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# THE INFLUENCE JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT ON EMPLOYEE TURNOVER INTENTION

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Keywords: Job Satisfaction, Organizational Commitment, Turnover Intention, Strategy.

Abstract: Human resources are one of the main assets in an organization, which can make an invaluable contribution to

the organization's achievement strategy. The high level of turnover intention is a serious problem at PT Nippo Mechatronics Indonesia. This study aims to analyze how much influence job satisfaction and organizational commitment on turnover intention both partially and simultaneously. Determination of the sample is done by using probability sampling with a simple random sampling method. This research is quantitative research using double linear regression analysis as data processing. In this study, job satisfaction has a negative and significant effect on turnover intention. Organizational commitment negatively affects turnover intention. Job satisfaction and organizational commitment simultaneously have a significant effect on turnover intention.

# 1 INTRODUCTION

Human resources are one of the main assets in an organization, which can make an invaluable contribution to the organization's achievement strategy. One example of the importance of the contribution of human resources in a company can be seen from its performance, where when the company already has a strong financial, raw materials are met, and the latest technology but the absence of good resources, the production process will not run properly (Moeheriono, 2012). This is where the important role of human resource management in a company is demanded. Companies need to manage human resources to achieve goals effectively by always investing in the acceptance, selection, and preservation of potential human resources so as not to have an impact on employee movement (Hasibuan, 2014). Turnover can be interpreted as the movement of labor out of the organization. Turnover leads to the final reality faced by an organization in the form of a number of employees who leave the organization at a certain period, while the desire of employees to move (turnover intention) refers to the results of individual evaluations about the continuation of relationships with the organization that have not been realized in the action definitely left the organization. Many things cause an employee to leave a job, which is the current work situation that is not in line with the desired expectations or influenced by the employee's views to get a better job alternative and satisfaction.

Job satisfaction reflects a person's feelings towards his work that can be seen from the employee's attitude towards work and everything in his work environment (Priansa, 2016). The employees work in the company to complete various tasks according to their positions and positions. To achieve this goal, employees are required to provide the best for the company. In action job satisfaction depends on what employees want from their work and what they will get from the job. In carrying out their work, an employee has a very basic problem where one employee will not have the same level of commitment. Specific characteristics of the job can increase a sense of responsibility, as well as a sense of attachment to the organization. Organizational commitment shows an employee's attitude in identifying involvement in an organization (Sudaryono, 2014). The higher the employee's commitment to the company, the better the loyalty and desire to survive in various conditions, so that the effectiveness of achieving company goals can run optimally.

The results of previous studies by Novita Sidharta on "The impact of organizational commitment and job satisfaction on turnover intention", the results showed that organizational commitment significantly influences turnover intention. The results of previous studies by Nailul Muna on "The effect of job satisfaction and organizational commitment on employee turnover intention in the division of PT. JAMSOSTEK ", the results show that job satisfaction has a significant effect on turnover intention. The results of previous studies by Rinandita Wikansari on "The effect of job satisfaction on employee turnover intention in Indonesia", the results show that job satisfaction has a significant effect on turnover intention. PT Nippo Mechatronics Indonesia is a Japanese company engaged in manufacturing precision injection molding for automotive spare parts. The company is very concerned about the quality of each employee because they assume that employees are important assets in an organization to facilitate the achievement of organizational goals. At present the high level of turnover intention is becoming a serious problem in the company. Many new employees choose to end their employment before the end of their employment contracts, which results in a reduction in the achievement of company goals. Even the company suffered losses because they have to find a replacement employee who came out and increase working hours to double-check the work of new employees.

Some employees feel unsatisfied and happy with the work given to them. They feel that the work they have received is too difficult and not following their abilities so they are less able to carry out work comfortably and optimally. Besides, the existence of unfair treatment from superiors also makes employees feel less comfortable and less enthusiastic in their daily lives in the company. The decline in employee loyalty began to be seen from some employees who began to violate company regulations, namely not working according to work standards. Lack of concern for work begins to be seen from the attitude of work that is not really, not focusing his mind on work. In fact, sometimes there are those who work while talking with their peers without thinking about the worst consequences that could occur which would certainly harm the company.

