# The Study on the Factors Affecting Employees' Quitting Intention in Malaysian Manufacturing Sector

## Khairubi Mahmad & Maliza Delima Kamarul Zaman\* Universiti Teknologi Mara, Puncak Alam, Malaysia khairubi@pharmaniaga.com, \*malizadelima@uitm.edu.my

**Abstract:** To understand how ethical leadership, emotional leadership, and transformational leadership impact employees' intention to quit in the Malaysian manufacturing industry, a study was undertaken. In this study, a quantitative technique was utilized to gather data from a sample of 175 employees selected from industrial enterprises in the Klang Valley, Malaysia by the use of an online questionnaire. As a means of gathering data, a verified questionnaire with pertinent questions for the study was used. The research findings indicated that there were negative relationships between ethical leadership, transformational leadership and emotional leadership with quitting intention. This showed that employees will have less intention to quit with the increase in ethical leadership, emotional leadership as well and transformational leadership. It also led to further understanding that transformational leadership and emotional leadership had significant effects on employees' intention to quit respectively. These findings were hoped to help organization leaders keep their employees motivated and satisfied with their jobs to make them loyal customers to the company. This study was carried out with employees as the respondents and was set to be in the manufacturing sector in Klang Valley, Malaysia which included all of Selangor's major districts. This was done by choosing samples from different districts that were actively engaged in the manufacturing sector.

**Keywords**: Employees' quitting intention, Malaysian manufacturing sector, Ethical leadership, Emotional leadership, Transformational leadership.

## 1. Introduction and Background

The current study's goal is to determine the variables that influence employees' inclinations to leave their jobs in the manufacturing industry. Due to its impact on economic growth, Malaysia's manufacturing industry is quite significant and regularly plays a critical role in the country's economy. These businesses account for over 36% of Malaysia's GDP, 65% of its employment, and nearly 18% of its exports (Ho, 2019). The economic landscape of Malaysia has seen significant upheaval in recent decades. The need for workers increased significantly during this period of transformation, which was reflected in general labor shortages. Many national economies have been based on this sector due to its substantial contribution to total output, which tripled from 1960 to 2012 (i.e., from 8 to 24 percent). In addition, the number of persons engaged in this industry increased by 120% between 1982 and 2009, from 816,000 to 1,807,000 (Awad, Yussof, & Khalid, 2017).

With a turnover rate of 16% in 2016, the manufacturing sector had the fifth-highest turnover rate overall. In developing nations like Malaysia, the intention of employees to leave their work is a significant problem. Ooi and Teoh (2021) explain that because of its workplace, the manufacturing sector has a higher inclination to leave than other industries. Turnover is a key topic in the domains of organizational behavior and human resource management. Several studies that have been published have shown that turnover is a big source of concern for businesses. Employee turnover has an impact on organizational decisions, which forces top executives to investigate the causes. Given how this phenomenon affects business operations, further research on employee turnover is necessary (Yasin, Namoco, Jauhar, Rahim & Zia, 2021).

If an employee intends to quit their current position frequently, they are said to have a high turnover intention. Additionally, when employees quit a company for a variety of reasons, their choice to do so could be justified. Turnover is a major concern for human resource departments in every industry since it can impact output and customer satisfaction. This argument contends that if an employee decides to quit the organization, it will increase costs and reduce competitive advantages. According to some experts, the company's high turnover rate may be to blame for its low profitability. Due to its depressive effect, a lot of researchers, including academics, managers, and scholars have concentrated on employees' intentions to quit their jobs (Yasin et al., 2021).

The management's treatment of the employees gave the employees the desire to resign (Marquardt, Manegold & Brown, 2022). Organizations need strong leadership because it shapes how people act. Employers can be successful by creating leaders who can interact with employees and shape their perspectives. These ideas are chosen by effective leaders to foster commitment and enthusiasm for their work. Leaders adjust their methods and plans in response to both internal and external company difficulties. Therefore, by understanding ambidexterity, leaders can improve organizational performance (Abdullah, Atshan, Al-Abrrow, Alnoor & Valeri, 2022).

The notion of ethical leadership, on the other hand, is the practice of exhibiting proper normative behavior in one's actions and interpersonal interactions as well as motivating comparable behavior in followers through two-way communication. Followers regard morally upright leaders as truthful, dependable, fair, and people who genuinely care about other people and the community in which they live and work. Leaders who uphold moral principles both in their daily conduct and in public speech serve as role models for their organizations (Yazdanshenas & Mirzaei, 2022). By gratifying managers' higher psychological attitudes, transformational leaders enhance managers' performance. It is premature to conclude that the same mediating processes apply to creative performance, even though transformational leadership has been connected to work engagement, as research reveals that work engagement is a rather weak predictor of actual behavior (Gyensare & Okpoti, 2016).

Three potential factors were used to explore the relationship between each potential component and the quitting intention in this study. Work engagement, job responsibilities, and organizational commitment are possible variables that could influence the intention to turnover (Ooi & Teoh, 2021). In Malaysia, 61% are planning to look for a new job within the next 12 months – the highest rate compared to Singapore, Australia (48%), New Zealand (50%) and the UK (55%). Lack of career advancement is one of the leading causes of people quitting their jobs in Malaysia (36%) followed by a lack of recognition or appreciation (27%) and a lack of training opportunities (26%). Other contributing factors include a lack of compensation increases, poor management, feeling overworked, and a lack of flexibility (Yeo, 2021) besides organizational leadership.

