Which Transformational Leadership Components Influence Employee Retention: A study of Millennials employed in ICT positions in Ireland.

by

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ABSTRACT

This research aimed to investigate the transformational leadership’s relationship with retention levels of Millennials who work in ICT positions of Ireland. The present study tried to discover if the transformational leadership style can influence Millennials’ intention to stay in an organization and can certain transformational leadership components predict their retention levels within ICT positions because past research papers demonstrated that transformational leadership have a positive relationship on employees’ intention to stay in their current roles. ICT departments was chosen because of rapidly changing technology shifted attention to technology positions and skill shortages took attention on their retention levels.

Quantitative research, Transformational Leadership Behaviour Inventory (TLI) with A-5 point Likert scale and Weiss, Davis, England, Lofquist’s (1967) 3-item instrument with a 7-point scale ranking were used to discover transformational leadership and the retention levels’ relationship. The survey was circulated among 108 Millennials who work in ICT positions in Ireland.

The study’s findings showed a positive relationship between transformational leadership and retention levels. A multiple regression indicated that the transformational leadership components “intellectual stimulation”, “providing an appropriate role model” and “fostering the acceptance of group goals” were significant predictors in regards to retention levels of Millennials. The results of this study exhibit that further research is necessary to obtain in-depth knowledge to be able to generalize the findings.
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1 CHAPTER ONE: INTRODUCTION

1.1 Introduction

In recent years’ technological developments took a big place at the heart of Ireland’s business sector. According to Enterprise Ireland in 2018, Ireland became the second-biggest computer and information technology (ICT) exporter in the world. In the same year, technology and telecommunication have been chosen as the biggest sector of Ireland (JLL, 2018). The Government’s Technology Skills Action Plan reported technological growth has an essential place in the country’s future investment strategies (Department of Education and Skills & Department of Jobs, Enterprise and Innovation, 2014). Along with these developments in the technology sector new skill shortages occurred in the ICT employment market (e.g. Data analytics and software) which means when an employee leaves a team, it is a lot harder to find a replacement for ICT employees (Department of Education and Skills, 2017). Hence, retention factors, motivational aspects and employees’ work expectations become important topics in the workplace to keep the current staff and avoid the extra effort to find an employee’s replacement (Department of Education and Skills, 2017). Nevertheless, when the resignation factors have been examined Mertel and Brill (2015) state that an employee’s satisfaction in his/her job does not guarantee retention. However, poor management has been found directly linked with resignation rates. This means the management and the leaders’ attitudes affect employees’ decisions to quit or remain in their role. In other words, studies proved in the case of a resignation, employees are leaving due to their managers instead of dissatisfaction in their role and employees are more likely to stay in their organization if their leader pays more attention to their emotional needs (Thompson and Gregory, 2012; Beardwell and Claydon, 2007; Eisenberger et al., 2002). This brings us to the transformational leadership style. According to Smith, Montagno, and Kuzmenko, (2004), transformational leadership is said to be one of the most effective employee retention tools in terms of employee motivation and innovation despite the other leadership styles (I.e. transactional, laissez-faire, autocratic, democratic, etc.). According to Bass and Avolio (1990), transformational leaders’
four unique dimensions inspire followers and encourage their commitment towards the business aims. According to them, transformational leaders’ four traits are the reason why this leadership style can be so efficient on followers’ retention and commitment. These four traits are the idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. After Bass and Avolio’s (1990) study, Podsakoff, MacKenzie and Bommer (1996) extended these dimensions with six components which are; vision identification and articulation, providing proper role models, exhortation of a team goal, demonstrating high-performance anticipation, supplying intellectual stimulation and providing personalized support (Podsakoff, et al., 1996).

This paper’s main focus group is selected as Millennials or in other words, Generation Y who were born between 1982-1995 (Pinelli, et al., 2018). As it has been shown by Deloitte (2019) and PwC (2011), 75% of the workforce will be dominated by Millennials by 2025. PwC (2011) predicts this range to be 50% in 2020. Both reports believe Generation Y will re-shape workplace practices because of their increasing number. Furthermore, these reports state it will be a bigger challenge for the companies to retain Millennials in their jobs. For example, Deloitte (2019) reports the 49% of the Millennials prefer to leave their employer within the next two years. This rate was 38% in 2017 (PwC, 2011) which is an increase of 11% in the last 2 years (Deloitte, 2019). Millennials explained their answers as, not enough opportunities for their professional development (35%), lack of learning and development occasions (28%), lack of appreciation (23%), and lack of challenges within their jobs (23%) (Deloitte, 2019). Gong, Ramkissoon, Greenwood and Hoyte (2018) say that, Millennials tend to leave their jobs more frequently rather than other generations and on top of that, Lowe, Levitt and Wilson, 2008 say that Millennials demand the most from their work and they are prone to leave their organization if their needs are dissatisfied. Some of these demands within the work environment are high innovation within the job tasks, collaboration and inclusive information flow, open communication, flexibility to use their own ways to conduct present tasks and opportunities to develop their skills (Gong et al., 2018; Shrivastava, Ikonen and Savolainen, 2017; Wiedmer, 2015; Myers and Sadaghiani, 2010; Martin, 2005). Moreover, one leadership style may not work for all generations; Millennials expect their leader to use social media rather than disturbing them while they are conducting
their work and they want their leader to be able to create a meaningful work, Generation X want their leader to trust them and they prefer to be more independent; on the other hand, baby boomer calls leaders a necessity and they prefer authority (Shrivastava, et al., 2017; Wiedmer, 2015).

The past research papers focused on Millennials’ retention (Naim & Lenka, 2018) and the leadership style’s effect on job retention (Covella, et al., 2017). However, only a few research papers measure transformational leadership’s effect on job retention (Jauhar et al., 2017; Mittal, 2016; Eom, 2015). Only Eom (2015) investigated the transformational leadership’s effect on IT employees and his focus group was all the generations in the ICT positions.

Therefore, the author found a gap between transformational leadership’s influence on Millennials’ retention levels in the ICT positions.

The present study conducted quantitative research. Transformational Leadership Behaviour Inventory (TLI) with A-5 point Likert scale and Weiss, Davis, England, Lofquist’s (1967) 3-item instrument with a 7-point scale ranking were used to discover transformational leadership and the retention levels’ relationship. The survey was circulated among 108 Millennials who work in ICT positions in Ireland.

1.2 The Research Objective and Research Questions

The main aim of this research paper is to investigate which components of transformational leadership influence employee retention. Therefore, the following two research questions will be investigated:

I. Is there a relationship between manager’s transformational leadership style and employee retention?

II. Which component of transformational leadership has the greatest effect on employee retention?

The research questions are based on the information given by the past research papers. These two research questions are produced to investigate the gap between transformational leadership and its influence on Millennials retention levels within the ICT positions.
1.3 Overview of Research Project Structure

In this section, the main contents in each chapter will be briefly explained.

- **Literature Review**

Past research papers are reviewed and critically analysed related to the transformational leadership style, retention and information and computer technology (ICT) departments. This chapter is categorized as:

- Leadership
- Importance of Leadership and Its Effect on Job Retention
- Leadership Styles
- Transformational Leadership
- Employee Retention, ICT departments and Ireland
- Why Generation Y’s Intention to Stay Matters More Than Other Generations
- The Rationale of the Current Research
- Conclusion

- **Research Questions, Aims and Objectives**

This chapter explains the research aims objectives and research questions of the present study.

- **Research Methodology**

This chapter outlines the primary method and application of theory for the present research paper. The research philosophy, approach and strategy, design and measures, the sample of the research and the procedure take place in this part of the research paper. Moreover, the justification of the chosen quantitative method and web based questionnaire is explained under the research methodology.
• **Results**

Descriptive statistics and inferential statistics of the present research findings take in this chapter. Each statistic is displayed with a table along with its explanation.

• **Discussion**

This chapter compares and contrasts the present research findings with the literature review and analyses the collected data along with the past peer-reviewed papers. Furthermore, it discusses the current research paper’s strengths, limitations and recommendations for future research.

• **Conclusion**

This chapter displays the synthesis of past and current research’s findings in order to accomplish the aims and objectives of the present research paper. Additionally, the timeline for implementation, cost implications, and a personal learning statement take place at the end of the conclusion.

• **Practical Implications**

This section of the present study gives recommendations about the implications of the current research findings within the departments.

• **Timeline for Implementation**

This section discusses the required time if the present paper’s findings will be implemented within the organizations.

• **Cost Implications**

This section displays the predicted cost for the possible implementations of the current research findings.

• **Personal Learning Statement**

This part of the study discusses what did the author gain from this research and what did she learn while conducting this study.
2 CHAPTER TWO: LITERATURE REVIEW

2.1 Leadership

There is still no agreed definition of leadership or what an effective leadership should be among theorists (Smith, et al., 2004). Moreover, the leadership term is not new and there are many different definitions of leadership (Gandolfi & Stone, 2017). Burns (1978) expresses leadership as a give and take process of managing motives and values based on resources, economic and political elements held by both leaders and followers in the pursuit of an overall goal. As said by Yukl (2002) leadership is the continuum of influencing others to receive and agree on what is needed to be accomplished and how it can be achieved efficiently. According to Bass (1990), influence, the relationship of power, combination of essential actions, a tool to achieve goals, installation of a structure towards goals and aims, the effect of an interaction, and persuasion. Examining various leadership definitions, because of its broad and extended definition, Bass’s (1990) leadership expression will be considered as the main definition for this dissertation.

2.2 Importance of Leadership and Its Effect on Job Retention

Even if there is still not an agreed definition of leadership, theorists agree that leadership is an essential driving force to shape the fortune of organizations and a promoter tool to improve companies’ performance (Pradhan & Pradhan, 2015). For example, it has been shown by many researchers, that the collapse of an organization can be associated with the improper leadership style within the teams, company’s supervisor number (too much supervisor or too less) and quality of the applied leadership style (Obiwuru et al., 2011; Ushie et al., 2010). As reported by Avolio (1999), this is because only leaders have the authority to influence companywide decisions, and the use of their power in the organization to transform companywide factors into important products or services.

When it comes to employee retention Ng'ethe, Namasonge, and Iravo (2012) state that, the connection between leadership and employee retention is critical. In line with that Beardwell and Claydon (2007) indicate that improper leadership and poor management style is the main reason for employee resignation. Thus, an effective
leadership style in an organization can promote and encourage job satisfaction and retention levels within the teams (Kleinman, 2004). To achieve high retention levels, management can adopt the right leadership style within the company and align organizational strategies with the employees’ motivational and moral factors (Belonio, 2012). Moreover, according to Nwokocha and Iheriohanma (2015), if the managers display a negative attitude towards their team, there is a higher tendency for these team members to leave the job; in contrast, when the supervisors’ behaviour is admired by the staff this increases followers’ job satisfaction, productivity and the retention levels within the company.

