

AUTHENTIC LEADERSHIP, ETHICAL CLIMATE & WORKPLACE INCIVILITY AND THEIR IMPACT ON EMPLOYEE RETENTION IN SUPPLY CHAIN INDUSTRY

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Abstract

Every company department encounters ethical dilemmas, and there is a growing emphasis on the unethical behaviors exhibited by numerous corporate executives in the dynamic world. In fact, there is a need for greater attention to be given to the character of leadership. Authentic leadership clearly fosters a favorable ethical environment; however, there is a lack of literature on this topic. Therefore, this study develops a unique framework consisting of three direct relationships to analyze the interaction of Authentic Leadership, Ethical Climate & Workplace Incivility with Employee Retention. The data was collected through questionnaires distributed among employees working in several supply chain companies of Pakistan. A total of 180 useable responses were available for statistical analysis with SPSS software. The study illustrates that authentic leadership has a vital role in fostering employee retention. Leaders that prove that authenticity establish robust, trust-oriented connections create with the staff, and then it establishes a nurturing and all-encompassing work atmosphere. Authentic leaders do maintain high levels of openness and adhere to ethical norms, fostering an environment of open communication and mutual respect.

Keywords: Authentic Leadership, Ethical Climate, Workplace Incivility, Employee Retention, Supply Chain

INTRODUCTION

Unscrupulous corporate practices and misconduct by company leaders have led to the erosion of trust and credibility among their followers. The correlation between leadership crises and significant corporate collapse is substantial; however insufficient consideration has been given to the nature of leadership and its resulting outcomes. The deficiencies of established leadership models prompt a desire to pursue leadership characterized by robust principles, encompassing honesty, integrity, morality, and trustworthiness (Hassan and Hyder, 2018). Every company department encounters ethical dilemmas, and there is a growing emphasis on the unethical behaviors exhibited by numerous corporate executives in the Western world. In fact, there is a need for greater attention to be given to the character of leadership (Hassan et al., 2021). Workplace incivility is a widespread occurrence in businesses. It refers to a form of deviant behavior exhibited by employees that goes against the norms of mutual respect within a business. This behavior includes being impolite, offensive, and discourteous. Workplace incivility encompasses behaviors such as making insulting comments about others, dismissing the thoughts or opinions of other employees, and excluding people from social occasions (Akella and Eid, 2021).

Workplace incivility incurs billions of dollars in direct and indirect costs each year. In a company setting, leaders establish an ethical climate by defining and implementing ethical norms. Business leaders

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have a crucial role in creating an ethical environment by taking moral intent into account when making decisions (Keyes-Pretlow, 2021). Authentic leadership clearly fosters a favorable ethical environment; however, there is a lack of literature on this topic. Some think that corporate leaders, through the establishment of a robust value system and ethical norms, serve as an important ethical framework for their followers. Authentic leaders have strong moral character and prioritize ethical behavior towards themselves and others, and they are likely to establish an ethical climate that leads to favorable outcomes for employees (Zeb et al., 2020).

The existing literature on authentic leadership consistently demonstrates its favorable correlation with many attitudinal and behavioral outcomes, including heightened commitment, enhanced psychological capital, and higher job engagement. Similarly, the positive approach of authentic leaders mitigates staff burnout, leading to a drop in turnover intention. However, there is a lack of research that examines the impact of authentic leadership on predicting negative work behaviors, such as workplace deviance and counterproductive work behavior. The existing literature does not sufficiently explore the relationship between authentic leadership and workplace incivility (Wirawan et al., 2020).

Supply Chain Industry of Karachi

The supply chain sector in Pakistan is a pillar of the country's economy, serving as a necessary conduit for both local and global commerce. Karachi, as the Pakistan's largest metro city and main economic center, houses significant seaports such as the Karachi Port and Port Qasim. These ports are responsible for handling the country's majority marine traffic. The city's good geographical position and well-developed infrastructure reveal it as an essential component of worldwide supply chains, enabling the transportation of goods, including raw materials and finished products (Burki et al., 2010). The industrial landscape in Karachi is characterized by its diverse nature, with wide ranged sectors including textiles, manufacturing, consumer goods, pharmaceuticals, and logistics. Each of the industries depends on proper supply chain operations to remaining competitive market requirements. The supply chain business in Karachi encounters various hurdles, such as traffic jamming, improper infrastructure, security issues, and regulatory matters, despite its significant significance. The presence of such issues can hamper the efficient movement of goods and then lead to higher operating charges, underscoring the value of competency of management and leadership quality for facilitation of enhancements and sustained productive matters (Hassan et al., 2021).