#### 2 LITERATURE REVIEW

#### 2.1 Turnover Intention

Turnover is defined as the willingness of employees to leave an organization and move to another organization. Turnover can be voluntary or forced (Robbins, 2016). According to Robbins in (Priansa, 2016) turnover intention is one form of withdrawal behavior in the world of work, but it is also at the same time the right of each individual to determine his choice, whether to keep working or leave the company. According to Mobley in (Sudaryono, 2014) the term turnover intention is one's desire to leave the organization, namely evaluation of one's current position regarding dissatisfaction can trigger one's desire to leave and find another job. Whereas (Mowday R T, 1982) explains that turnover intention is the process by which workers leave the organization and there must be someone to replace it. Conceptually, turnover intention is the desire of a person to leave his job because of dissatisfaction with his current job and has found a new better job.

#### 2.2 Job Satisfaction

Job satisfaction is an individual's general attitude toward his work (Robbins, 2016). Job satisfaction is a person's perspective both positive and negative about their work (Siagian, 2013). According to Luthans in (Priansa, 2016) Job satisfaction reflects a person's feelings towards his work which can be seen from the employee's attitude towards work and everything in his work environment Based on the description, it can be concluded that job satisfaction is the general attitude of employees towards their work in an organization

# 2.3 Organizational Commitment

Organizational commitment is the level where employees associate themselves with certain organizations, goals and hope to maintain membership in the organization (Robbins, 2016). Organizational commitment shows an employee's attitude in identifying involvement in an organization (Sudaryono, 2014). According to Mathias and Jackson in (Sudaryono, 2014) The expansion of logical organizational commitment is more focused on ongoing commitment, which explains that the decision to remain with the organization or leave the organization is reflected in absenteeism or turnover. Conceptually, organizational commitment is a form of attachment to the organization in order to maintain its membership to achieve organizational goals.

#### 2.4 Hypothesis Development

#### The relationship between job satisfaction and turnover intention

Job satisfaction reflects a person's feelings towards his work that can be seen from the employee's attitude towards work and everything in his work environment (Priansa, 2016). The employees work in the company to complete various tasks according to their positions and positions. To achieve this goal, employees are required to provide the best for the company. Basically employee job satisfaction depends on what employees want from their work and what they will get from the job. Previous research by Nur Endah Sumiwi Bonussyeani, entitled "The effect of job insecurity, job satisfaction and organizational commitment on the desire to change jobs", was published in the Indonesian Journal of Accounting and Finance Volume 6, Number 1, June 2009, resulting in the conclusion that job satisfaction has a positive effect on desire to move. Based on this description, the first hypothesis proposed in this study is as follows:

H1: Job satisfaction has a positive and significant effect on Turnover Intention of PT. Nippo Mechatronics Indonesia

#### The relationship between work commitment to turnover intention

Organizational commitment shows an employee's attitude in identifying involvement in an organization (Sudaryono, 2014). The higher the employee's commitment to the company, the better the loyalty and desire to survive in various conditions, so that the effectiveness of achieving company goals can run optimally. Previous research by Novita Sidharta, entitled "The impact of organizational commitment and job satisfaction on turnover intention in empirical studies on the operator employees in one of the garment companies in CIMAHI", was published in Management Journal, Volume 10, Number 2, May 2011, resulting in the conclusion that commitment organization has a significant effect on turnover intention. Based on this description, the first hypothesis proposed in this study is as follows:

H2: Organizational commitment has a positive and significant effect on PT. Nippo Mechatronics Indonesia.