2.3 Leadership Styles

The most discussed leadership theories in the literature are charismatic, transactional (Smith, et al., 2004), autocratic, bureaucratic, laissez-faire, and democratic leadership (Gandolfi and Stone, 2017). Maslennikova (2007) categorizes leadership style as leader centred or follower centred. She states that leader oriented styles would involve the transactional autocratic and charismatic styles of leadership. On the contrary, follower oriented leadership styles would involve transformational and democratic leadership (Maslennikova, 2007). Unlike leader-oriented leadership styles, follower centred leadership styles, such as transformational leadership, influence their subordinates to see beyond their rooted goals and entice them towards organizational aims (Pradhan & Pradhan, 2015). Moreover, in the modern knowledge economy, the nature of the work necessitates attention to personal interactions and meeting employees’ personal needs. In other words, it demands follower centred leadership styles to achieve a successful workplace. Thereby, transformational leadership’s follower oriented nature and leaders’ special attention to their team members yield positive outcomes for the organization and employee well-being (Carnevale and Smith, 2013; Mumford et al., 2000).

2.3.1 Transformational Leadership and the Autocratic – Democratic and Laissez-Faire Leadership Styles

Firstly, autocratic leaders have a style where they would like to control, take charge and set clear, inflexible tasks for subordinates. Leaders make their decisions without considering the subordinates’ inputs in the team (Lewin, Lippit and White, 1939).
On the other hand, this can be efficient if there are many untrained workers in a team (Mihai, 2015). However, this style cannot be effective when followers are tense, resentful or when they want their voice to be heard by their managers or if they want to be valued by their ideas. This can yield low morale, high turnover rate and higher absenteeism (Mihai, 2015). In contrast with this style, transformational leaders express their high-performance expectations but support employees along the way to achieve performance goals. They do not only consider short term goals, but their aim and purpose also comply with the followers’ individual transformation and development for the long run. They prefer their subordinates to be an active participant (Podsakoff, et al., 1996).

Secondly, democratic leadership is a participative leadership system which can be associated with the transformational leadership style because in both leadership styles leaders are capable of generating loyalty by their inspiring skills and creating visionary transformations within the companies (Mihai, et al., 2017). The democratic style integrates subordinates into the decision-making process directly (Burlea Schiopoiu & Rainey, 2013) which sometimes yields high time consumption and a longer solution process. Furthermore, the quality of the decision can get affected by the maturity levels of the employees (Krieger, 2001). Unlike democratic leaders, transformational leaders can manage and delegate this participation and time consumption relationship. They act more flexibly and adjust employees’ participation levels into a decision-making process according to the workload in the departments (Breevaart & Bakker, 2018).

Thirdly, the laissez-faire leadership style is developed from the democratic leadership model. Nevertheless, this leadership has minimum leader involvement in the activity of followers. The followers are expected to carry out their tasks without any guidance from their leaders and they are expected to be able to solve problems by themselves (Krieger, 2001). This aspect is totally opposite of the transformational leadership style. In the transformational leadership model, even if leaders are follower centred they are not hands-off leaders. They emphasize the needs of followers, support and encourage subordinates to solve given tasks and achieve performance goals which positively affects followers’ organizational commitment (Berger et al., 2012; Bass and Riggio, 2006; Bass, 1985). As it can be foreseen, laissez-faire might be inefficient in the existence of junior workers who cannot proceed without any guidance or has no knowledge and experience to solve task-
related problems. The absence of leaders’ guidance damages followers’ interest in their job and yields low commitment with their jobs and high turnover (Boyer-Davis, 2018).

2.3.2 Transformational Leadership and Charismatic leadership

The roots of transformational leadership go through charismatic leadership (Smith, et al., 2004). Charismatic leaders lead and influence their followers with their extraordinary personalities. They use their charisma to charm team members which encourage teams to work with a common vision and for the same goal. This trait of charismatic leaders is the striking feature for this leadership model (Hellriegel, Slocum and Woodman, 2001; Conger and Kanungo, 1998). Thereupon, their charisma charms team members and influences them to follow their leader voluntarily (Bratton, Grint and Nelson, 2005).

According to Winston and Fields (2015), this is a similar trait for the transformational leadership style. Both leadership models use their inspirational skills on their followers and it creates commitment and engagement with the subordinates for organizational goals (Winston & Fields, 2015). On the other hand, according to Nwokocha, and Iheriohanma (2015) transformational and charismatic leaders can show the same inspirational and influencer actions but, their intention to use these behaviours differs. In charismatic leadership the purpose to use inspirational skills is to generate beneficial results for themselves; their aim is to build a group who follow their leader without a doubt. In contrast with this, transformational leaders use their inspirational behaviour to develop their followers’ skills and align their vision with organizational needs. Ojokuku, Odetayo, Sajuyigbe, and Sajuyigbe, (2012) state that charismatic leaders’ self-centred behaviour can create a problem in the long-run. Since these leaders use only their charisma to give a direction to the teams it can damage the performance of the team in the absence of their leader. Furthermore, If a charismatic leader decides to leave the organization, his/her team remain in the organization with no form of any direction (Ojokuku, et al., 2012).
2.3.3 Transformational Leadership and Transactional Leadership

A transactional relationship means the behaviours centred around the exchange of individual and personal interests. The relationship focuses on rewards and material which also illustrates the basis of the transactional leadership model (Burns, 1978). In other words, this is a style of leadership when leaders guide their followers with rewards and punishments (Bass, 1990). The maintenance of the leader-employee collaboration works on the basis of pro-quro relation (Gandolfi & Stone, 2017). Bass (1990) explains the four levels of transactional leadership as - recognition for successful accomplishment and good performance, the reward for achievement and effort; searching and choosing rules’ deviations and applying right action; interfering if standards are not developed as expected; laissez-faire behaviour which stands for avoiding decision-making and shifts of responsibility.

In general, transactional leaders value organizational goals more than their followers’ needs who are carrying out those tasks and aims (Yahaya & Ebrahim, 2016). Production and output stand as transactional leaders’ major focus for the benefit of the organization. To achieve those outputs, they pay attention to the team members’ interactions rather than the followers’ personal needs or interests (Gandolfi & Stone, 2017).

When the employee retention and transactional leadership relationship has been analysed Meyer and Herscovitch (2001) and Walumbwa, Wu, and Orwa (2008) state that transactional leaders’ reward approach in exchange of employee performance may yield a better commitment in the workplace. The reason for this outcome is when employees get a reward in exchange for their work, they feel they must accomplish more desirable outcomes to return the favour. In contrast with this, Pradhan and Pradhan (2015) state that previous studies have shown that organizations have failed to retain the talent in the organization just because they are offering a better salary and perquisites. Even if this model supplies immediate rewards it is not enough to convince talented employees to stay in their organization for the long term. Singh and Bhandarkar (2002) express this emphasising the employees’ expectation to participate in organizational growth. Employees seek inspiring leadership models, shared vision and a meaningful work commitment.
They want their organizations to be a meaningful and social place because of their participation and shared vision (Singh and Bhandarkar, 2002). On the other hand, because of transformational leaders’ follower centred nature, they pay attention to their followers’ needs, skills, abilities, and development (Boyer-Davis, 2018). They aim to transform and develop the workforce to achieve a shared vision. They attach importance to the followers’ needs because they believe a successful organization can be possible with the contribution of the followers (Northouse, 2013).

2.4 Transformational Leadership

James McGregor Burns first conceptualised transformational leadership in 1978. He states that a transformational leader should have a clear understanding of the organizational goals and they should be able to articulate those goals to their followers (Nwokocha & Iheriohanma, 2015).

Transformational leadership can be differentiated from other leadership styles with the leaders’ capability to inspire followers to share a vision and encourage them to achieve that shared vision (Burns, 1978). These leaders put a greater effort into paying attention to their followers’ needs. They try to develop followers’ skills and abilities and help them to develop their capacity to achieve their maximum potential (Kuhnert, 1994).

They serve as role models to their team members, encourage the positive mindset inside the teams, and encourage organizational commitment (Bass, 1996, Kuhnert, 1994, Bass and Avolio, 1994). Even if it may seem like the main purpose of the leaders is to use the followers to achieve organizational development and growth (Kuhnert, 1994, Bass and Avolio, 1994), they also care about their followers to achieve a successful and harmonic workplace (Northouse, 2013). Accordant with this, Shabane, Schultz and van Hoek (2017) state that transformational leaders believe followers form the basis and the clear path to organisational success. Thereby, the well-being of the subordinates is an essential factor in their management style.

On the other hand, Van Zyl et al. (2013) define transformational leadership with the accomplishments of its leaders and this is expressed through a person’s ability to
positively transform a company. Northouse (2013) agrees with this but finds it unsatisfactory. In his definition, this leadership style does not only change organizations but also transforms followers. These leaders deal with emotion, ethics, long-term goals, values, and standards. They assess subordinates’ motivational factors, intentions and try to satisfy their needs and treat them as individuals and humans.

Transformational leaders use participation as a tool to influence followers. They integrate team members into the decision-making process which gives leaders a privilege to influence team members’ ideas while they are trying to agree on a common decision. In the end, leaders influence, shape or transform the followers’ self-centred mindsets with collective aims (Gandolfi & Stone, 2017). Parolini, Patterson and Winston (2009) agree and say that transformational leaders put in effort to transform their own and others’ interests and align them with the company’s and society’s interests. These leaders act selflessly and work to change the followers’ self-centred perspectives into collective values, and independent aims (Avolio & Bass, 2004). Moreover, transformational leaders moderate the interests of their subordinates for achievement and personal-development, also boosting team development. Rather than responding to the current subordinates’ self-interest, they raise up the team’s and people’s awareness of key problems. During this process, they increase the self-confidence of the followers and develop their focus from current concerns to growth and achievement (Bass, 1985).

The inspiration and motivation of team members towards the leader-made vision is an important leadership behaviour. Leaders encourage and push followers’ intellectuality. This aspect of the model is needed to develop the follower from a regular worker position to an active part of the solution process. Transformational leaders keep employees as close as they can and push them to achieve the vision because they know followers cannot achieve the vision alone (Gandolfi & Stone, 2017).

In the nature of transformational leadership, leaders make an extra effort with their followers and engage with them to achieve a better performance in the organization (Hardy, Arthur, Jones, Shariff, Munnoch, Isaacs and Allsopp, 2010; Rubin, Munz and Bommer, 2005).
Burns (1978) states that a transformational leader focuses on the possible motivational elements of the follower, tries to satisfy a follower’s higher needs and builds a personal engagement with the follower. However, in contrast with the transactional leadership style, transformational leaders believe the willingness and voluntary actions of followers should be present in the absence of reward and punishment mechanisms (Shabane, *et al.*, 2017).

As discussed earlier, transformational leaders are capable of influencing followers and voluntarily committing them to the organization independent from reward systems. This skill produces an unconditional attachment from the follower to the organization (Bass, 1985).

Many research papers have approved of the transformational leaders’ positive influence on its followers which has led to positive job satisfaction (Ross and Offermann, 1997; Hater and Bass, 1988), higher commitment levels to the current job (Bass & Avolio, 1990), and a better organizational citizenship behavior (Podsakoff, *et al.*, 1990).