Research Problem

The research is purposed to find the effects of authentic leadership, ethical climate, and workplace incivility to the employee retention in the supply chain industry. Making sure of the employee retention is a major issue in such high-pressure, rapidly moving industry, as employee turnover can cause disruptions to business operations and get resulted in large expenses. The concept of authentic leadership stated that supporting a positive ethical climate inside organizations can be attained through authentic interactions, openness, and ethical behaviors. Further, it can diminish workplace incivility, which encounters undesirable actions such as impoliteness, disrespect, and hostile behaviors, that can lower employee morale and get resulted in rising rates of turnover. The study seeks to reveal the mechanisms through which organizational culture and leadership impact retention of employees in Karachi's supply chain industry through the investigation of these dynamics.

Research Questions

The following questions developed based on above content discussion.

1. How Servant Leadership impact on the Employee Retention?
2. What is the impact of Ethical Climate on Employee Retention?
3. Discuss the impact of Workplace Incivility on Employee Retention!

Objectives of the Study

The fundamental aim of this research is to reveal:

1. To assess impact of Authentic Leadership on Employee Retention.
2. To assess impact of Ethical Climate on Employee Retention.
3. To assess impact of Workplace Incivility on Employee Retention.

Justification

The rationale for this research is rooted on its capacity to tackle pressing challenges encountered by the supply chain industry in Karachi. Employee turnover at a high rate incurs significant expenses and causes disruptions, thereby impacting productivity and the overall effectiveness of supply chain operations. Gaining a clear comprehension of how authentic leadership and ethical climate contribute to reducing workplace incivility and improving employee retention can offer practical and valuable knowledge for leaders in various industries. Implementing effective leadership techniques that foster an ethical and supportive work environment can result in increased job satisfaction, decreased attrition rates, and enhanced organizational performance.

Limitations

There are various limitations that need to be recognized in the study. The concentration on Karachi's geography may restrict the applicability of the results to other areas with distinct economic, cultural, and industrial circumstances. The utilization of received data from employees and officers may induce bias, since respondents may report socially desired responses rather than their original perceptions. The cross-sectional approach of the research limits the capacity for noticing temporal changes and do establish causal relationships between the variables present within study. Additionally, the wider range of industries with different operational characteristics in the supply chain industry of Karachi makes it difficult to evaluate and generalize the outcomes.

Scope

This purpose of study is to provide a thorough analysis of the Karachi's supply chain industry, specifically examining how authentic leadership, ethical climate, and workplace incivility affect the retention of employees. The study also entails gathering data from employees, managers and leaders in many areas of the company, such as logistics, production, and distribution. The main characteristics that were studied included authentic leadership, ethical climate, workplace incivility, and employee retention. The study utilized both quantitative and qualitative methodologies for collection of extensive data and does offer an analysis of the relationships between present variables.

LITERATURE REVIEW

Authentic Leadership

Leadership is the act of pressing influence over others in order to effectively accomplish a shared objective by optimizing the efforts of those involved. The effectiveness of leaders is contingent upon the actions aligning with their personal convictions and morality. Leaders do influences over the followers and earn respect where they can demonstrate integrity, which is having personal principles firmly rooted in morals (Sonmez Cakir and Adiguzel, 2020). Authentic leaders are for positive attitudes and behaviors to their followers. According to Malik et al. (2021), authentic leadership has a key role in encouraging organizational citizenship behavior by acting as a mediator for psychological empowerment and prospering trust and hope among subordinates. Authentic leaders do possess the ability to establish an ethical environment by exemplifying conduct rooted in transparent environment, trust, integrity, honesty, and moral principles (Gardner et al., 2021). During the course of the last twenty years, the concept of authentic leadership has been increasingly popular in the field of leadership studies, gaining acceptance among both academics and professionals in the field. Taking this style to leadership places an emphasis on the significance of leaders remaining true to themselves and the principles that they hold most dear, while simultaneously cultivating relationships with their followers that are open and real. Self-awareness, a balanced processing of information, relational transparency, and an internalized moral perspective are some of the characteristics that distinguish authentic leaders (Gardner et al., 2021).

