

Employee Turnover from the Impact of Job Satisfaction and Organizational Commitment

Anisah
Faculty of Chemical Engineering
University of Jayabaya
Jakarta, Indonesia

Ferdian Arie Bowo
Faculty of Economic and Business
University of Jayabaya
Jakarta, Indonesia

Abstract:- The aims of this research to analyze relationships that job satisfaction and organizational commitment on employee turnover at Istana Ratu Jakarta Hotel. The survey method used in this research and this research used 109 respondents. The research data were collected by questionnaire as the primary data. The correlation and regression analysis used in this research. The result of hypothesis test showed that there is a negative and significant influence of job satisfaction and organizational commitment on turnover.

Keywords:- Job Satisfaction, Organizational Commitment, Turnover.

I. INTRODUCTION

The aim of this research to analyze relationships on employee turnover in the hotel industry which is influenced by employee satisfaction and commitment to the organization. Research on employee attitudes and behavior at work has tested various process models that lead to employee turnover with causes of employee turnover, namely, satisfaction and commitment [1][2].

Furthermore, the causes of turnover factors besides satisfaction and commitment are other determinants of turnover. Employee turnover is generally determined by various workplace structure, environmental conditions and individual characteristics that are the cause of turnover [3].

Basically, there is a conceptual difference between satisfaction and commitment to turnover, namely employee attitude, and orientation, this makes turnover refer to employee behavior. Satisfaction shows positive emotions towards certain jobs; organizational commitment is the extent to which employees committed to organizations. [4][5][6]. Similar to the dimensions' affective commitment from Meyer and Allen's that the conceptualization of organizational commitment in this research is an affective commitment form based on loyalty employee feelings to the organization. [7][8].

The initial observation in this research found that there were problems with the high turnover employee in the hotel sector. Wei Su et al [9] state that shortages of labor not only affect service performance and limit the choice of the more qualified hotel staff. In addition, shortages of labor create a transfer of staff and high salary costs. This also causes disruption in operations and service standards because

employees must learn new skills. Davidson et al [10] added the costs of employee transfers include direct costs related to the cost of search and the activity of recruitment (i.e. agency fees, advertising costs). Whereas indirect costs such as productivity losses due to the learning process of new employees and costs related to training new employees.

A high turnover of hospitality industry employees can be seen from how much the employee wants to move to an organization or company. Some research and literature show that turnover refers to the desire of employees to look for other jobs and have not materialized in real behavior [11]. Employee satisfaction with their work and employee commitment to the organization is one factor in the intention to move. [12].

Therefore, entrepreneurs and hotel management are required to pay more attention to and understand the things their employees want. Especially in the competition in the hospitality labor market, where the employees already have special knowledge and expertise in handling all hospitality industry jobs. Huselid (1995) and the US Department of Labor (1993) state that previous research has consistently found that employee retention and productivity can increase due to human resource management uses the initiative effectively. [13]. In particular, training procedures, work environments, worker-management participation programs, promotions, incentive compensation systems, and performance appraisals that recognize have all been related to results at the company level. The results will increase the job satisfaction of hotel employees. Another factor in employee turnover is the decreased level of organizational commitment.

Organizational commitment is individual loyalty to the organization [14]. Individuals with high organizational commitment identify strongly with the organization and are proud to consider themselves as members. Individual commitment, in this case, is referred to as employee commitment must be seen as an established aspect of motivation to get a better future with the organization it enters, where understanding of commitment in employees must refer to commitment to the vision and mission outlined by the organization, whether it's a commitment to the organization or unit where it works.

Meyer et al., (1993) show that increased commitment is associated with increased productivity and increasingly low employee turnover [12]. Organizational commitment becomes very important for organizations, especially in

hospitality industries, because organizational commitment is alleged to be a better predictor of turnover intentions compared to job satisfaction. An individual enters an organization with various needs, desires, and abilities, and they hope to be able to use their abilities and fulfill various basic needs in the work environment. When the individual finds these opportunities in his work, it will be an increase in commitment to the organization. Conversely, when a company fails to provide the fulfillment of needs, the commitment to the organization tends to decrease. Employees with a high level of organizational commitment will show good performance, low turnover intentions and low absenteeism rates [12].

If the company fails to provide the fulfillment of needs, then organizational commitment tends to decrease. High employee organizational commitment will show good performance, low turnover intentions, and absences [12]. Commitment is one of the important aspects of HRM philosophy. The development is not only in the form of the willingness of employees to stay in the organization for a long time, but more than that, employees want to give the best and are willing to be loyal to the organization. If job satisfaction more reflects the employee's response to work or some aspects of daily activities, it might affect job satisfaction level. This organizational commitment is broader, which reflects the affective response of a worker to the organization as a whole.

The Bureau of Statistics (2012) states that voluntary turnover as a strong predictor for organizational commitment. [12]. The commitment tendency is positively related to the initial commitments before entering the organization, and the subsequent commitment which means after entering the organization will be negatively related to voluntary turnover, it means employee job satisfaction will influence commitment at the initial stage of entering the organization.

Salleh, Nair, and Harun [12] found that job satisfaction and organizational commitment significantly together had a negative effect on turnover. While Mossholder et al. [15] found a positive effect of job satisfaction on organizational commitment, Thus, it can be interpreted where higher levels of employee satisfaction then the employee's commitment to the organization will be higher.

II. HYPOTHESIS

A. Job Satisfaction on Turnover

Job satisfaction is a level where a person's needs, wants and expectations can be fulfilled which can reduce employee turnover. Robbins and Coulter [16] explain that job satisfaction is negatively related to turnover, but other factors such as working life, alternative employment opportunities, and labor markets is an important constraint for the turnover.