# The relationship between job satisfaction and organizational commitment has a positive and significant impact on PT Nippo Mechatronics Indonesia's Turnover Intention

Turnover can be interpreted as the movement of labor out of the organization. Turnover leads to the final reality faced by an organization in the form of a number of employees who leave the organization at a certain period, while the desire of employees to move (turnover intention) refers to the results of individual evaluations about the continuation of relationships with the organization that have not been realized in action definitely left the organization. Many things cause an employee to leave a job, which is the current work situation that is not in line with the desired expectations or influenced by the employee's views to get a better job alternative and satisfaction. Lack of loyalty from employees can also be another cause of the desire to move. Previous research by Selvi Nurul Hidayati, entitled "The effect of job satisfaction and organizational commitment on turnover intention," published in the Journal of Accounting, Economics, and Business Management, Volume 5, Number 1, July 2017, produced the conclusion that job satisfaction and organizational commitment have a significant effect towards turnover intention. Based on this description, the first hypothesis proposed in this study is as follows:

H3: Job satisfaction and organizational commitment have a positive and significant effect on employee turnover intentions of PT. Nippo Mechatronics Indonesia

#### 2.5 Research Framework

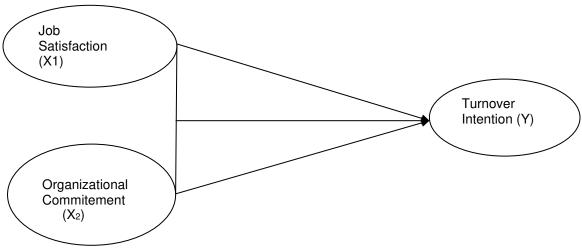


Figure 1. Research Framework

# 3 METHODOLOGY

The method in this study, based on the objectives to be achieved by the nature of the relationship between variables, then this study is a descriptive study. This research was conducted at PT Nippo Mechatronics, Indonesia. The population is all employees at PT Nippo Mechatronics and the sample in this study amounted to 152 people. The questionnaire uses a Likert scale with five answer choices. Statistical analysis tool used to analyze research data using the Statistical Package for the Social Science (SPSS) program.

# 4 FINDINGS AND DISCUSSION

# 4.1 Respondent Profile

Table 1. Gender Respondent

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Man	20	13,2	13,2	13,2
	Woman	132	86,8	86,8	100,0
	Total	152	100,0	100,0	

Based on the table above it can be seen that the majority of male respondents is 13.2% while for female respondents is 86.8%.

Table 2. Characteristics of Respondents by Age

_		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	17-23	83	54,6	54,6	54,6
	24-30	58	38,2	38,2	92,8
	> 30	11	7,2	7,2	100,0
	Total	152	100,0	100,0	

Based on the table above it can be seen that the majority of respondents aged 17-23 years, which is as much as 54.6%. While the age of 24-30 years is 38.2% and> 30 years is 7.2%.

Table 3. Characteristics of Respondents Based on Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High School	137	90,1	90,1	90,1
	Academy	5	3,3	3,3	93,4
	Bachelor	10	6,6	6,6	100,0
	Total	152	100,0	100,0	

Based on the table above it can be seen that the majority of respondents have a high school education background, which is as much as 90.1%, and others are D-3 as much as 3.3% and S-1 as much as 6.6%.

Table 4. Characteristics of Respondents Based on Years of Service

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-6 Month	8	5,3	5,3	5,3
	1 Year	75	49,3	49,3	54,6
	> 1Year	69	45,4	45,4	100,0
	Total	152	100,0	100,0	

Based on the table above it can be seen that the respondents who worked in the period 0-6 Months were 5.3%. While the working period in the period of 1 year is 49.3% and> 1 year is 45.4%.

# 4.2 Hypothesis Testing

Based on the table above it can be seen that respondents who worked in the period 0-6 Months were 5.3%. While the working period in the period of 1 year is 49.3% and> 1 year is 45.4%.

Table 5. Model Summary

				_
				Std. Error of
Model	R	R Square	Adjusted R Square	the Estimate
1	,534ª	,285	,276	3,061

From the table above we get the coefficient of double determination value of R2 = 0.285. Adj. Value R2 = 0.276 shows that X1 and X2 in the model together are able to explain 27.6% of variation X while 72.4% of other variations of X are explained by other variables not examined. The next analysis results are ANOVA table which is used to test the third hypothesis, which is the effect of job satisfaction and organizational commitment on turnover intention.