Authentic leadership has been demonstrated to have the potential to significantly improve the outcomes of a business, according to research investigations. Previous research has established a correlation between genuine leadership and greater levels of employee engagement, job happiness, organizational commitment, and overall performance. Additionally, genuine leaders have a tendency to cultivate a constructive organizational culture that encourages creativity, innovation, and the overall well-being of members of the workforce. However, it is essential to keep in mind that the process of developing authentic leadership is an ongoing one that necessitates regular self-reflection and personal development. When it comes to leadership, it is essential to be willing to engage in honest self-evaluation, to seek criticism from others, and to maintain openness to chances for learning and development. According to Winton et al. (2022), organizations have the ability to provide assistance in the development of genuine leadership by implementing leadership development programs that place an emphasis on self-awareness, ethical decision-making, and techniques for creating relationships.

Ethical Climate

The organizational climate represents the way in which employees perceive and articulate the patterns of interaction, behavior, policies, practices, and procedures in their work environment. The impact of the ethical environment within an organization on employee conduct has been extensively studied in the field of business ethics research for the past two decades (Schwatka et al., 2020). The ethical atmosphere inside a business refers to the established standards of behavior, which employees gradually come to comprehend through a process of socialization over time. In addition, there is a negative relationship between the ethical environment and dysfunctional behavior of employees, such as workplace deviance or incivility. Conversely, there is a positive relationship between the ethical environment and positive outcomes for employees, such as psychological well-being, job satisfaction, and organizational commitment (Al Halbusi et al., 2021). Additionally, the ethical behaviours of employees is also influenced by the ethical climate in the workplace (Hassan et al., 2018).

In the context of an organization, the term "ethical climate" refers to the collective understanding of what constitutes ethically proper behavior and the manner in which organizational ethical issues should be addressed. Due of the tremendous impact that this notion has on employee behavior, decision-making processes, and overall organizational performance, it has garnered a large amount of attention in the field of organizational research. Many different elements, such as leadership practices, organizational regulations, reward systems, and the collective moral reasoning of an organization's members, all contribute to the formation of the ethical climate that exists within that organization. According to the findings of research, there are a few distinct sorts of ethical climates that can be found within businesses. There are three types of climates: egoistic climates, which place an emphasis on self-interest; beneficent climates, which place an emphasis on concern for others; and principled climates, which place an emphasis on adhering to norms and ethical codes. The exact kind of ethical atmosphere that prevails in an organization can have a considerable impact on the way in which employees face ethical conundrums and make judgments in their day-to-day work life. It is one of the most important components of ethical environment that it plays a part in shaping the culture of the organization. According to Kuenzi et al. (2021), conducting regular assessments of the ethical climate through the use of surveys and other feedback mechanisms can assist organizations in identifying areas that require improvement and addressing possible ethical issues before they become more serious.