Satisfaction or dissatisfaction with work is a subjective condition, it is the result of conclusions based on a comparison of what is actually received by the employee from his job compared to what is expected, desired and thought as appropriate, or entitled to him. While each employee subjectively determines how the job is satisfying. Passewark and Strawser [17] study found that job satisfaction has a negative relationship with employee turnover. In line with the findings of Suliman and Al Obaidli [18] states that job satisfaction has a negative direct effect on employee turnover.

H1: Job Satisfaction negatively affects Turnover

B. Organizational Commitment to Turnover

Employee turnover is influenced by organizational commitment, high employee turnover results in increased investment costs in human resources (HR), and can cause instability and uncertainty regarding the condition of the workforce. This has implications for employee commitment to the organization. Organizational commitment has become very important for hospitality industries because it is allegedly a better predictor of turnover intentions compared to job satisfaction. An individual enters into an organization with a variety of needs, desire, and abilities, and they hope to find a work environment that can use abilities and fulfill various kinds of basic needs [12].

H2: Organizational Commitment negative effect on turnover.

III. RESEARCH METHODOLOGY

This study used a survey method with a casual approach with measurements of 109 respondents. This was done using primary data collected through field research by distributing questionnaires.

IV. RESULTS AND DISCUSSION

The value of the results of r-count the job satisfaction instrument is 0.443; the instrument of organizational commitment is 0.443 and the turnover instrument is 0.443. It means that the three variables have valid instruments. While reliability testing can be seen in the table below:

Variable	N	Cronbach's Alpha	N of items
Job Satisfaction (X_1)	109	.791	10
Organizational Commitment (X_2)	109	.768	10
Turnover (Y)	109	.862	10

Table 1:- Reliability Test

The reliability test results above show Alpha Cronbach's variable of job satisfaction has a value of 1 that is equal to 0.791; organizational commitment variable which is equal to 0.768; and employee turnover which is equal to 0.862. These results indicate that the three variables are reliable.

		Job Satisfaction	Organizational Commitment	Turnover
N		109	109	109
Normal Parameter ^{a,b} Most Extreme Difference	Mean	35.1560	42.0275	41.4862
	Std. Deviation	6.93645	8.80389	8.69612
	Absolute	.097	.139	.092
	Positive	.078	.139	.091
	Negative	-.097	-.087	-.092
Test Statistic		.097	.139	.092
Asymp. Sig (2-Tailed)		.313 ^c	.521 ^c	.423 ^c

Table 2

- a. Test distribution is Normal
- b. Calculated from data
- c. Lilliefors Significance Correction

From the results of the above normality test, it can be seen that the job satisfaction variable with a probability value (Asymp.Sig) is 0.313, the organizational commitment variable with a probability value of 0.521 and a turnover variable with a probability value of 0.423. From the results of normality, all variables have a probability value (Asymp.Sig) which is above 0.05 so it can be concluded that the data is normally distributed.

A. Effect of Job Satisfaction (X₁) on Turnover (Y)

The results found that there was a negative and significant influence with the level of influence between job satisfaction on turnover according to hypothesis 1. This is indicated by the path coefficient ρ_{Y1} job satisfaction (X₁) with turnover (Y) of -0.421 and at-count of -10.904 greater than t table at $\alpha = 0.05$ of 2.622.

The correlation coefficient of -0.421 indicates that the level of influence that occurs between job satisfaction and turnover. The value of t-count $\rho_{Y1} = 11.904$ which is greater than t-table at significant $\alpha = 0.05$ which is 1.982 indicates that there is a significant effect between job satisfaction on turnover. The coefficient of determination of 0.433 shows that there are 43.3% variations that occur in turn overdetermined by job satisfaction.

B. Effect of Organizational Commitment (X₂) on Turnover (Y)

The results show that there is a negative and significant influence on the level of influence between organizational commitment to turnover in accordance with hypothesis 2. This is indicated by the correlation coefficient that is 0.312 and the value of calculation ρ_1 is 9.24 which is greater than t-table at $\alpha = 0, 05$ which is 2,622. The correlation coefficient is 0.312 indicating that the level of influence occurs between organizational commitment to turnover. Job satisfaction variable (X₂) has a direct influence with turn over (Y), is $\rho_{Y1} = 0.312$.

The value of t-count ρ_{Y1} is 9.224 which is greater than t-table at significant $\alpha = 0.05$, which is 2.622 indicating that there is a significant effect of organizational commitment on turnover. The coefficient of determination is 0.401 indicating that there is a 40.1% variation that occurs in turnover determined by organizational commitment.

V. CONCLUSION

Based on the results of the study can be concluded as follows:

- First, there is a negative and significant influence on job satisfaction on turnover at the Istana Ratu Jakarta Hotel. This shows that improving job satisfaction will result in a decrease in turnover. This means that partially job satisfaction has a negative and significant effect on turnover. The job satisfaction effort can be done in reducing employee turnover by providing opportunities for employees to develop.

This effort will be of great benefit to employees. On the one hand, employees will get their own satisfaction in working, on the other hand, will have an impact on low turnover. In addition, by providing job satisfaction by paying attention to humanitarian and justice aspects, it is often very important to fulfill the basic needs of employees. In other words, if job satisfaction is increased, turnover will decrease.

- Second, there is a negative and significant influence between organizational commitment to turnover. This shows that improving organizational commitment will result in low turnover. It means that partially organizational commitment has a negative and significant effect on turnover. The efforts of organizational commitment can be done in reducing employee turnover by expanding new innovations in the Ratu Palace Hotel in improving work practices so that comfortable organizational commitment can be created that can support the smooth completion of work so that it has a low turnover impact. In other words, if employee commitment is high for the organization, turnover will be low.

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