

The Preventive Role of Transformational Leadership and Trust in the Leader on Employee Turnover Risk of Myanmar Migrant Workers in Thailand: The Moderating Role of Salary and Job Tenure

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Abstract

This research investigated the contribution of transformational leadership to the turnover intention of Myanmar migrant workers in Thailand. Trust in the leader was proposed as the mediator to explain the association between transformational leadership to turnover intention. Data was collected from 736 Myanmar employees from two manufacturing plants. The results from the partial least squares regression revealed that the Myanmar migrant workers who perceived that the top management of their company possessed the characteristics of transformational leadership tended to have lower turnover intention. This association was significantly mediated by trust in the leader. Moreover, the moderating effect analysis showed that the contribution of transformational leadership and trust in the leader to turnover intention were significantly moderated by the level of salary and the length of job tenure of the Myanmar migrant workers. The findings from this study also suggested that the leadership style of top management is an essential factor in reducing the risk associated with high turnover.

Keywords: transformational leadership, migrant worker, trust, turnover, operational risk, Myanmar

1. INTRODUCTION

Economically, Thailand has the potential to attract foreign migrant workers. There has been cross-border migration between Thailand and neighboring countries for centuries, especially in the 1970s when Thailand was developing toward industrialization (Kaur, 2010). As Thailand's economy continued to develop, there were cases of labor shortages for strenuous type of work, hence opening employment opportunities to workers from neighboring countries such as Myanmar, Cambodia, and Laos. Since Thai workers decided to abandon this strenuous type of work, migrants were allowed to work in these labor-intensive positions (Rajapongsa, 2014). In particular, Myanmar migrant workers have become the major labor workforce in Thailand because they are willing to accept low pay as well as do dangerous, difficult, and dirty jobs. As for the national level, Myanmar migrants working in various organizations has contributed a great deal to Thailand's economy because they cover the gaps in certain fields that require manual labor, such as the manufacturing industry, the fishing industry, agriculture, and garment manufacturing, production, and construction (Chantavanich & Vungsiriphisal, 2012).

Despite various benefits that Myanmar migrants bring, Thai firms also face challenges when employing these workers. One major problem is turnover, these workers tend to quit their jobs after a short period of time. This evidence is supported by the study of Baoneard and Jadesadalug (2017) and Puangyoykeaw and Nishide (2015) which reported that Thai companies have faced with problem of high turnover among Myanmar migrant workers. These scholars suggested that Myanmar migrant workers not only quit the jobs whenever they find a more lucrative offer from other company, but they also persuade their friends to leave to a new workplace with them. Specifically, the high turnover rate of the Myanmar migrant workers may lead to a shortage of labor. The high turnover rate represents the crucial risk for the organization because when employees leave the organization, the economic status and the performance of an organization are affected and the employer's effort and time invested are wasted (Harhara et al., 2015). The frequent need to hire and train a new workforce may even make the company deviated from their intended goals (Wöcke & Heymann, 2012). The higher number of the employees leaving a company may also have a negative effect on the productivity of the other workers (Tapola, 2016). Furthermore, the organization may also need to face with the financial risk. For example, Wöcke and Heymann (2012) stated that turnover intentions may be costly to the companies due to the excessive expenditures on employing and coaching new workers. This is supported by the research of Chalamwong (1998) who indicated that the large number of Myanmar migrants has influenced productivity and economic growth in various companies. Therefore, it is vital for these organizations to find possible ways to manage this risk and retain these migrants as well as motivate their sense of loyalty.

Although there are various reasons that explain the turnover intention of Myanmar workers in Thailand, this research focuses on the role of the organization leader. In particular, the characteristic of the organization leader that is emphasized in this research is transformational leadership. Bass (1990) defined transformational leadership as the leadership style where a leader attends to individual employees and uses his or her charismatic characteristics to inspire them to reach their full potential by committing to the organizational vision. Transformational leadership was selected for this research because it is most recognized leadership style and has received extensive research support regarding its contributions to a wide array of organizational performance and employees' work motivation (Day & Antonakis, 2012; Kim, 2014; Lowe & Gardner, 2000). In addition, trust in the leader is proposed here as a mediator that explains the linkage between transformation leadership and turnover intention

because one's level of trust is a crucial component of the effective interpersonal relationship between the transformational leader and his or her followers (Solomon & Flores, 2003). Moreover, this research also explores whether the influence of transformation leadership and trust in the leader on the turnover intention of Myanmar workers are contingent on the level of income and the length of job tenure of these workers. The findings of this research will provide some guidance for management in terms of interventions that can reduce the risk on turnover of Myanmar workers in Thai organizations.

