The Mediating Effect of Perceived Organizational Support on the Relationship between Authentic Leadership and Turnover Intention

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Abstract: The paper aims to examine the effects of authentic leadership and perceived organizational support on employees’ turnover intention and investigate the mediating effect of perceived organizational support on the relationship between authentic leadership and turnover intention. The participants of the study were the 203 employees from select business process outsourcing companies within Pampanga, Philippines. The study implemented a predictive-causal research approach and a quantitative research design to gauge the relationship between perceived organizational support, authentic leadership, and turnover intention. Partial least squares-structural equation modeling was further employed to measure the direct and indirect effects of the structural model. The findings revealed that authentic leadership and perceived organizational support are significantly and negatively related to turnover intention. Moreover, a significant and positive relationship between authentic leadership and perceived organizational support was observed. Perceived organizational support was also found to significantly mediate the negative relationship between authentic leadership and turnover intention. The present study offers a new perspective on perceived organizational support as a mediator on turnover intentions in the Philippine setting. It also provides a view on authentic leadership as an important leadership quality in reducing employee withdrawal behaviors.

Keywords: perceived organizational support, authentic leadership, turnover intention, BPO companies

Introduction

Human resource management (HRM) is one of the most valuable factors to gain competitive advantage (Lacap, 2020; Leroy et al., 2018). The role of HRM has emerged to be strategic with due course of time and has become vital for 21st-century organizations. HRM has to mount the necessary expertise, mindset, and capabilities among the organization’s human resources (HR) to gain an edge and efficiently align processes with organizational goals for long-term survival in today’s complex and uncertain marketplace. Its function as a strategic partner requires coordination and support in various activities (Nasir, 2017). HRM as a tool for sustainable competitive advantage must employ effective and consistent HR policies to promote organizational commitment and foster employees’ willingness to act in the best interests of
the organization (Armstrong, 2010; McWilliams et al., 2001).

An emerging interest among HRM and organization behavior scholars in the past decade is about authentic leadership (AL; Gardner et al., 2011). The creativity that leadership authenticity fosters among employees is a crucial resource to face competitive challenges and improve organizational effectiveness (Rego et al., 2012). Moreover, it nurtures a transparent communication system that cultivates employee–organization relationships wherein the leaders’ perceived authentic characteristics among organizational teams translate to satisfaction and commitment (Darvish & Rezaei, 2011). The perception of AL affects work-related attitudes and happiness (Jensen & Luthans, 2006). The outcomes of an authentic leader–follower relationship include heightened levels of trust, job engagement, workplace well-being, and sustainable performance (Gardner et al., 2005).

Another growing interest among researchers in the area of “exchange relationship” is on organizational support (Ahmed et al., 2011). The level of perceived support from an organization has shown to improve employee and team performance through subordinate support and educating them to participate in decision-making (Abou-Moghli, 2015; Howes et al., 2000). The perception of employees towards the extent of organizational support strengthens the effects of leader–member exchange on job satisfaction (Erdogan & Enders, 2007). It also affects job embeddedness that leads to reduced turnover intention (TI) and mitigates the unfavorable effects of narcissism on organizational commitment (Akgunduz & Sanli, 2017; Choi & Ratajczak-Mrozek, 2019). Additionally, perceived organizational support (POS) adds value to favorable work conditions to increase affective commitment and reduce employee withdrawal behavior (Eisenberger et al., 2001).

For the past two decades, the business process outsourcing (BPO) industry has become the biggest and fastest growing industry and the “major economic pillar” and “economic lifeline” in the developing economy of the Philippines (Ortiguero, 2018). The BPO industry remains optimistically emerging due to the wider potential workforce it caters (Gumasing & Ilagan, 2019). The Philippine Statistics Authority (PSA) has recorded a total of 851 BPO establishments with 96% of engagement in call center and computer-related activities and about 575,600 persons employed in 2016. Recent data from Outsource Accelerator (2022) present that the BPO sector employs over 1.2 million people who are spread across 700 outsourcing companies in the Philippines. However, the challenge in the industry growth is the high attrition rate (Ariola, 2017). For BPO companies to stay competitive, attrition and turnover rates must be addressed. One of the reasons related to turnover is the staff–supervisor relationship, which implies a necessary action to develop team leaders’ people management skills. BPO companies also need to take into account the Filipino culture of work and play such as giving their staff a chance to take a break and attend to personal matters. When employees feel that they are cared for, they think of ways to return the favor. On the other hand, the search for a new company is triggered when employees feel that the organization only cares about satisfying its clients and meeting key performance indicators (Rara et al., 2017; Salipsip et al., 2019).

Many studies have identified leadership to be related to TI among organizations in the Philippines (de la Peña, 2018; de Ocampo & Aguiling, 2018; Dimaculangan & Aguiling, 2012). However, there is limited information on the effects of AL, as a specific leadership style, on TI in the BPO sector. POS as a mediating variable between AL and TI is likewise unexplored in the Philippine context. Thus, the present study aims to address this gap in the literature as it is timely to understand the importance of AL in reducing employees’ intent to leave. It is also beneficial to come up with an undertaking that gauges the mediating effect of POS between AL and TI among BPO employees to better facilitate HR decision-making in providing solutions to employee withdrawal behaviors.

