

The Effect of Job Involvement, Organizational Commitment, and Job Satisfaction on Turnover Intention

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Abstract

Achieving company goals efficiently is one of the goals that must be achieved by the company and the problem of high employee turnover intention can be an obstacle for the company to achieve the expected efficiency. This study aims to analyze the effect of job involvement, organizational commitment, and job satisfaction on employee turnover intention. The object of this research is limited to employees at one of the insurance institutions in Indonesia located in Jakarta, namely AJB BP, with a population of 56 respondents. Saturated sampling technique was used in this study. Data were collected using a questionnaire through a survey method. Data analysis method using Partial Least Square with SmartPLS 3.0. The results of this study indicate that all variables both job involvement, organizational commitment and job satisfaction have a negative effect on turnover intention. When company employees feel that they have a low level of job involvement, their desire arises and they will even choose to leave the company, so if they have low organizational commitment and / or job satisfaction they will take the same action.

Keywords: Job Involvement, Organizational Commitment, Job Satisfaction, Turnover Intention

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1 Introduction

Changes in the current business environment have made global competition an important part of formulating corporate strategies and the increasingly competitive market developments makes it hard for companies to have sustainable growth. Many researchers and practitioners realize the importance of human resources as an important company asset to be managed appropriately in the conditions of the rapidly changing workforce and work environment so that decision makers try to find ways to adapt to these conditions. All work has focused a lot on human resource management in the last two decades, especially with a strategic human resource approach (Burma, 2014).

Only businesses managed by qualified human resources will come out as winners in the competition (Hidayat et al, 2019). Human Resource Management (HRM) aims to increase employee contributions within the organization (Mangkunegara, 2016). These contributions are new ideas, work effectively and successfully achieve targets (Burma, 2014).

Currently, turnover intention is a very challenging problem for many organizations, so that organizations need to have the right plan to deal with issues related to this (Bashir and Durrani, 2014). One of the efforts to do this is to minimize the employee's turnover rate by paying attention to all factors that have the potential to cause employees' turnover intention from the current company the employees are working for. The desire of employees to move is addressed by a situation where employees begin to find that their working conditions are no longer in accordance with what is expected (Witasari, 2009).

The problem of high turnover intention has become a serious problem for many companies. Included in this is the research object, AJB BP Jakarta. The negative impact that is felt most by many companies is due to the high level of functional turnover intention or desire to leave which is followed by the resignation of the best employees in terms of quality and ability so that companies must try to replace employees who leave the company. This business requires new time and money in recruiting new employees.

Many things have been pointed out as the cause of an employee leaving a job, including, the current work situation is not in accordance with the desired expectations (dissatisfaction in work) or is influenced by employee views to get better job alternatives and satisfaction.

While dissatisfaction will affect the discharge of employees, job dissatisfaction is often identified as one of the reasons for turnover intention. The attitude that arises in individuals is that some have a desire to find other job vacancies, evaluate the possibility of finding a better job elsewhere. If the opportunity to change jobs is not available or what is available is not more attractive than what they currently have, then emotionally and mentally it will cause employees to often skip, arrive late, lack of enthusiasm or lack of desire to do well. The high level of turnover intention can have a negative impact on the company.

Apart from job satisfaction factors, another thing that causes turnover intention is organizational commitment. Organizational commitment has been pointed out as a better predictor of turnover intention than

job satisfaction. An individual enters an organization with a variety of needs, wants and abilities, and they hope to find a work environment where that individual can use their abilities and fulfill various basic needs. When these individuals find these opportunities in their work, the commitment to the organization will increase. Vice versa, when the company fails to provide fulfillment needs, commitment to the organization tends to continue. Employees with a high level of organizational commitment will show good performance, thus the turn over intention is low.

Table 1. Employee Turn over Data – AJB BP Jakarta year 2017 - 2019

Year	the number of initial employees	the number of employees who left	the number of employees who join
2017	55	12	14
2018	57	20	24
2019	61	15	10

Source: compiled by the author - AJB BP 2017-2019

The table above shows that every year since 2017-2018 AJB BP Jakarta as the object of research has a fairly high turnover problem when compared to the number of employees who join and the number of employees who leave, excluding employees leaving due to retirement. Based on the data above, it is clear that there is a problem with the level of intention and / or the level of leaving employees from the company.