2. LITERATURE REVIEW AND HYPOTHESES

2.1 Transformational Leadership

The concept of transformational leadership was introduced by James MacGregor Burns (1978). Transformational leadership refers to leaders with certain characteristics that can motivate and inspire their followers to achieve far-reaching organizational goals (Gregory Stone et al., 2004). Bennis and Nanus (1985) suggested four approaches used by transformational leaders. First, transformational leaders must have a clear vision of appealing, convincing, and promising future. Second, transformational leaders are the social architects for the company by developing and setting the practices of the people within their company. Third, transformational leaders create trust in the company by being consistent and reliable. Finally, transformational leaders learn their weakness and focus on their strengths to achieve ambitious goals. Transformational leadership is also associated with the positive interactions between leaders and followers. For example, according to Gregory Stone et al. (2004), transformational leaders acknowledge and appreciate their people, listens, coach, instruct, as well as delegate their works to their team members. Hunt (2017) also identified transformational leaders as the leaders with humane orientation which shows concern for being fair, compassionate, and altruistic.

Transformational leadership has been studied considerably and received noticeable attention from scholars. This concept has been studied in many areas and previous papers identified numerous positive work attitudes such as organizational and employee commitment (Newman & Butler, 2014), job satisfaction (Dwyer et al., 2013) and organizational citizenship behavior (Lee et al., 2013). Transformational leadership was also found to reduce the intention to quit (Jauhar et al., 2017; Waldman et al., 2015). For example, Jauhar et al. (2017) found that transformational leadership had a significant negative influence on the intention to quit of generation Y employees in the oil and gas industry. Waldman et al. (2015) also showed that intention to quit among Chinese employees could be reduced if the leaders possessed transformational leadership qualities. Considering these positive outcomes are associated with transformational leadership, it is possible that it could be the characteristic of organizational leader that could encourage Myanmar workers to stay with the organization. The contribution of transformational leadership in this regard will be discussed in more detail in the next section.

2.2 Transformational Leadership and Turnover intention

This study proposes that transformational leadership is negatively associated with the turnover intention of Myanmar workers. Generally, transformational leaders are characterized as coaches and are highly supportive (Avolio, 2010; Northouse, 2016). Price and Mueller (1981) proposed that supervisory support is a predictor of turnover intention because it leads to job satisfaction and organizational commitment. Once employees receive good support from

their transformational leader, they tend to be satisfied with their job and want to make a commitment to the organization (Hetland & Sandal, 2003). A body of research has also shown that transformational leaders support and encourage their followers to be challenged by difficulties and to successfully accomplish their work, which serves as an intrinsic motivation for them to remain in the organization (Avolio, 2010; Judge & Piccolo, 2004; Price, 2001). Considering these contributions of transformational leadership, the following hypothesis is presented:

H1: Transformational leadership is negatively related to turnover intention.

2.3 The Mediating Effect of Trust in the Leader

In addition to the direct association between transformational leadership and turnover intention that was proposed previously, this research suggests that their association can be mediated by the quality of trust that Myanmar workers develop in their transformational leader. Trust in the leader refers to the willingness of the followers to rely on their leaders (Yang, 2014). According to Dirks and Ferrin (2002), trust in one's leadership can be viewed according to two perspectives. The first one is the relationship-based perspective, which refers to the relationship between leaders and followers. Based on this perspective, trust in the leadership is developed through a social exchange process (Konovsky & Pugh, 1994; Whitener et al., 1998). If the followers feel that their leaders care about them and are considerate of them, they are likely to reciprocate by performing positive behaviors (Dirks & Ferrin, 2002). On the other hand, the second perspective of trust, which is the character-based perspective, emphasizes the follower's observation of the leader's character and how it impacts the follower's feeling of vulnerability (Mayer et al., 1995). According to this perspective, followers have certain assumptions about the characteristics of their leaders, such as truthfulness, reliability, fairness, and capability, and these assumptions have an impact on attitudes and work outcomes (Dirks & Ferrin, 2002). Moreover, Mayer et al. (1995) stated that employees trust their leaders when they perceive that their leaders possess trustworthiness, competence, or kindness.

