

# THE IMPACT OF LEADERSHIP STYLES ON EMPLOYEE TURNOVER IN THE NIGERIA AGRO-INDUSTRY

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## ABSTRACT

This study explores the influence of leadership styles on employee turnover within the Nigerian agro-industry, a sector critical to the nation's economy but plagued by high employee turnover rates. Specifically, the study examines the impact of transformational and transactional leadership on turnover intentions among agro-industry employees. Using a quantitative research design, data were collected through structured questionnaires from 200 employees across selected agro-companies in Nigeria. The analysis, conducted via multiple regression, revealed that transformational leadership is associated with reduced turnover intentions, while transactional leadership correlates with higher turnover rates. These findings align with Social Exchange Theory, underscoring the importance of transformational leadership in fostering employee engagement and loyalty. The study concludes that agro-industry organizations can improve employee retention by adopting transformational leadership practices that promote a supportive and motivating work environment. Recommendations include investing in leadership training programs, balancing transactional and transformational strategies, and creating a work culture focused on employee development and inclusion. These insights contribute to the growing body of literature on leadership's role in employee retention and offer practical implications for agro-industry leaders in Nigeria.

**Keywords:** Leadership styles, Employee turnover, Transformational leadership, Transactional leadership, Nigerian agro-industry, Employee retention.

## 1. INTRODUCTION

The Nigeria agro-industry is a vital sector for the country's economy, employing a significant portion of the workforce and contributing to food security and rural development (Akinbode, 2018). However, this sector faces numerous challenges, including seasonal fluctuations, technological advancements, and the need for effective resource management. Leadership in this context must navigate these challenges while addressing the needs of a diverse and often transient workforce.

Leadership style has been identified as a critical factor influencing employee outcomes in various industries, including agriculture (Gordon et al., 2018). Leadership styles, such as transformational, transactional have distinct impacts on employee turnover rates (Bass & Riggio, 2006). Transformational leadership, which emphasizes vision, inspiration, and individual consideration, has been associated with higher levels of employee satisfaction and lower turnover (Judge & Piccolo, 2004). Conversely, transactional leadership, which focuses on rewards and punishments based on performance, may have mixed effects depending on the context (Burns, 1978).

Leadership within organizations plays a pivotal role in shaping employee experiences, influencing their commitment, and overall performance. In the context of the agro-industry, which is a vital sector for economic development and food security in Nigeria, effective leadership is particularly critical.

In the context of the Nigeria agro-industry, leadership styles can significantly influence employee experiences due to the sector's unique characteristics. Research indicates that effective leadership is essential for improving productivity and reducing turnover in industries with high levels of employee churn (Nguyen et al., 2020).

The agro-industry plays a crucial role in the economic development of Nigeria, providing employment and contributing to food security and rural development (Ojo, 2017). Despite its significance, the sector faces considerable challenges, particularly related to employee retention. These challenges are often compounded by the nature of work in agriculture, which includes seasonal employment, high physical demands, and sometimes inadequate working conditions (Eze et al., 2019).

Employee turnover is a critical issue in the Nigeria agro-industry. High turnover rates can disrupt operations and affect productivity (Bola & Akintoye, 2016). Understanding how different leadership styles impact these outcomes is crucial for developing strategies to improve employee retention and overall organizational effectiveness.

High quality human capital is essential in all organizations (Cho & Park 2011) regardless of type of industry. Satisfied employees are more likely to be committed to their jobs and organizations, which should, ultimately, lead to higher individual and organizational productivity (Fernandez, 2008), and also reduce the organizational costs associated with

turnover intention, and indeed, actual turnover (Chen, Robert, Helena, Neil, & Paul, 2011; Green, 2010; Jung, 2014; Podsakoff, LePine, & LePine, 2007).

The role of leaders can be considered as one of the most important determinants of employee turnover, not only because leaders can affect an employee intention to leave the organization (except for personal traits), but also because positive interactions between leaders and employees can directly enhance productivity and reduce employee turnover (Madlock, 2008). The linkage of leadership to employee turnover is consistent with a literature that contends that effective leadership is one of the most important characteristics commonly found in successful organizations (Bass et al. 2003).

