. The survey revealed that 69.2% of the respondents earned between RM1500 to RM5000. Most of the employees were from the telecommunication industry (25.4%) and services industry (35.8%). The remaining respondents worked in various industries that represented 31.3% of the responses. The results revealed that 65.8% of the respondents have worked in their organisation for four years or lesser. Table 1 shows the summary of demographic profile of the 240 respondents.

Table 1. Demographic Profile

<table>
<thead>
<tr>
<th>Demography</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Demography</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ethnicity</td>
<td></td>
<td></td>
<td>Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malay</td>
<td>82.00</td>
<td>34.20</td>
<td>Below RM1,500</td>
<td>16.00</td>
<td>6.70</td>
</tr>
<tr>
<td>Chinese</td>
<td>76.00</td>
<td>31.70</td>
<td>RM1,500 - RM3,000</td>
<td>87.00</td>
<td>36.30</td>
</tr>
<tr>
<td>Indian</td>
<td>65.00</td>
<td>27.10</td>
<td>RM3,001 - RM5,000</td>
<td>79.00</td>
<td>32.90</td>
</tr>
<tr>
<td>Others</td>
<td>17.00</td>
<td>7.10</td>
<td>RM5,001 - RM10,000</td>
<td>33.00</td>
<td>13.80</td>
</tr>
<tr>
<td>Total</td>
<td>240.00</td>
<td>100.00</td>
<td>More than RM10,000</td>
<td>25.00</td>
<td>10.40</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>240.00</td>
<td>100.00</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td>Industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>106.00</td>
<td>44.20</td>
<td>Telecommunication</td>
<td>61.00</td>
<td>25.40</td>
</tr>
<tr>
<td>Female</td>
<td>134.00</td>
<td>55.80</td>
<td>Hospitality</td>
<td>18.00</td>
<td>7.50</td>
</tr>
<tr>
<td>Total</td>
<td>240.00</td>
<td>100.00</td>
<td>Services</td>
<td>86.00</td>
<td>35.80</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td>Others</td>
<td>75.00</td>
<td>31.30</td>
</tr>
</tbody>
</table>
Two types of validity were conducted to evaluate the measurement model, namely convergent validity and discriminant validity. For convergent validity, it is a measurement model that examines the loadings, average variance extracted (AVE), and composite reliability (Gholami et al., 2013). As suggested by Hair et al. (2014), the loadings were higher than 0.7, the composite reliabilities were higher than 0.7, and the AVE was also higher than 0.5 (refer Table 2.0).

Table 2. Convergent Validity of Measurement Model

<table>
<thead>
<tr>
<th>Construct</th>
<th>Items</th>
<th>Loadings</th>
<th>Cronbach’s Alpha</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relational Transparency</td>
<td>RT1</td>
<td>0.812</td>
<td>0.754</td>
<td>0.670</td>
<td>0.859</td>
</tr>
<tr>
<td></td>
<td>RT2</td>
<td>0.837</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>RT3</td>
<td>0.806</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-awareness</td>
<td>SA1</td>
<td>0.790</td>
<td>0.861</td>
<td>0.706</td>
<td>0.906</td>
</tr>
<tr>
<td></td>
<td>SA2</td>
<td>0.846</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SA3</td>
<td>0.854</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SA4</td>
<td>0.869</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moral Internal Perspective</td>
<td>MI1</td>
<td>0.819</td>
<td>0.840</td>
<td>0.676</td>
<td>0.893</td>
</tr>
<tr>
<td></td>
<td>MI2</td>
<td>0.821</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MI3</td>
<td>0.829</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>MI4</td>
<td>0.819</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance Processing</td>
<td>BPI1</td>
<td>0.891</td>
<td>0.867</td>
<td>0.790</td>
<td>0.916</td>
</tr>
<tr>
<td>Information</td>
<td>BPI2</td>
<td>0.897</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>BPI3</td>
<td>0.878</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work Engagement</td>
<td>WE1</td>
<td>0.592</td>
<td>0.936</td>
<td>0.669</td>
<td>0.947</td>
</tr>
<tr>
<td></td>
<td>WE2</td>
<td>0.849</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE3</td>
<td>0.873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE4</td>
<td>0.890</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE5</td>
<td>0.870</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE6</td>
<td>0.834</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE7</td>
<td>0.873</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE8</td>
<td>0.828</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WE9</td>
<td>0.705</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>TO1</td>
<td>0.847</td>
<td>0.632</td>
<td>0.893</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TO2</td>
<td>0.935</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TO3</td>
<td>0.866</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TO4</td>
<td>0.760</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TO5</td>
<td>0.568</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: RT4 was deleted due to low loadings
The discriminant validity of measures was tested according to Fornell and Larcker (1981) criterion that compared the correlations between constructs and the square root of AVE for the construct. Based on Table 3, the square root of AVEs as characterised by the bbolded values on the diagonals were greater than the corresponding row and column values (correlation between constructs) in which the measures were discriminant.