According to Kouzes and Posner (1987), leaders could not lead at their full capability without trust from their followers. Trust in the leader is an important element in the interpersonal connection between leaders and followers (Solomon & Flores, 2003). Several scholars have proposed that when employees have a high level of trust in their leaders, they tend to participate in social exchanges and are obliged to demonstrate positive mutual relationships (Gambetta, 1988; Klimoski & Karol, 1976; Kramer & Tyler, 1996). Based on social exchange theory, when employees trust that their leaders are concerned for their well-being, they are likely to reciprocate with positive attitudes and behaviors, such as being loyal to the organization (Nair & Salleh, 2017). Moreover, Davis et al. (2000) suggested that when followers trust in their leaders, they tend to feel secure and depend on their organization, thereby reducing the intention to leave it.

Generally, the characteristics of the transformational leader can facilitate trust building. In terms of the relationship-based perspective, certain characteristics of transformational leadership, such as integrity, benevolence, care, and kindness, are the predictors of trust in leaders (Yukl, 1999). When transformational leaders are concerned about and value their followers, the followers will tend to reciprocate with positive attitudes toward their leaders, such as being loyal, showing admiration, and trusting their leaders (Dubrin & Dalgligh, 2003). From the character-based viewpoint, the ability of transformational leaders to communicate to their followers in an influential way and to envision their good future can make followers

develop trust and respect toward their leaders (Bass & Riggio, 2006). Furthermore, transformational leaders have a high level of self-confidence (Abdullah & Varatharajoo, 2017). When transformational leaders have such self-confidence, the followers will tend to perceive their leaders as having competence and that can persuade them to trust the leader (Dirks & Ferrin, 2002). Overall, these characteristics of the transformational leader can motivate employees to identify with their leader, which can subsequently motivate employees to stay longer in the organization.

H2: Transformational leadership is positively related to trust in leader.

H3: Trust in the leader is negatively related to turnover intention.

H4: Trust in the leader mediates the negative relationship between transformational leadership and turnover intention.

2.4 The Moderating Effect of Salary and Job Tenure

Although transformational leadership and trust in the leader can encourage Myanmar workers to stay longer with the organization, it is possible that their influence could be contingent on certain conditions. In particular, this research focus on the moderating effect of two job-related factors, the level of salary and the length of job tenure of Myanmar workers. This research proposes that the negative influence of transformational leadership and trust in the leader on turnover intention might become stronger for those that earn a larger salary, but weaker for those that earn less money. Generally, a low salary seems to be one of the main reasons why employees decide to change their job so that they can earn a higher salary elsewhere (Cho & Lewis, 2012). Thus, for Myanmar workers with a low level of salary, they may feel less encouraged to stay with the company even when they develop a trusting relationship with their leader. In this regard, salary can negatively moderate the influence of transformational leadership and trust in the leader on turnover intention. On the other hand, this research proposes that the negative influence of transformational leadership and trust in the leader on turnover intention might become stronger for those with a shorter period of job tenure, but weaker for those with a longer period of job tenure. Basically, Myanmar workers who stay with the company only for a short period may feel insecure and experience more uncertainty in the workplace, thereby leading to a high chance of leaving the organization (Ashford et al., 1989). In this case, the role of transformational leadership and trust in the leader, which reflect the degree of caring and support that employees receive from the organizational leader, can play an important role in easing their concern about their insecurity and uncertainties regarding the workplace (Colquitt et al., 2012). In this regard, job tenure can positively moderate the influence of transformational leadership and trust in the leader on turnover intention. Therefore, the last set of hypotheses are presented as follows:

H5: The association between transformational leadership and turnover intention is negatively moderated by level of salary.

H6: The association between the trust in leader and turnover intention is negatively moderated by level of salary.

H7: The association between transformational leadership and turnover intention is positively moderated by length of job tenure.