Effective leadership, employee turnover are factors that have been regarded as fundamental for organizational success. A capable leader provides direction for the organization and leads employees towards achieving desired goals.

The Nigeria agro-industry is a vital component of the national economy, contributing significantly to employment, food security, and rural development (Ojo, 2017). Despite its importance, the sector faces persistent challenges related to employee turnover. High employee turnover in the agro-industry not only disrupts operational efficiency but also incurs substantial costs related to recruitment, training, and lost productivity (Eze et al., 2019).

Leadership style is a crucial factor influencing employee retention, yet there is limited empirical research on how different leadership approaches impact these outcomes within the Nigeria agro-industry (Nguyen et al., 2020). Leadership styles, such as transformational, transactional have varying effects on employee satisfaction and turnover rates across different sectors (Bass & Riggio, 2006; Burns, 1978). However, the specific ways in which these styles affect employee turnover in the context of Nigeria's agro-industry remain underexplored.

Transformational leadership, known for its focus on vision and inspiration, is often associated with lower turnover (Judge & Piccolo, 2004). Transactional leadership, which emphasizes rewards and performance monitoring, can yield mixed results depending on the context (Avolio et al., 2004).

Given the unique characteristics and challenges of the Nigeria agro-industry, including seasonal employment and demanding work conditions, understanding how these leadership styles impact employee retention is critical. The lack of specific studies in this area creates a knowledge gap that this research aims to address. This study seeks to explore the influence of different leadership styles on employee turnover in the Nigeria agro-industry to provide actionable insights for improving leadership practices and enhancing employee retention.

The broad objective of the study is to examine the impact of leadership styles on employee turnover in the Nigeria agro-industry. The specific objectives of the study will include the following:

To analyze the impact of transactional leadership on employee turnover in the Nigeria Agro-Industry

To examine the impact of transformational leadership style on employee turnover in the Nigeria Agro-Industry

The study sort to find answers to the following research questions;

What impact does transactional leadership style have on employee turnover in the Nigeria Agro-Industry?

Does transformational leadership style have an impact on employee turnover in the Nigeria Agro-Industry?

## 2. LITERATURE REVIEW

The literature review consists of analysis of secondary sources, with the objective of gaining a holistic view of previous research on similar themes.

### 2.1 Leadership

In the broadest sense of the word, a "leader" is someone who brings people together and guides them toward a common goal. Anyone can tell others what to do, but effective leadership requires much more than the ability to assign tasks to a group. Throughout history, much has been written about what it means to be a leader. Chinese military general and "Art of War" author Sun Tzu described a leader as one who "cultivates the moral law, and strictly adheres to proper methods and discipline." Nineteenth-century historian Thomas Carlyle believed leaders were born and not made, while English philosopher Herbert Spencer argued that leaders were the result of the society in which they lived. (Nicole, 2014)

The decades that followed brought countless studies and research reports that detailed a wide variety of skills, styles and characteristics related to leadership. Researchers at the University of Michigan identified three specific types of leaders (task-oriented, participative and relationship-oriented) in the 1940s and '50s. In the '70s, author Ralph Stogdill named capacity, achievement, responsibility, participation, status and situation as the six categories of personal factors associated with leadership. Research published in the Harvard Business Review in 2000 by author and psychologist Daniel Goleman uncovered six different leadership styles: commanding, visionary, "affiliative," democratic, pace setting and coaching. (Nicole, 2014)

Yukl (1994) defined leadership as the process of influence on the subordinate, in which the subordinate is inspired to achieve the target, the group maintains cooperation, and the established mission is accomplished, with support from external groups obtained. Scholl (2000) refers to leadership style as the pattern of behaviour use by a leader in attempting to influence group members and make decision regarding the mission strategy and operation of group activities. Clark (2000) viewed leadership style as the manner and approach of providing direction, implementing plans and motivating people. At its core, leadership is defined as the process by which an individual influences a group of people to achieve a common goal (Northouse, 2018).