Research Framework and Hypotheses

The present study is founded on organizational support theory that provides a basis for understanding the antecedents and consequences of POS through the norm of reciprocity. According to organizational support theory, POS creates a felt obligation to repay the organization with increased efforts including the expectation of rewards, meeting socioemotional needs in terms of approval, esteem, affiliation, emotional support, and the expectation that help will be available for increased job performance (Eisenberger & Stinglhamber, 2011; Eisenberger et al., 2016). Organizational support theory predicts the antecedents of POS such as leadership, employee–organization
context, HR practices, working conditions, and its consequences relating to employee performance and well-being (Kurtessis et al., 2015).

We also utilized the unfolding theory of turnover in the study, which proposes that employees follow five cognitive pathways when leaving an organization. The theory defines the mechanisms employees engage in when deciding to quit (Tellez, 2014). The pathways of turnover are the positive, neutral, or negative experience that triggers the initial psychological analyses (shock); preexisting plan of action based on past experiences, observation, or social expectations (script); the evaluation of alternatives (search); when they feel that their values and goal attainment strategies do not fit with those of the organization (image violation); and when they feel that their jobs no longer support their intellectual, emotional, or financial needs (Lee et al., 1999).

**Perceived Organizational Support**

According to Eisenberger et al. (1986), POS refers to employees’ perception regarding the extent to which their contributions are valued and their well-being cared for. It can be attributed to the favorable treatment of managers, therefore leading them to be more supportive of their subordinates. Organizational support enhances the employees’ subjective well-being in terms of mood, satisfaction, self-esteem, and reduced stress and leads them to a positive orientation towards work and their organization. The positive behavioral outcomes of POS include job performance, creativity, innovation, acceptance of information technology, and enhanced customer service (Eisenberger & Stinglhamber, 2011).

POS also relates to employees’ felt obligation to care about the organization’s welfare and help reach its objectives through a reciprocation process that strengthens affective commitment and performance (Eisenberger et al., 2001), therefore supporting the views of organizational support theory. An investigation of the relationship between supervisors’ and subordinates’ POS indicated that supervisors who feel supported by their organization tend to reciprocate a supportive treatment towards their subordinates (Shanock & Eisenberger, 2006). Furthermore, employees who receive beneficial treatments particularly supervisor support, organizational rewards, and favorable job conditions can result in favorable outcomes such as job satisfaction, affective commitment, performance, well-being, and reduced withdrawal behaviors such as absenteeism and turnover (Eisenberger et al., 2016; Gordon et al., 2019; Rhoades & Eisenberger, 2002).

**Authentic Leadership**

AL refers to the awareness and trust of one’s feelings (Kernis, 2003a). It influences greater self-awareness and self-regulated behaviors and fosters positive personal growth and self-development through a combination of positive leadership capacities and highly developed organizational context (Kernis, 2003b; Luthans & Avolio, 2003). Authentic leaders are aware of how they think and behave and of their strengths and weaknesses and those of the others. They are confident, hopeful, optimistic, resilient, ethical, and future oriented. They are true to themselves and positively transform their associates to be leaders (Luthans & Avolio, 2003; Ilies et al., 2005). They establish genuine connections, develop trust, and motivate their followers towards high levels of performance. Their style of leadership is developed through study and experience that are consistent with their personality and character (George, 2003).

Kernis (2003b) conceptualized the construct of authenticity as the unobstructed operation of one’s true core and proposed four components. First is the relational transparency, which refers to the display of the true self in facilitating trust and honest communication where feelings and perspectives are openly shared while avoiding any misleading or inappropriate display of the self (Gatling et al., 2016; Kernis, 2003a). Second is the internalized moral perspective, which is an integrated form of self-regulation wherein ethical beliefs and perspectives result in actions that are consistent with internal morals (Gardner et al., 2005; Gatling et al., 2016; Ryan & Deci, 2003). Third is the balanced processing of information that pertains to an accurate evaluation of facts before arriving at a decision including encouraging opinions that defy assumptions (Gardner et al., 2005; Gatling et al., 2016). Fourth is the self-awareness that signifies the knowledge of how one understands the world and the way of self-assessment over time. It indicates the knowledge of strengths and limitations while developing consciousness of one’s impact on other people (Gatling et al., 2016; Kernis, 2003b).

In organizational context, AL predicts job satisfaction, organizational commitment, and work happiness (Darvish & Rezaei, 2011; Jensen & Luthans,
2006). It promotes trust that leads to work engagement, workplace well-being, and sustainable performance (Gardner et al., 2005; Hassan & Ahmed, 2011). It also affects employees’ organizational citizenship behavior, organizational commitment, and TIs (Gatling et al., 2016; Valsania et al., 2012).