Workplace Incivility

Enablers, motivators, and triggers are factors that can lead to workplace incivility. Enablers create an environment conducive to the growth of uncivil behavior. Enablers encompass several factors such as workload, position, and pressure for production, which contribute to facilitating certain activities or tasks. Motivators and triggers serve as catalysts for incivility. Factors that drive or stimulate individuals can include their personality traits and personal convictions (Reynolds, 2021). Previous studies argue that workplace incivility might be significantly motivated by leadership that lacks aggressiveness, competence, or knowledge. Environmental antecedents of workplace incivility, as defined by Erdemir (2023), include an autocratic work environment, an anxiety-driven workplace, a terrible work atmosphere, and challenging working conditions. The consequences of workplace incivility are significant. When employees experience disrespect, their inventiveness diminishes and they are more likely to resign from the firm. The drop in job quality is directly correlated with workplace incivility, as a significant number of employees intentionally reduce their work effort. Workplace incivility not only harms firms internally, but it also diminishes the consumer base due to the uncivil behavior of employees. Customers are clearly hesitant to purchase from firms whose staff display rudeness, regardless of whether it is directed towards customers or other employees (Vasconcelos, 2020). Over time, the presence of uncivil behavior induces individuals who are impacted by it to respond in kind, as a result of their cognitive and emotional evaluation. This can lead to an intention to inflict harm and engage in violent activity. The notion of reciprocity further supports this view by suggesting that individuals would respond in kind to the way they are treated by others. It is recommended that rather than employing a reactive approach, it is advisable to prevent workplace incivility in order to reduce the costs it entails (Frischlich et al., 2021).

Uncivility in the workplace is a ubiquitous and frequently subtle kind of mistreatment that occurs in organizational settings. In recent years, researchers and practitioners have paid an increasing amount of attention to this form of mistreatment. According to the definition of workplace incivility, which is defined as low-intensity deviant behavior with ambiguous intent to hurt, incivility comprises a variety of activities that break workplace standards of mutual respect and are rude, contemptuous, or disrespectful.

Incivility in the workplace has the potential to evolve into more severe types of abuse, such as bullying or harassment, which is a particularly troubling component of this type of behavior among employees. Studies have shown that if incivility is allowed to continue unchecked, it can lead to the creation of a poisonous working atmosphere in which more overt forms of aggressiveness become an accepted standard. The importance of addressing even seemingly insignificant incidents of incivility in a fast and effective manner is highlighted by this spiral effect. The consequences of incivility in the workplace extend beyond the employees themselves and have an impact on the outcomes of the firm. According to research, incivility is associated with lower levels of productivity, higher rates of absenteeism, and higher rates of employee turnover. All of these factors can have a major influence on the bottom line of a business. Furthermore, firms that encounter high levels of incivility may have difficulty attracting and retaining top talent. This is due to the fact that prospective employees are increasingly placing a higher priority on good work environments when they are looking for employment (Hassan et al., 2021).

Employee Retention

Employee retention is a critical concern for organizations in different sectors, as it relates to the organization's capacity to keep its employees for a prolonged duration. Significant expenses associated with recruiting, hiring, training, and decreased productivity can result from high staff turnover. Therefore, it is critical for business to understand and tackle the issues that impact employee retention. Also, the act of retaining personnel is more economically advantageous compared to the process of recruiting new ones. Further, staff with good experience skills has the necessary abilities and knowledge to deliver exceptional service, resulting in increased client satisfaction and loyalty. Organizations that experience less turnover rates are commonly regarded as stable and luring to prospective employees, hence pop up their capacity to attract highly skilled individuals (Malik et al., 2022).

Opportunities for professional advancement are an essential component of employee retention tactics. There is a correlation between employees' perceptions of clear avenues for growth and skill development inside their firms and their likelihood of remaining committed to their existing employment. In light of this, it is essential to provide employees with possibilities for internal mobility, mentoring programs, and ongoing training in order to encourage employee growth and retention. It is becoming increasingly necessary to strike a balance between work and personal life in order to retain employees, particularly in light of the shifting demographics of the workforce and the rising demands of society. When it comes to maintaining their staff, businesses that provide employees with opportunities for flexible work arrangements, leave policies that are helpful, and a culture that respects the employees' personal time are typically more successful. It is not always the case that compensation and benefits are the key drivers of employee retention, despite the fact that they are vital. Research reveals that although competitive compensation is essential for attracting and retaining talent, it is frequently insufficient on its own to accomplish these goals. It is possible that non-monetary elements, such as recognition, autonomy, and a feeling of purpose in one's job, might be just as essential, if not more so, in determining whether or not an employee will remain with an organization during their employment. There is a considerable relationship between leadership and management techniques and the retention of employees. A positive work atmosphere, increased job satisfaction, and a solidified emotional connection between employees and the organization are all outcomes that can be achieved via leadership that is both supportive and successful. On the other hand, having bad leadership might cause even the most dedicated employees to look for possibilities elsewhere (Mahadi et al., 2021).