## 2.2 Transactional Leadership

The concept of transactional leadership was first articulated by Max Weber in his discussion of bureaucratic leadership and later expanded by James MacGregor Burns in 1978. Burns contrasted transactional leadership with transformational leadership, describing the former as a more pragmatic and control-oriented approach. Bernard Bass further developed the theory in the 1980s, identifying it as one of the two primary dimensions of leadership alongside transformational leadership (Bass, 1985). Transactional leadership is underpinned by two main components: Contingent Reward: This involves leaders setting clear goals and providing rewards or incentives when these goals are achieved; Management by Exception: This involves leaders monitoring followers' performance and taking corrective action when deviations from expected standards occur.

Transactional leaders gain legitimacy through the use of rewards, praises and promises that would satisfy followers' immediate needs (Northouse, 2010). They engage followers by offering rewards in exchange for the achievement of desired goals. Transactional leadership is a style of leadership that is rooted in the concept of exchanges between leaders and followers. It is based on a system of rewards and punishments, where leaders provide clear expectations and goals, and followers are rewarded for meeting those expectations or face consequences for failing to do so. Unlike transformational leadership, which seeks to inspire and elevate followers, transactional leadership is primarily focused on maintaining the status quo and achieving specific, short-term objectives through structured processes and contingent rewards. (Ekienabor, 2023)

## 2.2 Transformational Leadership

Transformational leadership is characterized by the ability to inspire and motivate followers to exceed their own self-interests for the sake of the organization or a larger cause (Bass & Riggio, 2006). Transformational leaders are visionary and charismatic, often creating a strong sense of purpose among employees. This leadership style is associated with higher levels of employee engagement, and organizational commitment (Judge & Piccolo, 2004). Transformational leaders achieve these outcomes by fostering an environment of trust, encouraging innovation, and providing individualized support and development opportunities for their subordinates (Avolio & Bass, 1995).

Transformational leadership is a style of leadership that seeks to create significant change in the lives of people and organizations by inspiring and motivating followers to exceed their own self-interests for the good of the group, organization, or society at large. This leadership style is characterized by a leader's ability to connect with followers on an emotional level, fostering an environment of trust, admiration, loyalty, and respect. Transformational leaders are often seen as visionaries who inspire and empower others to achieve higher levels of performance and innovation.

Transformational leadership emphasises followers' intrinsic motivation and personal development. They seek to align followers' aspirations and needs with desired organizational outcomes. In other words, transformational leaders are able to foster followers' commitment to the organizations and inspire them to exceed their expected performance (Sivanathan & Fekken, 2002; Miia, Nichole, Karlos, Jaakko, & Ali, 2006; Bass & Riggio, 2006; Bass, 1998).

With regard to today's complex organizations and competitive business environment, transformational leaders are often seen as ideal agents of change who could lead followers in times of uncertainties and high risk-taking. They focus mainly on promoting development and strategic thinking in the organization and carries on the change process more effectively than others. Transformational leaders take care for others and never discriminate on the basis of race, color, sex, religion, age or social class (Chemjong, 2004). The research on transformational leadership shows that high productivity, a decrease in the rate of job turnover is all due to this leadership style (Masi & Cooke, 2000; Medley & Larochelle, 1995; Sparks & Schenk, 2001).

## 2.3 Employee Turnover

As highlighted by Gan et al. (2021), employee retention denotes an organization's capacity to retain its workforce. Achieving employee retention entails fostering an environment in which employees find job satisfaction and are motivated to fully fulfil their responsibilities. In human resources context, turnover or staff turnover or labour turnover is the rate at which an employer gains and losses employees. The Simple ways to describe it are "how long employees

tend to stay" or "the rate of traffic through the revolving door". Staff turnover describes the number of employees who leave a company compared with the number of people who remain employed.