**Turnover Intention**

TI refers to the likelihood of employees to leave their current job voluntarily or involuntarily. It involves the thinking and planning of employees to leave their organization due to various reasons (Belete, 2018). It relates to “preparedness to change” wherein employees adapt to changing internal and external market demands that lead them to move to a different company or organization (Schyns et al., 2007), supporting the views of the unfolding theory of intention. TI is classified into (1) functional, which is related to job performance; (2) avoidable, which is caused by lower compensation and poor working conditions; (3) unavoidable, which pertains to reasons such as family moves, serious illnesses, and death; and (4) involuntary turnover, which refers to the discretion of management to force the employee to leave (Belete, 2018; Taylor, 1998).

Employee retention and turnover rates, as one of the highest concerns for most organizations, have different sets of variables (Cohen et al., 2016). Factors such as job satisfaction, organizational commitment, employee engagement, work engagement, grit, and career growth in terms of promotion speed and remuneration growth are strongly associated with turnover and mitigate its negative outcomes (Chan et al., 2010; Han et al., 2009; Lacap, 2019; Lacap, 2020; Nawaz & Pangil, 2016; Rahman et al., 2008). Leadership styles such as transformational leadership, demographic variables, organizational justice, organizational culture, and organizational climate can also predict TI (Belete, 2018; Lacap, 2019). Meanwhile, some of the factors that cause TI are role conflict, job stress, duration of employment, and self-efficacy (Chan et al., 2010; Han et al., 2009; Javed et al., 2014; Kim & Hyun, 2017).

**Hypotheses Development**

Several studies have explored the organizational impact of AL on TI. For instance, Azanza et al. (2015) examined the effects of AL on TI using the data collected from Spanish employees. The results revealed that AL is negatively related to TI. Likewise, Amunkete and Rothmann (2015) found that nurses are less likely to experience subsequent work-related bullying, burnout, and intention to leave their job or career if leaders are perceived as authentic. In another study conducted by Qureshi and Aleemi (2018) among nurses, the findings revealed that AL significantly and negatively affects TI with a partial mediation of job satisfaction and work engagement.

The analyses of the subcomponents of AL were also found to have a positive significant effect on trust in superiors that affects organizational silence and leads to TIs (Kwon, 2017). Ayça (2019) conducted a regression analysis to explore the effect of the subdimensions of AL on the external job satisfaction of hospitality employees. Among the variables, internalized moral perspective and self-awareness are found to have statistically significant effects on external satisfaction with internalized moral perspective exhibiting the highest effect. Job satisfaction is also related to transparency, which is negatively associated with TI (Hofmann & Strobel, 2020). Ahmad and Chin (2018) also identified that self-awareness and balanced processing of information have a significant relationship with work engagement, which is in turn significantly related to TI. Furthermore, Arici’s (2018) study emphasized that AL has direct significant effects on TI. Therefore,

H1. Authentic leadership is significantly and negatively related to turnover intentions.

AL also predicts POS (Gojny-Zbierowska, 2018). For instance, using regression analysis, Yijia and Jinhong (2016) identified AL to significantly promote POS among nurses. Similarly, using the structural equation modeling technique, Aria et al. (2019) found that AL significantly influences POS among teachers. Additionally, the data gathered by Vermeulen (2017) from information technology business units showed that AL significantly affects POS. Thus,

H2. Authentic leadership is significantly and positively related to perceived organizational support.

The organizational effects of POS towards TI were also explored by many studies. It has been noted by organizational support theory that provision of a favorable environment to the workers may yield
positive outcomes such as decrease in turnover (Eisenberger & Stinglhamber, 2011; Eisenberger et al., 2016). As evident in the meta-analysis by Riggle et al. (2009), POS has a strong positive effect on job satisfaction and organizational commitment, a moderate positive effect on employee performance, and a strong negative effect on TI. Wang and Wang (2020) likewise found POS to negatively impact burnout and TI among gas station frontline employees. On the other hand, using structural equation modeling, Dawley et al. (2010) identified POS to be a predictor of TI. The same is true with the study conducted by Alfisyahri et al. (2017) and Takaya and Ramli (2020), who found organizational support perception to be significantly and negatively related to TI. Lew (2009) and Perryer et al. (2010) further elaborated that employees who receive high levels of organizational support are less likely to leave the organization. Thus,

**H3. Perceived organizational support is significantly and negatively related to turnover intentions.**

There are also other factors that affect the relationship between AL and TI as explored by several studies. For instance, Gatling et al. (2016) found that AL including its subcomponents is negatively correlated with TI through the mediation of organizational commitment. Affective commitment was likewise found to have an influence as evident in the study conducted by Ribeiro et al. (2020) among hospitality employees and supported by Oh and Oh (2017), who tested the moderated mediation model of affective commitment between AL and TI.