As a conclusion, the retention of employees is a complicated and diverse subject that necessitates a strategy that is both strategic and holistic from enterprises. Organizations are able to establish work environments that not only attract top talent but also inspire long-term commitment and engagement by first gaining an understanding of the different elements that influence retention and then executing tailored tactics to address those aspects. The capacity to effectively retain valuable people will continue to be a significant differentiator for organizational success in the competitive business landscape. This phenomenon is expected to continue as the workforce continues to undergo transformations.

Relationship of Authentic Leadership, Ethical Climate & Workplace Incivility with Employee Retention

The scholarly research on authentic leadership, ethical climate, and workplace incivility focuses their substantial influence on employee retention, a crucial determinant of corporate achievement. Authentic leadership is differentiated by the qualities of self-awareness, honesty, ethical conduct, and a dedicated approach to cultivating sincere relationships with employees. Leaders that demonstrate authenticity inspire trust and dedication, prospering a favorable work atmosphere that can improve employee contentment and retention (Arici et al., 2020). Authentic leadership is vital for influencing the ethical atmosphere within a business. An ethical atmosphere refers to the shared understanding of what is considered morally correct action within organization. It is molded by established policies, unofficial norms, and the conduct of leaders. Authentic leaders, via their unwavering honesty and adherence to ethical principles, develop a moral precedent that deeply influences the organizational culture. Consequently, this prospers a culture where employees are motivated to uphold ethical norms, resulting in a supportive and ethically upright work atmosphere (Al Halbusi et al., 2021).

Workplace incivility refers to mild but harmful behaviors that are intended to harm, such as being discourteous. This type of behavior can have a substantial negative impact on employee morality and their decisions are to stay with the company. Incivility can take on different manifestations, such as making condescending remarks, disregarding peers, and displaying other subtle acts of contempt (Vasconcelos, 2020). Additionally, an ethical climate cultivates an atmosphere of equity and regard, which are crucial for upholding elevated levels of employee morale and retention (Young et al., 2021). On the other side, workplace incivility has been recognized as a major indicator of employee attrition (Yue et al., 2021).

Variables

Independent Variables are: Authentic Leadership, Ethical Climate and Workplace Incivility.

Dependent Variable is Employee Retention.

Hypotheses

H1: Relationship between Authentic Leadership and Employee Retention is significant.

H2: Relationship between Ethical Climate and Employee Retention is significant.

H3: Relationship between Workplace Incivility and Employee Retention is significant.

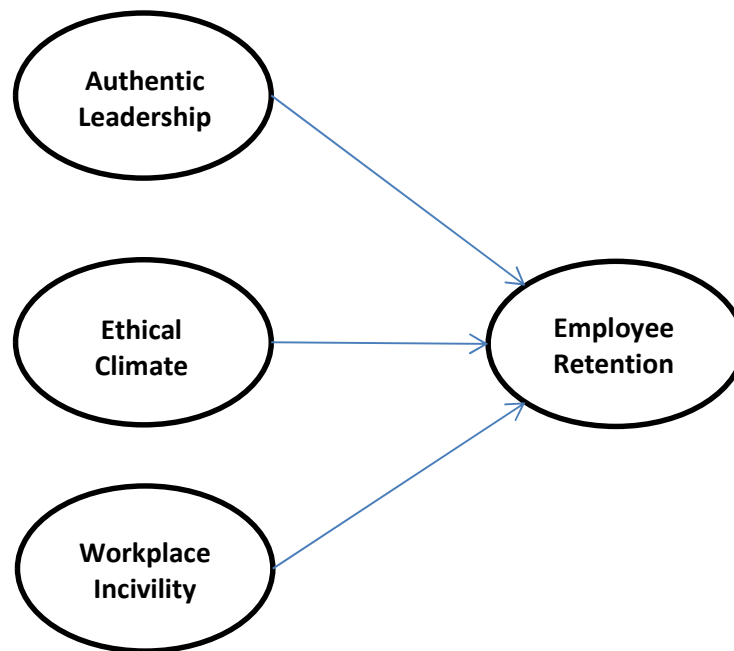


Figure 1: Conceptual Framework

RESEARCH METHODOLOGY

The primary goal of this section is to provide the reader with a precise comprehension of the methodologies upon which this investigation was conducted.