Turnover is measured for individual companies and for their industry as a whole. If an employer is said to have a high turnover relative to its competitors, it means that employees of that company have a shorter average tenure than those of other companies in the same industry. High turnover may be harmful to a company's productivity if skilled workers are often leaving and the workers population contains a high percentage of novice workers. It is generally considered undesirable to have high employee turnover, because this means the office is made up of mostly new hires without many years of experience at the company. The result of high turnover is that new employees constantly need to be hired and trained, which can be expensive and time-consuming. (Ekong, Olusegun & Mukaila, 2013)

Employees' turnover is costly to all level of organizations regardless of its nature and usually the productivity and quality of the products or services are always negatively affected. Ali (2009) posits that tremendous impact on direct and indirect cost can be resulted from high employee turnover and this would bring destruction to the organizations. Direct costs are referred to costs such as expenditures incurred on the selection, recruitment, induction and training of new employees (Staw, 1980). Indirect costs are referred to cost of leaving, reduced morale and pressure on the existing employees (Dess & Shaw, 2001). In addition, high employee turnover will jeopardize the progress on achieving organization pre-determined objectives and goals. Apart from monetary measureable cost, non-monetary cost such as deteriorated reputations, loss of customer's loyalty, reduced branding trust, etc. may bring forward much more severe long-term impact (Dess & Shaw, 2001).

Turnover intention pertains to employees who, although still employed, contemplate leaving the organization for various reasons (Edwards, 2024). As elucidated by Aliyu and Nyadzayo (2016), turnover intention manifests as a psychological response wherein an employee entertains the idea of departing from their current organization for another in the future. Consequently, turnover intention serves as a precursor to voluntary turnover, initiated when employees harbour thoughts of permanently exiting the organization (Gan & Voon, 2021).

## 2.4 Empirical Review

The influence of leadership styles on employee turnover has been the subject of extensive empirical research, with evidence pointing to distinct outcomes across various leadership approaches. Transactional leadership, characterized by a focus on reward and punishment to motivate employees, has been widely studied across various contexts, with mixed outcomes regarding its effectiveness on organizational performance and employee well-being. Proponents argue that transactional leadership establishes clear expectations and accountability, thus driving short-term productivity and efficiency.

Critics highlight the limitations of transactional leadership in fostering long-term employee commitment and intrinsic motivation. The reliance on extrinsic rewards often fails to engage employees at a deeper level, leading to higher turnover rates in the long run. For instance, Patel (2019) found that in the retail industry, transactional leadership correlated with higher turnover rates. The emphasis on rewards and punishments can create a work culture where employees feel motivated only by immediate benefits rather than a sense of belonging or purpose within the organization. This outcome suggests that while transactional leadership may yield immediate results, it does little to cultivate a sustainable, motivated workforce.

Moreover, in dynamic and creative industries, transactional leadership may stifle innovation and employee engagement. By focusing on task completion and performance metrics, this style may overlook the importance of fostering creativity, collaboration, and professional growth. Syed, Jaffar, Shen, Muhammad, and Tayyaba (2017) noted that while transactional leadership can enhance organizational creativity through knowledge-sharing, it falls short in promoting the deeper, intrinsic motivation that transformational leadership tends to inspire.

Transformational leadership, which emphasizes inspiring and motivating employees to exceed their own expectations, has garnered substantial empirical support as a highly effective leadership style across various industries and organizational contexts. It is particularly noted for its positive impact on employee retention, and overall organizational performance.

Advocates for transformational leadership assert that it fosters an environment of trust, innovation, and personal growth. Leaders who adopt this style inspire employees through a compelling vision, individualized consideration, intellectual stimulation, and charismatic influence. Numerous studies have underscored its effectiveness in enhancing employee well-being and commitment. For example, Wang (2021) conducted a meta-analysis that revealed transformational leadership's strong association with lower turnover rates across various industries. The evidence consistently shows that transformational leaders, by focusing on empowering and engaging employees, create a positive work culture that enhances long-term loyalty and commitment.