**Background of the Manufacturing Sector**: Malaysia's manufacturing sector is still essential to the nation's economic development. Despite the uncertainty surrounding the global economy, the nation's growth was guaranteed by its contributions to export earnings and employment creation. According to DOSM (2022), in its press release dated 30<sup>th</sup> June 2022, the manufacturing sector contributes 24.3 percent to the national GDP, accelerated by 9.5 percent from a negative 2.7 percent in 2020. Rapid expansion in the Manufacturing sector was aided by double-digit growth in major subsectors, primarily electrical, electronic and optical products at 14.6 percent (2020: 2.6%) and petroleum, chemical, rubber and plastic products at 12.9 percent (2020: -1.0%). The surge in demand for semiconductor chips in recent years has fuelled the double-digit growth, particularly in Selangor 3.1%) and Pulau Pinang (12.4%).

**Problem Statement**: The likelihood that a worker will quit his or her current position is known as quitting intention. Additionally, it has been suggested that the intention to leave an organization for a variety of reasons might be explained (Ooi & Teoh, 2021). In this study, the researchers study the quitting intention of the manufacturing sector's employees. Employee turnover in Malaysia grew from 1.1% to 13.2% in 2014 and to 14.3% in 2015, which affected the manufacturing sector's business group. A high turnover rate can affect a company's productivity and raise costs. The Manufacturers Alliance for Productivity and Innovation (MAPI) Foundation reports that after growing by 3.5% in 2014, Malaysia's manufacturing sector productivity decreased at a pace of 1.0% annually in 2015 (Chin, 2018).

Work engagement, job responsibilities, and organizational commitment are possible variables that could influence the intention to turnover (Ooi & Teoh, 2021). Even though the economy is slowly recovering, and pandemic restrictions have loosened, many workers who have become accustomed to work-from-home (WFH) arrangements for more than a year are now grudgingly going back to the workplace. No one could have predicted the labor market we have now a few years ago. Unexpected behavioral changes in job seekers and employees are still being caused by COVID-19. Coronavirus continues to pose a risk to a robust and long-lasting labor market recovery. Employers' demand, meantime, far outpaces the quantity of unemployed people looking for work. In July 2021, there were 83 unemployed people for every 100 job postings, a ratio

last seen in December 2019 (Ooi & Teoh, 2021).

The "Great Resignation", as some analysts refer to it, is the result of millions of Americans abandoning their employment each month, further complicating the situation (Lewis, 2021). According to "The Great Resignation" phenomena, the US Bureau of Labour Statistics reported that as of September 2021, 4.4 million Americans had quit their jobs (Yeo, 2021). The COVID-19 pandemic-related lockdown measures gave people a chance to reassess their objectives in life and their professional choices. Since they were no longer forced to drive or take public transportation to get to their different working locations, some people began to appreciate the flexibility and autonomy that came with remote working. During the pandemic, employees must wear masks and follow additional standard operating procedures (SOPs) when returning to the office to reduce the danger of contracting an infection. They must also closely adhere to the working hours established by the organization. For many employees, this position requires quite an adjustment (Yeo, 2021).

In Malaysia, 61% are planning to look for a new job within the next 12 months – the highest rate compared to Singapore, Australia (48%), New Zealand (50%) and the UK (55%). Lack of career advancement is one of the leading causes of people quitting their jobs in Malaysia (36%) followed by a lack of recognition or appreciation (27%) and a lack of training opportunities (26%). Other contributing factors include a lack of compensation increases, poor management, feeling overworked, and a lack of flexibility (Yeo, 2021). Kim and Beehr (2017) emphasized that managers can affect how employees progress in their careers. The proper leader criterion must therefore be supported by evidence to prevent employees' intentions to leave the job, particularly in the post-Covid age. Three potential factors were used to explore the relationship between each potential component and the quitting intention in this study. Little study has examined the potential impact of an empowering leadership style on how people behave in the workplace and the possibility that they may leave.

**Conclusion**: A bigger intention needs to be focused on the study of how leadership can improve employees' well-being and work engagement based on the aforementioned what, where, who and why (4W) and how (1H) explanation taking element towards quitting intention among manufacturing employees. Therefore, the specific research questions were developed as follows:

- Does Ethical leadership influence the employees 'quitting intention in the manufacturing sector?
- Does Emotional leadership influence the employees 'quitting intention in the manufacturing sector?
- Does Transformational leadership influence the employees 'quitting intention in the manufacturing sector?
- What are the most significant factors that influence employees' quitting intention in the manufacturing sector?

There are four research questions developed from this study based on the understanding that leadership is important to prevent employees from quitting their jobs as well as the limited study to provide evidence on this matter.

**Significance of Study**: The importance of the study lies in the researchers' ability to investigate the variables impacting employees' quitting intention in the manufacturing sector.

**Theoretical Significance:** Theoretically, the researchers hoped to be able to determine how three independent variables, namely ethical leadership, emotional leadership, and transformational leadership affect manufacturing employees' intentions to leave their jobs.