Research Design

The primary goal of a research design is to determine whether the information we collect is sufficient to logically address the research argument (Gregor et al., 2020). We have employed a quantitative approach for this study due to its ability to provide precise measurements and observations that are relevant to the objective, truthful substantiation of statistics. We conducted an analysis of the hypotheses that were derived from the literature review. Primary sources are employed to accumulate data for this investigation.

Procedure

In the present investigation, we implemented the deductive approach. The researcher must acquire data from the selected population that is easily accessible in order to resolve the current research study's issue.

Population

The population is typically a large set of individuals, which makes it challenging to collect their responses. Consequently, a sample is derived to collect the data through a questionnaire (Lakens, 2022). The population of employees employed in supply chain departments of private organizations in Karachi, Pakistan, has been chosen for this research study.

Sample and Sampling Methods

Sample Size

The sample size selected for this study was 250. Attained surveys were 180.

Sampling Technique

Probability sampling was implemented in this investigation. It is an impartial technique that involves the collection of samples in a manner that ensures that each individual has an equal chance of being selected. It is a straightforward method to obtain a sample (Baltes and Ralph, 2022).

Instrument Selection

The research will be conducted through a questionnaire and is quantitative in nature. The questionnaire comprises demographic inquiries and survey inquiries that will be assessed on a Likert scale of 1 to 5. Adaptations of the previous studies' items and queries have been implemented in the survey.

Plan of Analysis

SPSS Software used to process the collected data for data analysis. A variety of tests, including as demographic tables, descriptive statistics, reliability tests, correlation analyses, and regression, used to examine the results.

DATA ANALYSIS AND FINDINGS

Demographic Analysis

Table 1
Respondents' Profile

Variables		Number	Percentage (%)
Gender	Male	150	83.3
	Female	30	16.7
Age	18 to 20 years	9	5.0
	21 to 30 Years	50	27.8
	31 to 40 Years	75	41.7
	41 to 50 Years	25	13.9
	51 and above	21	11.7
Income	Up to Rs. 25k	0	0
	Rs.26k to Rs.35K	11	6.1
	Rs.36K to Rs.45K	80	44.4
	Rs.46K to 55K	79	43.9
	56K and above	10	5.6
Education	Up to Intermediate	20	11.1

Graduation	128	71.1
Masters	32	17.8
M.S/M.Phil	0	0
Doctoral	0	0
Total	180	100.0

In terms of gender 150 (83.3%) were male and 30 (16.7%) were female and their age ranged from below 21 till above 51. In terms of Income, 11 (6.1%) were in between Rs.26K to Rs.35K, 80 (44.4%) were in between Rs.36K to Rs.45K, 79 (43.9%) were in between Rs.46K to Rs.55K and 10 (5.6%) were Rs.56K or above. In terms of education, 20 (11.1%) had education up to Intermediate, 128 (71.1%) had education up to Graduation and 32 (17.8%) had at least master's degree. Survey was included to only those persons who were relevant to supply chain profession.

Reliability Analysis

The research investigation utilized an instrument that incorporated constructs that had been previously employed and validated by Jung (2009) and Ling, Piew & Chai (2010). The reliabilities were reaffirmed in relation to the present research and the current participants. The summarized results of the tests are presented in Table 2.

Table 2
Reliability Analysis

	Cronbach's Alpha	Std. Cronbach's Alpha
Authentic Leadership	.674	.674
Ethical Climate	.633	.646
Workplace Incivility	.670	.693
Employee Retention	.762	.769

The above Table 2 shows that the reliability of Employee Retention is the highest ($\alpha=0.769$) while the reliability for Ethical Climate is the lowest ($\alpha=0.646$). The Cronbach's alpha coefficient for the instrument, which includes both dependent and independent variables, is 0.753.