Loi et al. (2006) used hierarchical regression analysis to test the data gathered from practicing solicitors and found that POS mediates the effects of employee’s justice perceptions on organizational commitment and TI. Allen et al. (2003) also analyzed samples from store salespeople and insurance agents using structural equation modeling and identified that POS mediates the impact of HR practices towards organizational commitment and job satisfaction as well as its negative association with TI. Similarly, Park et al. (2015) found that mentoring function is related to TI with a partial mediation of POS. Aria et al. (2019) likewise presented that AL significantly affects teachers’ intention to stay, psychological capital, and POS and that both psychological capital and POS have a significant positive direct and mediating effect on intention to stay. Furthermore, Youn and Chang (2015) found that managers’ AL influences field workers’ POS, which in turn affects intention to leave. Hence,

**H4. Perceived organizational support mediates the significant and negative relationship between authentic leadership and turnover intentions.**

From the extensive literature review and hypotheses presented, the research framework illustrates the three constructs and their possible relationships. Figure 1 presents the direct effect of AL and its subcomponents on TI and the mediating effect of POS on the relationship between AL and TI.

![Figure 1. Research framework.](image-url)
**Methods**

The current undertaking used descriptive and predictive-causal research designs. The descriptive research design was employed to describe the demographic characteristics of the respondents and present the mean level of POS, AL, and TIs among the participants. Predictive-causal research design, on the other hand, was utilized to forecast the consequence of leadership authenticity to TI of the respondents and assess the extent of the hypothesized mediating effects of POS in the relationship between AL and TI.

**Participants**

The participants of the study are the BPO employees in Pampanga, Philippines. BPO is a third-party provider of service-type business processes (Ortiguero, 2018). Since the Philippines has a system of bilingual education and a low-cost labor market, thousands of jobs were created for Filipino professionals who are competent in the use of the English language and are capable of providing telephone-based customer services to the United States (Friginal, 2007). In Pampanga, there are also BPO companies that cater to Australian clients to provide offshore back-office staffing solutions for various businesses, particularly in accounting, designing, and marketing (Quirante, 2015). Despite the growth in the BPO industry, a high attrition rate remains to be a challenge (Ariola, 2017). In addressing attrition and turnover rate in the BPO sector in the Philippines, leadership style and organizational support are seen to influence job satisfaction as a strategy for employee retention (de Ocampo & Aguiling, 2018; Hechanova, 2013; Rara et al., 2017; Salipsip et al., 2019). Hence, BPO employees are the appropriate respondents due to the relevance of the research constructs to the BPO industry’s situation.

A convenience sampling technique was employed in gathering data for the study. Convenience sampling is a type of nonprobability or nonrandom sampling technique where respondents who meet certain practical criteria such as accessibility, geographical proximity, availability, and willingness to participate are chosen for the study (Etikan et al., 2016). The survey questionnaire was generated using Google Forms, and the link was shared through online messaging platforms. The circulation was done from the second week of February until the first week of March 2021. Out of 307 responses, 203 were answered completely and correctly, a 66.1% response validity rate.

The sufficiency of the sample size was measured in the study to test the structural model. The inverse square root and gamma-exponential methods by Kock and Hadaya (2018) were applied in calculating the minimum sample size in PLS path modelling. The inverse square root method uses the sample’s size inverse square root to estimate standard error while the gamma-exponential method is applied to inverse square root method through the use of gamma and exponential smoothing function corrections.

![Sample size estimation](image)

*Figure 2. Sample size estimation.*
Using the minimum absolute path coefficient of 0.21, a level of significance of 0.05, and a statistical power of 0.8, the calculated minimum sample size is between 127 and 141, as shown in Figure 2. Thus, the 203 valid responses used are sufficient in supporting the results of partial least squares–structural equation modeling (PLS-SEM).

Table 1 presents the characteristics of the participants of the study. The majority of the respondents are female (63.5%), and 72.9% are single. The table also shows that 29.1% of the respondents are within the age group of 18 to 25 while 43.3% belonged to the 26 to 30 age group. Moreover, there are 56 employees who fall within the age group of 31 and above representing the remaining 27.6% of the total respondents. Almost all of the respondents are college graduates (85.7%) and have regular employment status (89.2%). In the present study, the respondents with employment status of regular are those BPO employees who occupy permanent positions in their workplace. On the other hand, participants with probationary employment status refer to those who are in probationary period (usually 3 to 6 months before they will be given permanent status). And lastly, in terms of years of employment, 71.9% of the respondents have 0 to 3 years of employment in their present organization.