**Practical Significance:** This study is hoped to assist HR in identifying the necessary leadership traits. By keeping an eye on the symptoms, it is also possible to determine the leading indicator of any turnover and decrease the number of manufacturing personnel quitting their positions.

**Operational Definition of the Term: Quitting Intention**: According to Ouakouak and Zaitouni (2020), a person's withdrawal cognitions, which include thoughts of resigning and looking for alternative career prospects, are known as quitting intention. The work environment, job requirements, methods of managing

human resources, and chances for alternative employment are some of the variables that influence the quitting intention.

**Operational Definition of the Term: Ethical Leadership**: It is intended to serve as an example of a leader who displays admirable normative behavior and inspires others to follow suit (Yazdanshenas & Mirzaei, 2022).

**Operational Definition of the Term: Emotional Leadership**: Emotional leadership is the practice of managing followers' emotions by demonstrating understanding, consideration, and respect for their needs and feelings. Managing group members' emotions is a crucial leadership responsibility because it can affect employees' behavior and build a meaningful, trusting relationship between leaders and followers (Ouakouak & Zaitouni, 2020).

**Operational Definition of the Term: Transformational Leadership:** Transformative leaders are regarded to possess leadership qualities like intellectual stimulation, idealized influence, individualized consideration, and inspirational drive (Gyensare & Okpoti, 2016). Leadership traits including intellectual stimulation, idealized influence, individualized concern, and inspirational motivation are believed to be present in transformational leaders.

# 2. Literature Review

**Self Determination Theory (SDT):** Although the motivating mechanisms underlying these effects are yet unknown, ethical leadership affects employees' attitudes and behaviors such as organizational citizenship behavior, commitment, job satisfaction, and job performance. We make use of SDT, a macro theory of human motivation, to examine how moral leadership might influence favorable employee outcomes, namely motivation. Competence, autonomy, and relatedness are the three basic psychological requirements identified by SDT as producing the highest level of intrinsic motivation. Morally upright individuals who make just decisions are ethical leaders. To encourage compliance, they clarify ethical expectations, convey them, set clear ethical standards, and implement rewards and penalties. Competence is the desire to be challenged, control, and master one's environment and, thus, to overcome challenges by using one's skills (LaGuardia, 2017).

Ethical leaders ensure that employee competency is consistent with moral ideals by fostering an environment in the workplace where individuals may push themselves and grow the skills necessary to accomplish their goals. The ability to behave voluntarily and in line with one's integrated self is what is meant by autonomy. Since autonomy depends on trust, respect, fairness, listening, and self-awareness, ethical leaders foster autonomy by acting with honesty, respect, reliability, and fairness while dealing with their staff. The degree to which individuals feel a sense of social connection or belonging to others is reflected in their need for relatedness. The qualities that are necessary for relatedness include empathy, service to others, and respect for their rights and dignity. It is more likely that the innate psychological needs of employees will be satisfied when they are under the direction of moral leaders who promote and model trust and respect in their interactions with staff. Since moral leaders allow workers to develop their abilities, make their own decisions, and engage and connect with other leaders, they are more likely to foster intrinsic motivation through sentiments of caring, stability, and relatedness (LaGuardia, 2017).

**Quitting Intention**: Accordance to Ouakouak and Zaitouni (2020) a person's withdrawal cognitions, which include thoughts of resigning and looking for alternative career prospects, are known as quitting intention. The work environment, job requirements, methods of managing human resources, and chances for alternative employment are some of the variables that influence the quitting intention. Ooi and Teoh (2021) highlighted that leaving intention is the willingness of an employee to leave his or her existing organization. Quitting intention is the likelihood of an employee's intention to leave the current work. When a person lacks motivation, opportunities for advancement, and performance reviews at work, they may decide to quit their position and leave the company. Since internal and external organizational contexts have changed dramatically over the past few years, employees are growing more concerned about the possibility of losing their tenure, seniority-based compensation, and stable organizational culture. As a result of organizational

environmental changes, employees frequently experience emotional irritability and dissatisfaction with their working conditions. Stressed-out workers may eventually leave their employers. Job satisfaction is lower and there is a higher chance of high turnover when there is emotional dissonance, or the mismatch between an employee's feelings and the actual expressions required of them at work (Kim & Beehr, 2017).

The significance of Employees' Quitting Intention: Since good leadership has been shown to have a strong correlation with low turnover rates, high productivity, and improved employee satisfaction, quitting intention can also be seen from this perspective. Employees who work for bad leaders have a variety of unfavorable outcomes, including decreased productivity, more absenteeism, and higher employee turnover. There are two types of turnover: (1) Preventable turnover includes employee unhappiness and leadership, in addition to (2) unavoidable turnover such as illness, family issues, and retirement (Manoppo, 2020). As "an individual's withdrawal cognitions that involve thoughts of quitting and search for alternative employment opportunities," an intention to quit is a function of various factors, such as the work environment (job characteristics, human factors), recruitment, training costs, decreased productivity, and morale. Employees' intentions to quit are a major concern for managers in both the private and public sectors (Ouakouak & Zaitouni, 2020).