H8: The association between trust in the leader and turnover intention is positively moderated by length of job tenure.

3. METHOD

3.1 Sample and Data Collection Procedure

The present research context focused on Myanmar migrant workers in Thailand. The sampling frame was comprised of two manufacturing factories located in Bangkok and Nakhon Ratchasima. A self-administered questionnaire survey was used for the data collection. The original questions were translated from English into the Myanmar language by a native Myanmar bilingual who is fluent in English. In order to avoid translation errors, the questions were back-translated into English by a native English bilingual who is expert in Myanmar (Brislin, 1970). No difference in the meanings was found between the back-translated questions and the original questions. The questions statements were also carefully constructed to avoid ambiguity; they were designed to be simple, specific, and concise to prevent the possibility of common method bias (CMB) as suggested by Podsakoff et al. (2003)

Table 1
Descriptive statistics on the Myanmar workers' characteristics.

Characteristics	Descriptive Statistics
Gender	Male: 416 (56.5%) Female: 320 (43.5%)
Status	Single: 277 (37.6%) Married: 459 (62.4%)
Age (years)	Mean 28.70 S.D. 6.14 Min 18 Max 49
Tenure (month)	Mean 45.38 S.D. 36.06 Min 1 Max 144
Income (Baht)	Mean 10,371.30 S.D. 1454.31 Min 1,000 Max 18,000
Thai language proficiency	Cannot speak Thai: 212 (28.8%) Beginner level: 179 (24.3%) Intermediate level: 256 (34.8%) Advanced level: 60 (8.2%) Proficient level: 29 (3.9%)

Regarding the data collection process, the researcher contacted the top management in each firm along with a cover letter asking for permission to conduct the questionnaire survey at their firms on work days. After approval, the questionnaires were distributed to individual Myanmar workers in person. The respondents were asked to cooperate in this study based on their consent. Due to the problem of illiteracy, Myanmar translators were assigned to facilitate with the translating process. The respondents were informed about the objectives of the study as well as the guarantee of their privacy and the confidentiality of the material. Respondents are informed that the data collection was anonymous. They were informed that there were no right or wrong answers, and that they should answer questions as honestly as possible. This

method was also suggested by Podsakoff et al. (2003) to prevent the possibility of common method bias (CMB). The respondents spent approximately 10 – 40 minutes in filling out the questionnaires and handed them back to the research team. A total of 770 questionnaires was distributed and returned. Of this amount, 34 of them were removed due to incomplete information. Overall, there were 736 completed surveys available for data analysis; none of them contained missing data. Table 1 summarizes the descriptive statistics of the sample's characteristics.

3.2 Measures

Transformational leadership was measured using the global transformational leadership (GTL) scale developed by Carless et al. (2000). The participants were asked to rate the company's top management using 10 items. These items were measured using a 5-point Likert scale ranging from 1 (never) to 5 (always).

The measurement of *trust in the leader* was obtained from the scale developed by Podsakoff et al. (1990). The scale contained 6 items which were measured by using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

Turnover intention was measured using the 4 items of the scale developed by Kelloway et al. (1999). These 4 items were measured using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

The moderators, which were *salary* and *job tenure*, were measured as follows. *Salary* was measured according to the monthly rate that the Myanmar employees earned in Thai Baht. *Job tenure* was measured according to the number of months that the Myanmar employees had worked for the company.

3.3 Control Variables

Some of the personal information and job characteristics of the respondents were used as the control variables in the data analysis. These variables included age, gender, marital status, job tenure, salary, and the level of the Myanmar worker's Thai language proficiency. The descriptive statistics for these control variables are presented in Table 1.

3.4 Data Analysis

The research used a Partial least square (PLS) regression for analyzing the proposed model. The major advantages of performing PLS regression are that it does not require data to be normally distributed (Hair et al., 2011). Specifically, PLS regression was appropriate for this study because the Jarque-Bera test indicated that none of the key variables was normally distributed. This made the PLS provide more reliable results than other structural equation modeling techniques. WarpPLS 6.0 software was used to perform the PLS regression.