According to the meta-analytic results of Judge and Piccolo’s (2004) research, transformational leadership’s components develop an engaged follower-leader relationship which results in higher job satisfaction, makes followers pleased with their team leader, increases followers’ motivation, yields better leader work performance, and creates a more efficient group, leader, and organizational performance (Judge & Piccolo, 2004). Pradhan and Pradhan (2015) explain transformational leadership’s positive effect on employee retention and loyalty in the context of the followers’ emotional attachment to their leaders and organizational goals rather than other possible logical reasons. In agreement with this, Popper, Landau and Gluskinos (1992) say that transformational leaders first transform their followers’ motivation into organizational commitment and then transform their organizational commitment into greater performance. Moreover, Smith, *et al.* (2004) state that transformational leadership creates employee motivation and develops the employees’ creative skills; therefore, this produces higher job retention rates. The study of Tseng and Kang (2008) also shows the positive linkage between transformational leadership and organizational commitment.
The basis of the transformational leadership theory comes from certain actions and behaviours of transformational leaders which increase the morale and motivation levels of followers (Bass, 1985; Burns, 1978). Their four key features inspire their subordinates and unveil their commitment towards the company’s goals (Pradhan & Pradhan, 2015). Bass and Avolio (1990) explain the basic components of transformational leadership as idealized influence, individual consideration, inspirational motivation and intellectual stimulation (Bass & Avolio, 1990). Furthermore, Podsakoff et al. (1996) evaluated transformational leadership behaviours - (1) Vision identification and articulation, where a supervisor addresses opportunities for the subordinate and inspires subordinates with a greater level of vision, perception and organizational achievement. (2) Providing proper models, where a supervisor designates proper examples, coherent with higher achievements and values for subordinates to emulate. (3) The exhortation of a team goal, where a supervisor encourages cooperative and collaborative teamwork to achieve better common aims. (4) Demonstrating high-performance anticipation, where a supervisor shows his/her anticipations toward subordinates to achieve qualified, excellent and best performances. (5) Supplying intellectual stimulation, where a supervisor puts challenges to subordinates to be more innovative and creative and to re-analyse and re-examine their responsibilities and operations. (6) Providing personalized support, where a supervisor acts as a guide or a mentor and respects his/her subordinates and attaches importance to individual emotions, needs and well-being (Eom, 2015; Top, Akdere and Tarcan, 2015; Podsakoff et al., 1996).

2.4.1 Idealized Influence:

This ability describes transformational leaders’ emotional capability to influence their followers as a role model and gain their trust, confidence and respect. Also, leaders who own this skill have the ability to obtain extra performance from followers to achieve the optimal levels of productivity (Bass & Avolio, 1990). Basically, this behaviour gives them an opportunity to engage with the followers’ emotions and give a stronger identification with the manager (Yukl, 2013).
2.4.2 Individually Considerate:

This ability allows the leader to address followers’ individual needs and capacities. Moreover, with this behaviour, they intend to attract subordinates to the tasks individually. They consider personal development and coaching, advise and give feedback to their followers. They encourage followers to take higher levels of liability to improve the performance of the organization and team (Bass & Avolio, 1990). They advise and offer a customized attention and provide help when it is necessary (Avolio & Bass, 2004).

2.4.3 Inspirational Motivation:

Leaders encourage enthusiasm and positivity by morale talks (Bass, 1985). Inspirational motivation links to supervisors’ potential to communicate the excellent level of anticipations, inspire the subordinate to participate in the company vision and generate a sense of mission (Avolio & Bass, 2004). This constant inspiration and motivation behaviour generates followers to achieve successful outcomes despite gruelling (Franke & Felfe, 2011). They promote creativity while encouraging followers to think out of the box and to generate innovative outcomes (Jena, Pradhan and Panigrahy, 2018).

2.4.4 Intellectual Stimulation:

This behaviour refers to the awareness level of followers about tasks and problems. Moreover, leaders’ intellectual incentivising attitude towards followers encourages them to analyse and solve issues in new and innovative ways (Yukl, 2013). This dimension searches ways to integrate and encourage the creative and innovative skills of employees for daily challenges (Avolio & Bass, 2004). They emphasise the re-examination of supposed underlying problems and they embed foresight alongside formal-logic to find solutions. They improve employees’ skills to use their authentic, creative and unique perspectives to overcome problems. Thus, followers develop themselves to a place where they are able to handle work challenges with or without their leaders (Bass & Avolio, 1990).
2.5 Employee Retention, ICT departments and Ireland

In an IT centred view, the desire to stay is termed as IT employees’ degree of commitment to the job in the IT department and the intention to remain within their organization (Eom, 2015) which is a commonly used power of procuration for job centred satisfaction (Coombs, 2009).

An employee’s desire to continue in or leave an organization is strongly associated with the individual’s willingness to carry out tasks, work satisfaction, commitment, and personal identification to their immediate managers, their personal drive to achieve specific skills to be successful (Coombs, 2009), likewise individual social characteristics and identification to the company (Eom, 2015).

Especially in the technology sector, retention and turnover a common issue for many companies (CIPD, 2018a) and countries (Lo, 2015). An employee’s negative intention to stay within the organization can yield turnover which is explained by Abassi and Hollman (2000), a turnover is a rotation of an employee among different companies and roles inside the circumstances of employment and unemployment. Therefore, especially because of the turnover cost the retention of workforce started to become an important area within the organizations (Lo, 2015). In detail, as outlined in a study conducted by Hillmer, Hillmer and McRoberts (2004), a highly-skilled employee’s replacement costs one year’s salary for the employer. Longenecker and Scazzero (2003) explained the minimal replacement of an IT employee and according to their study, a replacement costs 1 to 2.5 times an employee’s annual salary. Later on, the percentages of an IT position’s turnover stated as between 12% to 38% annually. Along with replacement cost, 2018’s labour market outlook states that organizations are facing difficulties to fill 70% of their vacancies. Most importantly, this recruitment issue is 45% larger in the private sector which turns employee retention into a huge challenge for organizations. It has been reported that 34% of employers started having a real issue to retain their employees in the last 12 months. On the other hand, many studies also emphasise on, the skill shortages in technology, engineering and science. They seek to find a solution to retain current employees (CIPD, 2018a; Lo, 2015) and 81% of the organizations stated they are facing skill shortages since 2017. Thereby, most organizations in
Ireland started to place employee retention inside the organizational key goals (CIPD, 2018b).

However, the intention to leave an organization is not an insoluble problem. Alatawi’s (2017) study states that, if organizations pay attention to their unit leaders and develop them to be a transformational leader; then, they can take control of the turnover rates and improve employees’ retention levels positively. According to him, transformational managerial style should be every manager’s approach towards their team which can be achieved by behaviours and skills training. Likewise, Mittal (2016) suggests transformational leadership style as a solution to low retention levels; because according to him, service positions like IT seek for trust within the departments which was found to be linked with organizational commitment levels and the nature of transformational leadership promotes trust within departments and leads control over employees’ retention levels. In accordance with this, Eom (2015) says that a transformational leader can positively affect IT employee’s retention because of transformational leaders’ capability to create and articulate a vision and foster a team goal.

2.6 Why Millennials’ Intention to Stay Matters More Than Other Generations

There are three different generations in the present business life – Baby Boomers, Generation X and Generation Y (Shrivastava, Ikonen and Savolainen, 2017). Baby boomers are anyone born between 1946-1964, Generation X is anyone born between 1965-1980 (Meriac, Woehr, and Banister, 2010) and Generation Y or Millennials are anyone born between 1982 and 1995 (Pinelli, et al., 2018). The population of Gen Y are found as the second biggest generation in the world (Ordun, 2015).

All of these generations’ nature, habits and expectations differ because of the external (e.g. economy, global war, technology etc.) and internal (e.g. families) incidents they faced while they grow up (Shrivastava et al., 2017). In an organizational perspective, baby boomers value long term employment, commitment (Shrivastava, et al., 2017) and appreciate rewards and promotions (Patterson and Pegg, 2008). On the other hand, Generation X born and raised in an era where computers are invented, video games appeared, technology started to integrate into
people’s lives, they are raised by baby boomers (Lancaster and Stillman, 2003), they trust their leaders’ words and they think work is action-oriented (Shrivastava, et al., 2017; Wiedmer, 2015).

The entrance of Millennials into the workplace brought many challenges. Gong, Ramkissoon, Greenwood and Hoyte (2018) say that Millennials are prone to resign from their jobs more frequently compared to other generations and most likely to engage with the positions if they can integrate innovation and creativity within their roles. Which means they like to have the flexibility to introduce new ways or behaviours into the pre-existed role and ability to re-define their current role’s responsibilities. Moreover, Millennials like to be challenged within their jobs, they prefer to resign from a role where they cannot use critical thinking or if they are not allowed to question the tasks or the problems they face within their jobs (Lowe, Levitt and Wilson 2008). They prefer to work collectively and that influences managers’ management style to be more inclusive because Millennials prefer to be treated like partners within the teams (Lowe, et al., 2008; Earle, 2003). According to Martin (2005) when managers use clear tasks, deadlines and supply enough resources Millennials will finish their jobs on time but it has to be known that they prefer to do their jobs with their own way and their own style (Gong et al., 2018; Martin, 2005). Furthermore, they desire to be able to communicate openly with their line managers and within their teams (Chou, 2012). They want to be able to speak openly and present their own ideas despite their lack of knowledge or years of experience (Myers and Sadaghiani, 2010).

Wiedmer (2015) explained Millennials’ nature and analysed their families and how they grew up in order to explore their expectations. The result of his study shows that Millennials behave more dependently to their friends and families than other generations. They are more community centred, collective and they search for a sense of meaning in a greater context because they grew up with families who were assisting them most of the time when they needed help. Their family relationships shaped their nature, personality and organizational expectations different than other generations in a way where they want clear goals, more feedback, more guidance, planned work tasks, multiple responsibilities and mentoring from their line managers (Wiedmer, 2015).
For example, if an autocratic leader takes over a team, Baby boomers respect and accept the authority, Generation X disagrees with them, and Millennials choose peer collective actions, teamwork-oriented authority styles (Gursoy, Maier and Chi, 2008) which may cause dissatisfaction in terms of job commitment or retention.

When it comes to the organizations’ future, PwC (2011) and Deloitte (2019) report that, Millennials will take over 50% of the global workforce by 2020 (PwC, 2011) and 75% by 2025 (Deloitte, 2019) but will it be easy to retain this generation is another question. According to Millennials’ voluntary turnover report, 38% of Gen Y workers indicated they are actively searching for a job and 43% of them stated they are open for new job offers. Most importantly, only 18% of the Millennials said that they are willing to stay in their current job for the long run (PwC, 2011).