Table 1
Demographic Characteristics of the Respondents

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Frequency (n)</th>
<th>Percent (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>74</td>
<td>36.5</td>
</tr>
<tr>
<td>Female</td>
<td>129</td>
<td>63.5</td>
</tr>
<tr>
<td><strong>Age Group</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18–25</td>
<td>59</td>
<td>29.1</td>
</tr>
<tr>
<td>26–30</td>
<td>88</td>
<td>43.3</td>
</tr>
<tr>
<td>31–above</td>
<td>56</td>
<td>27.6</td>
</tr>
<tr>
<td><strong>Civil Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>148</td>
<td>72.9</td>
</tr>
<tr>
<td>Married</td>
<td>48</td>
<td>23.6</td>
</tr>
<tr>
<td>Separated/annulled</td>
<td>7</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Educational Attainment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High school</td>
<td>14</td>
<td>6.9</td>
</tr>
<tr>
<td>College</td>
<td>174</td>
<td>85.7</td>
</tr>
<tr>
<td>Master’s/doctorate</td>
<td>8</td>
<td>3.9</td>
</tr>
<tr>
<td>Others</td>
<td>7</td>
<td>3.4</td>
</tr>
<tr>
<td><strong>Employment Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Probationary (nonpermanent)</td>
<td>22</td>
<td>10.8</td>
</tr>
<tr>
<td>Regular (permanent)</td>
<td>181</td>
<td>89.2</td>
</tr>
<tr>
<td><strong>Years of Employment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0–3</td>
<td>146</td>
<td>71.9</td>
</tr>
<tr>
<td>4–5</td>
<td>37</td>
<td>18.2</td>
</tr>
<tr>
<td>6–above</td>
<td>20</td>
<td>9.9</td>
</tr>
</tbody>
</table>

**Research Instrument**

The online, self-administered survey questionnaire generated through Google Forms was composed of two parts. The first part included the demographic characteristics of the respondent such as gender, age, civil status, highest educational attainment, employment status, and years of employment in their present organization. The second part focused on the variables of the study. AL was measured using the AL questionnaire (ALQ), consisting of 12 items, developed by Walumbwa et al. (2008), which was later refined by Gatling et al. (2016). With regard to the assessment of POS, a six-item questionnaire based on the short
form of the POS scale (Shanock & Eisenberger, 2006) adopted from Eisenberger et al.’s (1986) POS original scale was utilized (Park et al., 2015). Furthermore, to determine the level of intention to quit, two items from DeConinck and Stilwell (2004) were adopted to quantify the employees’ intent to leave their company or employer.

All items in the three constructs were measured using a 5-point Likert scale where 5 means strongly agree and 1 means strongly disagree.

**Data Analysis**

The descriptive research design was used to present the respondents’ demographic characteristics and to provide an interpretation of the level of POS, AL, and TI from the gathered data. Descriptive research systematically describes the characteristics of a given population to determine frequency, categorize information, and discover relationships among selected variables (Dulock, 1993).

Furthermore, a predictive-causal research approach was employed since the current undertaking seeks to predict whether AL can affect TI among BPO employees. Moreover, mediation analysis was conducted to gauge the extent of mediating effect of POS on the hypothesized relationship between AL and TI. Predictive research aims to anticipate the value of a dependent variable by using information from a set of independent variables while causal or explanatory research attempts to understand the underlying processes by associating the variability of constructs (Dudovskiy, 2018; Wollman, 2012).

Since the present study involves prediction and mediation analysis (Ali et al., 2018), PLS-SEM, a variance-based SEM approach (Roldán & Sánchez-Franco, 2012), was utilized to measure the parameter estimates of the research model. The software used in running PLS-SEM was WarpPLS version 7.0 (Kock, 2020). On the other hand, the respondents’ descriptive statistics were analyzed through IBM SPSS Statistics version 25.0 (IBM Corp., 2017).

**Ethical Considerations**

One key ethical requirement for research that involves human participants is informed consent. Participants must be informed of their rights to voluntary participation, the purpose of the study, the procedures, potential risks, and the extent of confidentiality (Nijhawan et al., 2013; Roberts & Allen, 2015).

The “informed consent” requirement was implemented in the process of data gathering for the present study. The respondents were informed of the purpose of the survey and the significance of their participation. Their consent was also solicited before proceeding to the questionnaire part. Instructions were provided, and the participants were given the freedom to refuse to complete the survey at their discretion. The respondents were also assured that all information collected were to be kept strictly confidential and to be used for academic research purposes only.

**Results**

Table 2 presents the descriptive statistics of the constructs used in the present study. The results revealed that AL exists as shown in the overall mean interpretation \( M = 4.0883, sd = .66958 \). The same is true with POS \( M = 4.0673, sd = .70153 \). On the

<table>
<thead>
<tr>
<th>Construct</th>
<th>Mean</th>
<th>SD</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic Leadership</td>
<td>4.0883</td>
<td>.66958</td>
<td>Agree</td>
</tr>
<tr>
<td>Perceived Organizational Support</td>
<td>4.0673</td>
<td>.70153</td>
<td>Agree</td>
</tr>
<tr>
<td>Turnover Intention</td>
<td>2.3177</td>
<td>.95117</td>
<td>Disagree</td>
</tr>
</tbody>
</table>

Legend: 1–1.79 = strongly disagree, 1.80–2.59 = disagree, 2.60–3.39 = neither agree nor disagree, 3.40–4.19 = agree, 4.20–5.00 = strongly agree, SD = standard deviation.
other hand, the overall mean of TI showed that the employees’ intent to leave is less likely to happen ($M = 2.3177$, $sd = .95117$).

The present study used PLS-SEM to investigate the relationships of the three constructs: AL, POS, and TI. In PLS-SEM, the results involve a two-step approach—evaluation of the measurement model and assessment of the structural model (Ali et al., 2018; Chin, 2010; Hair et al., 2017b).