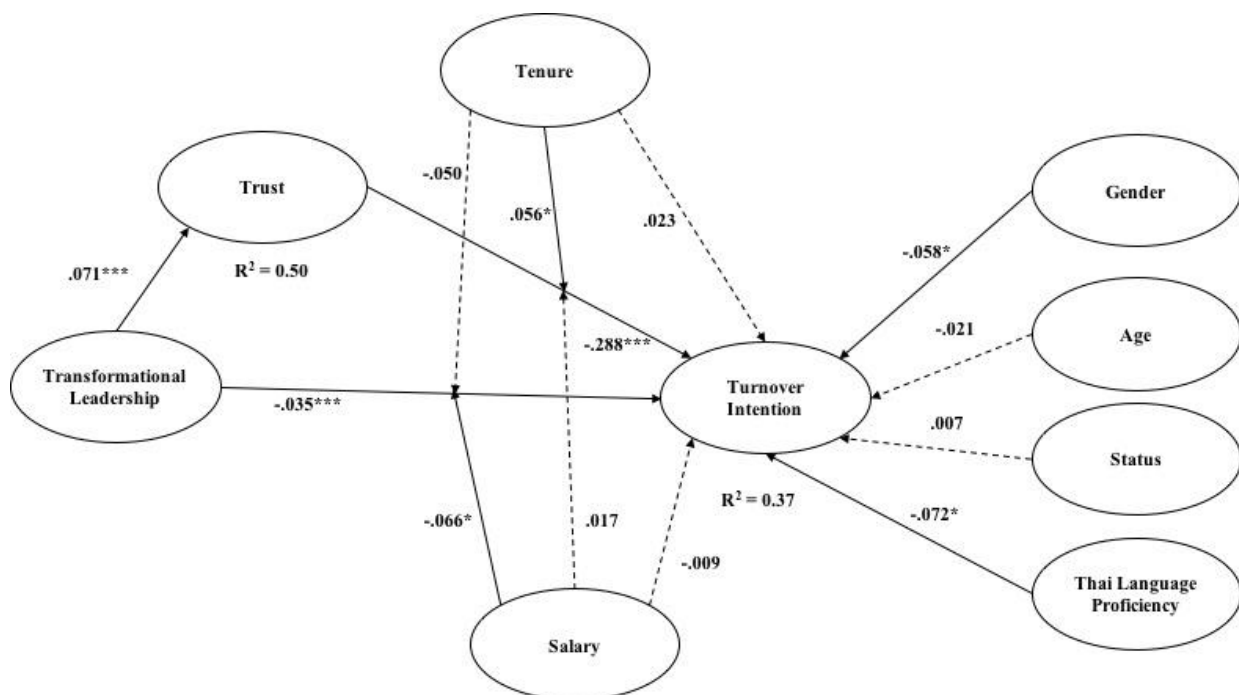
4. RESULTS

The reliability and validity tests were performed before estimating the PLS model because the main constructs were measured as reflective latent variables. First, a convergence validity test was performed to measure the factor loadings. Every construct had a factor loading

above the 0.5 minimum requirement as recommended by Hair et al. (2009). Second, a discriminant validity test was conducted by comparing the results of the square root of the AVE with the squared correlation coefficient. The results showed that the square root of the AVE was greater than that of other correlations, suggesting that the level of discriminant validity was adequate (Fornell & Larcker, 1981). Table 2 shows the correlations among all of the variables in the model and the square root of the AVEs of all latent variables. Next, the reliability test was estimated using Cronbach’s alpha and composite reliability coefficients. As presented in Table 2, the reliability indicators for all latent variables exceeded the minimum requirement of .7 (Nunnally, 1978).

Finally, a full collinearity variance inflation factor (VIF) test was conducted in order to measure the multicollinearity problem. According to Kock (2012), a full collinearity VIF test is more influential than the traditional VIF test because it can access both vertical and lateral collinearity simultaneously. Additionally, the full collinearity VIF test can be used to check the possibility of CMB in the PLS model (Kock & Lynn, 2012). The analysis of the full collinearity VIF for all variables ranged from 1.023 to 2.271, which was below the critical value of 3.3 as proposed by Petter et al. (2007).

Figure 1
PLS Results



Notes:

* $p < .05$, *** $p < .001$;

Standardized coefficients are reported.