The Main Factors to Reduce Employees' Quitting Intention: Given its role as a key determinant of human behavior, motivation draws a lot of attention. Organizations, in particular, are always looking for new ways to encourage employees' motivation, which is the willingness of organizational members to give their all to their tasks. Employee motivation has been linked in the past to several positive outcomes, including employee satisfaction, well-being, work engagement, and improved job performance. Researchers and managers alike ask for greater research to elucidate the dynamic methods through which businesses can support and preserve the work motivation of their personnel. Existing research distinguishes between intrinsic and extrinsic motivation as the two basic types. Money bonuses, certificates, rewards, awards, and punishment are all seen as extrinsic incentives for work but curiosity, satisfaction, interest, engagement, and good challenges are considered intrinsic incentives. Organizations should take into account both sources, but academics contend that intrinsic sources are more important and merit special attention. In response, we look at intrinsic sources of motivation by investigating how leadership philosophies may enhance employee motivation for workers in public companies in an Eastern cultural setting.

For two key reasons, public institutions make an intriguing context for answering these concerns. First off, due to their general lack of attractiveness to highly qualified managers and high-performing personnel, most nations have significant management issues. The insufficient financial incentives that public organizations can provide are the cause of this lack of attraction, which also suggests that some current employees or managers put minimal effort into their work. Second, fewer studies have examined if and how leadership affects employee motivation in public organizations, in contrast to the comparatively substantial research into employee motivation in the private sector. To attain common goals, leadership refers to "the process of encouraging individual and group efforts to comprehend and agree on what needs to be done and how to do it." It is more important for corporate performance since it influences how employees and followers behave. Motivating team members to work well and accomplish goals may be the most crucial responsibility for leaders (Ouakouak & Zaitouni, 2020).

**Ethical Leadership**: It is intended to serve as an example of a leader who displays admirable normative behavior and inspires others to follow suit (Yazdanshenas & Mirzaei, 2022). Ethical Leadership is defined by the exhibition of normatively suitable conduct through personal acts and interpersonal interactions, and the encouragement of such conduct to followers through two-way communication, reinforcement, and decision-making. Ethical leadership fosters a range of beneficial effects, including task performance, organizational identification, commitment, and job satisfaction. By showing empathy, care, and respect for their needs and feelings, emotional leaders may control the emotions of their followers (Ouakouak & Zaitouni, 2020). Alkhadra (2022) asserted that by fostering climates of procedural justice, ethical leadership is crucial to improving a firm's success. In the literature on organization and management, the concept of ethical leadership which is defined as a model of a leader who exhibits suitable normative behavior and who encourages followers to follow suit has grown in importance and influence (Yazdanshenas & Mirzaei, 2022).

Ethical Leadership is defined by the exhibition of normatively suitable conduct through personal acts and interpersonal interactions, and the encouragement of such conduct to followers through two-way communication, reinforcement, and decision-making. Ethical leadership fosters a range of beneficial effects, including task performance, organizational identification, commitment, and job satisfaction. By showing empathy, care, and respect for their needs and feelings, emotional leaders may control the emotions of their followers (Ouakouak & Zaitouni, 2020). There was a conditional association between ethical leadership and leaving intentions through interpersonal conflict based on follower moral identity. The negative impacts of ethical leadership on interpersonal conflict and, hence, quitting intentions were more pronounced for followers who had stronger moral identities. Employees' motivation and ethical behavior go hand in hand claim Ouakouak and Zaitouni (2020). Furthermore, employee motivation improves job performance. The results also suggest that plans to quit hurt job performance.

**Emotional Leadership**: Emotional leadership is the practice of managing followers' emotions by demonstrating understanding, consideration, and respect for their needs and feelings. Managing group members' emotions is a crucial leadership responsibility because it can affect employees' behaviors and build a meaningful, trusting relationship between leaders and followers (Ouakouak & Zaitouni, 2020). Managing group members' emotions is a crucial leadership responsibility because it can affect employees' behavior and build a meaningful, trusting relationship between leaders and followers. Emotional leadership is the practice of managing followers' emotions by demonstrating understanding, consideration, and respect for their needs and feelings (Ouakouak & Zaitouni, 2020).

**Transformational Leadership**: Transformational leadership is crucial because it makes it possible for people from all backgrounds to collaborate successfully on a common goal. Furthermore, transformational leadership emphasizes change that is aimed at enhancing organizational performance, whether it is from below-par to acceptable or from acceptable to excellent (Gyensare & Okpoti, 2016). Leaders and followers assist one another in raising their moral and motivational levels in a process known as transformational leadership. The transformational method results in significant alterations in people's and organizations' lives. Transformational leaders are idealized in the sense that they serve as moral role models for working with others to further the objectives of a team (Manoppo, 2020). Manoppo (2020) suggests that, even though it was not statistically significant, the turnover intention will be lower with the increase of transformational leadership. Since transformational leadership has been shown to have a strong correlation with low turnover rates, high productivity, and improved employee satisfaction, therefore, the research hypotheses were developed as follows:

Based on the literature reviewed, the following hypotheses were developed: **H0:** There is no relationship between ethical leadership and quitting intention. **H1:** There is a significant relationship between ethical leadership and quitting intention.

H0: There is no relationship between emotional leadership and quitting intention.H2: There is a significant relationship between emotional leadership and quitting intention.

H0: There is no relationship between transformational leadership and quitting intention.H3: There is a significant relationship between transformational leadership and quitting intention.