Additionally, Deloitte (2019) reports that 49% of the Millennials expressed a preference to leave their employer within the next two years. The report shows that this rate was 38% in 2017 and it has increased by 11% in the last 2 years. The details of the survey answers are, dissatisfied with pay (43%), not enough opportunities for career development (35%), lack of learning and development occasions (28%), lack of appreciation (23%), bad work-life balance (22%), and lack of challenges within the job (21%) (Deloitte, 2019). Another study states that 45% of Millennials want to stay faithful to their organization if their company brings new challenges into their roles and allow them to gain different experiences while they remain in their roles (Hewlett, Sherbin and Sumberg, 2009).

In terms of job retention, Naim and Lenka (2018) say that the right leadership style can be the solution for Millennials’ expectations and their nature. If leaders encourage Millennials’ creativity, let them take risks, boost their entrepreneurial skills, give meaning to their tasks and maintain a collective work system, then they can influence Generation Y’s job retention positively (Naim and Lenka, 2016).

On the other hand, not only Millennials but also ICT employees’ expectations differ from other departments. Like Millennials, IT employees also do not like monotone roles, regular daily tasks where they cannot use their skills (Eom, 2015; McKnight, Phillips and Hardgrave, 2009). They perceive monotone daily work as dissatisfactory and a negative factor for their retention. They want their managers to value skill variety in daily task delegation (McKnight, et al., 2009). Lo (2015) states, ICT
employees prefer supportive and trustful relationships with their unit managers and the level of their work relationship directly affects employees’ intention to stay within an organization. A study conducted in the US showed that bad leadership was cited as the third most common factor by 211 ICT professionals as a reason to leave their organizations (Longenecker & Scazzerlo, 2003). Previous studies conclude that proper leadership styles affect employee retention and state that the correct leadership style improves job satisfaction, employee retention and performance (Wu, Chen and Lin, 2004; Northouse, 2013).
2.7 The Rationale for Current Research

In the past years, research has mainly focused on Millennials’ retention (Naim & Lenka, 2018), Millennials’ leadership preferences (Valenti, 2019), and the leadership style’s effect on job retention (Covella, et al., 2017). However, only a few research papers measure transformational leadership’s effect on job retention (Jauhar et al., 2017; Mittal, 2016; Eom, 2015).

Eom (2015), focuses on the comparison of transactional leadership’s contingent reward aspect and transformational leadership’s effect on IT employees’ retention in the USA. However, the study does not pay specific attention to Millennials or Generation Y, it pays attention to multiple generations simultaneously. It does not investigate what will be the Millennial’s expectation from their leaders in the IT departments. Since, Millennials will comprise 75% of the workplace in the next 5 years (Deloitte, 2019) this study may not properly understand IT employees’ retention motives with regards to the leadership-employee relationship in 2025.

Another study, Mittal (2016) measures the transformational leadership’s effect on trust levels of IT employees and workers’ turnover intention relations. Yet, the study focuses on small and medium IT companies in Delhi NCR, India. As it stated in the study’s limitations this study cannot be generalized because it was conducted in Delhi’s small and medium companies but also the cultural aspect of the country was stated as collectivist which is in contrast with Ireland as the culture stands as individualist (Hofstede Insights, 2019). Jauhar, et al. (2017), mostly emphasizes job satisfaction and compares this with transformational leadership as well as a reward system. It measures the transformational leadership and its effect on employee turnover; however, it does not clarify the expectation of IT employees and their response to transformational leadership components in terms of retention.

In this time and age, with the change of technological developments and the increased number of Millennials, comes greater attention to job retention. Thereby, the dynamics of leadership styles need more attention (Longenecker & Scazzero, 2003). Moreover, Millennials’ expectation from their leaders’ leadership style; (e.g. creativity, collaboration, teamwork, participation, the search for meaning in the workplace (Naim & Lenka, 2016)) should not be ignored considering Millennial’s
future population in the workplace (PwC, 2011). The demand for technological developments in Ireland, and the skills shortages in the ICT employee market shape HR practices and management styles as employee retention becomes harder than it used to be. The nature of the Generation Y (PwC, 2011) forces leaders to put more interest in their followers’ emotional needs (Lo, 2015).

Several studies conclude that Millennials’ relationship with their line managers might be the key element for their retention and motivation within the organization (Hershatter and Epstein, 2010; Ng, Schweitzer and Lyons, 2010; Lancaster and Stillman, 2003). Besides, it has been shown by many research papers that employees leave their line managers not the organizations (Thompson and Gregory, 2012; Beardwell and Claydon, 2007; Eisenberger et al., 2002). The reason why a line manager can be considered as a team leader is that a line manager represents the current team’s leader; their managerial style directly influences their followers’ actions and their management approach shapes the working style of their team members (Thompson and Gregory, 2012; Beardwell and Claydon, 2007).

Thompson and Gregory (2012) state that Millennials have a high inclination to leave their jobs according to the Pew Research report in 2010 and they say that when Millennials’ characteristics and willingness to leave their jobs has been considered, poor leadership can cause the highest turnover rate for a company. Nwokocha and Iheriohanma (2015) agree with this research, they say the follower-leadership relationship can be a predictive factor for the employee’s next move in the organization. They state that a poor leader will create a high voluntary resignation rate within the team. Thus, this type of leadership can be a predictor for the retention rates of Millennials (Nwokocha and Iheriohanma, 2015; Thompson and Gregory, 2012). According to many other studies transformational leadership has been found as a possible solution for the turnover problem and employee retention. Their traits, skills and approaches encourage their subordinates to commit to their work, find meaning in their jobs and find satisfaction in their roles (Podsakoff, et al., 1996).

2.8 Conclusion

Consequently, the business strategy of Ireland locates ICT as the centre of the country’s development, which enhances the importance of ICT positions and
departments (JLL, 2018). In relation to these strategic investments, ICT employees become more attractive because of the skill shortages within the country’s employee market. Despite these investments, the country faces problems having a sufficient amount of ICT employees. This yields a problematic and time-consuming employee replacement process (Department of Education and Skills, 2017). In the future, this situation was predicted to become an issue for organizations, as this time-consuming replacement process incurs high unnecessary costs for the organizations (Lo, 2015; Longenecker and Scazzero, 2003).

Thereby, the major reason for an employees’ decision to leave a job was investigated in past research papers. Interestingly, many of the research papers concluded the leader’s behaviours as the main reason for an employee’s decision to quit his/her job (Thompson and Gregory, 2012; Beardwell and Claydon, 2007; Eisenberger et al., 2002). Hence, a transformational leadership model is pointed out as a solution to retain employees within their current roles because of their follower oriented, collaborative, influencer and intellectual transformational leadership behaviours (Alatawi, 2017; Mittal, 2016; Bass, 1996). Though, only Eom (2015) conducts a study to investigate the sub-components of the transformational leadership’s influence on IT employees’ intention to remain in their jobs and carries out the analyses between the six components of transformational leadership and its effect on IT employees’ retention levels. The majority of the other studies focus on employee retention levels’ relationship with the overall transformational leadership model.

Moreover, in recent years, the workplace population is also started to change. According to the studies of PWC (2011) and Deloitte (2019), the workplace population will be reshaped by the end of 2025; 50% of the current workplace will be formed by Millennials or Generation Y by 2020 and this number is foresighted to increase to 75% by the end of 2025. Furthermore, Millennials’ expectations from their leaders differ from the rest of the generations (Shrivastava, et al., 2017; Wiedmer, 2015). They have the highest demand from their workplace among all generations (Lowe, et al., 2008) and rather than other generations their tendency to resign from their roles has the highest frequency (Gong et al., 2018); also, they expect to be in a team where there is an inclusive information flow, collective working mechanisms, creative tasks and challenging responsibilities where they can
improve their innovative skills, flexible working style where they can change the process of the work and use their own style to accomplish their jobs (Gong et al., 2018; Shrivastava, Ikonen and Savolainen, 2017; Wiedmer, 2015; Myers and Sadaghiani, 2010; Martin, 2005). Furthermore, they prefer their leader to give them space while they are doing their job and expect not to be disturbed too often; they also appreciate if their manager trusts their capability to finish given tasks (Shrivastava, et al., 2017; Wiedmer, 2015).
3 CHAPTER THREE: RESEARCH QUESTIONS, AIMS AND OBJECTIVES

3.1 Research Objectives

This quantitative research thesis aims to determine the components of transformational leadership that have the most effect on Millennials’ retention in the ICT positions of Ireland. The lack of proper transformational leadership behaviour yields low job satisfaction, low retention and high turnover around Millennials in the ICT positions. The low level of employee retention will increase unnecessary costs for organizations and generate risks to consume too much time to fill vacancies with desired skills (Lo, 2015; Longenecker and Scannavino, 2003). This may affect departments’ productivity, create high workloads for employees, demotivate and cause low performance within the IT units.

IT managers can influence and convince Millennials to remain in their roles by using their own transformational leadership components. Based on these points IT departments’ managers can integrate several transformational leadership behaviours that can improve the employees’ satisfaction. Hence, it can help to improve retention of Millennials in ICT departments.

Based on the stated problems, the main objective of the thesis is:

- To investigate which components of transformational leadership influence employee retention.

3.2 Research Questions

This research will aim to answer two main research questions. The research questions will provide the information about transformational leadership’s effect and relationship with employee retention of Millennials who work in the Irish ICT departments and it will focus on the most effective components of transformational leadership in terms of Millennial’s retention levels in their roles in Irish ICT departments.
Research questions of this study can be examined below.

1. **Is there a relationship between manager’s transformational leadership style and employee retention?**

This research question will try to discover the present relationship between transformational leadership and its effect on employees’ intention to stay in their roles. From the literature review, it has been explored that transformational leaders can influence and inspire the employees and convince them to stay longer in their present roles. This research question will be answered by the collected findings of the questionnaire from Irish ICT departments. The required answers will be taken from the participants of the online questionnaire.

2. **Which component of transformational leadership has the greatest effect on employee retention?**

This research question will try to understand which transformational leadership component best encourages the employees’ intention to stay in their roles. This component can be one of the following - idealized influence, inspirational motivation, intellectual stimulation, or individual consideration.
4 RESEARCH METHODOLOGY

4.1 Introduction

Current research focuses on quantitative data collection and data analysis, cross-sectional time horizon, uses a survey as the research strategy, because of its epistemological positivist philosophy it follows a deductive approach to theory development style.

4.2 Research Philosophy

Saunders, Lewis and Thornhill (2016) define research philosophy as different assumptions and beliefs in regards to the development of knowledge in a specific field. They explain the term of ‘development of knowledge’ as cultivating new information by answering a specific problem by processing research.

In this research, the reality was assumed to be objective, attainable and waiting to be discovered and that is how the knowledge can be understood and communicated with the others was taken as the main philosophy. Which can be termed as epistemology (Holden & Lynch, 2004) and it mainly considers the presumptions about knowledge and how the knowledge can be shared and communicated with other people (Burrell & Morgan, 1979). Different business and management studies can follow different epistemologies (Martí & Fernández, 2013). In terms of objectivism and subjectivism, because of its objective nature, this research paper aligns with the positivism which works with the observable social realities (Remenyi, et al., 1998) and it centres around objectivity (Saunders, et al., 2016). Likewise, this research considers Millennials’ senses as valid; and therefore, their knowledge is taken as the main data. Their answers built up based on what they have sensed within their teams and what they think about their leaders and it assumed to be an objective social fact by this study.