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Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	557,195	2	278,597	29,74 3	,000 <sup>b</sup>
Residual	1395,647	149	9,367		
Total	1952,842	151			

Multiple linear regression analysis also produces a coefficient table that shows the partial effect of job satisfaction and organizational commitment on turnover intention as follows:

Table 7. Coefficients

	Unstandardized Coefficients		Standardize d Coefficients		
Model	В	Std. Error	Beta	t	Sig.
1 (Constant)	22,83 4	3,605		6,3 34	,000
Job Satisfaction	-,231	,063	-,275	3,662	,000
Organizational Commitment	-,355	,073	-,364	- 4,857	,000

From the data in the table can be arranged a model of multiple linear regression equation based on column B, as follows:

$$Y = \alpha + b1.x1 + b2.x2 + ... + bn.xn$$
  
 $Y = 22.834 + (-0.231) X1 + (-0.355) X2$ 

The multiple linear regression equation model results of the analysis can be interpreted as follows:

- The constant value of (a) = 22,834, meaning that if X1 and X2 are not present then Y will be positive
- Regression coefficient X1 of b1 = -0.231, shows that X1 affects Y in a negative direction
- Regression coefficient X2 of b2 = -0.355, shows that X2 affects Y in a negative direction

Hypothesis testing is carried out three times in accordance with the proposed hypothesis, which is as follows:

- 1. Testing the first Hypothesis: The Effect of Job Satisfaction on Turnover Intention. The first hypothesis proposed in this study is the effect of job satisfaction on turnover intention of PT. NIPPO MECHATRONICS INDONESIA. In the double linear regression equation Y = 22,834 + (-0,231) X1 + (-0,355) X2. From the equation above shows the results of t count variable job satisfaction (X1) of -3.662 and significant value of 0. So that it shows -t count> -t table or (-3.662> -1.655) and sig <0.05 or (0 < 0, 05), then Ho is rejected and H1 is accepted, which means job satisfaction has a negative and significant effect on turnover intention.
- 2. Second Hypothesis Testing: The Effect of Organizational Commitment on Turnover Intention The second hypothesis proposed in this study is the effect of organizational commitment on PT. NIPPO MECHATRONICS INDONESIA. In the multiple linear regression equation model  $\hat{Y}=22.834+(-0.231)~X1+(-0.355)~X2$ . From the equation above shows the results of t count variable organizational commitment (X2) of -4.857 and significant value of 0. So that shows -t count> -t table or (-4.8857> -1.6655) and sig <0.05 or (0 < 0,05), then Ho is rejected, and H2 is accepted, which means organizational commitment has a negative and significant effect on turnover intention
- 3. Testing the third Hypothesis: Job Satisfaction and Organizational Commitment to Turnover Intention. The third hypothesis proposed in this study is that there is an influence of job satisfaction and organizational commitment on PT. Nippo mechatronics INDONESIA. The effect is shown by the adjusted determination coefficient double value Adjusted R Square 0.276. Adjusted R Square 0.276 has

a calculated F value of 29.743 and a significant value of 0. So that it shows F arithmetic> F table or (29.743 > 3.06) and sig <0.05 or (0 < 0.05), then Ho is rejected, and H3 accepted, which means job satisfaction and organizational commitment significantly influence turnover intention.

#### 5 CONCLUSION

Based on the results of data analysis that has been carried out on all data obtained, it can be concluded, first is that Job satisfaction has a negative effect, meaning that the more increased job satisfaction, the lower the turnover intention. Second, Organizational Commitment has a negative and significant effect on Turnover Intention, meaning that the more organizational commitment increases, then the turnover intention decreases. The Effect of Job Satisfaction and Organizational Commitment on Turnover Intention is shown by the calculated F value of 29.743 and significant at 0. The findings of this study indicate the importance of Job Satisfaction and Organizational Commitment to Turnover Intention. Therefore, efforts are needed to increase job satisfaction and more organizational commitment together. These efforts can be done by improving every variable that has the potential to affect Turnover Intention, especially job satisfaction and organizational commitment, and also not forgetting other variables not examined such as Motivation, Leadership Style and others.

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