The hypotheses were developed based on thorough literature on quitting intention based on leadership roles. Three areas of leadership were highlighted. Ethical leadership highlights beneficial effects, including task performance, organizational identification, commitment, and job satisfaction. Emotional leadership highlights employees' behaviors and builds a meaningful, trusting relationship between leaders and followers while Transformational leadership highlights collaboration and organizational performance.

## 3. Research Design

The goal of this research is to examine the variables influencing employees' intention to quit in the Malaysian manufacturing sector. The goal of the study is to examine how ethical leadership (IV1), emotional leadership (IV2), and transformational leadership (IV3) influence employees' intention to quit their jobs (DV). To

evaluate the prediction model that was created using the foundation of an already existing theory, this study employed a quantitative research technique. Utilizing surveys, the data for this study was gathered. Respondents were contacted through an internet medium like WhatsApp using the snowball sampling technique. The Pearson Coefficient Correlation and Multiple Regression were used to analyze the data. The extent of researchers' interference with the study was minimal and the respondents were anonymous. Surveys were distributed using Google Forms to respondents who meet the fundamental requirements of working adults.

The outcome was immediately gathered via the system and processed using SPSS Version 28.0. The atmosphere of the study was kept as natural as possible in the study setting, which was a non-contrived setting related largely to the correlational investigation. The study is also known as a field experiment while manufacturing employees in Malaysia located in the Klang Valley area that fits the basic criteria of working adults. A cross-sectional study was employed as it was a type of research strategy in which researchers gather information from numerous people all at once. The researchers observed variables in a cross-sectional study. The study sample was selected based on the snowball sampling technique within the working adults in the Klang Valley area. The sample size was 175 employees in all major districts of Selangor.

**Data Collection**: The researchers used primary data in this study to collect pertinent information for the analysis. The researchers collected data via an online survey distribution using Google Forms. The questionnaire, which was built around the determined dependent and independent variables, consists of subquestions. The Klang Valley region's working population was the survey's target demographic. The researchers used online platforms like WhatsApp to distribute the questionnaire to the respondents. According to Ouakouak and Zaitouni (2020), there are a variety of elements that affect employees' intention to leave their jobs. For example, four items are used to gauge the respondents' perceptions of the overall degree of balance between their work and their superiors' leadership styles.

The study employed a 5-point Likert scale with responses ranging from "strongly disagree" (1) to "strongly agree" (5). The sample questions on the four-item questions on quitting intention, five-item questions on Ethical leadership, four-item questions on Emotional leadership and seven-item questions on Transformational leadership were shown in Table 1. The questionnaire was adopted from Gyensare and Okpoti (2016) and Ouakouak and Zaitouni (2020) for quitting intention as well as for the independent variables. The pilot test suggested that the questions were accepted and no modification was needed. The questionnaire also had undergone the validation process by an expert. The sample questions are shown in the same Table. The questionnaire was sent to respondents with introductory information and instruction, pledged for confidentiality as well as appreciation.

Part	Variable	Scale	Sources
Part A	Demographic (6 items)	Nominal Scale	
	1. Gender	Ordinal scale	
	2. Age		
	3. Race		
	4. Marital Status		
	5. Position in company		
	6. Working Experience		
Part B	Dependent Variable:	1 (strongly	(Ouakouak &
	Quitting Intention (4 items)	disagree) to 5	Zaitouni, 2020)
	At this time, I would quit my job if it was feasible.	(strongly agree)	
	I am planning to leave my job within the next six months.		
	I am actively searching for another job right now.		
	I have thoughts about leaving this organization.		
	5 5 5		

# **Table 1: Questionnaire Development**

Ethical Leadership (5 items)disagree)toThe management takes disciplinary action against(strongly agree)problematic employees.The management always looks after the interests of the employees.The management always makes fair and balanced decisions.Galanced	Zaitouni, 2020)
problematic employees. The management always looks after the interests of the employees. The management always makes fair and balanced	
The management always looks after the interests of the employees. The management always makes fair and balanced	
employees. The management always makes fair and balanced	
decisions.	
The management can be trusted.	
The management sets an example of how to do things the	
right way in terms of ethics.	
Independent Variable 2: 1 (strongly	(Ouakouak &
	Zaitouni, 2020)
The management acts by considering my feelings. (strongly agree)	
The management shows respect for my personal feelings.	
The management behaves in a manner thoughtful of my	
personal needs.	
The management treats me with consideration of my	
personal feelings.	(Gvensare &
Independent Variable 3: <b>Transformational Leadership</b> 1 (strongly (7 items) disagree) to 5	(Gyensare & Okpoti, 2016)
Leaders in my organization can clearly explain the vision (strongly agree)	0Kp0ti, 2010J
and mission of the organization to employees.	
Leaders in my organization can invite employees to work	
together to work for the vision of the organization's	
mission.	
Leaders demonstrate integrity in their work.	
Leaders in my organization show behavior that is by the	
values adopted by the organization.	
Leaders in my organization show responsibility to make	
improvements in the organization.	
Leaders in my organization provide opportunities for	
employees to work together.	
Leaders in my organization encouraged me to work with	
other employees.	