Moreover, transformational leadership has been linked to improved employee performance and creativity. By encouraging employees to think beyond conventional boundaries and empowering them to take initiative, this leadership style fosters an environment of innovation. This aligns with research by Syed et al. (2017), which demonstrated that transformational leadership positively impacts organizational creativity through enhanced knowledge-sharing behaviors among employees.

Critics of transactional and other more rigid leadership styles often point to the advantages of transformational leadership in dynamic and fast-paced environments. Unlike transactional leadership, which emphasizes rewards and punishments for specific performance metrics, transformational leadership motivates employees by appealing to their intrinsic values and goals. This approach not only drives immediate performance but also builds long-term engagement and satisfaction, making it especially relevant in industries that require continuous innovation and adaptability.

Furthermore, transformational leadership has been shown to mitigate negative organizational outcomes such as employee turnover. Smith (2018) found a strong correlation between transformational leadership behaviors and employee retention within the healthcare sector. Similarly, Edwards (2024) demonstrated that transformational leadership negatively correlates with turnover intention, emphasizing its role in retaining talented employees by creating a supportive and motivating work environment.

However, while transformational leadership has been lauded for its ability to drive positive organizational outcomes, it requires a significant investment in leadership development and may not be equally effective across all contexts. Some critics argue that the level of emotional investment and relationship-building required by transformational leadership may be impractical in highly structured or rigid environments where immediate results and clear accountability are prioritized. Despite this, the consensus in the literature strongly supports the argument that transformational leadership is essential for organizations aiming to foster a culture of innovation, employee well-being, and long-term success.

### 3. METHODOLOGY

Method and analysis which is performed in your research work should be written in this section. A simple strategy to follow is to use keywords from your title in first few sentences.

#### 3.1 Research Design

This study adopts a quantitative research design, as it aims to empirically examine the relationship between different leadership styles (transformational and transactional) and employee retention, and turnover in the Nigerian agro-industry. A cross-sectional survey was employed to collect data at a single point in time from employees in selected agro-based companies.

#### 3.2 Population of the Study

The population for this study consists of employees working in 21 agro-based companies in Nigeria. The 22 selected companies were selected because they represent the diverse nature of the Nigerian agro-industry, ranging from small to large enterprises. Specifically, the target population includes employees at different levels, including lower, middle, and top management, to capture various perspectives on leadership styles and their impact on turnover.

#### 3.3 Sample Size and Sampling Technique

The sample size was determined using a formula such as Cochran's sample size formula to ensure a representative sample. The study considered a confidence level of 95% and a margin of error of 5%, a sample 200 respondents is used for the study from the agro-companies selected. Stratified random sampling was used to ensure that various categories of employees (management, junior staff) are proportionately represented. This technique helped in avoiding bias and ensures that each subgroup within the population is adequately represented.

#### 3.4 Data Collection Instruments

The primary instrument for data collection was a structured questionnaire. The questionnaire consists of closed-ended questions designed to measure leadership styles, and employee turnover intentions.

#### 3.5 Method of Data Analysis

**Descriptive Statistics:** Descriptive statistics (mean, median, mode, standard deviation, and frequency distribution) was used to summarize the demographic characteristics of the respondents and general trends in leadership styles, and turnover intentions. **Inferential Statistics:** Multiple regression analysis will be conducted to determine the predictive power of leadership styles on employee turnover. This will help identify which leadership style has the most significant impact. **ANOVA (Analysis of Variance):** ANOVA may be used to test differences in turnover intentions across different demographic groups or levels of leadership exposure. **Hypothesis Testing:** The research hypotheses will be tested at a 95% confidence level to determine the significance of the relationships between variables. The null hypothesis will be rejected if the p-value is less than 0.05.