**Reliability and Validity Measurements**

Reliability and validity (convergent and discriminant) results were gauged to evaluate the measurement model. Lacap (2019) indicated that the evaluation of consistency of reflective item or set of items is permitted by the assessment of construct reliability (Roldán & Sánchez-Franco, 2012; Straub et al., 2004). In measuring construct reliability, composite reliability (CR) and Cronbach’s alpha (CA) are utilized (Kock, 2017; Roldán & Sánchez-Franco, 2012). CR and CA values must be equal to or greater than 0.7 to express good reliability (Fornell & Larcker, 1981; Nunnally, 1978; Nunnally & Bernstein, 1994). In Table 3, the results show that POS, AL, and TI achieved the criterion for the reliability of the research constructs.

### Table 3

**Item Loadings, AVE, and Reliability of the Variables**

<table>
<thead>
<tr>
<th>Construct/Item</th>
<th>Factor Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Authentic leadership:</strong> AVE = 0.673; CR = 0.961; CA= 0.955</td>
<td></td>
</tr>
<tr>
<td>AL1. My leader says exactly what he or she means.</td>
<td>0.759</td>
</tr>
<tr>
<td>AL2. My leader admits mistakes when they are made.</td>
<td>0.790</td>
</tr>
<tr>
<td>AL3. My leader encourages everyone to speak their mind.</td>
<td>0.829</td>
</tr>
<tr>
<td>AL4. My leader demonstrates beliefs that are consistent with actions.</td>
<td>0.846</td>
</tr>
<tr>
<td>AL5. My leader asks you to take positions that support your core values.</td>
<td>0.834</td>
</tr>
<tr>
<td>AL6. My leader makes difficult decisions based on high standards of ethical conduct.</td>
<td>0.714</td>
</tr>
<tr>
<td>AL7. My leader solicits views that challenge his or her deeply held positions.</td>
<td>0.788</td>
</tr>
<tr>
<td>AL8. My leader analyzes relevant data before coming to a decision.</td>
<td>0.799</td>
</tr>
<tr>
<td>AL9. My leader listens carefully to different points of view before coming to conclusions.</td>
<td>0.872</td>
</tr>
<tr>
<td>AL10. My leader seeks feedback to improve interactions with others.</td>
<td>0.852</td>
</tr>
<tr>
<td>AL11. My leader knows when it is time to reevaluate his or her positions on important issues.</td>
<td>0.877</td>
</tr>
<tr>
<td>AL12. My leader shows he or she understands how specific actions impact others.</td>
<td>0.868</td>
</tr>
</tbody>
</table>

**Perceived organizational support:** AVE = 0.775; CR = 0.954; CA = 0.942

| POS1. The organization values my contribution to its well-being. | 0.888          |
| POS2. The organization strongly considers my goals and values. | 0.879          |
| POS3. The organization really cares about my well-being. | 0.875          |
| POS4. The organization is willing to help me when I need a special favor. | 0.845          |
| POS5. The organization shows huge concern for me. | 0.921          |
| POS6. The organization takes pride in my accomplishments at work. | 0.871          |

**Turnover intentions:** AVE = 0.948; CR = 0.973; CA = 0.945

| TI1. Next year, I intend to leave this organization. | 0.974          |
| TI2. Next year, the likelihood of searching for a job in a different organization is high. | 0.974          |

All item loadings are significant at 0.001 ($p < 0.001$); AVE = average variance extracted, CR = composite reliability, CA = Cronbach’s alpha.
On the other hand, the quality of the question statements or set of items in the research instrument is measured by convergent validity, which indicates that the set of items or the question-statements in each construct are and should be accurately understood by the respondents (Kock, 2017; Lacap, 2019). In order to attain an adequate level of convergent validity, each item's p-values should be equal to or lower than 0.05 while the loadings should be equal to or higher than 0.5 (Hair et al., 1987; Hair et al., 2009; Kock, 2017). Table 3 demonstrates that the item loadings and their corresponding p-values of all constructs are within the acceptable thresholds for convergent validity.

Furthermore, the variance value of each construct is gauged by the average variance extracted (AVE; Amora et al., 2016; Chin, 1998). Each latent variable should have an AVE higher than 0.5 to meet the recommended threshold for an acceptable convergent validity (Fornell & Larcker, 1981). The coefficients of AVE satisfied the acceptable convergent validity.

Table 4 represents the correlations of variables with square roots of AVE coefficients to scale the discriminant validity of the latent constructs. A variable is said to exhibit discriminant validity if the items or statements associated with each latent variable are not confusing when respondents try to answer the questionnaire presented to them (Lacap, 2019). Additionally, discriminant validity examines if the statements associated with one variable are not confusing with the statements that are connected with different variables (Kock, 2017). The square root of the AVEs for each variable should be greater than any of the correlations involving the respective variable (Fornell & Larcker, 1981). Therefore, the results presented indicate that the measures utilized in the study have a discriminant validity.