In summary, this study will emphasise on the epistemological positivist philosophy because of its objective nature, quantitative methodology and assumptions based on social facts which have been stated by Saunders, et al. (2016) it is a proper philosophy when there are scientific research and observable and measurable facts.
4.3 Research Approach and Strategy

Qualitative and quantitative research methods are the two major methods in research. Quinlan, Babin, Carr, and Griffin (2019) defines the differences between these two research methods. The qualitative research focuses on discovering the descriptive elements and dissimilarities of social situations and events. In contrast with this, a quantitative method’s purpose is to foretell and control social phenomena. Park and Park (2016) say that the researchers of quantitative method evaluate, determine and generalize the results to a population. Moreover, quantitative data is objective, unbiased, structured, and tests a theory. In contrast with this, qualitative data can be prone to subjectivity, biases, can be unstructured and often is used to develop a theory. The quantitative method collects data with numerical and measurable variables, frequently under controlled terms but the qualitative method gathers data with observation and explanation under the context of the study’s natural circumstances. However, they both aim for reliable results. In the perspective of the research approach, the quantitative method follows a deductive approach and the qualitative method follows the inductive approach. These research approaches differ on how they drive research, such as from theory to confirmation (deductive) or observation to theory (Inductive) (Saunders, et al., 2016).

In light of previous research papers (Eom, 2015; Top, et al., 2015), this paper focuses on the theory of different transformational leadership components’ different effects on Millennials’ retention and move forward for confirmation. Moreover, as similar to the past research papers (Eom, 2015; Top, et al., 2015) this study conducts quantitative method and thereby it will be in line with the deductive approach (Saunders, et al., 2016). The explanation of this preference is that even if the past and recent years’ studies took attention to the ICT employees, the studies did not mainly focus on Ireland. Thereby, in this research, it is intended to get a wider range of answers from ICT employees in Ireland and from a larger and more diverse audience. For this purpose, the web-based survey has been used to circulate and collect diverse answers. Moreover, an online survey was selected because of its many benefits. For example, according to Dörnyei (2007), web-based questionnaires allow the researcher to distribute anonymous surveys which yields more honest and dependable results but also much larger answers can be collected. According to
web-based surveys may not allow the researcher to reach the whole population but it helps results to be from a larger group and more diverse population. Likewise, gender, race, economic status, and geographical location. Thereby, in this research, web-based survey was chosen to reach ICT employees in Ireland’s different cities and from more varied backgrounds. Thus because of these benefits of a web-based questionnaire, this research conducts quantitative research (Quinlan, Babin, Carr and Griffin, 2019), but also as Park and Park (2016) stated an essential point, a quantitative research allows studies to generalize research results among target groups rather than limited participating numbers of a qualitative method. Hence, this research focused and followed a quantitative method and web-based survey and because of its single data collection method, the characteristics of the present study has occurred as mono-method quantitative study (Saunders, et al., 2016).

4.4 Research Design

This study investigates the transformational leadership components’ relationship with job retention in the current year and over a short period of time. According to Levin (2006), this type of research design can be termed as cross-sectional which conducts the investigation at a one-time point or in a short period of time like a snapshot of a population (Levin, 2006). Moreover, the present study follows a cross-sectional design with the independent variable of leadership and the dependent variable of retention. Cross-sectional studies often use survey strategies (Easterby-Smith, Thorpe, Jackson, 2008).

4.5 Measures

To be able to answer the research questions, transformational leadership behaviours and its effect on employee retention were analysed by the two different survey divisions. The previous studies conducted the survey among IT managers (Longenecker & Scazzero, 2003) or any IT employees whose age range can be under 25 or over 50 years of age (Eom, 2015). The questionnaire was circulated in the form of a web-based survey.
In accordance with the previous peer-reviewed studies’ (Eom, 2015; Hardy, et al., 2010, MacKenzie, et al., 2001; Podsakoff, et al., 1990), this research paper measures the leadership behaviours with the help of Transformational Leadership Behaviour Inventory (TLI) (Podsakoff, et al., 1996; Podsakoff, et al., 1990). This scale determines the six components of transformational leadership style which are (a) inspirational motivation, (b) appropriate role model, fostering the acceptance of group goals, (c) individual consideration, (d) high performance expectation, (e) intellectual stimulation (Podsakoff, et al., 1996; Bass and Avolio, 1990). Such as, the questions like ‘My manager leads by doing rather than simply telling’ (Hardy, et al., 2010) was used to measure the appropriate role model component of the current leader and A-5 point Likert scale (1=strongly disagree to 7=strongly agree) has been used to rank the current leadership behaviours (see Appendix A). This questionnaire also measures one feature of transactional leadership, as this is not relevant to the current research, for purposes of analysis this component (contingent reward) was not included.

Millennials’ retention was measured in accordance with Eom’s (2015) research paper which measures IT personnel’s intention to stay in his/her job. The questions like ‘I plan to work at my present job for a long time’ (Eom, 2015) was used to measure the target group’s retention levels in their current role. Weiss, Davis, England, Lofquist’s (1967) 3-item instrument with a 7-point scale ranking (strongly agree, agree, partially agree, unsure, disagree, partially disagree, strongly disagree) was used to determine participants’ intention to remain in their role within the organization.

The Cronbach’s alpha of the transformational leadership questionnaire was found as 0.952 and the retention questionnaire’s Cronbach alpha was found as 0.862. The Cronbach Alpha value ranges from 0 to 1, where the higher value results in greater reliability (Pallant, 2013).

4.6 Population and Sample

Saunders et al. (2016) says that most of the research cannot collect or analyse all data from the collective targeted group because of limited time, budget and sometimes access. The sample population for the present study is ICT employees
who are working in Ireland and who were born between 1982-1995 (Pinelli, et al., 2018). The survey was distributed among 400 ICT employees in Ireland and 108 employees participated in this research. Participants are selected according to their satisfaction of survey criteria. Such as, if they were born between 1982-1995 (Pinelli, et al., 2018) and if they work in an ICT position in Ireland. Hence, the convenience and snowball sampling technique were used to reach the desired sampling number (Saunders, et al., 2016). The snowballing technique was conducted among participants who were glad to participate and willing to share the survey with the people who suit the inclusion criteria.

The participants were recruited via LinkedIn and social platforms like Facebook groups and LinkedIn groups. There was no special preference of an ICT department, the survey was equally circulated in accordance with the inclusion criteria.

Participants ranged in age from 24 - 37, the mean age was 31 (SD=4.29). The participant’s gender distribution is 78% male, 35% female, 1.7% transgender, and 0.9% gender-neutral.

4.7 Procedure

Google Forms was used to create the survey and it was distributed with the following link https://forms.gle/QcwqE6ByCVXR6yn96 from 28th of June 2019 to 27th of July 2019. The ethical approval was taken from NCI ethics committee. Then, a summary of the consent form and information sheet was generated and placed in the first welcoming page of the survey (see Appendix B). In the summary, the attendant was informed about the research topic, aims of the researcher, the target group criteria, risks, amount of time which will be invested to answer the survey, the right to not give an answer to any question, confidentiality, the storage year of the answers (1 year), and anonymity. Moreover, because of the anonymity, participants were informed that they will not have the authority to withdraw their survey answers. To assure this aspect at the end of the survey it was re-stated and consent was taken with a mandatory tick box. In case of further information, the name of the supervisor, email address, the name of the college, the researcher’s email address was supplied. To reach the survey, participants had to click the next button; then,
they could access the demographics, transformational leadership components and retention questionnaires (See Appendix A).

The current survey was posted on LinkedIn. To be able to reach more people it was also shared via WhatsApp. Several people who wanted to share the survey re-posted the survey on LinkedIn and shared with their connections. Later on, the survey and the information sheet was sent to the managers and several directors of different companies via email. The managers who agreed to share the survey link with their teams and companies forwarded information sheet (see Appendix C) and the questionnaire or sent the survey to the whole ICT departments. Fourthly, the questionnaire was sent to 400 people in LinkedIn. The snowball sampling effect was also used at this stage. Several participants agreed to share with some people or they agreed to forward the questionnaire link to other people who can be suitable for the survey’s focus group. Finally, when participants send their answers, the email of the surveyor and supervisor was shared and thanked the participant for their time.

4.8 Ethical Considerations and Limitations

The current research supplied a summary of the consent form and information sheet at the beginning of the survey (see Appendix B). The survey was anonymous and the answers were stored in a place where only can be seen by the researcher. The right to refuse to answer any question was given to any participant at any stage. The answers were collected anonymously; therefore, participants were not able to take back their answers and this situation was communicated with the participant at the end of the survey with a mandatory checkbox. If the questionnaire was shared with the managers via email and kindly asked their support to circulate the survey within their companies; then, the information sheet was integrated into the email (see Appendix C). The supervisor’s name and the researcher’s email address was shared at the beginning of the survey to be able to help the participants if they need any further assistance (See Appendix B).

Even though the author tried to carry out the research with diligence there might be certain limitations within the research process. The questionnaire was anonymous; however, it can be important to consider that participants were currently employed and they might have scared to be identified by their managers which might affect
their answers. On the other hand, the volume of the sample may not be enough to make a generalization for the current research findings; hence, it might be important to have a bigger sample number.
5  CHAPTER FIVE: RESULTS

5.1  Results

5.1.1  Descriptive Statistics

Table 2 and Table 3 show all key descriptive statistics of the sample data. A total of 108 IT employees’ answered the survey. Participants were largely male (65%) and female (33%). Result showed that the respondents age range was 24-37, the largest age group of participants are 37 (10%) and 24 (10%) (M = 31, SD = 4.3). Statistics showed that 81.3% of the respondents had male and 18.7% of the respondents had female leaders.

Table 1: Frequencies and Valid Percentages for ICT Employees in Ireland.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Frequency</th>
<th>Valid Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>70</td>
<td>64.8</td>
</tr>
<tr>
<td>Female</td>
<td>36</td>
<td>33.3</td>
</tr>
<tr>
<td><strong>Manager Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>87</td>
<td>81.3</td>
</tr>
<tr>
<td>Female</td>
<td>20</td>
<td>18.7</td>
</tr>
</tbody>
</table>
51% of the ICT employees were working in the technology industry and 11.2% of them was in professional services.