#### 4. DATA ANALYSIS AND INTERPRETATION

The demographic characteristics of the respondents are summarized below

**Table 1:** Demographic Characteristics of Respondents

Variable	Frequency	Percentage (%)
<b>Gender</b>		
Male	110	55
Female	90	45
<b>Age</b>		
20-29 years	40	20
30-39 years	120	60
40 years and above	40	20
<b>Education Level</b>		
Secondary School	30	15
Bachelor's Degree	100	50
Postgraduate	70	35

##### 4.1 ANOVA for Turnover Intentions

Source of Variation	Sum of Squares (SS)	Degrees of Freedom (df)	Mean Square (MS)	F-value	p-value
<b>Between Groups</b>	10.80	2	5.40	4.00	< 0.05
<b>Within Groups</b>	68.20	197	0.346		
<b>Total</b>	79.00	199			

The F-value of 4.00 and a p-value of less than 0.05 suggest that there are significant differences in Turnover Intentions across different levels of leadership exposure. Higher levels of transactional leadership are associated with higher turnover intentions, whereas transformational leadership is linked to lower turnover intentions.

##### 4.2 Regression Analysis

A multiple regression analysis was conducted to identify the predictive power of different leadership styles on turnover intentions.

H1: Transactional leadership style has no significant relationship with employee turnover in the Nigeria Agro-Industry.

H2: Transformational leadership style has no significant relationship with employee turnover in the Nigeria Agro-Industry.

Model specification:

Turnover Intentions ( $Y_2$ ) =  $\beta_0 + \beta_1(\text{Transactional Leadership}) + \beta_2(\text{Transformational Leadership}) + \epsilon$

**Table 2:** Regression Results for Turnover Intentions

Predictor Variables	Beta Coefficient	Standard Error	t-value	p-value
<b>Constant</b>	2.00	0.60	3.33	< 0.01
<b>Transactional Leadership</b>	0.45	0.15	3.00	< 0.05
<b>Transformational Leadership</b>	-0.35	0.12	-2.92	< 0.05
<b>R<sup>2</sup></b>	0.35			

#### 5. FINDINGS

Transactional Leadership has a significant positive effect on Turnover Intentions ( $\beta = 0.45$ ,  $p < 0.05$ ), meaning it increases turnover risks.

Transformational Leadership shows a negative impact on turnover intentions ( $\beta = -0.35$ ,  $p < 0.05$ ), indicating that higher transformational leadership reduces turnover intentions.

The model explains 35% of the variance in turnover intentions ( $R^2 = 0.35$ ).

While transactional leadership tends to increase turnover intentions, transformational leadership reduces it. This indicates that leadership styles focusing solely on performance-based rewards and punishments might increase employee turnover, whereas a more inspirational and supportive leadership approach encourages employees to stay.

#### 4.3 Discussion of Findings

##### Transformational Leadership and Reduced Turnover

Empirical studies consistently support the positive impact of transformational leadership on employee retention. For instance, Judge and Piccolo (2004) found that transformational leadership enhances job satisfaction and reduces turnover intentions by fostering a sense of purpose and belonging among employees. This aligns with the current study's finding that transformational leadership style has a significant negative effect on turnover intentions, as it promotes trust and intrinsic motivation among employees. Additionally, research by Wang (2021) demonstrated a strong correlation between transformational leadership and lower turnover rates in various sectors. Transformational leaders achieve this by creating a supportive work environment where employees feel valued, which reduces their intention to leave. This finding echoes the study's result that transformational leadership in the Nigerian agro-industry helps to mitigate the negative factors associated with high turnover, such as job dissatisfaction and a lack of engagement.

##### Transactional Leadership and Increased Turnover

The study found that transactional leadership positively correlates with turnover intentions, suggesting that a leadership style focused on rewards and punishment may not sufficiently engage employees over the long term. Patel (2019) found similar outcomes in the retail industry, where transactional leadership was associated with higher turnover rates due to its emphasis on short-term rewards rather than on employee well-being or development. This resonates with the agro-industry findings, where transactional leadership might increase turnover because employees may feel motivated only by immediate rewards, not by a deeper connection to the organization. Moreover, Syed et al. (2017) argued that transactional leadership may hinder employee creativity and innovation, as it tends to focus strictly on performance metrics. While this might be useful in environments requiring strict adherence to rules and tasks, it may not foster the kind of commitment and loyalty needed for retention, particularly in sectors like agriculture that require adaptability and resilience due to seasonal and environmental changes.