Table 4
Square Roots of AVE Coefficients and Correlation Coefficients

<table>
<thead>
<tr>
<th></th>
<th>AL</th>
<th>POS</th>
<th>TI</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td>0.821</td>
<td></td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>0.640</td>
<td>0.880</td>
<td></td>
</tr>
<tr>
<td>TI</td>
<td>−0.531</td>
<td>−0.467</td>
<td>0.974</td>
</tr>
</tbody>
</table>

Diagonal elements are the square root of AVE of constructs while the off-diagonal elements are the correlation between constructs. AL = authentic leadership, POS = perceived organizational support, TI = turnover intention.

With the use of heterotrait–monotrait (HTMT) ratios, we further tested the discriminant validity of the latent constructs of the study. It was noted by Henseler et al. (2015) that it is highly preferable that the values of HTMT ratios are less than 0.85. Also, Teo et al. (2008) and Gold et al. (2001) claimed that HTMT ratios should not be hitting 0.90 or more. As presented in Table 5, all constructs show discriminant validity.

Table 5
Heterotrait–Monotrait (HTMT) Ratios

<table>
<thead>
<tr>
<th></th>
<th>AL</th>
<th>POS</th>
<th>TI</th>
</tr>
</thead>
<tbody>
<tr>
<td>AL</td>
<td></td>
<td>0.674</td>
<td></td>
</tr>
<tr>
<td>POS</td>
<td>0.559</td>
<td>0.495</td>
<td></td>
</tr>
</tbody>
</table>

AL = authentic leadership, POS = perceived organizational support, TI = turnover intention.

Mediation Model Results

Table 6 and Figure 3 show the parameter estimates of the structural model. Analysis of the data revealed that AL significantly affects TI ($\beta = -0.411$, $p < 0.001$). The negative path coefficient has a medium effect size ($f^2 = 0.223$), signifying that authenticity in leadership decreases the employees’ TIs. Therefore, H1 is supported.

On the other hand, AL significantly influences POS ($\beta = 0.642$, $p < 0.001$) with a large effect size ($f^2 = 0.413$). The positive relationship depicts that leadership authenticity enhances the employees’ level of POS. Hence, H2 is supported.

The analysis of data also revealed that POS and TI are significantly related ($\beta = -0.212$, $p < 0.001$). The negative direct path shows that the employees’ level of POS reduces TIs. The effect size of the path from POS and TI is small ($f^2 = 0.099$). Thus, H3 is supported.

The mediation analysis also suggests that POS significantly mediates the negative relationship between AL and TI ($\beta = -0.136$, $p = 0.003$) with a small effect size ($f^2 = 0.074$). Such phenomenon is observed in the positive relationship between AL and POS ($\beta = 0.642$, $p < 0.001$, $f^2 = 0.413$), which in turn influences TI negatively ($\beta = -0.212$, $p < 0.001$, $f^2 = 0.099$). Therefore, H4 is supported.
**Figure 3.** Research framework.

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β</th>
<th>p</th>
<th>SE</th>
<th>$f^2$</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Direct effects</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1. AL $\rightarrow$ TI</td>
<td>-0.411</td>
<td>&lt;0.001</td>
<td>0.065</td>
<td>0.223</td>
<td>Supported</td>
</tr>
<tr>
<td>H2. AL $\rightarrow$ POS</td>
<td>0.642</td>
<td>&lt;0.001</td>
<td>0.062</td>
<td>0.413</td>
<td>Supported</td>
</tr>
<tr>
<td>H3. POS $\rightarrow$ TI</td>
<td>-0.212</td>
<td>&lt;0.001</td>
<td>0.067</td>
<td>0.099</td>
<td>Supported</td>
</tr>
<tr>
<td><strong>Indirect effect</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H4. AL $\rightarrow$ POS $\rightarrow$ TI</td>
<td>-0.136</td>
<td>0.003</td>
<td>0.048</td>
<td>0.074</td>
<td>Supported</td>
</tr>
</tbody>
</table>

$f^2$ is the Cohen’s (1988) effect size: 0.02 = small, 0.15 = medium, 0.35 = large; $SE$ = standard error, $\beta$ = standardized path coefficient.

Full collinearity variance inflation factors (VIFs) were also assessed to detect and correct common method variance. The value of full collinearity VIF for each variable must be equal to or lower than 3.3 to be considered free from common method bias (Kock, 2015). As shown in Table 7, the constructs used in the study passed the common method bias test.

The analysis of the structural model also includes the coefficient of determination ($R^2$) and predictive validity ($Q^2$). In practical perspective, $R^2$ coefficients that are less than 0.02 indicate that the effects are very weak to be considered as relevant (Cohen, 1988; Kock, 2014). On the other hand, the $Q^2$ coefficients need to be greater than 0 to satisfy the requirement for the construct’s predictive relevance (Geisser, 1974; Kock, 2020; Stone, 1974). Table 7 presents that all constructs achieved the requirements for $R^2$ and $Q^2$. 
Discussion

The present study aims to assess how AL significantly and negatively influences employees’ TI. It is also important to understand the mediating effects of POS between AL and TI among BPO employees in order to address employee withdrawal behaviors with improved solutions.