The solid line represents a relationship that is statistically significant

Table 2
Correlation among variables and square root of average variance extracted

Variables	Cronbach's Alpha Coefficient	Composite Reliability Coefficient	TL	TRU	TOV	GEN	AGE	STA	TEN	SAL	TH
TL	.922	.935	(.786)	.710**	-.559**	-.020	.019	.028	.050	.094	.117*
TRU	.857	.894		(.766)	-.538**	-.017	.013	.012	.058	.124**	.117*
TOV	.896	.928			(.874)	-.046	-.038	-.018	-.055	-.087*	-.138**
GEN	n/a	n/a				(1)	.014	-.048	.017	.088*	.003
AGE	n/a	n/a					(1)	.273**	.463**	.072*	.262**
STA	n/a	n/a						(1)	.206**	-.060	.166**
TEN	n/a	n/a							(1)	.197**	.491**
SAL	n/a	n/a								(1)	.230**
TH	n/a	n/a									(1)

Note: **p < 0.01, *p < 0.05.

The square roots of the average variance extracted of the latent variables are shown in parentheses.

TL = Transformational Leadership, TRU = Trust in the Leader, TOV = Turnover Intention, GEN = Gender (0 = Male, 1 = Female), STA = Marital Status (0 = Single, 1 = Married), TEN = Length of Job Tenure, SAL= Salary, and TH = Thai Language Proficiency

The results from the PLS analysis are reported in Figure 1. Hypothesis 1 predicted that transformational leadership is negatively related to turnover intention. The results showed a negative relationship between these two variables and it was also statistically significant ($\beta = -.352$, $p < .001$). Thus, H1 was supported. Hypothesis 2 predicted that transformational leadership is positively related to trust in the leader. The results revealed a positive relationship between transformational leadership and trust in the leader and it was also statistically significant ($\beta = .710$, $p < .001$). Thus, Hypothesis 2 was supported. Hypothesis 3 predicted that trust in the leader is negatively related to turnover intention. It was found that these two variables were negatively related and it was statistically significant ($\beta = -.288$, $p < .001$). Therefore, Hypothesis 3 was supported.

Hypothesis 4 predicted that trust in the leader mediates the negative relationship between transformational leadership and turnover intention. The test of the mediating effect was measured using the estimation of the indirect effect as recommended by Preacher and Hayes (2004). The analysis was performed using a bootstrapping method. The analysis supported the negative mediation of trust in the leader; this result was also statistically significant ($\beta = -.557$, $p < .001$). Therefore, Hypothesis 4 was supported.

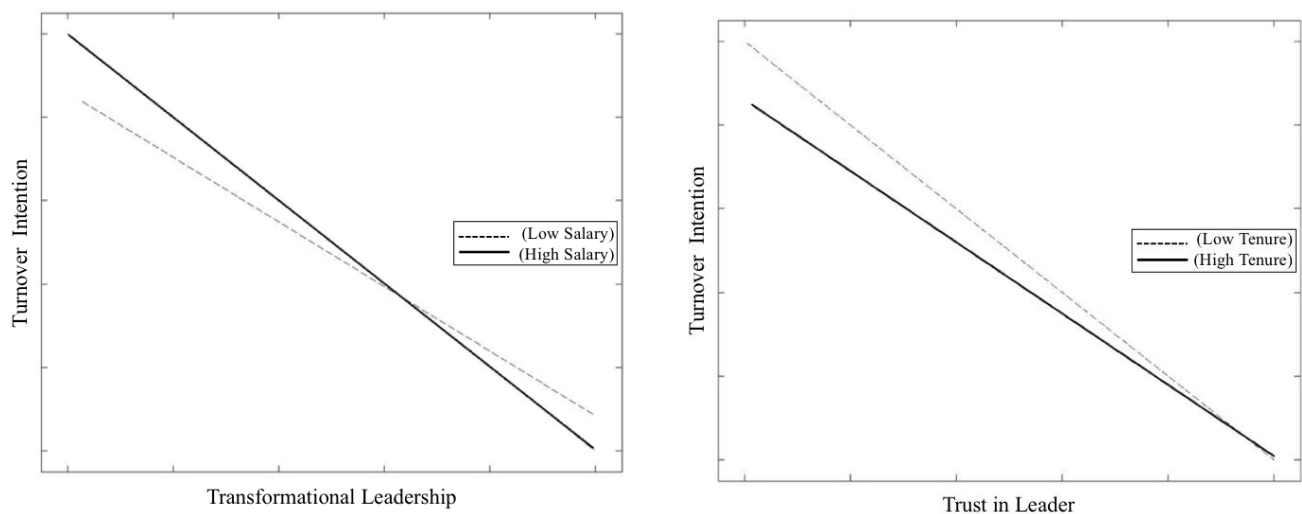
Hypothesis 5 and Hypothesis 6 predicted that the association between transformational leadership and turnover intention, as well as the association between trust in the leader and turnover intention, were negatively moderated by the level of salary. In order to test these hypotheses, the interaction between transformational leadership and salary, as well as the interaction between trust in the leader and salary were incorporated in the analysis. The result indicated that salary negatively moderated the linkage between transformational leadership and turnover intention ($\beta = -.066$; $p = .024$). This result was also statistically significant. Following procedures outlined by Aiken and West (1991), a simple slopes analysis revealed that when salary was high (1 SD above the mean), transformational leadership demonstrated a more positive relationship with turnover intention. When salary was low (1 SD below the mean), transformational leadership and turnover intention demonstrated a less positive relationship. However, the result did not support that salary negatively moderated the linkage between trust in the leader and turnover intention ($\beta = .017$; $p = .308$). Therefore, only Hypothesis 5 was supported, whereas Hypothesis 6 was not.