Various studies on the problem of turnover intention are associated with job involvement, organizational commitment and job satisfaction problems, as described in research conducted by Mobley et al (1979), Schaufeli (2013), Bashir and Durrani (2014), Arif (2018) , Allen and Meyer, (2006), Saputro and Minarsih (2016), Roelen (2008), Simanjuntak and Rahardja (2013). Bellete (2018). Problems that employees feel in the company are often indicated by a lack of attention, trust and comfortable working conditions that give rise to a desire or intention to change or move for a better company. Based on the information obtained, the company has made various efforts but turnover intention is still happening at AJB BP Jakarta.

This research was conducted to study and predict the effect of Job Involvement, Organizational Commitment and Job Satisfaction on Turnover Intention of employees at AJB BP Jakarta.

2 Literature Review

Employee turnover intention refers to the possibility of an employee leaving the job he is doing (Bellete, 2018). Turnover intention is the desire to move and has not yet reached the realization stage, namely moving from one workplace to another. Turnover intention is dissatisfaction with work which can trigger employees to look for a new workplace (Yuda and Ardana, 2017). Turnover intention is a number of workers who leave the organization and are replaced by new workers (Omar, 2017).

In this case, turnover intention is an important problem, especially in the field of human resource management, companies have difficulty selecting and recruiting new employees and losing knowledge of employees who have been trained and also the low skills of new employees (Bellet, 2018).

Most of the employees who leave the organization for voluntary reasons can be categorized as avoidable voluntary turnover and unavoidable voluntary turnover.

2.1 Job involvement

According to Theresia (2014), job involvement is the positive behavior of employees towards their work. This job involvement is indicated as employees have high energy levels, become enthusiastic about their work, are inspired by work and can hardly separate themselves from the work itself. When an employee has high job involvement, they will absorb into their work and their role as members of an organization.

Job involvement is the level of identifying employees with their work, actively participating in their work, and considering their performance in their work is more important for their own good. It can be concluded that employees with high levels of job involvement strongly recognize and pay attention to the type of work that they do. High rates have been found to be associated with less absenteeism and lower employee resignation rates (Robbins & Coulter, 2012). Job involvement refers to the level of active responsibility of employees regarding their work in the company. An employee considers their job to be the most important thing in their life.

Job involvement describes how far employees are willing to go beyond the minimum requirements of their role to provide additional energy or defend their company against other companies as a good place to work or invest (Schiemann, 2009). Research of Arif (2018) stated that job involvement has a negative effect on turnover intention.

H₁: Job involvement has a negative effect on turnover intention

2.2 Organizational Commitment

Organizational commitment is the feeling and belief about how someone works in the organization. The willingness of individuals to become members of the organization either in joy or compulsion, for example

because they have no other choice, is part of the understanding of organizational commitment (George and Jones, 2012). Organizational commitment is an attitude that reflects the extent to which an individual knows and is tied to the organization (Umam, 2012). Organizational Commitment is the attitude or form of one's behavior towards the organization in the form of loyalty and achievement of the organization's vision, mission, values and goals.

When employee commitment is appreciated by the company, employees will be encouraged to work better and survive to stay in the organization. Saputro and Minarsih's (2016) research found that organizational commitment has a negative relationship with turnover intention.

H₂: Organizational commitment has a negative effect on turnover intention.

2.3 Job Satisfaction

Job satisfaction is the status of someone satisfied and happy with the job (Bashir and Durrani, 2014). Job satisfaction shows a person's feelings about work which can be associated with opportunities for advancement, awards and facilities received by employees (Sumiati and Purbasari, 2019). Job satisfaction is a general attitude towards a person's job which shows the difference between the number of awards received and what should be received (Robbins and Judge, 2011). Job satisfaction is an emotional attitude that is fun and loves his job, and employee satisfaction must be created as well as possible so that work morale, dedication, love, and discipline increase.

Job satisfaction has a close relationship with thoughts of quitting work and the intention to find another job (Mobley, 2016). Employees with high job satisfaction will feel happy and enjoy doing their job and do not think or want to evaluate other job alternatives. On the other hand, employees who are not satisfied with their work tend to think or want to leave because they hope to find a more satisfying job. The study concluded that employee job satisfaction has a negative effect on turnover intention (Simanjuntak and Rahardja, 2013).

H₃: Job satisfaction has a negative effect on turnover intention.