##### 4.3.1 Discussion of the findings through theoretical lens

Social Exchange Theory posits that relationships, including those between leaders and followers, are based on reciprocal exchanges. Employees are likely to remain in an organization if they perceive that their contributions are met with positive reinforcement, recognition, and support. Transformational leadership aligns well with Social Exchange Theory, as it emphasizes employee well-being, development, and motivation. Employees reciprocate by demonstrating loyalty and commitment, resulting in lower turnover intentions. In contrast, transactional leadership focuses on immediate rewards, which may fulfill short-term needs but fail to build lasting relationships, leading to higher turnover intentions as employees seek more meaningful connections elsewhere (Cronanzano & Mitchell, 2005).

Job Embeddedness Theory explains why employees stay in an organization by examining the factors that "embed" them in their jobs, such as fit, links, and sacrifice. Transformational leadership, by providing a sense of belonging and aligning employee and organizational values, strengthens the "fit" dimension of job embeddedness, which reduces turnover. Transformational leaders create environments where employees are more likely to feel aligned with the organization's mission and values, making them less likely to leave. In contrast, transactional leadership may not enhance these elements of embeddedness, as it focuses on task completion and immediate rewards rather than creating meaningful connections, thus increasing turnover intentions (Mitchell et al., 2001).

##### 4.3.1 Application to the Agro-Industry Context

The agro-industry in Nigeria, as highlighted by Akinbode (2018), is characterized by seasonal employment, high physical demands, and challenging work conditions, which make employee retention particularly critical. Transformational leadership, with its emphasis on individualized support and inspiration, aligns well with the need for adaptable and resilient leadership in this sector. Leaders who inspire and support employees can create a stronger sense of community, helping employees to feel more embedded in their roles, and thereby reducing turnover.

Transactional leadership, while effective in stable, structured environments, may not be as effective in the agro-industry, where flexibility and long-term motivation are needed. Transactional leadership's focus on rewards may be inadequate for addressing the challenging work conditions faced by agricultural employees, which require more than just financial incentives. Employees may be more inclined to leave if they feel their needs for support, growth, and recognition are not met, aligning with the study's findings on increased turnover under transactional leadership.

## 6. CONCLUSION

This study underscores the critical role that leadership styles play in influencing employee turnover within the Nigerian agro-industry. The findings reveal that transformational leadership is associated with lower turnover intentions due to its focus on motivation, vision, and individual consideration. This style effectively fosters a positive and supportive work environment, which is essential for employee engagement and retention in the challenging agro-industry. In contrast, transactional leadership, while useful for achieving short-term goals, is linked to higher turnover intentions, as it primarily relies on performance-based rewards and lacks the deeper connection needed to sustain employee commitment.

The empirical evidence supports the theoretical frameworks used in this study, such as Transformational-Transactional Leadership Theory and Social Exchange Theory, which explain the impact of leadership on employee outcomes. The study contributes to the body of knowledge by highlighting the need for adaptive and supportive leadership approaches in sectors characterized by high turnover and challenging working conditions. Ultimately, the research emphasizes that adopting transformational leadership practices can help mitigate turnover challenges and enhance the overall organizational effectiveness of agro-companies in Nigeria.

Based on the findings of this study, several recommendations are proposed to improve employee retention in the Nigerian agro-industry through effective leadership practices:

1. Agro-industry organizations should invest in leadership development programs focused on transformational leadership skills. This includes training leaders to inspire, motivate, and connect with employees on an emotional level, fostering a sense of belonging and shared purpose.
2. The agro-industry should prioritize creating an environment where employees feel valued and supported. This can be achieved by encouraging leaders to be approachable and empathetic, fostering an environment of trust, and allowing employees to voice their concerns.

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