*Table 2: Frequencies and Valid Percentages of Industry Types of ICT employees in Ireland*

<table>
<thead>
<tr>
<th>Industry Type</th>
<th>Frequency</th>
<th>Valid Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>55</td>
<td>51.4</td>
</tr>
<tr>
<td>Retail</td>
<td>5</td>
<td>4.7</td>
</tr>
<tr>
<td>Professional Services</td>
<td>12</td>
<td>11.2</td>
</tr>
<tr>
<td>Financial Services</td>
<td>7</td>
<td>6.5</td>
</tr>
<tr>
<td>Food</td>
<td>5</td>
<td>4.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2</td>
<td>1.9</td>
</tr>
<tr>
<td>Transportation</td>
<td>3</td>
<td>2.8</td>
</tr>
<tr>
<td>Education</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Media/Publishing</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Pharmaceutical</td>
<td>2</td>
<td>1.9</td>
</tr>
<tr>
<td>Healthcare</td>
<td>4</td>
<td>3.7</td>
</tr>
<tr>
<td>Government</td>
<td>1</td>
<td>0.9</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>8.4</td>
</tr>
</tbody>
</table>

5.1.2 Inferential Statistics

As can be seen in Table 4, all data violated the assumptions of normality, as tested by the Shapiro-Wilk test (all p’s < 0.05) therefore, Spearman’s correlation was used to analyse the transformational leadership, transformational leadership’s sub-components and the retention levels’ relationship (Pallant, 2013). Spearman’s rho is a non-parametric correlation.
As shown in Table 5, the relationship between transformational leadership and retention was investigated using Spearman’s correlation. There was a medium, positive correlation between the variables; $r = .498$, $n = 108$, $p < 0.05$, with the transformational leadership and retention levels.

### Table 4: Spearman's Correlation Results

<table>
<thead>
<tr>
<th>Spearman's rho</th>
<th>Transformational Leadership Correlation Coefficient</th>
<th>Retainment Correlation Coefficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>108</td>
<td>108</td>
</tr>
</tbody>
</table>

Multiple regression was performed to investigate the transformational leadership’s sub-components and retention levels’ relationship. Preliminary analyses were conducted to ensure no violation of the assumptions of normality, linearity, and homoscedasticity. Normality was assessed by inspection of the P-P Plot and Scatterplot (see appendix D). All VIF scores were below 10 and all tolerance scores...
were above 0.1, indicating multicollinearity was unlikely. Additionally, the correlations between the predictor variables included in the study were examined. All correlations were moderate, ranging between $\rho = .498, p < .005$ and $\rho = .353, p < .005$. This further indicates that multi-collinearity was unlikely to be a problem (Tabachnick and Fidell, 2007). All predictor variables were correlated with retention which indicates that the data was suitably correlated with the dependent variable for examination through multiple linear regression to be reliably undertaken.

The six independent variables explained 34.3% of variance in retention ($F (6, 101) = 8.801, p = .005$). In the final model there were three significant predictors of retention – intellectual stimulation ($\beta = .268, p = .012$), appropriate role model ($\beta = .266, p = .038$), fostering the acceptance of group goals ($\beta = .231, p = .046$). Result from this study indicates that increase in intellectual stimulation, appropriate role model and fostering the acceptance of group goals predict higher levels of retention.

Table 5: Regression Table

<table>
<thead>
<tr>
<th>Model</th>
<th>$R^2$</th>
<th>$\beta$</th>
<th>$t$</th>
<th>$B$</th>
<th>$SE$</th>
<th>CI95%($B$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transformational Leadership</td>
<td>.343</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intellectual stimulation</td>
<td>.268*</td>
<td>2.563</td>
<td>.446</td>
<td>.174</td>
<td>.101</td>
<td>.101 / .791</td>
</tr>
<tr>
<td>Role Model</td>
<td>.266*</td>
<td>2.102</td>
<td>.428</td>
<td>.204</td>
<td>.024</td>
<td>.024 / .832</td>
</tr>
<tr>
<td>Fostering Acceptance</td>
<td>.231*</td>
<td>2.017</td>
<td>.421</td>
<td>.209</td>
<td>.007</td>
<td>.007 / .835</td>
</tr>
<tr>
<td>Performance Expectation</td>
<td>.125</td>
<td>1.220</td>
<td>.194</td>
<td>.159</td>
<td></td>
<td>-.122 / .510</td>
</tr>
<tr>
<td>Inspirational Motivation</td>
<td>-.051</td>
<td>-.480</td>
<td>-.081</td>
<td>.170</td>
<td></td>
<td>-.418 / .255</td>
</tr>
<tr>
<td>Individual Consideration</td>
<td>-.120</td>
<td>-.903</td>
<td>-.173</td>
<td>.191</td>
<td></td>
<td>-.551 / .206</td>
</tr>
</tbody>
</table>

Note. Statistical significance: *$p < .05$
6 CHAPTER SIX: DISCUSSION

The aim of this research was to investigate the relationship between transformational leadership and Millennials’ retention levels within ICT positions of Ireland. The present study was conducted in order to determine the components of transformational leadership that have the most effect on Millennials’ retention in the ICT positions of Ireland.

The first research question aimed to investigate the relationship between transformational leadership and the retention levels. Results found that there is a statistically significant positive correlation between managers’ transformational leadership style and employees’ intention to stay. According to the research findings, the overall transformational leadership predicted 34% of retention levels.

The second question aimed to discover the most effective transformational leadership component in relation to employee retention. This study indicated that out of six transformational leadership components, only intellectual stimulation, providing an appropriate role model and fostering the acceptance of group goals components were a statistically significant predictor for the retention levels.

The results in this study support Alatawi (2017), Jauhar et al. (2017), Mittal (2016), Eom (2015), Pradhan and Pradhan (2015) Tsang and Kang (2008) and Smith et al. (2004) because transformational leadership was observed to be a predictor on Millennials’ intention to remain in their jobs in IT positions of Ireland. The primary reasons of this positive relationship has been one of the topics in the past research papers; Pradhan and Pradhan (2015) stated the transformational leaders’ capability to create an emotional attachment with the followers is one reason why this leadership creates a positive influence on retention levels; moreover, Smith et al. (2004), explained this in relation to transformational leadership’s motivational impact on employees. According to the study of Smith et al. (2004), transformational leaders emphasize the development of followers’ skills which helps followers to excel in their current roles and support their creativity and these actions encourage followers to stay longer in their current jobs. On the other hand, Jauhar, et al., (2017) try to explain this with transformational leadership’s significant positive relation with trust and the psychological empowerment impact on employees. Their study argues that, a
transformational leader chooses to trust his/her follower and this yields better trust and psychological empowerment levels within the organization. Results from this study is also in line with the qualitative study of Shrivastava, et al., (2017) in which they state the Millennials seek trust and honesty from their leaders, they do not want micromanagement and they would like to see trustful management styles from their leaders. Therefore, transformational leadership can be an efficient leadership model to influence Millennials’ intention to remain in their jobs.

Furthermore, the present study also investigated the sub-components of transformational leadership’s relationship with retention levels. The core influential transformational leadership components were found to be intellectual stimulation, appropriate role model and fostering the acceptance of group goals. The results presented in this research can be interesting because it differs from the viewpoints of Alatawi (2017), Jauhar et al. (2017), Mittal (2016), Pradhan and Pradhan (2015) Tsang and Kang (2008) and Smith et al. (2004). These research papers focused on the overall transformational leadership’s influence on employees’ intention to stay. Only Eom (2015) studied the six sub transformational leadership components’ relationship with employees’ retention levels. Top, Akdere and Tarcan (2015) also explored the six dimensions of transformational leadership’s effects although they focused on organizational commitment, trust and job satisfaction rather than retention.

Nevertheless, when we investigated the relationship between transformational leadership components’ relationship with Millennials’ retention levels within the ICT positions, the results of the present study showed differences with Eom’s (2015) findings. He found inspirational motivation and fostering a group goal as effective transformational leadership components in regard to retention; yet, the current study found intellectual stimulation, providing an appropriate role model and fostering the acceptance of group goals as important influencers on Millennials’ retention. However, Eom (2015) focused on a wider age range of responses while investigating the retention levels and the transformational leadership’s relationship, the age range of his study was between 25 to 50 years; yet, in the present study the target group was Millennials and their age range was 24 to 37 years. As it has been argued by Gong, et al., (2018), Shrivastava, et al., (2017) and Earle (2013), different
management of different age groups and leadership expectations might be a reason for this discrepancy.

This study discovered the intellectual stimulation component as an important predictor for Millennials’ decision to remain in or leave an organization. Transformational leaders’ intellectual stimulation factor occurs when a leader shares organizational challenges with their followers and allows them to find a creative solution (Bass & Avolio, 1990), encourages followers to develop new innovative skills and empowers them to produce new ways of thinking about tasks (Podsakoff, et al., 1996). The existence of this component helps followers to build creative skills while trying to discover better ways to solve organizational or task centred problems (Avolio & Bass, 2004). Due to transformational leaders’ trust in followers’ ability to solve the issues, the followers’ mindset reroutes to think outside the box and find innovative ways to fix the problems (Bass & Avolio, 1990); however, for leaders to be able to exhibit this component they should be capable of realizing and detecting the organizational problems (Yukl, 2013). According to the findings, this is what Millennials desire from their leaders. On the other hand, these findings are in contradiction to Eom (2015), where his study found no significant relationship with the intellectual stimulation component in the United States’ IT positions and employees’ intention to stay. Though there is no clear reason why this difference could occur, it can be because of the differences according to the study’s location or as it was argued earlier, a study of all generations’ expectations might cause this difference. Many past research papers agree with the idea of different expectations from their leaders by different generations, such as baby boomers liking authority and terming leaders a necessity, or Generation X asking for independence and trust. Most importantly when it comes to Millennials, this generation does not want leaders to be dominant; rather they prefer intellectual leaders who work actively and efficiently with their teams (Shrivastava, et al., 2017; Wiedmer, 2015) which shows the similarity with the current paper’s findings. In line with the current research findings, Hewlett et al. (2009) also discovered 45% of the Millennials want to stay in their roles if their leader brings new challenges into their jobs. Another study of Deloitte (2019) also showed similarity with the current research findings and their investigation among Millennials reported the lack of learning and development and less challenging jobs made Millennials decide to resign their roles. On the other
hand, McKnight et al. (2009) state that not just Millennials but also IT employees do not like monotone jobs because they want to use their creative skills within the job and they expect their managers to value skill variety in daily task delegation. Besides, Mittal (2016) explains why the intellectual stimulation is an essential component for the workplace and team management. His research paper states that the intellectual stimulation component of transformational leadership might be helpful to create trust within the teams because they build the recognisability of the team goals with the help of a suitable leadership model. As an important factor, the present study focused on investigating each component’s individual influence on the retention levels. When Breevaart and Bakker (2018) explored the combined effect of intellectual stimulation and high-performance expectation components, they found these two variables together are a supportive factor to build work engagement and also a good combination to eliminate the negative effect of daily role conflicts on work engagement. Thereby, it can be argued that the intellectual stimulation might be an efficient factor to influence Millennials’ retention levels by itself but it could also be efficient on all generations’ retention levels when it is combined with the different transformational leadership components.