Correlation Analysis

Correlation analysis is conducted to examine the relationship between variables and determine the presence of multicollinearity among them (Bryman & Bell, 2005). In regression analysis, it is necessary to check for correlation. Bryman emphasizes that the correlation between the constructs should be within the range of 0.20 to 0.90. If the correlation coefficient is below 0.20, the item should be excluded. The findings are succinctly presented in Table 3.

Table 3
Summarized Correlation Results

	Authentic Leadership	Ethical Climate	Workplace Incivility	Employee Retention
Authentic Leadership	1.00			
Ethical Climate	0.44	1.00		
Workplace Incivility	0.39	0.27	1.00	

Employee Retention	0.38	0.25	0.26	1.00
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Overall Model Regression Test

The condensed findings of the regression analysis for the comprehensive model of the research study can be found in Table 4. The hypothesis that the characteristics of the Independent Variables are: Authentic Leadership, Ethical Climate and Workplace Incivility influence the Employee Retention, was tested here through Regression analysis.

Table 4
Summarized Regression Results

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
Employee Retention	1.61	0.67		2.41	0.002
Authentic Leadership	0.40	0.12	0.36	3.45	0.000
Ethical Climate	0.30	0.13	0.27	2.77	0.001
Workplace Incivility	0.26	0.12	0.23	2.16	0.003

Independent Variables are: Authentic Leadership, Ethical Climate and Workplace Incivility. Dependent Variable is Employee Retention. $R^2=0.194$, Adjusted $R^2=0.163$, $p < 0.05$.

The regression analysis results for the whole model show that the variables Authentic Leadership, Ethical Climate, and Workplace Incivility are significantly associated with Job Employee Retention, explaining 19.4% of the variance ($R^2=0.194$, $p<0.05$). This impact size is considered large according to Cohen (1998).

Hypotheses Testing

Hypothesis 1: *There is a significant effect of Authentic Leadership on the Employee Retention.*

The hypothesis that there is a significant relationship between Authentic Leadership and Employee Retention will be examined using Regression analysis. The condensed findings are displayed in Table 5 below:

Table 5
Summarized Regression Results

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
Employee Retention	2.428	.407		5.961	.000
Authentic Leadership	.422	.117	.377	3.595	.001

Dependent Variable is Employee Retention. $R^2=0.142$, Adjusted $R^2=0.139$, $p<0.05$

The results of the regression indicates that Authentic Leadership characteristics explains 14.2% of the

variance ($R^2=0.142$, $p<.05$), the effect $B= .422$, which according to Cohen (1998) is a large effect and the hypothesis is failed to reject.

Hypothesis 2: *There is a significant effect of Ethical Climate on the Employee Retention.*

The hypothesis that there is a significant relationship between Ethical Climate and Employee Retention is examined using Regression analysis. The condensed findings are displayed in Table 6 below:

Table 6
Summarized Regression Results

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	T	
Employee Retention	3.540	.539		6.572	.000
Ethical Climate	.432	.116	.345	3.600	.001

Dependent Variable is Employee Retention. $R^2=.004$, Adjusted $R^2= 0.005$, $p >0.05$

The regression results show that the Ethical Climate features account for 15.3% of the variance ($R^2=0.153$, $p<.05$). The effect size, shown by $B= .432$, is considered large according to Cohen (1998). Therefore, the hypothesis is not rejected.

Hypothesis 3: *There is a significant effect of Workplace Incivility on the Employee Retention.*

The hypothesis that there is a significant relationship between Workplace Incivility and Employee Retention is being examined using Regression analysis. The condensed findings are displayed in Table 7 below:

Table 7
Summarized Regression Results

Model	Unstandardized Coefficients		Standardized Coefficients		Sig.
	B	Std. Error	Beta	T	
Employee Retention	2.795	.454		6.155	.000
Workplace Incivility	.395	.124	.261	2.387	.004

Dependent Variable is Employee Retention. $R^2=.068$, Adjusted $R^2= 0.056$, $p<0.05$

The regression results show that Workplace Incivility features account for 6.8% of the variance ($R^2=0.068$, $p<.05$). The effect size, $B= .395$, is considered large according to Cohen (1998). Therefore, the hypothesis is not rejected.