Hypothesis 7 and Hypothesis 8 predicted that the association between transformational leadership and turnover intention, as well as the association between trust in the leader and turnover intention, were positively moderated by the length of job tenure. Likewise, the interaction between transformational leadership and job tenure, as well as the interaction between trust in the leader and job tenure, were incorporated in the analysis in order to test these hypotheses. The result did not support that job tenure positively moderated the linkage between transformational leadership and turnover intention ($\beta = .05$; $p = .066$). However, the result indicated that job tenure positively moderated the linkage between trust in the leader and turnover intention, which was also statistically significant ($\beta = -.056$; $p = .046$). Therefore, only Hypothesis 8 was supported whereas Hypothesis 7 was not.

The results from the moderating effect analysis that were statistically supported are illustrated in Figure 2. The line graphs were constructed according to the procedures suggested by Aiken and West (1991). For example, the line graph that represents the relationship between

transformational leadership and turnover intention moderated by salary was constructed by plotting transformational leadership scores one standard deviation above the mean and one standard deviation below the mean across high salary (+1.00 SD) and low salary (-1.00 SD). Regarding the relationship between transformational leadership and turnover intention presented in the top figure, it clearly shows that the negative effect of transformational leadership was more negative for Myanmar worker with a higher income. Regarding the relationship between trust in the leader and turnover intention presented in the bottom figure, it clearly shows that the negative effect of trust in the leader was less negative for Myanmar workers that had stayed with the company for a long period.

Figure 2
Moderating effect



As for the control variables, turnover intention was found to have a positive association with marital status ($\beta = .007$, $p = .416$) and job tenure ($\beta = .023$, $p = .242$), but a negative association with gender ($\beta = -.058$, $p = .041$), age ($\beta = -.021$, $p = .268$), income ($\beta = -.009$, $p = .396$), and the level of Thai language proficiency of Myanmar migrant workers ($\beta = -.072$, $p = .016$). Nevertheless, only gender and the level of Thai language proficiency were statistically significant.

5. DISCUSSION AND CONCLUSION

5.1 General Discussion

This study examined the roles of transformational leadership and trust in the leader in predicting the turnover intention of Myanmar workers in Thailand. Generally, the results from the PLS analysis supported most of the hypotheses. First, the results suggested that the Myanmar workers that perceived that their top management exhibited transformational leadership characteristics tended to have lower turnover intention. This is consistent with previous findings, which also supported the role of transformational leadership in this area (Chang et al., 2013; Long et al., 2012). Second, the analysis showed a positive relationship between transformational leadership and trust in the leader. This finding implies that top management that exhibits