4.3. Structural Model Evaluation

The structural model was applied to calculate $R^2$, beta, the corresponding t-value (Hair et al., 2014), and a bootstrapping procedure with 5,000 resamples. The researchers also reported on the predictive relevance ($Q^2$) and effect sizes ($f^2$) (Hair et al., 2014). Standardised coefficient estimates revealed that the path between balance processing information and work engagement ($\beta = -0.074$; $t=1.959$; $p<0.05$) is negatively significant between self-awareness and work engagement ($\beta = -0.105$; $t=2.227$; $p<0.05$) which are significant with a direct negative relationship. However, the path between moral internal perspective and work engagement is not significant ($p>0.05$). Similar finding was found between relational transparency and work engagement ($\beta = -0.022$; $t=0.824$; $p>0.05$). The direct relationship between work engagement and turnover intention is significant with $\beta=0.367$; $t=5.847$; $p=0.000$ (Refer to Table 4).

### Table 3. Discriminant Validity of Measurement Model

<table>
<thead>
<tr>
<th></th>
<th>BPI</th>
<th>MI</th>
<th>RT</th>
<th>SA</th>
<th>TI</th>
<th>WE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPI</td>
<td>0.889</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MI</td>
<td>0.676</td>
<td>0.822</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RT</td>
<td>0.468</td>
<td>0.551</td>
<td>0.818</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SA</td>
<td>0.722</td>
<td>0.674</td>
<td>0.563</td>
<td>0.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TI</td>
<td>-0.221</td>
<td>-0.155</td>
<td>-0.113</td>
<td>-0.245</td>
<td>0.795</td>
<td></td>
</tr>
<tr>
<td>WE</td>
<td>0.517</td>
<td>0.488</td>
<td>0.382</td>
<td>0.545</td>
<td>-0.376</td>
<td>0.818</td>
</tr>
</tbody>
</table>

**Note:** (a) Values on the diagonal (bolded) represent the square root of AVE while the off-diagonals represent the correlation (b) BPI: Balance Processing Information; MI: Moral Internal Perspective; RT: Relational Transparency; SA: Self-Awareness; TI: Turnover Intention; WE: Work Engagement