3 Framework

The theoretical framework of the relation between discipline, motivation, and productivity in this study consisted of three variables, as follows:

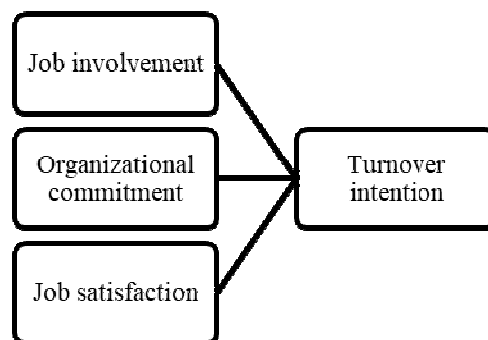


Fig. 1. Framework

Based on the problem formulation and the basic theory that has been described before, the hypotheses in this study are:

H₁: Job involvement has a negative effect on turnover intention

H₂: Organizational commitment has a negative effect on turnover intention.

H₃: Job satisfaction has a negative effect on turnover intention.

4 Research Methods

This study uses a causal research design, to determine the effect of job involvement, organizational commitment, and job satisfaction on employee turnover intention. The number of samples is the same as the total population, that is 56 employees at AJB BP Jakarta. Data were collected using a survey method, distributing questionnaires using a 5-point Likert scale and interviews. Measurement of research variables is adapted from the theory put forward in previous studies. The Partial Least Square (PLS) analysis method was used in this study with the aim of finding the optimal predictive linear relationship in the data and explaining the presence or absence of a relationship between latent variables.

5 Result

The results of the research on 56 respondents of AJB BP Jakarta employees found that 53.6% were male respondents, and 26 respondents or 46.4% were female. So, the majority of respondents in this study were male respondents. Based on the age group, it was dominated by respondents aged 31 to 35 years as much as 25.0%

and respondents aged 36 to 40 years by 26.8%, and respondents aged > 40 by 14.3%. So, the majority of respondents in this study were respondents aged 36 to 40 years, where this age is related to permanent employees and will have a consideration if they want to leave their jobs.

Based on the level of education, 32.1% have a high school or vocational education, and 66.1% have a bachelor's degree. With 39.3% with 1-5 years of service and 39.3% with 6-10 years of service, it can be said that the respondents' tenure indicates a good commitment to the company.

Convergent Validity testing of each construct indicator shows all indicators have met the convergent validity because it has a loading factor value above 0.50. Average Variance Extracted (AVE) values for all variables are at values above 0.50.

Table 2. Average Variance Extracted (AVE) Test Results

Variable	Average Variance Extracted (AVE)
Job involvement	0,547
Organizational commitment	0,579
Job satisfaction	0,529
Turnover intention	0,512

Source: PLS 3.0 Processing Results

Looking at the Average Variance Extracted (AVE) value in the table above, all variables have a value more than 0.50 so it can be said that each indicator that has been measured able to reflect its respective variables validly.

The results of discriminant validity testing (Fornell Lacker criterium) can be seen in the following table:

Table 3. Test Results for Discriminant Validity (Fornell Lacker Criterium)

	Job satisfaction	Job involvement	Organizational commitment	Turnover intention
Job satisfaction	0,740			
Job involvement	0,202	0,761		
Organizational commitment	0,184	0,163	0,727	
Turnover intention	-0,586	-0,312	-0,335	0,716

Source: PLS 3.0 Processing Results

The square root of the Average Variance Extracted (AVE) for each construct is greater than the correlation between one construct and another in the model, so the constructs in the estimated model meet the discriminant validity criteria.

The latent variable value has a value of Composite Reliability and Cronbach's Alpha more than equals to 0.70 ($\geq 0,70$) which means that the construct has good reliability.

Table 4. Composite Reliability and Cronbach Alpha Test Results

Variable	Composite Reliability	Cronbach's Alpha	Note
Job involvement	0,920	0,901	Reliable
Organizational commitment	0,925	0,909	Reliable
Job satisfaction	0,909	0,888	Reliable
Turnover intention	0,828	0,703	Reliable

Source: PLS 3.0 Processing Results

Goodness of Fit structural testing on the inner model uses the predictive relevance (Q²) value. Q-Square value greater than 0 (zero) indicates that the model has a predictive relevance value. Obtained R-Square value of 0.425, which means that the variability of Turnover Intention can be explained by the three independent variables in the model, namely Job Involvement, Organizational Commitment, Job Satisfaction. The predictive relevance value is obtained by the formula:

$$Q^2 = 1 - (1 - R^2)$$

$$Q^2 = 1 - (1 - 0.425)$$

$$Q^2 = 1 - (0.575)$$

$$Q^2 = 0.425$$

The predictive relevance value is $0.425 > 0$. This means that 42.5% of the variation in the Turnover Intention variable is explained by the variables studied, so the model is feasible to have a relevant predictive value.