Podsakoff, et al. (1990) define the ‘providing an appropriate role model’ component as a leader’s ability to display exemplary behaviour among followers which should be consistent with the values that leaders encourage within the teams. In contradiction to the findings of Eom (2015), current research results showed a significant positive relation between providing the appropriate role model component and ICT employees’ intention to stay within their jobs. Eom (2015) found this component to be a negative correlation with the IT employees’ intention to stay in their current jobs. According to him, this element draws a framework for IT employees about how they should solve the problems and rather than giving IT employees space and independence to solve tasks in their own way, this transformational leadership component makes them use a particular style due to the exemplary behaviours displayed by the leader. However, the investigation among Millennials showed the opposite results which can mean that this generation likes to see and follow the exemplary behaviours of their transformational leaders. Although the positive relationship of the role model component and the retention levels are in line with Bass and Avolio (1990), they say the role model behaviours of
transformational leaders help them to gain followers’ trust. Yukl (2013) adds that providing an appropriate role model component influences followers and emotionally engages them with their leaders which can increase the retention levels within the organization. Nevertheless, the study of Top, Akdere and Tarcan (2015), showed no relation with role model dimension and organizational commitment, trust or job satisfaction. Though, both contrasting studies conducted the survey among all generations (Eom, 2015; Top, Akdere and Tarcan, 2015), the location of the studies were the United States and Turkey, different territories to Ireland and the focused industry of Top, et al. (2015) was Turkish hospitals which can show differences because of the cultural differences between Turkish and Irish employees (Hofstede Insights, 2019).

According to the current research results, fostering the acceptance of group goals was a significantly positive predictor for retention levels of ICT employees in Ireland. This observation was in line with Eom (2015) which signifies when an IT manager encourages collaboration and cooperation inside the team to achieve the common goals Podsakoff, et al. (1990). Moreover, the current research paper is in line with Naim and Lenka (2016) and Earle’s (2003) findings on Millennials. They state Millennials are in need of collaboration and cooperation within the workplace. This type of work relationship helps them to attain emotional support. Shrivastava, et al. (2017) and Earle (2003) also explained the nature of Millennials as more dependent on collaboration with their friends and families which influences their work-life to be more inclusive. However, results from this study are in line with the study of Eom (2015); thus, it may not be only Millennials’ expectation but it can be IT employees’ desire. Furthermore, Top, Akdere and Tarcan (2015) also found this component as an important factor to predict the effective commitment levels of private-sector employees in Turkey. It might be surprising that the same transformational leadership dimension did not give the same result for the public servants; therefore, the result from this study may not be only about ICT employees’ desire but it can be an essential expectation of private-sector employees too.

The inspirational motivation component of transformational leadership showed no relevance to Millennials’ intention to stay in their jobs. It was unexpected because Eom (2015) found a high relevance between this component and IT employees’
intention to stay in their jobs. Moreover, this component is a differentiation factor and it is essential for the transformational leadership style because a leaders’ ability to influence an employee’s vision towards organizational goals and create a vision and a shared mission are pertaining to the transformational leadership model (Avolio and Bass, 2004; Burns, 1978). In relation to this, Gandolfi and Stone (2017) state that a leader’s ability to inspire a follower and shape his/her vision towards organizational goals is an attribute to which a leader should pay attention because according to them, if it was left in the hands of the followers, they would never be able to achieve the organizational vision alone. Even if this seems like it is mainly important for a leader eager to achieve organizational goals, Singh and Bhandarkar (2002) also say that employees do expect their leaders to be able to shape their vision towards organizational goals because they think it helps them to work in a meaningful workplace. Moreover, with the help of this transformational leadership component, leaders can influence, motivate, and inspire a follower to participate in the company’s vision (Avolio & Bass, 2004). According to Gong et al. (2018) Wiedmer (2015), Lowe et al. (2008) and Martin (2005), Millennials like to be able to discover and experiment new methods by themselves rather than being inspired and motivated towards certain organizational goals. This helps them gain different and broader perspectives about solutions. However, according to Eom (2015), when all generations are considered, IT employees show a positive reaction to this component in regard to retention levels.

The individual consideration component also showed no relation to Millennials’ intention to remain in their jobs. The study of Eom (2015) also found no relationship between this component and the IT employees’ retention levels. In contrast with the present paper’s findings, many past research papers stated that the employees have a tendency to remain in their roles if their leaders pay more attention to their personal and emotional needs (Thompson and Gregory, 2012; Beardwell and Claydon, 2007; Eisenberger et al., 2002). Besides, Bass and Avolio (1990) say that this component helps to attract followers into the tasks individually. Leaders who use this component give more feedback which helps and promotes the follower’s personal development. On the other hand, many past research papers say that Millennials seek more feedback but they prefer to communicate via emails and social media groups or related technological platforms rather than face to face interactions and 1-on-1s
(Shrivastava, et al., 2017; Wiedmer 2015) and they appreciate having a space within their roles instead of being disturbed while they are working (Gong et al., 2018; Martin, 2005).

Showing high-performance expectation did not result in any relation with Millennials’ retention levels in ICT positions which is in line with Eom’s (2015) study. Moreover, results from this study are also in line with the study of Top et al., (2015) in regard to job satisfaction, organizational commitment and organizational trust levels of the employees. On the other hand, when Breevaart and Bakker (2018) combined this component with the intellectual stimulation factor they found a positive relationship with employees’ work engagement. Therefore, it can be argued that this component may not be effective by itself but might show a positive relationship when it is used with another transformational leadership dimension.

6.1 Strengths and Limitations

The present research used a web based questionnaire to explore the correlation of Millennial retention levels with the transformational leadership components in the ICT positions of Ireland.

Transformational leadership and retention questionnaires were circulated via a number of online platforms (emails, LinkedIn, Facebook) and this approach helped the author to reach different ICT workers from different backgrounds, nationalities, industries and companies. Additionally, the research survey was collected anonymously. According to Dörnyei (2007), this is an important advantage for a researcher to obtain more honest and dependable results.

Nevertheless, despite the important findings of the research, this study is not free from limitations. Firstly, the current study was conducted among ICT employees in Ireland to discover transformational leadership components’ influence on employees’ retention levels. However, this study used a web-based questionnaire for all data collection; due to the limited time, the turnover reports or retention rates of ICT employees was not included in the research, even though, those reports might have been used to obtain more objective insights on the retention levels. Secondly, the survey was selected from the past research papers, although the survey questions
might have a different meaning for each participant which might affect the survey results.

Thirdly, this study collected the data from 108 ICT employees in Ireland; however, most of the past research used bigger sample groups. Broader participation levels may yield different discoveries about Millennials’ preferences about the transformational leadership components. This might be an important aspect in terms of generalisations about the research findings.

Fourthly, the research findings show that the number of female participants was 30%. Even if this might be an accurate reflection for the gender distribution of the IT departments, it also can be a limiting factor for the research if it is not reflecting the reality.

6.2 Recommendation for Future Research

The present paper’s findings gave an idea about Millennials’ retention levels’ relationship with transformational leadership components’ in Ireland’s ICT positions and it was not investigated before by the peer-reviewed literature; therefore, this research paper can be insightful for future research. However, the current into was circulated among 108 ICT employees in Ireland. Further research could involve a wider sample which can yield a better understanding of Millennials’ retention levels’ correlation with the transformational leadership components. Moreover, this study followed a quantitative method and due to the limited time, an online survey was circulated to explore the research questions; turnover reports and ICT departments’ retention rates could also be considered in future investigations to achieve better objective results. Furthermore, in future research, quantitative and qualitative methods can be used together. Conducting interviews would help the researcher to obtain more data on a face to face or 1-on-1 session and it could help the participant to understand questions better. This would help to gain in-depth knowledge about Millennials’ retention levels and its relationship with the transformational leadership components and this could help the researcher to achieve more generalizable research findings. Moreover, the current research investigated each transformational leadership components’ influence on retention; yet, overall, the transformational leadership style was found to be 34% effective on retention levels. Therefore, in
future research, the relationship between a combination of one or two transformational leadership components and retention levels can be an important discovery area to procure more extensive knowledge.
CHAPTER SEVEN: CONCLUSION

The key objective and aim associated with this study were to investigate the transformational leadership style’s relation to Millennials’ retention levels in ICT positions in Ireland. In this regard, the researcher has been eager to explore the Millennials’ intention to stay in their current roles when their team is led by transformational leaders. As demonstrated from the finding that transformational leadership’s significantly positive relation with Millennial’s retention levels, the second research question focused on investigating the transformational leadership’s sub-components’ influence on Millennials’ retention levels in ICT positions of Ireland.

The first research question identified that the transformational leadership style is a significant positive predictor with the Millennials’ intention to stay within their roles. This finding showed similarity to Alatawi (2017), Jauhar et al. (2017), Mittal (2016), Eom (2015), Pradhan and Pradhan (2015) Tsang and Kang (2008) and Smith et al. (2004). The several reasons of this positive relationship can be transformational leaders’ capability to create an emotional attachment with the followers (Pradhan and Pradhan, 2015), and its positive impact on employee motivation (Smith et al., 2004). However, the present study investigated each transformational leadership component’s influence on retention levels of Millennials. Results from this investigation showed a positive relation between leaders’ intellectual stimulation approaches, capabilities to be an appropriate role model and fostering the acceptance of group goals within the ICT teams and Millennials’ retention levels. On the other hand, inspirational motivation, individualized consideration and high-performance expectation showed no relationship with Millennials’ retention levels within the ICT positions of Ireland.

The conclusion that was explored in this research is that Millennials in the ICT positions respond positively to the transformational leadership style. As explored from finding the intellectual stimulation component’s positive influence on the retention levels, Millennials in the ICT positions appreciate if their leaders share the organizational problems, trust their capability to solve them and challenge them to generate more innovative ways to conduct their daily tasks (Gong et al., 2018;
Martin, 2005; Podsakoff, et al., 1996). This can help employees build creative skills while they are trying new ways to perform the tasks (Avolio and Bass, 2004) and it is an important factor to retain Millennials in their current ICT positions. Moreover, as demonstrated from the finding of the positive relationship of fostering the acceptance of group goals and retention levels, Millennials expect their leaders to create a collaboration and cooperation towards the company goals and show exemplary behaviours within the ICT teams.

Nevertheless, the findings resulted that Millennials show no reaction to the transformational leadership style’s individual consideration, inspirational motivation and high-performance expectation components. Thereby, it can be argued that if ICT managers provide individual support to Millennials and their personal needs, emotions (Podsakoff, et al., 1996) within the work, or try to inspire them to participate in the company vision (Avolio and Bass, 2004) or demonstrate high expectation towards employees for quality (Podsakoff, et al., 1996) these actions may not show any influence on Millennials intention to stay within their ICT teams.
8 PRACTICAL IMPLICATIONS

In relation to identified correlations between transformational leadership components and Millennials’ retention levels, the research findings show that the transformational leadership style has a positive influence (34%) on Millennials’ retention levels within the organizations; therefore, organizations may consider putting attention on the current leadership style within the ICT departments. Technology departments’ leaders should be mindful that their leadership style has an influence on employees’ intention to leave their organizations. Transformational leadership can be helpful to retain Millennials easily and it can be cost-effective too (Longenecker and Scazzero, 2003). Human resources departments can build training and development programmes for ICT managers and they can be trained to use and develop transformational leadership approaches. Moreover, the same training programs can be applicable for ICT employees who are in their early career and this can help junior employees to acclimatise to the transformational leadership behaviours and use these skills when they become leaders themselves within the organization. Online learning programs can be also useful for ICT employees and managers to learn the transformational leadership style and its application within the teams.