### Table 4: Result of the Structural Model Analysis (Hypotheses Testing)

<table>
<thead>
<tr>
<th>Relationship</th>
<th>Beta</th>
<th>Std. Error</th>
<th>T-Value</th>
<th>Decision</th>
<th>$r^2$</th>
<th>$f^2$</th>
<th>$Q^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPI $\Rightarrow$ WE</td>
<td>-0.074</td>
<td>0.038</td>
<td>1.959</td>
<td>Supported</td>
<td>0.141</td>
<td>0.025</td>
<td>0.073</td>
</tr>
<tr>
<td>MI $\Rightarrow$ WE</td>
<td>-0.051</td>
<td>0.037</td>
<td>1.369</td>
<td>Not Supported</td>
<td>0.012</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RT $\Rightarrow$ WE</td>
<td>-0.022</td>
<td>0.026</td>
<td>0.824</td>
<td>Not Supported</td>
<td>0.003</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SA $\Rightarrow$ WE</td>
<td>-0.105</td>
<td>0.046</td>
<td>2.727</td>
<td>Supported</td>
<td>0.045</td>
<td></td>
<td></td>
</tr>
<tr>
<td>WE $\Rightarrow$ TI</td>
<td>-0.376</td>
<td>0.064</td>
<td>5.847</td>
<td>Supported</td>
<td>0.342</td>
<td>0.164</td>
<td>0.209</td>
</tr>
</tbody>
</table>

**Note:** BPI: Balance Processing Information; MI: Moral Internal Perspective; RT: Relational Transparency; SA: Self-Awareness; WE: Work Engagement; TI: Turnover Intention

Balance processing information and self-awareness of the leaders explained 14.1% on the variance of work engagement, whereas work engagement explained 34.2% on the variance of employee’s turnover intention. The study measured the effect sizes ($f^2$) as recommended by Sullivan and Feinn (2012). Hair et al. (2014) proposed that the change in the $R^2$ value should be studied. The method suggested that $R^2$ change is examined when a specified exogenous construct is absent from the model. As suggested by Cohen (1988), the standard to measure the magnitude of the effect size are as follows: 0.02 (small), 0.15 (medium), and 0.35 (Large). The $f^2$ value in Table 4 shows that the relationship of both significant predictors was in the range of small and medium. In addition, the predictive relevance of the model was determined using the blindfolding procedure. According to Henseler et al.
(2009), blindfolding is a sample reuse technique that removes every $d$th data point in the endogenous construct’s indicators and estimates the parameters with the remaining data points. Hair et al. (2014) stated that if the value of $Q^2$ is larger than 0, the model has predictive relevance for a certain endogenous construct. Table 4 shows that $Q^2$ values are 0.209 and 0.073 which suggest that the model has sufficient predictive relevance.

5. Recommendation and Conclusion

This study aimed to examine the relationship of the four dimensions in authentic leadership, namely relational transparency, self-awareness, internal moral perspective, and balanced processing of information. This study focused on the turnover intention of call centre employees in Malaysia and work engagement as the mediator. The respondents were from the call centres in Klang Valley and Cyberjaya as 90% of the call centres were in these areas. The online questionnaires via Google forms were distributed to in-house call centre employees from six private organisations of various industries based on the researcher’s business contacts. The majority of respondents were Malaysians (94.6%) with the significant proportion of the employees (65.8%) working in their organisations for four years or less. A total of 389 questionnaires were distributed and there were only 240 surveys that can be used with a total of 60% response rate.

There were two dimensions of authentic leadership, namely self-awareness and balanced processing of information that had a significant relationship with work engagement. In addition, self-awareness had a direct negative relationship with turnover intention. In other words, leaders with an in-depth understanding of their innate strengths, weaknesses, and the impact of their decisions could create a more engaged workforce. Furthermore, leaders who are more self-aware possess important values such as empathy which promotes employee’s motivation and teamwork that could reduce turnover intention.

Employees are more trustful with leaders that make decisions based on factual information. The trust in the relationship could motivate the employees to be more participative which in turn promotes ownership and accountability. In summary, this study provided the leaders of the call centres and managers an opportunity to understand the relational linkage and influence between independent, mediating, and dependent variables. The managers can better equip themselves with the knowledge and skills of the contributable dimensions where they are lacking. As a result, it will affect the turnover intention and actual turnover rate in the organisations.