With the conducted study, it was proven that AL plays a significant role because of its negative effect on TIs among employees. This explains that, with the growing influence and effects of AL, employees’ intention of changing their jobs or leaving their current company or organization is minimized. The same results were observed in other several studies (Azanza et al., 2015; Oh & Oh, 2017; Ribeiro et al., 2020). With the presence of AL, positive work engagement is observed, and more employees are retained. At the same time, AL influences employees’ intention to stay. It is also noted that AL stimulates work happiness, job satisfaction, and organizational commitment (Darvish & Rezaei, 2011; Jensen & Luthans, 2006).

Moving along, AL significantly affects POS among employees. With the positive relation between AL and POS, employees recognize that when leadership is authentic, their perceived support from the organization increases. This result was also evident among prior studies (Aria et al., 2019; Gajny-Zbierowska, 2018; Yijia & Jinhong, 2016). As AL helps boost morale and positive work relations among employees, it structures the idea that organizational support is provided. Consequently, employee perception of positive organizational support leads to better work engagement and fulfillment of socioemotional needs (Shore & Shore, 1995).

With regards to POS and TIs, the results revealed that both factors are negatively related with one another. It was made clear that POS mediates the effects of employee’s justice perceptions on organizational commitment and TI (Loi et al., 2006). The same output was also observed and proven in previous studies (Alfisyahri et al., 2017; Takaya & Ramli, 2020; Wang & Wang, 2020). Furthermore, organizational support was also verified to negatively impact burnout and TI among employees and has a strong progressive effect on job satisfaction and organizational relationship when POS is prevalent (Riggle et al., 2009).

Additionally, POS as a mediator between AL and TIs was able to demonstrate a significant effect. The mediation reflected a heightened negative relationship between AL and employees’ TIs as the findings presented a medium effect size. This explains that with POS, AL further reduces the probability of employees to quit their jobs or move on to a different company or organization. This also validates prior supporting studies (Gatling et al., 2016; Park et al., 2015; Youn & Chang, 2015). Moreover, the study signifies that AL is positively related to POS, having a large effect size, and consequently affecting TIs negatively, with a small effect size. Thus, POS clearly and substantially helps AL in maintaining employees within the company or organization and further reduces their intentions of leaving or changing their current jobs.

Study Implications, Limitations, and Future Research Directions

The current undertaking that examines the mediating effect of POS on the relationship between AL and TI establishes that leadership authenticity reduces turnover intent among employees. It can be noted that the past decade has seen a growing interest in the exploration of the effects of AL in improving organizational effectiveness and cultivation of employee–organization relationships that leads to reduced TI (Amunkete & Rothmann, 2015; Arici, 2018; Azanza et al., 2015; Gardner et al., 2011; Qureshi & Aleemi, 2018; Rego et al., 2012). The present study also showed that POS acts as a significant mediating factor between AL and TI. This signifies that POS aids

<table>
<thead>
<tr>
<th>Construct</th>
<th>Full Collinearity VIF</th>
<th>$R^2$</th>
<th>$Q^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authentic leadership</td>
<td>1.918</td>
<td>0.413</td>
<td>0.413</td>
</tr>
<tr>
<td>Perceived organizational support</td>
<td>1.761</td>
<td>0.322</td>
<td>0.326</td>
</tr>
<tr>
<td>Turnover intentions</td>
<td>1.448</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
AL in reducing employees’ TI. The role of leadership is one of the key factors to consider in addressing employee withdrawal behaviors. Furthermore, employees are more likely to stay when organizational support level is high.

The BPO industry is considered as a major pillar in the developing economy of the Philippines as it provides employment opportunities to millions of Filipinos. BPO companies assure higher salaries as compared to other jobs and train their employees from entry-level to supervisory roles through career advancement programs. They are also known to provide various benefits to their employees and their families. BPO company buildings are also designed with state-of-the-art amenities not only to support employees’ daily tasks but also to provide comfort and convenience. However, high attrition rates remain to be a challenge in the industry. Withdrawal behaviors such as absenteeism and TI must be reduced to ensure competitive advantage and attain organizational goals. Hence, the present study helps BPO companies in determining the extent of the impact of leadership authenticity and organizational support in reducing TIs. It is timely to recognize the importance of integrating leadership and organizational support in the formulation of employee retention strategies. The current undertaking is also an additional body of knowledge to the limited organizational behavior research in the Philippines.

One of the limitations of the present study is that the respondents were identified in one province in the Philippines. Hence, it is suggested to future researchers to come up with a similar study that will cover BPO employees in other key cities in the Philippines. Other researchers may also find interest in exploring AL, POS, and TIs in a different sector or industry. Or they may also consider investigating the comparison on the interrelationships of constructs of the present study (hypothesized relationships) between regular (permanent) and probationary (nonpermanent) BPO employees. Future researchers may also examine other mediating and moderating variables that may affect the hypothesized relationships.

Declaration of Ownership

This report is our original work.

Conflict of Interest

None.

Ethical Clearance

This study was approved by the institution.

References


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