Table 5. Hypothesis Testing Results

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ((O/STDEV))	P Values
KS → TI	00,503	-0,505	0,100	5.051	0,000
KK → TI	-0,192	-0,206	0,095	2.030	0,043
KO → TI	-0,226	-0,251	0,098	2.315	0,021

Source: PLS 3.0 Processing Results

The hypothesis test results concluded that the effect of Job Involvement on Turnover Intention has a negative value, as evidenced by the original sample value that is owned by -0.192, and the t-statistic value owned is 2.030, where the value is above 1.96, and P values 0.000 which is smaller than 0.50.

Organizational Commitment to Turnover Intention has a negative value which is indicated by the original sample value that is owned by - 0.226. Job Satisfaction with Turnover Intention has a negative value as indicated by the original sample value that is owned at - 0,503.

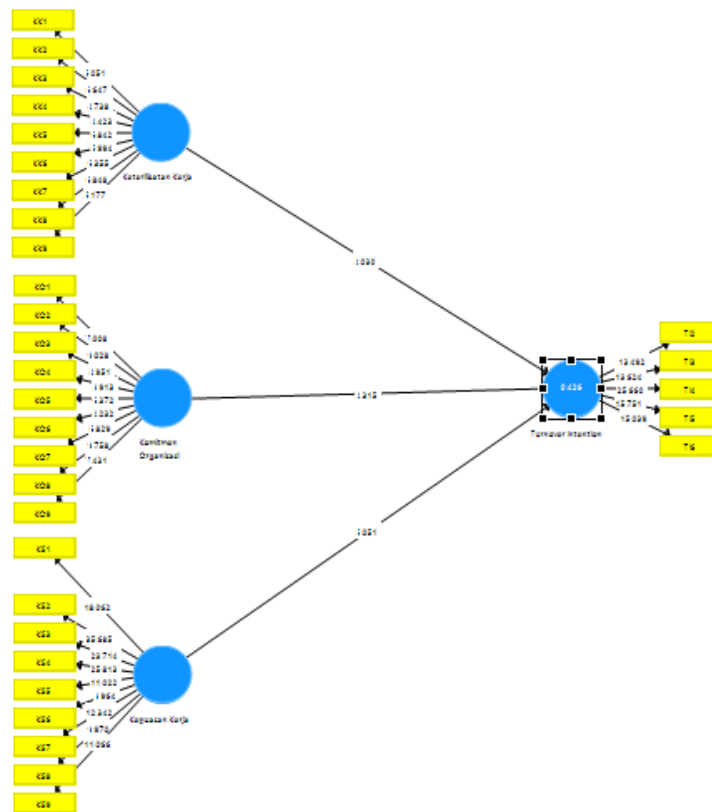


Fig. 2. Bootstrapping Test Results (Source: PLS 3.0 Processing Results)

6 Discussion

The test results in this study indicate that it accept H1 which indicates that Job Involvement has a negative effect on Turnover Intention with a T-statistical value greater than T-table 1.96 and the hypothesis is accepted, if employee job involvement at AJB BP Jakartaan in the organization will have low Tunover Intention., and vice versa. This is consistent with previous research where the results of the study show that job involvement has a negative effect on Turnover Intention (Afief, 2018).

Based on the second hypothesis test (H2), the results show that Organizational Commitment has a negative effect on Turnover Intention. This is consistent with previous research conducted by Saputro et. al (2016) in which the research results show that organizational commitment has a negative effect on turnover intention.

Based on the third hypothesis test (H3), it shows that Job Satisfaction has a negative effect on Turnover Intention. These results are consistent with previous studies done Simanjuntak and Rahardja, (2013), that when employees feel that job satisfaction increases, turnover intentio follows in a negative direction,it decrease or get lower.

Based on the results of hypothesis testing, it can be said that in order to reduce turnover intention in the company, it is important for management decision makers, especially regarding human resources, to pay attention to the problems of job involvement, organizational commitment and job satisfaction of employees in the company so that it can suppress or reduce turnover intention. Suggestions for further research are to use different objects with a larger number of samples to predict whether the same results will be obtained.

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