# 4. Data analysis

The study focused on employees in Malaysia's Klang Valley who are employed in the manufacturing industry. To get the needed minimum sample size of participants, questionnaires were sent to individual respondents via multiple electronic platforms including email, WhatsApp, and Facebook messaging. Nevertheless, the researchers were able to compile 175 questionnaires that were filled out. No respondents were seen throwing away or leaving any questionnaires unfinished while the questionnaires were being collected.

Table 2: Respondents Prome				
Demographic Variable	Category	Frequency	Percent	
Gender	Male	89	50.9	
	Female	86	49.1	
Age	18-26	21	12.0	
	27-34	71	40.6	
	35-43	67	38.3	
	above 44	16	9.1	

Table 2: Respondents' Profile

Information Management and Business Review (ISSN 2220-3796) Vol. 15, No. 3(SI), pp. 497-509, September 2023				
Race	Malay	120	68.6	
	Chinese	25	14.3	
	Indian	29	16.6	
	Others	1	0.6	
Marital Status	Single	39	22.3	
	Married	124	70.9	
	Divorcee	8	4.6	
	Widowhood	4	2.3	
Designation	Non-Executive	31	17.7	
	Executive	123	70.3	
	Manager and above	21	12.0	
Experience	Below 5 years	32	18.3	
	Above 5 Years	125	71.4	
	More than 20 years	16	9.1	

**Descriptive Analysis:** Before running a correlational analysis, a descriptive analysis was run. It is essential to test the data for normalcy because the goal of this normality test is to determine the distribution's shape. According to Sekaran and Bougie (2002), skewness and kurtosis values between 3 and -3 are regarded as acceptable.

## Table 3: Descriptive Analysis

Variables	Mean	Standard Deviation	Skewness	Kurtosis
Ethical Leadership	4.231	0.606	-1.421	3.469
Emotional Leadership	4.109	0.742	-1.353	2.119
Transformational Leadership	4.294	0.602	-1.363	1.990
Quitting Intention	1.671	0.803	2.029	4.447

**Reliability Test:** This analysis is used to determine the validity of the questionnaire-derived data. This analysis's goal is to determine how consistent and stable the data are. Researchers can evaluate a scale's capacity to produce consistent results when measurements are repeated using reliability analysis. Consequently, Cronbach's Alpha was used to evaluate the validity of the analysis in this study as shown in Table 4.

## **Table 4: Reliability Test**

Variable	No of Items	Cronbach's Alpha	Interpretation
Ethical Leadership	5	0.872	Very Good
Emotional Leadership	4	0.891	Very Good
Transformational Leadership	7	0.915	Excellent
Quitting Intention	4	0.958	Excellent

Variables	Ethical Leadership	Emotional Leadership	Transformational Leadership	Quitting Intention
Ethical Leadership	1			
	175			
Emotional Leadership	.605**	1		
	175	175		
Transformational Leadership	.697**	.740**	1	
	0.000	0.000		
	175	175	175	
Quitting Intention	489**	587**	594**	1
	0.000	0.000	0.000	
	175	175	175	175
**. Correlation is significant	at the 0.01 level (2-taile	d).		

# Table 5: Correlation Coefficient between Quitting Intention and All Independent Variables

Table 5 offers a summary of the findings from Pearson's Coefficient Correlation that shows the correlation coefficient between quitting intention and all independent factors. In comparison to the other variables, the variable for transformational leadership showed the largest association coefficient. The substantial correlation coefficient of -0.594 (r = -0.594, p < 0.001) demonstrates the moderate negative association between transformational leadership and quitting intention. This suggests that a stronger commitment to transformational leadership quitting intention is shown by the obtained correlation value of -0.587 (r = -0.587, p < 0.001). This indicates that organizations with transformational leadership may see reduced levels of quitting intention. The estimated correlation coefficient of -0.489 (r = -0.489, p < 0.001) indicates that the variables of quitting intention and ethical leadership have a moderately unfavorable relationship. This finding demonstrates that when a leader behaves ethically, there is little correlation between quitting intention and quitting in Table 5 generally provided insight into the relationships between quitting intention and the independent variables. According to the negative connections between these variables, transformation, emotional, and ethical leadership as well as ethical leadership may aid in lowering employees' intention rates to quit their jobs.

**Multiple Regression Analysis**: Regression analysis was used to determine the proportion of dependent variables that can be explained by independent variables. The R-square value was investigated to ascertain the percentage by which independent factors can affect the dependent variable. In this investigation, the F-value was also used to assess how well the regression model fit overall. For each variable to be considered significant, the study outcome must be less than 0.05. The beta coefficient analysis was last used to determine the significance of the independent variables about the dependent variables.

Independent Variable	Unstandardized Coefficients		Standardized Coefficients		t Sig.
	В	Std. Error	Beta		
(Constant)	5.287	0.366		14.445	0.000
Ethical Leadership	-0.122	0.111	-0.092	-1.095	0.275
Emotional Leadership	-0.333	0.097	-0.307	-3.442	0.001
Transformational Leadership	-0.404	0.132	-0.303	-3.055	0.003
Dependent Variable: Quitting Intention					
R <sup>2</sup>	0.43				
F Value	38.824				
Significance	0.000				

#### **Table 6: Regression Analysis**

Based on Table 6, a statistically significant regression equation was found, with an F-value of 38.824, p = .000, which may be used in the model summary to learn more about the regression model's overall fit and predictive power. The amount of variance in the dependent variable that can be explained by the independent variables is measured by the coefficient of determination, abbreviated as R2. According to the R2 value of 0.430 in this situation, the independent variables are responsible for 43% of the variation in the dependent variable. The results showed that incorporating all three independent variables- ethical Leadership, Emotional Leadership and Transformational Leadership explains a sizable percentage, or 43%, of the variability in management competence. The remaining 57% of the balance was not affected as a result. The following is a representation of the anticipated outcome-dependent variable for the respondents: Quitting Intention = 5.287 - 0.404 (Transformational Leadership) - 0.333 (Emotional Leadership).