It is recommended that future studies should combine quantitative and qualitative approach. The quantitative approach in this study is subject to individual interpretation and lacks the quality insight of an individual’s characteristics which provide possible response bias. The format of the questionnaire used in the survey could lead to inaccurate judgment (Uleman, 1991). For example, the respondent’s interpretation of the terms used in the questionnaire may be different. The fixed response format used in the survey requires the respondents to recall their behavioural patterns of their managers or leaders. The respondents may not be able to provide an accurate judgment because they may not notice the behaviour of the leaders or the respondents may not be able to remember how many times have the leaders displayed a certain behaviour over a specific period (Shipper, 1991). The answers may also be distorted based on respondents’ perception of the leader and stereotyped the leader as displaying the desirable behaviours (Green & Mitchell, 1979). For quantitative approach, the interpretation of data is subject to individual interpretation.
and lacks the quality insight of an individual’s characteristics despite the data being representative of the population. On the other hand, qualitative approach is performed by gathering information from a small group usually via interviews. The qualitative approach enables the researchers to gain a deeper insight into an individual or a small group’s characteristics, behavioural patterns, and reasons that they want to leave.

Most academic literature focuses the research on how leadership affects employee’s various attitudes and outcomes. However, more research is needed on opposite causality of employee to leader’s attitudes and outcomes. The research may provide valuable insights into the symbiotic relationship between leaders and employees. For example, a leader may display more positive behaviours towards an employee who performs well compared to those who perform less (Sims & Manz, 1984). Under the social exchange theory, the social interactions between a leader and employees could generate a situation of reciprocal interdependence (Agarwal et al., 2012). It is suggested that the leader-member exchange model should be used as a moderator for future studies. Furthermore, other situational variables can be considered as the moderator such as the employee’s length of service.

Although it is important for managers to understand the reasons that employees are leaving, turnover is a complex subject. There are various situational variables that affect turnover but they are not considered in this study. Some of the situational variables include but not limited to the following: respondents’ demographics, cultural differences, type of industries, and other external environmental influences. For example, a country’s economic stability can affect turnover. When the economy is in recession, employees tend to bear with job dissatisfaction and stay with their current jobs due to scarce employment opportunities. Hence, the turnover will be lower. If the root causes of employee dissatisfaction are not addressed, employee turnover will increase when the economy recovers. When the National Bureau of Economic Research in the United States declared that the recession ended in June 2009, the turnover increased due to the increase in demands for employees in the labour market. In May 2011, the turnover rate was 2 million employees compared to 1.48 million in January 2010 (Erickson, Schwartz, & Ensell, 2012).

The employee’s length of service is also the factor of turnover intention. Various studies revealed there was a significant relationship between an employee’s tenure and turnover. In a case study conducted in a South-African tertiary institution, the turnover gradually decreased when the employee’s length of service reached between 6 to 10 years (Martin & Roodt, 1999). Another study in Istanbul’s hospitality and service industry revealed that employees from various five-star hotels reported higher turnover intention if they had worked for four years and less (Emiroğlu, Akova, & Tanriverdi, 2015). The tenure may vary by the types of industry and geographical locations where the research is conducted. These studies found that the employees who served longer were more reluctant to leave since they have invested many years of service in the company. This study found that call centre employees who worked for two years or less had a higher tendency of turnover compared to those who had worked for more than ten years.

Although employees are the greatest assets of a company and the efforts to motivate and boost their morale must be constantly and continuously executed, not all turnovers have a negative impact. It is not a negative impact when the employees that left the company due to their bad performance or resistant to change. It is not necessary to maintain all employees in an organisation at all costs.
Finally, leaders are encouraged to vary their leadership styles in accordance to different organisational contexts as different leadership styles have their strengths and limitations. For example, servant leadership model works better in a stable environment, whereas transformational leadership produces a better result in a revolutionary condition (Smith, Montagno, & Kuzmenko, 2004). Leaders also need to be mindful in managing a healthy balance between tasks and relational roles. Similar to servant leaders, authentic leaders who are too engrossed in relational roles by portraying too much empathy could cause compassion fatigue and emotional burnout. These leaders could negatively perceive an employee to be less capable if they had encountered and overcame a similar situation.

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**References**