CONCLUSION

This study provides useful insights into the factors that influence employee retention in the supply chain industry of Pakistan, specifically examining the effects of authentic leadership, ethical climate, and workplace incivility. The results emphasize the importance of authentic leadership in fostering a supportive and stimulating work atmosphere. Authentic leaders foster trust and a sense of belonging among employees by being transparent, behaving ethically, and prioritizing relationships. This leads to increased commitment to the organization and decreased turnover intentions.

Authentic leadership has a vital role in fostering employee retention. Leaders that prove that authenticity establish robust, trust-oriented connections create with the staff, and then it establishes a nurturing and all-encompassing work atmosphere. Authentic leaders do maintain high levels of openness and adhere to ethical norms, fostering an environment of open communication and mutual respect. These qualities are essential for promoting employee happiness and retention. Employees are more inclined to remain in firms where they do perceive themselves as being appreciated and comprehended, and where their leaders demonstrate the values and behaviors that they admire. The interaction among authentic leadership, moral atmosphere, and workplace rudeness yields a thorough comprehension of their influence on employee retention. Authentic leadership and a sturdy ethical climate can relieve the harmful consequences of workplace incivility, supporting a more favorable and secure work environment. Leaders who can exhibit genuineness and can maintain moral principles; have the ability to effectively confront and deter rudeness, thereby cultivating a culture characterized by inclusivity and respect. This phenomenon highlights the significance of approaches that support authentic leadership and moral conduct, while also dealing with and averting rudeness.

The culture of Pakistan increases the significance of these findings. In a collectivist society that prioritizes social peace, reverence for authority, and community orientation, the significance of authentic leadership and ethical atmosphere is increased. Leaders who demonstrate genuine authenticity and do maintain high ethical standards are supposed to receive significant respect and appreciation, which in turn can strengthen employee loyalty and retention. On the other hand, workplace incivility can be especially disruptive in a culture that values social peace above all else. Regular and ongoing monitoring and evaluation of the work environment are essential for identifying and resolving problems related to leadership, ethical climate, and incivility. Conducting regular employee surveys with feedback sessions, and focus groups can produce valuable insights regarding the efficacy of organizational policies and practices. Organizations can improve employee satisfaction and retention by actively addressing emerging issues and promoting a culture of continuous improvement.

Recommendations

According to the outcome of this study, there are some suggestions that can be offered to organizations in the supply chain industry in order to enhance employee retention. Organizations should allocate resources towards leadership development programs that prioritize the principles of authentic leadership. Training programs that can prioritize self-awareness, transparency, and ethical decision-making and relationship-building, may foster the development of authentic leaders who have the ability to positively impact employee retention. Also, it is imperative to build and preserve a robust ethical environment within the firm. This can be attained by defining and executing clear ethical norms, rules, and procedures. Regular training on ethical behavior and the consequences of unethical activities should be conducted to underline the relevance of ethics in the work environment. Encouraging open communication and offering methods for reporting unethical behavior without fear of punishment can also boost up the ethical climate. Additionally, firms should perform frequent surveys and feedback sessions to examine the work environment and identify any concerns may connect to leadership, ethical atmosphere, or incivility. This proactive strategy allows the firms to address problems early and create a more supportive and positive environment.

Future Research

Future research should examine several possibilities to build on the findings of this study. First of all,

longitudinal studies are required to assess the long-term influence of authentic leadership, ethical climate, and workplace incivility on employee retention. Such studies can provide greater insights into how these variables interact over time and influence retention. Second, futuristic study may investigate the moderating and mediating factors that influence the relationship between the independent variables (authentic leadership, ethical climate, and workplace incivility) and employee retention. For instance, considering the role of company culture, employee engagement, and job satisfaction as mediators may provide a more comprehensive understanding of these linkages.

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