The regression analysis demonstrates that the anticipated value for the model's intercept is 5.287. Also anticipated are regression coefficients of -0.122, -0.333, and -0.404 for Ethical leadership, Emotional leadership and Transformational leadership respectively. The significance of the link between the independent variables and the dependent variable was then determined by analysis. Each variable must reach a significant value below 0.05, as was previously indicated, to be considered significant. The variable with the highest beta coefficient, according to the results shown in Table 6 was Transformational leadership (-0.303, p=0.003, p<0.05). Thus, it can be concluded that, after taking into consideration the effects of the other variables in the model, the transformational demonstrates the most notable and distinct influence on illuminating the dependent variable. There is a strong correlation between emotional leadership and performance (-0.307, p=0.001, p<0.05). The results showed that Transformational leadership exerts the most influence on quitting intention in Malaysia, followed by emotional leadership (-0.122, p=.001, p<0.05) whereas ethical leadership had no impact (-0.092, p=0.275, p>0.05). The variable with the highest standardized coefficient Beta (-0.303) was Transformational leadership.

# **5. Conclusion and Recommendations**

The relationship between Ethical leadership, Emotional leadership and Transformational leadership on quitting intention was the main topic of investigation in this study. The outcomes of the multiple regression analysis showed a negative link between Ethical leadership traits and intention to leave but were not significant. This research suggests that ethical leadership was not statistically associated with intention to leave (-0.122, p=0.275, p>0.05). In light of this, it can be said that hypothesis 1 was not significant indicating a non-relationship between the two variables. A key component of managerial talent is the idea of Ethical leadership. According to research findings, corporate ethics and leadership motivations for the execution of ethical works should be recognized by organizational leaders. Failure to address this problem may result in problems with one's integrity, which can then affect productivity, morale, and job satisfaction. Nevertheless, the research indicated a non-significant finding to claim that ethical leadership significantly influences

quitting intention in the manufacturing industry in Klang Valley.

Analyzing the link between Emotional leadership and quitting intention is the next step in this study's analysis. The outcomes of the multiple regression analysis show that Emotional leadership traits and intention to leave are significantly negatively correlated. According to the current research, there is a statistically significant correlation between Emotional leadership and quitting intention (-0.307, p=0.001, p<0.05). Therefore, it can be concluded that hypothesis 2 has been supported. Employees who stay with a company for a longer period tend to find that emotional leadership ability and employee intention to leave are negatively correlated. In conclusion, this study examines the relationships between the variables influencing Transformational leadership, Emotional leadership, and Ethical leadership and their effects on workers' intention to leave the manufacturing industry. To reduce rates of intention to quit and enhance staff retention, manufacturing companies should give independent considerations more weight and implement appropriate policies to fulfill employee's demands. Additionally, this study offers important knowledge for enhancing workers' intentions to remain in the industrial sector.

The research's last question focused on the relationship between transformational leadership and quitting intention. According to the results of the multiple regression analysis, the relationship between transformational leadership and the intention to quit was negatively correlated. Based on the current research, there was a statistically significant association between the two variables (-0.303, p=0.003, p<0.05). It can be concluded that hypothesis 3 has been proven correct. According to this study, organizations should teach their future leaders how to lead through transition. Organizations can improve by committing to a comprehensive training program to develop long-lasting and ongoing leadership skills, particularly in the area of transformation.

This is important because employees' motivation is influenced by perceptions of both ethical and emotional leadership in the workplace. To inspire motivation and improve work performance, leaders must also create conditions that involve positive emotional approaches and modify their emotions (Ouakouak & Zaitouni, 2020). Transformational leadership techniques like idealized influence, inspirational motivation, intellectual stimulation, and individualized attention improve the possibility that the company's aims and objectives will be met and reduce the rate of worker turnover (Gyensare & Okpoti, 2016).

The Federation of Malaysian Manufacturers (FFM) and all Malaysian manufacturing enterprises may have benefitted from the findings of this study since they will be able to better understand the nature and influences on employees' quitting intention. Based on the results of the study, FFM and manufacturing firms in Malaysia may develop plans and strategies to raise the intention of employees to stay with the firm by fostering a favorable work environment and culture that encourages organizational commitment. However, other variables may influence employees' desire to work in the manufacturing industry. To gain a deeper understanding of the phenomenon, it is therefore advised that future researchers do a more thorough investigation of the factors associated with employees' propensity to maintain their employment in the manufacturing sector. Organizations need to be aware of the fact that a condition of mental surrender frequently precedes a state of physiological acceptance, which denotes the ultimate expression of pessimism.