transformational leadership characteristics tends to gain a higher level of trust from Myanmar employees. This finding is also consistent with previous studies, which suggested that organizational leaders that demonstrate a high degree of transformational leadership style are able to gain high level of trust from their subordinates (Burke et al., 2007; Yang, 2014). Third, this research supported a negative relationship between trust in the leader and turnover intention, which implies that Myanmar workers that exhibit a higher level of trust in their leaders tend to show lower intention to quit. This is also in line with previous research where trust in the leader was found to decrease turnover intention (Chan et al., 2008; Dirks & Ferrin, 2002; Mulki et al., 2006; Mulki et al., 2008). In addition to the direct association between transformation leadership and turnover intention, this research also found that the linkage between these two variables was mediated by trust in the leader. This finding provided evidence supporting the idea that trust in the leader was a factor that explained why the Myanmar employees that worked for the company managed by a transformational leader were less likely to leave the company. Additionally, this finding is consistent with prior research, which showed that trust in the leader is an important mechanism that encourages employees to participate in social exchange and obliges them to show a positive mutual relationship, such as staying with the company to show their loyalty (Gambetta, 1988; Nair & Salleh, 2017).

Lastly, this study examined the moderating role of the income and length of job tenure of Myanmar workers, which can influence the effect of the transformational leadership of top management and trust in the leader on turnover intention. The results showed that the level of salary significantly moderated the relationship between transformational leadership and turnover intention. In particular, the negative effect of transformational leadership on turnover intention was more negative for the Myanmar workers that earned a higher level of income than those with a lower level of salary. This result suggests that the level of salary that Myanmar workers earn can somehow make the influence of transformational leadership less motivating for them to stay with the organization. This result is consistent with prior research, which showed that monetary reward, which is regarded as an extrinsic motivation, somehow matters for employees in terms of staying with the organization (Maltarich et al., 2010; Schwab, 1991). This seems to be particularly relevant for the low-skill and low-wage Myanmar migrant workers that may be more concerned about monetary rewards (Puangyoykeaw & Nishide, 2015). But despite the significant moderating effect of salary, transformational leadership can still explain their low intention to leave the company. In addition, the results showed that the length of job tenure significantly moderated the relationship between trust in the leader and turnover intention. In particular, the negative influence of trust in the leader on turnover intention was more relevant for Myanmar workers that had stayed with the company for a short period than those that had stayed with the company for a long period. This result is consistent with prior research, which showed that trust tended to play an important role in reducing the perception of insecurity and uncertainty that employees experienced in the organization (Colquitt et al., 2012), which is particularly more relevant to newly-hired Myanmar workers.

5.2 Research Contributions

This study provides a contribution to the study of transformational leadership. Given the limited number of studies on transformational leadership in the area of foreign migrant workers, this research provides evidence that transformational leadership matters in managing Myanmar

migrant workforces. The moderating roles of the level of salary and the length of job also provided further insight into some of the conditions in which the role of transformational leadership and trust in the leader can be more or less related to the intention of Myanmar migrant workers to quit the company. This evidence suggests that future study will need to explore other conditions that might also influence the role of transformational leadership.

5.3 Managerial Implications

The findings of this study also provided practical contributions to organizations employing Myanmar migrant workers. Since turnover is an important risk and can exert costs for companies in both direct and indirect ways (Ali, 2008), companies must consider certain interventions in order to avoid and manage this risk. The results from this study suggested that the leadership style of top management is an essential factor in reducing the risk from turnover and motivating migrant employees to stay with the company. This research suggests that top management of companies that hire Myanmar migrant workers should demonstrate transformational leadership qualities by caring about them, being concerned about the individual employee, and by providing support for them. With this transformational leadership style, they can induce trust from the employees, which will provide greater incentive for them to stay with the organization. This is particularly important for newly-hired workers, who generally feel less emotionally attached to the company. Moreover, management needs to make sure that migrant workers are adequately compensated in order to increase their incentive to stay with the company in the long term.

5.4 Limitations

In spite of these findings, this study has some constraints that need to be taken into consideration. First, the sample size came from only two manufacturing firms in Thailand, which does not represent the entire population and therefore the results may be difficult to generalize. Second, the results from the questionnaire survey may have contained a subjective bias on the part of the respondents. For further study, research should be conducted with large sample sizes with various companies in order to draw meaningful conclusions.

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