If an organization has a high proportion of Generation Y employees within the ICT departments and if they would not like to implement transformational leadership style as a whole, it might be helpful to develop training or mentorship programmes to achieve better retention levels of Millennials. These training programs can be centred around intellectual stimulation where a leader shares the organizational problems with their followers and trusts their followers’ skills and abilities to overcome those organizational challenges and integrate challenges within the tasks to empower Millennials’ creativity (Bass and Avolio, 1990). This could provide an appropriate role model for followers where leaders use exemplary behaviours among ICT departments which are consistent with the values that leaders promote within the ICT teams (Podsakoff, et al., 1990) and the ability to foster acceptance of group goals where a leader encourages cooperative and collaborative teamwork to achieve better common aims.
Internal communication tools, such as emails inside the ICT departments and online groups, such as Yammer, WhatsApp or the Skype for Business chat group can help leaders to share the organizational challenges and problems with their followers. Furthermore, these online groups can be beneficial to promote cooperation and collaboration within the ICT teams. It can turn into a platform where all employees inside the team try to solve the problem altogether and brainstorm inside the groups which may produce a better and easier way to accomplish tasks and solve the issues the department is facing. This aspect can be helpful for transformational leaders seeking the acceptance of the group goals component.

9 TIMELINE FOR IMPLEMENTATION

The timeline for implementing transformational leadership might change in accordance with the number of ICT managers. If the number of ICT leaders in the company is around 12; then it can take two to three days to train these leaders and shape their team management styles around transformational leadership (Performance Consultants, 2019); however, it does not require any specific time to start. Any company in Ireland which has a high Millennial population within the ICT positions can start this training and development process as soon as possible. The end date can be different from company to company because of different numbers of ICT managers and the selected training program’s beginning date.

10 COST IMPLICATIONS

The cost of the selected transformational leadership training might differ in accordance with the selected trainer company or the online training portal or amount of ICT leaders in the company. Udemy offers €10.99 for transformational leadership and governance program but this price changes day by day (Udemy, 2019); on the other hand Performance consultants offer £1,995 + VAT for their Transformational Leadership and Coaching in-class training program and their maximum capacity is for 12 people (Performance Consultants, 2019). However, the corporations may prepare special prices according to the number of trainees. On the other hand, this investment and the cost should be evaluated in regard to the company’s turnover levels and ICT skill shortages inside the country. The cost of ICT employee turnover
can be higher or lower than the cost of a training program which can be a critical factor for the training investment.

11 PERSONAL LEARNING STATEMENT

This study was very rewarding to gain better academic knowledge about leadership and retention levels; although at the same time it was challenging to manage resources and compare findings with the past and recent research papers. This study also helped provide an insight into Millennials’ preferences in the workplace in regard to their intention to quit or remain in their roles. Moreover, with the help of this study, the author was able to understand the importance of leadership and explored how transformational leadership should be present and which transformational leadership components can be used to decrease turnover levels in the ICT departments of Ireland. Besides, while searching to find the right resources, all the readings gave insight into understanding different leadership behaviours and their impact on the team management which can be important in the author’s future career.

The current study’s findings showed the author how to reach the right resources to help a company’s development and human resources projects. Additionally, it demonstrated that even if the majority of the sources can agree on one approach, the reality can be different for the focused country or it can differ according to the target group’s expectations.

As a conclusion, this study contributed to the author’s academic knowledge, enhanced her understanding of Millennials, ICT departments and the transformational leadership style and her profession in human resources.
12 REFERENCES


Performance Consultants, (2019)
Available at: https://www.performanceconsultants.com/transformational-leadership-gita-bellin-1 [Accessed 13 Aug 2019].


13 APPENDICES

13.1 APPENDIX A – Survey Questions

13.1.1 Demographics Questionnaire

I am working in...
   Ireland
   Other:

   My Gender is...
   Female
   Male
   Other:

   My Year of Birth is...

   My organization is...
   Publicly traded
   Privately owned
   Government
   Other:

   Type of industry to which my organization belongs
   Technology
   Retail
   Professional Services
   Financial Services
   Food
   Manufacturing
   Transportation
   Education
   Media/Publishing
   Pharmaceutical
   Agriculture
   Healthcare
   Government
   Other:

   I have been in my current company for almost ...... years. (please fill the blank)

   I have been in my current position for almost ...... years. (please fill the blank)

   Gender of My Manager is
   Female
   Male
   Other:
13.1.2 Transformational Leadership Questionnaire

Inspirational Motivation
My manager has high standards
My manager talks optimistically
My manager expresses confidence
My manager talks enthusiastically
My manager has high standards
My manager talks optimistically
My manager expresses confidence
My manager talks enthusiastically

Role Model
My manager is a good role model for me to follow
My manager leads by example
My manager leads by “doing” rather than simply “telling”
My manager is a good role model for me to follow
My manager leads by example
My manager leads by “doing” rather than simply “telling”

Fostering Acceptance of Group Goals
My manager encourages recruits to be team players
My manager gets the section to work together for the same goal
My manager develops a team attitude and spirit among recruits
My manager believes each individual is crucial to the success of the department
My manager encourages recruits to be team players
My manager gets the section to work together for the same goal
My manager develops a team attitude and spirit among recruits
My manager believes each individual is crucial to the success of the department

Individual Consideration
My manager spends time on me and my work
My manager treats me as an individual
My manager considers that I have different strengths and abilities from others
My manager encourages me to develop strengths
My manager spends time on me and my work
My manager treats me as an individual
My manager considers that I have different strengths and abilities from others
My manager encourages me to develop strengths

Performance
My manager insists on only the best performance
My manager does not settle for second best
My manager shows me and my team that she he expects a lot from us
My manager always emphasizes trying my best
My manager insists on only the best performance
My manager does not settle for second best
My manager shows me and my team that she he expects a lot from us
My manager always emphasizes trying my best
Intellectual Stimulation
My manager asks questions that make me think
My manager gets me to rethink the way I do things
My manager challenges me to think about problems in new ways
My manager asks questions that make me think
My manager gets me to rethink the way I do things
My manager challenges me to think about problems in new ways

Contingent Reward
My manager gives me special recognition when I do very good work
My manager personally praises me when I do outstanding work
My manager always gives me positive feedback when I perform well
My manager recruits are given praise when they improve
My manager gives me special recognition when I do very good work
My manager personally praises me when I do outstanding work
My manager always gives me positive feedback when I perform well
My manager recruits are given praise when they improve

13.1.3 Retention Questionnaire

Retention
I plan to work at my present job for a long time
I will probably spend the rest of my career at my present company
Overall I intend to stay in the job I have in this company
I plan to work at my present job for a long time
I will probably spend the rest of my career at my present company
Overall I intend to stay in the job I have in this company
13.2 APPENDIX B – Consent Form and Information Sheet Summary

Which Transformational Leadership Components Influence Employee Retention: A study of Millennials employed in ICT positions in Ireland

Thank you for taking the time to make a contribution to this survey. I am a Master student at National College of Ireland and this survey is a key element of my research project.

The aim of this project is to understand how Transformational Leaders affect Generation Y’s job retention with their companies in the IT sector. Everyone who was born between 1982-1995 working in IT departments in Ireland is more than welcome to participate in this survey. According to PwC in 2020 half of the workplace will be dominated by millennials like you. Thus, your participation and your answers are unique for this study.

The whole process will take you approximately 5 minutes to complete. All the information provided will be completely confidential and the results will be analysed for academic purposes only. This study has been approved by the National College of Ireland Research Ethics Committee. Because of the anonymity participants will not have the authority to withdraw their survey answers. Taken answers will be stored in a password protected excel and answers will be reachable by the researcher only. After the thesis, answers will be kept for 1 year.

Thank you for reading the information and considering taking part in this research. If you have any queries, please do not hesitate to contact me at any time via x18133444@student.ncirl.ie.

No personal data or organizational privacy, name, brand etc. will be asked. The right to refuse to answer the survey questions is given to you at any stage.

Many thanks in advance for your help.

Seyma

Researcher: Seyma Dogan
Supervisor: Dr. Conor Nolan
National College of Ireland
13.3 APPENDIX C – Information Sheet

What is The Most Effective Transformational Leadership Component to Improve Employee Retention: A study of Millennials in the IT sector of Ireland

I would like to invite you to take part in a research study. Before you decide you need to understand why the research is being done and what it would involve for you. Please take time to read the following information carefully. Ask questions if anything you read is not clear or if you would like more information. Take time to decide whether or not to take part.
Your answers will be only used anonymously as part of a Master’s Thesis which will be submitted to the National College of Ireland. It will not be shared in any way with your company, your manager, your team members or any other 3rd parties!

WHO I AM AND WHAT THIS STUDY IS ABOUT
My name is Seyma Dogan, I am a master’s student in Human Resource Management at National College of Ireland. This research is being undertaken as a part of my course. The purpose of this study is to help improve the follower-leader relationship and help employees and management to be able to serve a better workplace for the employees.

WHAT WILL TAKING PART INVOLVE?
Your participation in the research will involve the measurement of the relationship between the leadership style and its effect on your retention in an organization.

WHY HAVE YOU BEEN INVITED TO TAKE PART?
According to PwC in 2020 half of the workplace will be dominated by millennials like you. Thus, your participation and your answers are unique for this study.

DO YOU HAVE TO TAKE PART?
The participation of this survey is completely voluntary and you have the right to refuse participation. Due to the anonymous nature of the study, it will not be possible to remove/access data after it has been submitted.

WHAT ARE THE POSSIBLE RISKS AND BENEFITS OF TAKING PART?
You should remember that this survey proceeds under an ethical assessment - all data will be anonymous. By answering this survey, you will be contributing to the future research in this area.

WILL TAKING PART BE CONFIDENTIAL?
Because of the anonymity participants will not have the authority to withdraw their survey answers. Taken answers will be stored in a password protected excel and answers will be reachable by the researcher only.

WHAT WILL HAPPEN TO THE RESULTS OF THE STUDY?
My plans for these questions are only for research purposes for my thesis.

WHO SHOULD YOU CONTACT FOR FURTHER INFORMATION?
You can reach Seyma Dogan via x18133444@student.ucd.ie for further details or any questions. You can also contact my supervisor Dr Conor Nolan (conor.nolan@ncirl.ie) with any further questions or concerns.
13.4 APPENDIX D – P-P Plot and Scatter Plot

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Retainment_total

Observed Cum Prob

Expected Cum Prob

Scatterplot

Dependent Variable: Retainment_total

Regression Standardized Residual

Regression Standardized Predicted Value