This research started during the harsh episode of the pandemic, thus the leadership in the organizations should play a vital role in preventing employees from quitting. This is due to the trauma experienced during the pandemic that resulted in voluntary resignation due to mental resignation. The phrase "mental resignation" describes a period when an employee loses interest in their work and feels less motivated to put out their best effort. This phenomenon can be caused by several circumstances, including feelings of undervaluation, an excessive workload, and limited prospects for advancement on the personal and professional levels. Employers must aggressively identify and resolve the underlying causes when an employee experiences a state of mental resignation. The actual act of resigning represents the height of pervasive pessimism and despair. The employee reaches a turning point at which they realize they are unable to continue working for the company, and they formally tender their resignation. Young (2022) emphasized that organization leadership should act proactively to prevent the issues of mental resignation that later can cause burnout which seemed to be the worst-case scenario.

By putting the study's findings into practice, tactics that strengthen transformational leadership and emotional leadership can be used to reduce quitting intention. The impact of quitting intention has been the subject of an in-depth study, with results from earlier investigations providing strong justifications for the findings. The research also indicated that there was no relationship between Ethical leadership and quitting intention. This is because there are many researches on Ethical leadership and turnover intention but the research was said to be ambiguous because there was insufficient empirical evidence to link between the two variables (Yaqub, Mahmood, Hussain & Sohail, 2021). Meanwhile, two factors (Transformational leadership and Emotional leadership) were unique elements that have significant impacts that have been further confirmed by statistical research. Organizations can use a variety of tactics to create leaders with the traits necessary for today's competitive market.

#### References

- Abdullah, H. O., Atshan, N., Al-Abrrow, H., Alnoor, A. & Valeri, M. (2022). Leadership styles and sustainable organizational energy in the family business: modeling non-compensatory and nonlinear relationships. Sustainable organizational energy. 2043-6238.
- Alkhadra, W. A. (2022). Relationship of ethical leadership, organizational culture, corporate social responsibility and organizational performance: a test of two mediation models. https://doi.org/10.1108/IJOES-05-2022-0092
- Awad, A., Yussof, I. & Khalid, N. (2017). Output growth of Malaysia's manufacturing sector do. Do foreign workers matter? Journal of Economic Studies. 30144-3585. DOI 10.1108/JES-09-2016-0183
- Chin, C. L. (2018). The Influence of Job Satisfaction on Employee Turnover Intention in the Manufacturing Industry of Malaysia. *Journal of Arts & Social Sciences*, 1(2), 53.
- DOSM. (2022). Economic performance by state, 2021 Gross Domestic Product (GDP) by state 2021. The office of Chief Statistician Malaysia. Department of Statistics, Malaysia.
- Gyensare, M. A. & Okpoti, C. A. (2016). Transformational leadership and employee turnover intention. *The mediating role of affective commitment*, 12(3), 243–266.
- Ho, S. W. H. (2019) Preparedness for ASEAN Economic Community (AEC): a case study of the Malaysian SME manufacturing sector. *Journal of Asia Business Studies*, 13(3), 384-411.
- Kim, M. & Beehr, T. A. (2017). Directing our careers, but getting help from empowering leaders. *Career Development International*, 22(3), 300–317. https://doi.org/10.1108/CDI-11-2016-0202
- LaGuardia, J. (2017). Self-determination theory in practice: how to create an optimally supportive health care environment. Middletown, DE. Independently published 2017.
- Lewis, L. (2021, Sep 21). Employers and the Great Resignation.
- Manoppo, V. P. (2020). Transformational leadership as a factor that decreases turnover intention: *a mediation of work stress and organizational citizenship behavior,* 32(6), 1395–1412. https://doi.org/10.1108/TQM-05-2020-0097
- Marquardt, D. J., Manegold & Brown, L. W. (2021). Integrating relational systems theory with ethical leadership: how ethical leadership relates to employee turnover intentions. *Relational systems theory and ethical leadership*, 43(1), 155-179.
- Ouakouak, M. L. & Zaitouni, M. G. (2020). Ethical leadership, emotional leadership, and quitting intentions in public organizations Does employee motivation play a role? 41(2), 257–279.
- Ooi, T. P. & Teoh, K. B. (2021). Factors affecting the turnover intention among employees in the Penang manufacturing industry. *Annals of Human Resource Management Research*, 1(1), 29–40.
- Sekaran, U. & Bougie, R. (2020). Research Methods for Business: A Skill-building Approach, Wiley, 2020.
- Yaqub, R. M. S., Mahmood, S., Hussain, N. & Sohail, H. A. (2021) Ethical leadership and turnover intention: A moderated mediation model of job embeddedness and Organizational commitment. *Bulletin of Business and Economics*, 10(1), 66-83.
- Yasin, R., Namoco, S., N., Jauhar, N., Rahim, N. F. A. & Zia, N. U. (2021). Responsible leadership is an obstacle to turnover intention. *Social responsibility journal*, 17(8), 1175-1192.
- Yazdanshenas, M. & Mirzaei, M. (2022). Leadership integrity and employees' success: role of ethical leadership, psychological capital, and psychological empowerment. https://doi.org/10.1108/IJOES-05-2022-0117
- Yeo, A. (2021). Is The 'Great Resignation' Spreading in Malaysia? Business Today.
- Young, F. (2022). How Leadership Can Address the Great Resignation, Forbes Business Council.